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## APPENDICES

### Appendix A: Questionnaire to test vertical trust in a Category B municipality

**Dear Employee**

We would like to invite you to participate in a research study, evaluating your perception of trust toward your management and its effect on your job performance to improve basic service delivery.

The questionnaire attempts to identify the influence of the employee's trust in management and its effect on performance within the Municipality. In other words, does this organizational trust influence employees' performances in effective service delivery?

The questionnaire will take approximately fifteen (15) minutes to complete, and we appreciate your valuable contribution towards a better understanding of your perception, and ensuring that the Municipality provides effective service delivery to the town/ city and surrounding areas.

*Please note that all information shared in this questionnaire and all future interactions will be treated confidentially and will be used only for research purposes. No confidential- and personal identifiable information will be shared with any third party.*

Kindly complete each section and answer all the questions.

Thank you for your cooperation in this regard.

#### Section A

Please indicate by means of a cross (X) the option that applies to you:

**1) Gender:**

|      |   |        |   |
|------|---|--------|---|
| Male | 1 | Female | 2 |
|------|---|--------|---|

**2) Age:**

|                      |   |              |   |              |   |               |   |                    |   |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|
| 20 years and younger | 1 | 21– 30 years | 2 | 31- 40 years | 3 | 41 – 60 years | 4 | 61 years and older | 5 |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|

**3) Months/ Years of employment at the Municipality:**

|                |   |                |   |                |   |                 |   |              |   |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|
| 0-12<br>Months | 1 | 1 – 3<br>years | 2 | 4 – 6<br>years | 3 | 7 – 10<br>years | 4 | 11+<br>years | 5 |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|

**4) Please indicate the Directorate/ Department you work for:**

|                                      |                      |  |  |   |                           |                               |  |   |
|--------------------------------------|----------------------|--|--|---|---------------------------|-------------------------------|--|---|
| Civil<br>Engineeri<br>ng<br>Services | Commun<br>ity Safety | Corporate<br>and Social<br>Developm<br>ent | Corpora<br>te<br>Service<br>s<br>(includi<br>ng the<br>office of<br>the<br>Municip<br>al<br>Manage<br>r) | Electro-<br>Techni<br>cal<br>Service<br>s | Environme<br>ntal Affairs | Financi<br>al<br>Servic<br>es | Local<br>Economic<br>Developm<br>ent<br>Services | Planning<br>and<br>Human<br>Settlemen<br>ts |
| 1                                    | 2                    | 3  | 4  | 5   | 6                         | 7                             | 8  | 9   |
| Other: Please<br>Specify             |                      | 10   |  |   |                           |                               |  |   |

**5) Please indicate your job category:**

|                       |   |            |   |          |   |           |   |              |   |                |   |
|-----------------------|---|------------|---|----------|---|-----------|---|--------------|---|----------------|---|
| T1 – T3               | 1 | T4 –<br>T8 | 2 | T9 – T13 | 3 | T14 – T18 | 4 | T19 –<br>T20 | 5 | Do not<br>know | 6 |
| Other: Please specify |   |            | 7 |          |   |           |   |              |   |                |   |

**6) I have the following qualification:**

|                       |                         |        |                   |                    |                     |
|-----------------------|-------------------------|--------|-------------------|--------------------|---------------------|
| Grade 12 and<br>less  | Diploma/<br>Certificate | Degree | Honours<br>Degree | Master's<br>Degree | Doctorate<br>Degree |
| 1                     | 2                       | 3      | 4                 | 5                  | 6                   |
| Other: Please specify |                         | 7      |                   |                    |                     |



**7) Are you a manager?**

|     |   |    |   |
|-----|---|----|---|
| Yes | 1 | No | 2 |
|-----|---|----|---|

**8) Your work expects you to spend most of your time at work:**

|               |   |                   |   |
|---------------|---|-------------------|---|
| In the office | 1 | Out of the office | 2 |
|---------------|---|-------------------|---|

The following five (5) sections relate to your job satisfaction, employee empowerment, communication and management reporting.

| 1                        | 2               | 3                                 | 4            | 5                     |
|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| <b>Strongly Disagree</b> | <b>Disagree</b> | <b>Neither agree nor disagree</b> | <b>Agree</b> | <b>Strongly Agree</b> |

Think about Management to whom you report to at the Municipality. For each statement, mark a (X) that best describes how much you agree or disagree with each statement, using the above scale:

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| <b>Section B: Job Satisfaction</b>  |                        |               |                                 |            |                     |
| 2.1 It is a pleasure coming to work daily.  |                        |               |                                 |            |                     |
| 2.2 I take pleasure in doing my work.   |                        |               |                                 |            |                     |
| 2.3 I have no intention of leaving my job.  |                        |               |                                 |            |                     |
| 2.4 The work I do adds value in delivering the basic services in town / city and the surrounding communities. |                        |               |                                 |            |                     |
| 2.5 The municipality is a great organisation to work for.   |                        |               |                                 |            |                     |
| 2.6 I would recommend anyone to work for the municipality.  |                        |               |                                 |            |                     |
| 2.7 My personal skills and capabilities are testimony of the good job I'm doing.                              |                        |               |                                 |            |                     |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| 2.8 Management has my personal interest at heart whenever I am required to do my job.           |                        |               |                                 |            |                     |
| 2.9 Working conditions at the municipality allows me to effectively do my job.                  |                        |               |                                 |            |                     |
| 2.10 Management is actively involved and supports me in my career path within the municipality. |                        |               |                                 |            |                     |
| 2.11 I am assured that I won't lose my job.   |                        |               |                                 |            |                     |

| <b>Section C: Employee Empowerment</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 3.1 When I am at work, I am not scared to raise an opinion involving my work.                             |  |  |  |  |  |
| 3.2 Management involves me in decisions that affect my work.  |  |  |  |  |  |
| 3.3 Management installs confidence in me for the work I need to do.                                       |  |  |  |  |  |
| 3.4 Management allows me to do my job the way I see it best, as long as my work is effectively concluded. |  |  |  |  |  |
| 3.5 Management creates an environment in which successes are celebrated.                                  |  |  |  |  |  |
| 3.6 Management encourages innovative ways to effectively deliver basic services to the community.         |  |  |  |  |  |
| 3.7 Management empowers me to make decisions that will positively influence my work.                      |  |  |  |  |  |

|  | 1<br>Strongly<br>disagree | 2<br>Disagree | 3<br>Neither<br>agree<br>nor<br>disagree | 4<br>Agree | 5<br>Strongly<br>agree |
|--|---------------------------|---------------|--|------------|------------------------|
| <b>Section D: Communication</b>  |                           |               |  |            |                        |
| 4.1 A sense of transparency is evident in the way Management conduct their work.   |                           |               |  |            |                        |
| 4.2 Management trusts me to effectively do my job  |                           |               |  |            |                        |
| 4.3 Management communicates and displays a sense of fairness towards employees.  |                           |               |  |            |                        |
| 4.4 Management's actions and behaviour are very consistent.  |                           |               |  |            |                        |
| 4.5 Management delivers on their promises to employees.  |                           |               |  |            |                        |
| 4.6 Management is always willing to discuss my personal wellbeing with immense compassion.   |                           |               |  |            |                        |
| 4.7 Management makes me feel appreciated in how they communicate tasks to me.  |                           |               |  |            |                        |
| 4.8 I believe there is trust between management and employees.   |                           |               |  |            |                        |
| 4.9 Management creates an environment where they communicate honestly with employees.  |                           |               |  |            |                        |
| 4.10 Management sufficiently communicate the municipality's strategic objectives to employees.                                       |                           |               |  |            |                        |
| 4.11 I know and understand the municipality's key strategic objectives for effective service delivery over the next three (3) years. |                           |               |  |            |                        |
| 4.12 As an employee, I participated in   |                           |               |  |            |                        |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| the formulation of the municipality's strategic vision. |                        |               |                                 |            |                     |

| <b>Section E: Management reporting</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 5.1 Management is good in setting realistic goals and assists me in achieving it.   |  |  |  |  |  |
| 5.2 My opinion on work related issues is important to management.   |  |  |  |  |  |
| 5.3 Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality.                |  |  |  |  |  |
| 5.4 I know that I can trust management.   |  |  |  |  |  |
| 5.5 Management has the ability to align employees in order to work towards a common goal.   |  |  |  |  |  |
| 5.6 Management conduct themselves in a polite and professional manner when addressing work related issues to employees.                             |  |  |  |  |  |
| 5.7 I feel that management is capable of implementing strategies that will successfully lead to better delivery of basic services to the community. |  |  |  |  |  |

With regards to the key performance evaluation criteria at the Municipality, please answer the following questions:

| <b>Section F: Performance management</b>                            |  |  |  |  |  |
|---|--|--|--|--|--|
| 6.1 Performance feedback is regularly provided on how I do my work. |  |  |  |  |  |

|  | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|--|------------------------|---------------|---------------------------------|------------|---------------------|
| 6.2 I believe that my performance reviews are fair and accurate.   |                        |               |                                 |            |                     |
| 6.3 I know and understand my performance agreement with the municipality.  |                        |               |                                 |            |                     |
| 6.4 I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality. |                        |               |                                 |            |                     |
| 6.5 I sense that management has a tendency of treating good performers differently than non-performers.  |                        |               |                                 |            |                     |
| 6.6 Management is committed to manage my performance and assist in my career and personal development.   |                        |               |                                 |            |                     |
| 6.7 I was allowed by management to enrol for training programmes over the last year.   |                        |               |                                 |            |                     |

**Section G: Personal view of trust between management and employees**

7.1 How would you define trust in your working environment? Hoe sal u vertroue omskryf in u werksomgewing?

7.2 What is your understanding of trust between management and employee? Wat is u seining rondom vertroue tussen bestuur en amptenare?

|  |
|--|
|  |
| 7.3 Will the employee's trust in management result in improved service delivery? / Sal amptenare se vertrouwe in die bestuur lei tot die verbetering in dienslewering? |
|  |
| 7.4 How do you experience the trust between you and management? / Hoe ondervind u die vertrouensverhouding tussen uself en die bestuur?                                |
|  |
| 7.5 What is the biggest factor that enables you to effectively do your job? / Wat is die grootste faktor wat u instaat stel om u werk effektief te verrig?             |
|  |
| 7.6 What prohibits you from effectively doing your job? / Wat verhoed u om werk effektief te verrig?   |
|  |

|   |
|---|
|   |
| 7.7 What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years? / Wat is die vernaamste rede, volgens u, waarom die munisipaliteit die afgelope paar jaar 'n skoon oudit vanaf die Ouditeur Generaal ontvang het? |
|   |
| 7.8 Any suggestions/ other comments in this regard? / Enige ander voorstelle/ kommentaar in hierdie verband?  |
|   |

**THANK YOU AND WE APPRECIATE YOUR TIME AND EFFORT**  
**The Researcher**

## Appendix B: Details of internal consistency of each dimension specific scale

### Dimension 1: Job Satisfaction

| Statements of Job Satisfaction | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|--------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section B Statement 1          | 2.93 | 1.322          | 187 | .802                             | .927                             |
| Section B Statement 2          | 3.53 | 1.280          | 187 | .783                             | .928                             |
| Section B Statement 3          | 3.09 | 1.406          | 187 | .715                             | .931                             |
| Section B Statement 4          | 3.73 | 1.389          | 187 | .734                             | .930                             |
| Section B Statement 5          | 3.06 | 1.288          | 187 | .786                             | .928                             |
| Section B Statement 6          | 2.84 | 1.279          | 187 | .733                             | .930                             |
| Section B Statement 7          | 3.58 | 1.277          | 187 | .690                             | .932                             |
| Section B Statement 8          | 2.57 | 1.336          | 187 | .764                             | .929                             |
| Section B Statement 9          | 2.57 | 1.261          | 187 | .693                             | .932                             |
| Section B Statement 10         | 2.38 | 1.257          | 187 | .715                             | .931                             |
| Section B Statement 11         | 2.88 | 1.230          | 187 | .619                             | .935                             |



## Dimension 2: Employee Empowerment

| Statements of Employee Empowerment | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section C Statement 1              | 3.14 | 1.419          | 188 | .662                             | .931                             |
| Section C Statement 2              | 2.39 | 1.256          | 188 | .772                             | .920                             |
| Section C Statement 3              | 2.71 | 1.333          | 188 | .818                             | .915                             |
| Section C Statement 4              | 2.97 | 1.389          | 188 | .785                             | .918                             |
| Section C Statement 5              | 2.45 | 1.242          | 188 | .808                             | .916                             |
| Section C Statement 6              | 2.74 | 1.316          | 188 | .813                             | .915                             |
| Section C Statement 7              | 2.58 | 1.160          | 188 | .798                             | .918                             |

#### Dimension 4: Management Reporting

| Statements of Management Reporting | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section E Statement 1              | 2.52 | 1.234          | 196 | .860                             | .941                             |
| Section E Statement 2              | 2.58 | 1.244          | 196 | .826                             | .944                             |
| Section E Statement 3              | 2.40 | 1.226          | 196 | .832                             | .944                             |
| Section E Statement 4              | 2.35 | 1.187          | 196 | .857                             | .942                             |
| Section E Statement 5              | 2.50 | 1.251          | 196 | .867                             | .941                             |
| Section E Statement 6              | 2.68 | 1.318          | 196 | .855                             | .942                             |
| Section E Statement 7              | 3.00 | 1.198          | 196 | .742                             | .951                             |

## Dimension 5: Performance Management

| Statement of Performance Management | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section F Statement 1               | 2.22 | 1.199          | 186 | .684                             | .888                             |
| Section F Statement 2               | 2.89 | 1.327          | 186 | .749                             | .881                             |
| Section F Statement 3               | 3.08 | 1.311          | 186 | .732                             | .883                             |
| Section F Statement 4               | 2.96 | 1.347          | 186 | .750                             | .880                             |
| Section F Statement 5               | 2.70 | 1.279          | 186 | .689                             | .888                             |
| Section F Statement 6               | 2.35 | 1.164          | 186 | .779                             | .879                             |
| Section F Statement 7               | 2.46 | 1.340          | 186 | .581                             | .900                             |

**Appendix C: Frequencies and means of responses for statements posted in Section B to Section F**

**Section B: Job satisfaction**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 43        | 21.0    | 21.2          | 21.2               |
|             | Disagree                   | 30        | 14.6    | 14.8          | 36.0               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.7          | 54.7               |
|             | Agree                      | 71        | 34.6    | 35.0          | 89.7               |
|             | Strongly agree             | 21        | 10.2    | 10.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 27        | 13.2    | 13.3          | 13.3               |
|             | Disagree                   | 17        | 8.3     | 8.4           | 21.7               |
|             | Neither agree nor disagree | 15        | 7.3     | 7.4           | 29.1               |
|             | Agree                      | 99        | 48.3    | 48.8          | 77.8               |
|             | Strongly agree             | 45        | 22.0    | 22.2          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 40               | 19.5           | 20.1                 | 20.1                      |
|                    | Disagree                   | 24               | 11.7           | 12.1                 | 32.2                      |
|                    | Neither agree nor disagree | 45               | 22.0           | 22.6                 | 54.8                      |
|                    | Agree                      | 50               | 24.4           | 25.1                 | 79.9                      |
|                    | Strongly agree             | 40               | 19.5           | 20.1                 | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 28               | 13.7           | 14.0                 | 14.0                      |
|                    | Disagree                   | 14               | 6.8            | 7.0                  | 21.0                      |
|                    | Neither agree nor disagree | 7                | 3.4            | 3.5                  | 24.5                      |
|                    | Agree                      | 77               | 37.6           | 38.5                 | 63.0                      |
|                    | Strongly agree             | 74               | 36.1           | 37.0                 | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 34        | 16.6    | 16.7          | 16.7               |
|             | Disagree                   | 27        | 13.2    | 13.3          | 30.0               |
|             | Neither agree nor disagree | 49        | 23.9    | 24.1          | 54.2               |
|             | Agree                      | 64        | 31.2    | 31.5          | 85.7               |
|             | Strongly agree             | 29        | 14.1    | 14.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.3          | 20.3               |
|             | Disagree                   | 32        | 15.6    | 15.8          | 36.1               |
|             | Neither agree nor disagree | 52        | 25.4    | 25.7          | 61.9               |
|             | Agree                      | 55        | 26.8    | 27.2          | 89.1               |
|             | Strongly agree             | 22        | 10.7    | 10.9          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 24        | 11.7    | 11.8          | 11.8               |
|             | Disagree                   | 18        | 8.8     | 8.8           | 20.6               |
|             | Neither agree nor disagree | 22        | 10.7    | 10.8          | 31.4               |
|             | Agree                      | 90        | 43.9    | 44.1          | 75.5               |
|             | Strongly agree             | 50        | 24.4    | 24.5          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 59        | 28.8    | 29.5          | 29.5               |
|             | Disagree                   | 44        | 21.5    | 22.0          | 51.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.0          | 70.5               |
|             | Agree                      | 41        | 20.0    | 20.5          | 91.0               |
|             | Strongly agree             | 18        | 8.8     | 9.0           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 52               | 25.4           | 26.0                 | 26.0                      |
|                    | Disagree                   | 46               | 22.4           | 23.0                 | 49.0                      |
|                    | Neither agree nor disagree | 47               | 22.9           | 23.5                 | 72.5                      |
|                    | Agree                      | 40               | 19.5           | 20.0                 | 92.5                      |
|                    | Strongly agree             | 15               | 7.3            | 7.5                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 69               | 33.7           | 34.5                 | 34.5                      |
|                     | Disagree                   | 46               | 22.4           | 23.0                 | 57.5                      |
|                     | Neither agree nor disagree | 40               | 19.5           | 20.0                 | 77.5                      |
|                     | Agree                      | 33               | 16.1           | 16.5                 | 94.0                      |
|                     | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |



| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 40        | 19.5    | 19.7          | 19.7               |
|              | Disagree                   | 26        | 12.7    | 12.8          | 32.5               |
|              | Neither agree nor disagree | 64        | 31.2    | 31.5          | 64.0               |
|              | Agree                      | 56        | 27.3    | 27.6          | 91.6               |
|              | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|              | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing      | System                     | 2         | 1.0     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

## Means

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.93 | 1.322          |
| 2         | 3.53 | 1.280          |
| 3         | 3.09 | 1.406          |
| 4         | 3.73 | 1.389          |
| 5         | 3.06 | 1.288          |
| 6         | 2.84 | 1.279          |
| 7         | 3.58 | 1.277          |
| 8         | 2.57 | 1.336          |
| 9         | 2.57 | 1.261          |
| 10        | 2.38 | 1.257          |
| 11        | 2.88 | 1.230          |

### Section C: Employee empowerment

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 19.6          | 19.6               |
|             | Disagree                   | 35        | 17.1    | 17.2          | 36.8               |
|             | Neither agree nor disagree | 20        | 9.8     | 9.8           | 46.6               |
|             | Agree                      | 77        | 37.6    | 37.7          | 84.3               |
|             | Strongly agree             | 32        | 15.6    | 15.7          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 31.0          | 31.0               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 60.1               |
|             | Neither agree nor disagree | 32        | 15.6    | 15.8          | 75.9               |
|             | Agree                      | 38        | 18.5    | 18.7          | 94.6               |
|             | Strongly agree             | 11        | 5.4     | 5.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 42        | 20.5    | 20.9          | 47.3               |
|             | Neither agree nor disagree | 35        | 17.1    | 17.4          | 64.7               |
|             | Agree                      | 56        | 27.3    | 27.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.3          | 23.3               |
|             | Disagree                   | 30        | 14.6    | 14.9          | 38.1               |
|             | Neither agree nor disagree | 34        | 16.6    | 16.8          | 55.0               |
|             | Agree                      | 68        | 33.2    | 33.7          | 88.6               |
|             | Strongly agree             | 23        | 11.2    | 11.4          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.1          | 28.1               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 57.1               |
|             | Neither agree nor disagree | 40        | 19.5    | 19.7          | 76.8               |
|             | Agree                      | 35        | 17.1    | 17.2          | 94.1               |
|             | Strongly agree             | 12        | 5.9     | 5.9           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 48        | 23.4    | 23.6          | 23.6               |
|             | Disagree                   | 42        | 20.5    | 20.7          | 44.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.7          | 65.0               |
|             | Agree                      | 54        | 26.3    | 26.6          | 91.6               |
|             | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 21.4          | 21.4               |
|             | Disagree                   | 53        | 25.9    | 27.6          | 49.0               |
|             | Neither agree nor disagree | 54        | 26.3    | 28.1          | 77.1               |
|             | Agree                      | 33        | 16.1    | 17.2          | 94.3               |
|             | Strongly agree             | 11        | 5.4     | 5.7           | 100.0              |
|             | Total                      | 192       | 93.7    | 100.0         |                    |
| Missing     | System                     | 13        | 6.3     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 3.14 | 1.419          |
| 2         | 2.39 | 1.256          |
| 3         | 2.71 | 1.333          |
| 4         | 2.97 | 1.389          |
| 5         | 2.45 | 1.242          |
| 6         | 2.74 | 1.316          |
| 7         | 2.58 | 1.160          |

## Section D: Communication

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.9          | 26.9               |
|             | Disagree                   | 52        | 25.4    | 26.4          | 53.3               |
|             | Neither agree nor disagree | 47        | 22.9    | 23.9          | 77.2               |
|             | Agree                      | 33        | 16.1    | 16.8          | 93.9               |
|             | Strongly agree             | 12        | 5.9     | 6.1           | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 29        | 14.1    | 14.7          | 14.7               |
|             | Disagree                   | 23        | 11.2    | 11.7          | 26.4               |
|             | Neither agree nor disagree | 42        | 20.5    | 21.3          | 47.7               |
|             | Agree                      | 77        | 37.6    | 39.1          | 86.8               |
|             | Strongly agree             | 26        | 12.7    | 13.2          | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 54        | 26.3    | 26.9          | 54.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 73.6               |
|             | Agree                      | 41        | 20.0    | 20.4          | 94.0               |
|             | Strongly agree             | 12        | 5.9     | 6.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 56.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 77.1               |
|             | Agree                      | 33        | 16.1    | 16.4          | 93.5               |
|             | Strongly agree             | 13        | 6.3     | 6.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 5</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 65               | 31.7           | 32.7                 | 32.7                      |
|                    | Disagree                   | 58               | 28.3           | 29.1                 | 61.8                      |
|                    | Neither agree nor disagree | 49               | 23.9           | 24.6                 | 86.4                      |
|                    | Agree                      | 16               | 7.8            | 8.0                  | 94.5                      |
|                    | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 6</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.3                 | 30.3                      |
|                    | Disagree                   | 56               | 27.3           | 28.3                 | 58.6                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.2                 | 77.8                      |
|                    | Agree                      | 33               | 16.1           | 16.7                 | 94.4                      |
|                    | Strongly agree             | 11               | 5.4            | 5.6                  | 100.0                     |
|                    | Total                      | 198              | 96.6           | 100.0                |                           |
| Missing            | System                     | 7                | 3.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |



| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 55.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.6               |
|             | Agree                      | 36        | 17.6    | 17.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 64        | 31.2    | 31.8          | 59.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 80.1               |
|             | Agree                      | 24        | 11.7    | 11.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.0                 | 30.0                      |
|                    | Disagree                   | 61               | 29.8           | 30.5                 | 60.5                      |
|                    | Neither agree nor disagree | 39               | 19.0           | 19.5                 | 80.0                      |
|                    | Agree                      | 28               | 13.7           | 14.0                 | 94.0                      |
|                    | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 46               | 22.4           | 23.0                 | 23.0                      |
|                     | Disagree                   | 52               | 25.4           | 26.0                 | 49.0                      |
|                     | Neither agree nor disagree | 57               | 27.8           | 28.5                 | 77.5                      |
|                     | Agree                      | 34               | 16.6           | 17.0                 | 94.5                      |
|                     | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 42        | 20.5    | 21.0          | 21.0               |
|              | Disagree                   | 36        | 17.6    | 18.0          | 39.0               |
|              | Neither agree nor disagree | 54        | 26.3    | 27.0          | 66.0               |
|              | Agree                      | 57        | 27.8    | 28.5          | 94.5               |
|              | Strongly agree             | 11        | 5.4     | 5.5           | 100.0              |
|              | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing      | System                     | 5         | 2.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

| STATEMENT 12 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 50        | 24.4    | 25.3          | 25.3               |
|              | Disagree                   | 51        | 24.9    | 25.8          | 51.0               |
|              | Neither agree nor disagree | 41        | 20.0    | 20.7          | 71.7               |
|              | Agree                      | 47        | 22.9    | 23.7          | 95.5               |
|              | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|              | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing      | System                     | 7         | 3.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

## Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.50 | 1.214          |
| 2         | 3.19 | 1.242          |
| 3         | 2.48 | 1.241          |
| 4         | 2.46 | 1.218          |
| 5         | 2.24 | 1.147          |
| 6         | 2.42 | 1.220          |
| 7         | 2.48 | 1.250          |
| 8         | 2.39 | 1.195          |
| 9         | 2.34 | 1.208          |
| 10        | 2.55 | 1.171          |
| 11        | 2.82 | 1.221          |
| 12        | 2.58 | 1.216          |

## Section E: Management reporting

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.5          | 23.5               |
|             | Disagree                   | 65        | 31.7    | 32.5          | 56.0               |
|             | Neither agree nor disagree | 39        | 19.0    | 19.5          | 75.5               |
|             | Agree                      | 34        | 16.6    | 17.0          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 45        | 22.0    | 22.4          | 22.4               |
|             | Disagree                   | 60        | 29.3    | 29.9          | 52.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 73.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 56               | 27.3           | 28.1                 | 28.1                      |
|                    | Disagree                   | 60               | 29.3           | 30.2                 | 58.3                      |
|                    | Neither agree nor disagree | 43               | 21.0           | 21.6                 | 79.9                      |
|                    | Agree                      | 26               | 12.7           | 13.1                 | 93.0                      |
|                    | Strongly agree             | 14               | 6.8            | 7.0                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 62               | 30.2           | 31.0                 | 31.0                      |
|                    | Disagree                   | 50               | 24.4           | 25.0                 | 56.0                      |
|                    | Neither agree nor disagree | 52               | 25.4           | 26.0                 | 82.0                      |
|                    | Agree                      | 26               | 12.7           | 13.0                 | 95.0                      |
|                    | Strongly agree             | 10               | 4.9            | 5.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 58        | 28.3    | 28.9          | 55.2               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 93.0               |
|             | Strongly agree             | 14        | 6.8     | 7.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 40        | 19.5    | 19.9          | 46.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 67.2               |
|             | Agree                      | 49        | 23.9    | 24.4          | 91.5               |
|             | Strongly agree             | 17        | 8.3     | 8.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 28        | 13.7    | 13.9          | 13.9               |
|             | Disagree                   | 42        | 20.5    | 20.8          | 34.7               |
|             | Neither agree nor disagree | 56        | 27.3    | 27.7          | 62.4               |
|             | Agree                      | 56        | 27.3    | 27.7          | 90.1               |
|             | Strongly agree             | 20        | 9.8     | 9.9           | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.52 | 1.234          |
| 2         | 2.58 | 1.244          |
| 3         | 2.40 | 1.226          |
| 4         | 2.35 | 1.187          |
| 5         | 2.50 | 1.251          |
| 6         | 2.68 | 1.318          |
| 7         | 3.00 | 1.198          |



**Section F: Performance management**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 69        | 33.7    | 35.2          | 35.2               |
|             | Disagree                   | 60        | 29.3    | 30.6          | 65.8               |
|             | Neither agree nor disagree | 27        | 13.2    | 13.8          | 79.6               |
|             | Agree                      | 32        | 15.6    | 16.3          | 95.9               |
|             | Strongly agree             | 8         | 3.9     | 4.1           | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 20.5          | 20.5               |
|             | Disagree                   | 37        | 18.0    | 19.0          | 39.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.5          | 59.0               |
|             | Agree                      | 59        | 28.8    | 30.3          | 89.2               |
|             | Strongly agree             | 21        | 10.2    | 10.8          | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 33               | 16.1           | 16.9                 | 16.9                      |
|                    | Disagree                   | 30               | 14.6           | 15.4                 | 32.3                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.5                 | 51.8                      |
|                    | Agree                      | 70               | 34.1           | 35.9                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 38               | 18.5           | 19.5                 | 19.5                      |
|                    | Disagree                   | 35               | 17.1           | 17.9                 | 37.4                      |
|                    | Neither agree nor disagree | 36               | 17.6           | 18.5                 | 55.9                      |
|                    | Agree                      | 62               | 30.2           | 31.8                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.9          | 20.9               |
|             | Disagree                   | 47        | 22.9    | 24.0          | 44.9               |
|             | Neither agree nor disagree | 52        | 25.4    | 26.5          | 71.4               |
|             | Agree                      | 35        | 17.1    | 17.9          | 89.3               |
|             | Strongly agree             | 21        | 10.2    | 10.7          | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.8          | 28.8               |
|             | Disagree                   | 53        | 25.9    | 26.8          | 55.6               |
|             | Neither agree nor disagree | 50        | 24.4    | 25.3          | 80.8               |
|             | Agree                      | 29        | 14.1    | 14.6          | 95.5               |
|             | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|             | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing     | System                     | 7         | 3.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 32.3          | 32.3               |
|             | Disagree                   | 45        | 22.0    | 23.1          | 55.4               |
|             | Neither agree nor disagree | 25        | 12.2    | 12.8          | 68.2               |
|             | Agree                      | 47        | 22.9    | 24.1          | 92.3               |
|             | Strongly agree             | 15        | 7.3     | 7.7           | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

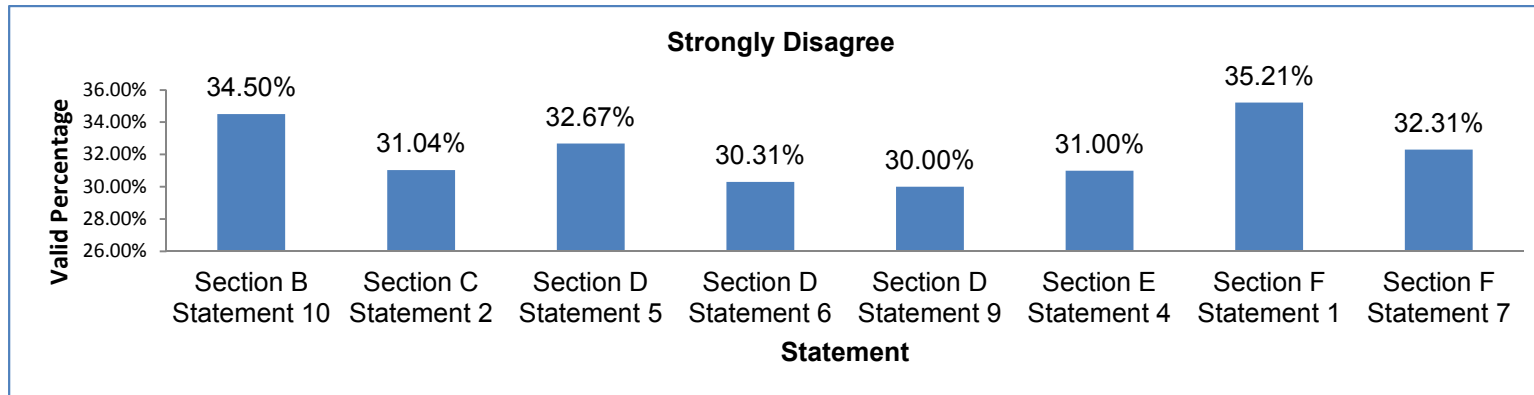
### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.22 | 1.199          |
| 2         | 2.89 | 1.327          |
| 3         | 3.08 | 1.311          |
| 4         | 2.96 | 1.347          |
| 5         | 2.70 | 1.279          |
| 6         | 2.35 | 1.164          |
| 7         | 2.46 | 1.340          |

## Appendix D – Statements with the most responses

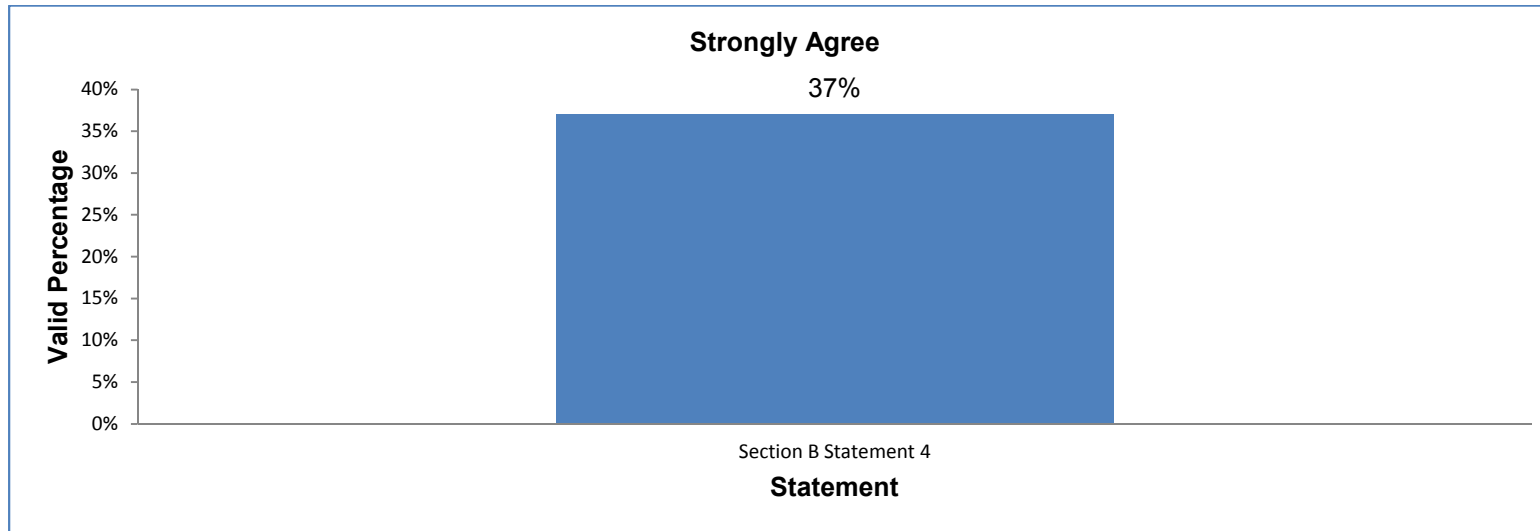
### Strongly disagree

| STATEMENT   | VALID PERCENTATGE |
|---|-------------------|
| Management is actively involved and supports me in my career path within the municipality (Section B Statement 10). | 34.5%             |
| Management involves me in decisions that affect my work (Section C Statement 2).                                    | 31.04%            |
| Management delivers on their promises to employees (Section D Statement 5).   | 32.67%            |
| Management is always willing to discuss my personal wellbeing with immense compassion (Section D Statement 6).      | 30.31%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).           | 30.00%            |
| I know that I can trust management (Section E Statement 4).   | 31.00%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).                             | 35.21%            |
| I was allowed by management to enroll for training programmes over the last year (Section F Statement 7).           | 32.31%            |



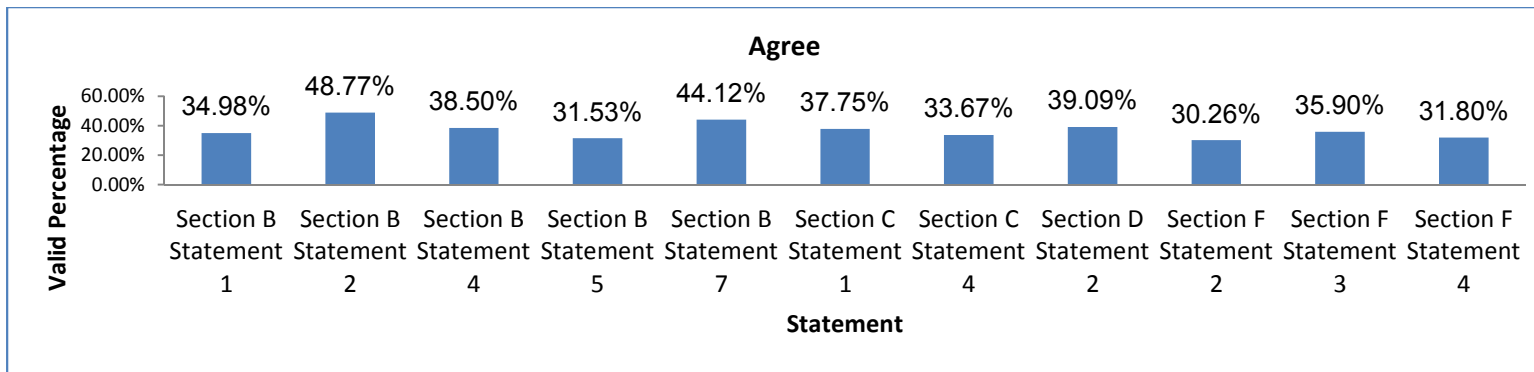
## Strongly agree

| STATEMENT   | VALID PERCENTAGE |
|---|------------------|
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4). | 37%              |



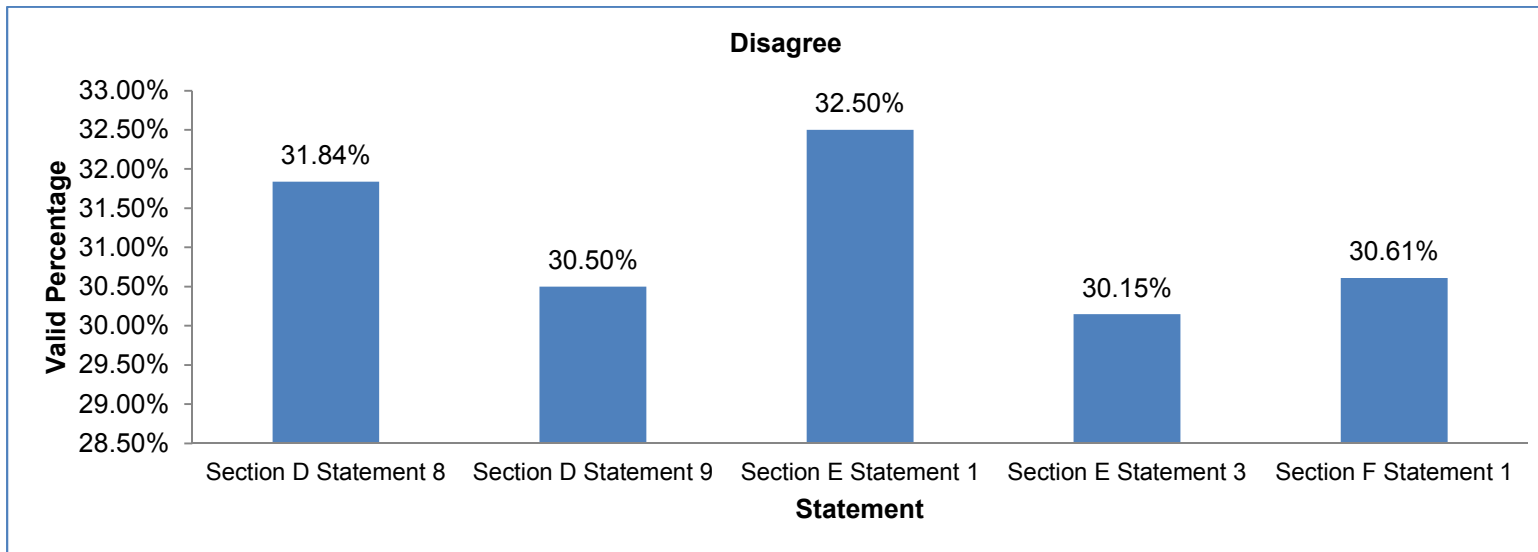
## Agree

| STATEMENT  | VALID PERCENTAGE |
|--|------------------|
| It is a pleasure coming to work daily (Section B Statement 1).   | 34.98%           |
| I take pleasure in doing my work (Section B Statement 2).  | 48.77%           |
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4).                                    | 38.50%           |
| The municipality is a great organization to work for (Section B Statement 5).  | 31.53%           |
| My personal skills and capabilities are testimony of the good job I'm doing (Section B Statement 7).   | 44.12%           |
| When I am at work, I am not scared to raise an opinion involving my work (Section C Statement 1).  | 37.75%           |
| Management allows me to do my job the way I see it best, as long as my work is effectively concluded (Section C Statement 4).  | 33.67%           |
| Management trusts me to effectively do my job (Section D Statement 2).   | 39.09%           |
| I believe that my performance reviews are fair and accurate (Section F Statement 2).   | 30.26%           |
| I know and understand my performance agreement with the municipality (Section F Statement 3).  | 35.90%           |
| I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality (Section F Statement 4). | 31.80%           |



## Disagree

| STATEMENT  | VALID PERCENTATGE |
|--|-------------------|
| I believe there is trust between management and employees (Section D Statement 8).   | 31.84%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).  | 30.50%            |
| Management is good in setting realistic goals and assists me in achieving it (Section E Statement 1).  | 32.50%            |
| Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality (Section E Statement 3). | 30.15%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).  | 30.61%            |





**Appendix E - Effect sizes of how employees with various years of employment perceived the five dimensions**

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD  |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|-------|
| A:<3yr         | Job satisfaction       | 49 | 3.33 | 1.09           | 0.01 | 0.51 | 0.38 | 0.52 | 0.38 | -0.12 |
|                | Employee empowerment   | 49 | 3.00 | 1.05           | 0.12 | 0.55 | 0.36 | 0.44 | 0.24 | -0.19 |
|                | Communication          | 49 | 2.93 | 1.11           | 0.19 | 0.64 | 0.51 | 0.52 | 0.34 | -0.14 |
|                | Management reporting   | 49 | 2.95 | 1.22           | 0.19 | 0.60 | 0.37 | 0.50 | 0.21 | -0.28 |
|                | Performance management | 48 | 2.94 | 1.09           | 0.15 | 0.39 | 0.27 | 0.26 | 0.15 | -0.12 |
|                | Valid N (list wise)    | 48 |      |                |      |      |      |      |      |       |
| B:4-6yr        | Job satisfaction       | 46 | 3.32 | 0.83           |      |      |      |      |      |       |
|                | Employee empowerment   | 45 | 2.88 | 0.95           |      |      |      |      |      |       |
|                | Communication          | 44 | 2.72 | 0.94           |      |      |      |      |      |       |
|                | Management reporting   | 44 | 2.72 | 0.93           |      |      |      |      |      |       |
|                | Performance management | 41 | 2.78 | 0.96           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 40 |      |                |      |      |      |      |      |       |
| C:7-10yr       | Job satisfaction       | 57 | 2.78 | 1.04           |      |      |      |      |      |       |
|                | Employee empowerment   | 57 | 2.40 | 1.11           |      |      |      |      |      |       |
|                | Communication          | 57 | 2.23 | 0.96           |      |      |      |      |      |       |
|                | Management reporting   | 57 | 2.21 | 1.02           |      |      |      |      |      |       |
|                | Performance management | 57 | 2.51 | 1.05           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 57 |      |                |      |      |      |      |      |       |
| D:>10yr        | Job satisfaction       | 51 | 2.92 | 1.07           |      |      |      |      |      |       |

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|                | Employee empowerment   | 51 | 2.61 | 1.11           |      |      |      |      |      |      |
|                | Communication          | 51 | 2.37 | 1.02           |      |      |      |      |      |      |
|                | Management reporting   | 51 | 2.50 | 1.04           |      |      |      |      |      |      |
|                | Performance management | 50 | 2.64 | 0.91           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 50 |      |                |      |      |      |      |      |      |
| Missing        | Job satisfaction       | 2  | 3.27 | 1.29           |      |      |      |      |      |      |
|                | Employee empowerment   | 2  | 3.07 | 1.52           |      |      |      |      |      |      |
|                | Communication          | 2  | 2.88 | 1.11           |      |      |      |      |      |      |
|                | Management reporting   | 2  | 3.00 | 1.82           |      |      |      |      |      |      |
|                | Performance management | 2  | 2.79 | 1.11           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 2  |      |                |      |      |      |      |      |      |

### Appendix F - Effect sizes of how respondents in various departments perceived the five dimensions

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2        | d1_3        | d1_4        | d1_5        | d1_6        | d1_7         | d1_8         | d1_9         | d1_10 |
|-------------|------------------------|----|--------|----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|-------|
| 1           | Job satisfaction       | 16 | 2.7864 | 1.00055        | -0.69       | 0.00        | -0.23       | -0.04       | -0.32       | -0.42        | 1.33         | -0.38        | -1.99 |
|             | Employee empowerment   | 16 | 2.2098 | 1.17743        | -0.90       | -0.22       | -0.56       | -0.25       | -0.48       | -0.48        | 0.72         | -0.61        | -1.76 |
|             | Communication          | 16 | 2.1250 | 1.02017        | -1.08       | -0.06       | -0.38       | -0.20       | -0.61       | -0.38        | 0.53         | -0.61        | -2.12 |
|             | Management reporting   | 16 | 2.2321 | 1.01402        | -0.63       | 0.13        | -0.46       | -0.16       | -0.53       | -0.35        | 0.60         | -0.51        | -1.25 |
|             | Performance management | 15 | 2.3714 | .90319         | -0.36       | 0.06        | -0.33       | -0.19       | -0.45       | -0.56        | 0.84         | -0.35        | -1.87 |
|             | Valid N (list wise)    | 15 |        |                | <b>d2_3</b> | <b>d2_4</b> | <b>d2_5</b> | <b>d2_6</b> | <b>d2_7</b> | <b>d2_8</b>  | <b>d2_9</b>  | <b>d2_10</b> |       |
| 2           | Job satisfaction       | 15 | 3.5909 | 1.16027        | 0.70        | 0.50        | 0.66        | 0.29        | 0.33        | 1.84         | 0.34         | -1.02        |       |
|             | Employee empowerment   | 14 | 3.2857 | 1.18996        | 0.68        | 0.35        | 0.66        | 0.43        | 0.43        | 1.62         | 0.31         | -0.84        |       |
|             | Communication          | 14 | 3.2798 | 1.06949        | 1.02        | 0.72        | 0.89        | 0.33        | 0.72        | 1.59         | 0.47         | -0.95        |       |
|             | Management reporting   | 13 | 3.0330 | 1.26592        | 0.74        | 0.23        | 0.50        | 0.04        | 0.35        | 1.12         | 0.20         | -0.68        |       |
|             | Performance management | 13 | 2.9121 | 1.48294        | 0.41        | 0.14        | 0.23        | -0.01       | 0.02        | 0.87         | 0.12         | -0.78        |       |
|             | Valid N (list wise)    | 13 |        |                | <b>d3_4</b> | <b>d3_5</b> | <b>d3_6</b> | <b>d3_7</b> | <b>d3_8</b> | <b>d3_9</b>  | <b>d3_10</b> |              |       |
| 3           | Job satisfaction       | 20 | 2.7818 | .88945         | -0.23       | -0.04       | -0.32       | -0.48       | 1.49        | -0.39        | -2.24        |              |       |
|             | Employee empowerment   | 20 | 2.4714 | 1.03350        | -0.38       | -0.03       | -0.28       | -0.29       | 1.08        | -0.40        | -1.76        |              |       |
|             | Communication          | 20 | 2.1860 | .78788         | -0.33       | -0.14       | -0.56       | -0.35       | 0.76        | -0.55        | -2.67        |              |       |
|             | Management reporting   | 20 | 2.1000 | .85727         | -0.58       | -0.28       | -0.63       | -0.50       | 0.56        | -0.63        | -1.34        |              |       |
|             | Performance management | 20 | 2.3083 | .99111         | -0.39       | -0.25       | -0.50       | -0.57       | 0.70        | -0.41        | -1.78        |              |       |
|             | Valid N (list wise)    | 20 |        |                | <b>d4_5</b> | <b>d4_6</b> | <b>d4_7</b> | <b>d4_8</b> | <b>d4_9</b> | <b>d4_10</b> |              |              |       |
| 4           | Job satisfaction       | 13 | 3.0147 | .99103         | 0.17        | -0.15       | -0.20       | 1.57        | -0.17       | -1.77        |              |              |       |
|             | Employee empowerment   | 13 | 2.8681 | 1.03421        | 0.33        | 0.09        | 0.09        | 1.46        | -0.05       | -1.37        |              |              |       |
|             | Communication          | 13 | 2.5140 | .98382         | 0.19        | -0.29       | 0.00        | 0.95        | -0.24       | -1.81        |              |              |       |
|             | Management reporting   | 13 | 2.7363 | 1.09862        | 0.30        | -0.17       | 0.14        | 1.02        | -0.04       | -0.89        |              |              |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2  | d1_3  | d1_4  | d1_5  | d1_6  | d1_7  | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|-------|-------|-------|-------|-------|-------|------|------|-------|
|             | Performance management | 13 | 2.6996 | .98104         | 0.13  | -0.18 | -0.18 | 1.11  | -0.04 | -1.40 |      |      |       |
|             | Valid N (list wise)    | 13 |        |                | d5_6  | d5_7  | d5_8  | d5_9  | d5_10 |       |      |      |       |
| 5           | Job satisfaction       | 20 | 2.8256 | 1.09270        | -0.29 | -0.35 | 1.25  | -0.34 | -1.78 |       |      |      |       |
|             | Employee empowerment   | 20 | 2.5060 | 1.08467        | -0.24 | -0.25 | 1.06  | -0.37 | -1.64 |       |      |      |       |
|             | Communication          | 19 | 2.3287 | .99428         | -0.44 | -0.19 | 0.75  | -0.42 | -1.97 |       |      |      |       |
|             | Management reporting   | 20 | 2.4036 | 1.09370        | -0.41 | -0.16 | 0.72  | -0.34 | -1.13 |       |      |      |       |
|             | Performance management | 18 | 2.5661 | 1.04199        | -0.29 | -0.30 | 0.91  | -0.16 | -1.44 |       |      |      |       |
|             | Valid N (list wise)    | 17 |        |                | d6_7  | d6_8  | d6_9  | d6_10 |       |       |      |      |       |
| 6           | Job satisfaction       | 20 | 3.2091 | 1.32894        | 0.00  | 1.32  | 0.01  | -1.18 |       |       |      |      |       |
|             | Employee empowerment   | 20 | 2.7738 | 1.09746        | 0.00  | 1.29  | -0.13 | -1.38 |       |       |      |      |       |
|             | Communication          | 20 | 2.8723 | 1.23308        | 0.29  | 1.05  | 0.08  | -1.15 |       |       |      |      |       |
|             | Management reporting   | 20 | 2.9786 | 1.40299        | 0.28  | 0.97  | 0.14  | -0.72 |       |       |      |      |       |
|             | Performance management | 19 | 2.9248 | 1.22740        | 0.04  | 1.07  | 0.15  | -0.93 |       |       |      |      |       |
|             | Valid N (list wise)    | 19 |        |                | d7_8  | d7_9  | d7_10 |       |       |       |      |      |       |
| 7           | Job satisfaction       | 65 | 3.2100 | .77664         | 2.26  | 0.02  | -2.01 |       |       |       |      |      |       |
|             | Employee empowerment   | 65 | 2.7736 | .93606         | 1.51  | -0.13 | -1.62 |       |       |       |      |      |       |
|             | Communication          | 65 | 2.5141 | .93590         | 0.99  | -0.24 | -1.90 |       |       |       |      |      |       |
|             | Management reporting   | 65 | 2.5839 | .95985         | 1.01  | -0.18 | -1.00 |       |       |       |      |      |       |
|             | Performance management | 64 | 2.8776 | .73887         | 1.71  | 0.13  | -1.31 |       |       |       |      |      |       |
|             | Valid N (list wise)    | 64 |        |                | d8_9  | d8_10 |       |       |       |       |      |      |       |
| 8           | Job satisfaction       | 6  | 1.4545 | .64025         | -1.63 | -5.18 |       |       |       |       |      |      |       |
|             | Employee empowerment   | 6  | 1.3571 | .35857         | -1.39 | -8.17 |       |       |       |       |      |      |       |
|             | Communication          | 6  | 1.5833 | .53489         | -1.11 | -5.06 |       |       |       |       |      |      |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2         | d1_3  | d1_4 | d1_5 | d1_6 | d1_7 | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|--------------|-------|------|------|------|------|------|------|-------|
|             | Management reporting   | 6  | 1.6190 | .49211         | -1.07        | -1.68 |      |      |      |      |      |      |       |
|             | Performance management | 6  | 1.6151 | .70122         | -1.07        | -2.70 |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 6  |        |                | <b>d9_10</b> |       |      |      |      |      |      |      |       |
| 9           | Job satisfaction       | 28 | 3.1927 | 1.06402        | -1.48        |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 28 | 2.9226 | 1.12390        | -1.21        |       |      |      |      |      |      |      |       |
|             | Communication          | 28 | 2.7746 | 1.06933        | -1.42        |       |      |      |      |      |      |      |       |
|             | Management reporting   | 28 | 2.7806 | 1.08273        | -0.86        |       |      |      |      |      |      |      |       |
|             | performance management | 28 | 2.7398 | 1.05556        | -1.26        |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 28 |        |                |              |       |      |      |      |      |      |      |       |
| 10          | Job satisfaction       | 2  | 4.7727 | .06428         |              |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 2  | 4.2857 | .20203         |              |       |      |      |      |      |      |      |       |
|             | Communication          | 2  | 4.2917 | .41248         |              |       |      |      |      |      |      |      |       |
|             | Management reporting   | 2  | 4.0000 | 1.41421        |              |       |      |      |      |      |      |      |       |
|             | Performance management | 2  | 4.0714 | .90914         |              |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 2  |        |                |              |       |      |      |      |      |      |      |       |

**Appendix G - Effect sizes of how respondents in various salary levels perceived the five dimensions**

| SALARY LEVEL  |                        | N   | Mean | Std. Deviation | d_12  | d_13  | d_14  | d_23 | d_24 | d_34  |
|---------------|------------------------|-----|------|----------------|-------|-------|-------|------|------|-------|
| T1-8<br>(1)   | Job satisfaction       | 100 | 2.91 | 0.99           | -0.35 | -0.05 | -0.19 | 0.22 | 0.15 | -0.10 |
|               | Employee empowerment   | 100 | 2.47 | 1.03           | -0.86 | -0.20 | -0.31 | 0.50 | 0.52 | -0.06 |
|               | Communication          | 99  | 2.31 | 0.99           | -0.77 | -0.51 | -0.26 | 0.14 | 0.49 | 0.29  |
|               | Management reporting   | 100 | 2.34 | 1.02           | -0.91 | -0.42 | -0.20 | 0.34 | 0.68 | 0.25  |
|               | Performance management | 99  | 2.56 | 0.94           | -0.53 | -0.30 | -0.14 | 0.13 | 0.31 | 0.17  |
|               | Valid N (list wise)    | 98  |      |                |       |       |       |      |      |       |
| T14-18<br>(2) | Job satisfaction       | 21  | 3.26 | 0.98           |       |       |       |      |      |       |
|               | Employee empowerment   | 21  | 3.35 | 1.00           |       |       |       |      |      |       |
|               | Communication          | 21  | 3.08 | 0.85           |       |       |       |      |      |       |
|               | Management reporting   | 21  | 3.27 | 0.97           |       |       |       |      |      |       |
|               | Performance management | 20  | 3.06 | 0.89           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 20  |      |                |       |       |       |      |      |       |
| T19-20<br>(3) | Job satisfaction       | 3   | 2.97 | 1.32           |       |       |       |      |      |       |
|               | Employee empowerment   | 3   | 2.72 | 1.25           |       |       |       |      |      |       |
|               | Communication          | 3   | 2.92 | 1.18           |       |       |       |      |      |       |
|               | Management reporting   | 3   | 2.86 | 1.22           |       |       |       |      |      |       |
|               | Performance management | 3   | 2.90 | 1.15           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 3   |      |                |       |       |       |      |      |       |
| T9-13<br>(4)  | Job satisfaction       | 62  | 3.10 | 1.04           |       |       |       |      |      |       |
|               | Employee empowerment   | 62  | 2.80 | 1.08           |       |       |       |      |      |       |
|               | Communication          | 62  | 2.58 | 1.03           |       |       |       |      |      |       |

| SALARY LEVEL |                        | N  | Mean | Std. Deviation | d_12 | d_13 | d_14 | d_23 | d_24 | d_34 |
|--------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|              | Management reporting   | 61 | 2.55 | 1.06           |      |      |      |      |      |      |
|              | Performance management | 59 | 2.71 | 1.10           |      |      |      |      |      |      |
|              | Valid N (list wise)    | 59 |      |                |      |      |      |      |      |      |



NORTH-WEST UNIVERSITY  
YUNIBESITI YA BOKONE-BOPHIRIMA  
NOORDWES-UNIVERSITEIT  
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**MINI-DISSERTATION**

**MBA 2011/12/13**

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**STUDENT NUMBER: 11959010**

**AN ASSESSMENT OF PUBLIC SERVANTS' TRUST IN MANAGEMENT WITHIN A  
LOCAL MUNICIPALITY**

A mini-dissertation submitted to The Potchefstroom Business School, North West University, in partial fulfillment of the requirements for the degree of Master of Business Administration

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## DECLARATION

I declare that this research is my own, unaided work. The research is submitted in partial fulfillment of the requirements of the degree of Master of Business Administration at Potchefstroom Business School, Northwest University. It has not been, according to my knowledge, submitted before for any degree or examination in any other university.

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Date

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## **ABSTRACT**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c).

The role of local government in, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty, which is imperative in achieving a prosperous civilization. The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa. In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. The

test would be to see how the municipal employees' perception of trust influences the trust relationship between employees and managers in the local government sphere.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationship between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The research focused on the performance of a Category B municipality within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and accolade due to continuous improvements in service delivery over the last few years. Five dimensions were examined by conducting a survey in order to establish the perceptions of municipal employees relating to the dimensions of job satisfaction, employee empowerment, communication, management reporting and performance management. These perceptions were assessed by interpreting the responses of (N = 205) respondents from the Category B municipality.

The main finding was that the respondents were very negative towards how they experience the five dimensions within the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. This is contrary to the Category B

municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of this Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy.

It can be concluded that, in order for vertical trust to be of significance within the dynamics of this Category B municipality, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

**KEYWORDS:** Vertical trust, Job satisfaction, Employee empowerment, Communication, Employee management reporting, Performance management

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## LIST OF TERMS AND DEFINITIONS

**Clean Audit Outcome:**

The financial statements are free from material misstatements (in other words, a financially unqualified audit opinion) and there are no material findings on reporting on performance objectives or non-compliance with legislation (Auditor General of South Africa, 2013).

**Financially Unqualified Audit Opinion:**

The financial statements contain no material misstatements. Unless we express a clean audit outcome, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects (Auditor General of South Africa, 2013).

**Qualified Audit Opinion:**

The financial statements contain material misstatements in specific amounts, or there is insufficient evidence for us to conclude that specific amounts included in the financial statements are not materially

misstated (Auditor General of South Africa, 2013).

**Adverse Audit Opinion:**

The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements (Auditor General of South Africa, 2013).

**Disclaimer of Audit Opinion:**

The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements (Auditor General of South Africa, 2013).

**Unskilled level (T1 – 3):**

This skills level is that which is developed with a limited amount of training. The learning period is short and usually consists of following instructions or watching demonstrations of the work to be done (Deloitte., 2009).

**Semi-Skilled Level (T4 – 8):**

At this level there is a certain amount of discretion or judgment involved. It therefore follows that additional training/ experience/ practice is needed following the initial training period. Skills are required through a learning period and developed by constant application and correction until operations become routine (Deloitte., 2009).

**Skilled Level (T9 – 13):**

This level of skill is usually reached after years of experience and/ or training. This level is such that routines which have been learned can be used or varied to achieve the desired result. The ability to recognize cause and effect is necessary (Deloitte., 2009).

**Middle Management level (T14 – 18):**

This level of skill requires conceptualization of future actions or needs in order to formulate short to medium term plans for or within a discipline or function. Advice, management or tactical use of resources specific to the job is features at this level (Deloitte., 2009).



**Senior Management level (T19 – 20)**

This level of skill requires formulation of strategic direction as well as the underlying organizational policy in order to set plans for major functions/ disciplines and/ or the organization as a whole. The ability to deal with new situations at the level of major functions/ disciplines/ together with the business risk factors impacting the organization and/ or the business environment, is essential (Deloitte., 2009).

## **LIST OF ABBREVIATIONS**

COGTA: Department of Cooperative Governance and Traditional Affairs

DPLG: Department of Provincial and Local Government

IDP: Integrated Development Planning

LED: Local Economic Development

LGTA: Local Government Transition Act

MFMA: Municipal Finance Management Act

SALGA: South African Local Government Association

TAS: The Local Government Turnaround Strategy

## **CHAPTER ONE: INTRODUCTION**

### **1.1 Introduction**

This chapter deals with an overview of the assessment of the vertical trust relationship between municipal employees' and their managers. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. The chapter also aims to shed light on the significance of the research as well as the limitations. The chapter then concludes with an explanation pertaining to the structure and design of the research.

### **1.2 Background**

Trust in management has an important effect on employee performance, behaviour and attitudes and has been recognized across numerous literatures and disciplines (Kroukamp, 2008). People's trust amongst each other within a public organization is an intangible element because these interpersonal trust relationships are fundamentally important for social and economic growth (Askvik & Bak, 2005). Trust has become an important phenomenon for understanding collective action. Trust makes it possible for people to enter into relationships of dependence and cooperation. Trust conveys awareness which is predominantly determined by people's desire and expectation in order to enhance effectiveness within a working environment. There also seems to be an intangible association between cooperation and performance within organizations. For this reason, organizations search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance, to edge ahead of their competitors (Bouckaert, 2012). Trust is imperative in all spheres of the society and in order for any municipality to be accountable for delivering a basic

human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and adhere to the key deliverables, as indicated and enshrined in the Constitution, the Municipal Structures Act, and the Municipal Systems Act (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Deng and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence which unilaterally have an influence on the employee's trust in their managers.

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have a strong sense of shared purpose to succeed. Employees work together to support that purpose in order to nurture a working environment in which tolerance and cooperation are highly valued. The research also found those managers who coach rather than just manage and instill a sense of belonging where people collectively participate in making decisions, is important in such organizations. The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover. With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust. What needs to be understood is that in reality, trust creates authority (Hitch, 2012).

The Constitution of South Africa (Statutes of The Republic of South Africa, 1996) prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the National government, Provincial government and Local government. An objective, as prescribed in the Constitution, denotes that these three spheres of government within

South Africa should operate within a structure of co-operative governance whereby the national and provincial government need to assist and reinforce the capacity of local government in order to manage their Constitutional obligation of effectively providing basic services to communities (Statutes of The Republic of South Africa, 1996).

Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government was also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Since 2007, an unprecedented wave of popular and violent protests has flowed across the country. Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000.

The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which was consequently reformed into a system of social, political and economic control. This was where the imbalances, inequalities and disparities came from and was dubbed the Apartheid regime. The transformation of local

government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor (SALGA, 2013a). The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities (discussed in Chapter Two). Such municipalities now had the right to govern, on its own initiative, the local government affairs of its respective community.

For the purpose of this research, the emphasis will be on the local government sphere. The researcher approached the executive management of a Category B municipality in the Western Cape to discuss the need for a survey relating to the trust relationship between municipal employees and their managers and how this may be a contributor to the municipality's goal of effectively and efficiently delivering basic services to the community. The Category B municipality received vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The selected Category B municipality was also in the proximity of where the researcher was born and raised and hence, was eager to discover additional contributing factors for that municipality's operational successes. The broad purpose of this research is to examine the vertical trust relationship, based on various categories which may instill such trust, in order to ascertain whether this is a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality. By conducting this research, the researcher believes that the findings would encourage the Category B municipality to make continuous assessments of the

trust relationship between employees and managers. Furthermore, the study aims to promote a workplace environment based on mutual trust amongst the internal stakeholders in order to allow for effective and efficient delivery of basic services.

### **1.3 Problem statement**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role (Department of Provincial and Local Government, 2013). In order for local municipalities to be at the forefront of such a socio-economic upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Ministry for Provincial Affairs and Constitutional Development, 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by apartheid planning, and planning for a sustainable future.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of a developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational culture and the environment in which local municipalities

encourage effective service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009).

Low levels of trust may cause communities not to perceive local government as credible. Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). For the purpose of this research, the focus will be on vertical trust, where employees feel vulnerable because managers have substantial influence over resource allocation (Mayer & Gavin, 2005). An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two-dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Relationships at work tend to be more formal of nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job.

The test would be to see how perceptions of local government influence the trust relationship between employees and managers in the local government sphere. Research (Hitch, 2012) conducted acknowledged the benefit of trust within a working environment. In organizations where high levels of trust are embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making



processes. Employees in such organizations believe they are treated fairly, regardless of their position within the organization (Lyman, 2012). These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

Trust as a self-fulfilling prophecy is nurtured and is any positive or negative expectation about circumstances, events, or people that may affect a person's behaviour toward them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which may satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted.

Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. These modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being (Lyman, 2012). Hence, it can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012). Trust is an important part of the social cohesion within any organization and it is key for trust between managers and employees to be feasible, in order for an organization to be successful (Bagrain & Hime, 2007). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair exchange relationship with an honest manager (Mulki et al., 2006).

Literature (Grobler et al., 2006) refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or

explicitly to provide these. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behavior (Bagrain & Hime, 2007). Managers who express these characteristics will install a high level of trust with employees. This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, as far as they can, look after their interests and that they will not take advantage or harm another.

The intention of this research is to examine the perceptions of trust by municipal employees towards their managers at a Category B municipality within the province of the Western Cape. The research will particularly test the importance of vertical trust between municipal employees and their managers as it was found to be a significant contributor of employees' job performance and ultimately improved service delivery (Biswas & Varma, 2007). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager and employee and the environment in which the municipality operates and conducts its key objectives. As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this research will focus on employees' perception of trust towards managers. The research will seek to construct a conceptual framework of how management's engagement with employees in terms of job satisfaction, a sense of empowerment, communication, and management reporting and performance management can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

This is an interesting issue in the context of the South African political landscape post 1994. In retrospect, improving public service quality locally and nationally has become a

priority of the South African government to meet the expectations of the public, as it is generally known that the quality of this service is still relatively poor in the local communities of geographical landscape (Kroukamp, 2008). This brief review of the literature shows that vertical trust is the backbone of any credible organization, where low levels of vertical trust experienced by employees do have numerous negative implications for such organizations (Hitch, 2012). Despite the importance of vertical trust relationships to an organization's effective functioning, little published empirical studies seem to be available within the South African context for local governments. The current research aims to make a contribution towards addressing this need.

#### **1.4 Scope of the study**

In South Africa there are three spheres of government: national, provincial and local government. The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. In constructing the country as a developmental state, it is important to create a framework to address the socio- economic challenges where enhancing economic growth and reducing unemployment will be key to achieving such a goal (Potgieter, 2012). The local government sphere is categorized into three types of municipalities, namely a metropolitan municipality, a district municipality and a local municipality which are all based on providing basic services (roads and infrastructure, clean drinking water, electricity and housing) to communities. The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent

with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010).

This research study will focus on the performance of a Category B municipality within the geographic area of the Eden district, Western Cape and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. This Category B municipality has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what inspired the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude towards delivering on the municipality's ultimate goal of basic service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive working environment is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

## **1.5 Objectives of the research**

This section will explain the primary and secondary objectives which the researcher would like to achieve as follows:

### **1.5.1 Primary Objectives**

The primary aim of the research will be to determine the employees' level of trust towards their manager within the category B municipality and how this trust relationship contributes to effective and efficient service delivery. The researcher aims to achieve this by determining whether several dimensions of vertical trust, like the level of general job satisfaction, employee empowerment, communication, and management reporting

and performance management are contributing factors of effective and efficient service delivery.

### 1.5.2 Secondary objectives

The secondary aim of the research will be to establish management's perception of how they perceive the employees' trust towards the management structures. The primary reason for this additional objective relates to the view that it has become critical for management to get personally involved in managing the emotional part of its employees. This engagement is important to ignite a sense of belonging towards the Category B municipality, where employees will put renewed emphasis on the trust amongst all levels of the organizational hierarchy, which ultimately affects their loyalty towards top management.

## 1.6 Research methodology

This section provides a basic description of the proposed methodology to be adopted in order to meet the above- mentioned objectives of the study.

### 1.6.1 Research design

This study will follow a quantitative approach, using survey methodology to collect indicative data from an expediency sample of respondents. It is envisaged that questionnaires will be distributed via email to 800 employees, which are permanently employed (approximately 81.38 percent of total employment profile – permanently employed employees) at the Category B municipality of which the total employment profile is given in table 1.1 as follows:

Table1.1: Employment profile for the Category B municipality, (Source: Category B municipality, 2013)

| Occupational categories                    | Posts filled |            |          |           |           |            |          |           | Total      |
|--|--------------|------------|----------|-----------|-----------|------------|----------|-----------|------------|
|  | Male         |            |          |           | Female    |            |          |           |            |
|  | A            | C          | I        | W         | A         | C          | I        | W         |            |
| Legislators, senior officials and managers | 8            | 12         | 0        | 11        | 10        | 6          | 0        | 2         | 49         |
| Professionals                              | 0            | 1          | 0        | 4         | 0         | 0          | 0        | 0         | 5          |
| Technicians and associate professionals    | 3            | 15         | 0        | 16        | 0         | 4          | 1        | 7         | 46         |
| Clerks                                     | 5            | 28         | 1        | 18        | 8         | 18         | 0        | 7         | 85         |
| Service and sales workers                  | 8            | 40         | 0        | 9         | 20        | 72         | 0        | 25        | 174        |
| Craft and related trades workers           | 13           | 37         | 0        | 7         | 9         | 20         | 0        | 3         | 89         |
| Plant and machine operators and assemblers | 67           | 100        | 0        | 22        | 9         | 25         | 1        | 6         | 230        |
| Elementary occupations                     | 107          | 101        | 0        | 1         | 33        | 63         | 0        | 0         | 305        |
| <b>Total permanent</b>                     | <b>211</b>   | <b>334</b> | <b>1</b> | <b>88</b> | <b>89</b> | <b>208</b> | <b>2</b> | <b>50</b> | <b>983</b> |

### 1.6.2 Type of sample

A convenience sampling technique will be used as questionnaires will be distributed via email to those selected employees on one particular day. The Category B municipality used for this research study operates in the local government sector, located in the Eden District of the Western Cape Province. This Category B municipality provides basic services to the city's community and its surrounding areas. The research data will be distributed among 800 permanently employed individuals throughout the Category B municipality. A total of 983 salaried staff members are employed by the municipality, on a permanent basis. Conservatively, it is envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis.

A pilot study will also be conducted which refers to a trial administration of an instrument in order to identify flaws. The pretest will assist the researcher to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and understand what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009). The researcher will pretest the questionnaire on 10 respondents within the Finance department of the

municipality. The Finance department was chosen as the researcher is being assisted by an undergraduate student employed within that department and would lessen the administrative burden as opposed to collecting questionnaires from all over the Category B municipality.

### 1.6.3 Measuring instrument

A questionnaire will be administered to the employees to complete on a voluntary basis. It will consist of a demographic section, five standardized measuring instruments/ dimensions to measure vertical trust, and a last section where open questions are put to the respondents relating to their perception of trust within the Category B municipality. These sections are preceded by an explanation and cover letter by the researcher of what the questionnaire entails. It includes sharing the objective of the research and was combined with a voluntary consent explanation. The questionnaire will consist of a Section A, Section, B, Section C, Section D, Section E, Section F and Section G. Section A will include eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. Section B to Section F will focus on questions relating to municipal employees' perception of job satisfaction, employee empowerment, communication, management reporting and performance management and how these measures link to vertical trust. The last section relates to open questions of what the municipal employees perceive trust to be and how this is experienced within their current working environment.

Throughout Section B to Section F, respondents will be required to indicate their responses of the five measuring instruments, by using a five- point Likert scale ranging from one (1) = strongly disagree/ extremely dissatisfied to five (5) = strongly agree/ extremely satisfied. The questionnaires will then be scored, using a grid, for each of the factors (measuring instruments).

#### 1.6.4 Data analysis

Data will be analyzed using the computer software package provided by Statistical Consultation Services at the Northwest University and will be guided by Professor Faans Steyn with regards to the statistical interpretations. The empirical analysis will consist of explanatory statistics, including analysis relating to reliability, variance and correlations. Standardized differences will be analyzed in terms of effect sizes, by comparing groups with each other in terms of the mean and standard deviation of each particular group. Item analysis will be conducted on the survey by the respondents, where the coefficient alpha, mean and standard deviation of the dimensions will be calculated.

#### 1.7 Limitations of the research

While the findings of this study are clearly limited due to a moderate sample size, they do nevertheless make an initial contribution to the understanding of the nature of the relationships between the various dimensions and its link to vertical trust. Only responses to the questionnaires will be collected since circumstances and financial constraints will not allow for in-depth interviews with the respondents. Not many published research papers was evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management. However, a potentially key strength would be that a large number of employees throughout the entire municipality's organizational structure will be approached and as such, may have some valuable external validity.

Measurement error is another limitation that will influence the scope of the research. The reliability of the survey statements and the extent to which the dimensions echo the concept of vertical trust needs to be noted.



The approval by the executive management of the Category B municipality was on the condition that the research is classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher refers to this municipality as a "Category B municipality" throughout the research study.

## **1.8 Ethical considerations**

Before proceeding with the data collection phase of this study, ethical clearance was obtained from the executive management of the Category B municipality. An undertaking was given by the researcher to responsibly follow the Northwest University's Guidelines for Ethical Research as set out in the Manual for Postgraduate studies. Participation will be completely voluntary and the anonymity of the participants will be protected in the gathering and analysis of the data and presentation of the research findings.

## **1.9 Contribution of the study**

From the definitions and interpretations regarding the concept of trust, it can be said that trust between two parties is a process that takes time to emerge and evolve due to the risk of vulnerability it involves (Paliszkievicz, 2012). The researcher would aim to present managers within the Category B municipality with insight into how the Category B municipality's employee fraternity perceives the current vertical trust relationship between the two parties to be and what can be done to positively align and transform such attitudes and behaviours with effective and efficient service delivery to the community.

To this effect, there seems to be a lack of awareness from managers about the fact that their supervisory roles involve both consideration for employees and concern for tasks.

They are unaware of the dynamics in the relationships between themselves and their employees and the impact of such dynamics on the Category B municipality's core objective which is basic service delivery (Paliszkievicz, 2012). They do not take into consideration employees' feelings and perceptions and this eventually affects organizational performance. As a result, the research would like to examine how job satisfaction, employee empowerment, communication, management reporting and performance management can contribute to the employees' pursuit of being part of a culture where effective and efficient service delivery to the community is of paramount importance.

### **1.10 Layout of the research**

The mini dissertation will be presented in four chapters. The first chapter deals with the introductory aspects of the research and therefore introduces the concepts that will be discussed in the research. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. Furthermore, the chapter aims to provide insight into the limitations of the research. The chapter then concludes with an explanation pertaining to the structure and design of the research.

The second chapter explains the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aims to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the

conceptualization of vertical trust between employees and managers within the local Category B municipality as well as to determine whether the municipality's performance indeed has relevance to the vertical trust relationship between municipal employees and their managers.

The third chapter explains the various research methodologies which were adopted for this research. The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data will be described, which includes methods implemented to maintain reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. It will serve as an explanation of the data presentation and analysis by examining the empirical findings and discussions of the research, which stems from the data which were collected and analyzed from the respondents' questionnaires.

The fourth chapter will then summarize the research, consisting of conclusions, limitations and recommendations.

## **1.11 Summary**

The chapter aims to lay the foundation of the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. The chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the layout and design of the research.

## **CHAPTER TWO: ASSESSING PERCEPTIONS OF PUBLIC SERVANTS' TRUST IN LEADERSHIP**

### **2.1 Introduction**

This chapter focuses on the conceptual foundation of the trust relationship between local government employees and managers. The aim would be to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. This will be discussed through a brief history and the transformational process, the present local government structure and its institutional performance and functionality in how to effectively carry out its constitutional duties towards the communities it serve.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationships between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories' related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

## **2.2 Local government structure in South Africa**

The Constitution of South Africa prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the national government, provincial government and local government. These spheres of government are autonomous as the Constitution makes explicit provision for these spheres to be distinctive, inter-related and inter-dependent to operate according to the rules set out in the Constitution (Education and Training Unit, 2013b). The national government is the supreme law-making body in the country and the laws made by this sphere of government are applicable throughout South Africa. Provincial governments are bound by laws and policies passed at national government, but can develop its own laws and policies within this framework in order to suit its specific needs. This sphere of government may pass its own constitutions subject to the provisions of the Constitution of South Africa. Local governments consist of municipalities whose objectives are, amongst other things, to provide democratic and accountable government for local communities, to ensure the provision of basic services to communities and to promote social and economic development. (Education and Training Unit, 2013b).

The role of local government, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty and is key in achieving a prosperous civilization. This research aims to explain the evolution of the local government structure in South Africa and will focus on the following aspects. First, a brief overview and the transformational process of the South African government structure will be discussed. Secondly, this will be followed by the present system of the local government in South Africa. This section will discuss the various policies that guide the South African government, the three categories in which local government functions and the challenges of community protests at the local government level. Thirdly, the research looks at the local government's functionality and institutional performance. Lastly, the research looks at

how local government seeks to build a strong foundation in the country's quest of socio-economical upliftment against issues like poverty.

### 2.2.1 Brief overview and the transformational process

Before the promulgation of the Constitution of the Republic of South Africa of 1996 and the transition to democratic local government, local authorities, as they were then known, were mere creatures of statute which were created by provincial governments (SALGA, 2013a). The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which consequently was reformed into a system of social, political and economic control (Koma, 2012).

This cheap migrant labour system was subsequently refined into a system of apartheid where labourers were subjected to segregation and discrimination. As the economy prospered and wealth, as a consequence, were exclusively handed to white South Africans, the government wanted black labour to move to white towns and cities. Black labourers were not allowed to live in these areas which led to restrictive legislation that was passed in order to curb the movement of black people (Koma, 2012). This legislation included the Native Trust and Land Act of 1936 and the Native Laws Amendment Act of 1937 which failed to discourage black people from migrating to urban areas, where municipalities had to provide basic services for them (Development Bank of Southern Africa, 2000). With Apartheid being condemned by other countries and with sanctions imposed on South Africa due to the country's political ideologies, a national reform process began in 1990 (Smith et al., 1998). Since 1994, the South African local government sector experienced various transformational changes National

deliberation negotiated the Local Government Transition Act of 1993 (LGTA) in order to pave a process for change and provided four phases (Koma, 2012).

The first phase was the period between the passing of the Local Government Transition Act of 1993 and the first local government elections held in 1995-1996 (Smith et al., 1998). The Act focused on the political unification of municipalities that had been racially divided under apartheid and emphasized the importance of change in the political landscape and was marred by little attention given to how municipalities should be functioning. The second phase began with the first local government elections and ended with the implementation of the final constitutional model of local government in 1997. Integrated municipalities were established but were not yet fully democratically elected. The third phase began with the final constitutional model of local government in 1997 and provided for a strong and entrenched local government, although some of the constitutional provisions only took effect after the 2000 local government elections (Statutes of The Republic of South Africa, 1996). During this phase, the current municipalities were established which stemmed from the local government election on 5 December 2000. The fourth phase began with the consultative process within government, which preceded the 1998 local government White Paper. This phase focused on how local government could function within the local community. The White Paper alluded to the fact that local government needed to be “developmental”, merely stating that local governments needed to be committed to working with citizens and groups within the community, in order to find sustainable ways to meet their social, economic, and material needs and consequently improving the quality of the lives of the people (Education Training Unit, 2013c).

The Constitution of 1996 made provision for different spheres of government to exercise their powers but history indicated that government regulations had an array of procedures, structures and processes (SALGA, 2013a). Municipalities however, had a common feature as there was a lack of constitutional status whereby municipalities possessed only such rights and powers as was specifically or impliedly granted to them by the legislature. All their actions, including the passing of by-laws and administrative

actions were rendered and subjected to judicial review. Municipalities' existence was subservient to the mercy of the provinces (SALGA, 2013a). The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. A municipality now had the right to govern, on its own initiative, the local government affairs of its respective community.

The historical overview and transformation process culminated in the present system of local government in South Africa, which will be discussed in the following section.

## 2.2.2 The present system of local government in South Africa

This section will provide an overview of the various policies which guide the local government sphere. This will be followed by an explanation of the current government structure within South Africa.

### *2.2.2.1 Policies guiding local government in South Africa*

Although national and provincial governments may oversee the functioning of local government, this must be done without impeding on the institutional integrity of that particular local government. The socio- economic backlogs and non- delivery of basic services in local government, marked by the apartheid legacies, was undoubtedly one of the reasons which led to the national reform process that began in 1990 (Pieterse, 2002). The new democratic government reformed previous legislations and policies to address issues pertaining to segregation, inequality, discrimination, poverty and to establish new transitional local governments. New institutions such as SALGA have



been established with new principles, philosophies and support mechanisms to streamline transformational local government into improved performance levels.

The introduction of the LGTA provided for transitional local government as well as for a clearly defined transition process. Other pieces of important legislation were the Development Facilitation Act which attempted to attend to the functional approach of local governments and to guide them in the direction of being more participative (Koma, 2012). The Demarcation Act also allowed for a complete review of the geographical areas of jurisdiction of local governments and to ensure that every area of South Africa falls under a democratically elected local government (Koma, 2012). From a governance point of view, the above-mentioned acts could evidently be seen to have steered the way in allowing the current elected, fully democratic and demarcated municipalities to begin functioning in democratic and development orientated manner after 2000 (Koma, 2012). These acts were a direct consequence of how the South African Constitution unambiguously provided for what role local municipalities may fulfill and how they could execute its legislative authority and powers. These local municipalities would then autonomously take control over local affairs and other community concerns. Municipalities would provide essential and emergency services effectively and efficiently to respective communities as well as to improve the general welfare of those same communities.

With the twenty first century approaching, the Department of Provincial and Local Government (DPLG) initiated and implemented a strategic plan in order to improve social development and economic growth, through a multi-disciplinary approach (DPLG, 2013). This multi-disciplinary plan is known as the Integrated Development Planning (IDP), and a process through which municipalities prepare a strategic plan containing short, medium and long-term development objectives, strategies and programmes for the municipal area (DPLG, 2013). The IDP aims to enable municipalities to collectively engage with communities and other stakeholders, in order to find innovative and cost effective ways of alleviating poverty and simultaneously growing the local economy. The focus of this initiative was efficient and effective coordination, as reflected in

decentralized development planning and integration, between the three spheres of government (SALGA, 2013a). The initiative was also aligned to the South African Constitution of 1996, which enshrined the notion of cooperative governance and government as one entity, consisting of three inter-dependent spheres on the one hand, and creating a capable local government with a unique and specific developmental role on the other hand.

#### *2.2.2.2 The local government structures in the current political environment*

Chapter 7, Section 155 - 157 of the new South African Constitution of 1996 (Statutes of The Republic of South Africa, 1996), explicitly mandates the municipalities' constitutional responsibility for the delivery of a range of basic services to local communities and by doing so, work towards sustainable development. Responsibility towards basic service delivery (provision of water supply, sewage collection and disposal, refuse removal, electricity and gas supply, municipal health services, municipal roads and storm water drainage, street lighting, municipal parks and recreation) and local economic development in South Africa are therefore the key focus areas of local government. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities as indicated in Table 2.1.

Table 2.1: Three categories of municipalities in South Africa, (Source: SALGA, 2013a)

| <b>Municipal Category</b>             | <b>Explanation of such category</b>   |
|---------------------------------------|---|
| Category A: Metropolitan Municipality | A municipality that has exclusive municipal executive and legislative authority in its area.  |
| Category B: Local Municipality        | A municipality that shares municipal executive and legislative authority in its area with a Category C municipality within whose area it falls. |
| Category C: District Municipality     | A municipality that has municipal executive and legislative authority in an area that includes more than one municipality.                      |

The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). This is accomplished by using state resources and state influence to attack poverty and expand economic opportunities.

The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. Constructing the country as a developmental state is important to create a framework to address the socio-economic challenges, enhancing economic growth and reducing unemployment (Potgieter, 2012). South Africa, as a developmental state, should provide basic services and restore the Apartheid legacy, but at the same time it needs to align its policies to foster economic development. Potgieter (2012) suggested that in order to address the issues stated

above, bureaucratic competence and economic planning are of the essence but however seems to lack in the current state of government.

The developmental mandate of local government is currently channeled through metropolitan municipalities in the eight largest urbanized and industrialized centers in the country. Metropolitan areas are large urban areas with high population density, an intense movement of people, goods and services, extensive development and multiple business district and industrial areas (SALGA, 2013b). These municipalities are charged with addressing the key challenges outlined in the White Paper on Local Government, namely the legacy of urban apartheid, by establishing a basis for equitable and inclusive metropolitan governance and development (Pieterse, 2002). There are six metropolitan councils in South Africa and they may have up to 270 councilors, appointed for five years (Education and Training Unit, 2013a). They have legislative competence over all the areas listed in Schedules 4B and 5B (Statutes of The Republic of South Africa, 1996).

Outside the metropolitan areas, the local government mandate is pursued by the other two-tier local government - 228 local municipalities grouped into 44 district municipalities, sharing the functional competencies listed in Schedules 4B and 5B (SALGA, 2013a). The responsibilities between the two categories of local government is prescribed by the Municipal Structures Act of 1998, and must take into account the need to provide municipal services in a fair and sustainable manner (The Republic of South Africa, 1999). The Act does so by allocating district municipalities' functions with those not listed and falling in the scope of local municipalities. Local councils exist in smaller cities and towns and have between three and ninety councilors (SALGA, 2013a). Local councils with seven or more councilors have wards. There are 232 local councils. The greatest rationalisation of local authorities occurred in the Category B municipalities. District councils cover a wider geographic area than local councils and areas of lower population density. The long-term goal of the district councils is to enable better regional planning and bulk infrastructure delivery (COGTA, 2009c).

Within each of the categories of municipalities, the Municipal Structures Act allows for diversity in the manner in which a municipality is organised and managed (The Republic of South Africa, 1999). The transformational change of South Africa from a society plagued by discrimination and disparity, into a constitutional democracy continues to pose particularly profound challenges at local government level (Potgieter, 2012). Research studies indicated that it is within local government that acute imbalances in personal wealth, physical infrastructure and the provision of services are often most obvious as a result of community unrest and protests (The Institute for Democracy in Africa, 2010). These consequences of such socio-economic imbalances are due to communities' frustration towards their stagnant impoverished circumstances (Karamoko & Jain, 2011). Protesters often cite the lack of accountability of government officials, along with the absence of public participation as factors that further aggravate their basic service delivery complaints. A brief overview of such protests is given in paragraph 2.2.3. The data suggests that these protests are likely to increase if communities feel that they are being let down by promises of improved social and economic wellbeing by government (Karamoko & Jain, 2011).

Poverty is a challenge of which municipalities are confronted with daily. A large part of the burden of addressing this falls upon local government, as it is the provider of primary services which are essential to the dignity of all who live in its area of jurisdiction. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa (SALGA, 2013a). It is therefore a key mandate of local government (with the support of provincial and national government) to eliminate the disparities and disadvantages that are a consequence of the policies of the past and to ensure, as rapidly as possible, the upgrading of services in the previously disadvantaged areas, so that equal services will be provided to all residents (SALGA, 2013a). The success of eliminating these disparities can start by a strong focus of transparent communication between the community and councilors, community participation, unfunded mandates and political management - managing expectations, pressure groups, roles played by municipal leadership and councilor/administrative issues (Mathekga & Buccus, 2006).

Local government has an obligation to work towards the realization of its philosophy of being a developmental state, by eradication of extreme poverty and hunger, achieving universal primary education, promoting gender equality and empower women, reducing child mortality, improving maternal health, ensuring environmental sustainability, and developing a global partnership for development (The Institute for Democracy in Africa, 2010). The commitment from local government to deliver on the above social and economic development requires resolute effort and a more coordinated approach (Potgieter, 2012).

### 2.2.3 Service delivery challenges faced by municipalities

Taking cognizance of the above background, local government stands to inherit growing responsibility for basic service delivery, primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government is also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Community protests are seen as protests where communities oppose the pace or quality of service delivery by their municipalities (Karamoko & Jain, 2011). The study found that the frequency of community protests across South Africa increased significantly between 2007 and 2009, and then fell dramatically from June 2010 until 2011. Figure 2.1 indicates the trend.

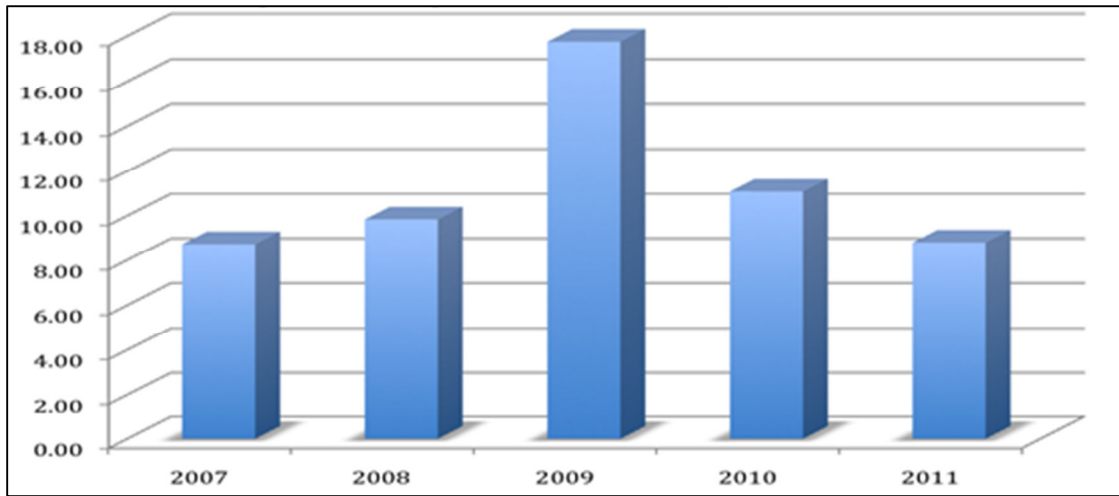


Figure 2.1: Average number of protests per month, 2007 – 2011, (Source: Karamoko & Jain, 2011)

The global financial crisis and the subsequent economic recession at large may have hampered the ability of local governments to adequately provide residents with basic services. This may have contributed negatively on the financial security of South Africans (unemployment and reduced savings) and could be an explanation for the escalating frequency of protests between 2007 and 2009, with a subdued frequency of protests culminating between 2010 and 2011 (Karamoko & Jain, 2011). Basic service delivery protests could not be solely attributed to lack of basic service delivery by municipalities, but is potentially complicated by the migrational flows of the population across South Africa (SALGA, 2013b). More protests occurred in areas where municipal performance progress has been made as opposed to areas where backlogs are more significant e.g. rural areas. This referred to a crucial question of whether local governments and their administrations are undoubtedly capable of fulfilling their mandate, as enshrined in the Constitution (Atkinson, 2003).

An unprecedented wave of popular and violent protests has flowed across the country since 2007 (Karamoko & Jain, 2011). Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get

government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000. The above is substantiated in a survey undertaken by the Institute for Justice and Reconciliation in 2011, which shows that only 43 percent of South Africans actually trust local government (Mdletshe, 2012). This is compared with more positive evaluations of provincial government (56 percent), national government (65 percent), parliament (61 percent) and The Presidency (65 percent). Confidence remains far lower in this sphere of government than at the national or provincial levels. The survey also revealed that the percentage of South Africans who believe they can trust national leaders to do what is right has fallen from 58 percent in 2010 to 51 percent in 2011. Trust in local government has never again reached its highest levels as recorded by the South African Reserve Bank survey at 50% in 2006 (Mdletshe, 2012).

While the causes of the protests differ from one province to the other and from one municipality to the other, in all instances people want to be heard and to be taken seriously (Karamoko & Jain, 2011). The protesters are aware that they are citizens with rights and that they should be treated accordingly to what is enshrined in the Constitution of 1996. This is contrary to local government legislative framework which underpins local governance and popular belief that some form of stakeholder involvement in decision-making is necessary in planning on issues that affect people's lives (Powel, 2009). Corruption, financial mismanagement and non-compliance with financial legislation are common in most municipalities. Consequently, this results in poor performance, thus the delivery of social services is compromised (Powel, 2009). Another factor undermining the performance of municipalities is the availability and shortage of the required skills (COGTA, 2009c). The State of Local Government in South Africa Report 2009 referred to a situation where the skills deficit within municipalities remains a major challenge (COGTA, 2009a). Municipalities lack the managerial, administrative, financial and institutional capacity to meet the rising needs



of the local community. This situation is exacerbated by the decline of municipal professionals and poor linkages between local government and tertiary education sector. As a result, these municipalities cannot meet their required performance standards, hence impacting adversely on the delivery of services.

#### 2.2.4 Local government functionality and institutional performance

The aims of a democratic society and a growing economy can only be attained through a responsive, accountable, effective and efficient structure within local government. When the Ministry of Provincial and Local Government was disbanded and replaced by the COGTA in 2009, the new ministry implemented The Local Government Turnaround Strategy (TAS) and emerged from COGTA's assessment of local government in 2009 (COGTA, 2009a). The department found that, while local government embraced democratization, the municipal structure lacked key performance areas like the inability to eliminate huge service delivery backlogs, breakdown in council communication with and accountability to communities, political interference in administration, corruption, fraud, bad management, increasing violent service delivery protests and a depleted municipal capacity (COGTA, 2009a). This was symptomatic of systematic problems in local government and cooperative governance (COGTA, 2009c).

The national government's aim was to improve overall access to basic services for all households by 2014 (COGTA, 2009b). Despite various challenges, significant progress was made (COGTA, 2011a): 93 percent of the population has access to a basic level of water; 73 percent of households have access to electricity; 67 percent have access to basic sanitation; and 59 percent to once a week refuse removal.

Improving financial management and administrative capacity is closely linked to improved service delivery (COGTA, 2009b). This was substantiated by the poor state of financial management in municipalities, culminating in perennial poor audit outcomes based on the audits performed by the Auditor General between 2009 and 2011 (Auditor General of South Africa, 2012). This was particularly alarming, given the annual budget allocation allocated by the National Treasury Department to the respective local governments. From the table below, it is evident that substantial amounts are

transferred to local government in order to allow for sufficient financial resources to deliver on basic services to communities.

Table 2.2: National grants to local government, 2009/10 – 2015/16 (Rmillion)

| R million  | 2009/10       | 2010/11       | 2011/12       | 2012/13          | 2013/14               | 2014/15       | 2015/16        |
|--|---------------|---------------|---------------|------------------|-----------------------|---------------|----------------|
|  | Outcome       |               |               | Revised estimate | Medium-term estimates |               |                |
| <b>Direct transfers</b>                                    |               |               |               |                  |                       |               |                |
| Equitable share and related                                | 23 845        | 30 541        | 33 173        | 37 373           | 40 582                | 44 490        | 50 208         |
| General fuel levy sharing with metropolitan municipalities | 6 800         | 7 542         | 8 573         | 9 040            | 9 613                 | 10 190        | 10 659         |
| Infrastructure   | 18 699        | 20 871        | 24 643        | 28 029           | 31 132                | 33 698        | 37 121         |
| <b>Capacity building and other</b>                         | <b>2 194</b>  | <b>1 951</b>  | <b>1 862</b>  | <b>2 586</b>     | <b>3 324</b>          | <b>3 201</b>  | <b>3 482</b>   |
| <b>Subtotal direct transfers</b>                           | <b>51 537</b> | <b>60 904</b> | <b>68 251</b> | <b>77 028</b>    | <b>84 651</b>         | <b>91 579</b> | <b>101 469</b> |

(Source: National Treasury: Republic of South Africa, 2013)

The table above indicates an increase in direct transfers from National Treasury to local governments increased by 49.5 percent between 2009/10 and 2012/13 (National Treasury: Republic of South Africa, 2013) and was significantly more than the average inflation rate of 5.5 percent, during that period (Statistics South Africa, 2012). The above inflation increases is illustrated by the annual aggregate increases in direct transfers below (National Treasury, 2013; Statistics South Africa, 2012):

- 2010/11: 18.18 percent as opposed to average inflation of 4.3 percent;
- 2011/12: 12.07 percent as opposed to average inflation of 5.0 percent;
- 2012/13: 12.86 percent as opposed to average inflation of 5.6 percent.

The researcher suggests that, from these amounts of funding allocated to local municipalities, the responsibility lies with accounting officers within the various local governments to manage these funds with accountability and in accord with the legislation uttered in the Municipal Finance Management Act (MFMA). Corporate governance, in terms of the MFMA, is of paramount importance and was also reiterated in the 2011 report by the Auditor General of South Africa (Auditor General of South

Africa, 2012). The table below summarizes the 2010 – 2011 audit outcomes of the 283 municipalities that were audited.

Table 2.3: Auditor General’s consolidated general report on local government audit outcomes, 2010 – 2011, (Source: Oberholzer, 2012)

| Audit outcomes  | Municipalities |             |
|---|----------------|-------------|
|   | 2010 - 2011    | 2009 - 2010 |
| Financial unqualified with no findings                            | 13             | 7           |
| Financially unqualified with findings                             | 115            | 122         |
| Financially unqualified financial statements                      | 45%            | 46%         |
| Qualified opinion, with findings                                  | 53             | 61          |
| Adverse opinion, with findings                                    | 7              | 7           |
| Disclaimer of opinion, with findings                              | 55             | 77          |
| Number of audit reports not issued by 31 January 2012             | 40             | 9           |
| Outstanding audits and financially qualified financial statements | 55%            | 54%         |
| <b>Total number of audits</b>                                     | <b>283</b>     | <b>283</b>  |

*\*Definitions of audit outcomes are provided in list of terms and definitions*

This table indicates a modest progress in achieving the objectives of what is prescribed under the MFMA for achieving clean financial audits. An entity that has a clean financial audit opinion has strong financial management, sound internal controls and a robust budgeting process (The South African Institute of Chartered Accountants, 2013). According to the table, less than five percent of all municipals achieved the required benchmark (Oberholzer, 2012). The remaining results and performances of the other municipalities may be a catalyst for municipalities not functioning at their optimum capacity in terms of service delivery. The figure below provides a breakdown of

provincial performances, with Kwazulu Natal leading the way with 85 percent of its 61 municipalities achieving unqualified or better audit opinions. Western Cape achieved 74 percent and Gauteng 60 percent. The Northwest Province had the worst performance with only eight percent unqualified audit outcomes. A total of 63 percent of its municipalities did not submit financial statements on time (Oberholzer, 2012).

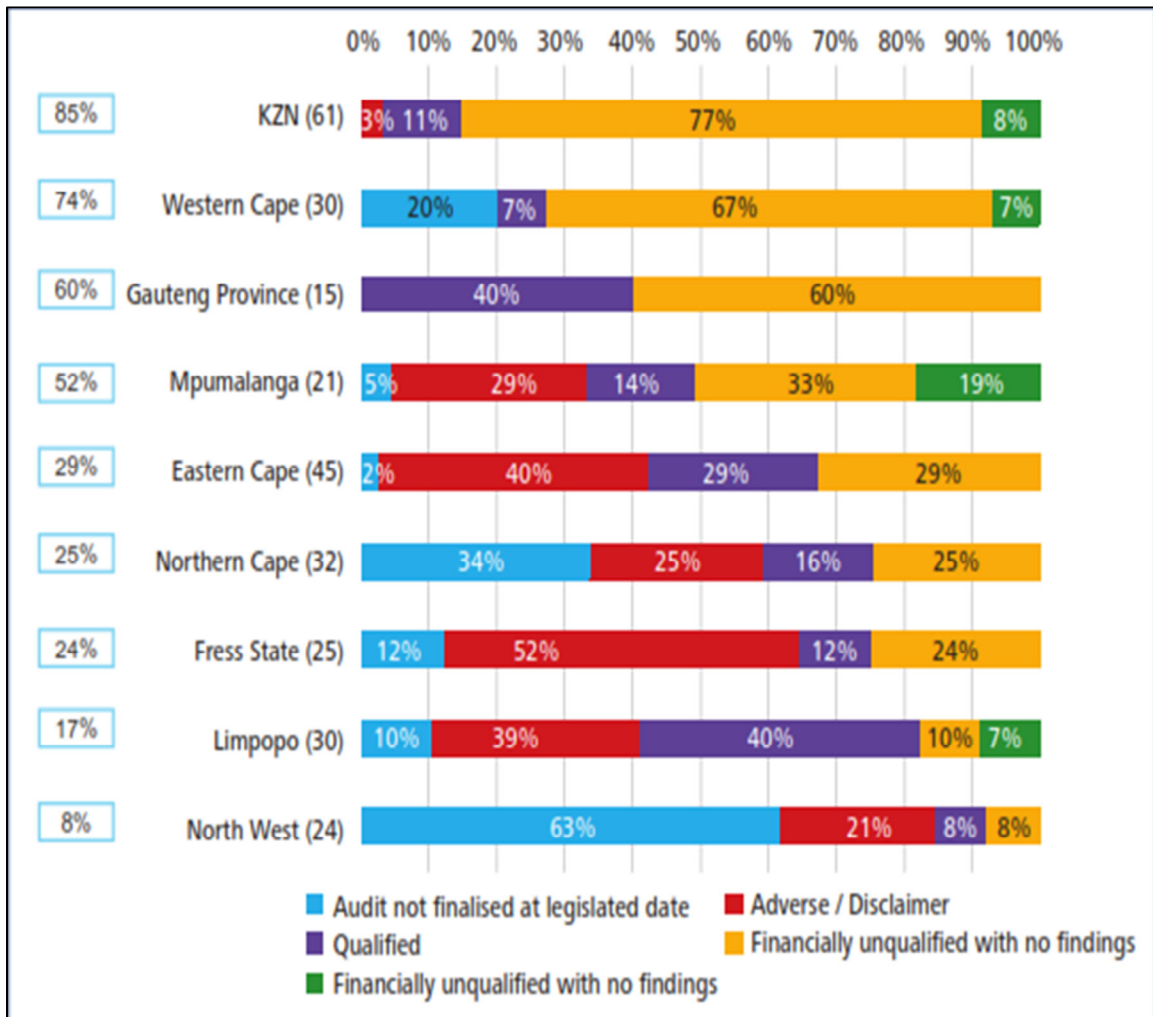


Figure 2.2: Provincial breakdown of the Auditor General's consolidated general report on Local Government audit outcomes, 2010-2011, (Source: Oberholzer, 2012)

From this appalling performance by local municipalities, one would assume that the trust relationship within such municipalities may erode over time. Research

(Lyman, 2012) indicated that employees who trusted their managers had a 42 percent higher return on shareholder investment and performance than organizations in which distrust was the norm. When trust erodes, morale declines, performance plummets and employees become detached from the organization and management (Reina & Reina, 2007). The figure above would assume that service delivery backlogs and public violent protests against the lack of service delivery are mostly prevalent in those areas where financial mismanagement is rife. Karamoko and Jain (2011) suggested the contrary because such protests are predominantly in provinces where corporate governance relating to financial management, was applauded by the Auditor General of South Africa (Auditor General of South Africa, 2012). Irrespective of the above phenomenon, SALGA, as a conduit to alleviate service delivery protests, re-iterated the lack of proper investment in people, the lack of technical, management and leadership skills, the lack of defined minimum competencies for critical positions, and the impact of undue political interference in management decisions (SALGA, 2013a).

Management challenges contribute significantly to the current service delivery backlogs in South Africa. These are estimated at 19.3 percent in water backlogs, 32.6 percent in access to sanitation, 27.3 percent in access to electricity and 40.1 percent in access to refuse removal (Oberholzer, 2012). Although the reasons for service delivery protests are often complex, these backlogs certainly contributed to the perceptions of poor service delivery and the consequent civil unrest, as evidenced by more than 200 service delivery protests during the last few years. In addition, a synopsis of the provincial audit outcomes illustrates that, apart from Kwazulu Natal, Western Cape and Gauteng, there is increasing concern in the remaining provinces due to (Oberholzer, 2012):

- The number of disclaimers, adverse or qualified audit opinions remained at a very concerning 47 percent;
- Forty municipalities were not yet audited due to their failure to submit annual financial statements on time, with the majority of these unlikely to receive a favourable audit outcome. The percentage poor outcomes are therefore likely to move to around 54 percent, the same level as the previous year;

- Only 45 percent of municipalities achieved at least a financially unqualified audit opinion (the same as in the previous year); and
- Only 13 clean audits in the country, i.e. fewer than 5% of municipalities achieving the required benchmark

In contrast to the general perception that municipalities lack the ability to fulfill its mandate in providing basic services as stated in the Constitution, the figure above shows that South Africa has a number of examples of effective, efficient and sustainable municipalities (Auditor General of South Africa, 2012). A strategy for a sustainable turnaround within local government is non-negotiable in order to assure better service delivery within local governments. At least four key priorities can be noted (Oberholzer, 2012):

- Performance management for the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. Research indicated that more and more managers within the public sector are not being evaluated based on performance (Kitshoff, 2013);
- Develop an organizational culture to establish a people-centered culture of service delivery and customer care. Being a municipal employee should be about serving the community and not about entitlement and power. Encourage and reward innovation and initiative that improve service delivery;
- Ensure that planning, governance structures, people, processes, systems, infrastructure and oversight mechanisms are optimal and aligned to the mandate, as defined by a realistic IDP and applicable legislation;
- Financial sustainability and management to sustain economic and financial viability and the prosperity of the municipality. This would be imperative in facilitating growth of the local economy and the creation of jobs.

In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and

adhere to the key deliverables (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Den and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence unilaterally have an influence on the employee's trust in their managers.

### 2.2.5 The case for building a strong local government sphere

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio- economical upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. In order for local municipalities to be at the forefront of such a socio- economical upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Smith et al., 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by Apartheid planning, and planning for a sustainable future. They can only achieve this by working together with local communities and businesses, and adopting a developmental approach (Potgieter, 2012). This implies that municipalities must have policies and institutional frameworks that support and sustain the development and fundamental rights of local people and be geared to promote good governance (The Institute for Democracy in Africa, 2010). The fundamental goal of a democratic system is citizen satisfaction.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide

an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritize local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational environment in which local municipalities encourage effective basic service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009). Low levels of trust may cause communities not to perceive local government as credible.

The test would be to see how the employees' perception of local government influences the trust relationship between employees and managers in the local government sphere. Research conducted (Hitch, 2012) acknowledged the benefit of trust within a working environment. In organizations where high level of trust is embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making processes. Lyman (2012) suggests that employees in such organizations believe they are treated fairly, regardless of their position within the organization. These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

From the above, it would be fair to assume that through trust, a self-fulfilling prophecy is nurtured, which is any positive or negative expectation about circumstances, events, or



people that may affect a person's behaviour towards them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which will satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted. Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. Lyman (2012) stated that modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being. It can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012).

### **2.3 The case of a Category B municipality**

Research (Karamoko & Jain, 2011) conducted over a period between February 2007 and May 2010, indicated that Gauteng accounted for 31.46 percent of the protests in South Africa. The Western Cape accounted for 17.05 percent of such protests, while the Northwest Province accounted for 11.09 percent. The Eastern Cape, Kwazulu-Natal and Mpumalanga contributed 11.09 percent, 9.27 percent and 7.95 percent, respectively. Limpopo, Free State, and the Northern Cape were relatively minor contributors, accounting for 5.30 percent, 4.97 percent and 1.82 percent protests across the country. Figure 2.3 below illustrates:

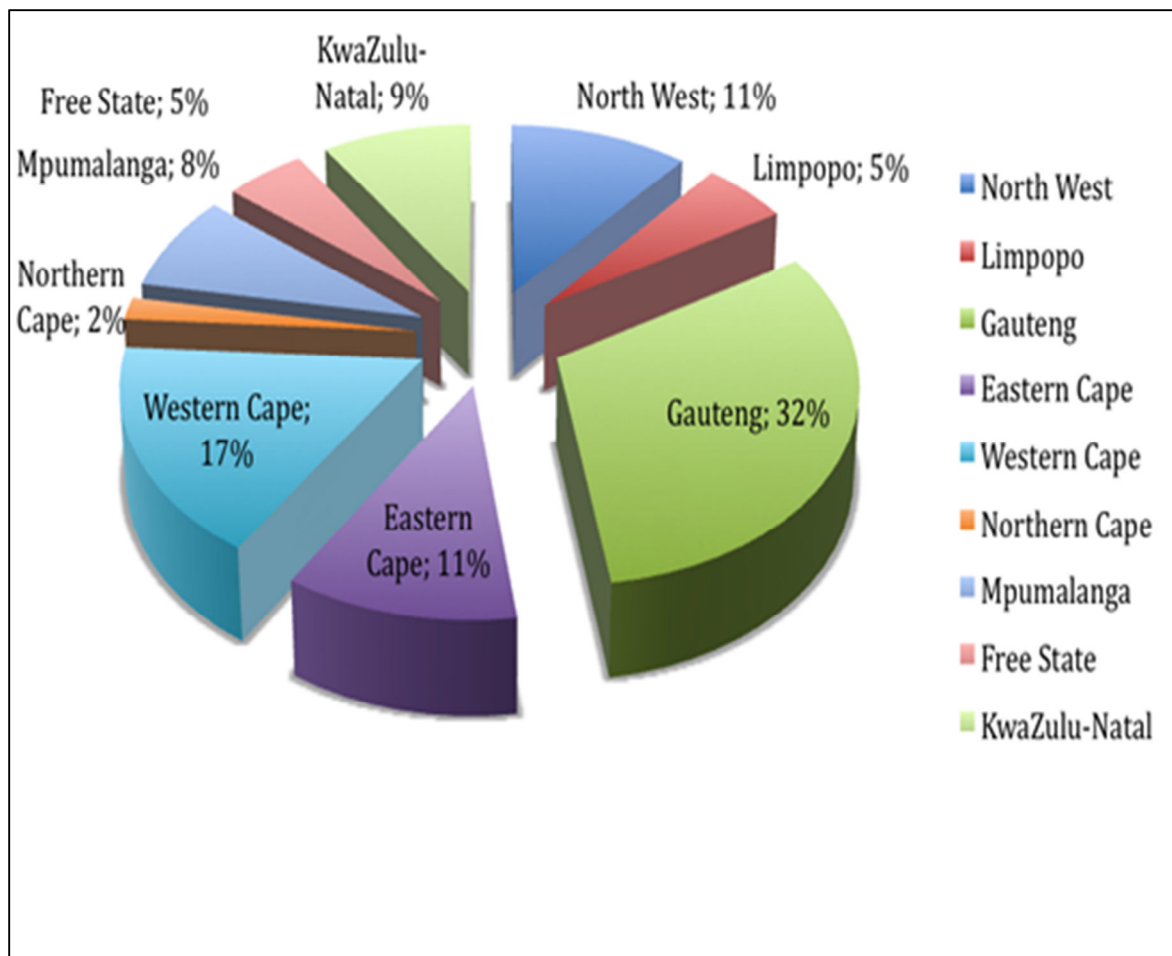


Figure 2.3: Protests by province – February 2007 to May 2010, (Source: Karamoko & Jain, 2011)

Figure 2.4 further reiterates the frustration from communities against the lack of basic service delivery from municipalities. The figure indicates that lack of housing, poor sanitation and water supply, provision of electricity, which form part of the fundamental constitutional right within the country's Constitution, were the main reasons for such protests.

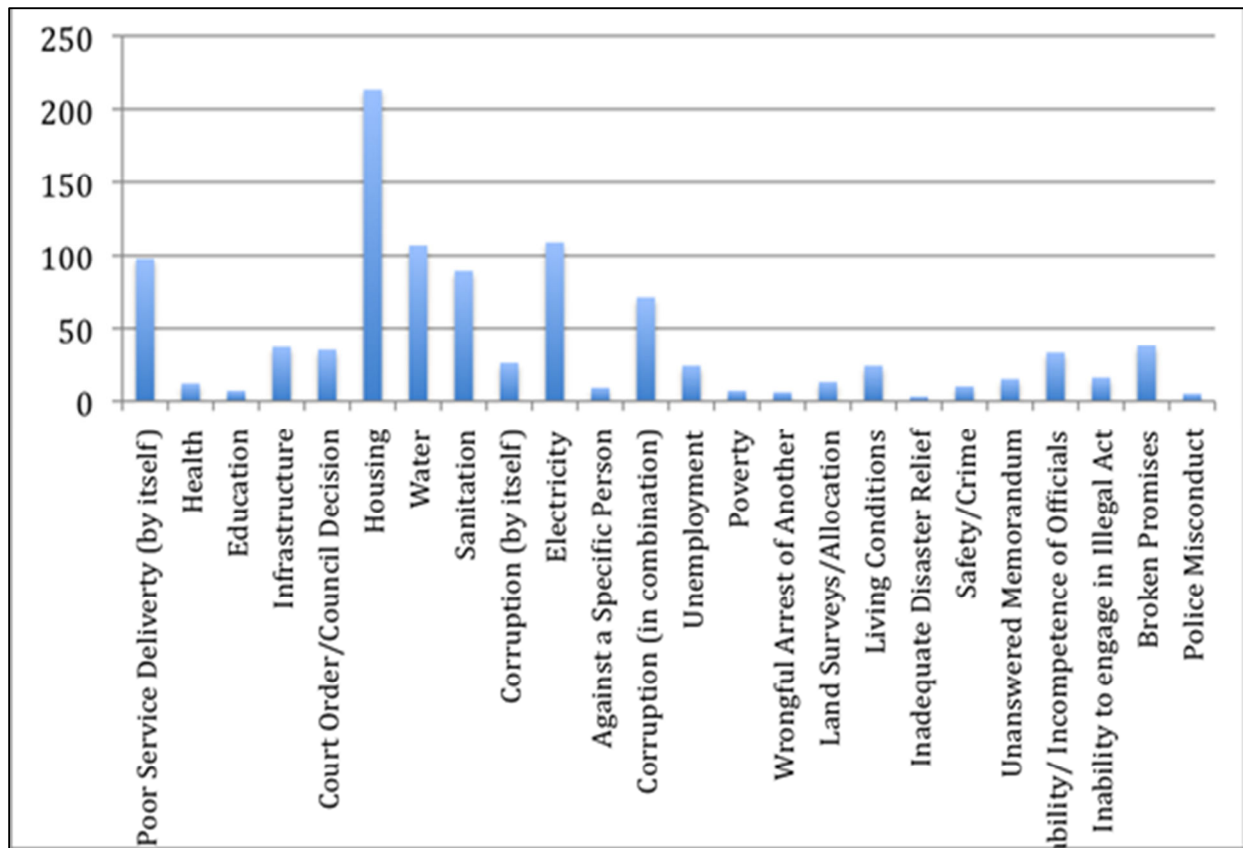


Figure 2.4: Reasons for Protests in South Africa – February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

With the Western Cape and Gauteng Provinces collectively accounting for 49 percent of the protests nationwide, the distribution of protests within these areas indicates that informal settlements on the fringes of urban areas would take part in protests (Karamoko & Jain, 2011). This research also illustrated a breakdown of protests within the Western Cape, which is divided into one metropolitan municipality and five district municipal areas. The majority of these protests occurred within the Cape Town metropolitan municipality. Figure 2.5 illustrates the above.

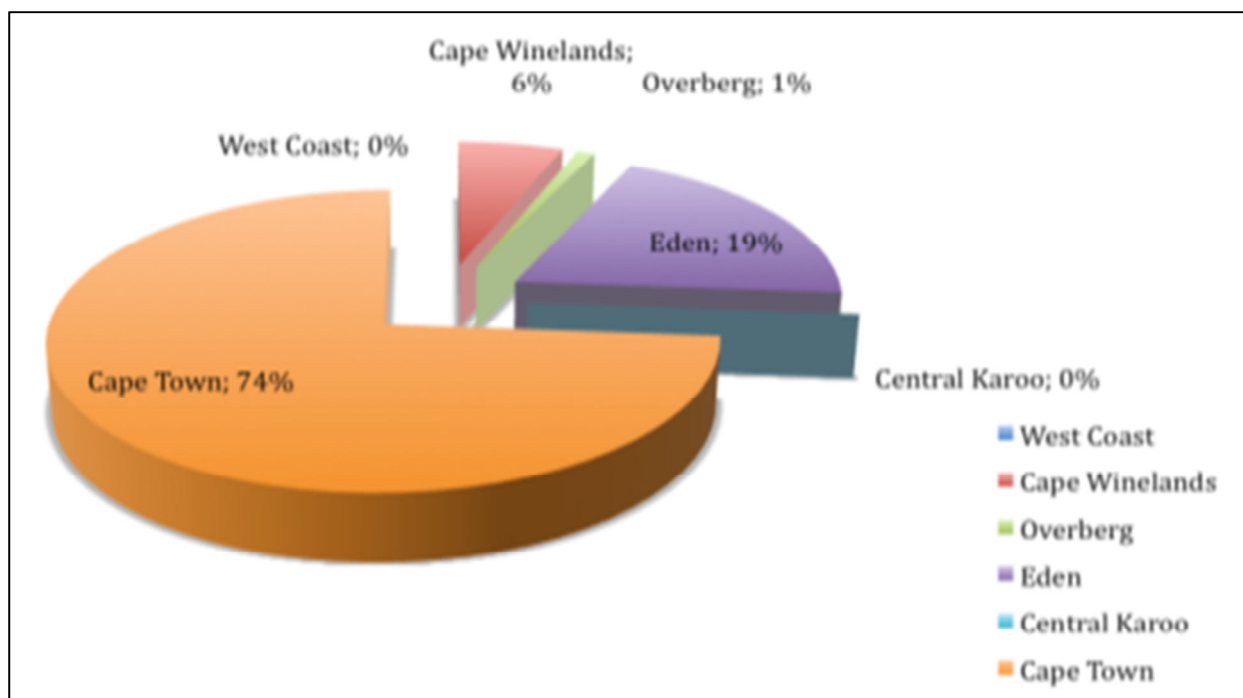


Figure 2.5: Protests by district in the Western Cape -February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

The figure illustrates that such protests were predominantly concentrated within urban areas and was fuelled by protests within informal areas like Nyanga and Khayelitsha. The Eden District, which includes the Category B municipality under discussion, experienced the second highest protests with the majority of those protests occurring within the Plettenberg Bay and Mossel Bay municipalities (Karamoko & Jain, 2011). Various research (Karamoko & Jain, 2011) from the South African Media News Database, suggested that community protests have actually become more common where communities experienced improved service delivery. While these communities were previously on the fringes of South Africa and did not see the government as a realistic contributor to their welfare, the heightened expectations that came with initial improvements in service delivery often resulted in disappointment. The above revelations confirm that one may be oblivious to assume that there is a positive relationship between service delivery protests and the financial performance audit outcomes presented by the Auditor General of South Africa, as illustrated in the five year progress chart below.

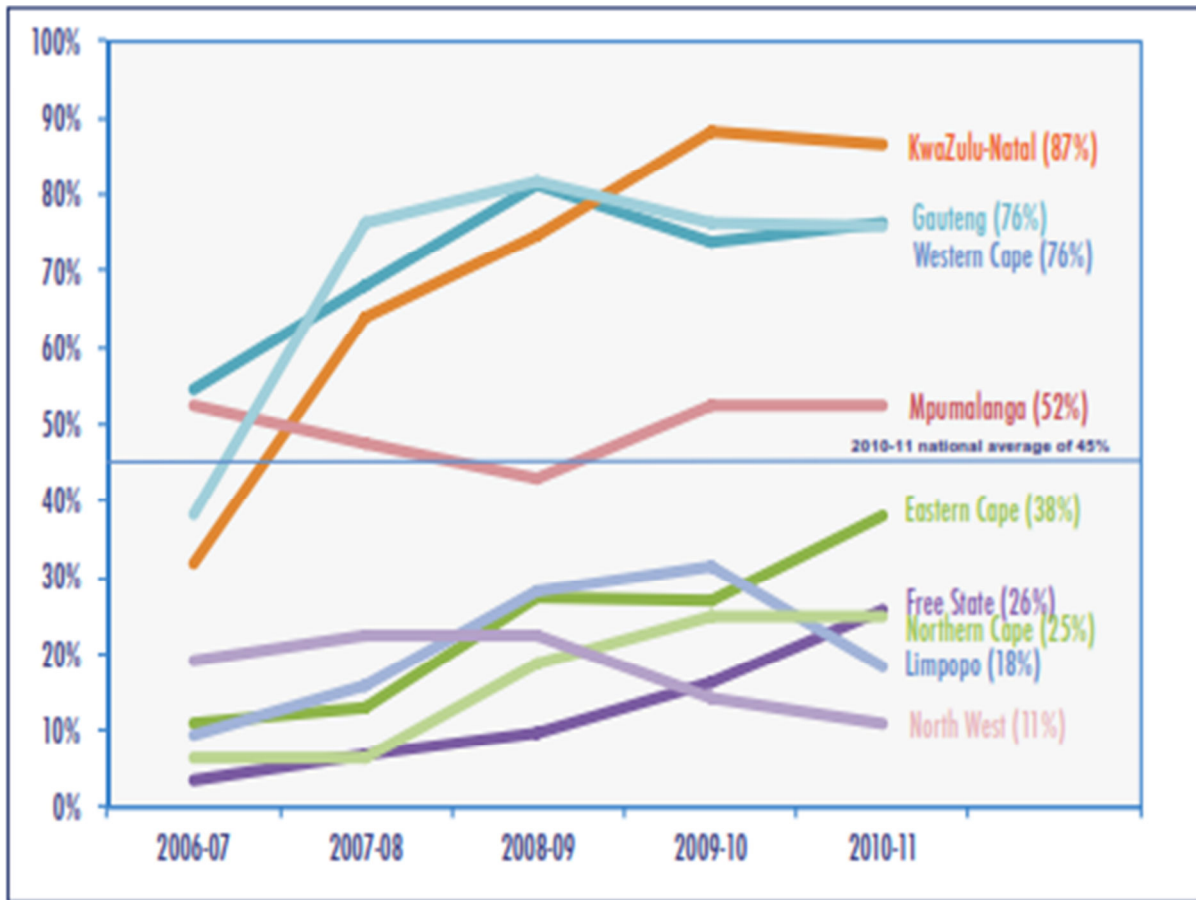


Figure 2.6: Province's five- year progress towards financial unqualified audit opinions, (Source: Auditor General of South Africa, 2012)

Where the assumption would be that service delivery protests would be rife in provinces like Eastern Cape, Northern Cape and Northwest Province, research in 2011 implied the contrary to this effect because protests in excess of 49 percent occurred in the Western Cape and Gauteng provinces alone, over the same five year period (Karamoko & Jain, 2011), compared to the five year progress towards financial unqualified audit figure above. In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what core values inspire the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude

towards delivering on the municipality's ultimate goal of service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive culture is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

Accordingly, this research study will focus on the performance of Category B municipalities within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The study aims to test the importance of trust by employees towards management as it was found to be a significant forecaster of employees' job performance and the community's satisfaction with the status quo for the past few years (Category B municipality, 2013). As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this study will focus on employees' perception of trust towards managers. The study will seek to construct a conceptual framework of how management's engagement with employees in terms communication, job satisfaction, management reporting and sense of empowerment can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

From here onwards, the concept of trust will be contextualized by focusing on vertical trust and five dimensions, as indicated in Appendix A.

## 2.4 Trust: A theoretical perspective

The discussion that follows will focus on various literatures relating to trust. This will be explained within a broader perception by focusing on relevant theories of trust. This includes the theories relating to different types and dimensions of trust, and influence of the trust relationship within the local government sphere. The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

### 2.4.1 Trust as a concept

Research studies (Seppanen et al., 2007) referred to various definitions of trust where the majority of these definitions describe it as a state, belief or a positive expectation. Trust can be the willingness of one party to be vulnerable to the actions of the other party. This is based on the expectation that the one party will perform a particular action important to the other party, irrespective of the ability to monitor or control that other party (Schoorman et al., 2007).

Various definitions implied that trust (Paliszkievicz, 2012):

- is expressed as an optimistic expectation on behavior of a person;
- occurs under the state of vulnerability to the interests of the individual;
- depend upon the behaviour of other people;
- is associated with willingness, cooperation and the benefits, resulting from that cooperation.

From the above, trust can be defined as the willingness to increase the resources invested in another party, based on positive expectations resulting from past positive mutual interactions (Tzafirir & Clegg, 2007). Trust is a conviction by both parties to never act in a way that brings detriment to the other party or to take advantage of their

weaknesses (Colquitt et al., 2007). This study found that the definition of trust is applicable to circumstances where the object of trust is a person or an institution. Trust relates to favourable expectations of the behaviour of another which stems from another's trustworthiness, which relates to the benevolence, ability and integrity of a trustee (Mayer et al., 1995).

The mutual interaction of the trust relationship between two or more parties is determined by the intensity, quality and durability of human interactions and is a function of the interactions between people in different organizational roles and positions (Houtari & Iivonen, 2003). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager (Mulki et al., 2006). The literature refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or explicitly to provide these things (Grobler et al., 2006).

Research (Grobler et al., 2006) also suggested that managers who embrace and uphold this psychological bond with their employees, promote employees' trust in management and foster higher job satisfaction and the intention to improve performance. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behaviour (Mayer et al., 1995; Bagrain & Hime, 2007). Managers who express these characteristics will install high level of trust with employees (Bagrain & Hime, 2007).

The general attitude is that trust may be a substitute for risk, but it also creates a risk for one party about another party (Sabatini, 2009). This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, so far as they can, look after their interests, that they will not take advantage or harm others. Therefore, trust involves personal



vulnerability caused by uncertainty about the future behaviour of others of which you cannot be sure, but believe that they will be kind, or at least not harmful, and act accordingly in a way which may possibly put us at risk (Bouckaert et al., 2003). The above implies that trust is applied where there is no certainty, whereby it is the expectation of gain or loss which determines whether one will grant trust or not (Bouckaert et al., 2003).

Past research (Paliszkiwicz, 2012) referred to trust within an organization as the employees' willingness to be vulnerable to their managers' actions and can only be rendered when managers of that organization sufficiently communicates its actions to its employees through informal and formal engagements. Information available to the employees is imperative, especially when this source of information is obtained within employees' social environment, which would include fellow employees (Tan & Lim, 2009) as trust between people is a requirement of camaraderie and communication. A working environment with a highly trusting ambiance is normally the cornerstone for harmonious employment relationships. Recent events emphasized that managers behave in a manner that violate trust, which results in employees being more cautious and suspicious about the most diminutive behaviour (Covey, 2011). Nowadays, trust is essential to prosperity and can reap benefits as it creates a sense of belonging in a particular organization as the current crisis of trust creates a distinct opportunity to create dividends of high trust in those organizations, beginning with its management. Covey (2011) indicated the importance for managers to nurture a culture of belonging that integrates what the organization claims to believe and how it fundamentally behaves. This is a critical element in optimizing organizational performance. Levels of trust within an organization are often seen as positively related with levels of organizational effectiveness and performance (Schoorman et al., 2007). Given this positive relationship that seems to exist, it is important to understand how interpersonal trust relationship can be nurtured within an organization (Cho & Park, 2011). In order to explain this, one would need to understand the different types of trust within an organization.

#### 2.4.2 Different types of trust

Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). Mayer et al. (1995) stated that horizontal trust is the willingness of an employee to be vulnerable to the actions of co-employees whose behaviour and actions they cannot control. Ellonen et al. (2008) stated that institutional trust is the trust that employees have in organization procedures, technologies, management, goals, visions, competence and justice. Vertical trust is where employees feel vulnerable because managers have substantial influence over resource allocation (Schoorman et al., 2007). Knoll and Gill (2011) indicated that managers would be in a position to make decisions that have a considerable impact on employees (for example where employees have to rely on their managers for work assignments, performance evaluations and promotions). The concept and different types of trust culminated in the different dimensions of trust, which will be discussed in the following section.

#### 2.4.3 Different dimensions of trust

Trust is seen as a complex and multidimensional concept (Schoorman et al., 2007). In order to measure, understand and explain trust, it is imperative to identify the dimensions of trust. The following figure illustrates that trust have a vast variety of dimensions of which each dimension were researched extensively, as indicated in Figure 2.7 below.



Figure 2.7: Dimensions of trust, (Source: Seppanen et al., 2007)

For purposes of this study, the research refers to three primary dimensions, identified as benevolence, ability and integrity. Benevolence is the extent to which a trustee is believed to want to do good for the trustor, apart from any profit motives, with synonyms including loyalty, openness, caring, or supportiveness (Schoorman et al., 2007). Ability captures the knowledge and skills needed to do a specific job along with the interpersonal skills and general wisdom needed to succeed in an organization (Biswas & Varma, 2007). Integrity is the extent to which a trustee is believed to adhere to sound

moral and ethical principles, with synonyms including fairness, justice, consistency, and promise fulfillment (Schoorman et al., 2007).

Previous research (Chun & Rainey, 2005) compared public organizations to private organizations and found that the prevalence of red tape and goal ambiguity in public organizations often negatively influences attitudes of employees of public organizations, when compared to employees of private organizations. Red tape is any rule, process or procedure considered to create a compliance burden on citizens or employees. Organizational goal ambiguity is the extent to which an organizational goal or set of goals allows leeway for interpretation, when the organizational goal represents the desired future state of the organization (Chun & Rainey, 2005). To this effect, Wright (2004) suggested that the prevalence of goal ambiguity and red tape in public organizations makes employees feel less empowered, which in turn reduces their work motivation and job satisfaction and trust in their managers and organization.

Employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and to effectively perform more work. As a core result, this high level of trust would be key in positively influencing performance (Madjar & Ortiz- Walters, 2009). Managers within an organization will be in a position to create conducive conditions for fostering trust and as a consequence, be able to enhance the level of organizational performance and effectiveness (Möllering, Bachmann, & Lee, 2004). The research will focus upon vertical trust and the effects benevolence, integrity and ability employed by managers when they interact with employees (Dirks & Ferrin, 2002). The vertical trust relationship is explained in the following section.

#### 2.4.4 Vertical trust

Three perspectives traditionally dominate trust research in the public sector (Bouckaert, 2012):

- First and most prevalent is the environmental perspective, which focuses on citizens' trust in the public sector;
- Second is the contrary notion of the public sector's trust in citizens;
- Finally, and what this research study entail, the internal organizational perspective focuses on trust within public organizations.

An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Cognizance also needs to be taken that conceptually, it may be possible for employees to trust their managers, but not their organization, or vice versa. Generally it may be possible to view both forms of trust as interrelated (Wright, 2004) but within the internal organizational perspective on trust, this study's core focus is vertical trust within public organizations. This refers to trust of public servants in their managers.

To this effect, levels of vertical trust within an organization are often linked with levels of organizational effectiveness and performance (Schoorman et al., 2007). Based on the positive link found to exist between levels of organizational trust and levels of organizational performance and effectiveness, research attempted to better understand how trust is created within organizations (Cho & Park, 2011). Through understanding the factors affecting trust within organizations, it is believed that managers within an organization will be better able to create conditions that are conducive to trust, thereby enhancing levels of organizational performance and effectiveness (Möllering et al., 2004). Vertical trust may often transpire when an employee favourably evaluates the

benevolence, ability and integrity of their manager and organization (Cho & Park, 2011). Given the link between performance and employee attitudes in public organizations suggested by previous research (Gould-Williams, 2004), there is a need to explore ways in which managers can positively affect employee attitudes for effective and efficient performance. In lieu of the above, building a sense of trust needs to be acknowledged as being a mutual and collective buy-in from the employee and management (Kroukamp, 2008).

Trustworthiness stems from a perception of the expertise, intentions, actions and words of the manager (Clark & Payne, 2006). It was further stated that an individual trusts someone else, when the second person is trustworthy (Caldwell & Hayes, 2007). As indicated with the dimensions of trust, trustworthiness is based upon the ability, benevolence and integrity (Mayer et al., 1995) of the person to be trusted and is closely linked to how management behaves (Gill et al., 2005). Although employees' behaviour may ignite management's behaviour towards employees, that same managers' personal attributes would dictate the manner in which those managers would behave towards employees (Lawal & Oguntuashe, 2012). The employee's trust in a manager may influence the way the employee perceives the manager and may likely affect the manager's behaviour (Seibert et al., 2004). Moreover, the positive influence of trust in the manager may likely be mitigated by the level of trust the manager may have in the employee (Seibert et al., 2004). What also need to be acknowledged is that the trustworthiness of the manager is an important moderator affecting loyalty to the manager (Deng & Wang, 2009). The more employees trust their manager, the more they are expected to be satisfied with the manager and display increased allegiance to the manager (Deng & Wang, 2009). Two recent meta-analyses found that trust in the manager is positively related to job performance and organizational citizenship behaviour which includes allegiance to the manager (Colquitt et al., 2007). The following figure demonstrates the effect of employees feeling trusted.

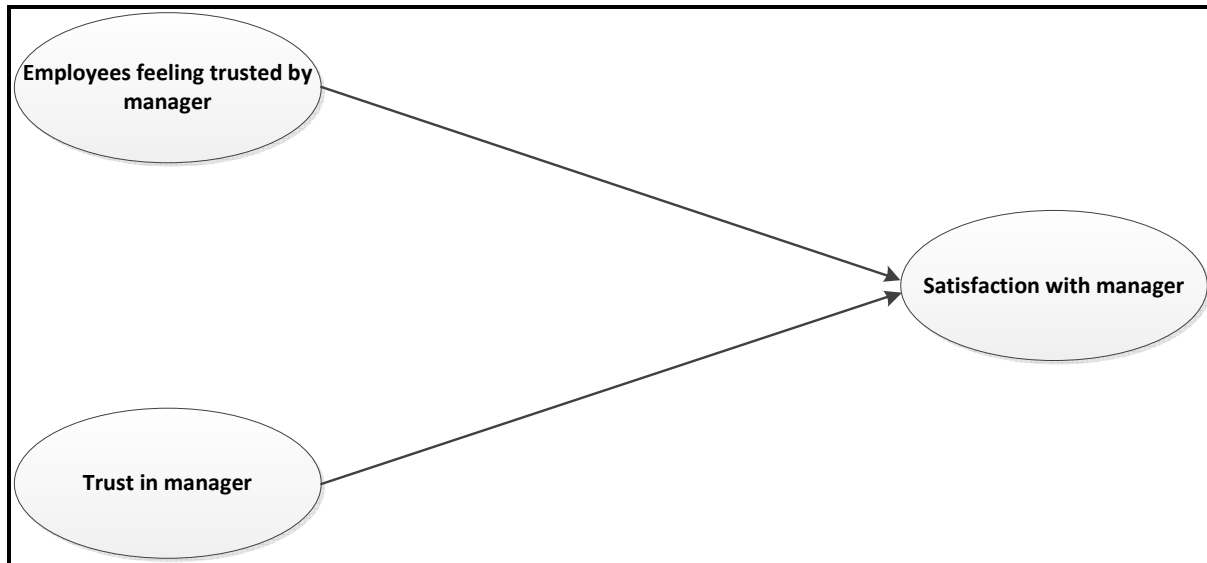


Figure 2.8: The effect of employees feeling trusted, (Source: Amended from Deng & Wang, 2009)

Research studies (Connell et al., 2003) focused on the impact of an employee's trust in management and what it would have on the employee's job performance. The study revealed that the ideology of fairness and human-oriented reflected from an organization's strategies and regulations all have an influence upon an employee's job satisfaction. Other researchers (Aryee et al., 2002) also acknowledged that when employees have trust in management, their organizational identity also increase, which encourage employees to be more effective and efficient in their jobs (Aryee et al., 2002).

It is believed that managers frequently have direct interaction with employees in their daily work environment (Paliszkievicz, 2012). This would suggest that supervisory support may be an important indicator of the quality of relationships between employees and management (Stinglhamber & Vandenberghe, 2003). This indicates that, when management expresses concern for their employees' well-being, assist them in career development, and value and appreciate their work, they would instill a motion to their employees that they are interested in a close and social relationship. In reaction towards managers' humility and to ensure a balance in their exchanges, employees will

feel appreciative and obliged to reciprocate the good deeds and goodwill of management (Stinglhamber & Vandenberghe, 2003). By doing this, they would demonstrate their trustworthiness and the gradual expansion of mutual services (Paliszkievicz, 2012).

#### 2.4.5 Theoretical framework and hypothesis

Communication practices employed by managers are likely to directly and indirectly influence levels of vertical trust in public organizations (Cho & Park, 2011). Mayer et al. (1995) explained that the levels of trust within an organization can affect effectiveness and performance within organizations. Through understanding what factors effects trust in any organization, relies on the conducive environment which managers create in an organization that would influence trust. Mayer et al. (1995) developed an existing research measuring model which suggests that three major elements determine organizational trust: characteristics of the trustor, characteristics of the trustee and the perceived risk.

An element of this model focuses on three major factors that influence trustworthiness. Firstly, it is the ability or the competence which the trustee has in a specific area. The second factor relates to the benevolence, where the trustee has the willingness to do good for the trustor. Lastly, trustworthiness relates to the integrity which assesses the trustee's core set of values in order to guide behaviour as depicted in Figure 2.9 below.



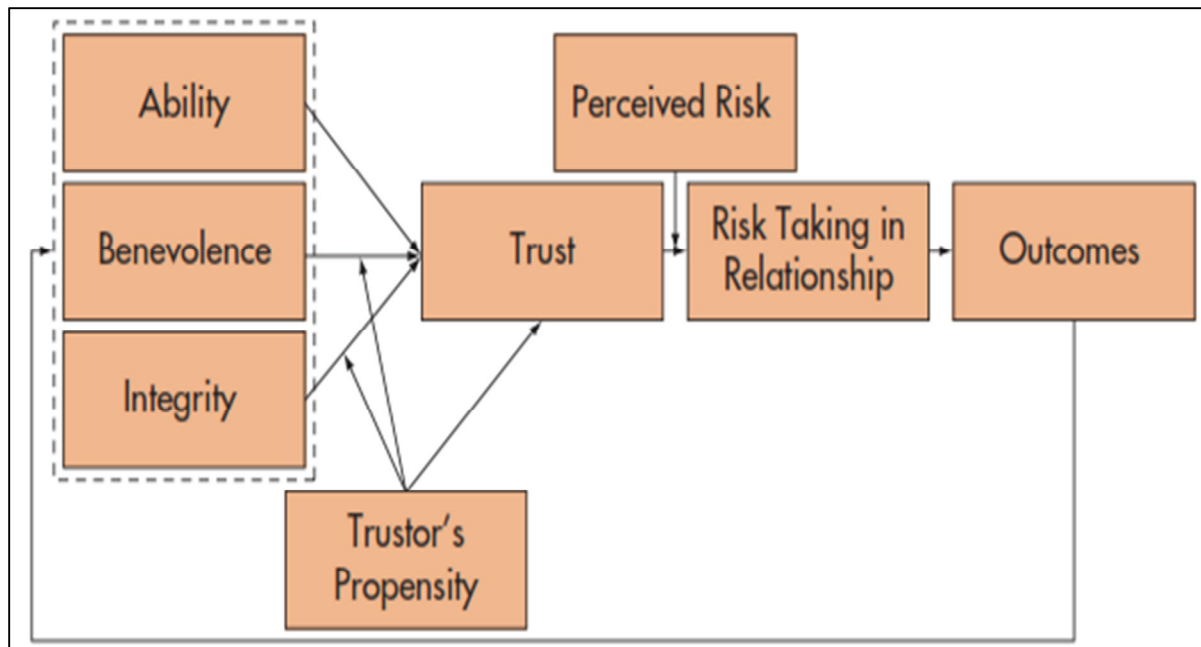


Figure 2.9: Factors of perceived trustworthiness, (Source: Mayer et al., 1995)

From the above figure, this research aims to build upon existing literature pertaining to trustworthiness (Porumbescu et al., 2013), by focusing on how certain factors may influence the employee's level of trust in the manager. A theoretical model tested by Porumbescu et al. (2013) will be revised in which five measuring instruments will be used in order to measure the vertical trust relationship between employees and managers. Vertical trust within public organizations is largely influenced by the manner in which managers communicate with employees and how employees' attitudes are relating to job satisfaction, employee empowerment and performance management (Garnett et al., 2008). Given the model of Mayer et al. (1995), this research will aim to add to the existing research by deriving and empirically testing a theoretical framework that can test the way vertical trust between managers and employees is influenced by certain factors or dimensions. As such, the derived conceptual model presented in Figure 2.10 below, demonstrates the direct relationships that this research intends to investigate.

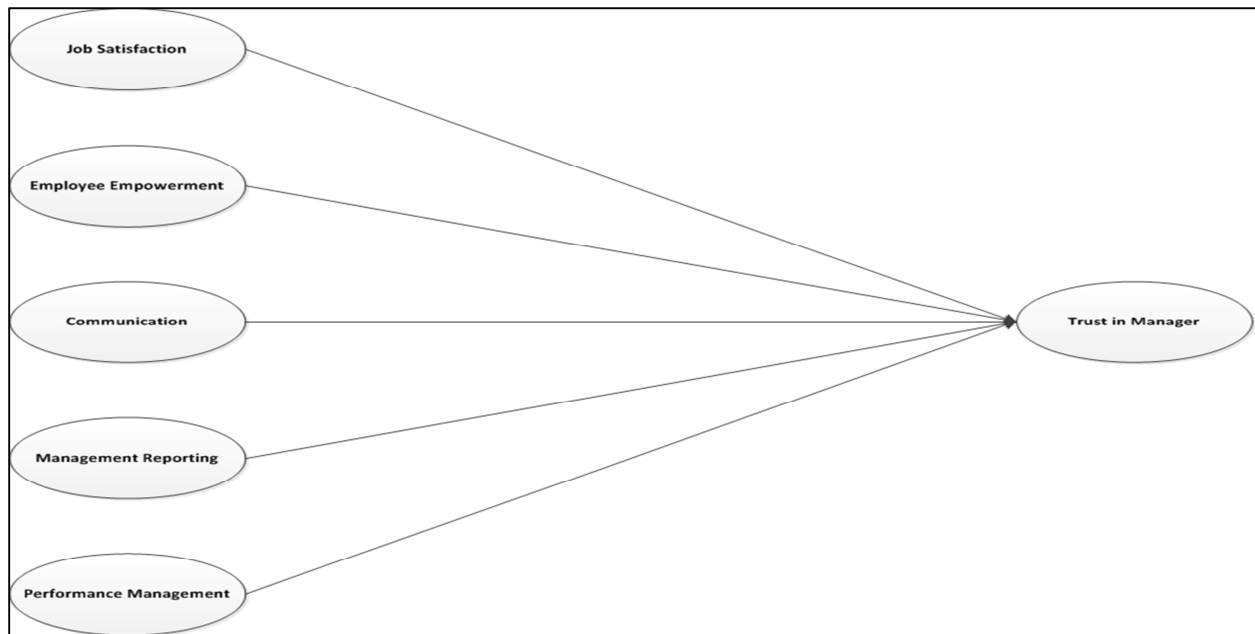


Figure 2.10: Theoretical framework, (Source: Amended from Porumbescu et al., 2013)

Explanations of the relationships suggested to exist between the concepts outlined in Figure 2.10, are provided in the following discussion. As previously stated, this research study will only focus on attitudes relating to job satisfaction, employee empowerment and management reporting and performance management. These dimensions outline the foundation of the questionnaire.

#### 2.4.5.1 Interpersonal trust

The field of organizational behaviour found that positive assessments of the trustworthiness of the manager is strongly related to employees' perceptions of justice within the organization (Aryee et al., 2002; Dirks & Ferrin, 2002; Shockley-Zalabak et al., 2010). Employees' perceptions of justice within an organization can be divided into interrelated categories of interactional, procedural, and distributive. The study will only focus on interactional justice and relates to the manager and can be considered interpersonal (Porumbescu et al., 2013). Managers are believed to be conduit in which

an organization can affect employees' perceptions of interactional justice. This is explained as perceptions that procedures and processes of the organization are implemented by managers fairly (Porumbescu et al., 2013). With managers being able to increase employees' sense of interactional justice, it is widely found that employees in public organizations will frequently assume vulnerability in manager-employee relations (Kim, 2005). An employee's sense of interaction is normally built over an extended period, through constant interaction between the managers and employees (Shockley-Zalabak et al., 2010).

The argument can be raised that, in public organizations, employees' sense of interactional justice stems from the information employees have regarding the policies and processes of the organization, which in turn is a result of the way in which such information is communicated to them via managers (Porumbescu et al., 2013). This argument is based upon one fundamental assumption:

- From a perspective of interactional justice, the way in which information regarding the organization is communicated to employees by a manager, will influence perceptions of interactional justice, which in turn will influence employees' trust in managers.

From the above, interpersonal trust building is an interactive process in which individuals learn or unlearn to establish and maintain trustworthiness, under given organizational (contextual and structural) settings. The employees subject themselves to policies directly or indirectly, positively or negatively sanctioning the building of interpersonal trust (Paliszkievicz, 2012). Stable intentions for behaviour can be stimulated by durable policies and structures (Six & Sorge, 2008). For interpersonal trust to be built in long-term work relations, both individuals need to have their actions guided by a stable normative frame (Paliszkievicz, 2012). There are four operative conditions that play an essential role regarding interpersonal trust (Six, 2007):

- The suspension of opportunistic behaviour, or the removal of distrust;
- Exchange of positive relational signals;
- Avoiding negative relational signals, i. e., dealing with trouble;

- The stimulation of frame resonance, or the introduction of trust-enhancing organizational policies.

Six (2007) also indicated that, in order for an organization's management to promote interpersonal trust-building in the organization, a combination of three types of organizational policies can be effective:

- By creating a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Through explicit socialization to make newcomers understand the values and principles of the organization and how things are done in the organization.

#### *2.4.5.2 Trust and communication*

This research includes management reporting as a dimension which would stem from how communication is conducted within an organization. Previous literature related to public organizations has positively related characteristics of communication (Porumbescu et al., 2013). This include frequency and perceived quality, levels of employee performance and attitudes like work motivation, commitment, empowerment, job satisfaction, and interpersonal trust (Aryee et al., 2002; Wright, 2004; Cho and Park, 2011). Little research has questioned to what extent the direction of flows of information between supervisors and subordinates influence levels of vertical trust in public organizations (Porumbescu et al., 2013). The manner in which employees and managers communicates with each other is suggestive of the amount of trust instilled between them and may be indicative of the working environment in which they work.

Impersonal communication strategies view the employee as a passive receiver of information, suggesting that there is no tangible exchange of information (Porumbescu et al., 2013). In public organizations, such strategies have been found to result in a

lower quality relationship between managers and employees (Kroukamp, 2008). This is due to potential misunderstandings on the part of the employee which cannot be clarified. These misunderstandings may possibly hinder employees' sense of empowerment and job satisfaction, and thus increasing their sense of alienation (Wright, 2004). An impersonal communication strategy may also be poorly suited for the task of creating shared sense of understanding between employees and managers. This may be as a result of employees not been given any opportunity to discuss questions they may have regarding organizational practices or goals, which are generally ambiguous in the public sector. Impersonal communication is thus not expected to contribute to employees' perceptions of interactional justice (Aryee et al., 2002), and even hinder the creation of vertical trust.

Another form of communication is interpersonal communication, where managers and employees are both active in the exchange of information (Pandey & Garnett, 2006). Seemingly, this form of communication strategy may be conducive to higher quality relationships between managers and employees in public organizations. A greater exchange of information would enable employees not only to better understand organizational policies, goals, and processes by allowing them to ask questions to their supervisors, but also enable them to possess better knowledge with respect to what is expected of them on the job (Wright, 2004). Greater interaction between a manager and employee would likely enhance the employee's sense of interactional justice, as employees perceive their relationship with their manager as reasonable information (Porumbescu et al., 2013).

#### *2.4.5.3 Job satisfaction and employee empowerment*

Factors which are likely to mediate the relationship between an interpersonal communication strategy used by managers and levels of employees' vertical trust in public organizations relate to job satisfaction, empowerment, and job motivation (Porumbescu et al., 2013). These potential mediating factors have been linked with various forms of manager- employee interaction, information exchange and levels of

trust in managers (Aryee et al., 2002; Dirks & Ferrin, 2002; Cho & Park, 2011). First, the research consider employee job satisfaction to be a consequence of an interpersonal communication strategy employed by the manager, as well as an antecedent of employees' trust in their manager (Porumbescu et al., 2013).

#### *2.4.5.3.1 Job satisfaction*

Job satisfaction refers to the general attitude of an individual towards his or her work (Robbins, 2005). A person with high satisfaction would have a positive attitude towards the job while a dissatisfied person would express a negative attitude towards the job (Robbins, 2005). Job satisfaction is also described as a positive emotional condition resulting from the evaluation of one's work experience comparing to their individual expectations (Mathis & Jackson, 2001). Job satisfaction plays an important role for an employee because employees with job satisfaction usually have good reports for attendance, a lower employee turnover rate and better job performance than employees with job dissatisfaction (Dessler, 2005).

The research previously stated that higher levels of goal ambiguity and red tape in public organizations have been found to negatively impact the attitudes of public sector employees. An interpersonal communication strategy used by a manager is also likely to mitigate the negative impact of these features of public organizations on an employee's attitudes. This would mean that an interpersonal communication strategy would be positively related to employees' job satisfaction in public sector organizations (Porumbescu et al., 2013). With respect to the relationship between job satisfaction and trust in a manager, the study implies that, if a manager is successful in improving employees' levels of job satisfaction, employees' are also more likely to evaluate the ability, benevolence and integrity of their manager (trustworthiness) more positively. This will imply a positive relationship between job satisfaction and trust in the manager (Schoorman et al., 2007).

#### *2.4.5.3.2 Employee empowerment*

Empowerment concerns employees' sense that they are capable of meeting the demands of their work (Porumbescu et al., 2013). It is examined from relational and motivational aspects and can be regarded as a process in which managers share the power they have with their employees (Findikli et al., 2010). Feeling empowered, employees may start to play their part effectively which would, in effect, assist them to focus on goals, making them concentrate more on their roles, communicate with one another more effectively and act smoothly (Findikli et al., 2010). Individuals' need for power has its essence in an internal need for self-determination or feeling of self-efficacy. Having therefore addressed this need, employees can be motivated in such a way that they contribute to company goals more (Arslantaş, 2008).

Existing research (Wright, 2004) has empirically illustrated that employee empowerment among employees is strongly and positively influenced by job goal specificity, which is the opposite of goal ambiguity. Job goal specificity can be considered as the extent to which members of an organization understand the work they are charged to do (Porumbescu et al., 2013). Consequently, an employee's understanding of the work they do, will be linked to the information an employee has of that task, with a possible source for such information likely to be one's manager. In this regard, it is likely that interpersonal communication improves employees' knowledge of tasks and goals at hand, as it offers employees with greater opportunities to ask questions to their managers (Wright, 2004). This ability to ask questions would probably instill employees with the knowledge and confidence that they may resolve any problems that may arise, by communicating with their manager. Lastly and within a public organization, an employee's sense of empowerment is a significant requirement to their trust in the organization (Nyhan, 2000). In essence, employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010). Consequently, employees are likely to evaluate their manager more positively,

as the information afforded to employees by their manager is responsible for their improved sense of empowerment.

#### *2.4.5.4 Relationship between trust and performance management*

Performance management is an integrated process in which managers work with their employees to set expectations, measure and review results, and reward performance, in order to improve employee performance, with the ultimate aim of positively affecting organizational success (Den Hartog et al., 2004). This is needed to provide guidance to employees on how to apply their resources for the benefit of the organization (Sohrabi & Khan Mohammadi, 2007). Performance management is an effective performance management tool for measuring and improving productivity (Mani, 2002). The responsibility would be for the managers to communicate these policies and procedures to employees. Employee ability to participate in the design and development of organizational systems and policies, especially those that directly impact them, is a key component of success (Mani, 2002).

Managers attempts to improve human performance through establishing performance management systems and represents practical mechanism of performance improvement through holding necessary training for employees. They further attempt to establish frequent meetings for assessing of the employees' performance by managers and also represents some recommendations to employees. This continuous process improves the efficiency and effectiveness of the whole system in the long run and as a result, increases total efficiency (Kargar, 2009). From the above, the performance management process can be seen as a continuous cycle with three main elements. This includes planning (designing best practices which include informal mentoring, reviewing the courses of development in job accountability and behaviours), reviewing and evaluation (the review and the way in which they explain about what they have done and presenting corrective suggestions in development of organization programs (Sohrabi & Khan Mohammadi, 2007).



Within the holistic view of performance management, a significant problem pertaining to performance management was identified (Fryer et al., 2009). This involves the predominantly softer people issues and their involvement in the performance management system, inter alia multiple stakeholders, a lack of employee involvement, gaming and lack of involvement of the whole organization, including insufficient support from higher levels of management or decision makers (Fryer et al., 2009). Hence, for performance management to have a positive effect on achieving high trust between managers and employees, it would largely be influenced by the extent to which employees perceive performance management to be fair. This would include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback, and having influence over personal career development (Farndale & Hope-Haily, 2010).

A research study (Interaction Associates, 2009) focused on the trust relationship between managers and employees and the influence this relationship would have on the organization's performance. This will be discussed in the following section.

#### 2.4.6 The effect of trust: better performance in the workplace

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have (Interaction Associates, 2009): a strong sense of shared purpose to succeed; employees who work together to support that purpose; to nurture a working environment in which tolerance and cooperation are highly valued; managers who coach rather than just manage; and a sense of belonging where people collectively participate in making decisions.

It further revealed that such organizations excelled, as compared to their low-trust peers, at showing (Interaction Associates, 2009): organizational behavior consistent

with their values and ethics (85 percent vs. 46 percent); a tendency where organizations retaining employees (80 percent vs. 42 percent); and organizations whom attract, deploy and develop talent (76 percent vs. 24 percent) as indicated in the figure below.

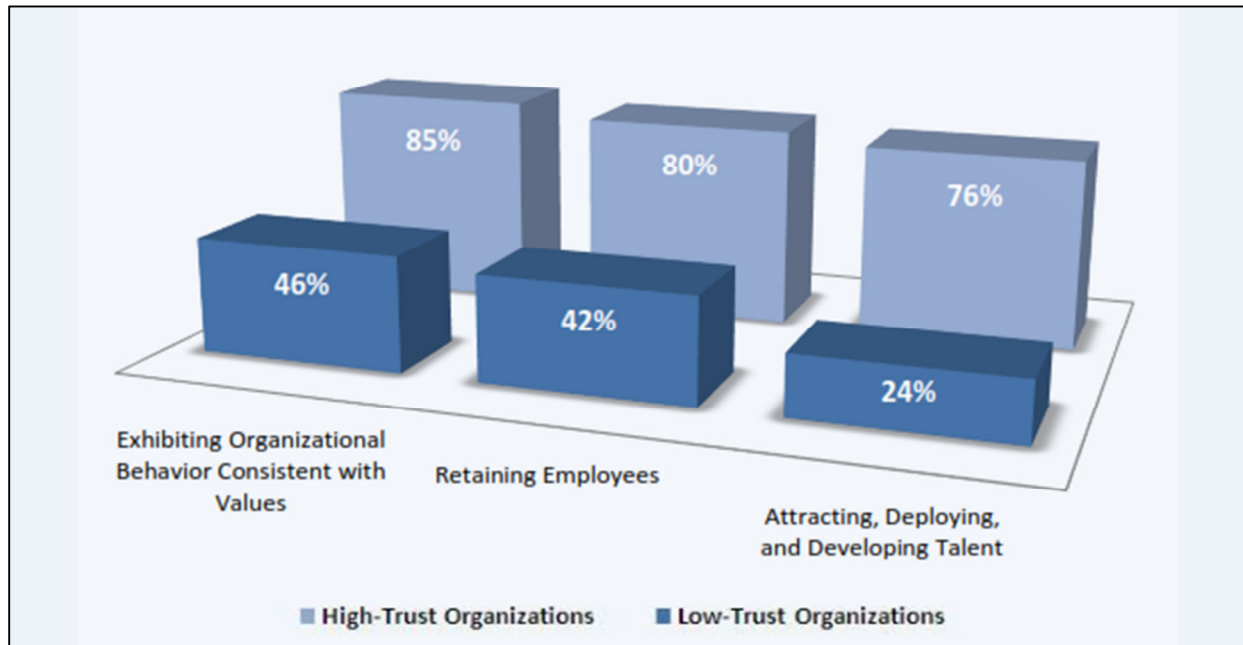


Figure 2.11: Areas of excellence in high- trust organizations, (Source: Interaction Associates, 2009)

The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover (Interaction Associates, 2009). With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust but what need to be understood is that in reality, trust creates authority (Hitch, 2012).

#### *2.4.6.1 The trust in managers and link to performance*

It is important to acknowledge that relationships at work tend to be more formal in nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job. According to past research and theory of human information processing, employees who trust their managers will be able to focus more attention on the tasks at hand, will not be overly concerned or distracted by uncertainty and may be willing to take on more risks (Mayer & Gavin, 2005). These intricate behaviours are expected to make employees to work more, produce exceptional quality of work and feel more comfortable engaging in behaviours that put them at risk, such as suggesting a sense of empowerment to achieve daily job responsibilities- and targets (Mayer et al., 1995). This is indicative of the fact that employees with high levels of performance need to trust their managers and believe that managers will provide the necessary resources, support and backing for effectively doing their daily job (Mayer & Gavin, 2005). Contrary, employees' lack of trust in managers will distract employees' attention from the activities they are obliged to perform and will allow less cognitive resources to be devoted to effectively performing their work (Mayer & Gavin, 2005).

## **2.5 Summary**

This brief review of the literature shows that the vertical trust relationship between managers and employees is an important backbone of any credible organization and research indicate that low levels of vertical trust experienced by employees do have numerous negative implications for managers and organizations. Despite the importance of vertical trust to an organization's effective functioning, little recent published empirical studies seem to be available within the South African context for local governments. The current study aims to make a contribution towards addressing this need.

## CHAPTER THREE: RESEARCH METHODOLOGY

### 3.1 Introduction

In Chapter 1, the research problem statement and objectives were stated. The applicable literature pertaining to the brief overview and transformational process of local government and its obligation to basic service delivery to communities, as enshrined in the Constitution were discussed in Chapter 2. This also included literature pertaining to the concept of trust, with specific reference made to the vertical trust relationship between municipal employees and managers. The main objective of Chapter 3 is to describe the research methodology used in this research study, followed by the presentation of the data and results which culminated from the statistical analysis of the questionnaire responses.

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. Once the population and sample was clarified, the empirical instrument used to collect the data will be described, which includes methods implemented to maintain validity and reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. The research method will provide a planned and systematic approach of investigation that denotes the detail framework of the analysis, data gathering techniques, sampling focus and interpretation strategy and analysis plan. The ethical considerations, that needed to be taken into account when conducting the research, will also be highlighted.

The methodology will be followed by a representation that will outline the general results of the questions pertaining to the vertical trust relationship between employees and managers in the Category B municipality. The chapter will present the empirical findings

of the research as alluded to the theoretical perspectives discussed in Chapter 2. The response rate pertaining to the research will be presented, followed by the identification of the descriptive statistical analysis relating to the biographical information of the respondents. This will be followed by an assessment of the reliability of the five measuring instruments by interpreting the Cronbach Alpha coefficient. Subsequently, the vertical trust relationship will be analyzed by using the effect sizes of various biographical data and interpret how respondents within those biographical categories responded on the five measuring instruments. This will be followed by coefficient of correlations by establishing the linear relationships between those five categories. Finally, the researcher will provide feedback on the open questions posted to the respondents to ascertain what they understand of the concept of trust in their current working environment.

### **3.2 Research methodology**

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The focus of research methodology revolves around the problems to be investigated in a research study and hence is varied according to the problems to be investigated. The research methodology was also explained in the form of an analogy, whereby it is compared with an “onion” (Saunders et al, 2009). Saunders et al. (2009) sees the research problem as the centre whereby several layers have to be “peeled off” before reaching the central position. These layers are the main factors to be considered in determining the research methodology for a particular research study. The research problem to be tested is to ascertain whether the concept of vertical trust relationship between municipal employees and managers, is one of many factors that contribute to effective basis service delivery within a Category B municipality. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality (see Appendix A for example of questionnaire).

Although various classifications and definitions of these terms exist, the analogy given by Saunders et al. (2009) is preferred here in this research study, as it provides an unambiguous overall framework for the complete research process. The discussion here will be limited to the research strategy implemented, and its application to this particular research study, which will be explained in the next section.

### 3.2.1 Research strategy

Saunders et al. (2009) explained research strategy as a general plan of how the researcher will conduct the research and in the process, provide answers to the research questions. Bryman (2008) also identified research strategy as a general orientation to the conduct of research and thus provides the holistic direction of the research, including the process by which the research is conducted. Some of the general research strategies used in business and management are experiment, survey, case study, action research, grounded theory, ethnography, archival research, cross sectional studies, longitudinal studies and participative enquiry (Easterby-Smith et al., 2008; Collis & Hussey, 2009; Saunders et al., 2009). From these various strategies, this research sought to adopt the survey research strategy as the appropriate strategy for research. The following sections briefly describe the survey strategy and justify its preference as opposed to other strategies.

### 3.2.2 The research population and sample

The population and sample applicable to this research will be discussed in this section. A population is any precisely defined group of people, events or things that are of interest to and under investigation by the researcher and that meet the sample criteria for inclusion in this research (Terre Blanche et al., 2006). The selected Category B municipality used for this research study operates within the geographical area of the Eden District, situated in the Western Cape. This Category B municipality provides

basic services to the city and its surrounding areas. The population consisted of all the employees throughout the Category B municipality, which are permanently employed (excluding contract- and temporary employees). A total of 1122 salaried staff members are employed by the Category B municipality, ranging between a mixture of permanent, temporary and contract employees. Holistically, with an estimated population of 193 672 recorded in the 2011 Census and representing approximately 34 percent of the Eden District (Category B municipality, 2013), this municipality's experience of service delivery protests is very small, compared to other Category B municipalities within the Western Cape (Karamoko & Jain, 2011). The operational and financial performance is also commendable, as the municipality received unqualified financial audits since 2010, as indicated in the table below.

Table 3.1: Summarized financial audit outcomes between 2007 – 2012, (Source: Category B municipality, 2013)

| Year   | 2007/ 2008 | 2008/ 2009 | 2009/ 2010 | 2010/ 2011                 | 2011/ 2012                   |
|--------|------------|------------|------------|----------------------------|------------------------------|
| Status | Qualified  | Qualified  | Adverse    | Unqualified - with matters | Unqualified -<br>Clean audit |

The Category B municipality was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality.

A sample is a representation of the population that is selected for the research and consists of a selection of participants from the population (Bryman & Bell, 2007). The sample aims to represent the main interests of the research (Terre Blanche et al., 2006). Terre Blanche et al. (2006) explained that the sample is selected from the population, and is simply the elements or people that form part of this research. Zikmund (2003) explained that an adequate sample will have the same characteristics of the population. Burns and Bush (2010) also explained that the sample size has an impact on how the sample findings would correctly represent the population.

A convenience sampling technique was used to identify the sample. A convenient sample consists of subjects included in the research because they happen to be in the right place at the right time and can provide the information required by the researcher (Hair et al., 2007). Questionnaires were distributed to the available employees on one particular day, with the assistance of an employee at the Category B municipality. The basic idea of sampling is that, by the selection of members of the population, the researcher would be able to draw conclusions regarding the entire population, where sampling refers to the process of selecting elements to observe (Terre Blanche et al., 2006).

Hair et al. (2006) explained that small or very large samples have a negative influence on the statistical tests because either the sample is not big enough to make generalizations or too big to reach any conclusions. Questionnaires were distributed (via email) to 800 permanently employees/ respondents at the Category B municipality of which the total employment profile is given in Table 1.1 of Chapter 1. The sample of the research included all permanently employees at the category B municipality who could read and write in English, which accounted for about 800 employees. The respondents needed to be able to read and write in English as the questionnaire was only available in English. Section G of the questionnaire was translated into Afrikaans as well, due to a large portion of the population's home language being Afrikaans (Category B municipality, 2013). The researcher distributed 800 questionnaires and conservatively envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis. Eventually only 205 respondents participated.



This equates to a response rate of 25.63 percent. Bryman and Bell (2007) indicated that a response rate of less than 50 percent would provide an incorrect generalization of the entire population. The sample size was considered adequate and representative due to an excellent internal reliability analysis, based on the Cronbach Alpha coefficient.

Subjects included in the sample were selected based on certain criteria. The employees throughout the Category B municipality had to meet the following criteria to be included in the sample. They should:

- Be permanently employed by the Category B municipality;
- Be of either sex;
- Be willing to participate.

### 3.2.3 Research design

Research design is the research process that entails the general assumption of the research pertaining to the method of data collection and analysis (Creswell, 2009). Creswell (2009) went on to explain that the choice of the research design depends on the objectives of the research study that would enable the research questions to be answered. This research mainly focuses on the study of vertical trust relationship between employees and managers within local government. Specific focus will be on a Category B municipality situated in the geographical area of the Western Cape. The research attempts to establish whether the vertical trust relationship between the two parties have an influence on effective and efficient service delivery to the community which that Category B municipality serves.

In order to meet the objectives of this research study, a descriptive research design has been used, to illustrate the effects of such a vertical trust relationship. This research design has been used to analyze this vertical trust relationship and the influence it has as a contributing factor, on effective and efficient service delivery to the community which that Category B municipality serves. An analytical research design has also been used to establish relationships between different independent and dependent variables

used in this research study. Descriptive research design is a method which includes surveys and fact-finding enquiries of different kinds (Shuttleworth, 2008) in order to illustrate characteristics of a population or a phenomenon. In this case, it is the vertical trust relationship between the two parties and what contributing influence it has on effective and efficient service delivery to the community which that Category B municipality serves. This involves observing and describing the behavior of a subject without influencing it by any means (Shuttleworth, 2008). This type of design is also conducted where there is previous understanding of the research problem (Zikmund, 2003). The descriptive research design will focus on a particular research method which was implemented and will be explained in the following section.

#### 3.2.4 Research method

Creswell (2009) explain three approaches to research design, being a qualitative approach, quantitative approach and a mixed approach. This research study adopted a quantitative approach and is explained as a formal, objective, systematic process to describe and test relationships and examine cause and effect interactions among variables (Creswell, 2009). This approach is one where the researcher uses post positivist claims for developing knowledge (i.e. cause and effect thinking, reduction to specific variables and hypotheses and questions, use of instrument and observation, the test of theories), employs strategies of enquiry such as experiments and surveys and collects data on predetermined instruments that yield statistical data (Creswell, 2009). This is regularly referred to as research where hypotheses testing are predominant. Such testing normally commence with statements of theory from which the research hypotheses are derived. Then an experimental design is created where the variables in question (the dependent variables) are measured while controlling for the effects of selected independent variables. Quantitative research is used to test an objective theory which usually requires the researcher to collect numerical data whereby it is statistically analyzed (Creswell, 2009). Therefore, quantitative research normally entails instruments that are used for collecting data and being in a position to make

generalizations about a population under investigation (Zikmund et al., 2010). In general, there are two types of quantitative research methods (Creswell, 2007):

**Survey:** This focuses on the collection of data by using a questionnaire in order to establish the opinions of a population, based on a sample of the population (Creswell, 2009). There are also other techniques which a researcher can use and include interviews, telephone calls and observations (Tharenou et al., 2007). A more detail discussion of surveys will be found in the survey section.

**Experiment:** (Tharenou et al., 2007) alluded to a process whereby the researcher divides participants into two groups, which is denoted as a control group and a treatment group. Experiments are then performed to test relationships between cause and effect. This usually involves a comparison of the control group to the treatment group.

Surveys are the most common way of collecting data and because this research opted for this quantitative research method, it is explained in detail below.

#### *3.2.4.1 Surveys*

(Zikmund et al., 2010) described a survey as a research technique in which responses are collected through instruments from a sample in some form or the behavior of respondents is observed and described in some way. Surveys are a regular method of collecting data in research studies, by employing a questionnaire that collects data from a sample, after which that data is statistically analyzed (Saunders et al., 2009). Quantifiable data from respondents are normally collected through the surveys, in order to measure, examine, analyze and generalize the findings. Zikmund (2003) explained that surveys became a scientific and accurate way of collecting data to quantify the gathered information. Creswell (2009) went on to explain that surveys usually record perceptions of respondents about opinions, attitudes and beliefs, which is normally an inexpensive and efficient way of gathering the required information relating to the

population or a sample of it. Of importance is that, by using a questionnaire as the primary source to gather information from respondents, the questionnaires should be logical and follow a certain order that would allow the respondents to record facts, comments and attitudes (Hague, 2002).

A common method of collecting data for surveys is using Likert scales. Likert scales are used for measuring attitudes and behaviours which requires respondents to choose a statement from a number of statements. These statements normally range from “strongly disagree” to “strongly agree” (Saunders et al., 2009). Zikmund (2003) further explains that the respondent would then normally choose a response from a set of five statements where each response is assigned a weight and then would allow the researcher to conduct statistical analysis. These choices made by the respondents are an indication that the respondents agree with the statements and inherently allow them to express their feelings (Zikmund, 2003). The questions posed in the questionnaire must also be structured in such a way whereby similar questions are placed in the same category, which would make it easier for the respondents to follow (Saunders et al., 2009).

This research used a Likert scale that implemented a five point scale as opposed to a seven point scale, because the five point scale reduces the level of frustration amongst respondents and simultaneously increases the rate and quality of the responses (Prayag, 2007). Based on the Likert scale, questions were posed to respondents to best describe the vertical trust relationship between municipal employees and managers. This relationship was tested by focusing on various questions based on the respondents’ perceptions of job satisfaction, communication, employee empowerment, and management reporting and performance management within the Category B municipality (see Appendix A for structure of the Likert scale). The survey instrument design, in the form of a questionnaire, was created and will be discussed in the following section.

### 3.2.4.2 Survey measuring instrument

The questionnaire, as measuring instrument used in the research, was divided into seven sections of which the data was collected by means of a structured questionnaire, attached as Appendix A. These sections were preceded by an explanation and cover letter by the researcher of what the questionnaire entails. The questionnaire included sharing the objective of the research and was combined with a voluntary consent explanation.

The questionnaire was structured according to sections, consisting of a Section A, Section B, Section C, Section D, Section E, Section F and Section G. Section A included eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. This section required the respondents to select an option by making a cross opposite the respondents' selected options. Section B to Section F included an instruction sheet as to how these sections needed to be completed, and consisted of the following amount of questions each:

- Section B: eleven questions which related to respondents' perceptions of job satisfaction;
- Section C: seven questions which related to respondents' perceptions of employee empowerment;
- Section D: twelve questions which related to respondents' perceptions of communication;
- Section E: seven questions which related to respondents' perceptions of employee management reporting;
- Section F: seven questions which related to respondents' perceptions of performance management;

Throughout these sections, the respondents were requested to respond to statements which were based upon a 5 point Likert scale. The sections related to dimensions or measures that may have an influence on the vertical trust relationship between municipal employees and managers. In the last section, identified as Section G, the questionnaire also contained eight open-ended questions relating to the respondents' personal view of trust between the municipal employees and managers. They were requested to add any comments in the space provided on the last two pages of the questionnaire.

### 3.2.5 Data collection

The data collection process will be discussed, based on illustration of this collection in Figure 3.1 below.

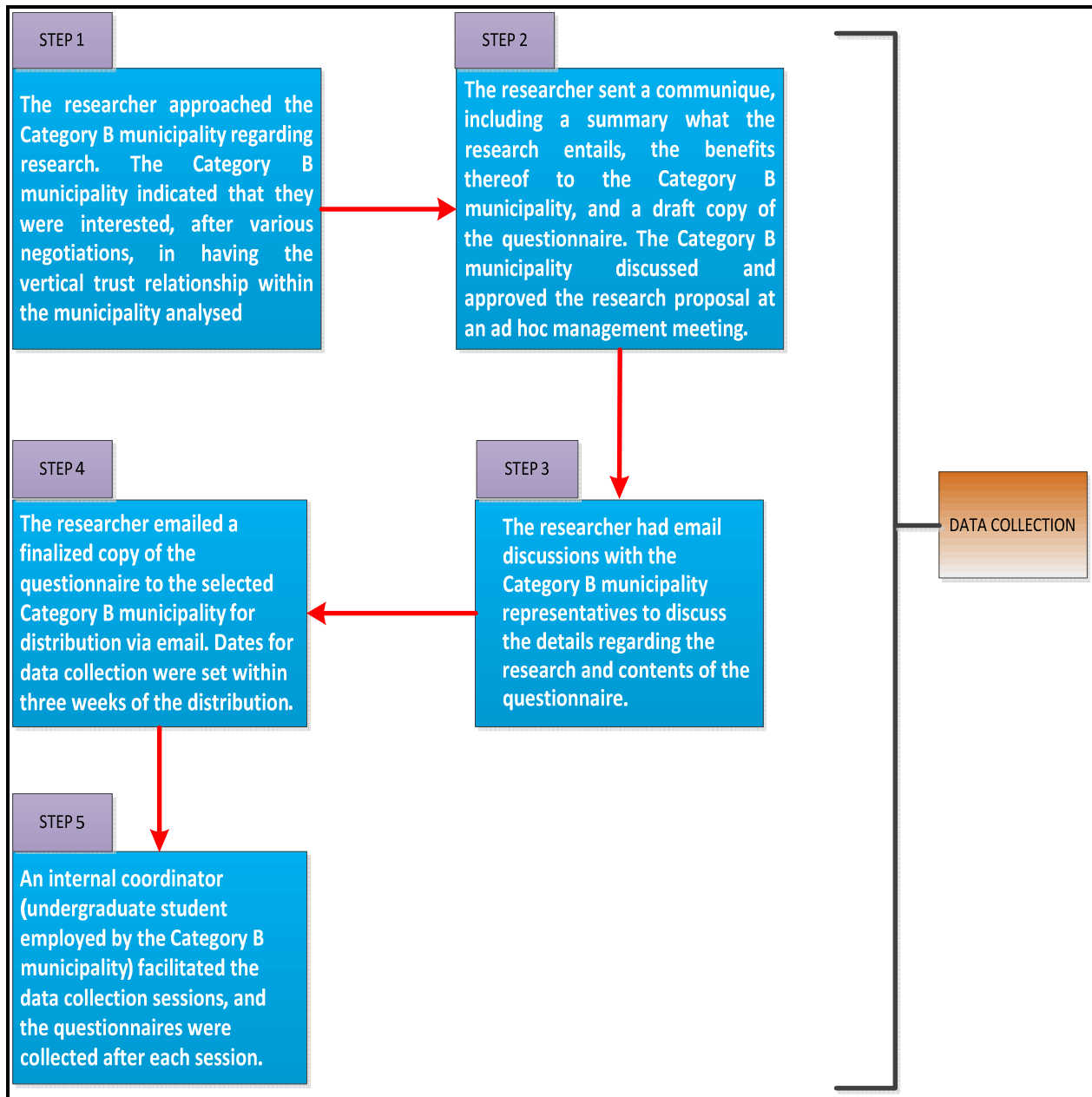


Figure 3.1: Data collection process, (Source: Own Compilation)

The questionnaire was chosen as data collection instrument. A questionnaire is a printed self-report form, designed to source information that can be obtained, for purposes of a specific research, through written responses of the subjects (Collis & Hussey, 2009). The questionnaire was administered and the data was collected from a sample (N=205) of the municipal employees, which are permanently employed (those which could read and write in English) within the area of jurisdiction of the Category B municipality. The data collection process began when the researcher approached the executive management of the Category B municipality and ascertained whether they are interested in a research study which focuses on the vertical trust relationship between municipal employees and managers and whether such relationship is a contributing factor in producing effective and efficient basic services by the municipality to the community. The researcher was assisted by an employee, labeled by the researcher as the internal coordinator, at the municipality to convince the executive management to participate.

The researcher sent an email to the executive management which contained a brief discussion on the research and the potential benefits which it may hold for the municipality. This was accompanied by a draft questionnaire which the executive management had to approve. The research proposal was discussed and approved at an ad hoc executive management meeting, after various email communications which gave the researcher permission to conduct the research. This process was followed by the collation of the final questionnaire which was attached as Appendix A and sent for email distribution by the Human Resource offices at the municipality. The internal coordinator, also busy with similar studies at an undergraduate level, administered the progress and feedback of all the participants. The data collection process took place over the duration of one month as the response rate of those who participated was extremely sporadic. The data collection process was followed by processing of data capturing and will be discussed in the next section.



### 3.2.6 Data capturing

The data capturing and statistical analysis focused on the manner in which the collected data was processed and analyzed. This would enable the researcher to draw conclusions and interpretations. Once the data was collected from the municipality, the internal coordinator categorized the questionnaires per department. These questionnaires were then couriered to the Statistical Consultation Services at the Northwest University, Potchefstroom Campus. A Professor at the Statistical Consultation Services conducted the capturing and transferred it to a statistical data analysis program, called SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009).

### 3.2.7 Data and statistical analysis

The data analysis commenced after the data was collected and captured in order to make sense of the research and attain certain findings (Field, 2009). The quantitative data were analyzed, using SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009). Firstly, all the information from the various sections of the questionnaire was analyzed statistically by using descriptive analysis (Creswell, 2009). Descriptive statistics were used in order to provide a set of scores that are obtained from the respondents and to illustrate basic patterns in the data (Neuman, 2006). Punch (2005) explained that the benefits of conducting a descriptive analysis is that it keeps the researcher close to the data and it enables the researcher to understand the distribution of each variable across the questionnaire respondents (Punch, 2005).

Descriptive statistics were used to summarize Section A of the questionnaire which related to the biographical details. This was done in order to develop a unique profile of the municipality's existing vertical trust relationship (Sections B – G). During the analysis of the research data, frequency tables were used to portray and understand the data. Punch (2005) explained that frequency tables describes the individual scores in

the distribution and are tabulated based on how many respondents achieved in each score, or gave to each response or fell into each category. All the sections of the questionnaire were analyzed statistically by using these frequency distributions as the results can be portrayed as tables of graphs. These graphs and table would make the results easy to illustrate and assist the researcher to get a basic perception of the characteristics of the data (Neuman, 2006). Once the data was analyzed through the frequency tables, graphs were constructed in order to graphically represent the data contained in the frequency tables.

The descriptive statistical analysis also calculated the mean and standard deviations of the data. Levine et al. (2011) defines the mean as the sum of all the values in a data set divided by the sum of the values in the data set. This offers a general picture of the data without overwhelming the researcher with each of the observations in the data set. It is simply the average of the various responses pertaining to a scale. The standard deviation was used to measure the scattering of the data. Scattering explains how the data are clustered around the mean as opposed to the standard deviation which measures scattering and is the degree of deviation of the numbers from their mean (Levine et al., 2011).

Before the next section will be discussed, the researcher would like to explain the term variable and then distinguish between a dependent variable and an independent variable, in order to link these terms to the current research study as follows (Levine et al., 2011): A variable is a characteristic of an item or individual and is an abstract representation of a phenomenon (e.g. fear, intelligence, trust) that can occur at two or more levels. An independent variable is the variable that the researcher suspects is the cause of some behaviour. A dependent variable is the behavioural response from participants that is observed. For purposes of this research, the dependent variable under examination is the vertical trust relationship between municipal employees and their managers. The independent variables under examination are shown as the five categories, called job satisfaction, employee empowerment, communication, and management reporting and performance management.

### 3.2.8 The reliability scale

The reliability and validity of research results is an important factor that need to be considered when evaluating a research instrument (Zikmund, 2003). The factor is the statistical criteria employed to evaluate whether the research provides a good measure. A detailed explanation of the factor will be discussed below.

#### 3.2.8.1 *Reliability*

Zikmund (2003) explains reliability as the degree to which an instrument's measures are free from error and that would yield consistent results. Research findings are reliable if such findings can be repeated (Collis & Hussey, 2009). Reliability provides an indication of how consistent the research findings are, based on the method of data collection and analysis (Saunders et al., 2009). Zikmund and Babin (2010) explain that reliability is an indicator of a measure's internal consistency. Research (Collis and Hussey, 2009) acknowledged three essential methods that are accepted for estimating the reliability of responses of a measurement scale: test-retest, split-halves method and internal consistency method. The most commonly used method is the internal consistency method, with specific reference to the Cronbach Alpha coefficient.

The reliability of the questionnaire used in this research was assessed through the use of the Cronbach's Alpha coefficient. Cronbach's Alpha refers to the degree to which the measuring instrument items are homogenous and reflect identical underlying constructs (Pallant, 2007). Bryman and Bell (2007) stated that Cronbach's Alpha is a commonly used test of internal reliability, which essentially calculates the average of all possible split-half reliability coefficients. Once computed, the Cronbach Alpha will calculate a value that varies between one (representing perfect internal reliability) and zero (representing no internal consistency), with the values above 0.70 typically suggests high levels of internal reliability (Bryman & Bell, 2007). From the explanation of the

literature pertaining to reliability, research results reported extraordinary high levels of reliability in Section B to Section F as constructs of vertical trust relationship.

### 3.2.9 Analysis of standardized differences and correlation

This section will discuss the analysis of standardized differences and measures of correlation, in order to evaluate the relationships between Section B to Section F.

#### 3.2.9.1 Analysis of standardized differences

Standardized difference scores are spontaneous indices which measure the effect size between two groups and are independent of sample size (Yang & Dalton, 2012). It is an analysis of the variance present in a research study, which determines whether statistically noteworthy differences of means occur between two or more groups. These scores are used when groups, which have some continuous characteristics (academic achievement, intellectual intelligence, cholesterol level), are compared with one another (Steyn, 2009). Cohen (1962) suggested an effect size index (Cohen's  $d$ ) for the comparison of two sample means. This statistical index can be interpreted as a sample-based estimate of the strength of the relationship between two variables in a statistical population. More specifically, it can be interpreted as a measure of the average difference between means expressed in standard deviation units (Graziano & Raulin, 2010). Cohen's  $d$  will be used to assess the effect size, based on two symmetrically-distributed samples (Cohen, 1988).

The standardized difference by measuring the effect size between two groups will be calculated as:

$$d \equiv \delta = \frac{\mu_1 - \mu_2}{\sigma}$$

Where:

$\delta$  = maximum standard deviation between  $\mu_1$  and  $\mu_2$

$\mu_1$  = mean of group 1

$\mu_2$  = mean of group 2

Cohen (1998) suggested that the effect size indices of 0.2, 0.5, and 0.8 can be used to represent small, medium, and large effect sizes, respectively. Cohen indicated that a medium effect of 0.5 is large enough to be identifiable by inspection. A small effect of 0.2 is noticeably smaller than medium and occurs where measurements are done without any sort of proper experimental controls which can cancel out the effect of background variables. A large effect of 0.8 is an important difference and agrees with what is generally considered to be a definite difference. Once these indices are interpreted, the researcher will refer to the outcome as being of practical significance or not. Practical significance looks at whether the difference is large enough to be of value in a practical sense (Steyn, 2009).

The research questions whether municipal employees' trust in their manager, at the selected municipality, will influence their performance which will lead to effective and efficient basic service delivery to the community. This hypothesis is constructed, based on how managers contribute towards:

- the municipal employees' job satisfaction;
- empowering the employees;
- communication between the two parties;
- the manner in how managers' report to- and align employees to achieve goals;
- employees performance management

The effect sizes will then aim to measure, by categorizing biographical data, the differences in scores for each of the categories, namely job satisfaction, employee empowerment, communication, management reporting and performance management. The effect size indices were used to ascertain whether there were significant variances present between these categories.

### *3.2.9.2 Measures of correlation*

The research conducted also wanted to ascertain whether there was any influence the biographical data had on the five categories mentioned in 3.3.9.1, which were supplemented by the inter-relationships of the five categories. This analysis was conducted by evaluating the linear relationship through correlation. A coefficient of correlation, indicated by the Greek letter  $\rho$  (*rho*), measures the relative strength of a linear relationship between two or more quantitative variables and is derived by evaluating the variations in one variable as another variable also varies (Levine et al., 2011). This research will analyze the Pearson's correlation coefficient which assesses the extent to which values of two variables are linearly related to each other. This will assist the researcher to indicate the direction, strength and the significance of the multivariate relationship between the variables and will enable to provide the researcher with information regarding the likelihood that the coefficient will be found in the population from which the random sample was taken (Bryman & Bell, 2007).

Respondents were requested to indicate their responses on a 5- point Likert scale after which the data will be tested between categories. Levine et al. (2011) explains that coefficient of correlation can range from -1.00 to +1.00; where the value of -1.00 represents a perfect negative correlation, while a value of +1.00 represents a perfect positive correlation and a value of 0.00 represents a lack of correlation. A negative correlation between two variables is where one variable's value tends to increase, the other variable's value tends to decrease in a predictable manner. A positive correlation refers to a relationship between two variables, where one variable's values tend to increase, the other variable's values also tend to increase in a predictable manner.

When the coefficient of correlation gets closer to +1 or -1, the linear relationship between the two variables would be interpreted as strong or significant.

Lastly, the biographical data like age, gender and salary level were tabulated with the various categories of independent variables and were presented in percentages and means.

The results of the data and statistical analysis will be discussed in detail later in this chapter.

### *3.2.10 Pilot testing of the questionnaire*

A pilot was done which refers to a trial administration of an instrument in order to identify flaws. The pretest was necessary to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009).

The researcher piloted the questionnaire on eleven respondents within the Category B municipality. All of those respondents answered with the following suggestions:

- The format and structure of the questionnaire changed in Section A to Section F;
- Section G was also translated to Afrikaans in order for respondents to respond in their own words in how they perceive trust between municipal employees and managers.
- A few questions were added pertaining to strategic management in order to ascertain whether municipal employees participate in formulating strategic objectives for the municipality. Questions relating to the managers' involvement in the employees' career development were also added.

### 3.2.11 Ethical considerations

Apart from expertise and diligence, the process of conducting research requires honesty and integrity and is done to recognize and protect the rights of those participating in the research, as well as prior research done on the research topic (Saunders et al., 2009). It is imperative that researchers perform their research in an ethical manner. There are many ethical considerations, especially in primary research, on which researchers need to be vigilant. Eight considerations were explained, of which the researcher will elaborate on three which is relevant to the current research study (Driscoll & Brizee, 2012):

- The process of data collection was done in a way whereby the researcher forthrightly ensured a non-disclosure of the respondents' information. The participants were informed that their research findings will be anonymous and that their personal identity will not be made public. In a brief explanation, the participants were also explained as to what the research entails.
- The capturing and processing of the respondents data were captured and analyzed by an independent service provider at the Northwest University. This meant that the researcher had no undue influence over the expected results and did not manipulate or distort any data whatsoever. By doing so, the researcher acted in an unbiased manner throughout the collection, capturing and statistical analysis of the data.
- The objective of the research was to ascertain a possible link between one dependent variable and five independent variables and what the influence would be on effective and efficient basic services delivery. The researcher used the findings for academic purposes and to compile a report that will be made available for perusal by the executive management of the Category B municipality.



### 3.3.12 The response rate

Table 3.3 illustrates the response rate which was achieved for this research. The total population for this research was 983 employees which were permanently employed at the Category B municipality. The sample was narrowed down as the researcher differentiated between the total permanently employed employees and those who could read and write in English. The final sample accounted for 800 permanently employed employees of which 205 respondents participated. The statistical analysis indicated that a total of 48 questionnaires had responses where some questions were not answered. The statistics program excluded those questions and, where questions were not answered, a valid percentage was calculated. The valid percentage expresses the number responding as a percentage of those who correctly responded (Levine et al., 2011). The response rate (total number of questionnaires received/ total sample size) was 25.62 percent.

Table 3.2: The response rate, (Source: Own Compilation)

| <b>Category B municipality population and sample</b> | <b>Amount and percentage of responses</b> |
|--|---|
| <b>Population</b>                                    | 983                                       |
| <b>Sample</b>  | 800                                       |
| <b>Total responses</b>                               | 205                                       |
| <b>Total response rate</b>                           | 25.62%                                    |

### 3.3 Findings of the empirical investigation

This section will provide a detailed analysis of the empirical investigation conducted as indicated in the research methodology.

#### 3.3.1 Biographical information of the respondents

The statistics program, SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., was used to analyze the biographical information. Appendix C contains all the frequency tables and bar graphs for the biographical information captured in the questionnaire. Approximately 1.9 percent of the respondents neglected to complete some of the biographical information. This has been neutralized by using the valid percent. The researcher will indicate where the valid percentage will be used.

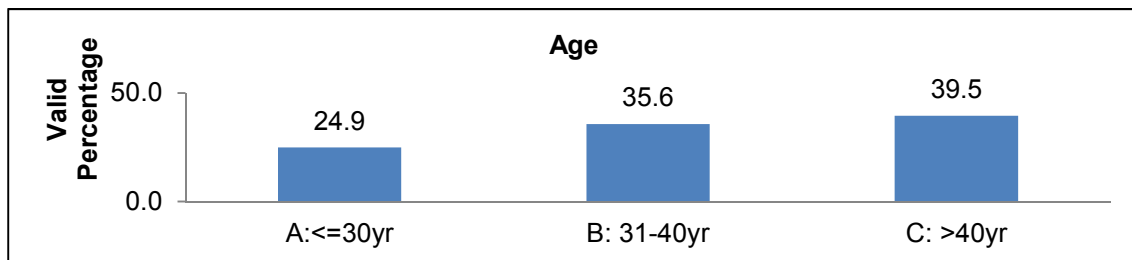


Figure 3.2: Age of respondents, (Source: Own Compilation)

The figure above illustrates the age of the respondents which participated in this survey. From the 205 respondents, 51 (24.9 percent) were younger than 30 years, 73 (35.6 percent) were between 31 years and 40 years old, and 81 (39.5 percent) were older than 40 years of age. From the responses it can be concluded that the majority of the respondents older than 40 years have been employed by the Category B municipality for many years.

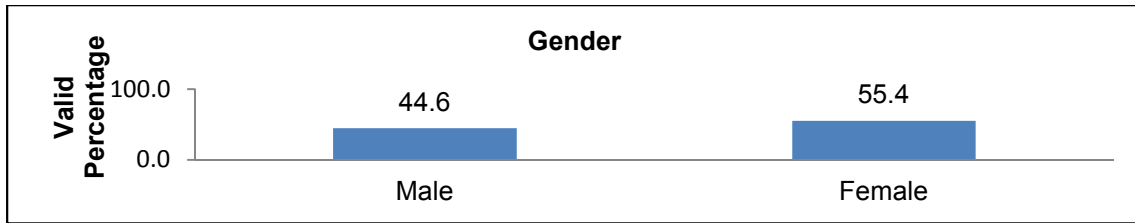


Figure 3.3: Gender of the respondents, (Source: Own Compilation)

The figure above illustrates that 204 respondents indicated their gender, of which 91 (44.6 valid percent) were male and 113 (55.4 valid percent) were female. This response rate is contrary to the existing employment profile of the Category B municipality's pertaining to gender. Permanently employed male employees constitute 64.5 percent of the permanently employment profile, as indicated in Table 1.1.

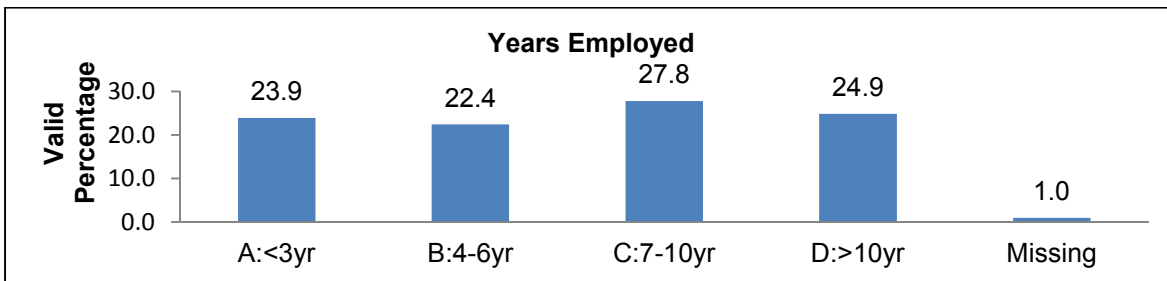


Figure 3.4: Amount of years employed by Category B municipality, (Source: Own Compilation)

The figure above illustrates the amount of years employed at the Category B municipality, of which 203 respondents responded. A total of 49 (23.9 valid percent) were employed for less than three years, 46 (22.4 valid percent) between four and six years, 57 (27.8 valid percent) between seven and 10 years and 51 (24.9 valid percent) for >10 years. The statistical feedback indicated that one percent did not respond to this question. The analysis indicates that the majority of the respondents at the Category B municipality are employed in excess of seven years.

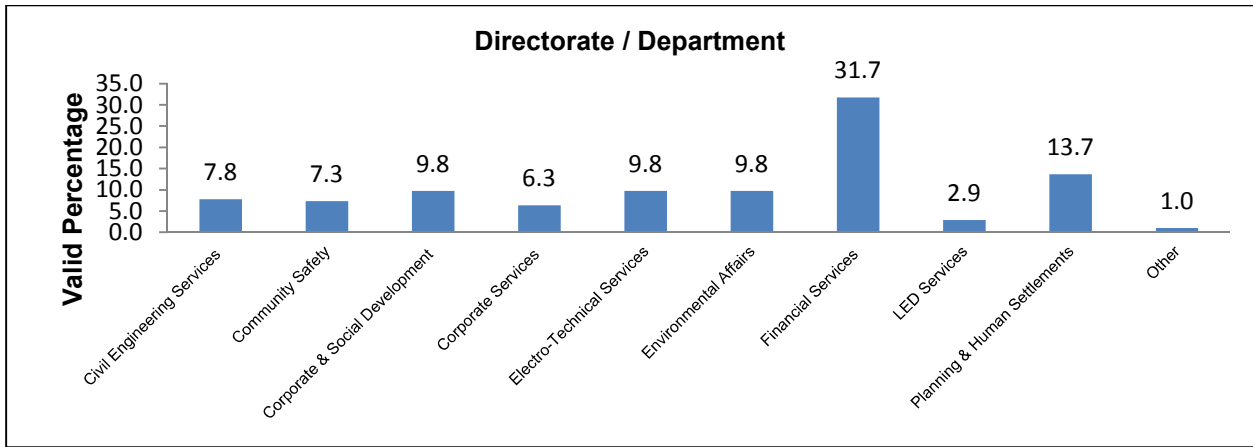


Figure 3.5: Departments where respondents are employed, (Source: Own Compilation)

The figure above illustrates the diversity of departments in which respondents are employed, of which 203 respondents responded. A total of 16 were employed in Civil Engineering Services, 15 in Community Safety, 20 in Corporate and Social Development, 13 in Electro Technical Services, 20 in Electro Technical Services, 20 in Environmental Affairs, 65 in Financial Services, 6 in Local Economic Development (LED) Services, 28 in Planning and Human Settlements and two in other departments.

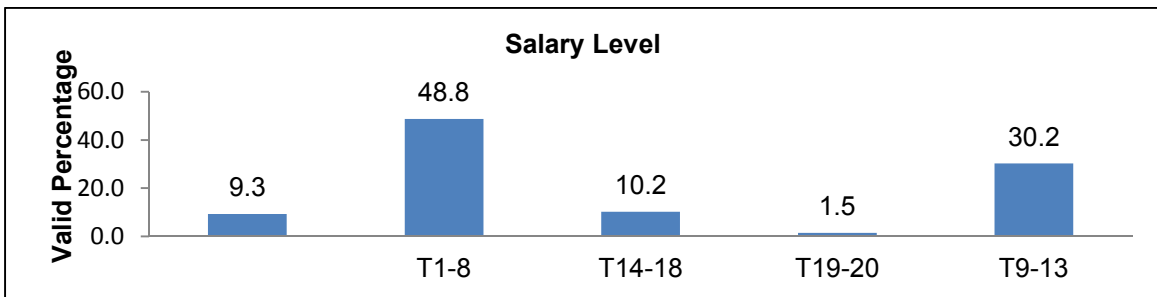


Figure 3.6: Salary level of respondents, (Source: Own Compilation)

The figure above illustrates the salary level of the respondents of which 194 respondents responded. A total of 19 did not know their salary level, 100 indicated T1 – T8 (unskilled/ semi- skilled), 62 indicated T9 – T13 (skilled), 21 indicated T14 – T18 (middle management), and 3 indicated T19 – T20 (senior management). The explanations of all the salary levels are provided in the list of definitions.

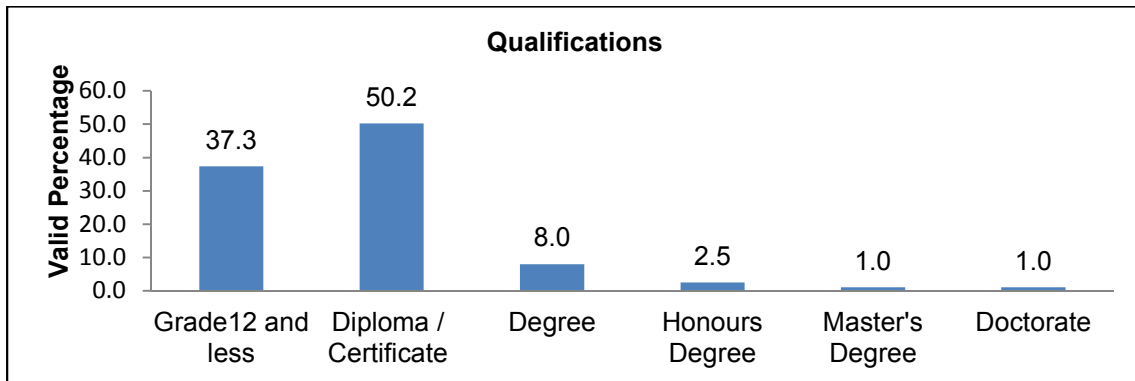


Figure 3.7: Level of Education/ Qualification, (Source: Own Compilation)

The figure above illustrates the level of education and qualifications which the respondents achieved, of which 201 respondents responded. A total of 75 only had Grade 12 and less, 101 had a Diploma/ Certificate, 16 had a Degree, 5 had an Honors degree and 2 had a Master's and Doctorate degree respectively. The analysis concludes that a significant amount of respondents had no formal level of higher education.

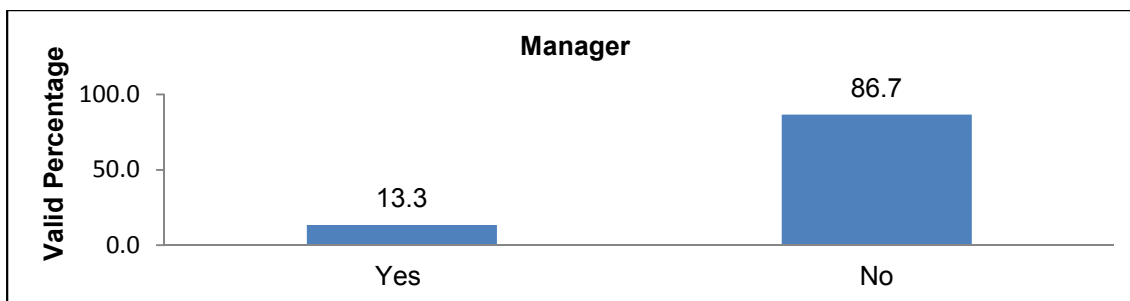


Figure 3.8: Amount of managers which participated, (Source: Own Compilation)

The figure above illustrates the amount of managers which participated as opposed to employees, of which 203 respondents responded. A total of 27 indicated that they are managers as opposed to 176 which indicated that they are employees. This response rate equates to a manager to employee ratio of 1: 6.51.

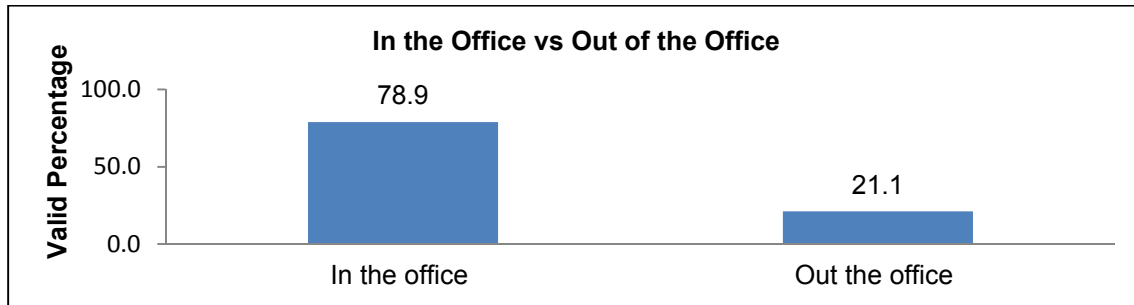


Figure 3.9: Amount of Respondents spending most of the time out of office, (Source: Own Compilation)

The figure above illustrates the amount of respondents which spend most of their time out of the office, of which 199 respondents responded. A total of 157 indicated that they are in the office most of the time. A total of 42 indicated that they spend most of their time out of office. The contextual reference to this question was to ascertain how employees feel about the vertical trust relationship despite not engaging with managers on a frequent basis as a result of their respective job descriptions.

### 3.3.2 Internal reliability of the measuring instruments

This part will explain the reliability of the measuring instruments used in Section B to Section F of the questionnaire. The researcher would like to reiterate the importance of the internal reliability because this shows whether or not an instrument's measures are free of error if such findings can be repeated and provides an indication of how consistent the research findings are (Collis & Hussey, 2009). The Cronbach Alpha

scores were used for measuring the reliability of job satisfaction, employee empowerment, communication, and management reporting and performance management as vertical trust dimensions, and will be discussed in the next section.

### 3.3.2.1 The Cronbach’s Alpha reliability scores for the five measuring instruments contained in the questionnaire

Table 3.3 shows the Cronbach’s Alpha coefficients for the five measuring instruments identified in Chapter 2 as job satisfaction, employee empowerment, communication, and management reporting and performance management.

Table 3.3: Cronbach’s Alpha coefficient scores for measures of vertical trust,  
(Source: Own Compilation)

| Vertical Trust Scales  | Mean  | Standard Deviation | Cronbach’s Alpha Coefficient | N of Items in Questionnaire | Cronbach’s Alpha Rating |
|------------------------|-------|--------------------|------------------------------|-----------------------------|-------------------------|
| Job Satisfaction       | 33.17 | 11.21              | <b>0.94</b>                  | 11                          | Excellent               |
| Employee Empowerment   | 18.99 | 7.66               | <b>0.93</b>                  | 7                           | Excellent               |
| Communication          | 30.45 | 12.22              | <b>0.96</b>                  | 12                          | Excellent               |
| Management Reporting   | 18.03 | 7.62               | <b>0.95</b>                  | 7                           | Excellent               |
| Performance Management | 18.67 | 7.10               | <b>0.90</b>                  | 7                           | Excellent               |

*All figures rounded off to two decimal places*

The explanation of the Cronbach's Alpha coefficient was indicated by Bryman and Bell (2007) and provided the following rules of thumb for the value of Cronbach's Alpha:

- $>.9$  – Excellent;
- $>.8$  – Good;
- $>.7$  – Acceptable;
- $>.6$  – Questionable;
- $>.5$  – Poor; and
- $<.5$  – Unacceptable

A high level of Cronbach's Alpha thus indicates a good to excellent internal reliability of the items or statements portrayed in the measuring scales. From the interpretations pertaining to the rule of thumb as depicted in Table 3.3, all five vertical trust dimensions were in excess of 0.90 and thus found to have excellent internal reliability. This indicates that all the dimensions yielded consistent results and can therefore be repeated with the probability of receiving the same results in future. The five dimensions used, is a reliable measurement of vertical trust relationship between municipal employees and managers. The item-total statistics relating to the Cronbach's Alpha coefficient for each of the five vertical trust dimensions are attached as Appendix B. These tables will indicate the internal reliability of the dimension if the respective items were to be deleted. The researcher assessed the item-total statistics regarding the municipal employees' perception of communication as a vertical trust dimension. This dimension was chosen as it had the highest internal reliability of all the dimensions tested in this research. Table 3.5 will depict all the statements tested as Section D statement 1 – 12. This table indicates that if the respective statements within Section D is deleted, it is clear that all the Cronbach's Alpha scores are highly reliable, ranging between 0.956 and 0.963.



Table 3.4: Item- total correlation and Cronbach's Alpha coefficient scores of communication as a vertical trust dimension, (Source: Own Compilation)

| Statements of Communication | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-----------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| Section D Statement 1       | 27.96                      | 125.609                        | .816                             | .958                             |
| Section D Statement 2       | 27.27                      | 128.574                        | .681                             | .962                             |
| Section D Statement 3       | 27.97                      | 124.238                        | .850                             | .958                             |
| Section D Statement 4       | 27.99                      | 124.744                        | .848                             | .958                             |
| Section D Statement 5       | 28.22                      | 126.726                        | .823                             | .958                             |
| Section D Statement 6       | 28.03                      | 124.332                        | .862                             | .957                             |
| Section D Statement 7       | 27.97                      | 123.127                        | .887                             | .956                             |
| Section D Statement 8       | 28.07                      | 124.796                        | .864                             | .957                             |
| Section D Statement 9       | 28.11                      | 123.832                        | .893                             | .956                             |
| Section D Statement 10      | 27.90                      | 126.223                        | .825                             | .958                             |
| Section D Statement 11      | 27.63                      | 128.457                        | .699                             | .962                             |
| Section D Statement 12      | 27.87                      | 129.912                        | .646                             | .963                             |

*Figures (except for scale mean if deleted) is rounded of the three decimal places*

From the table, the researcher can derive that the dimension's internal reliability is excellent and will have no significant change in the Cronbach's Alpha coefficient scores, if one of the items/ statements is deleted. Appendix B will show that the remaining four vertical trust dimensions' internal reliability is extremely high, where the deletion on one item/ statement will not significantly change the various dimensions' Cronbach's Alpha coefficient results. This reiterates that the research instrument used in this research is seen as being internally reliable, which increases the reliability of this research.

Culminating with the excellent results of the internal reliability of each of the vertical trust dimensions tested in this research, the following section aims to discuss the results of

all the items or questions of Section B to Section F of the questionnaires in the next section.

### 3.3.3 Findings of responses to items within Section B to Section F of questionnaire

Results of all the items will be analyzed and interpreted as to how respondents' perceived these vertical trust dimensions within the Category B municipality. Each Section will be discussed independently. For ease of understanding, the researcher will interpret and divide the Likert scale into three categories of frequencies. The first category will combine 1) Strongly Disagree and 2) Disagree into one category. The second category will be 3) Neither agree nor Disagree, whereas the third category will consist of 4) Disagree and 5) Strongly disagree. Lastly, the mean of the responses relating to each item, will be used to make certain interpretations.

#### 3.3.3.1 Section B: Job satisfaction

Section B consisted of 11 items or statements relating to job satisfaction. Each statement will thus be analyzed.

From the perception of the respondents' attitude towards job satisfaction, only 203 participants responded to the first statement. A total of 73 (36 valid percent) indicated that they disagree with the statement that it is a pleasure to go to work daily. A total of 92 (45.3 valid percent) felt that it was a pleasure to come to work daily. The amount of participants which were unable to express their view, amounted to 38 (18.7 valid percent). The mean of 2.93 indicated that most of the respondents disagreed with this statement.

The second statement relating to whether the respondent takes pleasure in doing their work, a total of 203 participants responded. A total of 44 (21.5 valid percent) indicated that they disagree with the statement as opposed to 144 (71 valid percent) which indicated that they agree with the statement. The amount of participants which were

unable to express their view, amounted to 15 (7.4 valid percent). The mean of 3.53 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 199 participants responded to the statement that they have no intention to leave the municipality. The participants which disagreed with the statement was 64 (32.2 valid percent) as opposed to the 90 (45.2 valid percent) which agreed with the statement. The amount of participants which were unable to express their view, amounted to 45 (22.6 valid percent). The mean of 3.09 indicated that most of the respondents were neutral and unable to express an opinion.

The fourth statement revolved around whether the participants felt that the work they do adds value to basic service delivery with the city and surrounding communities. Only 200 participants responded of which 42 (21 valid percent) disagreed with the statement. Contrary, a total of 151 (75.5 valid percent) agreed that their work adds value to the municipality's core objective of effective service delivery. The amount of participants which were unable to express their view, amounted to 7 (3.5 valid percent). The mean of 3.73 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 203 participants responded to the statement of whether the Category B municipality is a great organization to work for, of which 61 (30 valid percent) disagreed and 93 (45.8 valid percent) agreed. The amount of participants which were unable to express their view, amounted to 49 (24.1 valid percent). The mean of 3.06 indicated that most of the respondents were neutral and unable to express an opinion.

The sixth statement related to whether employees would recommend anyone to work for the Category B municipality. A total of 202 participants responded of which 73 (36.1 valid percent) disagreed. A total of 77 (38.1 valid percent) agreed that they would recommend anyone to seek employment at the category B municipality. The amount of participants which were unable to express their view, amounted to 52 (25.7 valid percent). The mean of 2.84 indicated that most of the respondents disagreed with this statement.

A total of 204 participants responded to the statement that the employees' personal skills and capabilities are consequences of the good job they are doing. A total of 42 (20.6 valid percent) disagreed, as opposed to 140 (68.6 valid percent), which agreed that their skills sets do play a part. The amount of participants which were unable to express their view, amounted to 22 (10.8 valid percent). The mean of 3.58 indicated that most of the respondents were neutral and unable to express an opinion.

The eighth statement indicated that managers have employees' personal interest at heart whenever employees are required to do their jobs. A total of 200 participants responded of which 103 (51.5 valid percent) disagreed with the statement. A total of 59 (29.5 valid percent) agreed with the statement. The amount of participants which were unable to express their view, amounted to 38 (19 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The statement relating to whether working conditions allows employees to effectively do their jobs, were answered by 200 participants. A total of 98 (49 valid percent) disagreed that there are conducive working conditions, as opposed to the 55 (27.5 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 47 (23.5 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The tenth statement alluded to whether managers are actively involved in the employees' career path, of which 200 participants responded. A total of 115 (47.5 valid percent) disagreed, as appose to the 45 (22.5 valid percent) which agreed. The amount of participants which were unable to express their view, amounted to 40 (20 valid percent). The mean of 2.38 indicated that most of the respondents disagreed with this statement.

The last statement referred to whether the employees are assured that they will not lose their job. A total of 66 (32.5 valid percent) disagreed with the statement and 73 (36 valid percent) agreed that they are assured of not losing their job. A total of 64 (31.5 valid percent) participants were unsure of whether they are assured of not losing their jobs. The mean of 2.88 indicated that most of the respondents disagreed with this statement.

The analysis indicates that the majority of the respondents disagreed with most of the statements, with the rest being dominated by respondents which were neutral and unable to express an opinion.

### 3.3.3.2 Section C: Employee empowerment

Section C consisted of seven items or statements relating to employee empowerment. Each statement will thus be analyzed.

The first statement was aimed at whether the employees were scared to raise an opinion at work. A total of 204 participant responded of which 75 (33.8 valid percent) disagreed with the statement. Contrary, a total of 109 (53.4 valid percent) agreed that they are not scared to raise their opinions at work. The amount of participants who were unable to express their view, amounted to 20 (9.8 valid percent). The mean of 3.14 indicated that most of the respondents were neutral and unable to express an opinion.

The next statement revolves around whether the manager involves employees in decisions that affect their work. A total of 203 participants responded, of which 122 (60.1 valid percent) disagreed and 49 (24.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 32 (15.8 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.

The third statement relates to whether management installs confidence in employees in order for employees to do their work. A total of 201 participants responded, of which 95 (47.3 valid percent) disagreed with the statement. A total of 71 (35.4 valid percent) agreed that management installs confidence in employees for them to do their work. The amount of participants who were unable to express their view, amounted to 35 (17.4 valid percent). The mean of 2.71 indicated that most of the respondents disagreed with this statement.

A total of 202 participants responded to the statement which relates to whether managers allow employees to do their job the way employees see it best, as long as the

work is effectively done. A total of 77 (38.2 valid percent) disagreed with the statement, as opposed to the 91 (45.1 valid percent) participants which agreed. The amount of participants who were unable to express their view, amounted to 34 (16.8 valid percent). The mean of 2.97 indicated that most of the respondents disagreed with this statement.

The fifth statement which refers to whether management creates an environment in which successes are celebrated, were answered by 203 participants. A total of 116 (57.2 valid percent) disagreed in comparison with the 47 (23.1 valid percent) participants which agreed with the statement. The amount of participants who were unable to express their view, amounted to 40 (19.7 valid percent). The mean of 2.45 indicated that most of the respondents disagreed with this statement.

The next statement tested whether management encourages innovative ways to effectively deliver basic services to the city and surrounding communities. A total of 203 participants responded, of which 90 (44.3 valid percent) disagreed with the statement. This was in comparison to a total of 71 (35 valid percent) which agreed that management encourage innovative ways to effectively deliver basic services to the communities. The amount of participants who were unable to express their view, amounted to 42 (20.7 valid percent). The mean of 2.74 indicated that most of the respondents disagreed with this statement. Bouckaert (2012) implied that organizations need to search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance. From the empirical analysis conducted based on the Category B municipality, this element would need to be looked at in order to edge ahead of other similar Category B municipalities.

The last statement relates to whether the management empowers employees to make decisions that will positively influence their work, of which 192 participants responded. A total of 94 (54.4 valid percent) disagreed with the statement, whereas a total of 44 (22.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 54 (28.1 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

### 3.3.3.3 Section D: Communication

Section D consisted of 12 items or statements relating to communication. Each statement will thus be analyzed.

The first statement relates to whether management is transparent in the manner in which they conduct their work. A total of 197 participants responded, of which 105 (53.3 valid percent) disagreed and 45 (22.9 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 47 (23.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement. Tan and Lim (2009) explained in chapter two that transparency is important for information to be communicated, irrespective of whether employee engagements stems from formal or informal interaction.

A total of 197 participants responded to whether management trust the employees to do their job. A total of 52 (26.4 valid percent) participants disagreed and 103 (52.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (21.3 valid percent). The mean of 3.19 indicated that most of the respondents were neutral and unable to express an opinion.

The third statement relates to whether management communicates and displays a sense of fairness towards employees. A total of 201 participants responded, of which 110 (54.8 valid percent) participants disagreed and 53 (26.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement focused on whether management is consistent in their actions and behaviour. A total of 201 participants responded, of which 113 (56.3 valid percent)

disagreed. A total of 44 (22.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management deliver on their promises made to employees. A total of 199 participants responded, of which 123 (61.8 valid percent) participant disagreed with the statement. A total of 27 (13.5 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 49 (24.6 valid percent). The mean of 2.24 indicated that most of the respondents disagreed with this statement.

A total of 198 participants responded to the statement relating to whether management is always willing to discuss employees' personal wellbeing with immense compassion. A total of 116 (58.6 valid percent) participants disagreed and 44 (22.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (19.2 valid percent). The mean of 2.42 indicated that most of the respondents disagreed with this statement.

The seventh statement revolves around whether management make employees feel appreciated in the manner in which management communicate tasks to them. A total of 201 participants responded of which 112 (55.8 valid percent) participants disagreed and 51 (25.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement tested whether there is trust between management and employees. A total of 201 participants responded, of which 119 (59.2 valid percent) of them disagreed. A total of 40 (19.9 valid percent) participants agreed with that there is trust between management and employees. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.



The ninth statement focused on whether management is creating an environment whereby they can communicate honestly with employees. A total of 200 participants responded and 121 (60.5 valid percent) disagreed that such an environment exist. The total of participants who agreed to this statement, amounted to 40 (20 valid percent).The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.34 indicated that most of the respondents disagreed with this statement.

The tenth statement revolves around whether management effectively communicates the strategic objectives of the Category B municipality to the employees. A total of 200 participants responded and 98 (39 valid percent) participants disagreed with the statement. A total of 45 (22.5 valid percent) indicated that they agree that strategic objectives are effectively communicated to the employees. The amount of participants who were unable to express their view, amounted to 57 (28.5 valid percent). The mean of 2.55 indicated that most of the respondents disagreed with this statement.

The penultimate statement referred to whether the employees know and understand the key strategic objectives for effective service delivery over the next three years. A total of 200 participants responded of which 78 (39 valid percent) participant disagreed. The number of participants which agreed with the statement, amounted to 68 (34 valid percent). A total of 54 (27 valid percent) participants were not sure of what these key strategic objectives were. The amount of participants who were unable to express their view, amounted to 54 (27 valid percent). The mean of 2.82 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether the employees participate in the formulation of the Category B municipality's strategic vision. A total of 198 participants responded of which 101 (51.1 valid percent) disagreed with the statement. A total of 56 (28.2 valid percent) agreed that employees are involved in formulating the Category B municipality's strategic vision. The amount of participants who were unable to express their view, amounted to 41 (20.7 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

#### 3.3.3.4 Section E: Management reporting

Section E consisted of seven items or statements relating to management reporting. Each statement will thus be analyzed.

The first statement tests whether management is good in setting realistic goals and whether they assist employees in achieving those goals. A total of 200 participants responded, of which 112 (56 valid percent) participants disagreed with the statement. A total of 49 (24.5 valid percent) participants agreed that management sets realistic goals and assists employees to achieve it. The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.52 indicated that most of the respondents disagreed with this statement.

The next statement relates to whether management sees an employee's opinion on work related issues as important. A total of 201 participants responded, of which 105 (52.3 valid percent) disagreed. The total of participants who agreed with this statement, amounted to 54 (26.9 valid percent). The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

A total of 199 participants responded to the statement which relates to whether management is committed in getting employees' views on how to make the right decisions that may result in a prosperous Category B municipality. The total of participants which disagreed, amounted to 116 (58.3 valid percent) as opposed to 40 (20.1 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 43 (21.6 valid percent). The mean of 2.40 indicated that most of the respondents disagreed with this statement.

The fourth statement relates to whether the employee can trust management. A total of 200 participants responded, of which 112 (56 valid percent) participants responded. Those participants who agreed with the statement, amounted to 36 (18 valid percent). The amount of participants who were unable to express their view, amounted to 52 (26 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The next statement looked at whether management can align employees in a way that would enable employees to work towards a common goal. A total of 201 participants responded, of which 111 (55.3 valid percent) participants disagreed and 52 (25.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement.

The penultimate statement looks at whether management conduct themselves in a polite and professional manner when addressing work related issues to employees. A total of 201 participants responded, of which 93 (46.3 valid percent) participants disagreed. A total of 66 (32.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.68 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether employees feel that management is capable of implementing strategies that will successfully lead to a better delivery of basic services to the communities. A total of 202 participant responded, of which 70 (34.7 valid percent) participant disagreed. The amount of participants who agreed, amounted to 76 (37.6 valid percent). The amount of participants who were unable to express their view, amounted to 56 (27.7 valid percent). The mean of 3.00 indicated that most of the respondents were neutral and unable to express an opinion.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

### 3.3.3.5 Section F: Performance management

Section F consisted of seven items or statements relating to performance management. Each statement will thus be analyzed.

A total of 196 participants responded to the statement relating to whether performance feedback is regularly provided on how employees do their work. The amount of participants which disagreed, amounted to 129 (65.8 valid percent). A total of 40 (20.4 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 27 (13.8 valid percent). The mean of 2.22 indicated that most of the respondents disagreed with this statement.

The second statement related to whether employees believe that performance reviews are fairly and accurately conducted. A total of 195 participants responded of which 77 (39.5 valid percent) participants disagreed. The total of participants who agreed with the statement, amounted to 80 (41.1 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 2.89 indicated that most of the respondents disagreed with this statement. Mulki et al. (2006) indicated that trust in a manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager. The empirical analysis implied that managers in the Category B municipality would need to positively nurture beliefs about what employees think they are entitled to receive or should receive because employees perceive that their managers conveyed promises either implicitly or explicitly to provide fair performance feedback (Grobler et al., 2006).

The third statement revolves around whether the employees know and understand their performance agreement with the Category B municipality. A total of 195 participants responded, of which 63 (32.3 valid percent) disagreed with the statement. The total of participants which agreed with the statement, amounted to 94 (48.2 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 3.08 indicated that most of the respondents were neutral and unable to express an opinion.

The statement relating to whether employees will get good performance reviews if they deliver on their job responsibilities, as indicated in the performance agreement, were answered by 195 participants. Of those participants, a total of 73 (37.4 valid percent) disagreed and a total of 86 (44.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 36 (18.5 valid percent). The mean of 2.96 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management treats good performers different to how they treat non- performers. This statement was answered by 196 participants, of who 88 (44.9 valid percent) disagreed and 56 (28.6 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 52 (26.5 valid percent). The mean of 2.70 indicated that most of the respondents disagreed with this statement.

The sixth statement looks at whether management is committed to manage employees' performance and assists them in their career and personal development. A total of 198 participants responded, of which 110 (55.6 valid percent) disagreed with the statement. The total of participants who agreed with the statement, amounted to 38 (19.1 valid percent). The amount of participants who were unable to express their view, amounted to 50 (25.3 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The last statement focused on whether the employees were allowed by management to enroll for training programmes over the last 12 months. A total of 108 (55.4 valid percent) participants disagreed with the statement, as opposed to 62 (31.8 valid percent) participants who agreed with the statement. The amount of participants who were unable to express their view, amounted to 25 (12.8 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinions. Further details of this analysis in 3.3.3 are provided in Appendix C.

The researcher further analyzed the questionnaires to ascertain which statements received the highest responses, based on the 5- point Likert scale. The next section will discuss these responses, based on how the participants responded from 1) Strongly Disagree to 5) Strongly Agree. The responses were based on the valid percent of the actual participants who responded. The criteria, for how these statements were also selected, were based on whether more than 60 participants responded to a particular statement. These participants would represent more than 30 percent of those participants which responded and thus represent one third of those who chose a particular statement.

### 3.3.5 Statements with high level of “Strongly Disagree” responses

The analyses revealed that eight statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether the management is actively involved and support the employees in their career path at the Category B municipality, of which 34.5 valid percent strongly disagreed with this statement. This was from a total of 200 participants who responded. The second statement relates to whether performance feedback is regularly provided on how employees do their job, of which 35.21 valid percent strongly disagreed with the statement. This was from a total of 196 participants who responded. A graphical illustration of the eight statements is provided below.

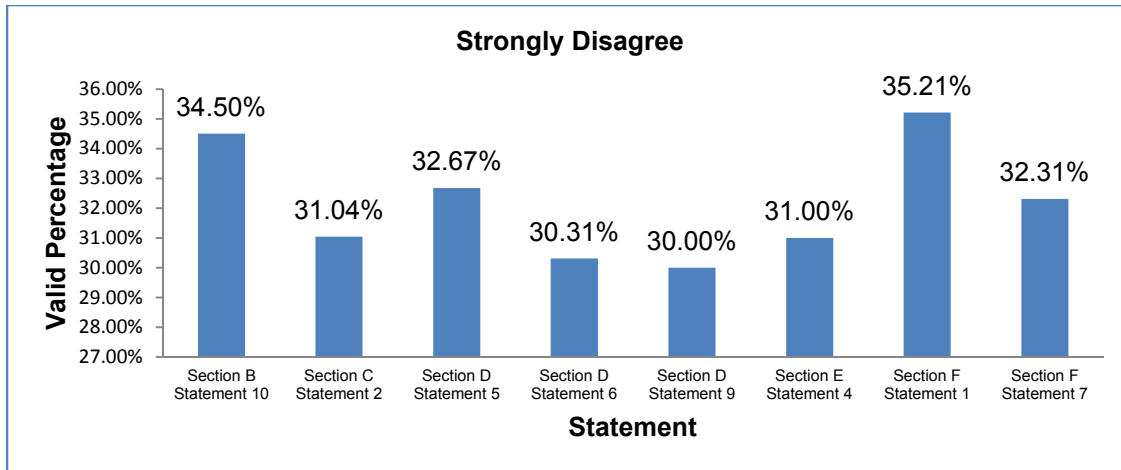


Figure 3.10: Statements with high frequency of “Strongly Disagree” responses, (Source: Own Compilation)

### 3.3.6 Statements with high level of “Disagree” responses

The analyses revealed that five statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first statement with the highest response relates to whether management is good in setting realistic goal and assists employees in achieving their goals. From a total of 196 participants who responded, 32.5 valid percent indicated that they disagree with the statement. The second statement relates to whether employees believe that there is trust between management and employees, of which 31.84 valid percent disagreed with the statement. This was from a total of 201 participants which responded. A graphical illustration of the five statements is provided below.

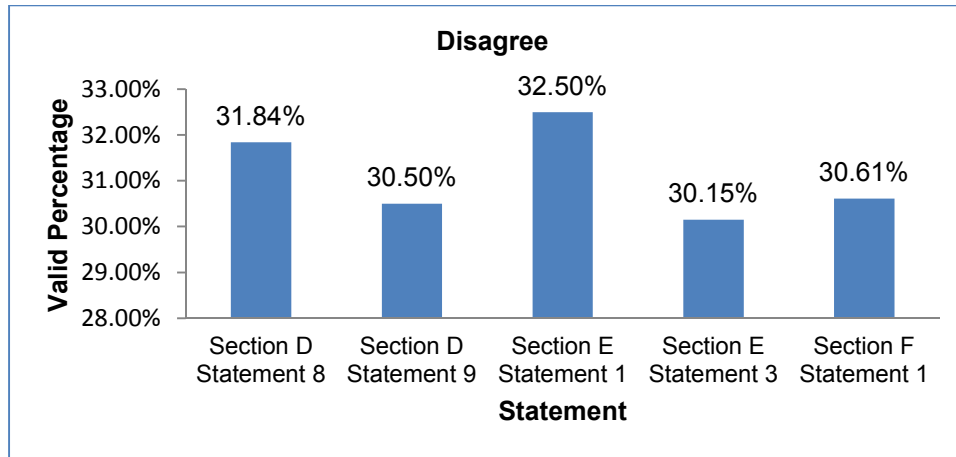


Figure 3.11: Statements with high frequency of “Disagree” responses, (Source: Own Compilation)

### 3.3.7 Statements with high level of “Agree” responses

The analyses revealed that eleven statements throughout Section B – Section F, had a high frequency of responses, who were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether employees take pleasure in doing their work, of whom 48.77 valid percent agreed with this statement. This was from a total of 203 participants who responded. The second statement relates to whether employees’ personal skills and capabilities are testimony of the good job they are doing, of who 44.12 valid percent agreed with the statement. This was from a total of 204 participants who responded. A graphical illustration of the eleven statements is provided below.



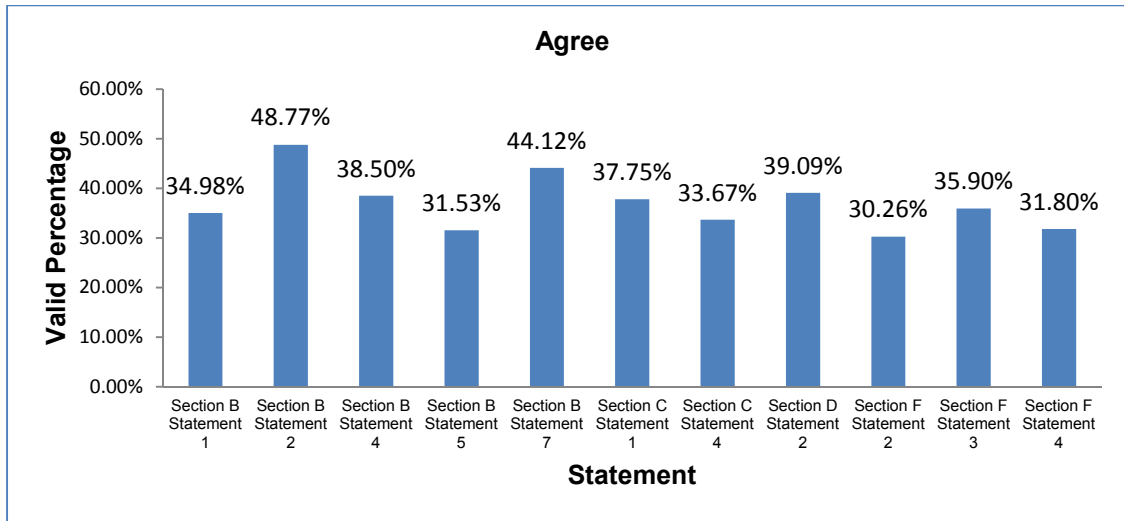


Figure 3.12: Statements with high frequency of “Agree” responses, (Source: Own Compilation)

### 3.3.8 Statements with high level of “Strongly Agree” responses

The analyses revealed that one statement throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. The statement relates to whether the work which employees do, add value in delivering basic services in the town and the surrounding communities. From the 200 participants who responded, 37 valid percent strongly agreed with this statement. A graphical illustration of the statement is provided below.

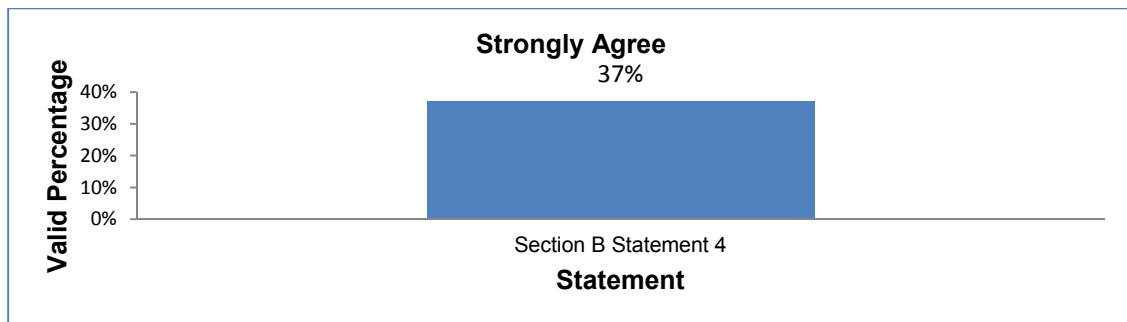


Figure 3.13: Statements with high frequency of “Strongly Agree” responses, (Source: Own Compilation)

More detail pertaining to the high frequency of responses based on the Likert scale, is provided in Appendix D.

The next analysis revolves around the results pertaining to all the items/ statements in Section B to Section F. The analysis will be done by categorizing and interpreting the responses of the biographical information in groups and assessing how the responses for Section B to Section F differed in comparison. This will be discussed by focusing on the effect sizes, in the next section.

### 3.3.9 Effect sizes indices for heterogeneous variances

The calculation of the effect sizes will assist the researcher to ascertain whether there are practically significant differences between two and more groups. This analysis was done by applying the Cohen  $d$  that assumes homogeneity of population variances and uses means and standard deviations of those groups which are being compared against each other (Cohen, 1988). The biographic information in Section A will be used to compare how the following groups fared in responding to the vertical trust relationship dimensions in Section B – to Section F:

- Effect sizes of how gender perceived those dimensions;
- Effect sizes of how the age groups perceived those dimensions;
- Effect sizes of how respondents with number of years employed perceived those dimensions;
- Effect sizes of how various departments perceived those dimensions;
- Effect sizes of how respondents with various salary levels perceived those dimensions;
- Effect sizes of how respondents with different qualifications/ levels of education perceived those dimensions;
- Effect sizes between managers and employees and how they perceived those dimensions; and

- Effect sizes of employees which spend most of their time out of office, as appose to being in the office

### 3.3.9.1 Effect sizes of how gender perceived those dimensions

Table 3.5 illustrates the effect sizes between the amount of males and females responded to the five vertical trust dimensions.

Table 3.5: Effect sizes for gender, (Source: Own Compilation)

| GENDER  |                        | N   | Minimum | Maximum | Mean | Std. Deviation | d     |
|---------|------------------------|-----|---------|---------|------|----------------|-------|
| Males   | Job satisfaction       | 91  | 1.00    | 5.00    | 3.06 | 1.06           | -0.05 |
|         | Employee empowerment   | 90  | 1.00    | 5.00    | 2.82 | 1.10           | 0.17  |
|         | Communication          | 90  | 1.00    | 5.00    | 2.60 | 1.06           | 0.07  |
|         | Management reporting   | 90  | 1.00    | 5.00    | 2.63 | 1.16           | 0.08  |
|         | Performance management | 89  | 1.00    | 5.00    | 2.69 | 1.08           | -0.03 |
|         | Valid N (list wise)    | 89  |         |         |      |                |       |
| Females | Job satisfaction       | 113 | 1.00    | 5.00    | 3.11 | 1.01           |       |
|         | Employee empowerment   | 113 | 1.00    | 5.00    | 2.63 | 1.07           |       |
|         | Communication          | 112 | 1.00    | 5.00    | 2.52 | 1.02           |       |
|         | Management reporting   | 112 | 1.00    | 5.00    | 2.54 | 1.05           |       |
|         | Performance management | 108 | 1.00    | 5.00    | 2.71 | 0.96           |       |
|         | Valid N (list wise)    | 107 |         |         |      |                |       |

From the interpretation of Cohen's  $d$  in the last column of Table 3.5, there is no significant difference in the manner in which both male and females perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.17, which constitutes a small effect size. The majority of their responses indicated that both genders generally disagreed with the statements within the various dimensions.

### 3.3.9.2 Effect sizes of how the age groups perceived those dimensions

The researcher categorized the age groups as <30 years, between 31 – 40 years and >40 years and older. Table 3.6 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

Table 3.6: Effect sizes for age groups, (Source: Own Compilation)

| AGE_1      |                        | N  | Mean | Std. Deviation | d_AB | d_AC  | d_BC  |
|------------|------------------------|----|------|----------------|------|-------|-------|
| A: <=30yr  | Job satisfaction       | 51 | 3.13 | 1.12           | 0.13 | 0.00  | -0.14 |
|            | Employee empowerment   | 50 | 2.73 | 0.99           | 0.14 | -0.05 | -0.17 |
|            | Communication          | 50 | 2.62 | 1.10           | 0.18 | 0.00  | -0.19 |
|            | Management reporting   | 50 | 2.62 | 1.09           | 0.20 | -0.09 | -0.28 |
|            | Performance management | 49 | 2.81 | 1.06           | 0.30 | -0.02 | -0.34 |
|            | Valid N (list wise)    | 49 |      |                |      |       |       |
| B: 31-40yr | Job satisfaction       | 73 | 2.98 | 0.98           |      |       |       |
|            | Employee empowerment   | 73 | 2.59 | 1.04           |      |       |       |
|            | Communication          | 73 | 2.42 | 0.97           |      |       |       |
|            | Management reporting   | 72 | 2.40 | 1.02           |      |       |       |
|            | Performance management | 70 | 2.49 | 0.97           |      |       |       |
|            | Valid N (list wise)    | 70 |      |                |      |       |       |
| C: >40yr   | Job satisfaction       | 81 | 3.13 | 1.04           |      |       |       |
|            | Employee empowerment   | 81 | 2.80 | 1.17           |      |       |       |
|            | Communication          | 80 | 2.62 | 1.06           |      |       |       |
|            | Management reporting   | 81 | 2.72 | 1.14           |      |       |       |
|            | Performance management | 79 | 2.83 | 1.00           |      |       |       |
|            | Valid N (list wise)    | 78 |      |                |      |       |       |

From the interpretation of Cohen's  $d$  in the last three columns of Table 3.6, there is no significant difference in the manner in which the three age groups perceived and

responded to the various dimensions. The effect size indices ( $d$ ) were between -0.34 and 0.30, which constitutes a small effect size. The majority of their responses indicated that the respondents disagreed with the statements within the various dimensions.

### *3.3.9.3 Effect sizes of how respondents with various years of employment perceived those dimensions*

The researcher categorized respondents' number years employed at the municipality in groups as <3 years, between 4 – 6 years, between 7 – 10 years and >10 years employed. Appendix E will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

From the interpretation of Cohen's  $d$  in the last six columns of Appendix E, there is no significant difference in the manner in which five of the six groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.28 and 0.38, which constitutes a small effect size. The researcher noted that the responses pertaining to communication, between group <3 years and >10 years, had a higher effect size of 0.51 which can be interpreted as a medium effect. Within the five groups, the researcher also discovered that there was a medium effect of 0.52, 0.52 and 0.50 in how the two groups between 4 – 6 years and 7 – 10 years responded to job satisfaction, communication and management reporting respectively. These effect sizes also constitute a medium effect. Lastly, the sixth group which were categorized between <3 years and 7 – 10 years also had differences pertaining to job satisfaction, employee empowerment, communication and management reporting. From the table in Appendix E, it can be noted that the former group responded more positive as opposed to what the latter group's perception of these three dimensions were, although most responses tended to disagree.

On aggregate, all age groups predominantly disagreed with the statements within the five vertical trust dimensions. The researcher would also like to focus the attention on

the group in last column of Appendix E. The analysis indicates that the age group of 7 – 10 years responded more negatively to all the statements within the five vertical trust dimensions, as opposed to what the age group >10 years responded.

#### *3.3.9.4 Effect sizes of how respondents in various departments perceived those dimensions,*

The researcher categorized respondents working at the municipality into 45 groups in order to compare the 10 departments with each other (please see Appendix A and Appendix F for identifying the departments and its effect sizes). Appendix F will illustrate the effect sizes between those departments. This will provide an indication of whether there were significant differences in how respondents in different departments responded to the five vertical trust dimensions. From the interpretation of Cohen's  $d$  in the last 45 columns of Appendix F, the researcher discovered that the Local Economic Development Department, Corporate and Social Development and Civil Engineering Department were more negative than all the other departments, when responding to the statements. A comparison between these three departments suggested no significant difference in the manner in which these three departments perceived and responded to the various dimensions. This is confirmed by most of the effect size indices being between -0.22 and 0.72 (small to medium effect), with the responses relating to job satisfaction and performance management revealing large effect size indices of 1.33 and 0.84 respectively. Respondents in Corporate and Social Development Department were more positive in their responses than Local Economic Development Department, relating job satisfaction (1.49) and employee empowerment (1.08). The Local Economic Development Department strongly disagreed with the statements, whereas the two respondents in the tenth Department however agreed with the statements. Respondents in Community Safety Department were more positive than all of the other Departments.

A holistic view of the results suggests that most of the departments disagreed with the statements provided within the various dimensions. There are some large effect size indices between various departments which are of practical significance, but the majority fluctuates between the small (0.2) and medium (0.5).

#### *3.3.9.5 Effect sizes of how respondents in various salary levels perceived those dimensions*

The researcher categorized respondents' salary levels at the municipality in groups as T1 – 8, T14 – 18, T19 – 20 and T9 – 13. Appendix G will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those salary levels responded to the five vertical trust dimensions. From the interpretation of Cohen's *d* in the last six columns of Appendix G, there is no significant difference in the manner in which group T14 – 18, T19 – 20 and T9 – 13 responded. The effect size indices (*d*) was between -0.10 and 0.60, which constitutes a small effect size, although three of those indices at 0.50, 0.52 and 0.68 constitutes a medium effect. The majority of their responses indicated that the respondents within those groups disagreed with the statements within the various dimensions. The responses of T14 – 18 were more positive as most of their responses did not constitute that they either strongly disagree or disagree with the statements.

The researcher discovered that the T1 – 8 groups responded more negative to the statements, compared to the other groups. All the effect size indices (*d*) appeared to be between -0.91 and -0.05. A further comparison between T1 – 8 and T14 – 18 revealed that there was a significant difference in perception as T1 – 8 were very negative towards the five dimensions. This is confirmed by large effect size indices (*d*) of -0.86, -0.77 and -0.91 for employee empowerment, communication and management reporting. Performance management was also negative, but a medium effect size indices of -0.53.

3.3.9.6 *Effect sizes of how respondents with different qualifications perceived those dimensions*

The researcher categorized respondents' levels of qualification at the municipality in groups as <Grade 12, Degree and more, and respondents with a Certificate or Diploma. Table 3.7 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents with different qualifications responded to the five vertical trust dimensions.

Table 3.7: Effect sizes of how respondents with different qualifications perceived those dimensions, (Source: Own Compilation)

| QUALIFICATION              |                        | N   | Mean | Std. Deviation | d_AC  | d_AB  | d_CB |
|----------------------------|------------------------|-----|------|----------------|-------|-------|------|
| A: <=Gr12                  | Job satisfaction       | 75  | 2.97 | 1.17           | -0.41 | -0.08 | 0.40 |
|                            | Employee empowerment   | 74  | 2.60 | 1.16           | -0.42 | -0.08 | 0.38 |
|                            | Communication          | 73  | 2.47 | 1.15           | -0.40 | -0.04 | 0.40 |
|                            | Management reporting   | 73  | 2.47 | 1.18           | -0.40 | -0.11 | 0.30 |
|                            | Performance management | 72  | 2.64 | 1.08           | -0.43 | 0.01  | 0.49 |
|                            | Valid N (list wise)    | 71  |      |                |       |       |      |
| C: Degree+                 | Job satisfaction       | 25  | 3.45 | 0.83           |       |       |      |
|                            | Employee empowerment   | 25  | 3.09 | 1.03           |       |       |      |
|                            | Communication          | 25  | 2.93 | 1.02           |       |       |      |
|                            | Management reporting   | 25  | 2.94 | 1.16           |       |       |      |
|                            | Performance management | 24  | 3.11 | 0.88           |       |       |      |
|                            | Valid N (list wise)    | 24  |      |                |       |       |      |
| B: Diploma/<br>Certificate | Job satisfaction       | 101 | 3.07 | 0.96           |       |       |      |
|                            | Employee empowerment   | 101 | 2.70 | 1.02           |       |       |      |
|                            | Communication          | 101 | 2.52 | 0.94           |       |       |      |
|                            | Management reporting   | 101 | 2.59 | 1.00           |       |       |      |
|                            | Performance management | 98  | 2.63 | 0.98           |       |       |      |
|                            | Valid N (list wise)    | 98  |      |                |       |       |      |



From the interpretation of Cohen's  $d$  in the last three columns of Table 3.7, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.43 and 0.49, which constitutes a small effect size. Respondents with a Grade 12 and less, perceived the statements more negative than the other two groups. On the aggregate, the majority of their responses indicated that all these groups generally disagreed with the statements within the various dimensions.

### 3.3.9.7 Effect sizes between managers and employees and how they perceived those dimensions

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.8 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.

Table 3.8: Effect sizes between managers and employees and how they perceived those dimensions, (Source: Own Compilation)

| MANAGER (1) vs. EMPLOYEE (2) |                        | N   | Minimum | Maximum | Mean | Std. Deviation | d    |
|------------------------------|------------------------|-----|---------|---------|------|----------------|------|
| 1                            | Job satisfaction       | 27  | 1.45    | 4.45    | 3.51 | 0.75           | 0.47 |
|                              | Employee empowerment   | 27  | 1.29    | 4.71    | 3.57 | 0.84           | 0.93 |
|                              | Communication          | 27  | 1.30    | 4.08    | 3.24 | 0.71           | 0.77 |
|                              | Management reporting   | 27  | 1.29    | 4.43    | 3.36 | 0.82           | 0.83 |
|                              | Performance management | 26  | 1.00    | 4.57    | 3.28 | 0.82           | 0.66 |
|                              | Valid N (list wise)    | 26  |         |         |      |                |      |
| 2                            | Job satisfaction       | 176 | 1.00    | 5.00    | 3.00 | 1.06           |      |
|                              | Employee empowerment   | 175 | 1.00    | 5.00    | 2.58 | 1.06           |      |
|                              | Communication          | 174 | 1.00    | 5.00    | 2.44 | 1.04           |      |
|                              | Management reporting   | 174 | 1.00    | 5.00    | 2.46 | 1.08           |      |
|                              | Performance management | 170 | 1.00    | 5.00    | 2.61 | 1.01           |      |
|                              | Valid N (list wise)    | 169 |         |         |      |                |      |

From the interpretation of Cohen's  $d$  in the last column of Table 3.8, there is a significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between 0.47 and 0.93, which constitutes a medium to large effect size. Managers seemed to be more positive in their responses to the statements within the various dimensions. Their perceptions in terms of employee empowerment, communication, and management reporting were significantly better as oppose to those of the employees. This is confirmed by effect size indices of 0.93, 0.77 and 0.83 respectively. Their perception regarding job satisfaction and performance management did not have a significant difference than those of employees, with a medium effect size of 0.47 and 0.66 respectively.

On the aggregate, managers' responses were significantly more positive than those of employees.

#### *3.3.9.8 Effect sizes of employees who spend most of their time out of office, as opposed to being in the office*

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.9 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.

Table 3.9: Effect sizes of employees who spend most of their time out of office as opposed to being in the office, (Source: Own Compilation)

| IN THE OFFICE/<br>OUT OF OFFICE |                        | N   | Minimum | Maximum | Mean | Std.<br>Deviation | d     |
|---------------------------------|------------------------|-----|---------|---------|------|-------------------|-------|
| In the office (1)               | Job satisfaction       | 157 | 1       | 5.00    | 3.14 | 0.93              | 0.25  |
|                                 | Employee empowerment   | 156 | 1       | 5.00    | 2.76 | 1.04              | 0.20  |
|                                 | Communication          | 155 | 1       | 4.67    | 2.53 | 0.98              | -0.05 |
|                                 | Management reporting   | 156 | 1       | 5.00    | 2.59 | 1.01              | 0.04  |
|                                 | Performance management | 152 | 1       | 4.71    | 2.73 | 0.93              | 0.07  |
|                                 | Valid N (list wise)    | 151 |         |         |      |                   |       |
| Out of the office (2)           | Job satisfaction       | 42  | 1       | 5.00    | 2.79 | 1.37              |       |
|                                 | Employee empowerment   | 42  | 1       | 5.00    | 2.52 | 1.22              |       |
|                                 | Communication          | 42  | 1       | 5.00    | 2.60 | 1.26              |       |
|                                 | Management reporting   | 41  | 1       | 5.00    | 2.54 | 1.35              |       |
|                                 | Performance management | 40  | 1       | 5.00    | 2.63 | 1.28              |       |
|                                 | Valid N (list wise)    | 40  |         |         |      |                   |       |

From the interpretation of Cohen's  $d$  in the last column of table 3.9, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.25, which constitutes a small effect size. Those respondents in the office were more negative about communication than those respondents that are outside the office. This is confirmed with effect size indices of -0.05. Holistically, both groups disagreed with most of the statements within the various dimensions.

Now that the effect sizes were discussed in order to get a sense of how the various groups of respondents perceived the five vertical trust dimensions, the linear relationship between the five dimensions will be explained in the following section.

### 3.3.10 The linear relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section aims to explain the linear relationship between the five vertical trust dimensions. This is to ascertain whether there is any linear relationship that is of statistical significance at the Category B municipality. Levine et al. (2011) explained that the statistical significance of a result represents the extent to which the result is representative of the entire population. The Pearson correlation coefficient was used to assess the linear relationships. Table 3.10 provides details pertaining to the linear relationship between the five dimensions. The significant linear relationships will be highlighted in green.

Table 3.10: Correlation matrix between the five vertical trust dimensions, (Source: Own Compilation)

|                        |                     | Job satisfaction | Employee empowerment | Communication | Management Reporting | Performance Management |
|------------------------|---------------------|------------------|----------------------|---------------|----------------------|------------------------|
| Job satisfaction       | Pearson Correlation | 1.00             | .867                 | .850          | 0.810                | 0.760                  |
|                        |                     |                  |                      |               |                      |                        |
| Employee Empowerment   | Pearson Correlation | .867             | 1.00                 | .881          | 0.860                | 0.800                  |
|                        |                     |                  |                      |               |                      |                        |
| Communication          | Pearson Correlation | .850             | .881                 | 1.00          | 0.920                | 0.790                  |
|                        |                     |                  |                      |               |                      |                        |
| Management reporting   | Pearson Correlation | .807             | .859                 | .922          | 1.00                 | 0.810                  |
|                        |                     |                  |                      |               |                      |                        |
| Performance Management | Pearson Correlation | .756             | .799                 | .787          | 0.810                | 1.00                   |
|                        |                     |                  |                      |               |                      |                        |

The table illustrates both a positive and strong linear relationship amongst the five vertical trust dimensions. The sample coefficient of correlation,  $r$ , was closer to a perfect

positive correlation of one in all the instances where correlation was tested. The results indicate that if one of the dimensions increase, the other dimensions will also increase. The assumption would then be that if the vertical trust relationship is a conduit for effective service delivery, then these dimensions would have a positive influence on the basic service delivery of the category B municipality.

The following section will deal with responses to eight open questions in Section G, which were provided by the 205 participants.

### 3.3.11 Findings from the open-ended questions

These questions related to how the respondents perceive trust in their working environment and how it may possibly contribute. The researcher assessed 141 questionnaires because 64 questionnaires, pertaining to Section G, was not completed and could not be used. This section will be discussed by stating the open question (only the English version), followed by a synopsis of the main points which the researcher felt is essential:

#### *3.3.11.1 Section G - How would you define trust in your working environment?*

Approximately 90 percent of the respondents provided various interpretations of how they perceived the working environment. They felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. The opinion was that for trust to be enshrined between parties, managers must be willing to

give assistance when the need arises. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management were inconsistent in decision-making. Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship, build on companionship, communication and humility.

### *3.3.11.2 Section G - What is your understanding of trust between management and employee?*

About 55 percent of the respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Many respondents indicated trust between affected parties are lacking because managers do not deliver on their promises. Grobler et al. (2006) implied that for trust to be nurtured, employees must believe that managers will not renege on promises. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinion related to a lack of cooperation between affected parties because there is no alignment and cohesion between managers and employees, when work is expected to be done. Their perceptions were aligned to research implicated in chapter two that a conducive working environment needs to be nurtured where tolerance and cooperation are highly valued (Interaction Associates, 2009). Respondents highlighted that confidentiality is key, when people need to be trusted. Some felt that this confidentiality was not implemented to its full potential at the municipality.

### *3.3.11.3 Section G - Will the employee's trust in management result in improved service delivery?*

More than 95 percent of the respondents were of the opinion that it will result in improved basic service delivery. A few stated that in order for this to be accomplished, it would need a drastic change in management. Some respondents indicated that the trust will improve the work ethics and interpersonal relationships between the affected parties. There were respondents who were very negative because management tends to burden employees with more work than they are able to accommodate. This happened without any incentive or "reward in kind" like additional leave days.

### *3.3.11.4 Section G - How do you experience the trust between you and management?*

Respondents noted that there is a huge concern because they were blunt in saying that trust is non-existent. Some indicated that this sentiment stems from the realization that communication lacks within the municipality. They are afraid of sharing personal issues with management for the mere fact that they experience the trust relationship as not authentic. No platforms are created for employees to raise concerns or best practices in how to serve the community better. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents indicated that there is no transparency, hence very difficult to put trust in others. This is aligned to what Covey (2011) explained in chapter two where managers tend to behave in a manner that violates trust, which results in employees being more cautious and suspicious about the most diminutive behaviour.

About 15 percent of the respondents indicated that they perceive a sense of trust, but it could be improved through teambuilding and communication. Some also felt that although trust is experienced, it can be broken apart by council interferences.

### *3.3.11.5 Section G - What is the biggest factor that enables you to effectively do your job?*

Respondents indicated that their personal senses of commitment to their daily job responsibilities are key to effective basic service delivery. A substantial number of respondents indicated that cooperation between various stakeholders, based on mutual respect and trust, is key to effective basic service delivery. Some respondents noted that they experience a sense of camaraderie amongst employees in order to do their jobs. Respondents noted that for them to effectively conduct their daily job, it is imperative for managers to provide the necessary assistance and guidance. Some respondents again indicated that victimization plays a key role when measuring their productivity, because it results in health issues that hamper effective service delivery. Some indicated that they are just working to earn a salary. Respondents noted that proper planning and management also influence basic service delivery.

### *3.3.11.6 Section G - What prohibits you from effectively doing your job?*

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Some were blunt in saying that lazy people and frequent skeleton staff result in them doing more work than what was allocated to them, without any recognition. Respondents also implied that management does not allow them to be more dynamic and innovative when conducting the daily job responsibilities. This situation is contradictory to what Madjar and Ortiz-Walters (2009) indicated where employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and effectively perform more work. A significant number of respondents alluded to gossiping and internal feuds between employees and managers as deterrent factors when doing their job. Some respondents further alluded to jobs being duplicated and not clearly specified by managers also hindering effective service delivery. Once again, the notion



relating to political interferences plays a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities.

*3.3.11.7 Section G - What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years?*

The majority of the respondents indicated that this is due to a number of reasons such as: good corporate governance and effective reporting system, good management and administration, proper communication to those involved in the financial auditing process, effective work and teamwork and the expertise of key personnel. Some respondents pondered on how these accolades were achieved. A few respondents alluded to the fact that it may be because “management make employees work like slaves while managers gets the credit for a job well done.”

*3.3.11.8 Section G - Any suggestions/ other comments in this regard?*

Approximately 15 percent of the respondents which insisted that effective communication must be the order of the day, employees are informed of the municipality’s objectives. In saying that, respondents felt that they must be included in a participative management structure, where their views are heard. Respondents felt that employees need to be appreciated more often so that they can feel part of a successful organization. There was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In excess of 75 percent of the respondents indicated “None/ No Comment” when they responded to this question.

### **3.4 Summary**

This chapter aimed to outline the research methodology applicable to this research topic. This included an overview of the research method, research design and research strategy. The research measuring instrument pertaining to the population and sample of the research were also discussed in detail. The data collection- and capturing process were explained by means of a six- step procedure. Various statistical terminologies were explained that will be used in the statistical analysis, including reliability and coefficient of correlation results. The researcher highlighted ethical considerations which were followed and enforced. Once the research methodology was discussed, the researcher aimed to present and interpret the empirical results which culminated from the questionnaire.

The descriptive statistics pertaining to the respondents that participated in the research were discussed. The biographical information was analyzed and illustrated by using bar charts. The internal reliability, by using the Cronbach's Alpha coefficient, was tested for all the vertical trust dimensions of which the results indicated excellent reliability in all instances. The next part revolved around a detailed discussion of Section B – F of the questionnaire and how the respondents responded to the various statements. This also included a synopsis of those statements which had a high frequency of responses, based on the five- point Likert scale. This was followed by an interpretation of the Cohen effect size index in order to determine how various groups, derived from the biographical information in Section A, responded to the various statements throughout Section B to F. The penultimate phase was based on a discussion relating to the existence of a linear relationship between the five vertical trust dimensions. The researcher interpreted the data by using the Pearson correlation coefficient. All the dimensions had both a positive and statistically significant linear relationship amongst each other. The last part revolved around the eight open-ended questions where the respondents were asked to give their views of trust and how their experience it within the Category B municipality. The next chapter will conclude this research and will identify recommendations and limitations relevant to the research

## CHAPTER 4: SUMMARY AND RECOMMENDATIONS

### 4.1 Introduction

This chapter will mainly provide a summary of the research conducted. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government. These deficiencies led to an array of service delivery protests throughout South Africa. With the foundation of the local government structure being laid, the transformation of local government was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Municipalities, as part of local government, were given the mandate to execute on these objectives. In order for such municipal services to be delivered, requires a combined effort from all stakeholders within the local government sphere. The interpersonal dynamics is key in order to enable municipalities to deliver on those basic services, as enshrined in the Constitution of South Africa.

For the purpose of this research, the emphasis focused on a Category B municipality in the Western Cape which received a vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The primary objective of this research was to examine the vertical trust relationship, based on various dimensions which may instill such trust. This examination would assist the researcher to ascertain whether the vertical trust relationship was a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality.

The first step in achieving this objective was to conduct a literature study which would explain the transformational change and mandate within local government. This was followed by a theoretical perspective of the concept of vertical trust relationship. The next step was an empirical analysis based on a survey conducted at the Category B municipality. The key objective was to ascertain what employees' opinion is of vertical trust between them and their managers by indicating how they perceived the five dimensions. Taking this into consideration, the next part will provide a brief overview of all the preceding chapters and how the objectives of this research were accomplished.

## **4.2 Main research findings**

The first chapter aimed in providing the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. Further, the chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the structure and design of the research.

The second chapter explained the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aimed to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship, as a contributing factor, have on effectively delivering basic services to communities. The chapter provided a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research then aimed to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities.

The third chapter explained the various research methodologies which were adopted for this research. The research methodology described the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data was described, which included methods implemented to maintain reliability of the instrument. The ethical considerations pertaining to this research were also mentioned. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter also discussed the statistical techniques which were used in the research in an attempt to analyze and test the collected data. This chapter also served as an explanation of the data presentation and analysis. The empirical findings and discussions of the research were given, which stemmed from the data which were collected and analyzed from the respondents' questionnaires. These empirical findings were accomplished by using statistical models in order to identify the response rate, internal reliability, correlations and standardized differences (Cohen's *d*). The conclusions with regards to these empirical findings and assessments will be discussed in the next section.

#### 4.2.1 Conclusion of the empirical findings

The conclusions of the empirical findings will be discussed in the following order:

- A holistic assessment of how the respondents perceived the five dimensions;
- The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions;
- The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management;
- The internal reliability of the five dimensions;
- The open-ended questions.

The following section will provide a holistic assessment of how respondents perceived the five dimensions after interpreting all statements in the questionnaire and will be discussed in relation to each dimension below.

#### *4.2.1.1. Job satisfaction*

This dimension was assessed according to how the respondents interpreted the statements in the questionnaire. The interpretation of the sample mean of 3.07 indicated that the respondents were not able to express their opinion on the statements. However, the statistical analysis indicated that the respondents disagreed with six of the statements. From the analysis of these six statements, it is clear that the respondents do not consider the Category B municipality as a preferred employer and would not recommend employment at the Category B municipality to anyone. The respondents felt that management does not have their personal interest at heart whenever respondents are required to do their job. The respondents identified a fundamental problem where their perceptions revealed that management is not actively involved in their career path at the Category B municipality. This implied that respondents revealed a sense of vulnerability as they felt that their jobs are not guaranteed. Stinglhamber and Vandenberghe (2003) implied that supervisory support may be a key indicator of the quality of relationships between employees and managers. Management would need to express concern for their employees' well-being and assist them in career development. Despite these disagreements, there was an acknowledgement from respondents that their type of work adds value to the core objective of delivering basic services to the community. Dessler (2005) implied in chapter two that job satisfaction usually result in better job performance and that management must find ways in nurturing opportunities for employees to be stimulated by the way they conduct their daily job responsibilities.

#### *4.2.1.2 Employee empowerment*

The statistical analysis implicated that respondents, in general, disagreed with the statements of employee empowerment. Although some respondents were not scared to raise their opinions at work, there was a large constituency which felt management does not do enough to involve them in decision making processes. The perception was that employees do not feel worthy as management refrains from instilling confidence where an environment is created in which employees can effectively do their job. Findikli et al. (2010) explained that empowerment will ignite a sense of urgency where employees may start to play their part in doing their jobs. This will allow them to concentrate more on their roles within the organization where transparent communication is important. Porumbescu et al. (2013) also implied that empowerment will allow employees to understand exactly what are expected of them whereby the correct information is transferred from managers. This is important because employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010).

#### *4.2.1.3 Communication*

This dimension had the lowest perceptions and implied that communication within the Category B municipality is lacking. Respondents were adamant that transparency from management causes a breakdown in trust, as indicated in the open-ended question section. Although 52.3 valid percent believed that management has trust in them, the exact opposite was perceived when fairness from management was assessed. The respondents indicated that management's actions and behaviours are inconsistent and is further exacerbated by the perception that management does not deliver on their promises. This perceived lack of communication may contribute to employees feeling

unappreciated. The researcher wants to note that the research exposed the notion that there is trust between managers and employees, with the majority of respondents implying the contrary. The majority of the respondents further indicated that no conducive platform is created by management in order to honestly interact with employees. The lack of communication is highlighted where key strategic objectives are not communicated because most of the respondents were not aware of such strategic objectives. Respondents also indicated that they do not participate in any strategic vision for the Category B municipality. The concerns mentioned above was explained by Porumbescu et al. (2013) where lack of communication result in potential misunderstandings on the part of the employee which cannot be clarified immediately. This may be a consequence of employees not being given any opportunity to discuss questions they may have regarding their organizational practices and goals, which are generally ambiguous in the public sector.

#### *4.2.1.4 Management reporting*

The statistical analysis implied that the majority of the respondents disagreed with all the statements, which may be a consequence of respondents' perceptions that communication in the Category B municipality is non-existent. Respondents felt that management lacks in setting realistic goals and offering their assistance in achieving it. The respondents once again responded by implying that trust lacks between management and employees. The respondents further disagreed with the statement that management has the ability to align employees in a manner that would lead to achieving a common goal. The majority of the respondents perceived management in a way in which they lack professionalism when it comes to work related issues. Lastly, the respondents were unable to express a concise opinion of whether management has the acumen to implement strategies that would successfully lead to better service delivery. Kargar (2009) explained in chapter two that frequent meetings between the affected parties in order to assess the employees ability to make the right decisions pertaining to their work, which may result in a successful organization.



#### *4.2.1.5 Performance management*

The respondents were very critical pertaining to the statements of performance management and disagreed with the majority of the statements. Performance feedback from management was not regularly forthcoming in order to make employees aware of where they may improve in terms of their job performance. They also perceived performance reviews as being unfair and inaccurate, although a large part of the respondents understood their performance agreement with the Category B municipality. The majority of the respondents indicated that they believe that they would get a good performance rating if they delivered on their job responsibilities. Respondents also acknowledged that good performers are treated differently than non-performers. Lastly, the statistical analysis indicated that there is no commitment from management pertaining to employees' career and personal development, with a large percentage indicating that they were not allowed to enroll for any form of training. Chapter two referred to performance management problems as identified by Fryer et al. (2009). This involved the predominantly softer issues and the employees' lack of involvement in the performance management system. For trust to be nurtured, the performance management system would need to be perceived as fair and include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback and having influence over personal career development (Farndale & Hope-Haily, 2010).

The analysis conducted in 4.2.1 is supported by a summary of those responses to statements which had a high frequency percentage of 30 percent and more. This will be provided in Appendix D of the research.

#### 4.2.2 The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions

The research considered biographical information like gender, age, years of employment, department in which employed, salary level, level of education, whether the respondents are managers and whether their job expects them to be in the office or out of the office as indicators of how employees within these categories perceived the five dimensions of vertical trust relationship between the municipal employees and managers. In order to achieve these comparisons of groups within each biographical cluster, Cohen's effect size indices ( $d$ ) were used to illustrate whether there may be significant differences within each biographical cluster.

##### 4.2.2.1 Gender

The statistical analysis indicated that 55.4 percent of the responses were female and 44.6 percent was male. The Cohen's  $d$  illustrated there is no significant difference between genders in how they perceived and responded to the five dimensions. Generally, the analysis indicated that both genders disagreed with the majority of the statements which explained the five dimensions.

##### 4.2.2.2 Age

The age categories in the questionnaire were reduced from five groups to three groups in order to test for Cohen's  $d$ . The three age groups were categorized as <30 years, between 31 – 40 years and those respondents older than 40 years. Cohen's  $d$  illustrated no significant difference in how the various groups perceived and responded to the five dimensions. The analysis indicated that the age group between 31 – 40 years was more negative towards the statements as opposed to the other two age groups. A

holistic view of the analysis indicated however that all three groups disagreed with the statements within the five dimensions.

#### *4.2.2.3 Years employed*

The years employed categories in the questionnaire were reduced from five groups to four groups in order to test for Cohen's *d*. These groups were categorized as those employed <3 years, between 4 – 6 years, between 7 – 10 years and longer than 10 years. The Cohen *d* revealed that there were no significant differences in how these groups perceived and responded to the five dimensions. Although the effect size differences were not that significant, the researcher discovered that the respondents employed between 7 – 10 years were more negative than all the other groups. Cohen's *d* also confirmed that the respondents employed between 7 – 10 years perceived and responded more negatively than the group employed longer than 10 years. The group employed for <3 years were more positive than the other three groups, although all groups tended to disagree with most of the statements within the five dimensions.

#### *4.2.2.4 Departments in which respondents are employed*

The researcher identified 10 departments in which the respondents are employed. A holistic view of the results indicated that most of the departments disagreed with how they perceived and responded to the statements within the five dimensions. Of significance is that Community Safety Department perceived these statements more positive compared to the other departments whereas the Local Economic Development Department was extremely negative towards the five dimensions as the respondents within this department strongly disagreed.

#### *4.2.2.5 Salary levels*

For purposes of the Cohen  $d$ , the researcher reduced the categories of the salary levels to four groups. From the analysis, it is obvious that the lowest salary level perceived and responded negatively towards the five dimensions. Respondents within the group of the second highest salary levels responded more favourably. Generally, all groups disagreed with the statements within the five dimensions, with the exception of the group which were categorized into salary level T 14 – 18.

#### *4.2.2.6 Level of education*

The levels of education were categorized into three groups, namely those with <Grade 12, a diploma or certificate and those respondents with a degree and more. There was no significant difference in how these groups perceived and responded to the five dimensions. The researcher would like to highlight the negative sentiment of the group <Grade 12 as this group was more negative than the other two groups. However, all the groups disagreed with most of the statements relating to the five dimensions.

#### *4.2.2.7 Effect differences between managers and employees*

The Cohen  $d$  illustrated a significant difference in how managers perceived and responded to the statements, as opposed to employees. Managers seemed to be more positive in their responses, especially when they had to respond to statements pertaining to employee empowerment and management reporting. Generally, managers were more positive than employees.

#### *4.2.2.8 Most time spent out of the office versus time in the office*

The statistical analysis indicated that there was no significant difference between these two groups. Holistically, both groups disagreed on most of the statements within the various dimensions.

A summary of this section revealed that most of the respondents, as analyzed from a socioeconomic perspective, disagreed with most of the statements. Of significance was how negative the younger age group and lower salary level perceived the majority of the statements. The researcher would also like to allude to the negative perception of those employees that has been in the Category B municipality's employment for between 7 – 10 years. The research also confirmed that those employees with the least level of education were more negative than the more educated respondents.

#### 4.2.3 The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section relates to test whether there was any significant relationship between the five vertical trust dimensions. The analysis was done by testing for a linear relationship and using the Pearson correlation coefficient. From Table 3.10 in Chapter 3, the results indicated that there is a positive linear relationship between job satisfaction, employee empowerment, communication, and management reporting and performance management. The table further illustrates a statistically significant relationship amongst these dimensions. An explanation for these strong relationships amongst these dimensions may be that the dimensions are testing employee attitudes, which are likely to be highly correlated with each other (Kampen et al., 2006). It is therefore evident that a change in attitude towards one of the dimensions will influence the other dimension in the same direction. The assumption can thus be made that any positive influence in attitude towards either of the dimensions would positively impact on the vertical trust relationship.

#### 4.2.4 The internal reliability of the five dimensions

The internal reliability was measured by using the Cronbach Alpha reliability scores. Table 3.3 in Chapter 3 illustrated an excellent internal reliability as all the dimensions' reliability scores were in excess of 0.90. The significance of these results indicated that all the statements within each dimension yielded consistent results and can therefore acknowledge that those dimensions are reliable measurements of the vertical trust relationship between municipal employees and managers. Figure 4.1 below indicates the results of the internal reliability.

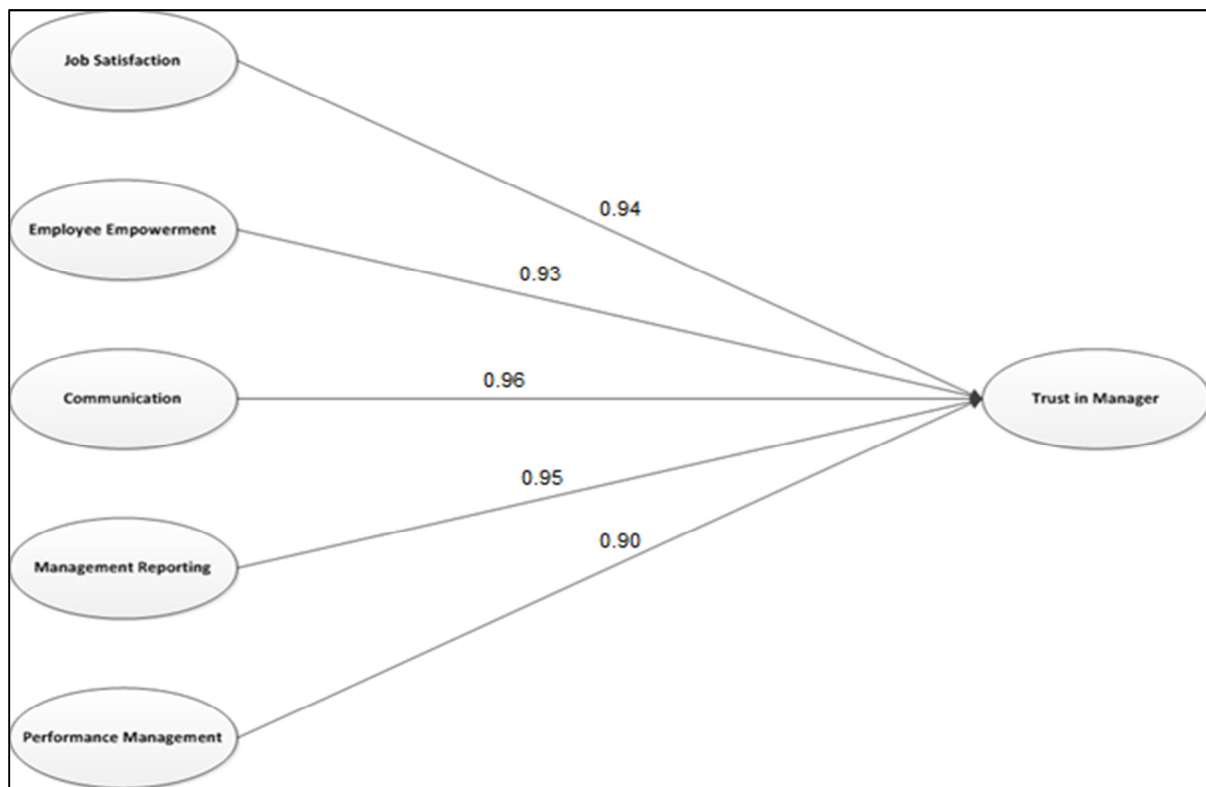


Figure 4.1: Results for internal reliability, (Source: Own Compilation amended from Porumbescu et al., 2013)

#### 4.2.5 The open-ended questions

The eight open-ended questions in Section G of the questionnaire were examined and the researcher found the following to be of relevance.

Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship built on companionship, communication and humility. Respondents felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management was inconsistent in decision-making.

Respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinions related to a lack of cooperation between affected parties because there are no alignment and cohesion between managers and employees, when work is expected to be done. Respondents felt that management tends to burden employees with more work than they are able to accommodate.

No platforms are created for employees to raise concerns or best practices in how best to serve the community. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents

indicated that there is no transparency, hence it becomes very difficult to put trust in others.

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Respondents highlighted the notion that political interferences play a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities. Lastly, there was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In essence, the following was confirmed as alluded to in Chapter 2:

- Management needs to create a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Management must manage through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Communication must be in terms of explicit socialization to make employees understand the values and principles of the organization and how things are done in the organization.

#### **4.3 Recommendations to the Category B municipality**

After an in-depth analysis of the empirical findings, the researcher identified numerous recommendations relating to the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors and needs to be commended



One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of the Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy (Coetsee, 2002).

The findings of this research suggested that there is a substantial breakdown of communication between the affected parties. The research suggests that managers need to implement a participative communication strategy to nurture some sort of trust between managers and employees. The research revealed that this lack of communication was felt throughout all the departments.

The open-ended questions revealed that there is a lack of opportunities whereby employees can use innovative ways in order to effectively do their job. This is on the back of concerns raised in the open-ended questions that managers tend to be autocratic when it comes to allocating job task and the manner in which it should be completed. Employee empowerment is key for a prosperous vertical trust relationship and can start by investing in employees' capabilities to effectively do their job.

Frequent improvement in skill levels by implementing specific training programs may be a conduit of growing employees' personal impact, professionalism and the manner in which they contribute the Category B municipality's key objective. This may instill some trust into employees as they may feel that managers are committed to their personal and career development.

Management need to ensure that they understand the value of employee participation, especially where the Category B municipality's strategies are of importance. A collective effort from both parties needs to be embraced and acknowledged that the success of the Category B municipality can only be achieved by aligning common goals. Mutual participation in the key deliverables of the Category B municipality will also result in a higher level of trust.

Respondents were very negative about the manner in which management reports important issues. From the analysis it seemed that these reporting lines were non – existent at times. A lack of transparency in this regard was an important issue that was raised. Although employees felt that they add value to the Category B municipality's objective of delivering basic services to the community, they still had the view that their contributions are not appropriately acknowledged. This acknowledgement could start by implementing a plan where performance feedback is frequently given in order to make employees aware of where they may have shortcomings. This would also assist where a good working environment is created and a culture of teamwork is embraced.

Performance management must be based on the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. An organizational culture to establish a people centered culture of service delivery and customer care should be developed. Being a municipal employee should be about serving the community and not about entitlement and power. Encouraging and rewarding innovation and initiatives that improve service delivery should be promoted.

Based on the categorization of the biographical information in Chapter 3, Cohen's *d* analysis reiterated that all the groups disagreed with most of the statements posted in the questionnaire. Although there was no significant difference in attitude amongst both genders, there was a specific age group and salary level that was more negative than any of the other groups within the specified categories. The researcher also noted that respondents in a specific department were extremely negative and would suggest that this needs to be addressed in order to improve attitudes within the aforementioned groups. Holistically, it is imperative for management to acknowledge that human

resource practices need to be implemented where this function plays a critical role in exerting an influence on the vertical trust relationship between the affected parties of which this research alludes to.

#### **4.4 Recommendations for future research**

The research indicated that the performance of the category B municipality is largely accomplished by a mainly negative workforce and low trust relationship between employees and their managers. The empirical findings suggested that the majority of the respondents throughout the Category B municipality disagree with the statements which tested the dimensions of vertical trust relationship. With no significant difference in perceptions when the biographical information were categorized into various groups and compared, the researcher suggests that employees' current perceptions may be addressed by possibly conducting a similar research to ascertain what gives rise to their negativity and establishing what would motivate employees, that may lead to effective and efficient basic service delivery.

#### **4.5 Limitations of this research**

The findings of this study are clearly limited due to a moderate response rate, but nevertheless make an initial contribution to the understanding of the nature of the relationships between the various instrument variables.

The dominant language at the Category B municipality is Afrikaans although the questionnaire was in English. The researcher alleviated this situation by translating the open-ended questions into Afrikaans for a more proper and adequate response. Although this assisted in some way, there were a lot of statements pertaining to the five dimensions that was not completed. Time and financial constraints also prohibited the researcher from having in- depth interviews with the respondents.

The researcher struggled to source latest literature on this specific topic and had to make use of some literature studies dating back to 2000. Not many published research papers were evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management.

The extent to which the instrument measures echo the concept of vertical trust needed to be noted. A mitigating factor was that an undergraduate student at the municipality, currently busy with similar research, provided personal explanations to respondents, on any vagueness which the questionnaire may have brought about.

The researcher would like to state that this research only provides a picture of a situational analysis within a particular sample population. It would thus be appropriate to engage in similar studies at the Category B municipality with a bigger response rate and endeavour similar comparative research at other local Category B municipalities.

The approval by the executive management of the Category B municipality was on the conditioned that the research be classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher referred to this municipality as a "Category B municipality" throughout the research.

## **4.6 Evaluation of the research study**

This section will discuss the primary and secondary objectives of the research respectively and whether these objectives were achieved.

### **4.6.1 Primary objective**

The questionnaire aimed to establish the vertical trust relationship between the municipal employees and their managers and how this relationship contributes to effective and efficient basic service delivery which the Category B municipality provides

to the community. The questionnaire revealed that, on aggregate, the employees disagreed with the majority of the statements within the various sections.

Those respondents which participated indicated that their perceptions of the level of job satisfaction within the Category B municipality were not decisive as they were unwilling to take a stance on whether they agree or disagree with the various statements. Contrary to the perceptions pertaining to job satisfaction within the Category B municipality, respondents disagreed with the statements which related to employee empowerment, communication and management reporting and performance management. These perceptions by the respondents were also confirmed where various respondents were categorized in groups and compared amongst themselves.

Based on the revelations of the respondents, the researcher found that there is a peculiar situation within the Category B municipality where the Category B municipality continuously received various accolades for financial management and their efforts in delivering basic services to the community the last three years. The research found however that these accolades were obtained without the trust relationship between the municipal employees and managers playing a significant role. This revelation is contradictory to the notion that vertical trust within high organizations contribute to better management and better collaboration at all levels of the organization.

The questionnaire revealed that the affected parties of this research lack a strong sense of shared purpose to succeed in fulfilling the Category B municipality's core objective of basic service delivery. The nurturing of a working environment in which tolerance and cooperation are valued is neglected and this was mentioned by respondents in the open-ended questions of the questionnaire. The disagreement which stemmed from the statements and open-ended questions within the various sections highlighted the importance of managers' need to re-assess their position and begin to act as coaches as opposed to just managing the employees. Furthermore, the questionnaire exposed a situation where communication and employee empowerment is non-existent which

curbs an ideal working environment, based on a sense of belonging and where people collectively participate in making decisions.

The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce.

#### 4.6.2 Secondary objective

The sole secondary objective was to ascertain how managers within the Category B municipality perceived the municipal employees' perceptions regarding the level of job satisfaction, employee empowerment, communication and management reporting and performance management. For this evaluation to take place, the researcher acknowledges that 27 managers, between the salary levels T14 – 20, took part in this survey. This constitutes 13.3 percent of those participants which responded in general. Holistically, as the statistically significant effect size analysis indicated, the managers responded more positively to the statements as opposed to the employees. On aggregate, managers were not decisive in whether they agree or disagreed with the various statements and chose to be impartial. This revelation is of concern because managers at the Category B municipality may be under the illusion that the vertical trust relationship between the affected parties is in order, but contradicts the perceptions of how employees actually feel.

With the internal reliability of the five measures being consistent with a Cronbach's Alpha coefficient in excess of 0.9, the research found that those five dimensions were significant determinants of vertical trust in management. For this reason, it is imperative for management within the Category B municipality to acknowledge that these dimensions are an indication of how to ensure a better trust relationship within the organization. The open-ended questions revealed that, despite managers' positive perceptions, there are distinct differences between the affected parties which could dampen improvement in future deliverables of the key objectives of basic service delivery. The open-ended questions also indicated that the employees' perceptions towards managers are that of managers finding it difficult to embrace a top-down model

of management that adheres to the perception that authority creates trust. Managers need to understand that in reality, trust creates authority (Hitch, 2012).

#### **4.7 Conclusion**

The research questioned whether there is some sort of vertical trust relationship between the municipal employees and managers. This was tested by employing five dimensions of vertical trust. The results indicated that there is a significant lack of trust between managers and employees and indicated that there exists a sense of effective and efficient performance within the category B municipality, but with a mainly negative workforce. The in- depth analysis concluded that for such a relationship to be built, there must be a clear sense of transparent communication employed where employees can feel trusted. Accountability needs to be nurtured where employees are entrusted with job tasks without feeling victimized or unworthy of not being able to accomplish this.

In conclusion, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

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## APPENDICES

### Appendix A: Questionnaire to test vertical trust in a Category B municipality

**Dear Employee**

We would like to invite you to participate in a research study, evaluating your perception of trust toward your management and its effect on your job performance to improve basic service delivery.

The questionnaire attempts to identify the influence of the employee's trust in management and its effect on performance within the Municipality. In other words, does this organizational trust influence employees' performances in effective service delivery?

The questionnaire will take approximately fifteen (15) minutes to complete, and we appreciate your valuable contribution towards a better understanding of your perception, and ensuring that the Municipality provides effective service delivery to the town/ city and surrounding areas.

*Please note that all information shared in this questionnaire and all future interactions will be treated confidentially and will be used only for research purposes. No confidential- and personal identifiable information will be shared with any third party.*

Kindly complete each section and answer all the questions.

Thank you for your cooperation in this regard.

#### Section A

Please indicate by means of a cross (X) the option that applies to you:

**1) Gender:**

|      |   |        |   |
|------|---|--------|---|
| Male | 1 | Female | 2 |
|------|---|--------|---|

**2) Age:**

|                      |   |              |   |              |   |               |   |                    |   |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|
| 20 years and younger | 1 | 21– 30 years | 2 | 31- 40 years | 3 | 41 – 60 years | 4 | 61 years and older | 5 |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|

**3) Months/ Years of employment at the Municipality:**

|                |   |                |   |                |   |                 |   |              |   |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|
| 0-12<br>Months | 1 | 1 – 3<br>years | 2 | 4 – 6<br>years | 3 | 7 – 10<br>years | 4 | 11+<br>years | 5 |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|

**4) Please indicate the Directorate/ Department you work for:**

|                                      |                      |  |  |   |                           |                               |  |   |
|--------------------------------------|----------------------|--|--|---|---------------------------|-------------------------------|--|---|
| Civil<br>Engineeri<br>ng<br>Services | Commun<br>ity Safety | Corporate<br>and Social<br>Developm<br>ent | Corpora<br>te<br>Service<br>s<br>(includi<br>ng the<br>office of<br>the<br>Municip<br>al<br>Manage<br>r) | Electro-<br>Techni<br>cal<br>Service<br>s | Environme<br>ntal Affairs | Financi<br>al<br>Servic<br>es | Local<br>Economic<br>Developm<br>ent<br>Services | Planning<br>and<br>Human<br>Settlemen<br>ts |
| 1                                    | 2                    | 3  | 4  | 5   | 6                         | 7                             | 8  | 9   |
| Other: Please<br>Specify             |                      | 10   |  |   |                           |                               |  |   |

**5) Please indicate your job category:**

|                       |   |            |   |          |   |           |   |              |   |                |   |
|-----------------------|---|------------|---|----------|---|-----------|---|--------------|---|----------------|---|
| T1 – T3               | 1 | T4 –<br>T8 | 2 | T9 – T13 | 3 | T14 – T18 | 4 | T19 –<br>T20 | 5 | Do not<br>know | 6 |
| Other: Please specify |   |            | 7 |          |   |           |   |              |   |                |   |

**6) I have the following qualification:**

|                       |                         |        |                   |                    |                     |
|-----------------------|-------------------------|--------|-------------------|--------------------|---------------------|
| Grade 12 and<br>less  | Diploma/<br>Certificate | Degree | Honours<br>Degree | Master's<br>Degree | Doctorate<br>Degree |
| 1                     | 2                       | 3      | 4                 | 5                  | 6                   |
| Other: Please specify |                         | 7      |                   |                    |                     |

**7) Are you a manager?**

|     |   |    |   |
|-----|---|----|---|
| Yes | 1 | No | 2 |
|-----|---|----|---|

**8) Your work expects you to spend most of your time at work:**

|               |   |                   |   |
|---------------|---|-------------------|---|
| In the office | 1 | Out of the office | 2 |
|---------------|---|-------------------|---|

The following five (5) sections relate to your job satisfaction, employee empowerment, communication and management reporting.

| 1                        | 2               | 3                                 | 4            | 5                     |
|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| <b>Strongly Disagree</b> | <b>Disagree</b> | <b>Neither agree nor disagree</b> | <b>Agree</b> | <b>Strongly Agree</b> |

Think about Management to whom you report to at the Municipality. For each statement, mark a (X) that best describes how much you agree or disagree with each statement, using the above scale:

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| <b>Section B: Job Satisfaction</b>  |                        |               |                                 |            |                     |
| 2.1 It is a pleasure coming to work daily.  |                        |               |                                 |            |                     |
| 2.2 I take pleasure in doing my work.   |                        |               |                                 |            |                     |
| 2.3 I have no intention of leaving my job.  |                        |               |                                 |            |                     |
| 2.4 The work I do adds value in delivering the basic services in town / city and the surrounding communities. |                        |               |                                 |            |                     |
| 2.5 The municipality is a great organisation to work for.   |                        |               |                                 |            |                     |
| 2.6 I would recommend anyone to work for the municipality.  |                        |               |                                 |            |                     |
| 2.7 My personal skills and capabilities are testimony of the good job I'm doing.                              |                        |               |                                 |            |                     |



|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| 2.8 Management has my personal interest at heart whenever I am required to do my job.           |                        |               |                                 |            |                     |
| 2.9 Working conditions at the municipality allows me to effectively do my job.                  |                        |               |                                 |            |                     |
| 2.10 Management is actively involved and supports me in my career path within the municipality. |                        |               |                                 |            |                     |
| 2.11 I am assured that I won't lose my job.   |                        |               |                                 |            |                     |

| <b>Section C: Employee Empowerment</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 3.1 When I am at work, I am not scared to raise an opinion involving my work.                             |  |  |  |  |  |
| 3.2 Management involves me in decisions that affect my work.  |  |  |  |  |  |
| 3.3 Management installs confidence in me for the work I need to do.                                       |  |  |  |  |  |
| 3.4 Management allows me to do my job the way I see it best, as long as my work is effectively concluded. |  |  |  |  |  |
| 3.5 Management creates an environment in which successes are celebrated.                                  |  |  |  |  |  |
| 3.6 Management encourages innovative ways to effectively deliver basic services to the community.         |  |  |  |  |  |
| 3.7 Management empowers me to make decisions that will positively influence my work.                      |  |  |  |  |  |

|  | 1<br>Strongly<br>disagree | 2<br>Disagree | 3<br>Neither<br>agree<br>nor<br>disagree | 4<br>Agree | 5<br>Strongly<br>agree |
|--|---------------------------|---------------|--|------------|------------------------|
| <b>Section D: Communication</b>  |                           |               |  |            |                        |
| 4.1 A sense of transparency is evident in the way Management conduct their work.   |                           |               |  |            |                        |
| 4.2 Management trusts me to effectively do my job  |                           |               |  |            |                        |
| 4.3 Management communicates and displays a sense of fairness towards employees.  |                           |               |  |            |                        |
| 4.4 Management's actions and behaviour are very consistent.  |                           |               |  |            |                        |
| 4.5 Management delivers on their promises to employees.  |                           |               |  |            |                        |
| 4.6 Management is always willing to discuss my personal wellbeing with immense compassion.   |                           |               |  |            |                        |
| 4.7 Management makes me feel appreciated in how they communicate tasks to me.  |                           |               |  |            |                        |
| 4.8 I believe there is trust between management and employees.   |                           |               |  |            |                        |
| 4.9 Management creates an environment where they communicate honestly with employees.  |                           |               |  |            |                        |
| 4.10 Management sufficiently communicate the municipality's strategic objectives to employees.                                       |                           |               |  |            |                        |
| 4.11 I know and understand the municipality's key strategic objectives for effective service delivery over the next three (3) years. |                           |               |  |            |                        |
| 4.12 As an employee, I participated in   |                           |               |  |            |                        |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| the formulation of the municipality's strategic vision. |                        |               |                                 |            |                     |

| <b>Section E: Management reporting</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 5.1 Management is good in setting realistic goals and assists me in achieving it.   |  |  |  |  |  |
| 5.2 My opinion on work related issues is important to management.   |  |  |  |  |  |
| 5.3 Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality.                |  |  |  |  |  |
| 5.4 I know that I can trust management.   |  |  |  |  |  |
| 5.5 Management has the ability to align employees in order to work towards a common goal.   |  |  |  |  |  |
| 5.6 Management conduct themselves in a polite and professional manner when addressing work related issues to employees.                             |  |  |  |  |  |
| 5.7 I feel that management is capable of implementing strategies that will successfully lead to better delivery of basic services to the community. |  |  |  |  |  |

With regards to the key performance evaluation criteria at the Municipality, please answer the following questions:

| <b>Section F: Performance management</b>                            |  |  |  |  |  |
|---|--|--|--|--|--|
| 6.1 Performance feedback is regularly provided on how I do my work. |  |  |  |  |  |

|  | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|--|------------------------|---------------|---------------------------------|------------|---------------------|
| 6.2 I believe that my performance reviews are fair and accurate.   |                        |               |                                 |            |                     |
| 6.3 I know and understand my performance agreement with the municipality.  |                        |               |                                 |            |                     |
| 6.4 I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality. |                        |               |                                 |            |                     |
| 6.5 I sense that management has a tendency of treating good performers differently than non-performers.  |                        |               |                                 |            |                     |
| 6.6 Management is committed to manage my performance and assist in my career and personal development.   |                        |               |                                 |            |                     |
| 6.7 I was allowed by management to enrol for training programmes over the last year.   |                        |               |                                 |            |                     |

| <b>Section G: Personal view of trust between management and employees</b>  |  |
|--|--|
| 7.1 How would you define trust in your working environment? Hoe sal u vertroue omskryf in u werksomgewing?                             |  |
| 7.2 What is your understanding of trust between management and employee? Wat is u seining rondom vertroue tussen bestuur en amptenare? |  |
|  |  |

|  |
|--|
|  |
| 7.3 Will the employee's trust in management result in improved service delivery? / Sal amptenare se vertrouwe in die bestuur lei tot die verbetering in dienslewering? |
|  |
| 7.4 How do you experience the trust between you and management? / Hoe ondervind u die vertrouensverhouding tussen uself en die bestuur?                                |
|  |
| 7.5 What is the biggest factor that enables you to effectively do your job? / Wat is die grootste faktor wat u instaat stel om u werk effektief te verrig?             |
|  |
| 7.6 What prohibits you from effectively doing your job? / Wat verhoed u om werk effektief te verrig?   |
|  |

|   |
|---|
|   |
| 7.7 What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years? / Wat is die vernaamste rede, volgens u, waarom die munisipaliteit die afgelope paar jaar 'n skoon oudit vanaf die Ouditeur Generaal ontvang het? |
|   |
| 7.8 Any suggestions/ other comments in this regard? / Enige ander voorstelle/ kommentaar in hierdie verband?  |
|   |

**THANK YOU AND WE APPRECIATE YOUR TIME AND EFFORT**  
**The Researcher**

## Appendix B: Details of internal consistency of each dimension specific scale

### Dimension 1: Job Satisfaction

| Statements of Job Satisfaction | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|--------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section B Statement 1          | 2.93 | 1.322          | 187 | .802                             | .927                             |
| Section B Statement 2          | 3.53 | 1.280          | 187 | .783                             | .928                             |
| Section B Statement 3          | 3.09 | 1.406          | 187 | .715                             | .931                             |
| Section B Statement 4          | 3.73 | 1.389          | 187 | .734                             | .930                             |
| Section B Statement 5          | 3.06 | 1.288          | 187 | .786                             | .928                             |
| Section B Statement 6          | 2.84 | 1.279          | 187 | .733                             | .930                             |
| Section B Statement 7          | 3.58 | 1.277          | 187 | .690                             | .932                             |
| Section B Statement 8          | 2.57 | 1.336          | 187 | .764                             | .929                             |
| Section B Statement 9          | 2.57 | 1.261          | 187 | .693                             | .932                             |
| Section B Statement 10         | 2.38 | 1.257          | 187 | .715                             | .931                             |
| Section B Statement 11         | 2.88 | 1.230          | 187 | .619                             | .935                             |

## Dimension 2: Employee Empowerment

| Statements of Employee Empowerment | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section C Statement 1              | 3.14 | 1.419          | 188 | .662                             | .931                             |
| Section C Statement 2              | 2.39 | 1.256          | 188 | .772                             | .920                             |
| Section C Statement 3              | 2.71 | 1.333          | 188 | .818                             | .915                             |
| Section C Statement 4              | 2.97 | 1.389          | 188 | .785                             | .918                             |
| Section C Statement 5              | 2.45 | 1.242          | 188 | .808                             | .916                             |
| Section C Statement 6              | 2.74 | 1.316          | 188 | .813                             | .915                             |
| Section C Statement 7              | 2.58 | 1.160          | 188 | .798                             | .918                             |



#### Dimension 4: Management Reporting

| Statements of Management Reporting | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section E Statement 1              | 2.52 | 1.234          | 196 | .860                             | .941                             |
| Section E Statement 2              | 2.58 | 1.244          | 196 | .826                             | .944                             |
| Section E Statement 3              | 2.40 | 1.226          | 196 | .832                             | .944                             |
| Section E Statement 4              | 2.35 | 1.187          | 196 | .857                             | .942                             |
| Section E Statement 5              | 2.50 | 1.251          | 196 | .867                             | .941                             |
| Section E Statement 6              | 2.68 | 1.318          | 196 | .855                             | .942                             |
| Section E Statement 7              | 3.00 | 1.198          | 196 | .742                             | .951                             |

## Dimension 5: Performance Management

| Statement of Performance Management | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section F Statement 1               | 2.22 | 1.199          | 186 | .684                             | .888                             |
| Section F Statement 2               | 2.89 | 1.327          | 186 | .749                             | .881                             |
| Section F Statement 3               | 3.08 | 1.311          | 186 | .732                             | .883                             |
| Section F Statement 4               | 2.96 | 1.347          | 186 | .750                             | .880                             |
| Section F Statement 5               | 2.70 | 1.279          | 186 | .689                             | .888                             |
| Section F Statement 6               | 2.35 | 1.164          | 186 | .779                             | .879                             |
| Section F Statement 7               | 2.46 | 1.340          | 186 | .581                             | .900                             |

**Appendix C: Frequencies and means of responses for statements posted in Section B to Section F**

**Section B: Job satisfaction**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 43        | 21.0    | 21.2          | 21.2               |
|             | Disagree                   | 30        | 14.6    | 14.8          | 36.0               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.7          | 54.7               |
|             | Agree                      | 71        | 34.6    | 35.0          | 89.7               |
|             | Strongly agree             | 21        | 10.2    | 10.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 27        | 13.2    | 13.3          | 13.3               |
|             | Disagree                   | 17        | 8.3     | 8.4           | 21.7               |
|             | Neither agree nor disagree | 15        | 7.3     | 7.4           | 29.1               |
|             | Agree                      | 99        | 48.3    | 48.8          | 77.8               |
|             | Strongly agree             | 45        | 22.0    | 22.2          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 40               | 19.5           | 20.1                 | 20.1                      |
|                    | Disagree                   | 24               | 11.7           | 12.1                 | 32.2                      |
|                    | Neither agree nor disagree | 45               | 22.0           | 22.6                 | 54.8                      |
|                    | Agree                      | 50               | 24.4           | 25.1                 | 79.9                      |
|                    | Strongly agree             | 40               | 19.5           | 20.1                 | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 28               | 13.7           | 14.0                 | 14.0                      |
|                    | Disagree                   | 14               | 6.8            | 7.0                  | 21.0                      |
|                    | Neither agree nor disagree | 7                | 3.4            | 3.5                  | 24.5                      |
|                    | Agree                      | 77               | 37.6           | 38.5                 | 63.0                      |
|                    | Strongly agree             | 74               | 36.1           | 37.0                 | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 34        | 16.6    | 16.7          | 16.7               |
|             | Disagree                   | 27        | 13.2    | 13.3          | 30.0               |
|             | Neither agree nor disagree | 49        | 23.9    | 24.1          | 54.2               |
|             | Agree                      | 64        | 31.2    | 31.5          | 85.7               |
|             | Strongly agree             | 29        | 14.1    | 14.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.3          | 20.3               |
|             | Disagree                   | 32        | 15.6    | 15.8          | 36.1               |
|             | Neither agree nor disagree | 52        | 25.4    | 25.7          | 61.9               |
|             | Agree                      | 55        | 26.8    | 27.2          | 89.1               |
|             | Strongly agree             | 22        | 10.7    | 10.9          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 24        | 11.7    | 11.8          | 11.8               |
|             | Disagree                   | 18        | 8.8     | 8.8           | 20.6               |
|             | Neither agree nor disagree | 22        | 10.7    | 10.8          | 31.4               |
|             | Agree                      | 90        | 43.9    | 44.1          | 75.5               |
|             | Strongly agree             | 50        | 24.4    | 24.5          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 59        | 28.8    | 29.5          | 29.5               |
|             | Disagree                   | 44        | 21.5    | 22.0          | 51.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.0          | 70.5               |
|             | Agree                      | 41        | 20.0    | 20.5          | 91.0               |
|             | Strongly agree             | 18        | 8.8     | 9.0           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 52               | 25.4           | 26.0                 | 26.0                      |
|                    | Disagree                   | 46               | 22.4           | 23.0                 | 49.0                      |
|                    | Neither agree nor disagree | 47               | 22.9           | 23.5                 | 72.5                      |
|                    | Agree                      | 40               | 19.5           | 20.0                 | 92.5                      |
|                    | Strongly agree             | 15               | 7.3            | 7.5                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 69               | 33.7           | 34.5                 | 34.5                      |
|                     | Disagree                   | 46               | 22.4           | 23.0                 | 57.5                      |
|                     | Neither agree nor disagree | 40               | 19.5           | 20.0                 | 77.5                      |
|                     | Agree                      | 33               | 16.1           | 16.5                 | 94.0                      |
|                     | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 40        | 19.5    | 19.7          | 19.7               |
|              | Disagree                   | 26        | 12.7    | 12.8          | 32.5               |
|              | Neither agree nor disagree | 64        | 31.2    | 31.5          | 64.0               |
|              | Agree                      | 56        | 27.3    | 27.6          | 91.6               |
|              | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|              | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing      | System                     | 2         | 1.0     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

### Means

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.93 | 1.322          |
| 2         | 3.53 | 1.280          |
| 3         | 3.09 | 1.406          |
| 4         | 3.73 | 1.389          |
| 5         | 3.06 | 1.288          |
| 6         | 2.84 | 1.279          |
| 7         | 3.58 | 1.277          |
| 8         | 2.57 | 1.336          |
| 9         | 2.57 | 1.261          |
| 10        | 2.38 | 1.257          |
| 11        | 2.88 | 1.230          |



### Section C: Employee empowerment

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 19.6          | 19.6               |
|             | Disagree                   | 35        | 17.1    | 17.2          | 36.8               |
|             | Neither agree nor disagree | 20        | 9.8     | 9.8           | 46.6               |
|             | Agree                      | 77        | 37.6    | 37.7          | 84.3               |
|             | Strongly agree             | 32        | 15.6    | 15.7          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 31.0          | 31.0               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 60.1               |
|             | Neither agree nor disagree | 32        | 15.6    | 15.8          | 75.9               |
|             | Agree                      | 38        | 18.5    | 18.7          | 94.6               |
|             | Strongly agree             | 11        | 5.4     | 5.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 42        | 20.5    | 20.9          | 47.3               |
|             | Neither agree nor disagree | 35        | 17.1    | 17.4          | 64.7               |
|             | Agree                      | 56        | 27.3    | 27.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.3          | 23.3               |
|             | Disagree                   | 30        | 14.6    | 14.9          | 38.1               |
|             | Neither agree nor disagree | 34        | 16.6    | 16.8          | 55.0               |
|             | Agree                      | 68        | 33.2    | 33.7          | 88.6               |
|             | Strongly agree             | 23        | 11.2    | 11.4          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.1          | 28.1               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 57.1               |
|             | Neither agree nor disagree | 40        | 19.5    | 19.7          | 76.8               |
|             | Agree                      | 35        | 17.1    | 17.2          | 94.1               |
|             | Strongly agree             | 12        | 5.9     | 5.9           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 48        | 23.4    | 23.6          | 23.6               |
|             | Disagree                   | 42        | 20.5    | 20.7          | 44.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.7          | 65.0               |
|             | Agree                      | 54        | 26.3    | 26.6          | 91.6               |
|             | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 21.4          | 21.4               |
|             | Disagree                   | 53        | 25.9    | 27.6          | 49.0               |
|             | Neither agree nor disagree | 54        | 26.3    | 28.1          | 77.1               |
|             | Agree                      | 33        | 16.1    | 17.2          | 94.3               |
|             | Strongly agree             | 11        | 5.4     | 5.7           | 100.0              |
|             | Total                      | 192       | 93.7    | 100.0         |                    |
| Missing     | System                     | 13        | 6.3     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 3.14 | 1.419          |
| 2         | 2.39 | 1.256          |
| 3         | 2.71 | 1.333          |
| 4         | 2.97 | 1.389          |
| 5         | 2.45 | 1.242          |
| 6         | 2.74 | 1.316          |
| 7         | 2.58 | 1.160          |

## Section D: Communication

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.9          | 26.9               |
|             | Disagree                   | 52        | 25.4    | 26.4          | 53.3               |
|             | Neither agree nor disagree | 47        | 22.9    | 23.9          | 77.2               |
|             | Agree                      | 33        | 16.1    | 16.8          | 93.9               |
|             | Strongly agree             | 12        | 5.9     | 6.1           | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 29        | 14.1    | 14.7          | 14.7               |
|             | Disagree                   | 23        | 11.2    | 11.7          | 26.4               |
|             | Neither agree nor disagree | 42        | 20.5    | 21.3          | 47.7               |
|             | Agree                      | 77        | 37.6    | 39.1          | 86.8               |
|             | Strongly agree             | 26        | 12.7    | 13.2          | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 54        | 26.3    | 26.9          | 54.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 73.6               |
|             | Agree                      | 41        | 20.0    | 20.4          | 94.0               |
|             | Strongly agree             | 12        | 5.9     | 6.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 56.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 77.1               |
|             | Agree                      | 33        | 16.1    | 16.4          | 93.5               |
|             | Strongly agree             | 13        | 6.3     | 6.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 5</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 65               | 31.7           | 32.7                 | 32.7                      |
|                    | Disagree                   | 58               | 28.3           | 29.1                 | 61.8                      |
|                    | Neither agree nor disagree | 49               | 23.9           | 24.6                 | 86.4                      |
|                    | Agree                      | 16               | 7.8            | 8.0                  | 94.5                      |
|                    | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 6</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.3                 | 30.3                      |
|                    | Disagree                   | 56               | 27.3           | 28.3                 | 58.6                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.2                 | 77.8                      |
|                    | Agree                      | 33               | 16.1           | 16.7                 | 94.4                      |
|                    | Strongly agree             | 11               | 5.4            | 5.6                  | 100.0                     |
|                    | Total                      | 198              | 96.6           | 100.0                |                           |
| Missing            | System                     | 7                | 3.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 55.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.6               |
|             | Agree                      | 36        | 17.6    | 17.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 64        | 31.2    | 31.8          | 59.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 80.1               |
|             | Agree                      | 24        | 11.7    | 11.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |



| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.0                 | 30.0                      |
|                    | Disagree                   | 61               | 29.8           | 30.5                 | 60.5                      |
|                    | Neither agree nor disagree | 39               | 19.0           | 19.5                 | 80.0                      |
|                    | Agree                      | 28               | 13.7           | 14.0                 | 94.0                      |
|                    | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 46               | 22.4           | 23.0                 | 23.0                      |
|                     | Disagree                   | 52               | 25.4           | 26.0                 | 49.0                      |
|                     | Neither agree nor disagree | 57               | 27.8           | 28.5                 | 77.5                      |
|                     | Agree                      | 34               | 16.6           | 17.0                 | 94.5                      |
|                     | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 42        | 20.5    | 21.0          | 21.0               |
|              | Disagree                   | 36        | 17.6    | 18.0          | 39.0               |
|              | Neither agree nor disagree | 54        | 26.3    | 27.0          | 66.0               |
|              | Agree                      | 57        | 27.8    | 28.5          | 94.5               |
|              | Strongly agree             | 11        | 5.4     | 5.5           | 100.0              |
|              | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing      | System                     | 5         | 2.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

| STATEMENT 12 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 50        | 24.4    | 25.3          | 25.3               |
|              | Disagree                   | 51        | 24.9    | 25.8          | 51.0               |
|              | Neither agree nor disagree | 41        | 20.0    | 20.7          | 71.7               |
|              | Agree                      | 47        | 22.9    | 23.7          | 95.5               |
|              | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|              | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing      | System                     | 7         | 3.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

## Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.50 | 1.214          |
| 2         | 3.19 | 1.242          |
| 3         | 2.48 | 1.241          |
| 4         | 2.46 | 1.218          |
| 5         | 2.24 | 1.147          |
| 6         | 2.42 | 1.220          |
| 7         | 2.48 | 1.250          |
| 8         | 2.39 | 1.195          |
| 9         | 2.34 | 1.208          |
| 10        | 2.55 | 1.171          |
| 11        | 2.82 | 1.221          |
| 12        | 2.58 | 1.216          |

## Section E: Management reporting

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.5          | 23.5               |
|             | Disagree                   | 65        | 31.7    | 32.5          | 56.0               |
|             | Neither agree nor disagree | 39        | 19.0    | 19.5          | 75.5               |
|             | Agree                      | 34        | 16.6    | 17.0          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 45        | 22.0    | 22.4          | 22.4               |
|             | Disagree                   | 60        | 29.3    | 29.9          | 52.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 73.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 56               | 27.3           | 28.1                 | 28.1                      |
|                    | Disagree                   | 60               | 29.3           | 30.2                 | 58.3                      |
|                    | Neither agree nor disagree | 43               | 21.0           | 21.6                 | 79.9                      |
|                    | Agree                      | 26               | 12.7           | 13.1                 | 93.0                      |
|                    | Strongly agree             | 14               | 6.8            | 7.0                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 62               | 30.2           | 31.0                 | 31.0                      |
|                    | Disagree                   | 50               | 24.4           | 25.0                 | 56.0                      |
|                    | Neither agree nor disagree | 52               | 25.4           | 26.0                 | 82.0                      |
|                    | Agree                      | 26               | 12.7           | 13.0                 | 95.0                      |
|                    | Strongly agree             | 10               | 4.9            | 5.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 58        | 28.3    | 28.9          | 55.2               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 93.0               |
|             | Strongly agree             | 14        | 6.8     | 7.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 40        | 19.5    | 19.9          | 46.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 67.2               |
|             | Agree                      | 49        | 23.9    | 24.4          | 91.5               |
|             | Strongly agree             | 17        | 8.3     | 8.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 28        | 13.7    | 13.9          | 13.9               |
|             | Disagree                   | 42        | 20.5    | 20.8          | 34.7               |
|             | Neither agree nor disagree | 56        | 27.3    | 27.7          | 62.4               |
|             | Agree                      | 56        | 27.3    | 27.7          | 90.1               |
|             | Strongly agree             | 20        | 9.8     | 9.9           | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.52 | 1.234          |
| 2         | 2.58 | 1.244          |
| 3         | 2.40 | 1.226          |
| 4         | 2.35 | 1.187          |
| 5         | 2.50 | 1.251          |
| 6         | 2.68 | 1.318          |
| 7         | 3.00 | 1.198          |

**Section F: Performance management**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 69        | 33.7    | 35.2          | 35.2               |
|             | Disagree                   | 60        | 29.3    | 30.6          | 65.8               |
|             | Neither agree nor disagree | 27        | 13.2    | 13.8          | 79.6               |
|             | Agree                      | 32        | 15.6    | 16.3          | 95.9               |
|             | Strongly agree             | 8         | 3.9     | 4.1           | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 20.5          | 20.5               |
|             | Disagree                   | 37        | 18.0    | 19.0          | 39.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.5          | 59.0               |
|             | Agree                      | 59        | 28.8    | 30.3          | 89.2               |
|             | Strongly agree             | 21        | 10.2    | 10.8          | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |



| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 33               | 16.1           | 16.9                 | 16.9                      |
|                    | Disagree                   | 30               | 14.6           | 15.4                 | 32.3                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.5                 | 51.8                      |
|                    | Agree                      | 70               | 34.1           | 35.9                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 38               | 18.5           | 19.5                 | 19.5                      |
|                    | Disagree                   | 35               | 17.1           | 17.9                 | 37.4                      |
|                    | Neither agree nor disagree | 36               | 17.6           | 18.5                 | 55.9                      |
|                    | Agree                      | 62               | 30.2           | 31.8                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.9          | 20.9               |
|             | Disagree                   | 47        | 22.9    | 24.0          | 44.9               |
|             | Neither agree nor disagree | 52        | 25.4    | 26.5          | 71.4               |
|             | Agree                      | 35        | 17.1    | 17.9          | 89.3               |
|             | Strongly agree             | 21        | 10.2    | 10.7          | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.8          | 28.8               |
|             | Disagree                   | 53        | 25.9    | 26.8          | 55.6               |
|             | Neither agree nor disagree | 50        | 24.4    | 25.3          | 80.8               |
|             | Agree                      | 29        | 14.1    | 14.6          | 95.5               |
|             | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|             | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing     | System                     | 7         | 3.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 32.3          | 32.3               |
|             | Disagree                   | 45        | 22.0    | 23.1          | 55.4               |
|             | Neither agree nor disagree | 25        | 12.2    | 12.8          | 68.2               |
|             | Agree                      | 47        | 22.9    | 24.1          | 92.3               |
|             | Strongly agree             | 15        | 7.3     | 7.7           | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

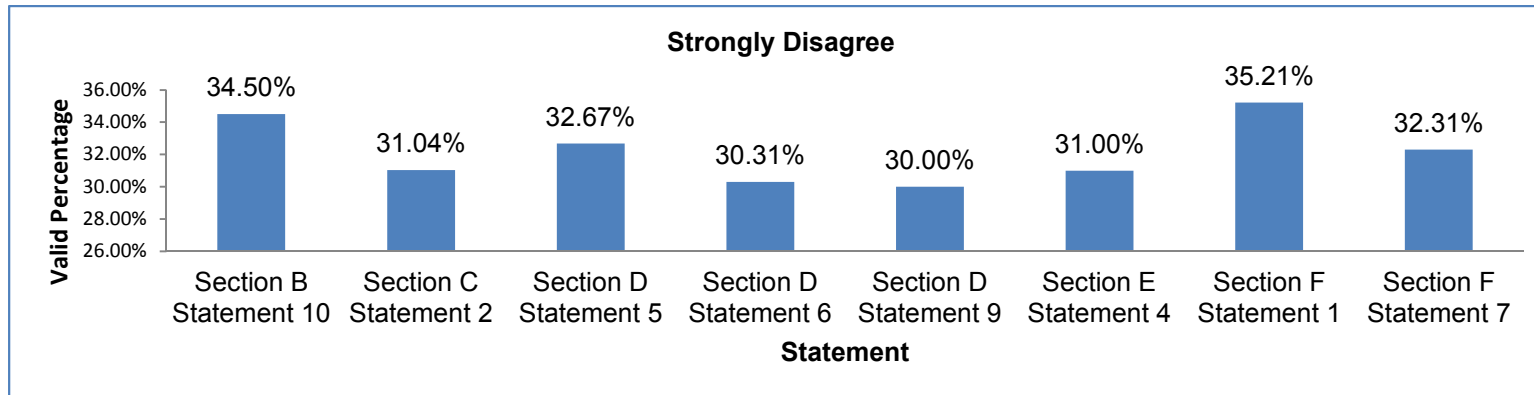
### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.22 | 1.199          |
| 2         | 2.89 | 1.327          |
| 3         | 3.08 | 1.311          |
| 4         | 2.96 | 1.347          |
| 5         | 2.70 | 1.279          |
| 6         | 2.35 | 1.164          |
| 7         | 2.46 | 1.340          |

## Appendix D – Statements with the most responses

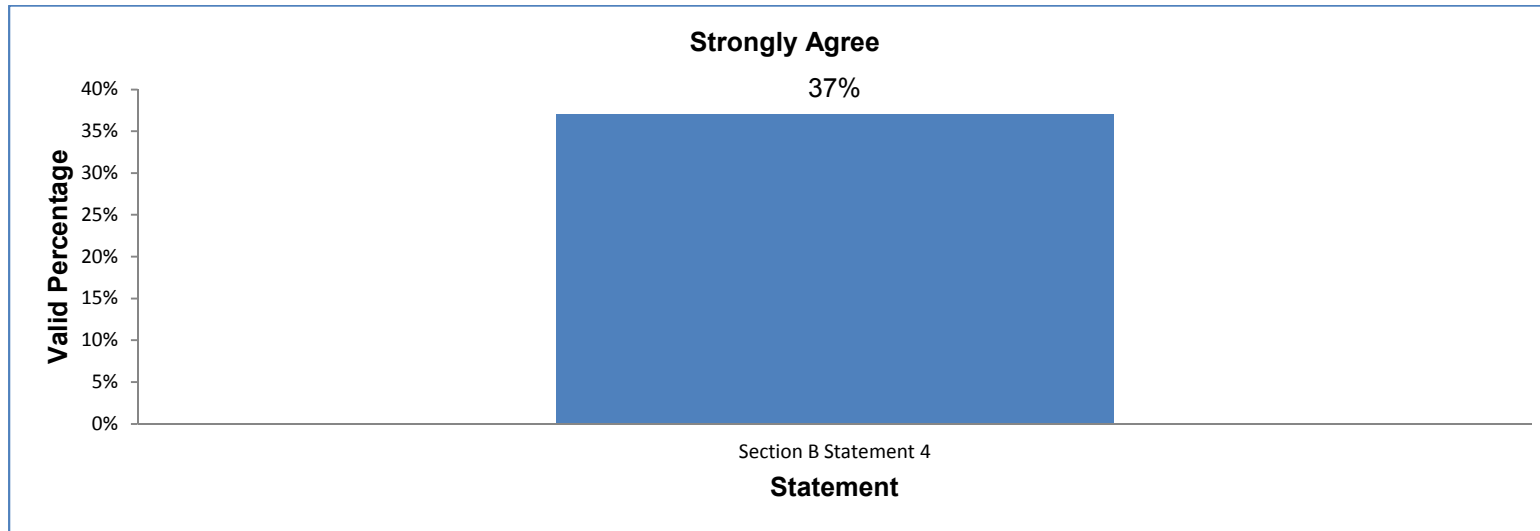
### Strongly disagree

| STATEMENT   | VALID PERCENTATGE |
|---|-------------------|
| Management is actively involved and supports me in my career path within the municipality (Section B Statement 10). | 34.5%             |
| Management involves me in decisions that affect my work (Section C Statement 2).                                    | 31.04%            |
| Management delivers on their promises to employees (Section D Statement 5).   | 32.67%            |
| Management is always willing to discuss my personal wellbeing with immense compassion (Section D Statement 6).      | 30.31%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).           | 30.00%            |
| I know that I can trust management (Section E Statement 4).   | 31.00%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).                             | 35.21%            |
| I was allowed by management to enroll for training programmes over the last year (Section F Statement 7).           | 32.31%            |



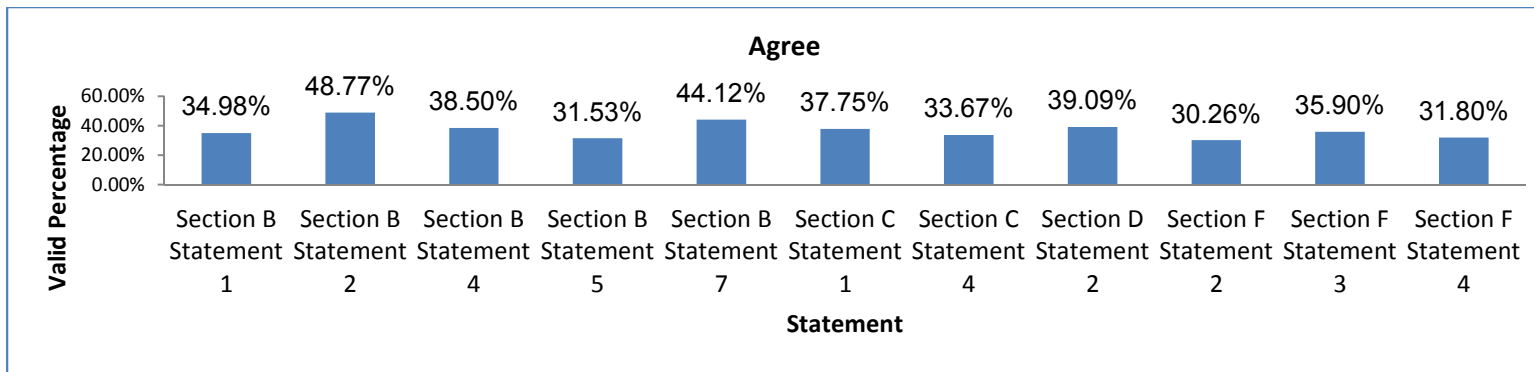
## Strongly agree

| STATEMENT   | VALID PERCENTAGE |
|---|------------------|
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4). | 37%              |



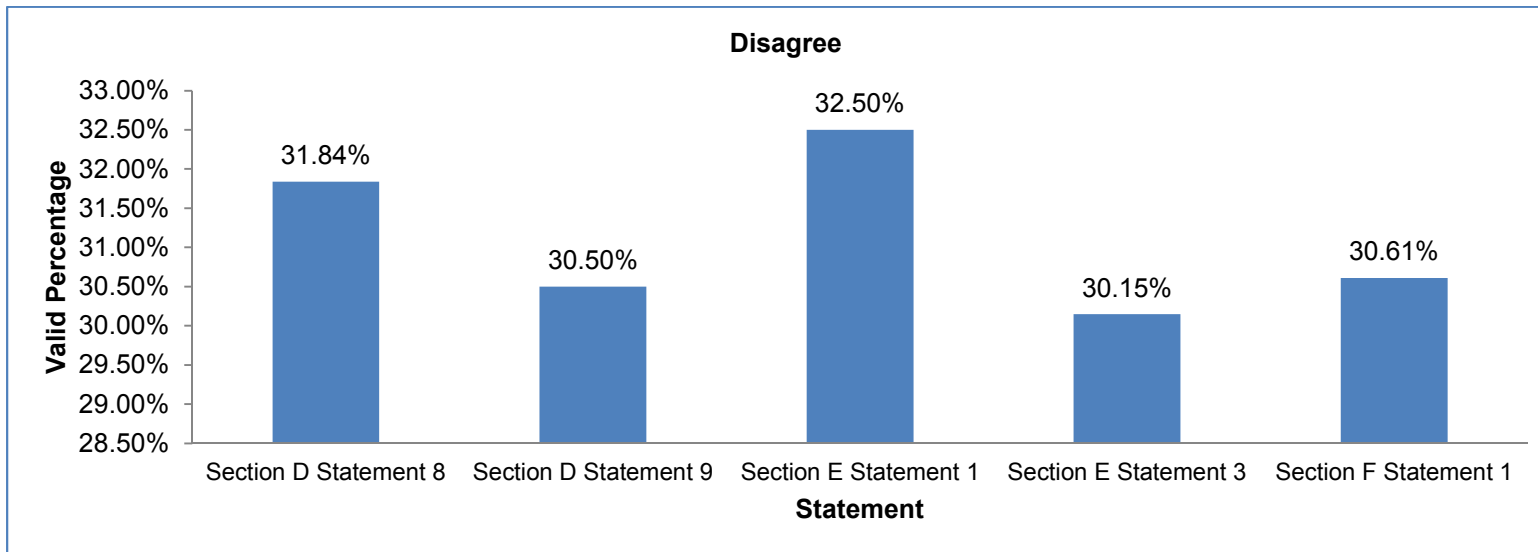
## Agree

| STATEMENT  | VALID PERCENTAGE |
|--|------------------|
| It is a pleasure coming to work daily (Section B Statement 1).   | 34.98%           |
| I take pleasure in doing my work (Section B Statement 2).  | 48.77%           |
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4).                                    | 38.50%           |
| The municipality is a great organization to work for (Section B Statement 5).  | 31.53%           |
| My personal skills and capabilities are testimony of the good job I'm doing (Section B Statement 7).   | 44.12%           |
| When I am at work, I am not scared to raise an opinion involving my work (Section C Statement 1).  | 37.75%           |
| Management allows me to do my job the way I see it best, as long as my work is effectively concluded (Section C Statement 4).  | 33.67%           |
| Management trusts me to effectively do my job (Section D Statement 2).   | 39.09%           |
| I believe that my performance reviews are fair and accurate (Section F Statement 2).   | 30.26%           |
| I know and understand my performance agreement with the municipality (Section F Statement 3).  | 35.90%           |
| I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality (Section F Statement 4). | 31.80%           |



## Disagree

| STATEMENT  | VALID PERCENTATGE |
|--|-------------------|
| I believe there is trust between management and employees (Section D Statement 8).   | 31.84%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).  | 30.50%            |
| Management is good in setting realistic goals and assists me in achieving it (Section E Statement 1).  | 32.50%            |
| Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality (Section E Statement 3). | 30.15%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).  | 30.61%            |



**Appendix E - Effect sizes of how employees with various years of employment perceived the five dimensions**

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD  |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|-------|
| A:<3yr         | Job satisfaction       | 49 | 3.33 | 1.09           | 0.01 | 0.51 | 0.38 | 0.52 | 0.38 | -0.12 |
|                | Employee empowerment   | 49 | 3.00 | 1.05           | 0.12 | 0.55 | 0.36 | 0.44 | 0.24 | -0.19 |
|                | Communication          | 49 | 2.93 | 1.11           | 0.19 | 0.64 | 0.51 | 0.52 | 0.34 | -0.14 |
|                | Management reporting   | 49 | 2.95 | 1.22           | 0.19 | 0.60 | 0.37 | 0.50 | 0.21 | -0.28 |
|                | Performance management | 48 | 2.94 | 1.09           | 0.15 | 0.39 | 0.27 | 0.26 | 0.15 | -0.12 |
|                | Valid N (list wise)    | 48 |      |                |      |      |      |      |      |       |
| B:4-6yr        | Job satisfaction       | 46 | 3.32 | 0.83           |      |      |      |      |      |       |
|                | Employee empowerment   | 45 | 2.88 | 0.95           |      |      |      |      |      |       |
|                | Communication          | 44 | 2.72 | 0.94           |      |      |      |      |      |       |
|                | Management reporting   | 44 | 2.72 | 0.93           |      |      |      |      |      |       |
|                | Performance management | 41 | 2.78 | 0.96           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 40 |      |                |      |      |      |      |      |       |
| C:7-10yr       | Job satisfaction       | 57 | 2.78 | 1.04           |      |      |      |      |      |       |
|                | Employee empowerment   | 57 | 2.40 | 1.11           |      |      |      |      |      |       |
|                | Communication          | 57 | 2.23 | 0.96           |      |      |      |      |      |       |
|                | Management reporting   | 57 | 2.21 | 1.02           |      |      |      |      |      |       |
|                | Performance management | 57 | 2.51 | 1.05           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 57 |      |                |      |      |      |      |      |       |
| D:>10yr        | Job satisfaction       | 51 | 2.92 | 1.07           |      |      |      |      |      |       |



| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|                | Employee empowerment   | 51 | 2.61 | 1.11           |      |      |      |      |      |      |
|                | Communication          | 51 | 2.37 | 1.02           |      |      |      |      |      |      |
|                | Management reporting   | 51 | 2.50 | 1.04           |      |      |      |      |      |      |
|                | Performance management | 50 | 2.64 | 0.91           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 50 |      |                |      |      |      |      |      |      |
| Missing        | Job satisfaction       | 2  | 3.27 | 1.29           |      |      |      |      |      |      |
|                | Employee empowerment   | 2  | 3.07 | 1.52           |      |      |      |      |      |      |
|                | Communication          | 2  | 2.88 | 1.11           |      |      |      |      |      |      |
|                | Management reporting   | 2  | 3.00 | 1.82           |      |      |      |      |      |      |
|                | Performance management | 2  | 2.79 | 1.11           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 2  |      |                |      |      |      |      |      |      |

### Appendix F - Effect sizes of how respondents in various departments perceived the five dimensions

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2        | d1_3        | d1_4        | d1_5        | d1_6        | d1_7         | d1_8         | d1_9         | d1_10 |
|-------------|------------------------|----|--------|----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|-------|
| 1           | Job satisfaction       | 16 | 2.7864 | 1.00055        | -0.69       | 0.00        | -0.23       | -0.04       | -0.32       | -0.42        | 1.33         | -0.38        | -1.99 |
|             | Employee empowerment   | 16 | 2.2098 | 1.17743        | -0.90       | -0.22       | -0.56       | -0.25       | -0.48       | -0.48        | 0.72         | -0.61        | -1.76 |
|             | Communication          | 16 | 2.1250 | 1.02017        | -1.08       | -0.06       | -0.38       | -0.20       | -0.61       | -0.38        | 0.53         | -0.61        | -2.12 |
|             | Management reporting   | 16 | 2.2321 | 1.01402        | -0.63       | 0.13        | -0.46       | -0.16       | -0.53       | -0.35        | 0.60         | -0.51        | -1.25 |
|             | Performance management | 15 | 2.3714 | .90319         | -0.36       | 0.06        | -0.33       | -0.19       | -0.45       | -0.56        | 0.84         | -0.35        | -1.87 |
|             | Valid N (list wise)    | 15 |        |                | <b>d2_3</b> | <b>d2_4</b> | <b>d2_5</b> | <b>d2_6</b> | <b>d2_7</b> | <b>d2_8</b>  | <b>d2_9</b>  | <b>d2_10</b> |       |
| 2           | Job satisfaction       | 15 | 3.5909 | 1.16027        | 0.70        | 0.50        | 0.66        | 0.29        | 0.33        | 1.84         | 0.34         | -1.02        |       |
|             | Employee empowerment   | 14 | 3.2857 | 1.18996        | 0.68        | 0.35        | 0.66        | 0.43        | 0.43        | 1.62         | 0.31         | -0.84        |       |
|             | Communication          | 14 | 3.2798 | 1.06949        | 1.02        | 0.72        | 0.89        | 0.33        | 0.72        | 1.59         | 0.47         | -0.95        |       |
|             | Management reporting   | 13 | 3.0330 | 1.26592        | 0.74        | 0.23        | 0.50        | 0.04        | 0.35        | 1.12         | 0.20         | -0.68        |       |
|             | Performance management | 13 | 2.9121 | 1.48294        | 0.41        | 0.14        | 0.23        | -0.01       | 0.02        | 0.87         | 0.12         | -0.78        |       |
|             | Valid N (list wise)    | 13 |        |                | <b>d3_4</b> | <b>d3_5</b> | <b>d3_6</b> | <b>d3_7</b> | <b>d3_8</b> | <b>d3_9</b>  | <b>d3_10</b> |              |       |
| 3           | Job satisfaction       | 20 | 2.7818 | .88945         | -0.23       | -0.04       | -0.32       | -0.48       | 1.49        | -0.39        | -2.24        |              |       |
|             | Employee empowerment   | 20 | 2.4714 | 1.03350        | -0.38       | -0.03       | -0.28       | -0.29       | 1.08        | -0.40        | -1.76        |              |       |
|             | Communication          | 20 | 2.1860 | .78788         | -0.33       | -0.14       | -0.56       | -0.35       | 0.76        | -0.55        | -2.67        |              |       |
|             | Management reporting   | 20 | 2.1000 | .85727         | -0.58       | -0.28       | -0.63       | -0.50       | 0.56        | -0.63        | -1.34        |              |       |
|             | Performance management | 20 | 2.3083 | .99111         | -0.39       | -0.25       | -0.50       | -0.57       | 0.70        | -0.41        | -1.78        |              |       |
|             | Valid N (list wise)    | 20 |        |                | <b>d4_5</b> | <b>d4_6</b> | <b>d4_7</b> | <b>d4_8</b> | <b>d4_9</b> | <b>d4_10</b> |              |              |       |
| 4           | Job satisfaction       | 13 | 3.0147 | .99103         | 0.17        | -0.15       | -0.20       | 1.57        | -0.17       | -1.77        |              |              |       |
|             | Employee empowerment   | 13 | 2.8681 | 1.03421        | 0.33        | 0.09        | 0.09        | 1.46        | -0.05       | -1.37        |              |              |       |
|             | Communication          | 13 | 2.5140 | .98382         | 0.19        | -0.29       | 0.00        | 0.95        | -0.24       | -1.81        |              |              |       |
|             | Management reporting   | 13 | 2.7363 | 1.09862        | 0.30        | -0.17       | 0.14        | 1.02        | -0.04       | -0.89        |              |              |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2        | d1_3         | d1_4         | d1_5         | d1_6         | d1_7  | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|-------------|--------------|--------------|--------------|--------------|-------|------|------|-------|
|             | Performance management | 13 | 2.6996 | .98104         | 0.13        | -0.18        | -0.18        | 1.11         | -0.04        | -1.40 |      |      |       |
|             | Valid N (list wise)    | 13 |        |                | <b>d5_6</b> | <b>d5_7</b>  | <b>d5_8</b>  | <b>d5_9</b>  | <b>d5_10</b> |       |      |      |       |
| 5           | Job satisfaction       | 20 | 2.8256 | 1.09270        | -0.29       | -0.35        | 1.25         | -0.34        | -1.78        |       |      |      |       |
|             | Employee empowerment   | 20 | 2.5060 | 1.08467        | -0.24       | -0.25        | 1.06         | -0.37        | -1.64        |       |      |      |       |
|             | Communication          | 19 | 2.3287 | .99428         | -0.44       | -0.19        | 0.75         | -0.42        | -1.97        |       |      |      |       |
|             | Management reporting   | 20 | 2.4036 | 1.09370        | -0.41       | -0.16        | 0.72         | -0.34        | -1.13        |       |      |      |       |
|             | Performance management | 18 | 2.5661 | 1.04199        | -0.29       | -0.30        | 0.91         | -0.16        | -1.44        |       |      |      |       |
|             | Valid N (list wise)    | 17 |        |                | <b>d6_7</b> | <b>d6_8</b>  | <b>d6_9</b>  | <b>d6_10</b> |              |       |      |      |       |
| 6           | Job satisfaction       | 20 | 3.2091 | 1.32894        | 0.00        | 1.32         | 0.01         | -1.18        |              |       |      |      |       |
|             | Employee empowerment   | 20 | 2.7738 | 1.09746        | 0.00        | 1.29         | -0.13        | -1.38        |              |       |      |      |       |
|             | Communication          | 20 | 2.8723 | 1.23308        | 0.29        | 1.05         | 0.08         | -1.15        |              |       |      |      |       |
|             | Management reporting   | 20 | 2.9786 | 1.40299        | 0.28        | 0.97         | 0.14         | -0.72        |              |       |      |      |       |
|             | Performance management | 19 | 2.9248 | 1.22740        | 0.04        | 1.07         | 0.15         | -0.93        |              |       |      |      |       |
|             | Valid N (list wise)    | 19 |        |                | <b>d7_8</b> | <b>d7_9</b>  | <b>d7_10</b> |              |              |       |      |      |       |
| 7           | Job satisfaction       | 65 | 3.2100 | .77664         | 2.26        | 0.02         | -2.01        |              |              |       |      |      |       |
|             | Employee empowerment   | 65 | 2.7736 | .93606         | 1.51        | -0.13        | -1.62        |              |              |       |      |      |       |
|             | Communication          | 65 | 2.5141 | .93590         | 0.99        | -0.24        | -1.90        |              |              |       |      |      |       |
|             | Management reporting   | 65 | 2.5839 | .95985         | 1.01        | -0.18        | -1.00        |              |              |       |      |      |       |
|             | Performance management | 64 | 2.8776 | .73887         | 1.71        | 0.13         | -1.31        |              |              |       |      |      |       |
|             | Valid N (list wise)    | 64 |        |                | <b>d8_9</b> | <b>d8_10</b> |              |              |              |       |      |      |       |
| 8           | Job satisfaction       | 6  | 1.4545 | .64025         | -1.63       | -5.18        |              |              |              |       |      |      |       |
|             | Employee empowerment   | 6  | 1.3571 | .35857         | -1.39       | -8.17        |              |              |              |       |      |      |       |
|             | Communication          | 6  | 1.5833 | .53489         | -1.11       | -5.06        |              |              |              |       |      |      |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2         | d1_3  | d1_4 | d1_5 | d1_6 | d1_7 | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|--------------|-------|------|------|------|------|------|------|-------|
|             | Management reporting   | 6  | 1.6190 | .49211         | -1.07        | -1.68 |      |      |      |      |      |      |       |
|             | Performance management | 6  | 1.6151 | .70122         | -1.07        | -2.70 |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 6  |        |                | <b>d9_10</b> |       |      |      |      |      |      |      |       |
| 9           | Job satisfaction       | 28 | 3.1927 | 1.06402        | -1.48        |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 28 | 2.9226 | 1.12390        | -1.21        |       |      |      |      |      |      |      |       |
|             | Communication          | 28 | 2.7746 | 1.06933        | -1.42        |       |      |      |      |      |      |      |       |
|             | Management reporting   | 28 | 2.7806 | 1.08273        | -0.86        |       |      |      |      |      |      |      |       |
|             | performance management | 28 | 2.7398 | 1.05556        | -1.26        |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 28 |        |                |              |       |      |      |      |      |      |      |       |
| 10          | Job satisfaction       | 2  | 4.7727 | .06428         |              |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 2  | 4.2857 | .20203         |              |       |      |      |      |      |      |      |       |
|             | Communication          | 2  | 4.2917 | .41248         |              |       |      |      |      |      |      |      |       |
|             | Management reporting   | 2  | 4.0000 | 1.41421        |              |       |      |      |      |      |      |      |       |
|             | Performance management | 2  | 4.0714 | .90914         |              |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 2  |        |                |              |       |      |      |      |      |      |      |       |

**Appendix G - Effect sizes of how respondents in various salary levels perceived the five dimensions**

| SALARY LEVEL  |                        | N   | Mean | Std. Deviation | d_12  | d_13  | d_14  | d_23 | d_24 | d_34  |
|---------------|------------------------|-----|------|----------------|-------|-------|-------|------|------|-------|
| T1-8<br>(1)   | Job satisfaction       | 100 | 2.91 | 0.99           | -0.35 | -0.05 | -0.19 | 0.22 | 0.15 | -0.10 |
|               | Employee empowerment   | 100 | 2.47 | 1.03           | -0.86 | -0.20 | -0.31 | 0.50 | 0.52 | -0.06 |
|               | Communication          | 99  | 2.31 | 0.99           | -0.77 | -0.51 | -0.26 | 0.14 | 0.49 | 0.29  |
|               | Management reporting   | 100 | 2.34 | 1.02           | -0.91 | -0.42 | -0.20 | 0.34 | 0.68 | 0.25  |
|               | Performance management | 99  | 2.56 | 0.94           | -0.53 | -0.30 | -0.14 | 0.13 | 0.31 | 0.17  |
|               | Valid N (list wise)    | 98  |      |                |       |       |       |      |      |       |
| T14-18<br>(2) | Job satisfaction       | 21  | 3.26 | 0.98           |       |       |       |      |      |       |
|               | Employee empowerment   | 21  | 3.35 | 1.00           |       |       |       |      |      |       |
|               | Communication          | 21  | 3.08 | 0.85           |       |       |       |      |      |       |
|               | Management reporting   | 21  | 3.27 | 0.97           |       |       |       |      |      |       |
|               | Performance management | 20  | 3.06 | 0.89           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 20  |      |                |       |       |       |      |      |       |
| T19-20<br>(3) | Job satisfaction       | 3   | 2.97 | 1.32           |       |       |       |      |      |       |
|               | Employee empowerment   | 3   | 2.72 | 1.25           |       |       |       |      |      |       |
|               | Communication          | 3   | 2.92 | 1.18           |       |       |       |      |      |       |
|               | Management reporting   | 3   | 2.86 | 1.22           |       |       |       |      |      |       |
|               | Performance management | 3   | 2.90 | 1.15           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 3   |      |                |       |       |       |      |      |       |
| T9-13<br>(4)  | Job satisfaction       | 62  | 3.10 | 1.04           |       |       |       |      |      |       |
|               | Employee empowerment   | 62  | 2.80 | 1.08           |       |       |       |      |      |       |
|               | Communication          | 62  | 2.58 | 1.03           |       |       |       |      |      |       |

| SALARY LEVEL |                        | N  | Mean | Std. Deviation | d_12 | d_13 | d_14 | d_23 | d_24 | d_34 |
|--------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|              | Management reporting   | 61 | 2.55 | 1.06           |      |      |      |      |      |      |
|              | Performance management | 59 | 2.71 | 1.10           |      |      |      |      |      |      |
|              | Valid N (list wise)    | 59 |      |                |      |      |      |      |      |      |



NORTH-WEST UNIVERSITY  
YUNIBESITI YA BOKONE-BOPHIRIMA  
NOORDWES-UNIVERSITEIT  
POTCHEFSTROOM CAMPUS

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**MBA 2011/12/13**

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**STUDENT NUMBER: 11959010**

**AN ASSESSMENT OF PUBLIC SERVANTS' TRUST IN MANAGEMENT WITHIN A  
LOCAL MUNICIPALITY**

A mini-dissertation submitted to The Potchefstroom Business School, North West University, in partial fulfillment of the requirements for the degree of Master of Business Administration

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## DECLARATION

I declare that this research is my own, unaided work. The research is submitted in partial fulfillment of the requirements of the degree of Master of Business Administration at Potchefstroom Business School, Northwest University. It has not been, according to my knowledge, submitted before for any degree or examination in any other university.

---

Cuan Fransman

---

Date



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## **ABSTRACT**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c).

The role of local government in, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty, which is imperative in achieving a prosperous civilization. The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa. In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. The

test would be to see how the municipal employees' perception of trust influences the trust relationship between employees and managers in the local government sphere.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationship between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The research focused on the performance of a Category B municipality within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and accolade due to continuous improvements in service delivery over the last few years. Five dimensions were examined by conducting a survey in order to establish the perceptions of municipal employees relating to the dimensions of job satisfaction, employee empowerment, communication, management reporting and performance management. These perceptions were assessed by interpreting the responses of (N = 205) respondents from the Category B municipality.

The main finding was that the respondents were very negative towards how they experience the five dimensions within the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. This is contrary to the Category B

municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of this Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy.

It can be concluded that, in order for vertical trust to be of significance within the dynamics of this Category B municipality, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

**KEYWORDS:** Vertical trust, Job satisfaction, Employee empowerment, Communication, Employee management reporting, Performance management

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## LIST OF TERMS AND DEFINITIONS

### **Clean Audit Outcome:**

The financial statements are free from material misstatements (in other words, a financially unqualified audit opinion) and there are no material findings on reporting on performance objectives or non-compliance with legislation (Auditor General of South Africa, 2013).

### **Financially Unqualified Audit Opinion:**

The financial statements contain no material misstatements. Unless we express a clean audit outcome, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects (Auditor General of South Africa, 2013).

### **Qualified Audit Opinion:**

The financial statements contain material misstatements in specific amounts, or there is insufficient evidence for us to conclude that specific amounts included in the financial statements are not materially

misstated (Auditor General of South Africa, 2013).

**Adverse Audit Opinion:**

The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements (Auditor General of South Africa, 2013).

**Disclaimer of Audit Opinion:**

The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements (Auditor General of South Africa, 2013).

**Unskilled level (T1 – 3):**

This skills level is that which is developed with a limited amount of training. The learning period is short and usually consists of following instructions or watching demonstrations of the work to be done (Deloitte., 2009).

**Semi-Skilled Level (T4 – 8):**

At this level there is a certain amount of discretion or judgment involved. It therefore follows that additional training/ experience/ practice is needed following the initial training period. Skills are required through a learning period and developed by constant application and correction until operations become routine (Deloitte., 2009).

**Skilled Level (T9 – 13):**

This level of skill is usually reached after years of experience and/ or training. This level is such that routines which have been learned can be used or varied to achieve the desired result. The ability to recognize cause and effect is necessary (Deloitte., 2009).

**Middle Management level (T14 – 18):**

This level of skill requires conceptualization of future actions or needs in order to formulate short to medium term plans for or within a discipline or function. Advice, management or tactical use of resources specific to the job is features at this level (Deloitte., 2009).

**Senior Management level (T19 – 20)**

This level of skill requires formulation of strategic direction as well as the underlying organizational policy in order to set plans for major functions/ disciplines and/ or the organization as a whole. The ability to deal with new situations at the level of major functions/ disciplines/ together with the business risk factors impacting the organization and/ or the business environment, is essential (Deloitte., 2009).



## **LIST OF ABBREVIATIONS**

COGTA: Department of Cooperative Governance and Traditional Affairs

DPLG: Department of Provincial and Local Government

IDP: Integrated Development Planning

LED: Local Economic Development

LGTA: Local Government Transition Act

MFMA: Municipal Finance Management Act

SALGA: South African Local Government Association

TAS: The Local Government Turnaround Strategy

## **CHAPTER ONE: INTRODUCTION**

### **1.1 Introduction**

This chapter deals with an overview of the assessment of the vertical trust relationship between municipal employees' and their managers. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. The chapter also aims to shed light on the significance of the research as well as the limitations. The chapter then concludes with an explanation pertaining to the structure and design of the research.

### **1.2 Background**

Trust in management has an important effect on employee performance, behaviour and attitudes and has been recognized across numerous literatures and disciplines (Kroukamp, 2008). People's trust amongst each other within a public organization is an intangible element because these interpersonal trust relationships are fundamentally important for social and economic growth (Askvik & Bak, 2005). Trust has become an important phenomenon for understanding collective action. Trust makes it possible for people to enter into relationships of dependence and cooperation. Trust conveys awareness which is predominantly determined by people's desire and expectation in order to enhance effectiveness within a working environment. There also seems to be an intangible association between cooperation and performance within organizations. For this reason, organizations search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance, to edge ahead of their competitors (Bouckaert, 2012). Trust is imperative in all spheres of the society and in order for any municipality to be accountable for delivering a basic

human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and adhere to the key deliverables, as indicated and enshrined in the Constitution, the Municipal Structures Act, and the Municipal Systems Act (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Deng and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence which unilaterally have an influence on the employee's trust in their managers.

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have a strong sense of shared purpose to succeed. Employees work together to support that purpose in order to nurture a working environment in which tolerance and cooperation are highly valued. The research also found those managers who coach rather than just manage and instill a sense of belonging where people collectively participate in making decisions, is important in such organizations. The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover. With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust. What needs to be understood is that in reality, trust creates authority (Hitch, 2012).

The Constitution of South Africa (Statutes of The Republic of South Africa, 1996) prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the National government, Provincial government and Local government. An objective, as prescribed in the Constitution, denotes that these three spheres of government within

South Africa should operate within a structure of co-operative governance whereby the national and provincial government need to assist and reinforce the capacity of local government in order to manage their Constitutional obligation of effectively providing basic services to communities (Statutes of The Republic of South Africa, 1996).

Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government was also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Since 2007, an unprecedented wave of popular and violent protests has flowed across the country. Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000.

The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which was consequently reformed into a system of social, political and economic control. This was where the imbalances, inequalities and disparities came from and was dubbed the Apartheid regime. The transformation of local

government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor (SALGA, 2013a). The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities (discussed in Chapter Two). Such municipalities now had the right to govern, on its own initiative, the local government affairs of its respective community.

For the purpose of this research, the emphasis will be on the local government sphere. The researcher approached the executive management of a Category B municipality in the Western Cape to discuss the need for a survey relating to the trust relationship between municipal employees and their managers and how this may be a contributor to the municipality's goal of effectively and efficiently delivering basic services to the community. The Category B municipality received vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The selected Category B municipality was also in the proximity of where the researcher was born and raised and hence, was eager to discover additional contributing factors for that municipality's operational successes. The broad purpose of this research is to examine the vertical trust relationship, based on various categories which may instill such trust, in order to ascertain whether this is a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality. By conducting this research, the researcher believes that the findings would encourage the Category B municipality to make continuous assessments of the

trust relationship between employees and managers. Furthermore, the study aims to promote a workplace environment based on mutual trust amongst the internal stakeholders in order to allow for effective and efficient delivery of basic services.

### **1.3 Problem statement**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role (Department of Provincial and Local Government, 2013). In order for local municipalities to be at the forefront of such a socio-economic upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Ministry for Provincial Affairs and Constitutional Development, 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by apartheid planning, and planning for a sustainable future.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of a developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational culture and the environment in which local municipalities

encourage effective service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009).

Low levels of trust may cause communities not to perceive local government as credible. Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). For the purpose of this research, the focus will be on vertical trust, where employees feel vulnerable because managers have substantial influence over resource allocation (Mayer & Gavin, 2005). An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two-dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Relationships at work tend to be more formal of nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job.

The test would be to see how perceptions of local government influence the trust relationship between employees and managers in the local government sphere. Research (Hitch, 2012) conducted acknowledged the benefit of trust within a working environment. In organizations where high levels of trust are embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making

processes. Employees in such organizations believe they are treated fairly, regardless of their position within the organization (Lyman, 2012). These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

Trust as a self-fulfilling prophecy is nurtured and is any positive or negative expectation about circumstances, events, or people that may affect a person's behaviour toward them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which may satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted.

Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. These modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being (Lyman, 2012). Hence, it can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012). Trust is an important part of the social cohesion within any organization and it is key for trust between managers and employees to be feasible, in order for an organization to be successful (Bagrain & Hime, 2007). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair exchange relationship with an honest manager (Mulki et al., 2006).

Literature (Grobler et al., 2006) refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or



explicitly to provide these. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behavior (Bagrain & Hime, 2007). Managers who express these characteristics will install a high level of trust with employees. This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, as far as they can, look after their interests and that they will not take advantage or harm another.

The intention of this research is to examine the perceptions of trust by municipal employees towards their managers at a Category B municipality within the province of the Western Cape. The research will particularly test the importance of vertical trust between municipal employees and their managers as it was found to be a significant contributor of employees' job performance and ultimately improved service delivery (Biswas & Varma, 2007). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager and employee and the environment in which the municipality operates and conducts its key objectives. As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this research will focus on employees' perception of trust towards managers. The research will seek to construct a conceptual framework of how management's engagement with employees in terms of job satisfaction, a sense of empowerment, communication, and management reporting and performance management can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

This is an interesting issue in the context of the South African political landscape post 1994. In retrospect, improving public service quality locally and nationally has become a

priority of the South African government to meet the expectations of the public, as it is generally known that the quality of this service is still relatively poor in the local communities of geographical landscape (Kroukamp, 2008). This brief review of the literature shows that vertical trust is the backbone of any credible organization, where low levels of vertical trust experienced by employees do have numerous negative implications for such organizations (Hitch, 2012). Despite the importance of vertical trust relationships to an organization's effective functioning, little published empirical studies seem to be available within the South African context for local governments. The current research aims to make a contribution towards addressing this need.

#### **1.4 Scope of the study**

In South Africa there are three spheres of government: national, provincial and local government. The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. In constructing the country as a developmental state, it is important to create a framework to address the socio- economic challenges where enhancing economic growth and reducing unemployment will be key to achieving such a goal (Potgieter, 2012). The local government sphere is categorized into three types of municipalities, namely a metropolitan municipality, a district municipality and a local municipality which are all based on providing basic services (roads and infrastructure, clean drinking water, electricity and housing) to communities. The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent

with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010).

This research study will focus on the performance of a Category B municipality within the geographic area of the Eden district, Western Cape and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. This Category B municipality has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what inspired the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude towards delivering on the municipality's ultimate goal of basic service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive working environment is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

## **1.5 Objectives of the research**

This section will explain the primary and secondary objectives which the researcher would like to achieve as follows:

### **1.5.1 Primary Objectives**

The primary aim of the research will be to determine the employees' level of trust towards their manager within the category B municipality and how this trust relationship contributes to effective and efficient service delivery. The researcher aims to achieve this by determining whether several dimensions of vertical trust, like the level of general job satisfaction, employee empowerment, communication, and management reporting

and performance management are contributing factors of effective and efficient service delivery.

### 1.5.2 Secondary objectives

The secondary aim of the research will be to establish management's perception of how they perceive the employees' trust towards the management structures. The primary reason for this additional objective relates to the view that it has become critical for management to get personally involved in managing the emotional part of its employees. This engagement is important to ignite a sense of belonging towards the Category B municipality, where employees will put renewed emphasis on the trust amongst all levels of the organizational hierarchy, which ultimately affects their loyalty towards top management.

## 1.6 Research methodology

This section provides a basic description of the proposed methodology to be adopted in order to meet the above- mentioned objectives of the study.

### 1.6.1 Research design

This study will follow a quantitative approach, using survey methodology to collect indicative data from an expediency sample of respondents. It is envisaged that questionnaires will be distributed via email to 800 employees, which are permanently employed (approximately 81.38 percent of total employment profile – permanently employed employees) at the Category B municipality of which the total employment profile is given in table 1.1 as follows:

Table1.1: Employment profile for the Category B municipality, (Source: Category B municipality, 2013)

| Occupational categories                    | Posts filled |            |          |           |           |            |          |           | Total      |
|--|--------------|------------|----------|-----------|-----------|------------|----------|-----------|------------|
|  | Male         |            |          |           | Female    |            |          |           |            |
|  | A            | C          | I        | W         | A         | C          | I        | W         |            |
| Legislators, senior officials and managers | 8            | 12         | 0        | 11        | 10        | 6          | 0        | 2         | 49         |
| Professionals                              | 0            | 1          | 0        | 4         | 0         | 0          | 0        | 0         | 5          |
| Technicians and associate professionals    | 3            | 15         | 0        | 16        | 0         | 4          | 1        | 7         | 46         |
| Clerks                                     | 5            | 28         | 1        | 18        | 8         | 18         | 0        | 7         | 85         |
| Service and sales workers                  | 8            | 40         | 0        | 9         | 20        | 72         | 0        | 25        | 174        |
| Craft and related trades workers           | 13           | 37         | 0        | 7         | 9         | 20         | 0        | 3         | 89         |
| Plant and machine operators and assemblers | 67           | 100        | 0        | 22        | 9         | 25         | 1        | 6         | 230        |
| Elementary occupations                     | 107          | 101        | 0        | 1         | 33        | 63         | 0        | 0         | 305        |
| <b>Total permanent</b>                     | <b>211</b>   | <b>334</b> | <b>1</b> | <b>88</b> | <b>89</b> | <b>208</b> | <b>2</b> | <b>50</b> | <b>983</b> |

### 1.6.2 Type of sample

A convenience sampling technique will be used as questionnaires will be distributed via email to those selected employees on one particular day. The Category B municipality used for this research study operates in the local government sector, located in the Eden District of the Western Cape Province. This Category B municipality provides basic services to the city's community and its surrounding areas. The research data will be distributed among 800 permanently employed individuals throughout the Category B municipality. A total of 983 salaried staff members are employed by the municipality, on a permanent basis. Conservatively, it is envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis.

A pilot study will also be conducted which refers to a trial administration of an instrument in order to identify flaws. The pretest will assist the researcher to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and understand what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009). The researcher will pretest the questionnaire on 10 respondents within the Finance department of the

municipality. The Finance department was chosen as the researcher is being assisted by an undergraduate student employed within that department and would lessen the administrative burden as opposed to collecting questionnaires from all over the Category B municipality.

### 1.6.3 Measuring instrument

A questionnaire will be administered to the employees to complete on a voluntary basis. It will consist of a demographic section, five standardized measuring instruments/ dimensions to measure vertical trust, and a last section where open questions are put to the respondents relating to their perception of trust within the Category B municipality. These sections are preceded by an explanation and cover letter by the researcher of what the questionnaire entails. It includes sharing the objective of the research and was combined with a voluntary consent explanation. The questionnaire will consist of a Section A, Section, B, Section C, Section D, Section E, Section F and Section G. Section A will include eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. Section B to Section F will focus on questions relating to municipal employees' perception of job satisfaction, employee empowerment, communication, management reporting and performance management and how these measures link to vertical trust. The last section relates to open questions of what the municipal employees perceive trust to be and how this is experienced within their current working environment.

Throughout Section B to Section F, respondents will be required to indicate their responses of the five measuring instruments, by using a five- point Likert scale ranging from one (1) = strongly disagree/ extremely dissatisfied to five (5) = strongly agree/ extremely satisfied. The questionnaires will then be scored, using a grid, for each of the factors (measuring instruments).

#### 1.6.4 Data analysis

Data will be analyzed using the computer software package provided by Statistical Consultation Services at the Northwest University and will be guided by Professor Faans Steyn with regards to the statistical interpretations. The empirical analysis will consist of explanatory statistics, including analysis relating to reliability, variance and correlations. Standardized differences will be analyzed in terms of effect sizes, by comparing groups with each other in terms of the mean and standard deviation of each particular group. Item analysis will be conducted on the survey by the respondents, where the coefficient alpha, mean and standard deviation of the dimensions will be calculated.

#### 1.7 Limitations of the research

While the findings of this study are clearly limited due to a moderate sample size, they do nevertheless make an initial contribution to the understanding of the nature of the relationships between the various dimensions and its link to vertical trust. Only responses to the questionnaires will be collected since circumstances and financial constraints will not allow for in-depth interviews with the respondents. Not many published research papers was evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management. However, a potentially key strength would be that a large number of employees throughout the entire municipality's organizational structure will be approached and as such, may have some valuable external validity.

Measurement error is another limitation that will influence the scope of the research. The reliability of the survey statements and the extent to which the dimensions echo the concept of vertical trust needs to be noted.

The approval by the executive management of the Category B municipality was on the condition that the research is classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher refers to this municipality as a "Category B municipality" throughout the research study.

## **1.8 Ethical considerations**

Before proceeding with the data collection phase of this study, ethical clearance was obtained from the executive management of the Category B municipality. An undertaking was given by the researcher to responsibly follow the Northwest University's Guidelines for Ethical Research as set out in the Manual for Postgraduate studies. Participation will be completely voluntary and the anonymity of the participants will be protected in the gathering and analysis of the data and presentation of the research findings.

## **1.9 Contribution of the study**

From the definitions and interpretations regarding the concept of trust, it can be said that trust between two parties is a process that takes time to emerge and evolve due to the risk of vulnerability it involves (Paliszkievicz, 2012). The researcher would aim to present managers within the Category B municipality with insight into how the Category B municipality's employee fraternity perceives the current vertical trust relationship between the two parties to be and what can be done to positively align and transform such attitudes and behaviours with effective and efficient service delivery to the community.

To this effect, there seems to be a lack of awareness from managers about the fact that their supervisory roles involve both consideration for employees and concern for tasks.



They are unaware of the dynamics in the relationships between themselves and their employees and the impact of such dynamics on the Category B municipality's core objective which is basic service delivery (Paliszkievicz, 2012). They do not take into consideration employees' feelings and perceptions and this eventually affects organizational performance. As a result, the research would like to examine how job satisfaction, employee empowerment, communication, management reporting and performance management can contribute to the employees' pursuit of being part of a culture where effective and efficient service delivery to the community is of paramount importance.

### **1.10 Layout of the research**

The mini dissertation will be presented in four chapters. The first chapter deals with the introductory aspects of the research and therefore introduces the concepts that will be discussed in the research. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. Furthermore, the chapter aims to provide insight into the limitations of the research. The chapter then concludes with an explanation pertaining to the structure and design of the research.

The second chapter explains the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aims to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the

conceptualization of vertical trust between employees and managers within the local Category B municipality as well as to determine whether the municipality's performance indeed has relevance to the vertical trust relationship between municipal employees and their managers.

The third chapter explains the various research methodologies which were adopted for this research. The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data will be described, which includes methods implemented to maintain reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. It will serve as an explanation of the data presentation and analysis by examining the empirical findings and discussions of the research, which stems from the data which were collected and analyzed from the respondents' questionnaires.

The fourth chapter will then summarize the research, consisting of conclusions, limitations and recommendations.

## **1.11 Summary**

The chapter aims to lay the foundation of the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. The chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the layout and design of the research.

## **CHAPTER TWO: ASSESSING PERCEPTIONS OF PUBLIC SERVANTS' TRUST IN LEADERSHIP**

### **2.1 Introduction**

This chapter focuses on the conceptual foundation of the trust relationship between local government employees and managers. The aim would be to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. This will be discussed through a brief history and the transformational process, the present local government structure and its institutional performance and functionality in how to effectively carry out its constitutional duties towards the communities it serve.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationships between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories' related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

## **2.2 Local government structure in South Africa**

The Constitution of South Africa prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the national government, provincial government and local government. These spheres of government are autonomous as the Constitution makes explicit provision for these spheres to be distinctive, inter-related and inter-dependent to operate according to the rules set out in the Constitution (Education and Training Unit, 2013b). The national government is the supreme law-making body in the country and the laws made by this sphere of government are applicable throughout South Africa. Provincial governments are bound by laws and policies passed at national government, but can develop its own laws and policies within this framework in order to suit its specific needs. This sphere of government may pass its own constitutions subject to the provisions of the Constitution of South Africa. Local governments consist of municipalities whose objectives are, amongst other things, to provide democratic and accountable government for local communities, to ensure the provision of basic services to communities and to promote social and economic development. (Education and Training Unit, 2013b).

The role of local government, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty and is key in achieving a prosperous civilization. This research aims to explain the evolution of the local government structure in South Africa and will focus on the following aspects. First, a brief overview and the transformational process of the South African government structure will be discussed. Secondly, this will be followed by the present system of the local government in South Africa. This section will discuss the various policies that guide the South African government, the three categories in which local government functions and the challenges of community protests at the local government level. Thirdly, the research looks at the local government's functionality and institutional performance. Lastly, the research looks at

how local government seeks to build a strong foundation in the country's quest of socio-economical upliftment against issues like poverty.

### 2.2.1 Brief overview and the transformational process

Before the promulgation of the Constitution of the Republic of South Africa of 1996 and the transition to democratic local government, local authorities, as they were then known, were mere creatures of statute which were created by provincial governments (SALGA, 2013a). The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which consequently was reformed into a system of social, political and economic control (Koma, 2012).

This cheap migrant labour system was subsequently refined into a system of apartheid where labourers were subjected to segregation and discrimination. As the economy prospered and wealth, as a consequence, were exclusively handed to white South Africans, the government wanted black labour to move to white towns and cities. Black labourers were not allowed to live in these areas which led to restrictive legislation that was passed in order to curb the movement of black people (Koma, 2012). This legislation included the Native Trust and Land Act of 1936 and the Native Laws Amendment Act of 1937 which failed to discourage black people from migrating to urban areas, where municipalities had to provide basic services for them (Development Bank of Southern Africa, 2000). With Apartheid being condemned by other countries and with sanctions imposed on South Africa due to the country's political ideologies, a national reform process began in 1990 (Smith et al., 1998). Since 1994, the South African local government sector experienced various transformational changes National

deliberation negotiated the Local Government Transition Act of 1993 (LGTA) in order to pave a process for change and provided four phases (Koma, 2012).

The first phase was the period between the passing of the Local Government Transition Act of 1993 and the first local government elections held in 1995-1996 (Smith et al., 1998). The Act focused on the political unification of municipalities that had been racially divided under apartheid and emphasized the importance of change in the political landscape and was marred by little attention given to how municipalities should be functioning. The second phase began with the first local government elections and ended with the implementation of the final constitutional model of local government in 1997. Integrated municipalities were established but were not yet fully democratically elected. The third phase began with the final constitutional model of local government in 1997 and provided for a strong and entrenched local government, although some of the constitutional provisions only took effect after the 2000 local government elections (Statutes of The Republic of South Africa, 1996). During this phase, the current municipalities were established which stemmed from the local government election on 5 December 2000. The fourth phase began with the consultative process within government, which preceded the 1998 local government White Paper. This phase focused on how local government could function within the local community. The White Paper alluded to the fact that local government needed to be “developmental”, merely stating that local governments needed to be committed to working with citizens and groups within the community, in order to find sustainable ways to meet their social, economic, and material needs and consequently improving the quality of the lives of the people (Education Training Unit, 2013c).

The Constitution of 1996 made provision for different spheres of government to exercise their powers but history indicated that government regulations had an array of procedures, structures and processes (SALGA, 2013a). Municipalities however, had a common feature as there was a lack of constitutional status whereby municipalities possessed only such rights and powers as was specifically or impliedly granted to them by the legislature. All their actions, including the passing of by-laws and administrative

actions were rendered and subjected to judicial review. Municipalities' existence was subservient to the mercy of the provinces (SALGA, 2013a). The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. A municipality now had the right to govern, on its own initiative, the local government affairs of its respective community.

The historical overview and transformation process culminated in the present system of local government in South Africa, which will be discussed in the following section.

## 2.2.2 The present system of local government in South Africa

This section will provide an overview of the various policies which guide the local government sphere. This will be followed by an explanation of the current government structure within South Africa.

### *2.2.2.1 Policies guiding local government in South Africa*

Although national and provincial governments may oversee the functioning of local government, this must be done without impeding on the institutional integrity of that particular local government. The socio- economic backlogs and non- delivery of basic services in local government, marked by the apartheid legacies, was undoubtedly one of the reasons which led to the national reform process that began in 1990 (Pieterse, 2002). The new democratic government reformed previous legislations and policies to address issues pertaining to segregation, inequality, discrimination, poverty and to establish new transitional local governments. New institutions such as SALGA have

been established with new principles, philosophies and support mechanisms to streamline transformational local government into improved performance levels.

The introduction of the LGTA provided for transitional local government as well as for a clearly defined transition process. Other pieces of important legislation were the Development Facilitation Act which attempted to attend to the functional approach of local governments and to guide them in the direction of being more participative (Koma, 2012). The Demarcation Act also allowed for a complete review of the geographical areas of jurisdiction of local governments and to ensure that every area of South Africa falls under a democratically elected local government (Koma, 2012). From a governance point of view, the above-mentioned acts could evidently be seen to have steered the way in allowing the current elected, fully democratic and demarcated municipalities to begin functioning in democratic and development orientated manner after 2000 (Koma, 2012). These acts were a direct consequence of how the South African Constitution unambiguously provided for what role local municipalities may fulfill and how they could execute its legislative authority and powers. These local municipalities would then autonomously take control over local affairs and other community concerns. Municipalities would provide essential and emergency services effectively and efficiently to respective communities as well as to improve the general welfare of those same communities.

With the twenty first century approaching, the Department of Provincial and Local Government (DPLG) initiated and implemented a strategic plan in order to improve social development and economic growth, through a multi-disciplinary approach (DPLG, 2013). This multi-disciplinary plan is known as the Integrated Development Planning (IDP), and a process through which municipalities prepare a strategic plan containing short, medium and long-term development objectives, strategies and programmes for the municipal area (DPLG, 2013). The IDP aims to enable municipalities to collectively engage with communities and other stakeholders, in order to find innovative and cost effective ways of alleviating poverty and simultaneously growing the local economy. The focus of this initiative was efficient and effective coordination, as reflected in



decentralized development planning and integration, between the three spheres of government (SALGA, 2013a). The initiative was also aligned to the South African Constitution of 1996, which enshrined the notion of cooperative governance and government as one entity, consisting of three inter-dependent spheres on the one hand, and creating a capable local government with a unique and specific developmental role on the other hand.

#### *2.2.2.2 The local government structures in the current political environment*

Chapter 7, Section 155 - 157 of the new South African Constitution of 1996 (Statutes of The Republic of South Africa, 1996), explicitly mandates the municipalities' constitutional responsibility for the delivery of a range of basic services to local communities and by doing so, work towards sustainable development. Responsibility towards basic service delivery (provision of water supply, sewage collection and disposal, refuse removal, electricity and gas supply, municipal health services, municipal roads and storm water drainage, street lighting, municipal parks and recreation) and local economic development in South Africa are therefore the key focus areas of local government. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities as indicated in Table 2.1.

Table 2.1: Three categories of municipalities in South Africa, (Source: SALGA, 2013a)

| Municipal Category                    | Explanation of such category  |
|---------------------------------------|---|
| Category A: Metropolitan Municipality | A municipality that has exclusive municipal executive and legislative authority in its area.  |
| Category B: Local Municipality        | A municipality that shares municipal executive and legislative authority in its area with a Category C municipality within whose area it falls. |
| Category C: District Municipality     | A municipality that has municipal executive and legislative authority in an area that includes more than one municipality.                      |

The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). This is accomplished by using state resources and state influence to attack poverty and expand economic opportunities.

The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. Constructing the country as a developmental state is important to create a framework to address the socio-economic challenges, enhancing economic growth and reducing unemployment (Potgieter, 2012). South Africa, as a developmental state, should provide basic services and restore the Apartheid legacy, but at the same time it needs to align its policies to foster economic development. Potgieter (2012) suggested that in order to address the issues stated

above, bureaucratic competence and economic planning are of the essence but however seems to lack in the current state of government.

The developmental mandate of local government is currently channeled through metropolitan municipalities in the eight largest urbanized and industrialized centers in the country. Metropolitan areas are large urban areas with high population density, an intense movement of people, goods and services, extensive development and multiple business district and industrial areas (SALGA, 2013b). These municipalities are charged with addressing the key challenges outlined in the White Paper on Local Government, namely the legacy of urban apartheid, by establishing a basis for equitable and inclusive metropolitan governance and development (Pieterse, 2002). There are six metropolitan councils in South Africa and they may have up to 270 councilors, appointed for five years (Education and Training Unit, 2013a). They have legislative competence over all the areas listed in Schedules 4B and 5B (Statutes of The Republic of South Africa, 1996).

Outside the metropolitan areas, the local government mandate is pursued by the other two-tier local government - 228 local municipalities grouped into 44 district municipalities, sharing the functional competencies listed in Schedules 4B and 5B (SALGA, 2013a). The responsibilities between the two categories of local government is prescribed by the Municipal Structures Act of 1998, and must take into account the need to provide municipal services in a fair and sustainable manner (The Republic of South Africa, 1999). The Act does so by allocating district municipalities' functions with those not listed and falling in the scope of local municipalities. Local councils exist in smaller cities and towns and have between three and ninety councilors (SALGA, 2013a). Local councils with seven or more councilors have wards. There are 232 local councils. The greatest rationalisation of local authorities occurred in the Category B municipalities. District councils cover a wider geographic area than local councils and areas of lower population density. The long-term goal of the district councils is to enable better regional planning and bulk infrastructure delivery (COGTA, 2009c).

Within each of the categories of municipalities, the Municipal Structures Act allows for diversity in the manner in which a municipality is organised and managed (The Republic of South Africa, 1999). The transformational change of South Africa from a society plagued by discrimination and disparity, into a constitutional democracy continues to pose particularly profound challenges at local government level (Potgieter, 2012). Research studies indicated that it is within local government that acute imbalances in personal wealth, physical infrastructure and the provision of services are often most obvious as a result of community unrest and protests (The Institute for Democracy in Africa, 2010). These consequences of such socio-economic imbalances are due to communities' frustration towards their stagnant impoverished circumstances (Karamoko & Jain, 2011). Protesters often cite the lack of accountability of government officials, along with the absence of public participation as factors that further aggravate their basic service delivery complaints. A brief overview of such protests is given in paragraph 2.2.3. The data suggests that these protests are likely to increase if communities feel that they are being let down by promises of improved social and economic wellbeing by government (Karamoko & Jain, 2011).

Poverty is a challenge of which municipalities are confronted with daily. A large part of the burden of addressing this falls upon local government, as it is the provider of primary services which are essential to the dignity of all who live in its area of jurisdiction. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa (SALGA, 2013a). It is therefore a key mandate of local government (with the support of provincial and national government) to eliminate the disparities and disadvantages that are a consequence of the policies of the past and to ensure, as rapidly as possible, the upgrading of services in the previously disadvantaged areas, so that equal services will be provided to all residents (SALGA, 2013a). The success of eliminating these disparities can start by a strong focus of transparent communication between the community and councilors, community participation, unfunded mandates and political management - managing expectations, pressure groups, roles played by municipal leadership and councilor/administrative issues (Mathekga & Buccus, 2006).

Local government has an obligation to work towards the realization of its philosophy of being a developmental state, by eradication of extreme poverty and hunger, achieving universal primary education, promoting gender equality and empower women, reducing child mortality, improving maternal health, ensuring environmental sustainability, and developing a global partnership for development (The Institute for Democracy in Africa, 2010). The commitment from local government to deliver on the above social and economic development requires resolute effort and a more coordinated approach (Potgieter, 2012).

### 2.2.3 Service delivery challenges faced by municipalities

Taking cognizance of the above background, local government stands to inherit growing responsibility for basic service delivery, primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government is also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Community protests are seen as protests where communities oppose the pace or quality of service delivery by their municipalities (Karamoko & Jain, 2011). The study found that the frequency of community protests across South Africa increased significantly between 2007 and 2009, and then fell dramatically from June 2010 until 2011. Figure 2.1 indicates the trend.

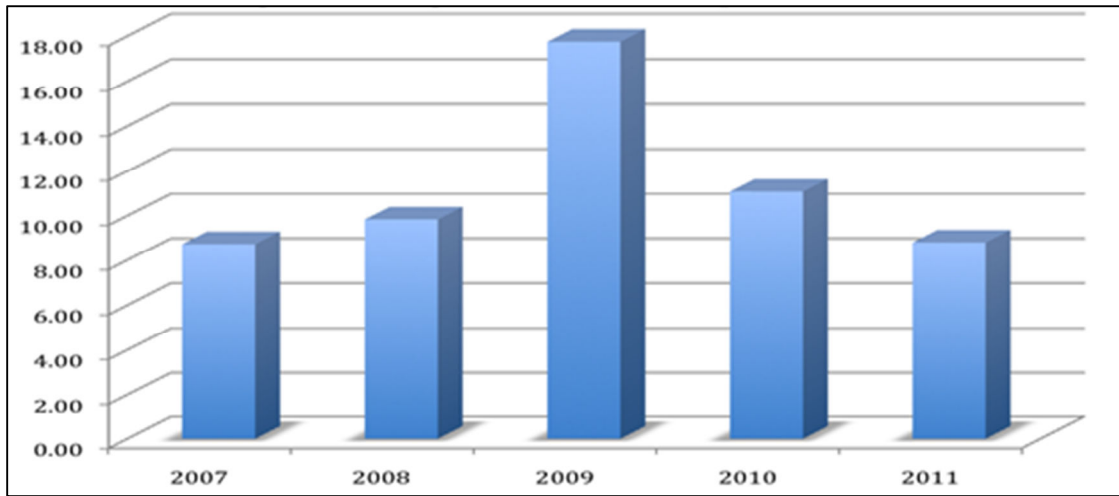


Figure 2.1: Average number of protests per month, 2007 – 2011, (Source: Karamoko & Jain, 2011)

The global financial crisis and the subsequent economic recession at large may have hampered the ability of local governments to adequately provide residents with basic services. This may have contributed negatively on the financial security of South Africans (unemployment and reduced savings) and could be an explanation for the escalating frequency of protests between 2007 and 2009, with a subdued frequency of protests culminating between 2010 and 2011 (Karamoko & Jain, 2011). Basic service delivery protests could not be solely attributed to lack of basic service delivery by municipalities, but is potentially complicated by the migrational flows of the population across South Africa (SALGA, 2013b). More protests occurred in areas where municipal performance progress has been made as opposed to areas where backlogs are more significant e.g. rural areas. This referred to a crucial question of whether local governments and their administrations are undoubtedly capable of fulfilling their mandate, as enshrined in the Constitution (Atkinson, 2003).

An unprecedented wave of popular and violent protests has flowed across the country since 2007 (Karamoko & Jain, 2011). Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get

government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000. The above is substantiated in a survey undertaken by the Institute for Justice and Reconciliation in 2011, which shows that only 43 percent of South Africans actually trust local government (Mdletshe, 2012). This is compared with more positive evaluations of provincial government (56 percent), national government (65 percent), parliament (61 percent) and The Presidency (65 percent). Confidence remains far lower in this sphere of government than at the national or provincial levels. The survey also revealed that the percentage of South Africans who believe they can trust national leaders to do what is right has fallen from 58 percent in 2010 to 51 percent in 2011. Trust in local government has never again reached its highest levels as recorded by the South African Reserve Bank survey at 50% in 2006 (Mdletshe, 2012).

While the causes of the protests differ from one province to the other and from one municipality to the other, in all instances people want to be heard and to be taken seriously (Karamoko & Jain, 2011). The protesters are aware that they are citizens with rights and that they should be treated accordingly to what is enshrined in the Constitution of 1996. This is contrary to local government legislative framework which underpins local governance and popular belief that some form of stakeholder involvement in decision-making is necessary in planning on issues that affect people's lives (Powel, 2009). Corruption, financial mismanagement and non-compliance with financial legislation are common in most municipalities. Consequently, this results in poor performance, thus the delivery of social services is compromised (Powel, 2009). Another factor undermining the performance of municipalities is the availability and shortage of the required skills (COGTA, 2009c). The State of Local Government in South Africa Report 2009 referred to a situation where the skills deficit within municipalities remains a major challenge (COGTA, 2009a). Municipalities lack the managerial, administrative, financial and institutional capacity to meet the rising needs

of the local community. This situation is exacerbated by the decline of municipal professionals and poor linkages between local government and tertiary education sector. As a result, these municipalities cannot meet their required performance standards, hence impacting adversely on the delivery of services.

#### 2.2.4 Local government functionality and institutional performance

The aims of a democratic society and a growing economy can only be attained through a responsive, accountable, effective and efficient structure within local government. When the Ministry of Provincial and Local Government was disbanded and replaced by the COGTA in 2009, the new ministry implemented The Local Government Turnaround Strategy (TAS) and emerged from COGTA's assessment of local government in 2009 (COGTA, 2009a). The department found that, while local government embraced democratization, the municipal structure lacked key performance areas like the inability to eliminate huge service delivery backlogs, breakdown in council communication with and accountability to communities, political interference in administration, corruption, fraud, bad management, increasing violent service delivery protests and a depleted municipal capacity (COGTA, 2009a). This was symptomatic of systematic problems in local government and cooperative governance (COGTA, 2009c).

The national government's aim was to improve overall access to basic services for all households by 2014 (COGTA, 2009b). Despite various challenges, significant progress was made (COGTA, 2011a): 93 percent of the population has access to a basic level of water; 73 percent of households have access to electricity; 67 percent have access to basic sanitation; and 59 percent to once a week refuse removal.

Improving financial management and administrative capacity is closely linked to improved service delivery (COGTA, 2009b). This was substantiated by the poor state of financial management in municipalities, culminating in perennial poor audit outcomes based on the audits performed by the Auditor General between 2009 and 2011 (Auditor General of South Africa, 2012). This was particularly alarming, given the annual budget allocation allocated by the National Treasury Department to the respective local governments. From the table below, it is evident that substantial amounts are



transferred to local government in order to allow for sufficient financial resources to deliver on basic services to communities.

Table 2.2: National grants to local government, 2009/10 – 2015/16 (Rmillion)

| R million  | 2009/10       | 2010/11       | 2011/12       | 2012/13          | 2013/14               | 2014/15       | 2015/16        |
|--|---------------|---------------|---------------|------------------|-----------------------|---------------|----------------|
|  | Outcome       |               |               | Revised estimate | Medium-term estimates |               |                |
| <b>Direct transfers</b>                                    |               |               |               |                  |                       |               |                |
| Equitable share and related                                | 23 845        | 30 541        | 33 173        | 37 373           | 40 582                | 44 490        | 50 208         |
| General fuel levy sharing with metropolitan municipalities | 6 800         | 7 542         | 8 573         | 9 040            | 9 613                 | 10 190        | 10 659         |
| Infrastructure   | 18 699        | 20 871        | 24 643        | 28 029           | 31 132                | 33 698        | 37 121         |
| <b>Capacity building and other</b>                         | <b>2 194</b>  | <b>1 951</b>  | <b>1 862</b>  | <b>2 586</b>     | <b>3 324</b>          | <b>3 201</b>  | <b>3 482</b>   |
| <b>Subtotal direct transfers</b>                           | <b>51 537</b> | <b>60 904</b> | <b>68 251</b> | <b>77 028</b>    | <b>84 651</b>         | <b>91 579</b> | <b>101 469</b> |

(Source: National Treasury: Republic of South Africa, 2013)

The table above indicates an increase in direct transfers from National Treasury to local governments increased by 49.5 percent between 2009/10 and 2012/13 (National Treasury: Republic of South Africa, 2013) and was significantly more than the average inflation rate of 5.5 percent, during that period (Statistics South Africa, 2012). The above inflation increases is illustrated by the annual aggregate increases in direct transfers below (National Treasury, 2013; Statistics South Africa, 2012):

- 2010/11: 18.18 percent as opposed to average inflation of 4.3 percent;
- 2011/12: 12.07 percent as opposed to average inflation of 5.0 percent;
- 2012/13: 12.86 percent as opposed to average inflation of 5.6 percent.

The researcher suggests that, from these amounts of funding allocated to local municipalities, the responsibility lies with accounting officers within the various local governments to manage these funds with accountability and in accord with the legislation uttered in the Municipal Finance Management Act (MFMA). Corporate governance, in terms of the MFMA, is of paramount importance and was also reiterated in the 2011 report by the Auditor General of South Africa (Auditor General of South

Africa, 2012). The table below summarizes the 2010 – 2011 audit outcomes of the 283 municipalities that were audited.

Table 2.3: Auditor General’s consolidated general report on local government audit outcomes, 2010 – 2011, (Source: Oberholzer, 2012)

| Audit outcomes  | Municipalities |             |
|---|----------------|-------------|
|   | 2010 - 2011    | 2009 - 2010 |
| Financial unqualified with no findings                            | 13             | 7           |
| Financially unqualified with findings                             | 115            | 122         |
| Financially unqualified financial statements                      | 45%            | 46%         |
| Qualified opinion, with findings                                  | 53             | 61          |
| Adverse opinion, with findings                                    | 7              | 7           |
| Disclaimer of opinion, with findings                              | 55             | 77          |
| Number of audit reports not issued by 31 January 2012             | 40             | 9           |
| Outstanding audits and financially qualified financial statements | 55%            | 54%         |
| <b>Total number of audits</b>                                     | <b>283</b>     | <b>283</b>  |

*\*Definitions of audit outcomes are provided in list of terms and definitions*

This table indicates a modest progress in achieving the objectives of what is prescribed under the MFMA for achieving clean financial audits. An entity that has a clean financial audit opinion has strong financial management, sound internal controls and a robust budgeting process (The South African Institute of Chartered Accountants, 2013). According to the table, less than five percent of all municipals achieved the required benchmark (Oberholzer, 2012). The remaining results and performances of the other municipalities may be a catalyst for municipalities not functioning at their optimum capacity in terms of service delivery. The figure below provides a breakdown of

provincial performances, with Kwazulu Natal leading the way with 85 percent of its 61 municipalities achieving unqualified or better audit opinions. Western Cape achieved 74 percent and Gauteng 60 percent. The Northwest Province had the worst performance with only eight percent unqualified audit outcomes. A total of 63 percent of its municipalities did not submit financial statements on time (Oberholzer, 2012).

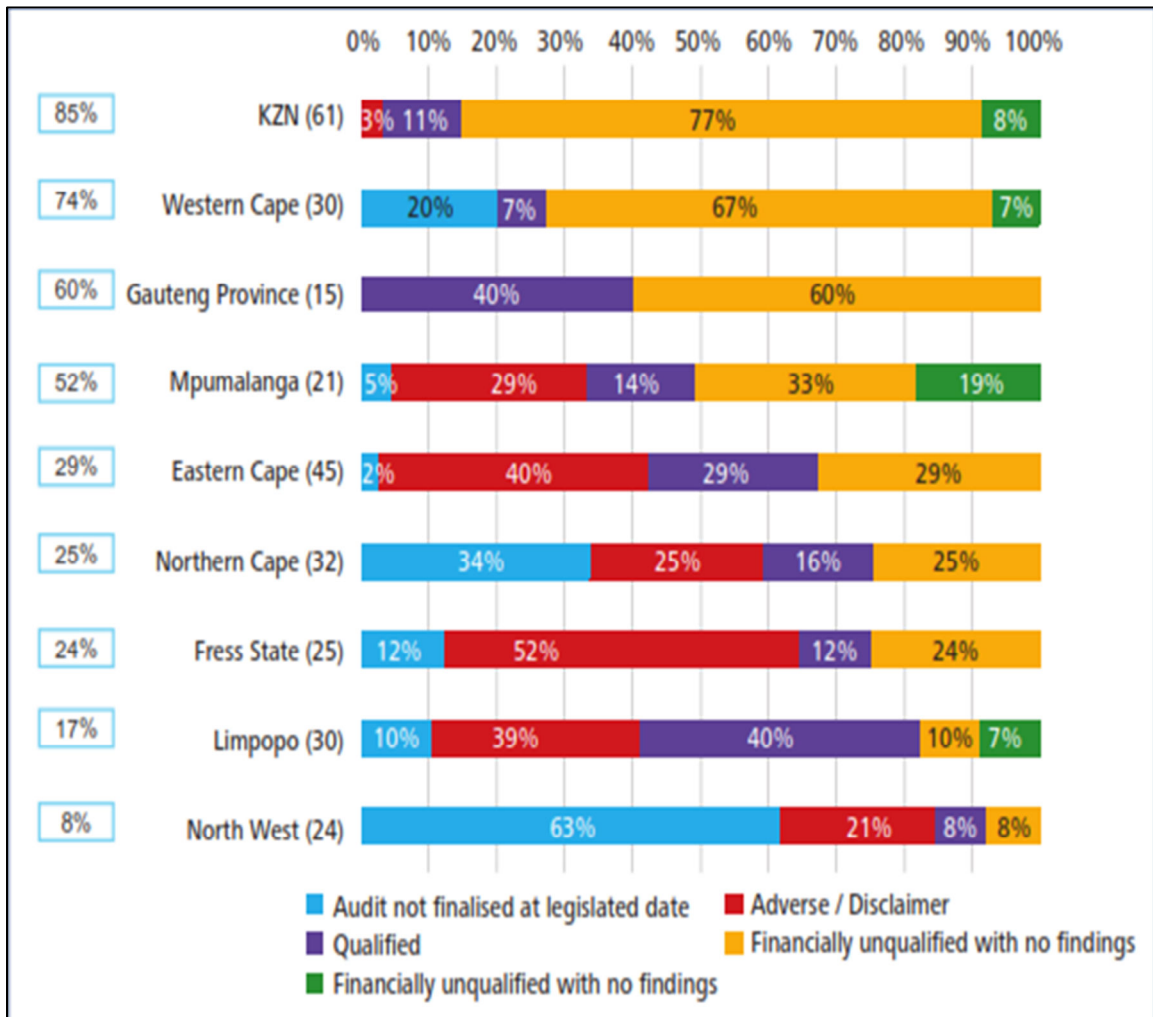


Figure 2.2: Provincial breakdown of the Auditor General's consolidated general report on Local Government audit outcomes, 2010-2011, (Source: Oberholzer, 2012)

From this appalling performance by local municipalities, one would assume that the trust relationship within such municipalities may erode over time. Research

(Lyman, 2012) indicated that employees who trusted their managers had a 42 percent higher return on shareholder investment and performance than organizations in which distrust was the norm. When trust erodes, morale declines, performance plummets and employees become detached from the organization and management (Reina & Reina, 2007). The figure above would assume that service delivery backlogs and public violent protests against the lack of service delivery are mostly prevalent in those areas where financial mismanagement is rife. Karamoko and Jain (2011) suggested the contrary because such protests are predominantly in provinces where corporate governance relating to financial management, was applauded by the Auditor General of South Africa (Auditor General of South Africa, 2012). Irrespective of the above phenomenon, SALGA, as a conduit to alleviate service delivery protests, re-iterated the lack of proper investment in people, the lack of technical, management and leadership skills, the lack of defined minimum competencies for critical positions, and the impact of undue political interference in management decisions (SALGA, 2013a).

Management challenges contribute significantly to the current service delivery backlogs in South Africa. These are estimated at 19.3 percent in water backlogs, 32.6 percent in access to sanitation, 27.3 percent in access to electricity and 40.1 percent in access to refuse removal (Oberholzer, 2012). Although the reasons for service delivery protests are often complex, these backlogs certainly contributed to the perceptions of poor service delivery and the consequent civil unrest, as evidenced by more than 200 service delivery protests during the last few years. In addition, a synopsis of the provincial audit outcomes illustrates that, apart from Kwazulu Natal, Western Cape and Gauteng, there is increasing concern in the remaining provinces due to (Oberholzer, 2012):

- The number of disclaimers, adverse or qualified audit opinions remained at a very concerning 47 percent;
- Forty municipalities were not yet audited due to their failure to submit annual financial statements on time, with the majority of these unlikely to receive a favourable audit outcome. The percentage poor outcomes are therefore likely to move to around 54 percent, the same level as the previous year;

- Only 45 percent of municipalities achieved at least a financially unqualified audit opinion (the same as in the previous year); and
- Only 13 clean audits in the country, i.e. fewer than 5% of municipalities achieving the required benchmark

In contrast to the general perception that municipalities lack the ability to fulfill its mandate in providing basic services as stated in the Constitution, the figure above shows that South Africa has a number of examples of effective, efficient and sustainable municipalities (Auditor General of South Africa, 2012). A strategy for a sustainable turnaround within local government is non-negotiable in order to assure better service delivery within local governments. At least four key priorities can be noted (Oberholzer, 2012):

- Performance management for the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. Research indicated that more and more managers within the public sector are not being evaluated based on performance (Kitshoff, 2013);
- Develop an organizational culture to establish a people-centered culture of service delivery and customer care. Being a municipal employee should be about serving the community and not about entitlement and power. Encourage and reward innovation and initiative that improve service delivery;
- Ensure that planning, governance structures, people, processes, systems, infrastructure and oversight mechanisms are optimal and aligned to the mandate, as defined by a realistic IDP and applicable legislation;
- Financial sustainability and management to sustain economic and financial viability and the prosperity of the municipality. This would be imperative in facilitating growth of the local economy and the creation of jobs.

In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and

adhere to the key deliverables (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Den and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence unilaterally have an influence on the employee's trust in their managers.

### 2.2.5 The case for building a strong local government sphere

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio- economical upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. In order for local municipalities to be at the forefront of such a socio- economical upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Smith et al., 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by Apartheid planning, and planning for a sustainable future. They can only achieve this by working together with local communities and businesses, and adopting a developmental approach (Potgieter, 2012). This implies that municipalities must have policies and institutional frameworks that support and sustain the development and fundamental rights of local people and be geared to promote good governance (The Institute for Democracy in Africa, 2010). The fundamental goal of a democratic system is citizen satisfaction.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide

an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritize local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational environment in which local municipalities encourage effective basic service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009). Low levels of trust may cause communities not to perceive local government as credible.

The test would be to see how the employees' perception of local government influences the trust relationship between employees and managers in the local government sphere. Research conducted (Hitch, 2012) acknowledged the benefit of trust within a working environment. In organizations where high level of trust is embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making processes. Lyman (2012) suggests that employees in such organizations believe they are treated fairly, regardless of their position within the organization. These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

From the above, it would be fair to assume that through trust, a self-fulfilling prophecy is nurtured, which is any positive or negative expectation about circumstances, events, or

people that may affect a person's behaviour towards them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which will satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted. Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. Lyman (2012) stated that modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being. It can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012).

### **2.3 The case of a Category B municipality**

Research (Karamoko & Jain, 2011) conducted over a period between February 2007 and May 2010, indicated that Gauteng accounted for 31.46 percent of the protests in South Africa. The Western Cape accounted for 17.05 percent of such protests, while the Northwest Province accounted for 11.09 percent. The Eastern Cape, Kwazulu-Natal and Mpumalanga contributed 11.09 percent, 9.27 percent and 7.95 percent, respectively. Limpopo, Free State, and the Northern Cape were relatively minor contributors, accounting for 5.30 percent, 4.97 percent and 1.82 percent protests across the country. Figure 2.3 below illustrates:



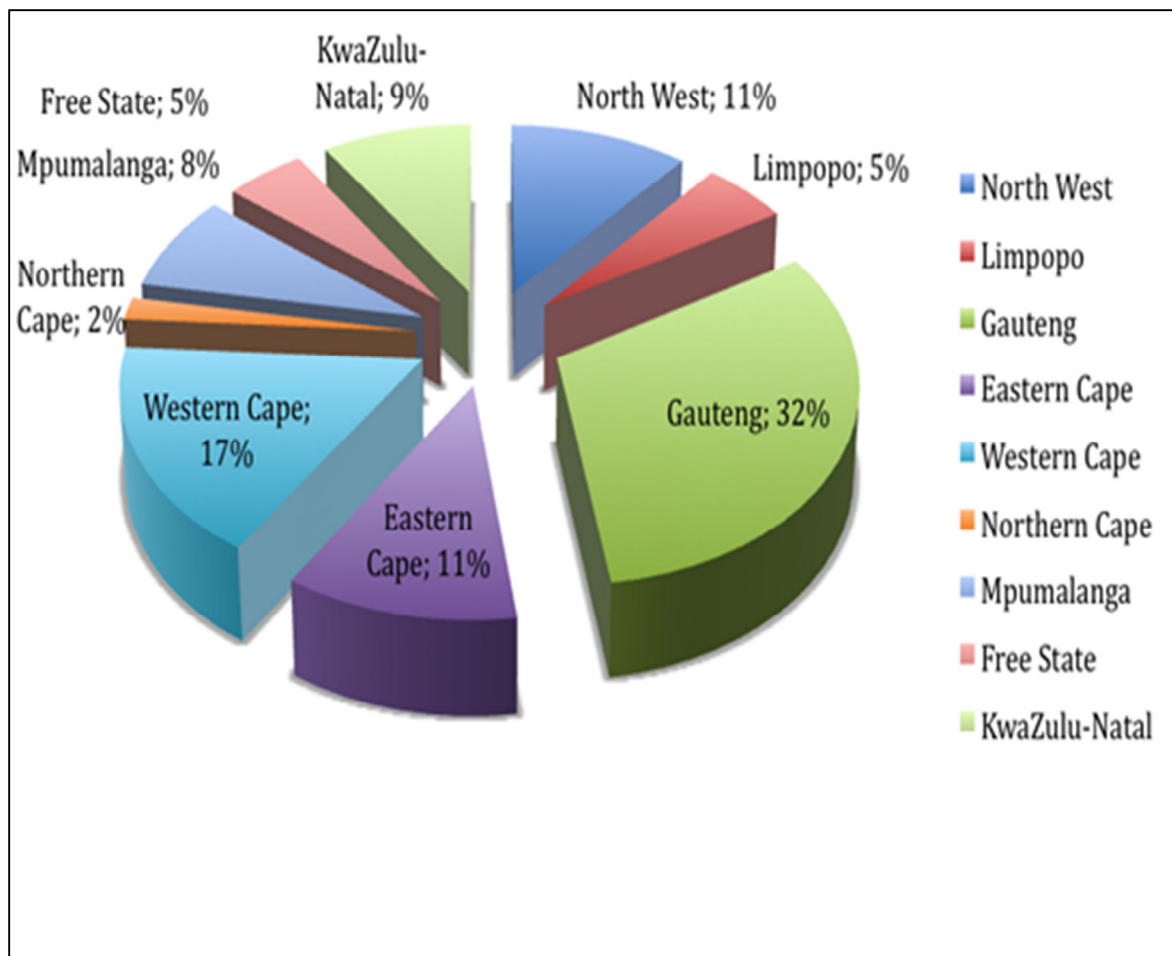


Figure 2.3: Protests by province – February 2007 to May 2010, (Source: Karamoko & Jain, 2011)

Figure 2.4 further reiterates the frustration from communities against the lack of basic service delivery from municipalities. The figure indicates that lack of housing, poor sanitation and water supply, provision of electricity, which form part of the fundamental constitutional right within the country's Constitution, were the main reasons for such protests.

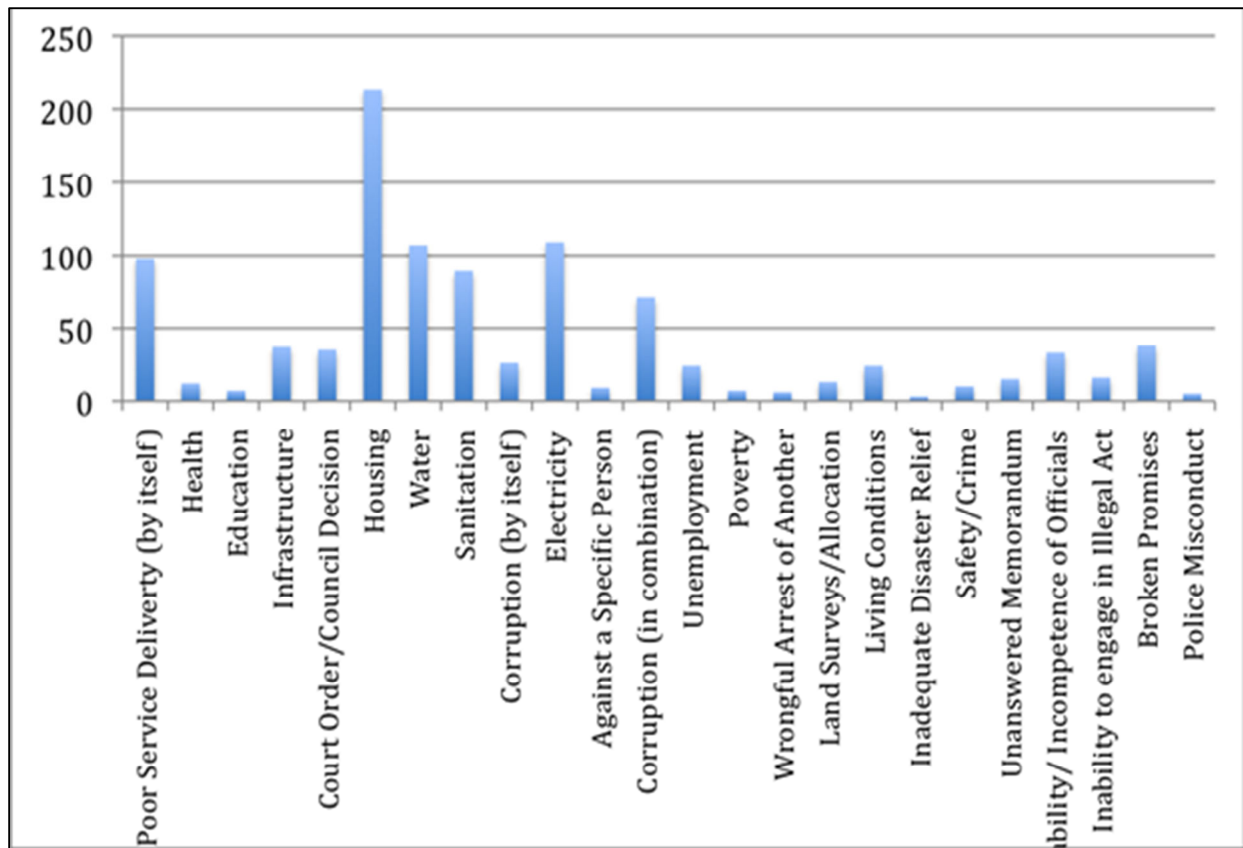


Figure 2.4: Reasons for Protests in South Africa – February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

With the Western Cape and Gauteng Provinces collectively accounting for 49 percent of the protests nationwide, the distribution of protests within these areas indicates that informal settlements on the fringes of urban areas would take part in protests (Karamoko & Jain, 2011). This research also illustrated a breakdown of protests within the Western Cape, which is divided into one metropolitan municipality and five district municipal areas. The majority of these protests occurred within the Cape Town metropolitan municipality. Figure 2.5 illustrates the above.

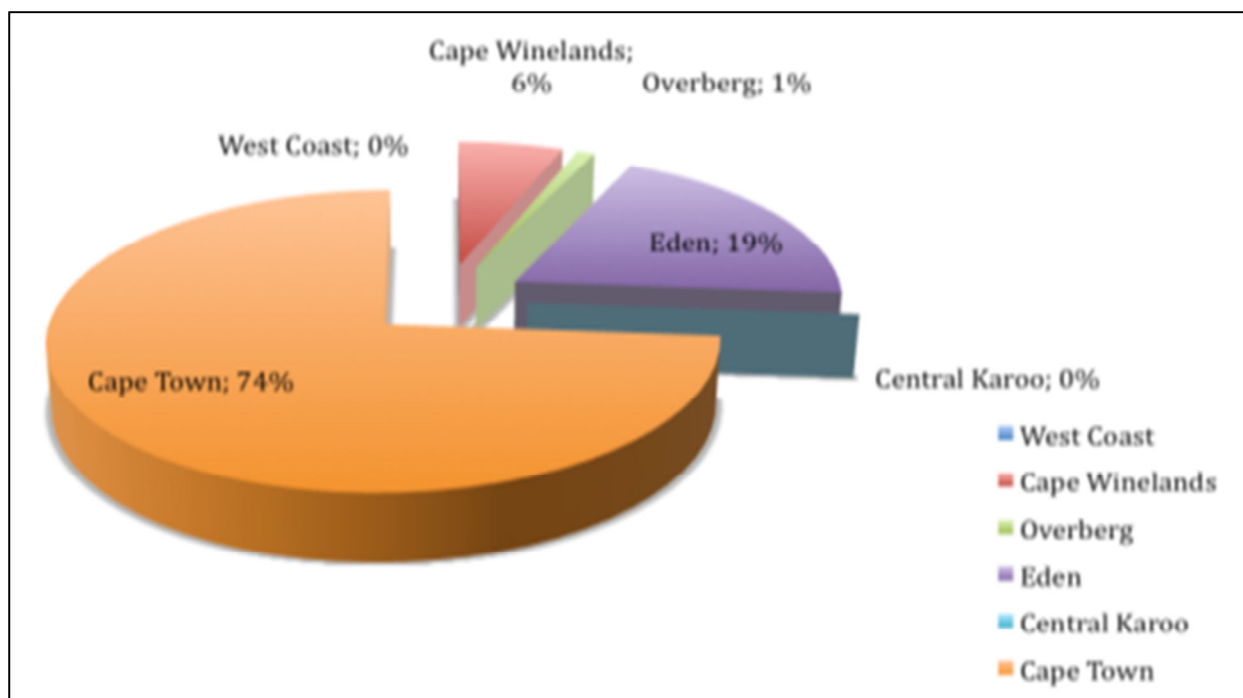


Figure 2.5: Protests by district in the Western Cape -February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

The figure illustrates that such protests were predominantly concentrated within urban areas and was fuelled by protests within informal areas like Nyanga and Khayelitsha. The Eden District, which includes the Category B municipality under discussion, experienced the second highest protests with the majority of those protests occurring within the Plettenberg Bay and Mossel Bay municipalities (Karamoko & Jain, 2011). Various research (Karamoko & Jain, 2011) from the South African Media News Database, suggested that community protests have actually become more common where communities experienced improved service delivery. While these communities were previously on the fringes of South Africa and did not see the government as a realistic contributor to their welfare, the heightened expectations that came with initial improvements in service delivery often resulted in disappointment. The above revelations confirm that one may be oblivious to assume that there is a positive relationship between service delivery protests and the financial performance audit outcomes presented by the Auditor General of South Africa, as illustrated in the five year progress chart below.

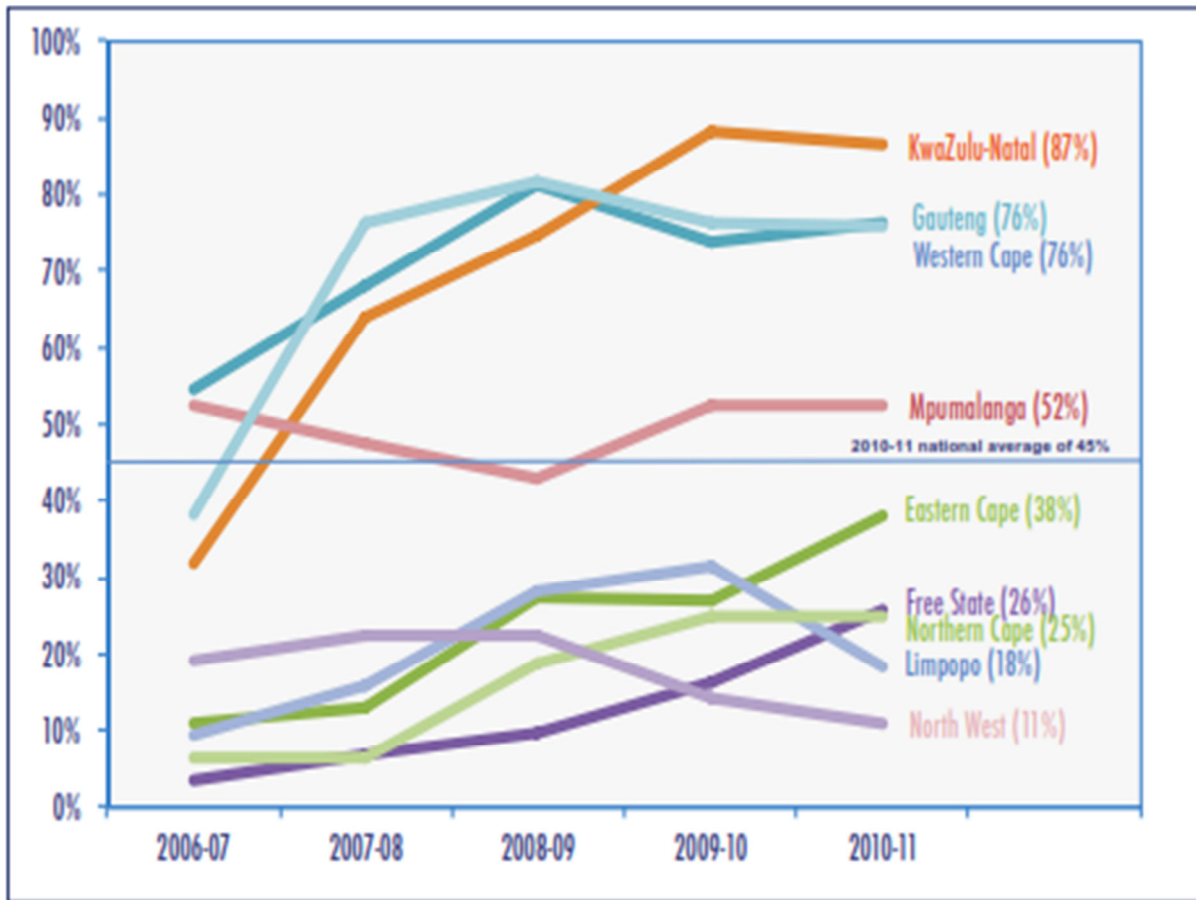


Figure 2.6: Province's five- year progress towards financial unqualified audit opinions, (Source: Auditor General of South Africa, 2012)

Where the assumption would be that service delivery protests would be rife in provinces like Eastern Cape, Northern Cape and Northwest Province, research in 2011 implied the contrary to this effect because protests in excess of 49 percent occurred in the Western Cape and Gauteng provinces alone, over the same five year period (Karamoko & Jain, 2011), compared to the five year progress towards financial unqualified audit figure above. In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what core values inspire the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude

towards delivering on the municipality's ultimate goal of service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive culture is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

Accordingly, this research study will focus on the performance of Category B municipalities within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The study aims to test the importance of trust by employees towards management as it was found to be a significant forecaster of employees' job performance and the community's satisfaction with the status quo for the past few years (Category B municipality, 2013). As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this study will focus on employees' perception of trust towards managers. The study will seek to construct a conceptual framework of how management's engagement with employees in terms communication, job satisfaction, management reporting and sense of empowerment can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

From here onwards, the concept of trust will be contextualized by focusing on vertical trust and five dimensions, as indicated in Appendix A.

## 2.4 Trust: A theoretical perspective

The discussion that follows will focus on various literatures relating to trust. This will be explained within a broader perception by focusing on relevant theories of trust. This includes the theories relating to different types and dimensions of trust, and influence of the trust relationship within the local government sphere. The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

### 2.4.1 Trust as a concept

Research studies (Seppanen et al., 2007) referred to various definitions of trust where the majority of these definitions describe it as a state, belief or a positive expectation. Trust can be the willingness of one party to be vulnerable to the actions of the other party. This is based on the expectation that the one party will perform a particular action important to the other party, irrespective of the ability to monitor or control that other party (Schoorman et al., 2007).

Various definitions implied that trust (Paliszkievicz, 2012):

- is expressed as an optimistic expectation on behavior of a person;
- occurs under the state of vulnerability to the interests of the individual;
- depend upon the behaviour of other people;
- is associated with willingness, cooperation and the benefits, resulting from that cooperation.

From the above, trust can be defined as the willingness to increase the resources invested in another party, based on positive expectations resulting from past positive mutual interactions (Tzafirir & Clegg, 2007). Trust is a conviction by both parties to never act in a way that brings detriment to the other party or to take advantage of their

weaknesses (Colquitt et al., 2007). This study found that the definition of trust is applicable to circumstances where the object of trust is a person or an institution. Trust relates to favourable expectations of the behaviour of another which stems from another's trustworthiness, which relates to the benevolence, ability and integrity of a trustee (Mayer et al., 1995).

The mutual interaction of the trust relationship between two or more parties is determined by the intensity, quality and durability of human interactions and is a function of the interactions between people in different organizational roles and positions (Houtari & Iivonen, 2003). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager (Mulki et al., 2006). The literature refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or explicitly to provide these things (Grobler et al., 2006).

Research (Grobler et al., 2006) also suggested that managers who embrace and uphold this psychological bond with their employees, promote employees' trust in management and foster higher job satisfaction and the intention to improve performance. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behaviour (Mayer et al., 1995; Bagrain & Hime, 2007). Managers who express these characteristics will install high level of trust with employees (Bagrain & Hime, 2007).

The general attitude is that trust may be a substitute for risk, but it also creates a risk for one party about another party (Sabatini, 2009). This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, so far as they can, look after their interests, that they will not take advantage or harm others. Therefore, trust involves personal

vulnerability caused by uncertainty about the future behaviour of others of which you cannot be sure, but believe that they will be kind, or at least not harmful, and act accordingly in a way which may possibly put us at risk (Bouckaert et al., 2003). The above implies that trust is applied where there is no certainty, whereby it is the expectation of gain or loss which determines whether one will grant trust or not (Bouckaert et al., 2003).

Past research (Paliszkiwicz, 2012) referred to trust within an organization as the employees' willingness to be vulnerable to their managers' actions and can only be rendered when managers of that organization sufficiently communicates its actions to its employees through informal and formal engagements. Information available to the employees is imperative, especially when this source of information is obtained within employees' social environment, which would include fellow employees (Tan & Lim, 2009) as trust between people is a requirement of camaraderie and communication. A working environment with a highly trusting ambiance is normally the cornerstone for harmonious employment relationships. Recent events emphasized that managers behave in a manner that violate trust, which results in employees being more cautious and suspicious about the most diminutive behaviour (Covey, 2011). Nowadays, trust is essential to prosperity and can reap benefits as it creates a sense of belonging in a particular organization as the current crisis of trust creates a distinct opportunity to create dividends of high trust in those organizations, beginning with its management. Covey (2011) indicated the importance for managers to nurture a culture of belonging that integrates what the organization claims to believe and how it fundamentally behaves. This is a critical element in optimizing organizational performance. Levels of trust within an organization are often seen as positively related with levels of organizational effectiveness and performance (Schoorman et al., 2007). Given this positive relationship that seems to exist, it is important to understand how interpersonal trust relationship can be nurtured within an organization (Cho & Park, 2011). In order to explain this, one would need to understand the different types of trust within an organization.



#### 2.4.2 Different types of trust

Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). Mayer et al. (1995) stated that horizontal trust is the willingness of an employee to be vulnerable to the actions of co-employees whose behaviour and actions they cannot control. Ellonen et al. (2008) stated that institutional trust is the trust that employees have in organization procedures, technologies, management, goals, visions, competence and justice. Vertical trust is where employees feel vulnerable because managers have substantial influence over resource allocation (Schoorman et al., 2007). Knoll and Gill (2011) indicated that managers would be in a position to make decisions that have a considerable impact on employees (for example where employees have to rely on their managers for work assignments, performance evaluations and promotions). The concept and different types of trust culminated in the different dimensions of trust, which will be discussed in the following section.

#### 2.4.3 Different dimensions of trust

Trust is seen as a complex and multidimensional concept (Schoorman et al., 2007). In order to measure, understand and explain trust, it is imperative to identify the dimensions of trust. The following figure illustrates that trust have a vast variety of dimensions of which each dimension were researched extensively, as indicated in Figure 2.7 below.



Figure 2.7: Dimensions of trust, (Source: Seppanen et al., 2007)

For purposes of this study, the research refers to three primary dimensions, identified as benevolence, ability and integrity. Benevolence is the extent to which a trustee is believed to want to do good for the trustor, apart from any profit motives, with synonyms including loyalty, openness, caring, or supportiveness (Schoorman et al., 2007). Ability captures the knowledge and skills needed to do a specific job along with the interpersonal skills and general wisdom needed to succeed in an organization (Biswas & Varma, 2007). Integrity is the extent to which a trustee is believed to adhere to sound

moral and ethical principles, with synonyms including fairness, justice, consistency, and promise fulfillment (Schoorman et al., 2007).

Previous research (Chun & Rainey, 2005) compared public organizations to private organizations and found that the prevalence of red tape and goal ambiguity in public organizations often negatively influences attitudes of employees of public organizations, when compared to employees of private organizations. Red tape is any rule, process or procedure considered to create a compliance burden on citizens or employees. Organizational goal ambiguity is the extent to which an organizational goal or set of goals allows leeway for interpretation, when the organizational goal represents the desired future state of the organization (Chun & Rainey, 2005). To this effect, Wright (2004) suggested that the prevalence of goal ambiguity and red tape in public organizations makes employees feel less empowered, which in turn reduces their work motivation and job satisfaction and trust in their managers and organization.

Employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and to effectively perform more work. As a core result, this high level of trust would be key in positively influencing performance (Madjar & Ortiz- Walters, 2009). Managers within an organization will be in a position to create conducive conditions for fostering trust and as a consequence, be able to enhance the level of organizational performance and effectiveness (Möllering, Bachmann, & Lee, 2004). The research will focus upon vertical trust and the effects benevolence, integrity and ability employed by managers when they interact with employees (Dirks & Ferrin, 2002). The vertical trust relationship is explained in the following section.

#### 2.4.4 Vertical trust

Three perspectives traditionally dominate trust research in the public sector (Bouckaert, 2012):

- First and most prevalent is the environmental perspective, which focuses on citizens' trust in the public sector;
- Second is the contrary notion of the public sector's trust in citizens;
- Finally, and what this research study entail, the internal organizational perspective focuses on trust within public organizations.

An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Cognizance also needs to be taken that conceptually, it may be possible for employees to trust their managers, but not their organization, or vice versa. Generally it may be possible to view both forms of trust as interrelated (Wright, 2004) but within the internal organizational perspective on trust, this study's core focus is vertical trust within public organizations. This refers to trust of public servants in their managers.

To this effect, levels of vertical trust within an organization are often linked with levels of organizational effectiveness and performance (Schoorman et al., 2007). Based on the positive link found to exist between levels of organizational trust and levels of organizational performance and effectiveness, research attempted to better understand how trust is created within organizations (Cho & Park, 2011). Through understanding the factors affecting trust within organizations, it is believed that managers within an organization will be better able to create conditions that are conducive to trust, thereby enhancing levels of organizational performance and effectiveness (Möllering et al., 2004). Vertical trust may often transpire when an employee favourably evaluates the

benevolence, ability and integrity of their manager and organization (Cho & Park, 2011). Given the link between performance and employee attitudes in public organizations suggested by previous research (Gould-Williams, 2004), there is a need to explore ways in which managers can positively affect employee attitudes for effective and efficient performance. In lieu of the above, building a sense of trust needs to be acknowledged as being a mutual and collective buy-in from the employee and management (Kroukamp, 2008).

Trustworthiness stems from a perception of the expertise, intentions, actions and words of the manager (Clark & Payne, 2006). It was further stated that an individual trusts someone else, when the second person is trustworthy (Caldwell & Hayes, 2007). As indicated with the dimensions of trust, trustworthiness is based upon the ability, benevolence and integrity (Mayer et al., 1995) of the person to be trusted and is closely linked to how management behaves (Gill et al., 2005). Although employees' behaviour may ignite management's behaviour towards employees, that same managers' personal attributes would dictate the manner in which those managers would behave towards employees (Lawal & Oguntuashe, 2012). The employee's trust in a manager may influence the way the employee perceives the manager and may likely affect the manager's behaviour (Seibert et al., 2004). Moreover, the positive influence of trust in the manager may likely be mitigated by the level of trust the manager may have in the employee (Seibert et al., 2004). What also need to be acknowledged is that the trustworthiness of the manager is an important moderator affecting loyalty to the manager (Deng & Wang, 2009). The more employees trust their manager, the more they are expected to be satisfied with the manager and display increased allegiance to the manager (Deng & Wang, 2009). Two recent meta-analyses found that trust in the manager is positively related to job performance and organizational citizenship behaviour which includes allegiance to the manager (Colquitt et al., 2007). The following figure demonstrates the effect of employees feeling trusted.

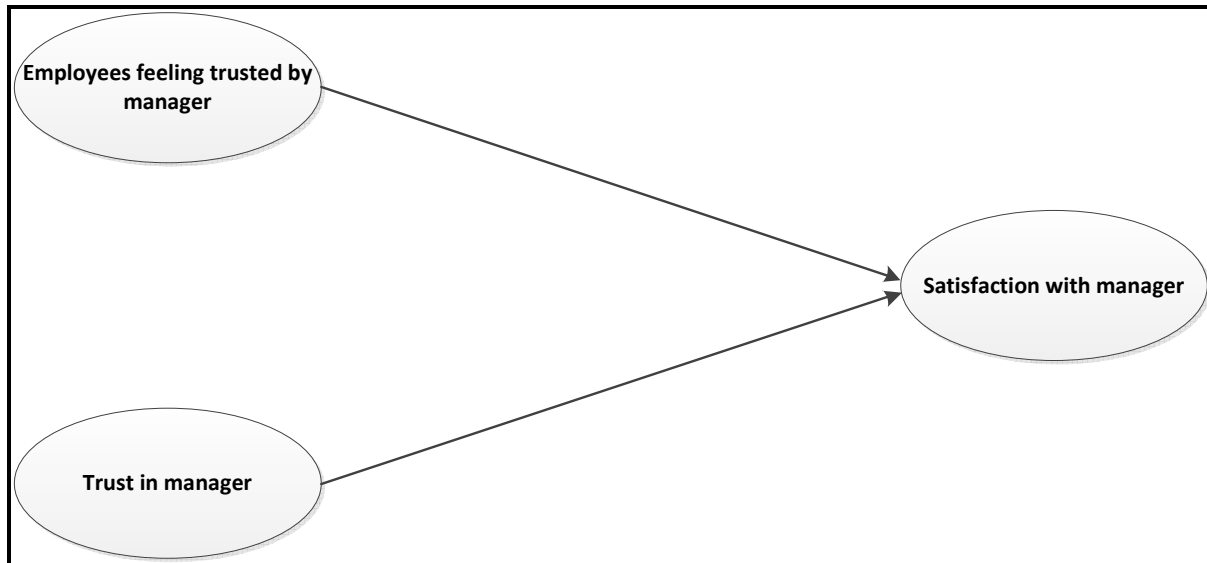


Figure 2.8: The effect of employees feeling trusted, (Source: Amended from Deng & Wang, 2009)

Research studies (Connell et al., 2003) focused on the impact of an employee's trust in management and what it would have on the employee's job performance. The study revealed that the ideology of fairness and human-oriented reflected from an organization's strategies and regulations all have an influence upon an employee's job satisfaction. Other researchers (Aryee et al., 2002) also acknowledged that when employees have trust in management, their organizational identity also increase, which encourage employees to be more effective and efficient in their jobs (Aryee et al., 2002).

It is believed that managers frequently have direct interaction with employees in their daily work environment (Paliszkievicz, 2012). This would suggest that supervisory support may be an important indicator of the quality of relationships between employees and management (Stinglhamber & Vandenberghe, 2003). This indicates that, when management expresses concern for their employees' well-being, assist them in career development, and value and appreciate their work, they would instill a motion to their employees that they are interested in a close and social relationship. In reaction towards managers' humility and to ensure a balance in their exchanges, employees will

feel appreciative and obliged to reciprocate the good deeds and goodwill of management (Stinglhamber & Vandenberghe, 2003). By doing this, they would demonstrate their trustworthiness and the gradual expansion of mutual services (Paliszkievicz, 2012).

#### 2.4.5 Theoretical framework and hypothesis

Communication practices employed by managers are likely to directly and indirectly influence levels of vertical trust in public organizations (Cho & Park, 2011). Mayer et al. (1995) explained that the levels of trust within an organization can affect effectiveness and performance within organizations. Through understanding what factors effects trust in any organization, relies on the conducive environment which managers create in an organization that would influence trust. Mayer et al. (1995) developed an existing research measuring model which suggests that three major elements determine organizational trust: characteristics of the trustor, characteristics of the trustee and the perceived risk.

An element of this model focuses on three major factors that influence trustworthiness. Firstly, it is the ability or the competence which the trustee has in a specific area. The second factor relates to the benevolence, where the trustee has the willingness to do good for the trustor. Lastly, trustworthiness relates to the integrity which assesses the trustee's core set of values in order to guide behaviour as depicted in Figure 2.9 below.

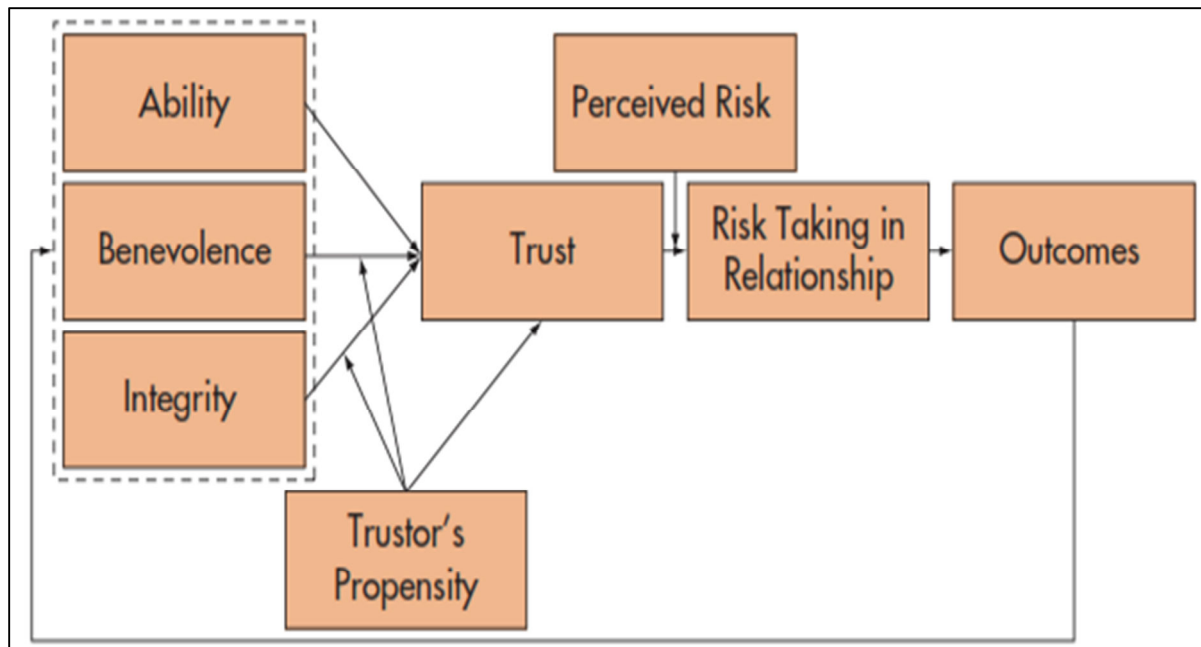


Figure 2.9: Factors of perceived trustworthiness, (Source: Mayer et al., 1995)

From the above figure, this research aims to build upon existing literature pertaining to trustworthiness (Porumbescu et al., 2013), by focusing on how certain factors may influence the employee's level of trust in the manager. A theoretical model tested by Porumbescu et al. (2013) will be revised in which five measuring instruments will be used in order to measure the vertical trust relationship between employees and managers. Vertical trust within public organizations is largely influenced by the manner in which managers communicate with employees and how employees' attitudes are relating to job satisfaction, employee empowerment and performance management (Garnett et al., 2008). Given the model of Mayer et al. (1995), this research will aim to add to the existing research by deriving and empirically testing a theoretical framework that can test the way vertical trust between managers and employees is influenced by certain factors or dimensions. As such, the derived conceptual model presented in Figure 2.10 below, demonstrates the direct relationships that this research intends to investigate.



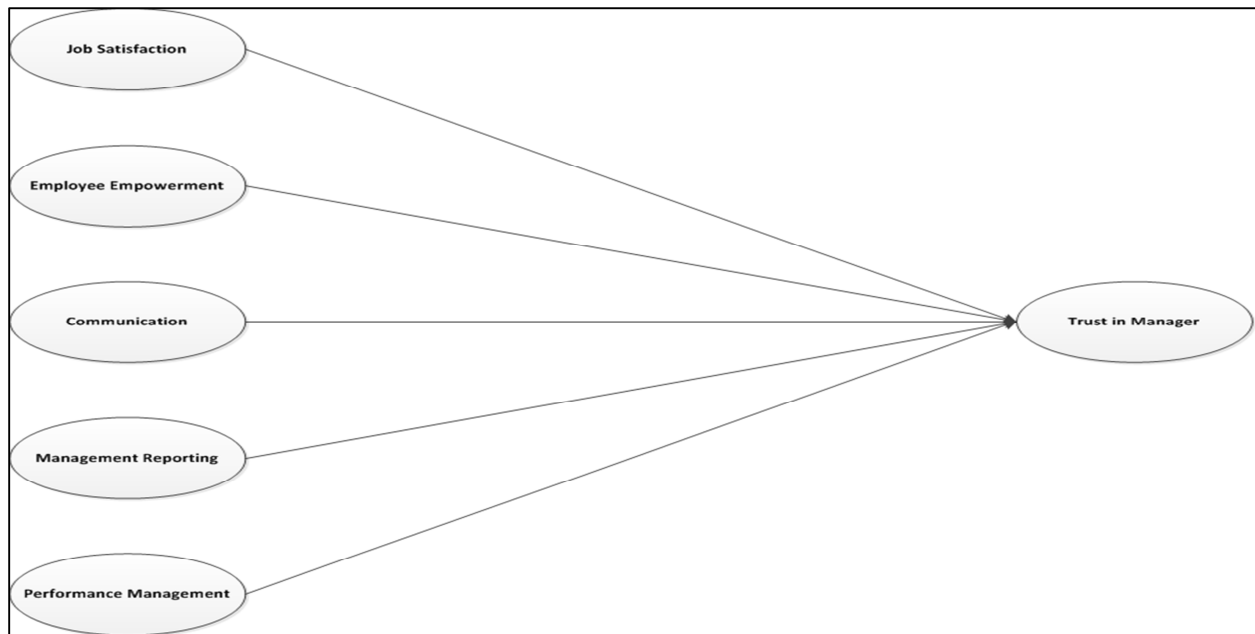


Figure 2.10: Theoretical framework, (Source: Amended from Porumbescu et al., 2013)

Explanations of the relationships suggested to exist between the concepts outlined in Figure 2.10, are provided in the following discussion. As previously stated, this research study will only focus on attitudes relating to job satisfaction, employee empowerment and management reporting and performance management. These dimensions outline the foundation of the questionnaire.

#### 2.4.5.1 Interpersonal trust

The field of organizational behaviour found that positive assessments of the trustworthiness of the manager is strongly related to employees' perceptions of justice within the organization (Aryee et al., 2002; Dirks & Ferrin, 2002; Shockley-Zalabak et al., 2010). Employees' perceptions of justice within an organization can be divided into interrelated categories of interactional, procedural, and distributive. The study will only focus on interactional justice and relates to the manager and can be considered interpersonal (Porumbescu et al., 2013). Managers are believed to be conduit in which

an organization can affect employees' perceptions of interactional justice. This is explained as perceptions that procedures and processes of the organization are implemented by managers fairly (Porumbescu et al., 2013). With managers being able to increase employees' sense of interactional justice, it is widely found that employees in public organizations will frequently assume vulnerability in manager-employee relations (Kim, 2005). An employee's sense of interaction is normally built over an extended period, through constant interaction between the managers and employees (Shockley-Zalabak et al., 2010).

The argument can be raised that, in public organizations, employees' sense of interactional justice stems from the information employees have regarding the policies and processes of the organization, which in turn is a result of the way in which such information is communicated to them via managers (Porumbescu et al., 2013). This argument is based upon one fundamental assumption:

- From a perspective of interactional justice, the way in which information regarding the organization is communicated to employees by a manager, will influence perceptions of interactional justice, which in turn will influence employees' trust in managers.

From the above, interpersonal trust building is an interactive process in which individuals learn or unlearn to establish and maintain trustworthiness, under given organizational (contextual and structural) settings. The employees subject themselves to policies directly or indirectly, positively or negatively sanctioning the building of interpersonal trust (Paliszkievicz, 2012). Stable intentions for behaviour can be stimulated by durable policies and structures (Six & Sorge, 2008). For interpersonal trust to be built in long-term work relations, both individuals need to have their actions guided by a stable normative frame (Paliszkievicz, 2012). There are four operative conditions that play an essential role regarding interpersonal trust (Six, 2007):

- The suspension of opportunistic behaviour, or the removal of distrust;
- Exchange of positive relational signals;
- Avoiding negative relational signals, i. e., dealing with trouble;

- The stimulation of frame resonance, or the introduction of trust-enhancing organizational policies.

Six (2007) also indicated that, in order for an organization's management to promote interpersonal trust-building in the organization, a combination of three types of organizational policies can be effective:

- By creating a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Through explicit socialization to make newcomers understand the values and principles of the organization and how things are done in the organization.

#### *2.4.5.2 Trust and communication*

This research includes management reporting as a dimension which would stem from how communication is conducted within an organization. Previous literature related to public organizations has positively related characteristics of communication (Porumbescu et al., 2013). This include frequency and perceived quality, levels of employee performance and attitudes like work motivation, commitment, empowerment, job satisfaction, and interpersonal trust (Aryee et al., 2002; Wright, 2004; Cho and Park, 2011). Little research has questioned to what extent the direction of flows of information between supervisors and subordinates influence levels of vertical trust in public organizations (Porumbescu et al., 2013). The manner in which employees and managers communicates with each other is suggestive of the amount of trust instilled between them and may be indicative of the working environment in which they work.

Impersonal communication strategies view the employee as a passive receiver of information, suggesting that there is no tangible exchange of information (Porumbescu et al., 2013). In public organizations, such strategies have been found to result in a

lower quality relationship between managers and employees (Kroukamp, 2008). This is due to potential misunderstandings on the part of the employee which cannot be clarified. These misunderstandings may possibly hinder employees' sense of empowerment and job satisfaction, and thus increasing their sense of alienation (Wright, 2004). An impersonal communication strategy may also be poorly suited for the task of creating shared sense of understanding between employees and managers. This may be as a result of employees not been given any opportunity to discuss questions they may have regarding organizational practices or goals, which are generally ambiguous in the public sector. Impersonal communication is thus not expected to contribute to employees' perceptions of interactional justice (Aryee et al., 2002), and even hinder the creation of vertical trust.

Another form of communication is interpersonal communication, where managers and employees are both active in the exchange of information (Pandey & Garnett, 2006). Seemingly, this form of communication strategy may be conducive to higher quality relationships between managers and employees in public organizations. A greater exchange of information would enable employees not only to better understand organizational policies, goals, and processes by allowing them to ask questions to their supervisors, but also enable them to possess better knowledge with respect to what is expected of them on the job (Wright, 2004). Greater interaction between a manager and employee would likely enhance the employee's sense of interactional justice, as employees perceive their relationship with their manager as reasonable information (Porumbescu et al., 2013).

#### *2.4.5.3 Job satisfaction and employee empowerment*

Factors which are likely to mediate the relationship between an interpersonal communication strategy used by managers and levels of employees' vertical trust in public organizations relate to job satisfaction, empowerment, and job motivation (Porumbescu et al., 2013). These potential mediating factors have been linked with various forms of manager- employee interaction, information exchange and levels of

trust in managers (Aryee et al., 2002; Dirks & Ferrin, 2002; Cho & Park, 2011). First, the research consider employee job satisfaction to be a consequence of an interpersonal communication strategy employed by the manager, as well as an antecedent of employees' trust in their manager (Porumbescu et al., 2013).

#### *2.4.5.3.1 Job satisfaction*

Job satisfaction refers to the general attitude of an individual towards his or her work (Robbins, 2005). A person with high satisfaction would have a positive attitude towards the job while a dissatisfied person would express a negative attitude towards the job (Robbins, 2005). Job satisfaction is also described as a positive emotional condition resulting from the evaluation of one's work experience comparing to their individual expectations (Mathis & Jackson, 2001). Job satisfaction plays an important role for an employee because employees with job satisfaction usually have good reports for attendance, a lower employee turnover rate and better job performance than employees with job dissatisfaction (Dessler, 2005).

The research previously stated that higher levels of goal ambiguity and red tape in public organizations have been found to negatively impact the attitudes of public sector employees. An interpersonal communication strategy used by a manager is also likely to mitigate the negative impact of these features of public organizations on an employee's attitudes. This would mean that an interpersonal communication strategy would be positively related to employees' job satisfaction in public sector organizations (Porumbescu et al., 2013). With respect to the relationship between job satisfaction and trust in a manager, the study implies that, if a manager is successful in improving employees' levels of job satisfaction, employees' are also more likely to evaluate the ability, benevolence and integrity of their manager (trustworthiness) more positively. This will imply a positive relationship between job satisfaction and trust in the manager (Schoorman et al., 2007).

#### *2.4.5.3.2 Employee empowerment*

Empowerment concerns employees' sense that they are capable of meeting the demands of their work (Porumbescu et al., 2013). It is examined from relational and motivational aspects and can be regarded as a process in which managers share the power they have with their employees (Findikli et al., 2010). Feeling empowered, employees may start to play their part effectively which would, in effect, assist them to focus on goals, making them concentrate more on their roles, communicate with one another more effectively and act smoothly (Findikli et al., 2010). Individuals' need for power has its essence in an internal need for self-determination or feeling of self-efficacy. Having therefore addressed this need, employees can be motivated in such a way that they contribute to company goals more (Arslantaş, 2008).

Existing research (Wright, 2004) has empirically illustrated that employee empowerment among employees is strongly and positively influenced by job goal specificity, which is the opposite of goal ambiguity. Job goal specificity can be considered as the extent to which members of an organization understand the work they are charged to do (Porumbescu et al., 2013). Consequently, an employee's understanding of the work they do, will be linked to the information an employee has of that task, with a possible source for such information likely to be one's manager. In this regard, it is likely that interpersonal communication improves employees' knowledge of tasks and goals at hand, as it offers employees with greater opportunities to ask questions to their managers (Wright, 2004). This ability to ask questions would probably instill employees with the knowledge and confidence that they may resolve any problems that may arise, by communicating with their manager. Lastly and within a public organization, an employee's sense of empowerment is a significant requirement to their trust in the organization (Nyhan, 2000). In essence, employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010). Consequently, employees are likely to evaluate their manager more positively,

as the information afforded to employees by their manager is responsible for their improved sense of empowerment.

#### *2.4.5.4 Relationship between trust and performance management*

Performance management is an integrated process in which managers work with their employees to set expectations, measure and review results, and reward performance, in order to improve employee performance, with the ultimate aim of positively affecting organizational success (Den Hartog et al., 2004). This is needed to provide guidance to employees on how to apply their resources for the benefit of the organization (Sohrabi & Khan Mohammadi, 2007). Performance management is an effective performance management tool for measuring and improving productivity (Mani, 2002). The responsibility would be for the managers to communicate these policies and procedures to employees. Employee ability to participate in the design and development of organizational systems and policies, especially those that directly impact them, is a key component of success (Mani, 2002).

Managers attempts to improve human performance through establishing performance management systems and represents practical mechanism of performance improvement through holding necessary training for employees. They further attempt to establish frequent meetings for assessing of the employees' performance by managers and also represents some recommendations to employees. This continuous process improves the efficiency and effectiveness of the whole system in the long run and as a result, increases total efficiency (Kargar, 2009). From the above, the performance management process can be seen as a continuous cycle with three main elements. This includes planning (designing best practices which include informal mentoring, reviewing the courses of development in job accountability and behaviours), reviewing and evaluation (the review and the way in which they explain about what they have done and presenting corrective suggestions in development of organization programs (Sohrabi & Khan Mohammadi, 2007).

Within the holistic view of performance management, a significant problem pertaining to performance management was identified (Fryer et al., 2009). This involves the predominantly softer people issues and their involvement in the performance management system, inter alia multiple stakeholders, a lack of employee involvement, gaming and lack of involvement of the whole organization, including insufficient support from higher levels of management or decision makers (Fryer et al., 2009). Hence, for performance management to have a positive effect on achieving high trust between managers and employees, it would largely be influenced by the extent to which employees perceive performance management to be fair. This would include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback, and having influence over personal career development (Farndale & Hope-Haily, 2010).

A research study (Interaction Associates, 2009) focused on the trust relationship between managers and employees and the influence this relationship would have on the organization's performance. This will be discussed in the following section.

#### 2.4.6 The effect of trust: better performance in the workplace

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have (Interaction Associates, 2009): a strong sense of shared purpose to succeed; employees who work together to support that purpose; to nurture a working environment in which tolerance and cooperation are highly valued; managers who coach rather than just manage; and a sense of belonging where people collectively participate in making decisions.

It further revealed that such organizations excelled, as compared to their low-trust peers, at showing (Interaction Associates, 2009): organizational behavior consistent



with their values and ethics (85 percent vs. 46 percent); a tendency where organizations retaining employees (80 percent vs. 42 percent); and organizations whom attract, deploy and develop talent (76 percent vs. 24 percent) as indicated in the figure below.

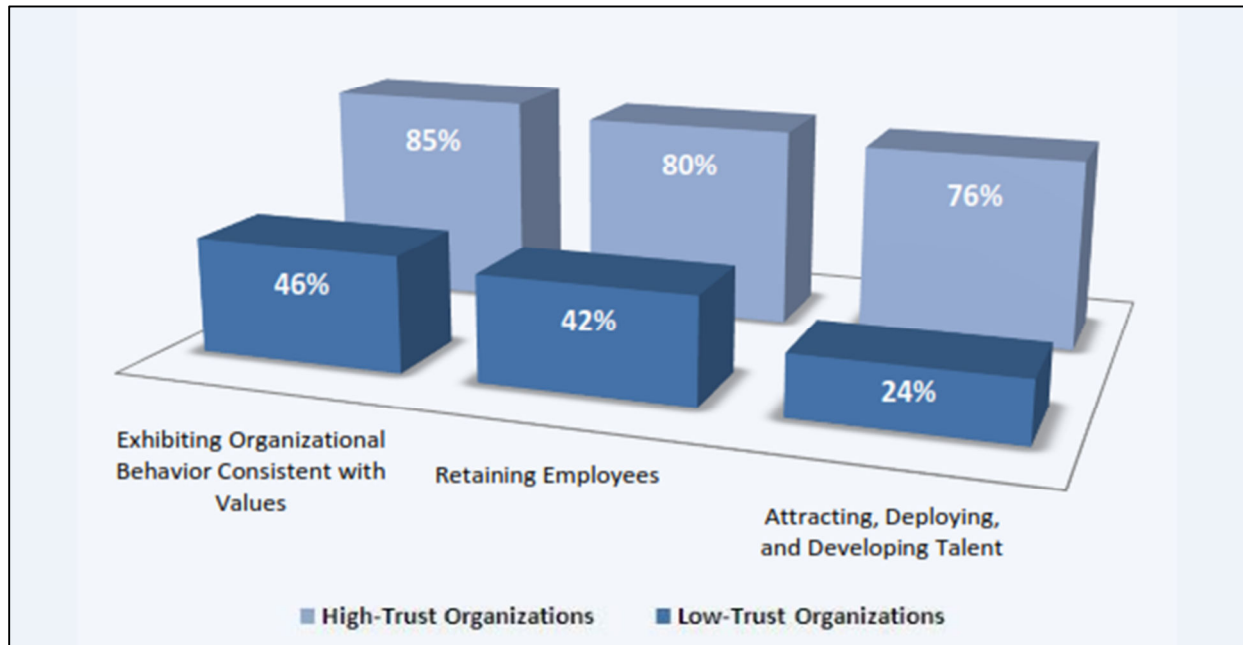


Figure 2.11: Areas of excellence in high- trust organizations, (Source: Interaction Associates, 2009)

The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover (Interaction Associates, 2009). With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust but what need to be understood is that in reality, trust creates authority (Hitch, 2012).

#### *2.4.6.1 The trust in managers and link to performance*

It is important to acknowledge that relationships at work tend to be more formal in nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job. According to past research and theory of human information processing, employees who trust their managers will be able to focus more attention on the tasks at hand, will not be overly concerned or distracted by uncertainty and may be willing to take on more risks (Mayer & Gavin, 2005). These intricate behaviours are expected to make employees to work more, produce exceptional quality of work and feel more comfortable engaging in behaviours that put them at risk, such as suggesting a sense of empowerment to achieve daily job responsibilities- and targets (Mayer et al., 1995). This is indicative of the fact that employees with high levels of performance need to trust their managers and believe that managers will provide the necessary resources, support and backing for effectively doing their daily job (Mayer & Gavin, 2005). Contrary, employees' lack of trust in managers will distract employees' attention from the activities they are obliged to perform and will allow less cognitive resources to be devoted to effectively performing their work (Mayer & Gavin, 2005).

## **2.5 Summary**

This brief review of the literature shows that the vertical trust relationship between managers and employees is an important backbone of any credible organization and research indicate that low levels of vertical trust experienced by employees do have numerous negative implications for managers and organizations. Despite the importance of vertical trust to an organization's effective functioning, little recent published empirical studies seem to be available within the South African context for local governments. The current study aims to make a contribution towards addressing this need.

## CHAPTER THREE: RESEARCH METHODOLOGY

### 3.1 Introduction

In Chapter 1, the research problem statement and objectives were stated. The applicable literature pertaining to the brief overview and transformational process of local government and its obligation to basic service delivery to communities, as enshrined in the Constitution were discussed in Chapter 2. This also included literature pertaining to the concept of trust, with specific reference made to the vertical trust relationship between municipal employees and managers. The main objective of Chapter 3 is to describe the research methodology used in this research study, followed by the presentation of the data and results which culminated from the statistical analysis of the questionnaire responses.

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. Once the population and sample was clarified, the empirical instrument used to collect the data will be described, which includes methods implemented to maintain validity and reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. The research method will provide a planned and systematic approach of investigation that denotes the detail framework of the analysis, data gathering techniques, sampling focus and interpretation strategy and analysis plan. The ethical considerations, that needed to be taken into account when conducting the research, will also be highlighted.

The methodology will be followed by a representation that will outline the general results of the questions pertaining to the vertical trust relationship between employees and managers in the Category B municipality. The chapter will present the empirical findings

of the research as alluded to the theoretical perspectives discussed in Chapter 2. The response rate pertaining to the research will be presented, followed by the identification of the descriptive statistical analysis relating to the biographical information of the respondents. This will be followed by an assessment of the reliability of the five measuring instruments by interpreting the Cronbach Alpha coefficient. Subsequently, the vertical trust relationship will be analyzed by using the effect sizes of various biographical data and interpret how respondents within those biographical categories responded on the five measuring instruments. This will be followed by coefficient of correlations by establishing the linear relationships between those five categories. Finally, the researcher will provide feedback on the open questions posted to the respondents to ascertain what they understand of the concept of trust in their current working environment.

### **3.2 Research methodology**

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The focus of research methodology revolves around the problems to be investigated in a research study and hence is varied according to the problems to be investigated. The research methodology was also explained in the form of an analogy, whereby it is compared with an “onion” (Saunders et al, 2009). Saunders et al. (2009) sees the research problem as the centre whereby several layers have to be “peeled off” before reaching the central position. These layers are the main factors to be considered in determining the research methodology for a particular research study. The research problem to be tested is to ascertain whether the concept of vertical trust relationship between municipal employees and managers, is one of many factors that contribute to effective basis service delivery within a Category B municipality. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality (see Appendix A for example of questionnaire).

Although various classifications and definitions of these terms exist, the analogy given by Saunders et al. (2009) is preferred here in this research study, as it provides an unambiguous overall framework for the complete research process. The discussion here will be limited to the research strategy implemented, and its application to this particular research study, which will be explained in the next section.

### 3.2.1 Research strategy

Saunders et al. (2009) explained research strategy as a general plan of how the researcher will conduct the research and in the process, provide answers to the research questions. Bryman (2008) also identified research strategy as a general orientation to the conduct of research and thus provides the holistic direction of the research, including the process by which the research is conducted. Some of the general research strategies used in business and management are experiment, survey, case study, action research, grounded theory, ethnography, archival research, cross sectional studies, longitudinal studies and participative enquiry (Easterby-Smith et al., 2008; Collis & Hussey, 2009; Saunders et al., 2009). From these various strategies, this research sought to adopt the survey research strategy as the appropriate strategy for research. The following sections briefly describe the survey strategy and justify its preference as opposed to other strategies.

### 3.2.2 The research population and sample

The population and sample applicable to this research will be discussed in this section. A population is any precisely defined group of people, events or things that are of interest to and under investigation by the researcher and that meet the sample criteria for inclusion in this research (Terre Blanche et al., 2006). The selected Category B municipality used for this research study operates within the geographical area of the Eden District, situated in the Western Cape. This Category B municipality provides

basic services to the city and its surrounding areas. The population consisted of all the employees throughout the Category B municipality, which are permanently employed (excluding contract- and temporary employees). A total of 1122 salaried staff members are employed by the Category B municipality, ranging between a mixture of permanent, temporary and contract employees. Holistically, with an estimated population of 193 672 recorded in the 2011 Census and representing approximately 34 percent of the Eden District (Category B municipality, 2013), this municipality's experience of service delivery protests is very small, compared to other Category B municipalities within the Western Cape (Karamoko & Jain, 2011). The operational and financial performance is also commendable, as the municipality received unqualified financial audits since 2010, as indicated in the table below.

Table 3.1: Summarized financial audit outcomes between 2007 – 2012, (Source: Category B municipality, 2013)

| Year   | 2007/ 2008 | 2008/ 2009 | 2009/ 2010 | 2010/ 2011                 | 2011/ 2012                   |
|--------|------------|------------|------------|----------------------------|------------------------------|
| Status | Qualified  | Qualified  | Adverse    | Unqualified - with matters | Unqualified -<br>Clean audit |

The Category B municipality was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality.

A sample is a representation of the population that is selected for the research and consists of a selection of participants from the population (Bryman & Bell, 2007). The sample aims to represent the main interests of the research (Terre Blanche et al., 2006). Terre Blanche et al. (2006) explained that the sample is selected from the population, and is simply the elements or people that form part of this research. Zikmund (2003) explained that an adequate sample will have the same characteristics of the population. Burns and Bush (2010) also explained that the sample size has an impact on how the sample findings would correctly represent the population.

A convenience sampling technique was used to identify the sample. A convenient sample consists of subjects included in the research because they happen to be in the right place at the right time and can provide the information required by the researcher (Hair et al., 2007). Questionnaires were distributed to the available employees on one particular day, with the assistance of an employee at the Category B municipality. The basic idea of sampling is that, by the selection of members of the population, the researcher would be able to draw conclusions regarding the entire population, where sampling refers to the process of selecting elements to observe (Terre Blanche et al., 2006).

Hair et al. (2006) explained that small or very large samples have a negative influence on the statistical tests because either the sample is not big enough to make generalizations or too big to reach any conclusions. Questionnaires were distributed (via email) to 800 permanently employees/ respondents at the Category B municipality of which the total employment profile is given in Table 1.1 of Chapter 1. The sample of the research included all permanently employees at the category B municipality who could read and write in English, which accounted for about 800 employees. The respondents needed to be able to read and write in English as the questionnaire was only available in English. Section G of the questionnaire was translated into Afrikaans as well, due to a large portion of the population's home language being Afrikaans (Category B municipality, 2013). The researcher distributed 800 questionnaires and conservatively envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis. Eventually only 205 respondents participated.

This equates to a response rate of 25.63 percent. Bryman and Bell (2007) indicated that a response rate of less than 50 percent would provide an incorrect generalization of the entire population. The sample size was considered adequate and representative due to an excellent internal reliability analysis, based on the Cronbach Alpha coefficient.

Subjects included in the sample were selected based on certain criteria. The employees throughout the Category B municipality had to meet the following criteria to be included in the sample. They should:

- Be permanently employed by the Category B municipality;
- Be of either sex;
- Be willing to participate.

### 3.2.3 Research design

Research design is the research process that entails the general assumption of the research pertaining to the method of data collection and analysis (Creswell, 2009). Creswell (2009) went on to explain that the choice of the research design depends on the objectives of the research study that would enable the research questions to be answered. This research mainly focuses on the study of vertical trust relationship between employees and managers within local government. Specific focus will be on a Category B municipality situated in the geographical area of the Western Cape. The research attempts to establish whether the vertical trust relationship between the two parties have an influence on effective and efficient service delivery to the community which that Category B municipality serves.

In order to meet the objectives of this research study, a descriptive research design has been used, to illustrate the effects of such a vertical trust relationship. This research design has been used to analyze this vertical trust relationship and the influence it has as a contributing factor, on effective and efficient service delivery to the community which that Category B municipality serves. An analytical research design has also been used to establish relationships between different independent and dependent variables



used in this research study. Descriptive research design is a method which includes surveys and fact-finding enquiries of different kinds (Shuttleworth, 2008) in order to illustrate characteristics of a population or a phenomenon. In this case, it is the vertical trust relationship between the two parties and what contributing influence it has on effective and efficient service delivery to the community which that Category B municipality serves. This involves observing and describing the behavior of a subject without influencing it by any means (Shuttleworth, 2008). This type of design is also conducted where there is previous understanding of the research problem (Zikmund, 2003). The descriptive research design will focus on a particular research method which was implemented and will be explained in the following section.

#### 3.2.4 Research method

Creswell (2009) explain three approaches to research design, being a qualitative approach, quantitative approach and a mixed approach. This research study adopted a quantitative approach and is explained as a formal, objective, systematic process to describe and test relationships and examine cause and effect interactions among variables (Creswell, 2009). This approach is one where the researcher uses post positivist claims for developing knowledge (i.e. cause and effect thinking, reduction to specific variables and hypotheses and questions, use of instrument and observation, the test of theories), employs strategies of enquiry such as experiments and surveys and collects data on predetermined instruments that yield statistical data (Creswell, 2009). This is regularly referred to as research where hypotheses testing are predominant. Such testing normally commence with statements of theory from which the research hypotheses are derived. Then an experimental design is created where the variables in question (the dependent variables) are measured while controlling for the effects of selected independent variables. Quantitative research is used to test an objective theory which usually requires the researcher to collect numerical data whereby it is statistically analyzed (Creswell, 2009). Therefore, quantitative research normally entails instruments that are used for collecting data and being in a position to make

generalizations about a population under investigation (Zikmund et al., 2010). In general, there are two types of quantitative research methods (Creswell, 2007):

**Survey:** This focuses on the collection of data by using a questionnaire in order to establish the opinions of a population, based on a sample of the population (Creswell, 2009). There are also other techniques which a researcher can use and include interviews, telephone calls and observations (Tharenou et al., 2007). A more detail discussion of surveys will be found in the survey section.

**Experiment:** (Tharenou et al., 2007) alluded to a process whereby the researcher divides participants into two groups, which is denoted as a control group and a treatment group. Experiments are then performed to test relationships between cause and effect. This usually involves a comparison of the control group to the treatment group.

Surveys are the most common way of collecting data and because this research opted for this quantitative research method, it is explained in detail below.

#### *3.2.4.1 Surveys*

(Zikmund et al., 2010) described a survey as a research technique in which responses are collected through instruments from a sample in some form or the behavior of respondents is observed and described in some way. Surveys are a regular method of collecting data in research studies, by employing a questionnaire that collects data from a sample, after which that data is statistically analyzed (Saunders et al., 2009). Quantifiable data from respondents are normally collected through the surveys, in order to measure, examine, analyze and generalize the findings. Zikmund (2003) explained that surveys became a scientific and accurate way of collecting data to quantify the gathered information. Creswell (2009) went on to explain that surveys usually record perceptions of respondents about opinions, attitudes and beliefs, which is normally an inexpensive and efficient way of gathering the required information relating to the

population or a sample of it. Of importance is that, by using a questionnaire as the primary source to gather information from respondents, the questionnaires should be logical and follow a certain order that would allow the respondents to record facts, comments and attitudes (Hague, 2002).

A common method of collecting data for surveys is using Likert scales. Likert scales are used for measuring attitudes and behaviours which requires respondents to choose a statement from a number of statements. These statements normally range from “strongly disagree” to “strongly agree” (Saunders et al., 2009). Zikmund (2003) further explains that the respondent would then normally choose a response from a set of five statements where each response is assigned a weight and then would allow the researcher to conduct statistical analysis. These choices made by the respondents are an indication that the respondents agree with the statements and inherently allow them to express their feelings (Zikmund, 2003). The questions posed in the questionnaire must also be structured in such a way whereby similar questions are placed in the same category, which would make it easier for the respondents to follow (Saunders et al., 2009).

This research used a Likert scale that implemented a five point scale as opposed to a seven point scale, because the five point scale reduces the level of frustration amongst respondents and simultaneously increases the rate and quality of the responses (Prayag, 2007). Based on the Likert scale, questions were posed to respondents to best describe the vertical trust relationship between municipal employees and managers. This relationship was tested by focusing on various questions based on the respondents’ perceptions of job satisfaction, communication, employee empowerment, and management reporting and performance management within the Category B municipality (see Appendix A for structure of the Likert scale). The survey instrument design, in the form of a questionnaire, was created and will be discussed in the following section.

### 3.2.4.2 Survey measuring instrument

The questionnaire, as measuring instrument used in the research, was divided into seven sections of which the data was collected by means of a structured questionnaire, attached as Appendix A. These sections were preceded by an explanation and cover letter by the researcher of what the questionnaire entails. The questionnaire included sharing the objective of the research and was combined with a voluntary consent explanation.

The questionnaire was structured according to sections, consisting of a Section A, Section B, Section C, Section D, Section E, Section F and Section G. Section A included eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. This section required the respondents to select an option by making a cross opposite the respondents' selected options. Section B to Section F included an instruction sheet as to how these sections needed to be completed, and consisted of the following amount of questions each:

- Section B: eleven questions which related to respondents' perceptions of job satisfaction;
- Section C: seven questions which related to respondents' perceptions of employee empowerment;
- Section D: twelve questions which related to respondents' perceptions of communication;
- Section E: seven questions which related to respondents' perceptions of employee management reporting;
- Section F: seven questions which related to respondents' perceptions of performance management;

Throughout these sections, the respondents were requested to respond to statements which were based upon a 5 point Likert scale. The sections related to dimensions or measures that may have an influence on the vertical trust relationship between municipal employees and managers. In the last section, identified as Section G, the questionnaire also contained eight open-ended questions relating to the respondents' personal view of trust between the municipal employees and managers. They were requested to add any comments in the space provided on the last two pages of the questionnaire.

### 3.2.5 Data collection

The data collection process will be discussed, based on illustration of this collection in Figure 3.1 below.

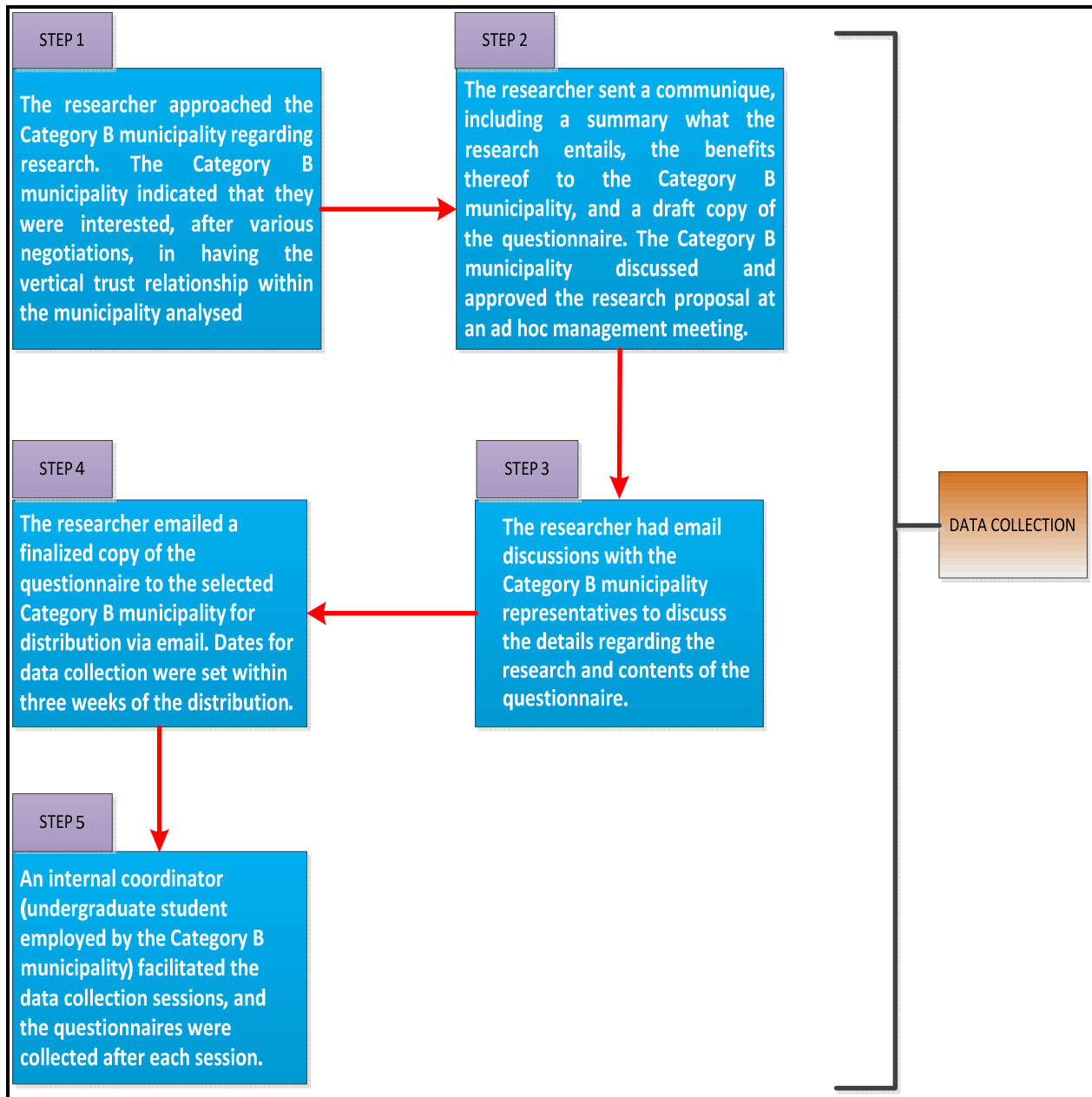


Figure 3.1: Data collection process, (Source: Own Compilation)

The questionnaire was chosen as data collection instrument. A questionnaire is a printed self-report form, designed to source information that can be obtained, for purposes of a specific research, through written responses of the subjects (Collis & Hussey, 2009). The questionnaire was administered and the data was collected from a sample (N=205) of the municipal employees, which are permanently employed (those which could read and write in English) within the area of jurisdiction of the Category B municipality. The data collection process began when the researcher approached the executive management of the Category B municipality and ascertained whether they are interested in a research study which focuses on the vertical trust relationship between municipal employees and managers and whether such relationship is a contributing factor in producing effective and efficient basic services by the municipality to the community. The researcher was assisted by an employee, labeled by the researcher as the internal coordinator, at the municipality to convince the executive management to participate.

The researcher sent an email to the executive management which contained a brief discussion on the research and the potential benefits which it may hold for the municipality. This was accompanied by a draft questionnaire which the executive management had to approve. The research proposal was discussed and approved at an ad hoc executive management meeting, after various email communications which gave the researcher permission to conduct the research. This process was followed by the collation of the final questionnaire which was attached as Appendix A and sent for email distribution by the Human Resource offices at the municipality. The internal coordinator, also busy with similar studies at an undergraduate level, administered the progress and feedback of all the participants. The data collection process took place over the duration of one month as the response rate of those who participated was extremely sporadic. The data collection process was followed by processing of data capturing and will be discussed in the next section.

### 3.2.6 Data capturing

The data capturing and statistical analysis focused on the manner in which the collected data was processed and analyzed. This would enable the researcher to draw conclusions and interpretations. Once the data was collected from the municipality, the internal coordinator categorized the questionnaires per department. These questionnaires were then couriered to the Statistical Consultation Services at the Northwest University, Potchefstroom Campus. A Professor at the Statistical Consultation Services conducted the capturing and transferred it to a statistical data analysis program, called SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009).

### 3.2.7 Data and statistical analysis

The data analysis commenced after the data was collected and captured in order to make sense of the research and attain certain findings (Field, 2009). The quantitative data were analyzed, using SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009). Firstly, all the information from the various sections of the questionnaire was analyzed statistically by using descriptive analysis (Creswell, 2009). Descriptive statistics were used in order to provide a set of scores that are obtained from the respondents and to illustrate basic patterns in the data (Neuman, 2006). Punch (2005) explained that the benefits of conducting a descriptive analysis is that it keeps the researcher close to the data and it enables the researcher to understand the distribution of each variable across the questionnaire respondents (Punch, 2005).

Descriptive statistics were used to summarize Section A of the questionnaire which related to the biographical details. This was done in order to develop a unique profile of the municipality's existing vertical trust relationship (Sections B – G). During the analysis of the research data, frequency tables were used to portray and understand the data. Punch (2005) explained that frequency tables describes the individual scores in



the distribution and are tabulated based on how many respondents achieved in each score, or gave to each response or fell into each category. All the sections of the questionnaire were analyzed statistically by using these frequency distributions as the results can be portrayed as tables of graphs. These graphs and table would make the results easy to illustrate and assist the researcher to get a basic perception of the characteristics of the data (Neuman, 2006). Once the data was analyzed through the frequency tables, graphs were constructed in order to graphically represent the data contained in the frequency tables.

The descriptive statistical analysis also calculated the mean and standard deviations of the data. Levine et al. (2011) defines the mean as the sum of all the values in a data set divided by the sum of the values in the data set. This offers a general picture of the data without overwhelming the researcher with each of the observations in the data set. It is simply the average of the various responses pertaining to a scale. The standard deviation was used to measure the scattering of the data. Scattering explains how the data are clustered around the mean as opposed to the standard deviation which measures scattering and is the degree of deviation of the numbers from their mean (Levine et al., 2011).

Before the next section will be discussed, the researcher would like to explain the term variable and then distinguish between a dependent variable and an independent variable, in order to link these terms to the current research study as follows (Levine et al., 2011): A variable is a characteristic of an item or individual and is an abstract representation of a phenomenon (e.g. fear, intelligence, trust) that can occur at two or more levels. An independent variable is the variable that the researcher suspects is the cause of some behaviour. A dependent variable is the behavioural response from participants that is observed. For purposes of this research, the dependent variable under examination is the vertical trust relationship between municipal employees and their managers. The independent variables under examination are shown as the five categories, called job satisfaction, employee empowerment, communication, and management reporting and performance management.

### 3.2.8 The reliability scale

The reliability and validity of research results is an important factor that need to be considered when evaluating a research instrument (Zikmund, 2003). The factor is the statistical criteria employed to evaluate whether the research provides a good measure. A detailed explanation of the factor will be discussed below.

#### 3.2.8.1 *Reliability*

Zikmund (2003) explains reliability as the degree to which an instrument's measures are free from error and that would yield consistent results. Research findings are reliable if such findings can be repeated (Collis & Hussey, 2009). Reliability provides an indication of how consistent the research findings are, based on the method of data collection and analysis (Saunders et al., 2009). Zikmund and Babin (2010) explain that reliability is an indicator of a measure's internal consistency. Research (Collis and Hussey, 2009) acknowledged three essential methods that are accepted for estimating the reliability of responses of a measurement scale: test-retest, split-halves method and internal consistency method. The most commonly used method is the internal consistency method, with specific reference to the Cronbach Alpha coefficient.

The reliability of the questionnaire used in this research was assessed through the use of the Cronbach's Alpha coefficient. Cronbach's Alpha refers to the degree to which the measuring instrument items are homogenous and reflect identical underlying constructs (Pallant, 2007). Bryman and Bell (2007) stated that Cronbach's Alpha is a commonly used test of internal reliability, which essentially calculates the average of all possible split-half reliability coefficients. Once computed, the Cronbach Alpha will calculate a value that varies between one (representing perfect internal reliability) and zero (representing no internal consistency), with the values above 0.70 typically suggests high levels of internal reliability (Bryman & Bell, 2007). From the explanation of the

literature pertaining to reliability, research results reported extraordinary high levels of reliability in Section B to Section F as constructs of vertical trust relationship.

### 3.2.9 Analysis of standardized differences and correlation

This section will discuss the analysis of standardized differences and measures of correlation, in order to evaluate the relationships between Section B to Section F.

#### 3.2.9.1 Analysis of standardized differences

Standardized difference scores are spontaneous indices which measure the effect size between two groups and are independent of sample size (Yang & Dalton, 2012). It is an analysis of the variance present in a research study, which determines whether statistically noteworthy differences of means occur between two or more groups. These scores are used when groups, which have some continuous characteristics (academic achievement, intellectual intelligence, cholesterol level), are compared with one another (Steyn, 2009). Cohen (1962) suggested an effect size index (Cohen's  $d$ ) for the comparison of two sample means. This statistical index can be interpreted as a sample-based estimate of the strength of the relationship between two variables in a statistical population. More specifically, it can be interpreted as a measure of the average difference between means expressed in standard deviation units (Graziano & Raulin, 2010). Cohen's  $d$  will be used to assess the effect size, based on two symmetrically-distributed samples (Cohen, 1988).

The standardized difference by measuring the effect size between two groups will be calculated as:

$$d \equiv \delta = \frac{\mu_1 - \mu_2}{\sigma}$$

Where:

$\delta$  = maximum standard deviation between  $\mu_1$  and  $\mu_2$

$\mu_1$  = mean of group 1

$\mu_2$  = mean of group 2

Cohen (1998) suggested that the effect size indices of 0.2, 0.5, and 0.8 can be used to represent small, medium, and large effect sizes, respectively. Cohen indicated that a medium effect of 0.5 is large enough to be identifiable by inspection. A small effect of 0.2 is noticeably smaller than medium and occurs where measurements are done without any sort of proper experimental controls which can cancel out the effect of background variables. A large effect of 0.8 is an important difference and agrees with what is generally considered to be a definite difference. Once these indices are interpreted, the researcher will refer to the outcome as being of practical significance or not. Practical significance looks at whether the difference is large enough to be of value in a practical sense (Steyn, 2009).

The research questions whether municipal employees' trust in their manager, at the selected municipality, will influence their performance which will lead to effective and efficient basic service delivery to the community. This hypothesis is constructed, based on how managers contribute towards:

- the municipal employees' job satisfaction;
- empowering the employees;
- communication between the two parties;
- the manner in how managers' report to- and align employees to achieve goals;
- employees performance management

The effect sizes will then aim to measure, by categorizing biographical data, the differences in scores for each of the categories, namely job satisfaction, employee empowerment, communication, management reporting and performance management. The effect size indices were used to ascertain whether there were significant variances present between these categories.

### *3.2.9.2 Measures of correlation*

The research conducted also wanted to ascertain whether there was any influence the biographical data had on the five categories mentioned in 3.3.9.1, which were supplemented by the inter-relationships of the five categories. This analysis was conducted by evaluating the linear relationship through correlation. A coefficient of correlation, indicated by the Greek letter  $\rho$  (*rho*), measures the relative strength of a linear relationship between two or more quantitative variables and is derived by evaluating the variations in one variable as another variable also varies (Levine et al., 2011). This research will analyze the Pearson's correlation coefficient which assesses the extent to which values of two variables are linearly related to each other. This will assist the researcher to indicate the direction, strength and the significance of the multivariate relationship between the variables and will enable to provide the researcher with information regarding the likelihood that the coefficient will be found in the population from which the random sample was taken (Bryman & Bell, 2007).

Respondents were requested to indicate their responses on a 5- point Likert scale after which the data will be tested between categories. Levine et al. (2011) explains that coefficient of correlation can range from -1.00 to +1.00; where the value of -1.00 represents a perfect negative correlation, while a value of +1.00 represents a perfect positive correlation and a value of 0.00 represents a lack of correlation. A negative correlation between two variables is where one variable's value tends to increase, the other variable's value tends to decrease in a predictable manner. A positive correlation refers to a relationship between two variables, where one variable's values tend to increase, the other variable's values also tend to increase in a predictable manner.

When the coefficient of correlation gets closer to +1 or -1, the linear relationship between the two variables would be interpreted as strong or significant.

Lastly, the biographical data like age, gender and salary level were tabulated with the various categories of independent variables and were presented in percentages and means.

The results of the data and statistical analysis will be discussed in detail later in this chapter.

### *3.2.10 Pilot testing of the questionnaire*

A pilot was done which refers to a trial administration of an instrument in order to identify flaws. The pretest was necessary to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009).

The researcher piloted the questionnaire on eleven respondents within the Category B municipality. All of those respondents answered with the following suggestions:

- The format and structure of the questionnaire changed in Section A to Section F;
- Section G was also translated to Afrikaans in order for respondents to respond in their own words in how they perceive trust between municipal employees and managers.
- A few questions were added pertaining to strategic management in order to ascertain whether municipal employees participate in formulating strategic objectives for the municipality. Questions relating to the managers' involvement in the employees' career development were also added.

### 3.2.11 Ethical considerations

Apart from expertise and diligence, the process of conducting research requires honesty and integrity and is done to recognize and protect the rights of those participating in the research, as well as prior research done on the research topic (Saunders et al., 2009). It is imperative that researchers perform their research in an ethical manner. There are many ethical considerations, especially in primary research, on which researchers need to be vigilant. Eight considerations were explained, of which the researcher will elaborate on three which is relevant to the current research study (Driscoll & Brizee, 2012):

- The process of data collection was done in a way whereby the researcher forthrightly ensured a non-disclosure of the respondents' information. The participants were informed that their research findings will be anonymous and that their personal identity will not be made public. In a brief explanation, the participants were also explained as to what the research entails.
- The capturing and processing of the respondents data were captured and analyzed by an independent service provider at the Northwest University. This meant that the researcher had no undue influence over the expected results and did not manipulate or distort any data whatsoever. By doing so, the researcher acted in an unbiased manner throughout the collection, capturing and statistical analysis of the data.
- The objective of the research was to ascertain a possible link between one dependent variable and five independent variables and what the influence would be on effective and efficient basic services delivery. The researcher used the findings for academic purposes and to compile a report that will be made available for perusal by the executive management of the Category B municipality.

### 3.3.12 The response rate

Table 3.3 illustrates the response rate which was achieved for this research. The total population for this research was 983 employees which were permanently employed at the Category B municipality. The sample was narrowed down as the researcher differentiated between the total permanently employed employees and those who could read and write in English. The final sample accounted for 800 permanently employed employees of which 205 respondents participated. The statistical analysis indicated that a total of 48 questionnaires had responses where some questions were not answered. The statistics program excluded those questions and, where questions were not answered, a valid percentage was calculated. The valid percentage expresses the number responding as a percentage of those who correctly responded (Levine et al., 2011). The response rate (total number of questionnaires received/ total sample size) was 25.62 percent.

Table 3.2: The response rate, (Source: Own Compilation)

| <b>Category B municipality population and sample</b> | <b>Amount and percentage of responses</b> |
|--|---|
| <b>Population</b>                                    | 983                                       |
| <b>Sample</b>  | 800                                       |
| <b>Total responses</b>                               | 205                                       |
| <b>Total response rate</b>                           | 25.62%                                    |



### 3.3 Findings of the empirical investigation

This section will provide a detailed analysis of the empirical investigation conducted as indicated in the research methodology.

#### 3.3.1 Biographical information of the respondents

The statistics program, SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., was used to analyze the biographical information. Appendix C contains all the frequency tables and bar graphs for the biographical information captured in the questionnaire. Approximately 1.9 percent of the respondents neglected to complete some of the biographical information. This has been neutralized by using the valid percent. The researcher will indicate where the valid percentage will be used.

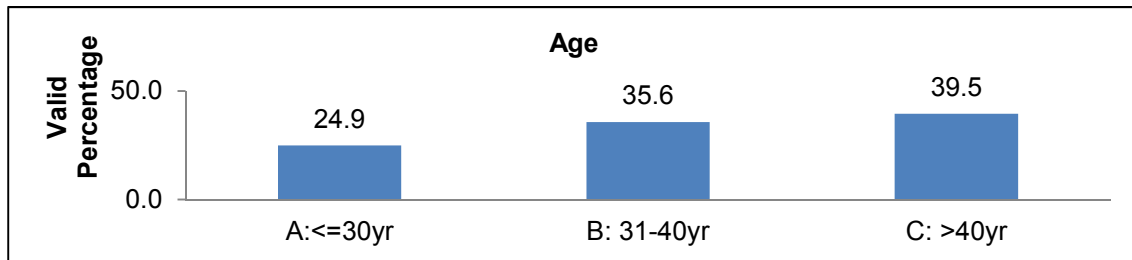


Figure 3.2: Age of respondents, (Source: Own Compilation)

The figure above illustrates the age of the respondents which participated in this survey. From the 205 respondents, 51 (24.9 percent) were younger than 30 years, 73 (35.6 percent) were between 31 years and 40 years old, and 81 (39.5 percent) were older than 40 years of age. From the responses it can be concluded that the majority of the respondents older than 40 years have been employed by the Category B municipality for many years.

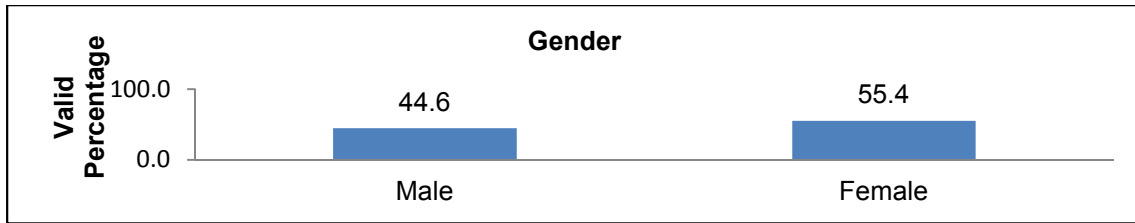


Figure 3.3: Gender of the respondents, (Source: Own Compilation)

The figure above illustrates that 204 respondents indicated their gender, of which 91 (44.6 valid percent) were male and 113 (55.4 valid percent) were female. This response rate is contrary to the existing employment profile of the Category B municipality's pertaining to gender. Permanently employed male employees constitute 64.5 percent of the permanently employment profile, as indicated in Table 1.1.

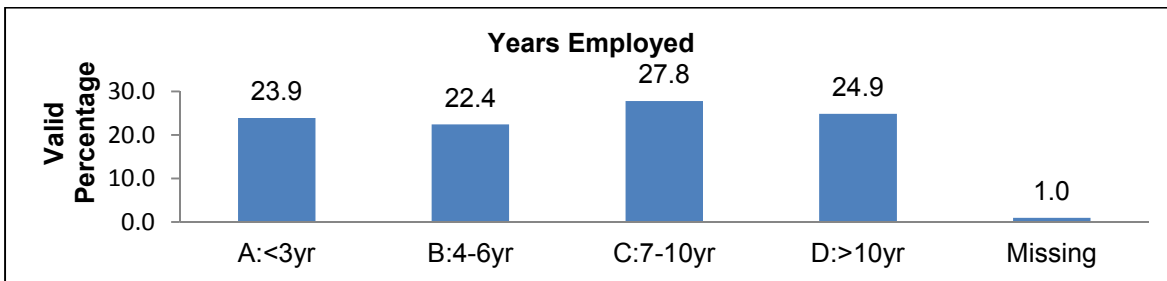


Figure 3.4: Amount of years employed by Category B municipality, (Source: Own Compilation)

The figure above illustrates the amount of years employed at the Category B municipality, of which 203 respondents responded. A total of 49 (23.9 valid percent) were employed for less than three years, 46 (22.4 valid percent) between four and six years, 57 (27.8 valid percent) between seven and 10 years and 51 (24.9 valid percent) for >10 years. The statistical feedback indicated that one percent did not respond to this question. The analysis indicates that the majority of the respondents at the Category B municipality are employed in excess of seven years.

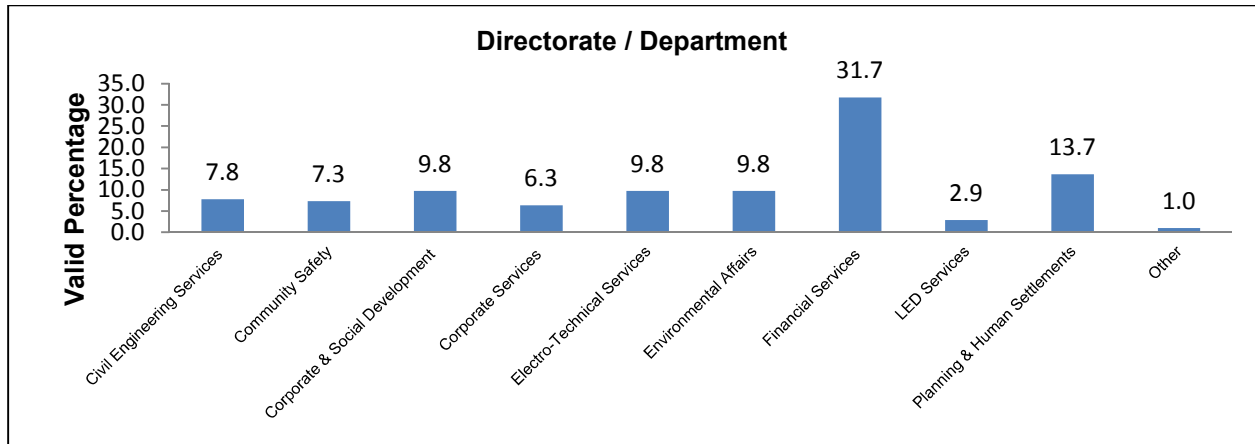


Figure 3.5: Departments where respondents are employed, (Source: Own Compilation)

The figure above illustrates the diversity of departments in which respondents are employed, of which 203 respondents responded. A total of 16 were employed in Civil Engineering Services, 15 in Community Safety, 20 in Corporate and Social Development, 13 in Electro Technical Services, 20 in Electro Technical Services, 20 in Environmental Affairs, 65 in Financial Services, 6 in Local Economic Development (LED) Services, 28 in Planning and Human Settlements and two in other departments.

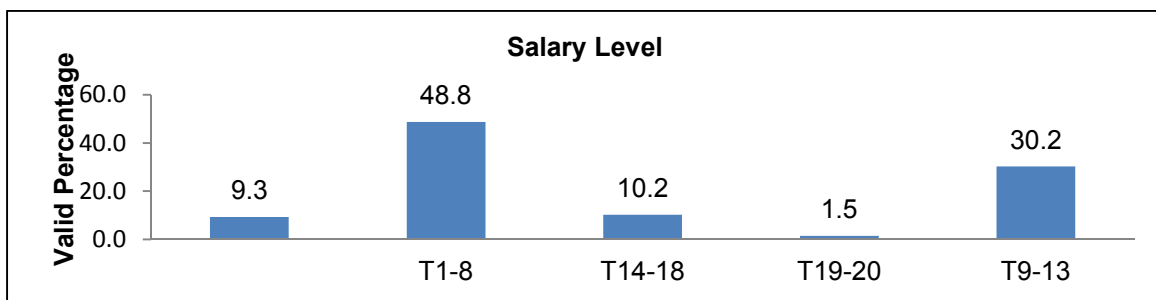


Figure 3.6: Salary level of respondents, (Source: Own Compilation)

The figure above illustrates the salary level of the respondents of which 194 respondents responded. A total of 19 did not know their salary level, 100 indicated T1 – T8 (unskilled/ semi- skilled), 62 indicated T9 – T13 (skilled), 21 indicated T14 – T18 (middle management), and 3 indicated T19 – T20 (senior management). The explanations of all the salary levels are provided in the list of definitions.

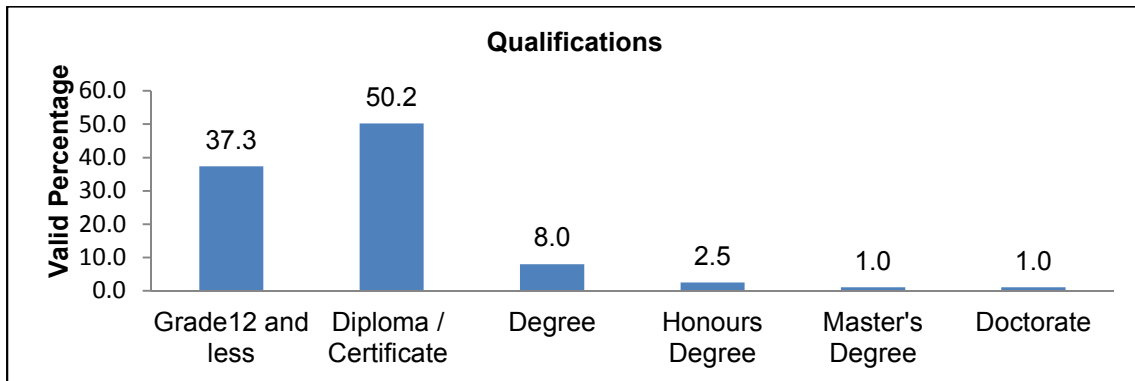


Figure 3.7: Level of Education/ Qualification, (Source: Own Compilation)

The figure above illustrates the level of education and qualifications which the respondents achieved, of which 201 respondents responded. A total of 75 only had Grade 12 and less, 101 had a Diploma/ Certificate, 16 had a Degree, 5 had an Honors degree and 2 had a Master's and Doctorate degree respectively. The analysis concludes that a significant amount of respondents had no formal level of higher education.

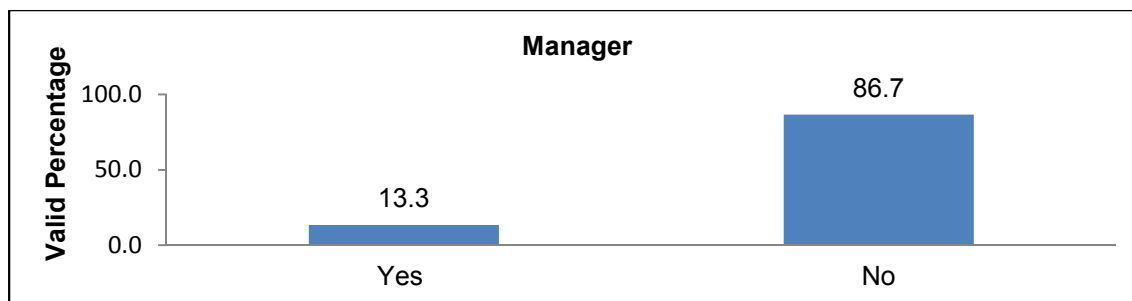


Figure 3.8: Amount of managers which participated, (Source: Own Compilation)

The figure above illustrates the amount of managers which participated as opposed to employees, of which 203 respondents responded. A total of 27 indicated that they are managers as opposed to 176 which indicated that they are employees. This response rate equates to a manager to employee ratio of 1: 6.51.

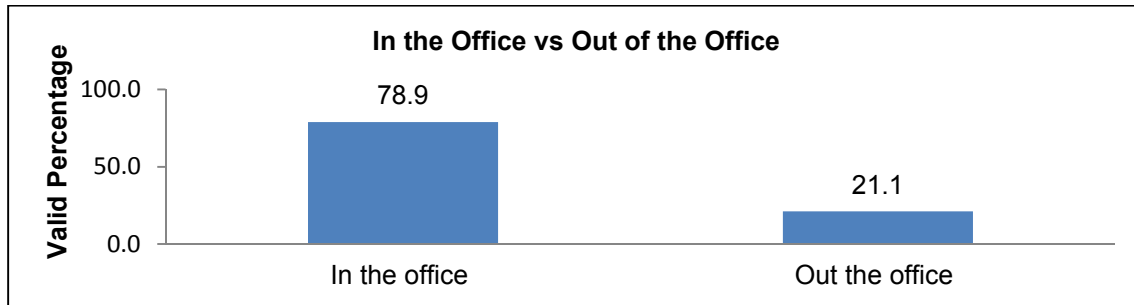


Figure 3.9: Amount of Respondents spending most of the time out of office, (Source: Own Compilation)

The figure above illustrates the amount of respondents which spend most of their time out of the office, of which 199 respondents responded. A total of 157 indicated that they are in the office most of the time. A total of 42 indicated that they spend most of their time out of office. The contextual reference to this question was to ascertain how employees feel about the vertical trust relationship despite not engaging with managers on a frequent basis as a result of their respective job descriptions.

### 3.3.2 Internal reliability of the measuring instruments

This part will explain the reliability of the measuring instruments used in Section B to Section F of the questionnaire. The researcher would like to reiterate the importance of the internal reliability because this shows whether or not an instrument's measures are free of error if such findings can be repeated and provides an indication of how consistent the research findings are (Collis & Hussey, 2009). The Cronbach Alpha

scores were used for measuring the reliability of job satisfaction, employee empowerment, communication, and management reporting and performance management as vertical trust dimensions, and will be discussed in the next section.

### 3.3.2.1 The Cronbach's Alpha reliability scores for the five measuring instruments contained in the questionnaire

Table 3.3 shows the Cronbach's Alpha coefficients for the five measuring instruments identified in Chapter 2 as job satisfaction, employee empowerment, communication, and management reporting and performance management.

Table 3.3: Cronbach's Alpha coefficient scores for measures of vertical trust,  
(Source: Own Compilation)

| Vertical Trust Scales  | Mean  | Standard Deviation | Cronbach's Alpha Coefficient | N of Items in Questionnaire | Cronbach's Alpha Rating |
|------------------------|-------|--------------------|------------------------------|-----------------------------|-------------------------|
| Job Satisfaction       | 33.17 | 11.21              | <b>0.94</b>                  | 11                          | Excellent               |
| Employee Empowerment   | 18.99 | 7.66               | <b>0.93</b>                  | 7                           | Excellent               |
| Communication          | 30.45 | 12.22              | <b>0.96</b>                  | 12                          | Excellent               |
| Management Reporting   | 18.03 | 7.62               | <b>0.95</b>                  | 7                           | Excellent               |
| Performance Management | 18.67 | 7.10               | <b>0.90</b>                  | 7                           | Excellent               |

*All figures rounded off to two decimal places*

The explanation of the Cronbach's Alpha coefficient was indicated by Bryman and Bell (2007) and provided the following rules of thumb for the value of Cronbach's Alpha:

- $>.9$  – Excellent;
- $>.8$  – Good;
- $>.7$  – Acceptable;
- $>.6$  – Questionable;
- $>.5$  – Poor; and
- $<.5$  – Unacceptable

A high level of Cronbach's Alpha thus indicates a good to excellent internal reliability of the items or statements portrayed in the measuring scales. From the interpretations pertaining to the rule of thumb as depicted in Table 3.3, all five vertical trust dimensions were in excess of 0.90 and thus found to have excellent internal reliability. This indicates that all the dimensions yielded consistent results and can therefore be repeated with the probability of receiving the same results in future. The five dimensions used, is a reliable measurement of vertical trust relationship between municipal employees and managers. The item-total statistics relating to the Cronbach's Alpha coefficient for each of the five vertical trust dimensions are attached as Appendix B. These tables will indicate the internal reliability of the dimension if the respective items were to be deleted. The researcher assessed the item-total statistics regarding the municipal employees' perception of communication as a vertical trust dimension. This dimension was chosen as it had the highest internal reliability of all the dimensions tested in this research. Table 3.5 will depict all the statements tested as Section D statement 1 – 12. This table indicates that if the respective statements within Section D is deleted, it is clear that all the Cronbach's Alpha scores are highly reliable, ranging between 0.956 and 0.963.

Table 3.4: Item- total correlation and Cronbach's Alpha coefficient scores of communication as a vertical trust dimension, (Source: Own Compilation)

| Statements of Communication | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-----------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| Section D Statement 1       | 27.96                      | 125.609                        | .816                             | .958                             |
| Section D Statement 2       | 27.27                      | 128.574                        | .681                             | .962                             |
| Section D Statement 3       | 27.97                      | 124.238                        | .850                             | .958                             |
| Section D Statement 4       | 27.99                      | 124.744                        | .848                             | .958                             |
| Section D Statement 5       | 28.22                      | 126.726                        | .823                             | .958                             |
| Section D Statement 6       | 28.03                      | 124.332                        | .862                             | .957                             |
| Section D Statement 7       | 27.97                      | 123.127                        | .887                             | .956                             |
| Section D Statement 8       | 28.07                      | 124.796                        | .864                             | .957                             |
| Section D Statement 9       | 28.11                      | 123.832                        | .893                             | .956                             |
| Section D Statement 10      | 27.90                      | 126.223                        | .825                             | .958                             |
| Section D Statement 11      | 27.63                      | 128.457                        | .699                             | .962                             |
| Section D Statement 12      | 27.87                      | 129.912                        | .646                             | .963                             |

*Figures (except for scale mean if deleted) is rounded of the three decimal places*

From the table, the researcher can derive that the dimension's internal reliability is excellent and will have no significant change in the Cronbach's Alpha coefficient scores, if one of the items/ statements is deleted. Appendix B will show that the remaining four vertical trust dimensions' internal reliability is extremely high, where the deletion on one item/ statement will not significantly change the various dimensions' Cronbach's Alpha coefficient results. This reiterates that the research instrument used in this research is seen as being internally reliable, which increases the reliability of this research.

Culminating with the excellent results of the internal reliability of each of the vertical trust dimensions tested in this research, the following section aims to discuss the results of



all the items or questions of Section B to Section F of the questionnaires in the next section.

### 3.3.3 Findings of responses to items within Section B to Section F of questionnaire

Results of all the items will be analyzed and interpreted as to how respondents' perceived these vertical trust dimensions within the Category B municipality. Each Section will be discussed independently. For ease of understanding, the researcher will interpret and divide the Likert scale into three categories of frequencies. The first category will combine 1) Strongly Disagree and 2) Disagree into one category. The second category will be 3) Neither agree nor Disagree, whereas the third category will consist of 4) Disagree and 5) Strongly disagree. Lastly, the mean of the responses relating to each item, will be used to make certain interpretations.

#### 3.3.3.1 Section B: Job satisfaction

Section B consisted of 11 items or statements relating to job satisfaction. Each statement will thus be analyzed.

From the perception of the respondents' attitude towards job satisfaction, only 203 participants responded to the first statement. A total of 73 (36 valid percent) indicated that they disagree with the statement that it is a pleasure to go to work daily. A total of 92 (45.3 valid percent) felt that it was a pleasure to come to work daily. The amount of participants which were unable to express their view, amounted to 38 (18.7 valid percent). The mean of 2.93 indicated that most of the respondents disagreed with this statement.

The second statement relating to whether the respondent takes pleasure in doing their work, a total of 203 participants responded. A total of 44 (21.5 valid percent) indicated that they disagree with the statement as opposed to 144 (71 valid percent) which indicated that they agree with the statement. The amount of participants which were

unable to express their view, amounted to 15 (7.4 valid percent). The mean of 3.53 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 199 participants responded to the statement that they have no intention to leave the municipality. The participants which disagreed with the statement was 64 (32.2 valid percent) as opposed to the 90 (45.2 valid percent) which agreed with the statement. The amount of participants which were unable to express their view, amounted to 45 (22.6 valid percent). The mean of 3.09 indicated that most of the respondents were neutral and unable to express an opinion.

The fourth statement revolved around whether the participants felt that the work they do adds value to basic service delivery with the city and surrounding communities. Only 200 participants responded of which 42 (21 valid percent) disagreed with the statement. Contrary, a total of 151 (75.5 valid percent) agreed that their work adds value to the municipality's core objective of effective service delivery. The amount of participants which were unable to express their view, amounted to 7 (3.5 valid percent). The mean of 3.73 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 203 participants responded to the statement of whether the Category B municipality is a great organization to work for, of which 61 (30 valid percent) disagreed and 93 (45.8 valid percent) agreed. The amount of participants which were unable to express their view, amounted to 49 (24.1 valid percent). The mean of 3.06 indicated that most of the respondents were neutral and unable to express an opinion.

The sixth statement related to whether employees would recommend anyone to work for the Category B municipality. A total of 202 participants responded of which 73 (36.1 valid percent) disagreed. A total of 77 (38.1 valid percent) agreed that they would recommend anyone to seek employment at the category B municipality. The amount of participants which were unable to express their view, amounted to 52 (25.7 valid percent). The mean of 2.84 indicated that most of the respondents disagreed with this statement.

A total of 204 participants responded to the statement that the employees' personal skills and capabilities are consequences of the good job they are doing. A total of 42 (20.6 valid percent) disagreed, as opposed to 140 (68.6 valid percent), which agreed that their skills sets do play a part. The amount of participants which were unable to express their view, amounted to 22 (10.8 valid percent). The mean of 3.58 indicated that most of the respondents were neutral and unable to express an opinion.

The eighth statement indicated that managers have employees' personal interest at heart whenever employees are required to do their jobs. A total of 200 participants responded of which 103 (51.5 valid percent) disagreed with the statement. A total of 59 (29.5 valid percent) agreed with the statement. The amount of participants which were unable to express their view, amounted to 38 (19 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The statement relating to whether working conditions allows employees to effectively do their jobs, were answered by 200 participants. A total of 98 (49 valid percent) disagreed that there are conducive working conditions, as opposed to the 55 (27.5 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 47 (23.5 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The tenth statement alluded to whether managers are actively involved in the employees' career path, of which 200 participants responded. A total of 115 (47.5 valid percent) disagreed, as appose to the 45 (22.5 valid percent) which agreed. The amount of participants which were unable to express their view, amounted to 40 (20 valid percent). The mean of 2.38 indicated that most of the respondents disagreed with this statement.

The last statement referred to whether the employees are assured that they will not lose their job. A total of 66 (32.5 valid percent) disagreed with the statement and 73 (36 valid percent) agreed that they are assured of not losing their job. A total of 64 (31.5 valid percent) participants were unsure of whether they are assured of not losing their jobs. The mean of 2.88 indicated that most of the respondents disagreed with this statement.

The analysis indicates that the majority of the respondents disagreed with most of the statements, with the rest being dominated by respondents which were neutral and unable to express an opinion.

### 3.3.3.2 Section C: Employee empowerment

Section C consisted of seven items or statements relating to employee empowerment. Each statement will thus be analyzed.

The first statement was aimed at whether the employees were scared to raise an opinion at work. A total of 204 participant responded of which 75 (33.8 valid percent) disagreed with the statement. Contrary, a total of 109 (53.4 valid percent) agreed that they are not scared to raise their opinions at work. The amount of participants who were unable to express their view, amounted to 20 (9.8 valid percent). The mean of 3.14 indicated that most of the respondents were neutral and unable to express an opinion.

The next statement revolves around whether the manager involves employees in decisions that affect their work. A total of 203 participants responded, of which 122 (60.1 valid percent) disagreed and 49 (24.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 32 (15.8 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.

The third statement relates to whether management installs confidence in employees in order for employees to do their work. A total of 201 participants responded, of which 95 (47.3 valid percent) disagreed with the statement. A total of 71 (35.4 valid percent) agreed that management installs confidence in employees for them to do their work. The amount of participants who were unable to express their view, amounted to 35 (17.4 valid percent). The mean of 2.71 indicated that most of the respondents disagreed with this statement.

A total of 202 participants responded to the statement which relates to whether managers allow employees to do their job the way employees see it best, as long as the

work is effectively done. A total of 77 (38.2 valid percent) disagreed with the statement, as opposed to the 91 (45.1 valid percent) participants which agreed. The amount of participants who were unable to express their view, amounted to 34 (16.8 valid percent). The mean of 2.97 indicated that most of the respondents disagreed with this statement.

The fifth statement which refers to whether management creates an environment in which successes are celebrated, were answered by 203 participants. A total of 116 (57.2 valid percent) disagreed in comparison with the 47 (23.1 valid percent) participants which agreed with the statement. The amount of participants who were unable to express their view, amounted to 40 (19.7 valid percent). The mean of 2.45 indicated that most of the respondents disagreed with this statement.

The next statement tested whether management encourages innovative ways to effectively deliver basic services to the city and surrounding communities. A total of 203 participants responded, of which 90 (44.3 valid percent) disagreed with the statement. This was in comparison to a total of 71 (35 valid percent) which agreed that management encourage innovative ways to effectively deliver basic services to the communities. The amount of participants who were unable to express their view, amounted to 42 (20.7 valid percent). The mean of 2.74 indicated that most of the respondents disagreed with this statement. Bouckaert (2012) implied that organizations need to search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance. From the empirical analysis conducted based on the Category B municipality, this element would need to be looked at in order to edge ahead of other similar Category B municipalities.

The last statement relates to whether the management empowers employees to make decisions that will positively influence their work, of which 192 participants responded. A total of 94 (54.4 valid percent) disagreed with the statement, whereas a total of 44 (22.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 54 (28.1 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

### 3.3.3.3 Section D: Communication

Section D consisted of 12 items or statements relating to communication. Each statement will thus be analyzed.

The first statement relates to whether management is transparent in the manner in which they conduct their work. A total of 197 participants responded, of which 105 (53.3 valid percent) disagreed and 45 (22.9 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 47 (23.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement. Tan and Lim (2009) explained in chapter two that transparency is important for information to be communicated, irrespective of whether employee engagements stems from formal or informal interaction.

A total of 197 participants responded to whether management trust the employees to do their job. A total of 52 (26.4 valid percent) participants disagreed and 103 (52.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (21.3 valid percent). The mean of 3.19 indicated that most of the respondents were neutral and unable to express an opinion.

The third statement relates to whether management communicates and displays a sense of fairness towards employees. A total of 201 participants responded, of which 110 (54.8 valid percent) participants disagreed and 53 (26.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement focused on whether management is consistent in their actions and behaviour. A total of 201 participants responded, of which 113 (56.3 valid percent)

disagreed. A total of 44 (22.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management deliver on their promises made to employees. A total of 199 participants responded, of which 123 (61.8 valid percent) participant disagreed with the statement. A total of 27 (13.5 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 49 (24.6 valid percent). The mean of 2.24 indicated that most of the respondents disagreed with this statement.

A total of 198 participants responded to the statement relating to whether management is always willing to discuss employees' personal wellbeing with immense compassion. A total of 116 (58.6 valid percent) participants disagreed and 44 (22.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (19.2 valid percent). The mean of 2.42 indicated that most of the respondents disagreed with this statement.

The seventh statement revolves around whether management make employees feel appreciated in the manner in which management communicate tasks to them. A total of 201 participants responded of which 112 (55.8 valid percent) participants disagreed and 51 (25.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement tested whether there is trust between management and employees. A total of 201 participants responded, of which 119 (59.2 valid percent) of them disagreed. A total of 40 (19.9 valid percent) participants agreed with that there is trust between management and employees. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.

The ninth statement focused on whether management is creating an environment whereby they can communicate honestly with employees. A total of 200 participants responded and 121 (60.5 valid percent) disagreed that such an environment exist. The total of participants who agreed to this statement, amounted to 40 (20 valid percent).The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.34 indicated that most of the respondents disagreed with this statement.

The tenth statement revolves around whether management effectively communicates the strategic objectives of the Category B municipality to the employees. A total of 200 participants responded and 98 (39 valid percent) participants disagreed with the statement. A total of 45 (22.5 valid percent) indicated that they agree that strategic objectives are effectively communicated to the employees. The amount of participants who were unable to express their view, amounted to 57 (28.5 valid percent). The mean of 2.55 indicated that most of the respondents disagreed with this statement.

The penultimate statement referred to whether the employees know and understand the key strategic objectives for effective service delivery over the next three years. A total of 200 participants responded of which 78 (39 valid percent) participant disagreed. The number of participants which agreed with the statement, amounted to 68 (34 valid percent). A total of 54 (27 valid percent) participants were not sure of what these key strategic objectives were. The amount of participants who were unable to express their view, amounted to 54 (27 valid percent). The mean of 2.82 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether the employees participate in the formulation of the Category B municipality's strategic vision. A total of 198 participants responded of which 101 (51.1 valid percent) disagreed with the statement. A total of 56 (28.2 valid percent) agreed that employees are involved in formulating the Category B municipality's strategic vision. The amount of participants who were unable to express their view, amounted to 41 (20.7 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.



The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

#### 3.3.3.4 Section E: Management reporting

Section E consisted of seven items or statements relating to management reporting. Each statement will thus be analyzed.

The first statement tests whether management is good in setting realistic goals and whether they assist employees in achieving those goals. A total of 200 participants responded, of which 112 (56 valid percent) participants disagreed with the statement. A total of 49 (24.5 valid percent) participants agreed that management sets realistic goals and assists employees to achieve it. The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.52 indicated that most of the respondents disagreed with this statement.

The next statement relates to whether management sees an employee's opinion on work related issues as important. A total of 201 participants responded, of which 105 (52.3 valid percent) disagreed. The total of participants who agreed with this statement, amounted to 54 (26.9 valid percent). The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

A total of 199 participants responded to the statement which relates to whether management is committed in getting employees' views on how to make the right decisions that may result in a prosperous Category B municipality. The total of participants which disagreed, amounted to 116 (58.3 valid percent) as opposed to 40 (20.1 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 43 (21.6 valid percent). The mean of 2.40 indicated that most of the respondents disagreed with this statement.

The fourth statement relates to whether the employee can trust management. A total of 200 participants responded, of which 112 (56 valid percent) participants responded. Those participants who agreed with the statement, amounted to 36 (18 valid percent). The amount of participants who were unable to express their view, amounted to 52 (26 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The next statement looked at whether management can align employees in a way that would enable employees to work towards a common goal. A total of 201 participants responded, of which 111 (55.3 valid percent) participants disagreed and 52 (25.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement.

The penultimate statement looks at whether management conduct themselves in a polite and professional manner when addressing work related issues to employees. A total of 201 participants responded, of which 93 (46.3 valid percent) participants disagreed. A total of 66 (32.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.68 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether employees feel that management is capable of implementing strategies that will successfully lead to a better delivery of basic services to the communities. A total of 202 participant responded, of which 70 (34.7 valid percent) participant disagreed. The amount of participants who agreed, amounted to 76 (37.6 valid percent). The amount of participants who were unable to express their view, amounted to 56 (27.7 valid percent). The mean of 3.00 indicated that most of the respondents were neutral and unable to express an opinion.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

### 3.3.3.5 Section F: Performance management

Section F consisted of seven items or statements relating to performance management. Each statement will thus be analyzed.

A total of 196 participants responded to the statement relating to whether performance feedback is regularly provided on how employees do their work. The amount of participants which disagreed, amounted to 129 (65.8 valid percent). A total of 40 (20.4 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 27 (13.8 valid percent). The mean of 2.22 indicated that most of the respondents disagreed with this statement.

The second statement related to whether employees believe that performance reviews are fairly and accurately conducted. A total of 195 participants responded of which 77 (39.5 valid percent) participants disagreed. The total of participants who agreed with the statement, amounted to 80 (41.1 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 2.89 indicated that most of the respondents disagreed with this statement. Mulki et al. (2006) indicated that trust in a manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager. The empirical analysis implied that managers in the Category B municipality would need to positively nurture beliefs about what employees think they are entitled to receive or should receive because employees perceive that their managers conveyed promises either implicitly or explicitly to provide fair performance feedback (Grobler et al., 2006).

The third statement revolves around whether the employees know and understand their performance agreement with the Category B municipality. A total of 195 participants responded, of which 63 (32.3 valid percent) disagreed with the statement. The total of participants which agreed with the statement, amounted to 94 (48.2 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 3.08 indicated that most of the respondents were neutral and unable to express an opinion.

The statement relating to whether employees will get good performance reviews if they deliver on their job responsibilities, as indicated in the performance agreement, were answered by 195 participants. Of those participants, a total of 73 (37.4 valid percent) disagreed and a total of 86 (44.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 36 (18.5 valid percent). The mean of 2.96 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management treats good performers different to how they treat non- performers. This statement was answered by 196 participants, of who 88 (44.9 valid percent) disagreed and 56 (28.6 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 52 (26.5 valid percent). The mean of 2.70 indicated that most of the respondents disagreed with this statement.

The sixth statement looks at whether management is committed to manage employees' performance and assists them in their career and personal development. A total of 198 participants responded, of which 110 (55.6 valid percent) disagreed with the statement. The total of participants who agreed with the statement, amounted to 38 (19.1 valid percent). The amount of participants who were unable to express their view, amounted to 50 (25.3 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The last statement focused on whether the employees were allowed by management to enroll for training programmes over the last 12 months. A total of 108 (55.4 valid percent) participants disagreed with the statement, as opposed to 62 (31.8 valid percent) participants who agreed with the statement. The amount of participants who were unable to express their view, amounted to 25 (12.8 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinions. Further details of this analysis in 3.3.3 are provided in Appendix C.

The researcher further analyzed the questionnaires to ascertain which statements received the highest responses, based on the 5- point Likert scale. The next section will discuss these responses, based on how the participants responded from 1) Strongly Disagree to 5) Strongly Agree. The responses were based on the valid percent of the actual participants who responded. The criteria, for how these statements were also selected, were based on whether more than 60 participants responded to a particular statement. These participants would represent more than 30 percent of those participants which responded and thus represent one third of those who chose a particular statement.

### 3.3.5 Statements with high level of “Strongly Disagree” responses

The analyses revealed that eight statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether the management is actively involved and support the employees in their career path at the Category B municipality, of which 34.5 valid percent strongly disagreed with this statement. This was from a total of 200 participants who responded. The second statement relates to whether performance feedback is regularly provided on how employees do their job, of which 35.21 valid percent strongly disagreed with the statement. This was from a total of 196 participants who responded. A graphical illustration of the eight statements is provided below.

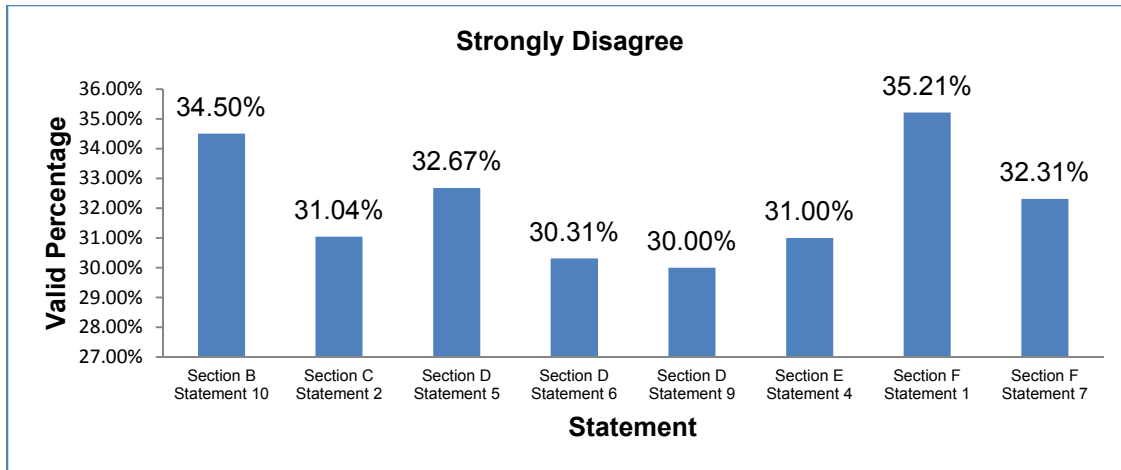


Figure 3.10: Statements with high frequency of “Strongly Disagree” responses, (Source: Own Compilation)

### 3.3.6 Statements with high level of “Disagree” responses

The analyses revealed that five statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first statement with the highest response relates to whether management is good in setting realistic goal and assists employees in achieving their goals. From a total of 196 participants who responded, 32.5 valid percent indicated that they disagree with the statement. The second statement relates to whether employees believe that there is trust between management and employees, of which 31.84 valid percent disagreed with the statement. This was from a total of 201 participants which responded. A graphical illustration of the five statements is provided below.

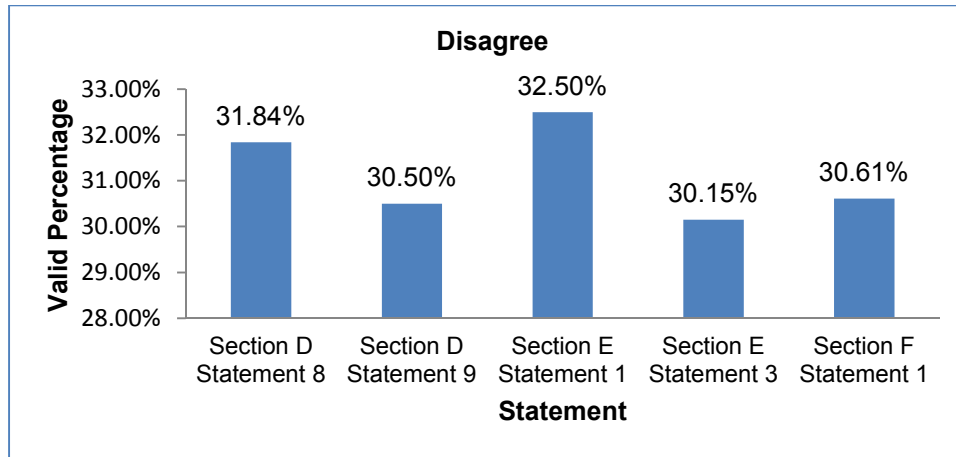


Figure 3.11: Statements with high frequency of “Disagree” responses, (Source: Own Compilation)

### 3.3.7 Statements with high level of “Agree” responses

The analyses revealed that eleven statements throughout Section B – Section F, had a high frequency of responses, who were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether employees take pleasure in doing their work, of whom 48.77 valid percent agreed with this statement. This was from a total of 203 participants who responded. The second statement relates to whether employees’ personal skills and capabilities are testimony of the good job they are doing, of who 44.12 valid percent agreed with the statement. This was from a total of 204 participants who responded. A graphical illustration of the eleven statements is provided below.

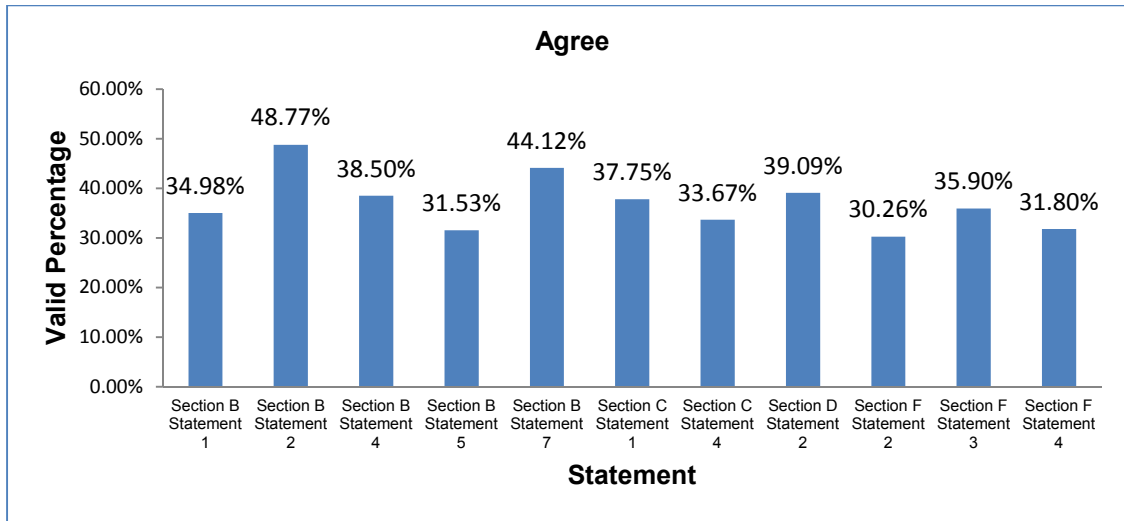


Figure 3.12: Statements with high frequency of “Agree” responses, (Source: Own Compilation)

### 3.3.8 Statements with high level of “Strongly Agree” responses

The analyses revealed that one statement throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. The statement relates to whether the work which employees do, add value in delivering basic services in the town and the surrounding communities. From the 200 participants who responded, 37 valid percent strongly agreed with this statement. A graphical illustration of the statement is provided below.

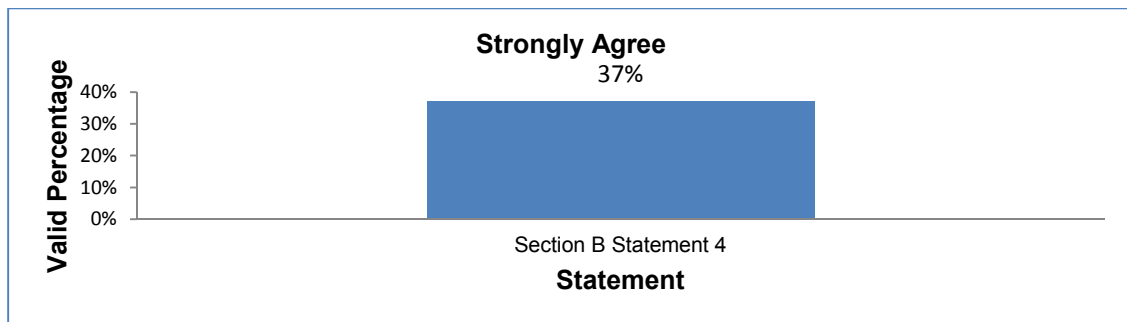


Figure 3.13: Statements with high frequency of “Strongly Agree” responses, (Source: Own Compilation)



More detail pertaining to the high frequency of responses based on the Likert scale, is provided in Appendix D.

The next analysis revolves around the results pertaining to all the items/ statements in Section B to Section F. The analysis will be done by categorizing and interpreting the responses of the biographical information in groups and assessing how the responses for Section B to Section F differed in comparison. This will be discussed by focusing on the effect sizes, in the next section.

### 3.3.9 Effect sizes indices for heterogeneous variances

The calculation of the effect sizes will assist the researcher to ascertain whether there are practically significant differences between two and more groups. This analysis was done by applying the Cohen  $d$  that assumes homogeneity of population variances and uses means and standard deviations of those groups which are being compared against each other (Cohen, 1988). The biographic information in Section A will be used to compare how the following groups fared in responding to the vertical trust relationship dimensions in Section B – to Section F:

- Effect sizes of how gender perceived those dimensions;
- Effect sizes of how the age groups perceived those dimensions;
- Effect sizes of how respondents with number of years employed perceived those dimensions;
- Effect sizes of how various departments perceived those dimensions;
- Effect sizes of how respondents with various salary levels perceived those dimensions;
- Effect sizes of how respondents with different qualifications/ levels of education perceived those dimensions;
- Effect sizes between managers and employees and how they perceived those dimensions; and

- Effect sizes of employees which spend most of their time out of office, as appose to being in the office

### 3.3.9.1 Effect sizes of how gender perceived those dimensions

Table 3.5 illustrates the effect sizes between the amount of males and females responded to the five vertical trust dimensions.

Table 3.5: Effect sizes for gender, (Source: Own Compilation)

| GENDER  |                        | N   | Minimum | Maximum | Mean | Std. Deviation | d     |
|---------|------------------------|-----|---------|---------|------|----------------|-------|
| Males   | Job satisfaction       | 91  | 1.00    | 5.00    | 3.06 | 1.06           | -0.05 |
|         | Employee empowerment   | 90  | 1.00    | 5.00    | 2.82 | 1.10           | 0.17  |
|         | Communication          | 90  | 1.00    | 5.00    | 2.60 | 1.06           | 0.07  |
|         | Management reporting   | 90  | 1.00    | 5.00    | 2.63 | 1.16           | 0.08  |
|         | Performance management | 89  | 1.00    | 5.00    | 2.69 | 1.08           | -0.03 |
|         | Valid N (list wise)    | 89  |         |         |      |                |       |
| Females | Job satisfaction       | 113 | 1.00    | 5.00    | 3.11 | 1.01           |       |
|         | Employee empowerment   | 113 | 1.00    | 5.00    | 2.63 | 1.07           |       |
|         | Communication          | 112 | 1.00    | 5.00    | 2.52 | 1.02           |       |
|         | Management reporting   | 112 | 1.00    | 5.00    | 2.54 | 1.05           |       |
|         | Performance management | 108 | 1.00    | 5.00    | 2.71 | 0.96           |       |
|         | Valid N (list wise)    | 107 |         |         |      |                |       |

From the interpretation of Cohen's  $d$  in the last column of Table 3.5, there is no significant difference in the manner in which both male and females perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.17, which constitutes a small effect size. The majority of their responses indicated that both genders generally disagreed with the statements within the various dimensions.

### 3.3.9.2 Effect sizes of how the age groups perceived those dimensions

The researcher categorized the age groups as <30 years, between 31 – 40 years and >40 years and older. Table 3.6 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

Table 3.6: Effect sizes for age groups, (Source: Own Compilation)

| AGE_1      |                        | N  | Mean | Std. Deviation | d_AB | d_AC  | d_BC  |
|------------|------------------------|----|------|----------------|------|-------|-------|
| A: <=30yr  | Job satisfaction       | 51 | 3.13 | 1.12           | 0.13 | 0.00  | -0.14 |
|            | Employee empowerment   | 50 | 2.73 | 0.99           | 0.14 | -0.05 | -0.17 |
|            | Communication          | 50 | 2.62 | 1.10           | 0.18 | 0.00  | -0.19 |
|            | Management reporting   | 50 | 2.62 | 1.09           | 0.20 | -0.09 | -0.28 |
|            | Performance management | 49 | 2.81 | 1.06           | 0.30 | -0.02 | -0.34 |
|            | Valid N (list wise)    | 49 |      |                |      |       |       |
| B: 31-40yr | Job satisfaction       | 73 | 2.98 | 0.98           |      |       |       |
|            | Employee empowerment   | 73 | 2.59 | 1.04           |      |       |       |
|            | Communication          | 73 | 2.42 | 0.97           |      |       |       |
|            | Management reporting   | 72 | 2.40 | 1.02           |      |       |       |
|            | Performance management | 70 | 2.49 | 0.97           |      |       |       |
|            | Valid N (list wise)    | 70 |      |                |      |       |       |
| C: >40yr   | Job satisfaction       | 81 | 3.13 | 1.04           |      |       |       |
|            | Employee empowerment   | 81 | 2.80 | 1.17           |      |       |       |
|            | Communication          | 80 | 2.62 | 1.06           |      |       |       |
|            | Management reporting   | 81 | 2.72 | 1.14           |      |       |       |
|            | Performance management | 79 | 2.83 | 1.00           |      |       |       |
|            | Valid N (list wise)    | 78 |      |                |      |       |       |

From the interpretation of Cohen's  $d$  in the last three columns of Table 3.6, there is no significant difference in the manner in which the three age groups perceived and

responded to the various dimensions. The effect size indices ( $d$ ) were between -0.34 and 0.30, which constitutes a small effect size. The majority of their responses indicated that the respondents disagreed with the statements within the various dimensions.

### *3.3.9.3 Effect sizes of how respondents with various years of employment perceived those dimensions*

The researcher categorized respondents' number years employed at the municipality in groups as <3 years, between 4 – 6 years, between 7 – 10 years and >10 years employed. Appendix E will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

From the interpretation of Cohen's  $d$  in the last six columns of Appendix E, there is no significant difference in the manner in which five of the six groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.28 and 0.38, which constitutes a small effect size. The researcher noted that the responses pertaining to communication, between group <3 years and >10 years, had a higher effect size of 0.51 which can be interpreted as a medium effect. Within the five groups, the researcher also discovered that there was a medium effect of 0.52, 0.52 and 0.50 in how the two groups between 4 – 6 years and 7 – 10 years responded to job satisfaction, communication and management reporting respectively. These effect sizes also constitute a medium effect. Lastly, the sixth group which were categorized between <3 years and 7 – 10 years also had differences pertaining to job satisfaction, employee empowerment, communication and management reporting. From the table in Appendix E, it can be noted that the former group responded more positive as opposed to what the latter group's perception of these three dimensions were, although most responses tended to disagree.

On aggregate, all age groups predominantly disagreed with the statements within the five vertical trust dimensions. The researcher would also like to focus the attention on

the group in last column of Appendix E. The analysis indicates that the age group of 7 – 10 years responded more negatively to all the statements within the five vertical trust dimensions, as opposed to what the age group >10 years responded.

#### *3.3.9.4 Effect sizes of how respondents in various departments perceived those dimensions,*

The researcher categorized respondents working at the municipality into 45 groups in order to compare the 10 departments with each other (please see Appendix A and Appendix F for identifying the departments and its effect sizes). Appendix F will illustrate the effect sizes between those departments. This will provide an indication of whether there were significant differences in how respondents in different departments responded to the five vertical trust dimensions. From the interpretation of Cohen's  $d$  in the last 45 columns of Appendix F, the researcher discovered that the Local Economic Development Department, Corporate and Social Development and Civil Engineering Department were more negative than all the other departments, when responding to the statements. A comparison between these three departments suggested no significant difference in the manner in which these three departments perceived and responded to the various dimensions. This is confirmed by most of the effect size indices being between -0.22 and 0.72 (small to medium effect), with the responses relating to job satisfaction and performance management revealing large effect size indices of 1.33 and 0.84 respectively. Respondents in Corporate and Social Development Department were more positive in their responses than Local Economic Development Department, relating job satisfaction (1.49) and employee empowerment (1.08). The Local Economic Development Department strongly disagreed with the statements, whereas the two respondents in the tenth Department however agreed with the statements. Respondents in Community Safety Department were more positive than all of the other Departments.

A holistic view of the results suggests that most of the departments disagreed with the statements provided within the various dimensions. There are some large effect size indices between various departments which are of practical significance, but the majority fluctuates between the small (0.2) and medium (0.5).

#### *3.3.9.5 Effect sizes of how respondents in various salary levels perceived those dimensions*

The researcher categorized respondents' salary levels at the municipality in groups as T1 – 8, T14 – 18, T19 – 20 and T9 – 13. Appendix G will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those salary levels responded to the five vertical trust dimensions. From the interpretation of Cohen's  $d$  in the last six columns of Appendix G, there is no significant difference in the manner in which group T14 – 18, T19 – 20 and T9 – 13 responded. The effect size indices ( $d$ ) was between -0.10 and 0.60, which constitutes a small effect size, although three of those indices at 0.50, 0.52 and 0.68 constitutes a medium effect. The majority of their responses indicated that the respondents within those groups disagreed with the statements within the various dimensions. The responses of T14 – 18 were more positive as most of their responses did not constitute that they either strongly disagree or disagree with the statements.

The researcher discovered that the T1 – 8 groups responded more negative to the statements, compared to the other groups. All the effect size indices ( $d$ ) appeared to be between -0.91 and -0.05. A further comparison between T1 – 8 and T14 – 18 revealed that there was a significant difference in perception as T1 – 8 were very negative towards the five dimensions. This is confirmed by large effect size indices ( $d$ ) of -0.86, -0.77 and -0.91 for employee empowerment, communication and management reporting. Performance management was also negative, but a medium effect size indices of -0.53.

3.3.9.6 *Effect sizes of how respondents with different qualifications perceived those dimensions*

The researcher categorized respondents' levels of qualification at the municipality in groups as <Grade 12, Degree and more, and respondents with a Certificate or Diploma. Table 3.7 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents with different qualifications responded to the five vertical trust dimensions.

Table 3.7: Effect sizes of how respondents with different qualifications perceived those dimensions, (Source: Own Compilation)

| QUALIFICATION              |                        | N   | Mean | Std. Deviation | d_AC  | d_AB  | d_CB |
|----------------------------|------------------------|-----|------|----------------|-------|-------|------|
| A: <=Gr12                  | Job satisfaction       | 75  | 2.97 | 1.17           | -0.41 | -0.08 | 0.40 |
|                            | Employee empowerment   | 74  | 2.60 | 1.16           | -0.42 | -0.08 | 0.38 |
|                            | Communication          | 73  | 2.47 | 1.15           | -0.40 | -0.04 | 0.40 |
|                            | Management reporting   | 73  | 2.47 | 1.18           | -0.40 | -0.11 | 0.30 |
|                            | Performance management | 72  | 2.64 | 1.08           | -0.43 | 0.01  | 0.49 |
|                            | Valid N (list wise)    | 71  |      |                |       |       |      |
| C: Degree+                 | Job satisfaction       | 25  | 3.45 | 0.83           |       |       |      |
|                            | Employee empowerment   | 25  | 3.09 | 1.03           |       |       |      |
|                            | Communication          | 25  | 2.93 | 1.02           |       |       |      |
|                            | Management reporting   | 25  | 2.94 | 1.16           |       |       |      |
|                            | Performance management | 24  | 3.11 | 0.88           |       |       |      |
|                            | Valid N (list wise)    | 24  |      |                |       |       |      |
| B: Diploma/<br>Certificate | Job satisfaction       | 101 | 3.07 | 0.96           |       |       |      |
|                            | Employee empowerment   | 101 | 2.70 | 1.02           |       |       |      |
|                            | Communication          | 101 | 2.52 | 0.94           |       |       |      |
|                            | Management reporting   | 101 | 2.59 | 1.00           |       |       |      |
|                            | Performance management | 98  | 2.63 | 0.98           |       |       |      |
|                            | Valid N (list wise)    | 98  |      |                |       |       |      |

From the interpretation of Cohen's  $d$  in the last three columns of Table 3.7, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.43 and 0.49, which constitutes a small effect size. Respondents with a Grade 12 and less, perceived the statements more negative than the other two groups. On the aggregate, the majority of their responses indicated that all these groups generally disagreed with the statements within the various dimensions.

### 3.3.9.7 Effect sizes between managers and employees and how they perceived those dimensions

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.8 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.

Table 3.8: Effect sizes between managers and employees and how they perceived those dimensions, (Source: Own Compilation)

| <b>MANAGER (1) vs. EMPLOYEE (2)</b> |                        | <b>N</b> | <b>Minimum</b> | <b>Maximum</b> | <b>Mean</b> | <b>Std. Deviation</b> | <b>d</b> |
|-------------------------------------|------------------------|----------|----------------|----------------|-------------|-----------------------|----------|
| 1                                   | Job satisfaction       | 27       | 1.45           | 4.45           | 3.51        | 0.75                  | 0.47     |
|                                     | Employee empowerment   | 27       | 1.29           | 4.71           | 3.57        | 0.84                  | 0.93     |
|                                     | Communication          | 27       | 1.30           | 4.08           | 3.24        | 0.71                  | 0.77     |
|                                     | Management reporting   | 27       | 1.29           | 4.43           | 3.36        | 0.82                  | 0.83     |
|                                     | Performance management | 26       | 1.00           | 4.57           | 3.28        | 0.82                  | 0.66     |
|                                     | Valid N (list wise)    | 26       |                |                |             |                       |          |
| 2                                   | Job satisfaction       | 176      | 1.00           | 5.00           | 3.00        | 1.06                  |          |
|                                     | Employee empowerment   | 175      | 1.00           | 5.00           | 2.58        | 1.06                  |          |
|                                     | Communication          | 174      | 1.00           | 5.00           | 2.44        | 1.04                  |          |
|                                     | Management reporting   | 174      | 1.00           | 5.00           | 2.46        | 1.08                  |          |
|                                     | Performance management | 170      | 1.00           | 5.00           | 2.61        | 1.01                  |          |
|                                     | Valid N (list wise)    | 169      |                |                |             |                       |          |



From the interpretation of Cohen's  $d$  in the last column of Table 3.8, there is a significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between 0.47 and 0.93, which constitutes a medium to large effect size. Managers seemed to be more positive in their responses to the statements within the various dimensions. Their perceptions in terms of employee empowerment, communication, and management reporting were significantly better as oppose to those of the employees. This is confirmed by effect size indices of 0.93, 0.77 and 0.83 respectively. Their perception regarding job satisfaction and performance management did not have a significant difference than those of employees, with a medium effect size of 0.47 and 0.66 respectively.

On the aggregate, managers' responses were significantly more positive than those of employees.

#### *3.3.9.8 Effect sizes of employees who spend most of their time out of office, as opposed to being in the office*

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.9 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.

Table 3.9: Effect sizes of employees who spend most of their time out of office as opposed to being in the office, (Source: Own Compilation)

| IN THE OFFICE/<br>OUT OF OFFICE |                        | N   | Minimum | Maximum | Mean | Std.<br>Deviation | d     |
|---------------------------------|------------------------|-----|---------|---------|------|-------------------|-------|
| In the office (1)               | Job satisfaction       | 157 | 1       | 5.00    | 3.14 | 0.93              | 0.25  |
|                                 | Employee empowerment   | 156 | 1       | 5.00    | 2.76 | 1.04              | 0.20  |
|                                 | Communication          | 155 | 1       | 4.67    | 2.53 | 0.98              | -0.05 |
|                                 | Management reporting   | 156 | 1       | 5.00    | 2.59 | 1.01              | 0.04  |
|                                 | Performance management | 152 | 1       | 4.71    | 2.73 | 0.93              | 0.07  |
|                                 | Valid N (list wise)    | 151 |         |         |      |                   |       |
| Out of the office (2)           | Job satisfaction       | 42  | 1       | 5.00    | 2.79 | 1.37              |       |
|                                 | Employee empowerment   | 42  | 1       | 5.00    | 2.52 | 1.22              |       |
|                                 | Communication          | 42  | 1       | 5.00    | 2.60 | 1.26              |       |
|                                 | Management reporting   | 41  | 1       | 5.00    | 2.54 | 1.35              |       |
|                                 | Performance management | 40  | 1       | 5.00    | 2.63 | 1.28              |       |
|                                 | Valid N (list wise)    | 40  |         |         |      |                   |       |

From the interpretation of Cohen's  $d$  in the last column of table 3.9, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.25, which constitutes a small effect size. Those respondents in the office were more negative about communication than those respondents that are outside the office. This is confirmed with effect size indices of -0.05. Holistically, both groups disagreed with most of the statements within the various dimensions.

Now that the effect sizes were discussed in order to get a sense of how the various groups of respondents perceived the five vertical trust dimensions, the linear relationship between the five dimensions will be explained in the following section.

### 3.3.10 The linear relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section aims to explain the linear relationship between the five vertical trust dimensions. This is to ascertain whether there is any linear relationship that is of statistical significance at the Category B municipality. Levine et al. (2011) explained that the statistical significance of a result represents the extent to which the result is representative of the entire population. The Pearson correlation coefficient was used to assess the linear relationships. Table 3.10 provides details pertaining to the linear relationship between the five dimensions. The significant linear relationships will be highlighted in green.

Table 3.10: Correlation matrix between the five vertical trust dimensions, (Source: Own Compilation)

|                        |                     | Job satisfaction | Employee empowerment | Communication | Management Reporting | Performance Management |
|------------------------|---------------------|------------------|----------------------|---------------|----------------------|------------------------|
| Job satisfaction       | Pearson Correlation | 1.00             | .867                 | .850          | 0.810                | 0.760                  |
|                        |                     |                  |                      |               |                      |                        |
| Employee Empowerment   | Pearson Correlation | .867             | 1.00                 | .881          | 0.860                | 0.800                  |
|                        |                     |                  |                      |               |                      |                        |
| Communication          | Pearson Correlation | .850             | .881                 | 1.00          | 0.920                | 0.790                  |
|                        |                     |                  |                      |               |                      |                        |
| Management reporting   | Pearson Correlation | .807             | .859                 | .922          | 1.00                 | 0.810                  |
|                        |                     |                  |                      |               |                      |                        |
| Performance Management | Pearson Correlation | .756             | .799                 | .787          | 0.810                | 1.00                   |
|                        |                     |                  |                      |               |                      |                        |

The table illustrates both a positive and strong linear relationship amongst the five vertical trust dimensions. The sample coefficient of correlation,  $r$ , was closer to a perfect

positive correlation of one in all the instances where correlation was tested. The results indicate that if one of the dimensions increase, the other dimensions will also increase. The assumption would then be that if the vertical trust relationship is a conduit for effective service delivery, then these dimensions would have a positive influence on the basic service delivery of the category B municipality.

The following section will deal with responses to eight open questions in Section G, which were provided by the 205 participants.

### 3.3.11 Findings from the open-ended questions

These questions related to how the respondents perceive trust in their working environment and how it may possibly contribute. The researcher assessed 141 questionnaires because 64 questionnaires, pertaining to Section G, was not completed and could not be used. This section will be discussed by stating the open question (only the English version), followed by a synopsis of the main points which the researcher felt is essential:

#### *3.3.11.1 Section G - How would you define trust in your working environment?*

Approximately 90 percent of the respondents provided various interpretations of how they perceived the working environment. They felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. The opinion was that for trust to be enshrined between parties, managers must be willing to

give assistance when the need arises. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management were inconsistent in decision-making. Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship, build on companionship, communication and humility.

### *3.3.11.2 Section G - What is your understanding of trust between management and employee?*

About 55 percent of the respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Many respondents indicated trust between affected parties are lacking because managers do not deliver on their promises. Grobler et al. (2006) implied that for trust to be nurtured, employees must believe that managers will not renege on promises. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinion related to a lack of cooperation between affected parties because there is no alignment and cohesion between managers and employees, when work is expected to be done. Their perceptions were aligned to research implicated in chapter two that a conducive working environment needs to be nurtured where tolerance and cooperation are highly valued (Interaction Associates, 2009). Respondents highlighted that confidentiality is key, when people need to be trusted. Some felt that this confidentiality was not implemented to its full potential at the municipality.

### *3.3.11.3 Section G - Will the employee's trust in management result in improved service delivery?*

More than 95 percent of the respondents were of the opinion that it will result in improved basic service delivery. A few stated that in order for this to be accomplished, it would need a drastic change in management. Some respondents indicated that the trust will improve the work ethics and interpersonal relationships between the affected parties. There were respondents who were very negative because management tends to burden employees with more work than they are able to accommodate. This happened without any incentive or "reward in kind" like additional leave days.

### *3.3.11.4 Section G - How do you experience the trust between you and management?*

Respondents noted that there is a huge concern because they were blunt in saying that trust is non-existent. Some indicated that this sentiment stems from the realization that communication lacks within the municipality. They are afraid of sharing personal issues with management for the mere fact that they experience the trust relationship as not authentic. No platforms are created for employees to raise concerns or best practices in how to serve the community better. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents indicated that there is no transparency, hence very difficult to put trust in others. This is aligned to what Covey (2011) explained in chapter two where managers tend to behave in a manner that violates trust, which results in employees being more cautious and suspicious about the most diminutive behaviour.

About 15 percent of the respondents indicated that they perceive a sense of trust, but it could be improved through teambuilding and communication. Some also felt that although trust is experienced, it can be broken apart by council interferences.

### *3.3.11.5 Section G - What is the biggest factor that enables you to effectively do your job?*

Respondents indicated that their personal senses of commitment to their daily job responsibilities are key to effective basic service delivery. A substantial number of respondents indicated that cooperation between various stakeholders, based on mutual respect and trust, is key to effective basic service delivery. Some respondents noted that they experience a sense of camaraderie amongst employees in order to do their jobs. Respondents noted that for them to effectively conduct their daily job, it is imperative for managers to provide the necessary assistance and guidance. Some respondents again indicated that victimization plays a key role when measuring their productivity, because it results in health issues that hamper effective service delivery. Some indicated that they are just working to earn a salary. Respondents noted that proper planning and management also influence basic service delivery.

### *3.3.11.6 Section G - What prohibits you from effectively doing your job?*

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Some were blunt in saying that lazy people and frequent skeleton staff result in them doing more work than what was allocated to them, without any recognition. Respondents also implied that management does not allow them to be more dynamic and innovative when conducting the daily job responsibilities. This situation is contradictory to what Madjar and Ortiz-Walters (2009) indicated where employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and effectively perform more work. A significant number of respondents alluded to gossiping and internal feuds between employees and managers as deterrent factors when doing their job. Some respondents further alluded to jobs being duplicated and not clearly specified by managers also hindering effective service delivery. Once again, the notion

relating to political interferences plays a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities.

*3.3.11.7 Section G - What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years?*

The majority of the respondents indicated that this is due to a number of reasons such as: good corporate governance and effective reporting system, good management and administration, proper communication to those involved in the financial auditing process, effective work and teamwork and the expertise of key personnel. Some respondents pondered on how these accolades were achieved. A few respondents alluded to the fact that it may be because “management make employees work like slaves while managers gets the credit for a job well done.”

*3.3.11.8 Section G - Any suggestions/ other comments in this regard?*

Approximately 15 percent of the respondents which insisted that effective communication must be the order of the day, employees are informed of the municipality’s objectives. In saying that, respondents felt that they must be included in a participative management structure, where their views are heard. Respondents felt that employees need to be appreciated more often so that they can feel part of a successful organization. There was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In excess of 75 percent of the respondents indicated “None/ No Comment” when they responded to this question.



### 3.4 Summary

This chapter aimed to outline the research methodology applicable to this research topic. This included an overview of the research method, research design and research strategy. The research measuring instrument pertaining to the population and sample of the research were also discussed in detail. The data collection- and capturing process were explained by means of a six- step procedure. Various statistical terminologies were explained that will be used in the statistical analysis, including reliability and coefficient of correlation results. The researcher highlighted ethical considerations which were followed and enforced. Once the research methodology was discussed, the researcher aimed to present and interpret the empirical results which culminated from the questionnaire.

The descriptive statistics pertaining to the respondents that participated in the research were discussed. The biographical information was analyzed and illustrated by using bar charts. The internal reliability, by using the Cronbach's Alpha coefficient, was tested for all the vertical trust dimensions of which the results indicated excellent reliability in all instances. The next part revolved around a detailed discussion of Section B – F of the questionnaire and how the respondents responded to the various statements. This also included a synopsis of those statements which had a high frequency of responses, based on the five- point Likert scale. This was followed by an interpretation of the Cohen effect size index in order to determine how various groups, derived from the biographical information in Section A, responded to the various statements throughout Section B to F. The penultimate phase was based on a discussion relating to the existence of a linear relationship between the five vertical trust dimensions. The researcher interpreted the data by using the Pearson correlation coefficient. All the dimensions had both a positive and statistically significant linear relationship amongst each other. The last part revolved around the eight open-ended questions where the respondents were asked to give their views of trust and how their experience it within the Category B municipality. The next chapter will conclude this research and will identify recommendations and limitations relevant to the research

## CHAPTER 4: SUMMARY AND RECOMMENDATIONS

### 4.1 Introduction

This chapter will mainly provide a summary of the research conducted. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government. These deficiencies led to an array of service delivery protests throughout South Africa. With the foundation of the local government structure being laid, the transformation of local government was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Municipalities, as part of local government, were given the mandate to execute on these objectives. In order for such municipal services to be delivered, requires a combined effort from all stakeholders within the local government sphere. The interpersonal dynamics is key in order to enable municipalities to deliver on those basic services, as enshrined in the Constitution of South Africa.

For the purpose of this research, the emphasis focused on a Category B municipality in the Western Cape which received a vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The primary objective of this research was to examine the vertical trust relationship, based on various dimensions which may instill such trust. This examination would assist the researcher to ascertain whether the vertical trust relationship was a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality.

The first step in achieving this objective was to conduct a literature study which would explain the transformational change and mandate within local government. This was followed by a theoretical perspective of the concept of vertical trust relationship. The next step was an empirical analysis based on a survey conducted at the Category B municipality. The key objective was to ascertain what employees' opinion is of vertical trust between them and their managers by indicating how they perceived the five dimensions. Taking this into consideration, the next part will provide a brief overview of all the preceding chapters and how the objectives of this research were accomplished.

## **4.2 Main research findings**

The first chapter aimed in providing the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. Further, the chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the structure and design of the research.

The second chapter explained the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aimed to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship, as a contributing factor, have on effectively delivering basic services to communities. The chapter provided a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research then aimed to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities.

The third chapter explained the various research methodologies which were adopted for this research. The research methodology described the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data was described, which included methods implemented to maintain reliability of the instrument. The ethical considerations pertaining to this research were also mentioned. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter also discussed the statistical techniques which were used in the research in an attempt to analyze and test the collected data. This chapter also served as an explanation of the data presentation and analysis. The empirical findings and discussions of the research were given, which stemmed from the data which were collected and analyzed from the respondents' questionnaires. These empirical findings were accomplished by using statistical models in order to identify the response rate, internal reliability, correlations and standardized differences (Cohen's *d*). The conclusions with regards to these empirical findings and assessments will be discussed in the next section.

#### 4.2.1 Conclusion of the empirical findings

The conclusions of the empirical findings will be discussed in the following order:

- A holistic assessment of how the respondents perceived the five dimensions;
- The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions;
- The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management;
- The internal reliability of the five dimensions;
- The open-ended questions.

The following section will provide a holistic assessment of how respondents perceived the five dimensions after interpreting all statements in the questionnaire and will be discussed in relation to each dimension below.

#### *4.2.1.1. Job satisfaction*

This dimension was assessed according to how the respondents interpreted the statements in the questionnaire. The interpretation of the sample mean of 3.07 indicated that the respondents were not able to express their opinion on the statements. However, the statistical analysis indicated that the respondents disagreed with six of the statements. From the analysis of these six statements, it is clear that the respondents do not consider the Category B municipality as a preferred employer and would not recommend employment at the Category B municipality to anyone. The respondents felt that management does not have their personal interest at heart whenever respondents are required to do their job. The respondents identified a fundamental problem where their perceptions revealed that management is not actively involved in their career path at the Category B municipality. This implied that respondents revealed a sense of vulnerability as they felt that their jobs are not guaranteed. Stinglhamber and Vandenberghe (2003) implied that supervisory support may be a key indicator of the quality of relationships between employees and managers. Management would need to express concern for their employees' well-being and assist them in career development. Despite these disagreements, there was an acknowledgement from respondents that their type of work adds value to the core objective of delivering basic services to the community. Dessler (2005) implied in chapter two that job satisfaction usually result in better job performance and that management must find ways in nurturing opportunities for employees to be stimulated by the way they conduct their daily job responsibilities.

#### *4.2.1.2 Employee empowerment*

The statistical analysis implicated that respondents, in general, disagreed with the statements of employee empowerment. Although some respondents were not scared to raise their opinions at work, there was a large constituency which felt management does not do enough to involve them in decision making processes. The perception was that employees do not feel worthy as management refrains from instilling confidence where an environment is created in which employees can effectively do their job. Findikli et al. (2010) explained that empowerment will ignite a sense of urgency where employees may start to play their part in doing their jobs. This will allow them to concentrate more on their roles within the organization where transparent communication is important. Porumbescu et al. (2013) also implied that empowerment will allow employees to understand exactly what are expected of them whereby the correct information is transferred from managers. This is important because employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010).

#### *4.2.1.3 Communication*

This dimension had the lowest perceptions and implied that communication within the Category B municipality is lacking. Respondents were adamant that transparency from management causes a breakdown in trust, as indicated in the open-ended question section. Although 52.3 valid percent believed that management has trust in them, the exact opposite was perceived when fairness from management was assessed. The respondents indicated that management's actions and behaviours are inconsistent and is further exacerbated by the perception that management does not deliver on their promises. This perceived lack of communication may contribute to employees feeling

unappreciated. The researcher wants to note that the research exposed the notion that there is trust between managers and employees, with the majority of respondents implying the contrary. The majority of the respondents further indicated that no conducive platform is created by management in order to honestly interact with employees. The lack of communication is highlighted where key strategic objectives are not communicated because most of the respondents were not aware of such strategic objectives. Respondents also indicated that they do not participate in any strategic vision for the Category B municipality. The concerns mentioned above was explained by Porumbescu et al. (2013) where lack of communication result in potential misunderstandings on the part of the employee which cannot be clarified immediately. This may be a consequence of employees not being given any opportunity to discuss questions they may have regarding their organizational practices and goals, which are generally ambiguous in the public sector.

#### *4.2.1.4 Management reporting*

The statistical analysis implied that the majority of the respondents disagreed with all the statements, which may be a consequence of respondents' perceptions that communication in the Category B municipality is non-existent. Respondents felt that management lacks in setting realistic goals and offering their assistance in achieving it. The respondents once again responded by implying that trust lacks between management and employees. The respondents further disagreed with the statement that management has the ability to align employees in a manner that would lead to achieving a common goal. The majority of the respondents perceived management in a way in which they lack professionalism when it comes to work related issues. Lastly, the respondents were unable to express a concise opinion of whether management has the acumen to implement strategies that would successfully lead to better service delivery. Kargar (2009) explained in chapter two that frequent meetings between the affected parties in order to assess the employees ability to make the right decisions pertaining to their work, which may result in a successful organization.

#### *4.2.1.5 Performance management*

The respondents were very critical pertaining to the statements of performance management and disagreed with the majority of the statements. Performance feedback from management was not regularly forthcoming in order to make employees aware of where they may improve in terms of their job performance. They also perceived performance reviews as being unfair and inaccurate, although a large part of the respondents understood their performance agreement with the Category B municipality. The majority of the respondents indicated that they believe that they would get a good performance rating if they delivered on their job responsibilities. Respondents also acknowledged that good performers are treated differently than non-performers. Lastly, the statistical analysis indicated that there is no commitment from management pertaining to employees' career and personal development, with a large percentage indicating that they were not allowed to enroll for any form of training. Chapter two referred to performance management problems as identified by Fryer et al. (2009). This involved the predominantly softer issues and the employees' lack of involvement in the performance management system. For trust to be nurtured, the performance management system would need to be perceived as fair and include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback and having influence over personal career development (Farndale & Hope-Haily, 2010).

The analysis conducted in 4.2.1 is supported by a summary of those responses to statements which had a high frequency percentage of 30 percent and more. This will be provided in Appendix D of the research.



#### 4.2.2 The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions

The research considered biographical information like gender, age, years of employment, department in which employed, salary level, level of education, whether the respondents are managers and whether their job expects them to be in the office or out of the office as indicators of how employees within these categories perceived the five dimensions of vertical trust relationship between the municipal employees and managers. In order to achieve these comparisons of groups within each biographical cluster, Cohen's effect size indices ( $d$ ) were used to illustrate whether there may be significant differences within each biographical cluster.

##### 4.2.2.1 Gender

The statistical analysis indicated that 55.4 percent of the responses were female and 44.6 percent was male. The Cohen's  $d$  illustrated there is no significant difference between genders in how they perceived and responded to the five dimensions. Generally, the analysis indicated that both genders disagreed with the majority of the statements which explained the five dimensions.

##### 4.2.2.2 Age

The age categories in the questionnaire were reduced from five groups to three groups in order to test for Cohen's  $d$ . The three age groups were categorized as <30 years, between 31 – 40 years and those respondents older than 40 years. Cohen's  $d$  illustrated no significant difference in how the various groups perceived and responded to the five dimensions. The analysis indicated that the age group between 31 – 40 years was more negative towards the statements as opposed to the other two age groups. A

holistic view of the analysis indicated however that all three groups disagreed with the statements within the five dimensions.

#### *4.2.2.3 Years employed*

The years employed categories in the questionnaire were reduced from five groups to four groups in order to test for Cohen's *d*. These groups were categorized as those employed <3 years, between 4 – 6 years, between 7 – 10 years and longer than 10 years. The Cohen *d* revealed that there were no significant differences in how these groups perceived and responded to the five dimensions. Although the effect size differences were not that significant, the researcher discovered that the respondents employed between 7 – 10 years were more negative than all the other groups. Cohen's *d* also confirmed that the respondents employed between 7 – 10 years perceived and responded more negatively than the group employed longer than 10 years. The group employed for <3 years were more positive than the other three groups, although all groups tended to disagree with most of the statements within the five dimensions.

#### *4.2.2.4 Departments in which respondents are employed*

The researcher identified 10 departments in which the respondents are employed. A holistic view of the results indicated that most of the departments disagreed with how they perceived and responded to the statements within the five dimensions. Of significance is that Community Safety Department perceived these statements more positive compared to the other departments whereas the Local Economic Development Department was extremely negative towards the five dimensions as the respondents within this department strongly disagreed.

#### *4.2.2.5 Salary levels*

For purposes of the Cohen  $d$ , the researcher reduced the categories of the salary levels to four groups. From the analysis, it is obvious that the lowest salary level perceived and responded negatively towards the five dimensions. Respondents within the group of the second highest salary levels responded more favourably. Generally, all groups disagreed with the statements within the five dimensions, with the exception of the group which were categorized into salary level T 14 – 18.

#### *4.2.2.6 Level of education*

The levels of education were categorized into three groups, namely those with <Grade 12, a diploma or certificate and those respondents with a degree and more. There was no significant difference in how these groups perceived and responded to the five dimensions. The researcher would like to highlight the negative sentiment of the group <Grade 12 as this group was more negative than the other two groups. However, all the groups disagreed with most of the statements relating to the five dimensions.

#### *4.2.2.7 Effect differences between managers and employees*

The Cohen  $d$  illustrated a significant difference in how managers perceived and responded to the statements, as opposed to employees. Managers seemed to be more positive in their responses, especially when they had to respond to statements pertaining to employee empowerment and management reporting. Generally, managers were more positive than employees.

#### *4.2.2.8 Most time spent out of the office versus time in the office*

The statistical analysis indicated that there was no significant difference between these two groups. Holistically, both groups disagreed on most of the statements within the various dimensions.

A summary of this section revealed that most of the respondents, as analyzed from a socioeconomic perspective, disagreed with most of the statements. Of significance was how negative the younger age group and lower salary level perceived the majority of the statements. The researcher would also like to allude to the negative perception of those employees that has been in the Category B municipality's employment for between 7 – 10 years. The research also confirmed that those employees with the least level of education were more negative than the more educated respondents.

#### 4.2.3 The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section relates to test whether there was any significant relationship between the five vertical trust dimensions. The analysis was done by testing for a linear relationship and using the Pearson correlation coefficient. From Table 3.10 in Chapter 3, the results indicated that there is a positive linear relationship between job satisfaction, employee empowerment, communication, and management reporting and performance management. The table further illustrates a statistically significant relationship amongst these dimensions. An explanation for these strong relationships amongst these dimensions may be that the dimensions are testing employee attitudes, which are likely to be highly correlated with each other (Kampen et al., 2006). It is therefore evident that a change in attitude towards one of the dimensions will influence the other dimension in the same direction. The assumption can thus be made that any positive influence in attitude towards either of the dimensions would positively impact on the vertical trust relationship.

#### 4.2.4 The internal reliability of the five dimensions

The internal reliability was measured by using the Cronbach Alpha reliability scores. Table 3.3 in Chapter 3 illustrated an excellent internal reliability as all the dimensions' reliability scores were in excess of 0.90. The significance of these results indicated that all the statements within each dimension yielded consistent results and can therefore acknowledge that those dimensions are reliable measurements of the vertical trust relationship between municipal employees and managers. Figure 4.1 below indicates the results of the internal reliability.

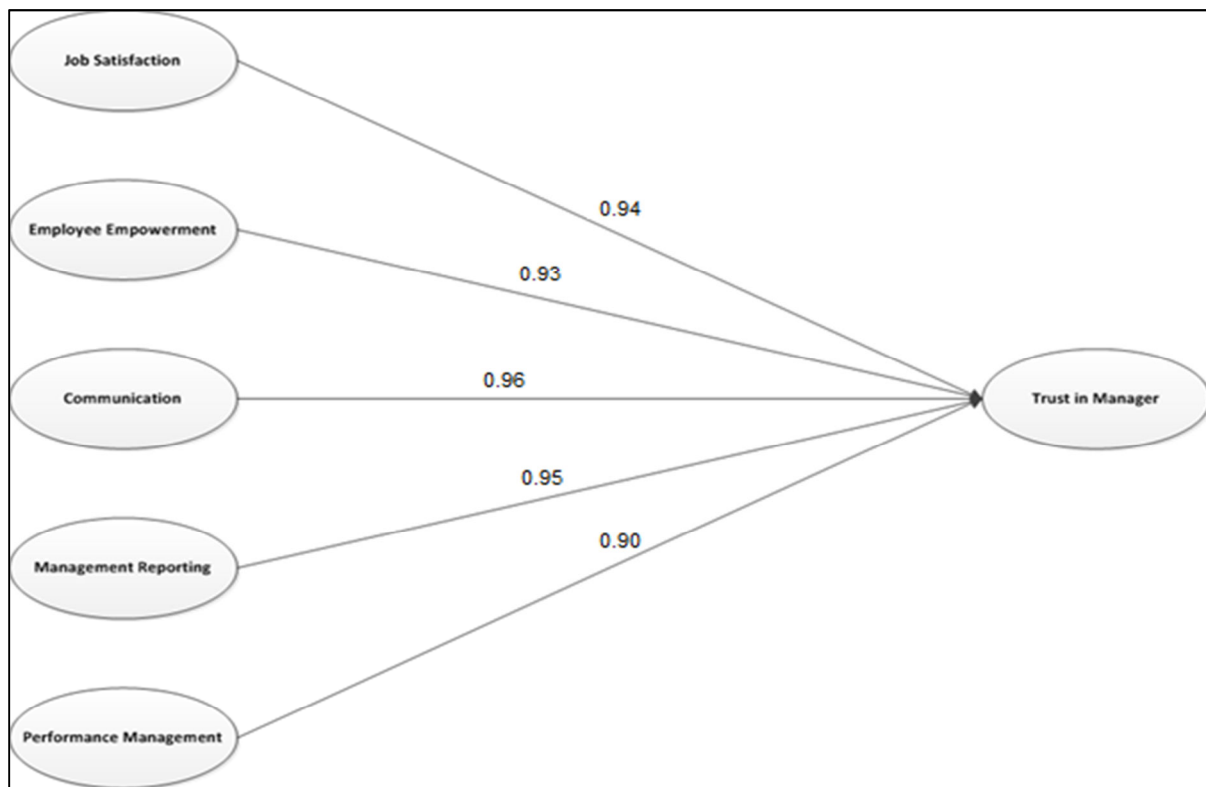


Figure 4.1: Results for internal reliability, (Source: Own Compilation amended from Porumbescu et al., 2013)

#### 4.2.5 The open-ended questions

The eight open-ended questions in Section G of the questionnaire were examined and the researcher found the following to be of relevance.

Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship built on companionship, communication and humility. Respondents felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management was inconsistent in decision-making.

Respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinions related to a lack of cooperation between affected parties because there are no alignment and cohesion between managers and employees, when work is expected to be done. Respondents felt that management tends to burden employees with more work than they are able to accommodate.

No platforms are created for employees to raise concerns or best practices in how best to serve the community. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents

indicated that there is no transparency, hence it becomes very difficult to put trust in others.

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Respondents highlighted the notion that political interferences play a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities. Lastly, there was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In essence, the following was confirmed as alluded to in Chapter 2:

- Management needs to create a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Management must manage through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Communication must be in terms of explicit socialization to make employees understand the values and principles of the organization and how things are done in the organization.

#### **4.3 Recommendations to the Category B municipality**

After an in-depth analysis of the empirical findings, the researcher identified numerous recommendations relating to the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors and needs to be commended

One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of the Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy (Coetsee, 2002).

The findings of this research suggested that there is a substantial breakdown of communication between the affected parties. The research suggests that managers need to implement a participative communication strategy to nurture some sort of trust between managers and employees. The research revealed that this lack of communication was felt throughout all the departments.

The open-ended questions revealed that there is a lack of opportunities whereby employees can use innovative ways in order to effectively do their job. This is on the back of concerns raised in the open-ended questions that managers tend to be autocratic when it comes to allocating job task and the manner in which it should be completed. Employee empowerment is key for a prosperous vertical trust relationship and can start by investing in employees' capabilities to effectively do their job.

Frequent improvement in skill levels by implementing specific training programs may be a conduit of growing employees' personal impact, professionalism and the manner in which they contribute the Category B municipality's key objective. This may instill some trust into employees as they may feel that managers are committed to their personal and career development.



Management need to ensure that they understand the value of employee participation, especially where the Category B municipality's strategies are of importance. A collective effort from both parties needs to be embraced and acknowledged that the success of the Category B municipality can only be achieved by aligning common goals. Mutual participation in the key deliverables of the Category B municipality will also result in a higher level of trust.

Respondents were very negative about the manner in which management reports important issues. From the analysis it seemed that these reporting lines were non – existent at times. A lack of transparency in this regard was an important issue that was raised. Although employees felt that they add value to the Category B municipality's objective of delivering basic services to the community, they still had the view that their contributions are not appropriately acknowledged. This acknowledgement could start by implementing a plan where performance feedback is frequently given in order to make employees aware of where they may have shortcomings. This would also assist where a good working environment is created and a culture of teamwork is embraced.

Performance management must be based on the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. An organizational culture to establish a people centered culture of service delivery and customer care should be developed. Being a municipal employee should be about serving the community and not about entitlement and power. Encouraging and rewarding innovation and initiatives that improve service delivery should be promoted.

Based on the categorization of the biographical information in Chapter 3, Cohen's *d* analysis reiterated that all the groups disagreed with most of the statements posted in the questionnaire. Although there was no significant difference in attitude amongst both genders, there was a specific age group and salary level that was more negative than any of the other groups within the specified categories. The researcher also noted that respondents in a specific department were extremely negative and would suggest that this needs to be addressed in order to improve attitudes within the aforementioned groups. Holistically, it is imperative for management to acknowledge that human

resource practices need to be implemented where this function plays a critical role in exerting an influence on the vertical trust relationship between the affected parties of which this research alludes to.

#### **4.4 Recommendations for future research**

The research indicated that the performance of the category B municipality is largely accomplished by a mainly negative workforce and low trust relationship between employees and their managers. The empirical findings suggested that the majority of the respondents throughout the Category B municipality disagree with the statements which tested the dimensions of vertical trust relationship. With no significant difference in perceptions when the biographical information were categorized into various groups and compared, the researcher suggests that employees' current perceptions may be addressed by possibly conducting a similar research to ascertain what gives rise to their negativity and establishing what would motivate employees, that may lead to effective and efficient basic service delivery.

#### **4.5 Limitations of this research**

The findings of this study are clearly limited due to a moderate response rate, but nevertheless make an initial contribution to the understanding of the nature of the relationships between the various instrument variables.

The dominant language at the Category B municipality is Afrikaans although the questionnaire was in English. The researcher alleviated this situation by translating the open-ended questions into Afrikaans for a more proper and adequate response. Although this assisted in some way, there were a lot of statements pertaining to the five dimensions that was not completed. Time and financial constraints also prohibited the researcher from having in- depth interviews with the respondents.

The researcher struggled to source latest literature on this specific topic and had to make use of some literature studies dating back to 2000. Not many published research papers were evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management.

The extent to which the instrument measures echo the concept of vertical trust needed to be noted. A mitigating factor was that an undergraduate student at the municipality, currently busy with similar research, provided personal explanations to respondents, on any vagueness which the questionnaire may have brought about.

The researcher would like to state that this research only provides a picture of a situational analysis within a particular sample population. It would thus be appropriate to engage in similar studies at the Category B municipality with a bigger response rate and endeavour similar comparative research at other local Category B municipalities.

The approval by the executive management of the Category B municipality was on the conditioned that the research be classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher referred to this municipality as a "Category B municipality" throughout the research.

## **4.6 Evaluation of the research study**

This section will discuss the primary and secondary objectives of the research respectively and whether these objectives were achieved.

### **4.6.1 Primary objective**

The questionnaire aimed to establish the vertical trust relationship between the municipal employees and their managers and how this relationship contributes to effective and efficient basic service delivery which the Category B municipality provides

to the community. The questionnaire revealed that, on aggregate, the employees disagreed with the majority of the statements within the various sections.

Those respondents which participated indicated that their perceptions of the level of job satisfaction within the Category B municipality were not decisive as they were unwilling to take a stance on whether they agree or disagree with the various statements. Contrary to the perceptions pertaining to job satisfaction within the Category B municipality, respondents disagreed with the statements which related to employee empowerment, communication and management reporting and performance management. These perceptions by the respondents were also confirmed where various respondents were categorized in groups and compared amongst themselves.

Based on the revelations of the respondents, the researcher found that there is a peculiar situation within the Category B municipality where the Category B municipality continuously received various accolades for financial management and their efforts in delivering basic services to the community the last three years. The research found however that these accolades were obtained without the trust relationship between the municipal employees and managers playing a significant role. This revelation is contradictory to the notion that vertical trust within high organizations contribute to better management and better collaboration at all levels of the organization.

The questionnaire revealed that the affected parties of this research lack a strong sense of shared purpose to succeed in fulfilling the Category B municipality's core objective of basic service delivery. The nurturing of a working environment in which tolerance and cooperation are valued is neglected and this was mentioned by respondents in the open-ended questions of the questionnaire. The disagreement which stemmed from the statements and open-ended questions within the various sections highlighted the importance of managers' need to re-assess their position and begin to act as coaches as opposed to just managing the employees. Furthermore, the questionnaire exposed a situation where communication and employee empowerment is non-existent which

curbs an ideal working environment, based on a sense of belonging and where people collectively participate in making decisions.

The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce.

#### 4.6.2 Secondary objective

The sole secondary objective was to ascertain how managers within the Category B municipality perceived the municipal employees' perceptions regarding the level of job satisfaction, employee empowerment, communication and management reporting and performance management. For this evaluation to take place, the researcher acknowledges that 27 managers, between the salary levels T14 – 20, took part in this survey. This constitutes 13.3 percent of those participants which responded in general. Holistically, as the statistically significant effect size analysis indicated, the managers responded more positively to the statements as opposed to the employees. On aggregate, managers were not decisive in whether they agree or disagreed with the various statements and chose to be impartial. This revelation is of concern because managers at the Category B municipality may be under the illusion that the vertical trust relationship between the affected parties is in order, but contradicts the perceptions of how employees actually feel.

With the internal reliability of the five measures being consistent with a Cronbach's Alpha coefficient in excess of 0.9, the research found that those five dimensions were significant determinants of vertical trust in management. For this reason, it is imperative for management within the Category B municipality to acknowledge that these dimensions are an indication of how to ensure a better trust relationship within the organization. The open-ended questions revealed that, despite managers' positive perceptions, there are distinct differences between the affected parties which could dampen improvement in future deliverables of the key objectives of basic service delivery. The open-ended questions also indicated that the employees' perceptions towards managers are that of managers finding it difficult to embrace a top-down model

of management that adheres to the perception that authority creates trust. Managers need to understand that in reality, trust creates authority (Hitch, 2012).

#### **4.7 Conclusion**

The research questioned whether there is some sort of vertical trust relationship between the municipal employees and managers. This was tested by employing five dimensions of vertical trust. The results indicated that there is a significant lack of trust between managers and employees and indicated that there exists a sense of effective and efficient performance within the category B municipality, but with a mainly negative workforce. The in- depth analysis concluded that for such a relationship to be built, there must be a clear sense of transparent communication employed where employees can feel trusted. Accountability needs to be nurtured where employees are entrusted with job tasks without feeling victimized or unworthy of not being able to accomplish this.

In conclusion, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

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## APPENDICES

### Appendix A: Questionnaire to test vertical trust in a Category B municipality

**Dear Employee**

We would like to invite you to participate in a research study, evaluating your perception of trust toward your management and its effect on your job performance to improve basic service delivery.

The questionnaire attempts to identify the influence of the employee's trust in management and its effect on performance within the Municipality. In other words, does this organizational trust influence employees' performances in effective service delivery?

The questionnaire will take approximately fifteen (15) minutes to complete, and we appreciate your valuable contribution towards a better understanding of your perception, and ensuring that the Municipality provides effective service delivery to the town/ city and surrounding areas.

*Please note that all information shared in this questionnaire and all future interactions will be treated confidentially and will be used only for research purposes. No confidential- and personal identifiable information will be shared with any third party.*

Kindly complete each section and answer all the questions.

Thank you for your cooperation in this regard.

#### Section A

Please indicate by means of a cross (X) the option that applies to you:

**1) Gender:**

|      |   |        |   |
|------|---|--------|---|
| Male | 1 | Female | 2 |
|------|---|--------|---|

**2) Age:**

|                      |   |              |   |              |   |               |   |                    |   |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|
| 20 years and younger | 1 | 21– 30 years | 2 | 31- 40 years | 3 | 41 – 60 years | 4 | 61 years and older | 5 |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|

**3) Months/ Years of employment at the Municipality:**

|                |   |                |   |                |   |                 |   |              |   |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|
| 0-12<br>Months | 1 | 1 – 3<br>years | 2 | 4 – 6<br>years | 3 | 7 – 10<br>years | 4 | 11+<br>years | 5 |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|

**4) Please indicate the Directorate/ Department you work for:**

|                                      |                      |  |  |   |                           |                               |  |   |
|--------------------------------------|----------------------|--|--|---|---------------------------|-------------------------------|--|---|
| Civil<br>Engineeri<br>ng<br>Services | Commun<br>ity Safety | Corporate<br>and Social<br>Developm<br>ent | Corpora<br>te<br>Service<br>s<br>(includi<br>ng the<br>office of<br>the<br>Municip<br>al<br>Manage<br>r) | Electro-<br>Techni<br>cal<br>Service<br>s | Environme<br>ntal Affairs | Financi<br>al<br>Servic<br>es | Local<br>Economic<br>Developm<br>ent<br>Services | Planning<br>and<br>Human<br>Settlemen<br>ts |
| 1                                    | 2                    | 3  | 4  | 5   | 6                         | 7                             | 8  | 9   |
| Other: Please<br>Specify             |                      | 10   |  |   |                           |                               |  |   |

**5) Please indicate your job category:**

|                       |   |            |   |          |   |           |   |              |   |                |   |
|-----------------------|---|------------|---|----------|---|-----------|---|--------------|---|----------------|---|
| T1 – T3               | 1 | T4 –<br>T8 | 2 | T9 – T13 | 3 | T14 – T18 | 4 | T19 –<br>T20 | 5 | Do not<br>know | 6 |
| Other: Please specify |   |            | 7 |          |   |           |   |              |   |                |   |

**6) I have the following qualification:**

|                       |                         |        |                   |                    |                     |
|-----------------------|-------------------------|--------|-------------------|--------------------|---------------------|
| Grade 12 and<br>less  | Diploma/<br>Certificate | Degree | Honours<br>Degree | Master's<br>Degree | Doctorate<br>Degree |
| 1                     | 2                       | 3      | 4                 | 5                  | 6                   |
| Other: Please specify |                         | 7      |                   |                    |                     |

**7) Are you a manager?**

|     |   |    |   |
|-----|---|----|---|
| Yes | 1 | No | 2 |
|-----|---|----|---|

**8) Your work expects you to spend most of your time at work:**

|               |   |                   |   |
|---------------|---|-------------------|---|
| In the office | 1 | Out of the office | 2 |
|---------------|---|-------------------|---|

The following five (5) sections relate to your job satisfaction, employee empowerment, communication and management reporting.

| 1                        | 2               | 3                                 | 4            | 5                     |
|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| <b>Strongly Disagree</b> | <b>Disagree</b> | <b>Neither agree nor disagree</b> | <b>Agree</b> | <b>Strongly Agree</b> |

Think about Management to whom you report to at the Municipality. For each statement, mark a (X) that best describes how much you agree or disagree with each statement, using the above scale:

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| <b>Section B: Job Satisfaction</b>  |                        |               |                                 |            |                     |
| 2.1 It is a pleasure coming to work daily.  |                        |               |                                 |            |                     |
| 2.2 I take pleasure in doing my work.   |                        |               |                                 |            |                     |
| 2.3 I have no intention of leaving my job.  |                        |               |                                 |            |                     |
| 2.4 The work I do adds value in delivering the basic services in town / city and the surrounding communities. |                        |               |                                 |            |                     |
| 2.5 The municipality is a great organisation to work for.   |                        |               |                                 |            |                     |
| 2.6 I would recommend anyone to work for the municipality.  |                        |               |                                 |            |                     |
| 2.7 My personal skills and capabilities are testimony of the good job I'm doing.                              |                        |               |                                 |            |                     |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| 2.8 Management has my personal interest at heart whenever I am required to do my job.           |                        |               |                                 |            |                     |
| 2.9 Working conditions at the municipality allows me to effectively do my job.                  |                        |               |                                 |            |                     |
| 2.10 Management is actively involved and supports me in my career path within the municipality. |                        |               |                                 |            |                     |
| 2.11 I am assured that I won't lose my job.   |                        |               |                                 |            |                     |

| <b>Section C: Employee Empowerment</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 3.1 When I am at work, I am not scared to raise an opinion involving my work.                             |  |  |  |  |  |
| 3.2 Management involves me in decisions that affect my work.  |  |  |  |  |  |
| 3.3 Management installs confidence in me for the work I need to do.                                       |  |  |  |  |  |
| 3.4 Management allows me to do my job the way I see it best, as long as my work is effectively concluded. |  |  |  |  |  |
| 3.5 Management creates an environment in which successes are celebrated.                                  |  |  |  |  |  |
| 3.6 Management encourages innovative ways to effectively deliver basic services to the community.         |  |  |  |  |  |
| 3.7 Management empowers me to make decisions that will positively influence my work.                      |  |  |  |  |  |



|  | 1<br>Strongly<br>disagree | 2<br>Disagree | 3<br>Neither<br>agree<br>nor<br>disagree | 4<br>Agree | 5<br>Strongly<br>agree |
|--|---------------------------|---------------|--|------------|------------------------|
| <b>Section D: Communication</b>  |                           |               |  |            |                        |
| 4.1 A sense of transparency is evident in the way Management conduct their work.   |                           |               |  |            |                        |
| 4.2 Management trusts me to effectively do my job  |                           |               |  |            |                        |
| 4.3 Management communicates and displays a sense of fairness towards employees.  |                           |               |  |            |                        |
| 4.4 Management's actions and behaviour are very consistent.  |                           |               |  |            |                        |
| 4.5 Management delivers on their promises to employees.  |                           |               |  |            |                        |
| 4.6 Management is always willing to discuss my personal wellbeing with immense compassion.   |                           |               |  |            |                        |
| 4.7 Management makes me feel appreciated in how they communicate tasks to me.  |                           |               |  |            |                        |
| 4.8 I believe there is trust between management and employees.   |                           |               |  |            |                        |
| 4.9 Management creates an environment where they communicate honestly with employees.  |                           |               |  |            |                        |
| 4.10 Management sufficiently communicate the municipality's strategic objectives to employees.                                       |                           |               |  |            |                        |
| 4.11 I know and understand the municipality's key strategic objectives for effective service delivery over the next three (3) years. |                           |               |  |            |                        |
| 4.12 As an employee, I participated in   |                           |               |  |            |                        |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| the formulation of the municipality's strategic vision. |                        |               |                                 |            |                     |

| <b>Section E: Management reporting</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 5.1 Management is good in setting realistic goals and assists me in achieving it.   |  |  |  |  |  |
| 5.2 My opinion on work related issues is important to management.   |  |  |  |  |  |
| 5.3 Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality.                |  |  |  |  |  |
| 5.4 I know that I can trust management.   |  |  |  |  |  |
| 5.5 Management has the ability to align employees in order to work towards a common goal.   |  |  |  |  |  |
| 5.6 Management conduct themselves in a polite and professional manner when addressing work related issues to employees.                             |  |  |  |  |  |
| 5.7 I feel that management is capable of implementing strategies that will successfully lead to better delivery of basic services to the community. |  |  |  |  |  |

With regards to the key performance evaluation criteria at the Municipality, please answer the following questions:

| <b>Section F: Performance management</b>                            |  |  |  |  |  |
|---|--|--|--|--|--|
| 6.1 Performance feedback is regularly provided on how I do my work. |  |  |  |  |  |

|  | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|--|------------------------|---------------|---------------------------------|------------|---------------------|
| 6.2 I believe that my performance reviews are fair and accurate.   |                        |               |                                 |            |                     |
| 6.3 I know and understand my performance agreement with the municipality.  |                        |               |                                 |            |                     |
| 6.4 I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality. |                        |               |                                 |            |                     |
| 6.5 I sense that management has a tendency of treating good performers differently than non-performers.  |                        |               |                                 |            |                     |
| 6.6 Management is committed to manage my performance and assist in my career and personal development.   |                        |               |                                 |            |                     |
| 6.7 I was allowed by management to enrol for training programmes over the last year.   |                        |               |                                 |            |                     |

**Section G: Personal view of trust between management and employees**

7.1 How would you define trust in your working environment? Hoe sal u vertroue omskryf in u werksomgewing?

7.2 What is your understanding of trust between management and employee? Wat is u seining rondom vertroue tussen bestuur en amptenare?

|  |
|--|
|  |
| 7.3 Will the employee's trust in management result in improved service delivery? / Sal amptenare se vertrouwe in die bestuur lei tot die verbetering in dienslewering? |
|  |
| 7.4 How do you experience the trust between you and management? / Hoe ondervind u die vertrouensverhouding tussen uself en die bestuur?                                |
|  |
| 7.5 What is the biggest factor that enables you to effectively do your job? / Wat is die grootste faktor wat u instaat stel om u werk effektief te verrig?             |
|  |
| 7.6 What prohibits you from effectively doing your job? / Wat verhoed u om werk effektief te verrig?   |
|  |

|   |
|---|
|   |
| 7.7 What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years? / Wat is die vernaamste rede, volgens u, waarom die munisipaliteit die afgelope paar jaar 'n skoon oudit vanaf die Ouditeur Generaal ontvang het? |
|   |
| 7.8 Any suggestions/ other comments in this regard? / Enige ander voorstelle/ kommentaar in hierdie verband?  |
|   |

**THANK YOU AND WE APPRECIATE YOUR TIME AND EFFORT**  
**The Researcher**

## Appendix B: Details of internal consistency of each dimension specific scale

### Dimension 1: Job Satisfaction

| Statements of Job Satisfaction | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|--------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section B Statement 1          | 2.93 | 1.322          | 187 | .802                             | .927                             |
| Section B Statement 2          | 3.53 | 1.280          | 187 | .783                             | .928                             |
| Section B Statement 3          | 3.09 | 1.406          | 187 | .715                             | .931                             |
| Section B Statement 4          | 3.73 | 1.389          | 187 | .734                             | .930                             |
| Section B Statement 5          | 3.06 | 1.288          | 187 | .786                             | .928                             |
| Section B Statement 6          | 2.84 | 1.279          | 187 | .733                             | .930                             |
| Section B Statement 7          | 3.58 | 1.277          | 187 | .690                             | .932                             |
| Section B Statement 8          | 2.57 | 1.336          | 187 | .764                             | .929                             |
| Section B Statement 9          | 2.57 | 1.261          | 187 | .693                             | .932                             |
| Section B Statement 10         | 2.38 | 1.257          | 187 | .715                             | .931                             |
| Section B Statement 11         | 2.88 | 1.230          | 187 | .619                             | .935                             |

## Dimension 2: Employee Empowerment

| Statements of Employee Empowerment | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section C Statement 1              | 3.14 | 1.419          | 188 | .662                             | .931                             |
| Section C Statement 2              | 2.39 | 1.256          | 188 | .772                             | .920                             |
| Section C Statement 3              | 2.71 | 1.333          | 188 | .818                             | .915                             |
| Section C Statement 4              | 2.97 | 1.389          | 188 | .785                             | .918                             |
| Section C Statement 5              | 2.45 | 1.242          | 188 | .808                             | .916                             |
| Section C Statement 6              | 2.74 | 1.316          | 188 | .813                             | .915                             |
| Section C Statement 7              | 2.58 | 1.160          | 188 | .798                             | .918                             |

#### Dimension 4: Management Reporting

| Statements of Management Reporting | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section E Statement 1              | 2.52 | 1.234          | 196 | .860                             | .941                             |
| Section E Statement 2              | 2.58 | 1.244          | 196 | .826                             | .944                             |
| Section E Statement 3              | 2.40 | 1.226          | 196 | .832                             | .944                             |
| Section E Statement 4              | 2.35 | 1.187          | 196 | .857                             | .942                             |
| Section E Statement 5              | 2.50 | 1.251          | 196 | .867                             | .941                             |
| Section E Statement 6              | 2.68 | 1.318          | 196 | .855                             | .942                             |
| Section E Statement 7              | 3.00 | 1.198          | 196 | .742                             | .951                             |



## Dimension 5: Performance Management

| Statement of Performance Management | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section F Statement 1               | 2.22 | 1.199          | 186 | .684                             | .888                             |
| Section F Statement 2               | 2.89 | 1.327          | 186 | .749                             | .881                             |
| Section F Statement 3               | 3.08 | 1.311          | 186 | .732                             | .883                             |
| Section F Statement 4               | 2.96 | 1.347          | 186 | .750                             | .880                             |
| Section F Statement 5               | 2.70 | 1.279          | 186 | .689                             | .888                             |
| Section F Statement 6               | 2.35 | 1.164          | 186 | .779                             | .879                             |
| Section F Statement 7               | 2.46 | 1.340          | 186 | .581                             | .900                             |

**Appendix C: Frequencies and means of responses for statements posted in Section B to Section F**

**Section B: Job satisfaction**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 43        | 21.0    | 21.2          | 21.2               |
|             | Disagree                   | 30        | 14.6    | 14.8          | 36.0               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.7          | 54.7               |
|             | Agree                      | 71        | 34.6    | 35.0          | 89.7               |
|             | Strongly agree             | 21        | 10.2    | 10.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 27        | 13.2    | 13.3          | 13.3               |
|             | Disagree                   | 17        | 8.3     | 8.4           | 21.7               |
|             | Neither agree nor disagree | 15        | 7.3     | 7.4           | 29.1               |
|             | Agree                      | 99        | 48.3    | 48.8          | 77.8               |
|             | Strongly agree             | 45        | 22.0    | 22.2          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 40               | 19.5           | 20.1                 | 20.1                      |
|                    | Disagree                   | 24               | 11.7           | 12.1                 | 32.2                      |
|                    | Neither agree nor disagree | 45               | 22.0           | 22.6                 | 54.8                      |
|                    | Agree                      | 50               | 24.4           | 25.1                 | 79.9                      |
|                    | Strongly agree             | 40               | 19.5           | 20.1                 | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 28               | 13.7           | 14.0                 | 14.0                      |
|                    | Disagree                   | 14               | 6.8            | 7.0                  | 21.0                      |
|                    | Neither agree nor disagree | 7                | 3.4            | 3.5                  | 24.5                      |
|                    | Agree                      | 77               | 37.6           | 38.5                 | 63.0                      |
|                    | Strongly agree             | 74               | 36.1           | 37.0                 | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 34        | 16.6    | 16.7          | 16.7               |
|             | Disagree                   | 27        | 13.2    | 13.3          | 30.0               |
|             | Neither agree nor disagree | 49        | 23.9    | 24.1          | 54.2               |
|             | Agree                      | 64        | 31.2    | 31.5          | 85.7               |
|             | Strongly agree             | 29        | 14.1    | 14.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.3          | 20.3               |
|             | Disagree                   | 32        | 15.6    | 15.8          | 36.1               |
|             | Neither agree nor disagree | 52        | 25.4    | 25.7          | 61.9               |
|             | Agree                      | 55        | 26.8    | 27.2          | 89.1               |
|             | Strongly agree             | 22        | 10.7    | 10.9          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 24        | 11.7    | 11.8          | 11.8               |
|             | Disagree                   | 18        | 8.8     | 8.8           | 20.6               |
|             | Neither agree nor disagree | 22        | 10.7    | 10.8          | 31.4               |
|             | Agree                      | 90        | 43.9    | 44.1          | 75.5               |
|             | Strongly agree             | 50        | 24.4    | 24.5          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 59        | 28.8    | 29.5          | 29.5               |
|             | Disagree                   | 44        | 21.5    | 22.0          | 51.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.0          | 70.5               |
|             | Agree                      | 41        | 20.0    | 20.5          | 91.0               |
|             | Strongly agree             | 18        | 8.8     | 9.0           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 52               | 25.4           | 26.0                 | 26.0                      |
|                    | Disagree                   | 46               | 22.4           | 23.0                 | 49.0                      |
|                    | Neither agree nor disagree | 47               | 22.9           | 23.5                 | 72.5                      |
|                    | Agree                      | 40               | 19.5           | 20.0                 | 92.5                      |
|                    | Strongly agree             | 15               | 7.3            | 7.5                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 69               | 33.7           | 34.5                 | 34.5                      |
|                     | Disagree                   | 46               | 22.4           | 23.0                 | 57.5                      |
|                     | Neither agree nor disagree | 40               | 19.5           | 20.0                 | 77.5                      |
|                     | Agree                      | 33               | 16.1           | 16.5                 | 94.0                      |
|                     | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 40        | 19.5    | 19.7          | 19.7               |
|              | Disagree                   | 26        | 12.7    | 12.8          | 32.5               |
|              | Neither agree nor disagree | 64        | 31.2    | 31.5          | 64.0               |
|              | Agree                      | 56        | 27.3    | 27.6          | 91.6               |
|              | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|              | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing      | System                     | 2         | 1.0     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

### Means

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.93 | 1.322          |
| 2         | 3.53 | 1.280          |
| 3         | 3.09 | 1.406          |
| 4         | 3.73 | 1.389          |
| 5         | 3.06 | 1.288          |
| 6         | 2.84 | 1.279          |
| 7         | 3.58 | 1.277          |
| 8         | 2.57 | 1.336          |
| 9         | 2.57 | 1.261          |
| 10        | 2.38 | 1.257          |
| 11        | 2.88 | 1.230          |

### Section C: Employee empowerment

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 19.6          | 19.6               |
|             | Disagree                   | 35        | 17.1    | 17.2          | 36.8               |
|             | Neither agree nor disagree | 20        | 9.8     | 9.8           | 46.6               |
|             | Agree                      | 77        | 37.6    | 37.7          | 84.3               |
|             | Strongly agree             | 32        | 15.6    | 15.7          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 31.0          | 31.0               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 60.1               |
|             | Neither agree nor disagree | 32        | 15.6    | 15.8          | 75.9               |
|             | Agree                      | 38        | 18.5    | 18.7          | 94.6               |
|             | Strongly agree             | 11        | 5.4     | 5.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |



| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 42        | 20.5    | 20.9          | 47.3               |
|             | Neither agree nor disagree | 35        | 17.1    | 17.4          | 64.7               |
|             | Agree                      | 56        | 27.3    | 27.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.3          | 23.3               |
|             | Disagree                   | 30        | 14.6    | 14.9          | 38.1               |
|             | Neither agree nor disagree | 34        | 16.6    | 16.8          | 55.0               |
|             | Agree                      | 68        | 33.2    | 33.7          | 88.6               |
|             | Strongly agree             | 23        | 11.2    | 11.4          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.1          | 28.1               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 57.1               |
|             | Neither agree nor disagree | 40        | 19.5    | 19.7          | 76.8               |
|             | Agree                      | 35        | 17.1    | 17.2          | 94.1               |
|             | Strongly agree             | 12        | 5.9     | 5.9           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 48        | 23.4    | 23.6          | 23.6               |
|             | Disagree                   | 42        | 20.5    | 20.7          | 44.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.7          | 65.0               |
|             | Agree                      | 54        | 26.3    | 26.6          | 91.6               |
|             | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 21.4          | 21.4               |
|             | Disagree                   | 53        | 25.9    | 27.6          | 49.0               |
|             | Neither agree nor disagree | 54        | 26.3    | 28.1          | 77.1               |
|             | Agree                      | 33        | 16.1    | 17.2          | 94.3               |
|             | Strongly agree             | 11        | 5.4     | 5.7           | 100.0              |
|             | Total                      | 192       | 93.7    | 100.0         |                    |
| Missing     | System                     | 13        | 6.3     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 3.14 | 1.419          |
| 2         | 2.39 | 1.256          |
| 3         | 2.71 | 1.333          |
| 4         | 2.97 | 1.389          |
| 5         | 2.45 | 1.242          |
| 6         | 2.74 | 1.316          |
| 7         | 2.58 | 1.160          |

## Section D: Communication

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.9          | 26.9               |
|             | Disagree                   | 52        | 25.4    | 26.4          | 53.3               |
|             | Neither agree nor disagree | 47        | 22.9    | 23.9          | 77.2               |
|             | Agree                      | 33        | 16.1    | 16.8          | 93.9               |
|             | Strongly agree             | 12        | 5.9     | 6.1           | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 29        | 14.1    | 14.7          | 14.7               |
|             | Disagree                   | 23        | 11.2    | 11.7          | 26.4               |
|             | Neither agree nor disagree | 42        | 20.5    | 21.3          | 47.7               |
|             | Agree                      | 77        | 37.6    | 39.1          | 86.8               |
|             | Strongly agree             | 26        | 12.7    | 13.2          | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 54        | 26.3    | 26.9          | 54.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 73.6               |
|             | Agree                      | 41        | 20.0    | 20.4          | 94.0               |
|             | Strongly agree             | 12        | 5.9     | 6.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 56.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 77.1               |
|             | Agree                      | 33        | 16.1    | 16.4          | 93.5               |
|             | Strongly agree             | 13        | 6.3     | 6.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 5</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 65               | 31.7           | 32.7                 | 32.7                      |
|                    | Disagree                   | 58               | 28.3           | 29.1                 | 61.8                      |
|                    | Neither agree nor disagree | 49               | 23.9           | 24.6                 | 86.4                      |
|                    | Agree                      | 16               | 7.8            | 8.0                  | 94.5                      |
|                    | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 6</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.3                 | 30.3                      |
|                    | Disagree                   | 56               | 27.3           | 28.3                 | 58.6                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.2                 | 77.8                      |
|                    | Agree                      | 33               | 16.1           | 16.7                 | 94.4                      |
|                    | Strongly agree             | 11               | 5.4            | 5.6                  | 100.0                     |
|                    | Total                      | 198              | 96.6           | 100.0                |                           |
| Missing            | System                     | 7                | 3.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 55.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.6               |
|             | Agree                      | 36        | 17.6    | 17.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 64        | 31.2    | 31.8          | 59.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 80.1               |
|             | Agree                      | 24        | 11.7    | 11.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.0                 | 30.0                      |
|                    | Disagree                   | 61               | 29.8           | 30.5                 | 60.5                      |
|                    | Neither agree nor disagree | 39               | 19.0           | 19.5                 | 80.0                      |
|                    | Agree                      | 28               | 13.7           | 14.0                 | 94.0                      |
|                    | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 46               | 22.4           | 23.0                 | 23.0                      |
|                     | Disagree                   | 52               | 25.4           | 26.0                 | 49.0                      |
|                     | Neither agree nor disagree | 57               | 27.8           | 28.5                 | 77.5                      |
|                     | Agree                      | 34               | 16.6           | 17.0                 | 94.5                      |
|                     | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |



| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 42        | 20.5    | 21.0          | 21.0               |
|              | Disagree                   | 36        | 17.6    | 18.0          | 39.0               |
|              | Neither agree nor disagree | 54        | 26.3    | 27.0          | 66.0               |
|              | Agree                      | 57        | 27.8    | 28.5          | 94.5               |
|              | Strongly agree             | 11        | 5.4     | 5.5           | 100.0              |
|              | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing      | System                     | 5         | 2.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

| STATEMENT 12 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 50        | 24.4    | 25.3          | 25.3               |
|              | Disagree                   | 51        | 24.9    | 25.8          | 51.0               |
|              | Neither agree nor disagree | 41        | 20.0    | 20.7          | 71.7               |
|              | Agree                      | 47        | 22.9    | 23.7          | 95.5               |
|              | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|              | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing      | System                     | 7         | 3.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

## Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.50 | 1.214          |
| 2         | 3.19 | 1.242          |
| 3         | 2.48 | 1.241          |
| 4         | 2.46 | 1.218          |
| 5         | 2.24 | 1.147          |
| 6         | 2.42 | 1.220          |
| 7         | 2.48 | 1.250          |
| 8         | 2.39 | 1.195          |
| 9         | 2.34 | 1.208          |
| 10        | 2.55 | 1.171          |
| 11        | 2.82 | 1.221          |
| 12        | 2.58 | 1.216          |

## Section E: Management reporting

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.5          | 23.5               |
|             | Disagree                   | 65        | 31.7    | 32.5          | 56.0               |
|             | Neither agree nor disagree | 39        | 19.0    | 19.5          | 75.5               |
|             | Agree                      | 34        | 16.6    | 17.0          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 45        | 22.0    | 22.4          | 22.4               |
|             | Disagree                   | 60        | 29.3    | 29.9          | 52.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 73.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 56               | 27.3           | 28.1                 | 28.1                      |
|                    | Disagree                   | 60               | 29.3           | 30.2                 | 58.3                      |
|                    | Neither agree nor disagree | 43               | 21.0           | 21.6                 | 79.9                      |
|                    | Agree                      | 26               | 12.7           | 13.1                 | 93.0                      |
|                    | Strongly agree             | 14               | 6.8            | 7.0                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 62               | 30.2           | 31.0                 | 31.0                      |
|                    | Disagree                   | 50               | 24.4           | 25.0                 | 56.0                      |
|                    | Neither agree nor disagree | 52               | 25.4           | 26.0                 | 82.0                      |
|                    | Agree                      | 26               | 12.7           | 13.0                 | 95.0                      |
|                    | Strongly agree             | 10               | 4.9            | 5.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 58        | 28.3    | 28.9          | 55.2               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 93.0               |
|             | Strongly agree             | 14        | 6.8     | 7.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 40        | 19.5    | 19.9          | 46.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 67.2               |
|             | Agree                      | 49        | 23.9    | 24.4          | 91.5               |
|             | Strongly agree             | 17        | 8.3     | 8.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 28        | 13.7    | 13.9          | 13.9               |
|             | Disagree                   | 42        | 20.5    | 20.8          | 34.7               |
|             | Neither agree nor disagree | 56        | 27.3    | 27.7          | 62.4               |
|             | Agree                      | 56        | 27.3    | 27.7          | 90.1               |
|             | Strongly agree             | 20        | 9.8     | 9.9           | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.52 | 1.234          |
| 2         | 2.58 | 1.244          |
| 3         | 2.40 | 1.226          |
| 4         | 2.35 | 1.187          |
| 5         | 2.50 | 1.251          |
| 6         | 2.68 | 1.318          |
| 7         | 3.00 | 1.198          |

**Section F: Performance management**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 69        | 33.7    | 35.2          | 35.2               |
|             | Disagree                   | 60        | 29.3    | 30.6          | 65.8               |
|             | Neither agree nor disagree | 27        | 13.2    | 13.8          | 79.6               |
|             | Agree                      | 32        | 15.6    | 16.3          | 95.9               |
|             | Strongly agree             | 8         | 3.9     | 4.1           | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 20.5          | 20.5               |
|             | Disagree                   | 37        | 18.0    | 19.0          | 39.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.5          | 59.0               |
|             | Agree                      | 59        | 28.8    | 30.3          | 89.2               |
|             | Strongly agree             | 21        | 10.2    | 10.8          | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 33               | 16.1           | 16.9                 | 16.9                      |
|                    | Disagree                   | 30               | 14.6           | 15.4                 | 32.3                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.5                 | 51.8                      |
|                    | Agree                      | 70               | 34.1           | 35.9                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 38               | 18.5           | 19.5                 | 19.5                      |
|                    | Disagree                   | 35               | 17.1           | 17.9                 | 37.4                      |
|                    | Neither agree nor disagree | 36               | 17.6           | 18.5                 | 55.9                      |
|                    | Agree                      | 62               | 30.2           | 31.8                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |



| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.9          | 20.9               |
|             | Disagree                   | 47        | 22.9    | 24.0          | 44.9               |
|             | Neither agree nor disagree | 52        | 25.4    | 26.5          | 71.4               |
|             | Agree                      | 35        | 17.1    | 17.9          | 89.3               |
|             | Strongly agree             | 21        | 10.2    | 10.7          | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.8          | 28.8               |
|             | Disagree                   | 53        | 25.9    | 26.8          | 55.6               |
|             | Neither agree nor disagree | 50        | 24.4    | 25.3          | 80.8               |
|             | Agree                      | 29        | 14.1    | 14.6          | 95.5               |
|             | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|             | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing     | System                     | 7         | 3.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 32.3          | 32.3               |
|             | Disagree                   | 45        | 22.0    | 23.1          | 55.4               |
|             | Neither agree nor disagree | 25        | 12.2    | 12.8          | 68.2               |
|             | Agree                      | 47        | 22.9    | 24.1          | 92.3               |
|             | Strongly agree             | 15        | 7.3     | 7.7           | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

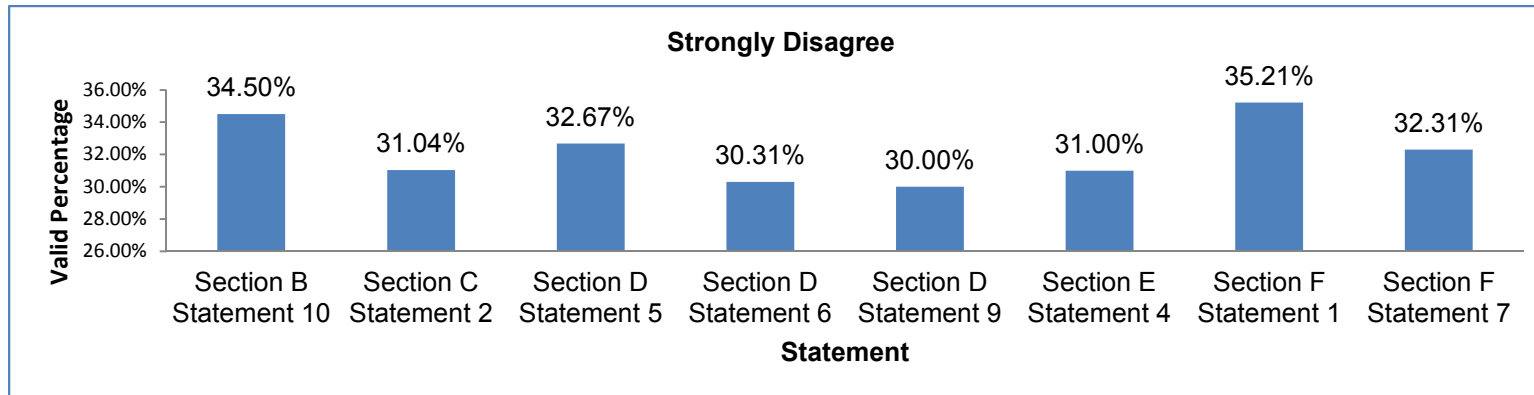
### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.22 | 1.199          |
| 2         | 2.89 | 1.327          |
| 3         | 3.08 | 1.311          |
| 4         | 2.96 | 1.347          |
| 5         | 2.70 | 1.279          |
| 6         | 2.35 | 1.164          |
| 7         | 2.46 | 1.340          |

## Appendix D – Statements with the most responses

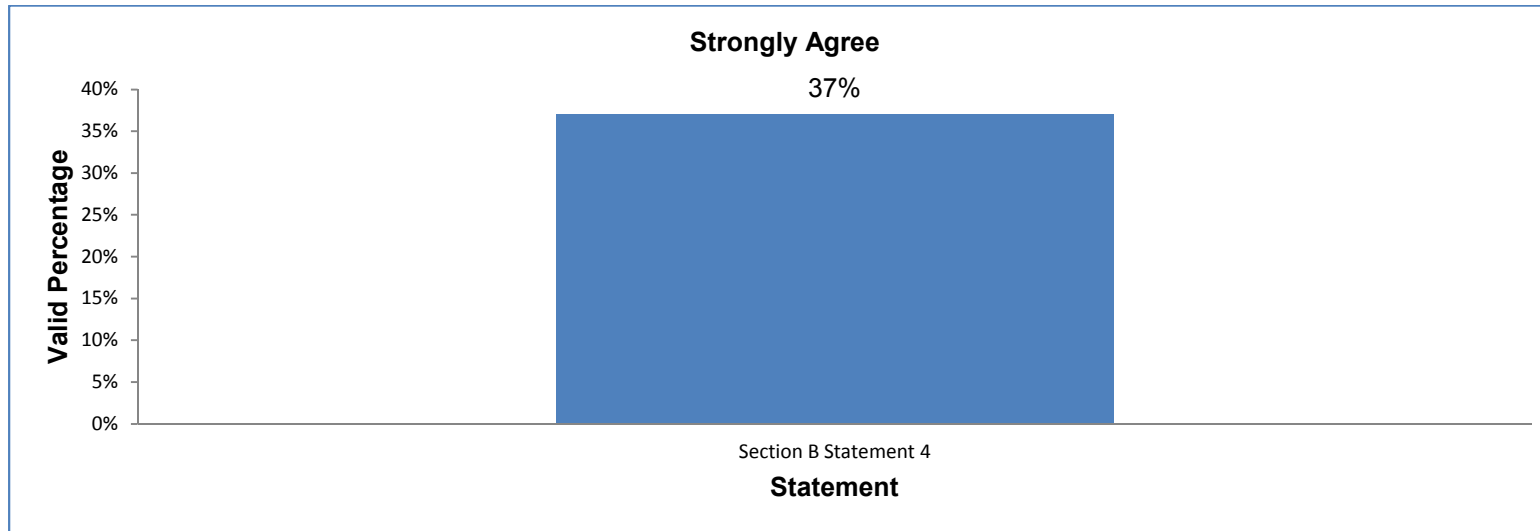
### Strongly disagree

| STATEMENT   | VALID PERCENTATGE |
|---|-------------------|
| Management is actively involved and supports me in my career path within the municipality (Section B Statement 10). | 34.5%             |
| Management involves me in decisions that affect my work (Section C Statement 2).                                    | 31.04%            |
| Management delivers on their promises to employees (Section D Statement 5).   | 32.67%            |
| Management is always willing to discuss my personal wellbeing with immense compassion (Section D Statement 6).      | 30.31%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).           | 30.00%            |
| I know that I can trust management (Section E Statement 4).   | 31.00%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).                             | 35.21%            |
| I was allowed by management to enroll for training programmes over the last year (Section F Statement 7).           | 32.31%            |



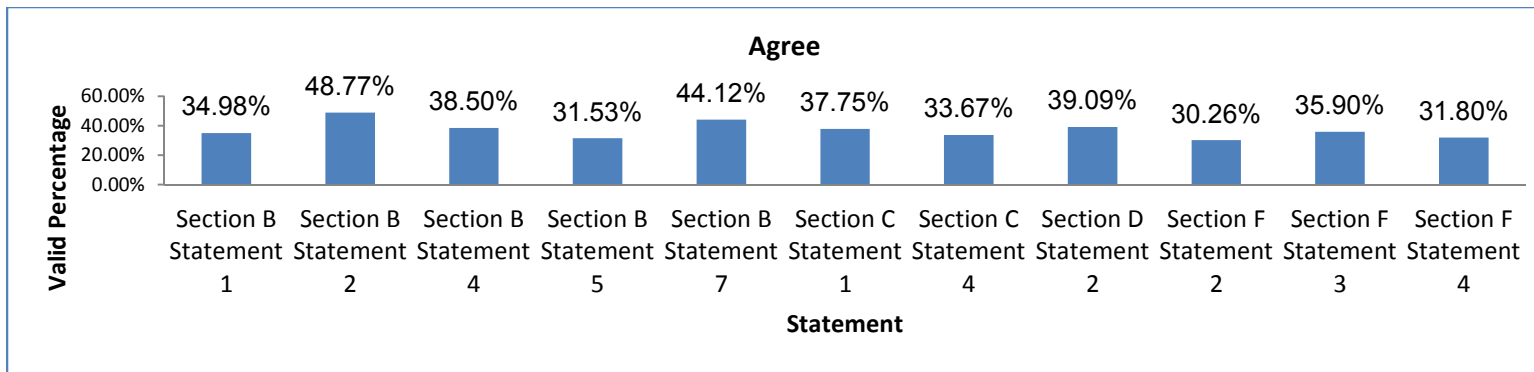
## Strongly agree

| STATEMENT   | VALID PERCENTAGE |
|---|------------------|
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4). | 37%              |



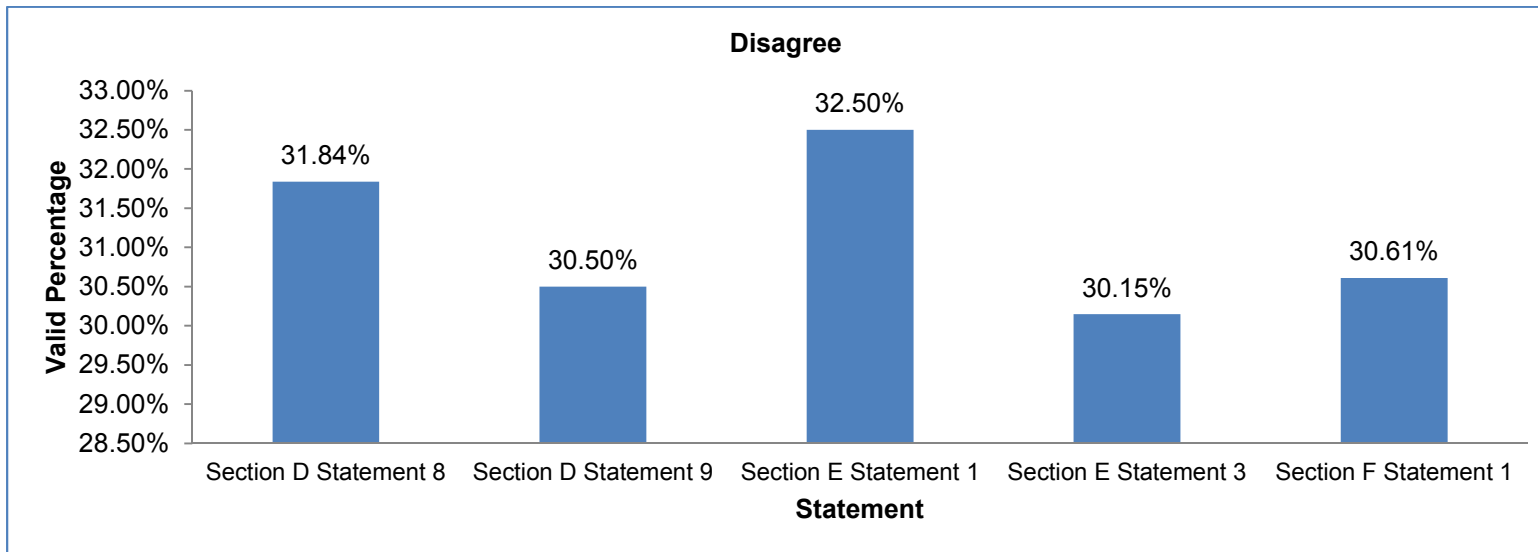
## Agree

| STATEMENT  | VALID PERCENTAGE |
|--|------------------|
| It is a pleasure coming to work daily (Section B Statement 1).   | 34.98%           |
| I take pleasure in doing my work (Section B Statement 2).  | 48.77%           |
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4).                                    | 38.50%           |
| The municipality is a great organization to work for (Section B Statement 5).  | 31.53%           |
| My personal skills and capabilities are testimony of the good job I'm doing (Section B Statement 7).   | 44.12%           |
| When I am at work, I am not scared to raise an opinion involving my work (Section C Statement 1).  | 37.75%           |
| Management allows me to do my job the way I see it best, as long as my work is effectively concluded (Section C Statement 4).  | 33.67%           |
| Management trusts me to effectively do my job (Section D Statement 2).   | 39.09%           |
| I believe that my performance reviews are fair and accurate (Section F Statement 2).   | 30.26%           |
| I know and understand my performance agreement with the municipality (Section F Statement 3).  | 35.90%           |
| I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality (Section F Statement 4). | 31.80%           |



## Disagree

| STATEMENT  | VALID PERCENTATGE |
|--|-------------------|
| I believe there is trust between management and employees (Section D Statement 8).   | 31.84%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).  | 30.50%            |
| Management is good in setting realistic goals and assists me in achieving it (Section E Statement 1).  | 32.50%            |
| Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality (Section E Statement 3). | 30.15%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).  | 30.61%            |



**Appendix E - Effect sizes of how employees with various years of employment perceived the five dimensions**

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD  |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|-------|
| A:<3yr         | Job satisfaction       | 49 | 3.33 | 1.09           | 0.01 | 0.51 | 0.38 | 0.52 | 0.38 | -0.12 |
|                | Employee empowerment   | 49 | 3.00 | 1.05           | 0.12 | 0.55 | 0.36 | 0.44 | 0.24 | -0.19 |
|                | Communication          | 49 | 2.93 | 1.11           | 0.19 | 0.64 | 0.51 | 0.52 | 0.34 | -0.14 |
|                | Management reporting   | 49 | 2.95 | 1.22           | 0.19 | 0.60 | 0.37 | 0.50 | 0.21 | -0.28 |
|                | Performance management | 48 | 2.94 | 1.09           | 0.15 | 0.39 | 0.27 | 0.26 | 0.15 | -0.12 |
|                | Valid N (list wise)    | 48 |      |                |      |      |      |      |      |       |
| B:4-6yr        | Job satisfaction       | 46 | 3.32 | 0.83           |      |      |      |      |      |       |
|                | Employee empowerment   | 45 | 2.88 | 0.95           |      |      |      |      |      |       |
|                | Communication          | 44 | 2.72 | 0.94           |      |      |      |      |      |       |
|                | Management reporting   | 44 | 2.72 | 0.93           |      |      |      |      |      |       |
|                | Performance management | 41 | 2.78 | 0.96           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 40 |      |                |      |      |      |      |      |       |
| C:7-10yr       | Job satisfaction       | 57 | 2.78 | 1.04           |      |      |      |      |      |       |
|                | Employee empowerment   | 57 | 2.40 | 1.11           |      |      |      |      |      |       |
|                | Communication          | 57 | 2.23 | 0.96           |      |      |      |      |      |       |
|                | Management reporting   | 57 | 2.21 | 1.02           |      |      |      |      |      |       |
|                | Performance management | 57 | 2.51 | 1.05           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 57 |      |                |      |      |      |      |      |       |
| D:>10yr        | Job satisfaction       | 51 | 2.92 | 1.07           |      |      |      |      |      |       |

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|                | Employee empowerment   | 51 | 2.61 | 1.11           |      |      |      |      |      |      |
|                | Communication          | 51 | 2.37 | 1.02           |      |      |      |      |      |      |
|                | Management reporting   | 51 | 2.50 | 1.04           |      |      |      |      |      |      |
|                | Performance management | 50 | 2.64 | 0.91           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 50 |      |                |      |      |      |      |      |      |
| Missing        | Job satisfaction       | 2  | 3.27 | 1.29           |      |      |      |      |      |      |
|                | Employee empowerment   | 2  | 3.07 | 1.52           |      |      |      |      |      |      |
|                | Communication          | 2  | 2.88 | 1.11           |      |      |      |      |      |      |
|                | Management reporting   | 2  | 3.00 | 1.82           |      |      |      |      |      |      |
|                | Performance management | 2  | 2.79 | 1.11           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 2  |      |                |      |      |      |      |      |      |



### Appendix F - Effect sizes of how respondents in various departments perceived the five dimensions

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2        | d1_3        | d1_4        | d1_5        | d1_6        | d1_7         | d1_8         | d1_9         | d1_10 |
|-------------|------------------------|----|--------|----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|-------|
| 1           | Job satisfaction       | 16 | 2.7864 | 1.00055        | -0.69       | 0.00        | -0.23       | -0.04       | -0.32       | -0.42        | 1.33         | -0.38        | -1.99 |
|             | Employee empowerment   | 16 | 2.2098 | 1.17743        | -0.90       | -0.22       | -0.56       | -0.25       | -0.48       | -0.48        | 0.72         | -0.61        | -1.76 |
|             | Communication          | 16 | 2.1250 | 1.02017        | -1.08       | -0.06       | -0.38       | -0.20       | -0.61       | -0.38        | 0.53         | -0.61        | -2.12 |
|             | Management reporting   | 16 | 2.2321 | 1.01402        | -0.63       | 0.13        | -0.46       | -0.16       | -0.53       | -0.35        | 0.60         | -0.51        | -1.25 |
|             | Performance management | 15 | 2.3714 | .90319         | -0.36       | 0.06        | -0.33       | -0.19       | -0.45       | -0.56        | 0.84         | -0.35        | -1.87 |
|             | Valid N (list wise)    | 15 |        |                | <b>d2_3</b> | <b>d2_4</b> | <b>d2_5</b> | <b>d2_6</b> | <b>d2_7</b> | <b>d2_8</b>  | <b>d2_9</b>  | <b>d2_10</b> |       |
| 2           | Job satisfaction       | 15 | 3.5909 | 1.16027        | 0.70        | 0.50        | 0.66        | 0.29        | 0.33        | 1.84         | 0.34         | -1.02        |       |
|             | Employee empowerment   | 14 | 3.2857 | 1.18996        | 0.68        | 0.35        | 0.66        | 0.43        | 0.43        | 1.62         | 0.31         | -0.84        |       |
|             | Communication          | 14 | 3.2798 | 1.06949        | 1.02        | 0.72        | 0.89        | 0.33        | 0.72        | 1.59         | 0.47         | -0.95        |       |
|             | Management reporting   | 13 | 3.0330 | 1.26592        | 0.74        | 0.23        | 0.50        | 0.04        | 0.35        | 1.12         | 0.20         | -0.68        |       |
|             | Performance management | 13 | 2.9121 | 1.48294        | 0.41        | 0.14        | 0.23        | -0.01       | 0.02        | 0.87         | 0.12         | -0.78        |       |
|             | Valid N (list wise)    | 13 |        |                | <b>d3_4</b> | <b>d3_5</b> | <b>d3_6</b> | <b>d3_7</b> | <b>d3_8</b> | <b>d3_9</b>  | <b>d3_10</b> |              |       |
| 3           | Job satisfaction       | 20 | 2.7818 | .88945         | -0.23       | -0.04       | -0.32       | -0.48       | 1.49        | -0.39        | -2.24        |              |       |
|             | Employee empowerment   | 20 | 2.4714 | 1.03350        | -0.38       | -0.03       | -0.28       | -0.29       | 1.08        | -0.40        | -1.76        |              |       |
|             | Communication          | 20 | 2.1860 | .78788         | -0.33       | -0.14       | -0.56       | -0.35       | 0.76        | -0.55        | -2.67        |              |       |
|             | Management reporting   | 20 | 2.1000 | .85727         | -0.58       | -0.28       | -0.63       | -0.50       | 0.56        | -0.63        | -1.34        |              |       |
|             | Performance management | 20 | 2.3083 | .99111         | -0.39       | -0.25       | -0.50       | -0.57       | 0.70        | -0.41        | -1.78        |              |       |
|             | Valid N (list wise)    | 20 |        |                | <b>d4_5</b> | <b>d4_6</b> | <b>d4_7</b> | <b>d4_8</b> | <b>d4_9</b> | <b>d4_10</b> |              |              |       |
| 4           | Job satisfaction       | 13 | 3.0147 | .99103         | 0.17        | -0.15       | -0.20       | 1.57        | -0.17       | -1.77        |              |              |       |
|             | Employee empowerment   | 13 | 2.8681 | 1.03421        | 0.33        | 0.09        | 0.09        | 1.46        | -0.05       | -1.37        |              |              |       |
|             | Communication          | 13 | 2.5140 | .98382         | 0.19        | -0.29       | 0.00        | 0.95        | -0.24       | -1.81        |              |              |       |
|             | Management reporting   | 13 | 2.7363 | 1.09862        | 0.30        | -0.17       | 0.14        | 1.02        | -0.04       | -0.89        |              |              |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2        | d1_3         | d1_4         | d1_5         | d1_6         | d1_7  | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|-------------|--------------|--------------|--------------|--------------|-------|------|------|-------|
|             | Performance management | 13 | 2.6996 | .98104         | 0.13        | -0.18        | -0.18        | 1.11         | -0.04        | -1.40 |      |      |       |
|             | Valid N (list wise)    | 13 |        |                | <b>d5_6</b> | <b>d5_7</b>  | <b>d5_8</b>  | <b>d5_9</b>  | <b>d5_10</b> |       |      |      |       |
| 5           | Job satisfaction       | 20 | 2.8256 | 1.09270        | -0.29       | -0.35        | 1.25         | -0.34        | -1.78        |       |      |      |       |
|             | Employee empowerment   | 20 | 2.5060 | 1.08467        | -0.24       | -0.25        | 1.06         | -0.37        | -1.64        |       |      |      |       |
|             | Communication          | 19 | 2.3287 | .99428         | -0.44       | -0.19        | 0.75         | -0.42        | -1.97        |       |      |      |       |
|             | Management reporting   | 20 | 2.4036 | 1.09370        | -0.41       | -0.16        | 0.72         | -0.34        | -1.13        |       |      |      |       |
|             | Performance management | 18 | 2.5661 | 1.04199        | -0.29       | -0.30        | 0.91         | -0.16        | -1.44        |       |      |      |       |
|             | Valid N (list wise)    | 17 |        |                | <b>d6_7</b> | <b>d6_8</b>  | <b>d6_9</b>  | <b>d6_10</b> |              |       |      |      |       |
| 6           | Job satisfaction       | 20 | 3.2091 | 1.32894        | 0.00        | 1.32         | 0.01         | -1.18        |              |       |      |      |       |
|             | Employee empowerment   | 20 | 2.7738 | 1.09746        | 0.00        | 1.29         | -0.13        | -1.38        |              |       |      |      |       |
|             | Communication          | 20 | 2.8723 | 1.23308        | 0.29        | 1.05         | 0.08         | -1.15        |              |       |      |      |       |
|             | Management reporting   | 20 | 2.9786 | 1.40299        | 0.28        | 0.97         | 0.14         | -0.72        |              |       |      |      |       |
|             | Performance management | 19 | 2.9248 | 1.22740        | 0.04        | 1.07         | 0.15         | -0.93        |              |       |      |      |       |
|             | Valid N (list wise)    | 19 |        |                | <b>d7_8</b> | <b>d7_9</b>  | <b>d7_10</b> |              |              |       |      |      |       |
| 7           | Job satisfaction       | 65 | 3.2100 | .77664         | 2.26        | 0.02         | -2.01        |              |              |       |      |      |       |
|             | Employee empowerment   | 65 | 2.7736 | .93606         | 1.51        | -0.13        | -1.62        |              |              |       |      |      |       |
|             | Communication          | 65 | 2.5141 | .93590         | 0.99        | -0.24        | -1.90        |              |              |       |      |      |       |
|             | Management reporting   | 65 | 2.5839 | .95985         | 1.01        | -0.18        | -1.00        |              |              |       |      |      |       |
|             | Performance management | 64 | 2.8776 | .73887         | 1.71        | 0.13         | -1.31        |              |              |       |      |      |       |
|             | Valid N (list wise)    | 64 |        |                | <b>d8_9</b> | <b>d8_10</b> |              |              |              |       |      |      |       |
| 8           | Job satisfaction       | 6  | 1.4545 | .64025         | -1.63       | -5.18        |              |              |              |       |      |      |       |
|             | Employee empowerment   | 6  | 1.3571 | .35857         | -1.39       | -8.17        |              |              |              |       |      |      |       |
|             | Communication          | 6  | 1.5833 | .53489         | -1.11       | -5.06        |              |              |              |       |      |      |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2         | d1_3  | d1_4 | d1_5 | d1_6 | d1_7 | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|--------------|-------|------|------|------|------|------|------|-------|
|             | Management reporting   | 6  | 1.6190 | .49211         | -1.07        | -1.68 |      |      |      |      |      |      |       |
|             | Performance management | 6  | 1.6151 | .70122         | -1.07        | -2.70 |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 6  |        |                | <b>d9_10</b> |       |      |      |      |      |      |      |       |
| 9           | Job satisfaction       | 28 | 3.1927 | 1.06402        | -1.48        |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 28 | 2.9226 | 1.12390        | -1.21        |       |      |      |      |      |      |      |       |
|             | Communication          | 28 | 2.7746 | 1.06933        | -1.42        |       |      |      |      |      |      |      |       |
|             | Management reporting   | 28 | 2.7806 | 1.08273        | -0.86        |       |      |      |      |      |      |      |       |
|             | performance management | 28 | 2.7398 | 1.05556        | -1.26        |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 28 |        |                |              |       |      |      |      |      |      |      |       |
| 10          | Job satisfaction       | 2  | 4.7727 | .06428         |              |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 2  | 4.2857 | .20203         |              |       |      |      |      |      |      |      |       |
|             | Communication          | 2  | 4.2917 | .41248         |              |       |      |      |      |      |      |      |       |
|             | Management reporting   | 2  | 4.0000 | 1.41421        |              |       |      |      |      |      |      |      |       |
|             | Performance management | 2  | 4.0714 | .90914         |              |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 2  |        |                |              |       |      |      |      |      |      |      |       |

**Appendix G - Effect sizes of how respondents in various salary levels perceived the five dimensions**

| SALARY LEVEL  |                        | N   | Mean | Std. Deviation | d_12  | d_13  | d_14  | d_23 | d_24 | d_34  |
|---------------|------------------------|-----|------|----------------|-------|-------|-------|------|------|-------|
| T1-8<br>(1)   | Job satisfaction       | 100 | 2.91 | 0.99           | -0.35 | -0.05 | -0.19 | 0.22 | 0.15 | -0.10 |
|               | Employee empowerment   | 100 | 2.47 | 1.03           | -0.86 | -0.20 | -0.31 | 0.50 | 0.52 | -0.06 |
|               | Communication          | 99  | 2.31 | 0.99           | -0.77 | -0.51 | -0.26 | 0.14 | 0.49 | 0.29  |
|               | Management reporting   | 100 | 2.34 | 1.02           | -0.91 | -0.42 | -0.20 | 0.34 | 0.68 | 0.25  |
|               | Performance management | 99  | 2.56 | 0.94           | -0.53 | -0.30 | -0.14 | 0.13 | 0.31 | 0.17  |
|               | Valid N (list wise)    | 98  |      |                |       |       |       |      |      |       |
| T14-18<br>(2) | Job satisfaction       | 21  | 3.26 | 0.98           |       |       |       |      |      |       |
|               | Employee empowerment   | 21  | 3.35 | 1.00           |       |       |       |      |      |       |
|               | Communication          | 21  | 3.08 | 0.85           |       |       |       |      |      |       |
|               | Management reporting   | 21  | 3.27 | 0.97           |       |       |       |      |      |       |
|               | Performance management | 20  | 3.06 | 0.89           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 20  |      |                |       |       |       |      |      |       |
| T19-20<br>(3) | Job satisfaction       | 3   | 2.97 | 1.32           |       |       |       |      |      |       |
|               | Employee empowerment   | 3   | 2.72 | 1.25           |       |       |       |      |      |       |
|               | Communication          | 3   | 2.92 | 1.18           |       |       |       |      |      |       |
|               | Management reporting   | 3   | 2.86 | 1.22           |       |       |       |      |      |       |
|               | Performance management | 3   | 2.90 | 1.15           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 3   |      |                |       |       |       |      |      |       |
| T9-13<br>(4)  | Job satisfaction       | 62  | 3.10 | 1.04           |       |       |       |      |      |       |
|               | Employee empowerment   | 62  | 2.80 | 1.08           |       |       |       |      |      |       |
|               | Communication          | 62  | 2.58 | 1.03           |       |       |       |      |      |       |

| SALARY LEVEL |                        | N  | Mean | Std. Deviation | d_12 | d_13 | d_14 | d_23 | d_24 | d_34 |
|--------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|              | Management reporting   | 61 | 2.55 | 1.06           |      |      |      |      |      |      |
|              | Performance management | 59 | 2.71 | 1.10           |      |      |      |      |      |      |
|              | Valid N (list wise)    | 59 |      |                |      |      |      |      |      |      |



NORTH-WEST UNIVERSITY  
YUNIBESITI YA BOKONE-BOPHIRIMA  
NOORDWES-UNIVERSITEIT  
POTCHEFSTROOM CAMPUS

**MINI-DISSERTATION**

**MBA 2011/12/13**

**C FRANSMAN**

**STUDENT NUMBER: 11959010**

**AN ASSESSMENT OF PUBLIC SERVANTS' TRUST IN MANAGEMENT WITHIN A  
LOCAL MUNICIPALITY**

A mini-dissertation submitted to The Potchefstroom Business School, North West University, in partial fulfillment of the requirements for the degree of Master of Business Administration

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## DECLARATION

I declare that this research is my own, unaided work. The research is submitted in partial fulfillment of the requirements of the degree of Master of Business Administration at Potchefstroom Business School, Northwest University. It has not been, according to my knowledge, submitted before for any degree or examination in any other university.

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Cuan Fransman

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Date

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## **ABSTRACT**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c).

The role of local government in, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty, which is imperative in achieving a prosperous civilization. The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa. In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. The

test would be to see how the municipal employees' perception of trust influences the trust relationship between employees and managers in the local government sphere.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationship between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The research focused on the performance of a Category B municipality within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and accolade due to continuous improvements in service delivery over the last few years. Five dimensions were examined by conducting a survey in order to establish the perceptions of municipal employees relating to the dimensions of job satisfaction, employee empowerment, communication, management reporting and performance management. These perceptions were assessed by interpreting the responses of (N = 205) respondents from the Category B municipality.

The main finding was that the respondents were very negative towards how they experience the five dimensions within the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. This is contrary to the Category B

municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of this Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy.

It can be concluded that, in order for vertical trust to be of significance within the dynamics of this Category B municipality, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

**KEYWORDS:** Vertical trust, Job satisfaction, Employee empowerment, Communication, Employee management reporting, Performance management

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## LIST OF TERMS AND DEFINITIONS

### **Clean Audit Outcome:**

The financial statements are free from material misstatements (in other words, a financially unqualified audit opinion) and there are no material findings on reporting on performance objectives or non-compliance with legislation (Auditor General of South Africa, 2013).

### **Financially Unqualified Audit Opinion:**

The financial statements contain no material misstatements. Unless we express a clean audit outcome, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects (Auditor General of South Africa, 2013).

### **Qualified Audit Opinion:**

The financial statements contain material misstatements in specific amounts, or there is insufficient evidence for us to conclude that specific amounts included in the financial statements are not materially

misstated (Auditor General of South Africa, 2013).

**Adverse Audit Opinion:**

The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements (Auditor General of South Africa, 2013).

**Disclaimer of Audit Opinion:**

The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements (Auditor General of South Africa, 2013).

**Unskilled level (T1 – 3):**

This skills level is that which is developed with a limited amount of training. The learning period is short and usually consists of following instructions or watching demonstrations of the work to be done (Deloitte., 2009).

**Semi-Skilled Level (T4 – 8):**

At this level there is a certain amount of discretion or judgment involved. It therefore follows that additional training/ experience/ practice is needed following the initial training period. Skills are required through a learning period and developed by constant application and correction until operations become routine (Deloitte., 2009).

**Skilled Level (T9 – 13):**

This level of skill is usually reached after years of experience and/ or training. This level is such that routines which have been learned can be used or varied to achieve the desired result. The ability to recognize cause and effect is necessary (Deloitte., 2009).

**Middle Management level (T14 – 18):**

This level of skill requires conceptualization of future actions or needs in order to formulate short to medium term plans for or within a discipline or function. Advice, management or tactical use of resources specific to the job is features at this level (Deloitte., 2009).

**Senior Management level (T19 – 20)**

This level of skill requires formulation of strategic direction as well as the underlying organizational policy in order to set plans for major functions/ disciplines and/ or the organization as a whole. The ability to deal with new situations at the level of major functions/ disciplines/ together with the business risk factors impacting the organization and/ or the business environment, is essential (Deloitte., 2009).

## **LIST OF ABBREVIATIONS**

COGTA: Department of Cooperative Governance and Traditional Affairs

DPLG: Department of Provincial and Local Government

IDP: Integrated Development Planning

LED: Local Economic Development

LGTA: Local Government Transition Act

MFMA: Municipal Finance Management Act

SALGA: South African Local Government Association

TAS: The Local Government Turnaround Strategy



## **CHAPTER ONE: INTRODUCTION**

### **1.1 Introduction**

This chapter deals with an overview of the assessment of the vertical trust relationship between municipal employees' and their managers. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. The chapter also aims to shed light on the significance of the research as well as the limitations. The chapter then concludes with an explanation pertaining to the structure and design of the research.

### **1.2 Background**

Trust in management has an important effect on employee performance, behaviour and attitudes and has been recognized across numerous literatures and disciplines (Kroukamp, 2008). People's trust amongst each other within a public organization is an intangible element because these interpersonal trust relationships are fundamentally important for social and economic growth (Askvik & Bak, 2005). Trust has become an important phenomenon for understanding collective action. Trust makes it possible for people to enter into relationships of dependence and cooperation. Trust conveys awareness which is predominantly determined by people's desire and expectation in order to enhance effectiveness within a working environment. There also seems to be an intangible association between cooperation and performance within organizations. For this reason, organizations search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance, to edge ahead of their competitors (Bouckaert, 2012). Trust is imperative in all spheres of the society and in order for any municipality to be accountable for delivering a basic

human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and adhere to the key deliverables, as indicated and enshrined in the Constitution, the Municipal Structures Act, and the Municipal Systems Act (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Deng and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence which unilaterally have an influence on the employee's trust in their managers.

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have a strong sense of shared purpose to succeed. Employees work together to support that purpose in order to nurture a working environment in which tolerance and cooperation are highly valued. The research also found those managers who coach rather than just manage and instill a sense of belonging where people collectively participate in making decisions, is important in such organizations. The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover. With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust. What needs to be understood is that in reality, trust creates authority (Hitch, 2012).

The Constitution of South Africa (Statutes of The Republic of South Africa, 1996) prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the National government, Provincial government and Local government. An objective, as prescribed in the Constitution, denotes that these three spheres of government within

South Africa should operate within a structure of co-operative governance whereby the national and provincial government need to assist and reinforce the capacity of local government in order to manage their Constitutional obligation of effectively providing basic services to communities (Statutes of The Republic of South Africa, 1996).

Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government was also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Since 2007, an unprecedented wave of popular and violent protests has flowed across the country. Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000.

The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which was consequently reformed into a system of social, political and economic control. This was where the imbalances, inequalities and disparities came from and was dubbed the Apartheid regime. The transformation of local

government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor (SALGA, 2013a). The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities (discussed in Chapter Two). Such municipalities now had the right to govern, on its own initiative, the local government affairs of its respective community.

For the purpose of this research, the emphasis will be on the local government sphere. The researcher approached the executive management of a Category B municipality in the Western Cape to discuss the need for a survey relating to the trust relationship between municipal employees and their managers and how this may be a contributor to the municipality's goal of effectively and efficiently delivering basic services to the community. The Category B municipality received vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The selected Category B municipality was also in the proximity of where the researcher was born and raised and hence, was eager to discover additional contributing factors for that municipality's operational successes. The broad purpose of this research is to examine the vertical trust relationship, based on various categories which may instill such trust, in order to ascertain whether this is a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality. By conducting this research, the researcher believes that the findings would encourage the Category B municipality to make continuous assessments of the

trust relationship between employees and managers. Furthermore, the study aims to promote a workplace environment based on mutual trust amongst the internal stakeholders in order to allow for effective and efficient delivery of basic services.

### **1.3 Problem statement**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role (Department of Provincial and Local Government, 2013). In order for local municipalities to be at the forefront of such a socio-economic upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Ministry for Provincial Affairs and Constitutional Development, 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by apartheid planning, and planning for a sustainable future.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of a developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational culture and the environment in which local municipalities

encourage effective service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009).

Low levels of trust may cause communities not to perceive local government as credible. Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). For the purpose of this research, the focus will be on vertical trust, where employees feel vulnerable because managers have substantial influence over resource allocation (Mayer & Gavin, 2005). An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two-dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Relationships at work tend to be more formal of nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job.

The test would be to see how perceptions of local government influence the trust relationship between employees and managers in the local government sphere. Research (Hitch, 2012) conducted acknowledged the benefit of trust within a working environment. In organizations where high levels of trust are embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making

processes. Employees in such organizations believe they are treated fairly, regardless of their position within the organization (Lyman, 2012). These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

Trust as a self-fulfilling prophecy is nurtured and is any positive or negative expectation about circumstances, events, or people that may affect a person's behaviour toward them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which may satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted.

Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. These modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being (Lyman, 2012). Hence, it can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012). Trust is an important part of the social cohesion within any organization and it is key for trust between managers and employees to be feasible, in order for an organization to be successful (Bagrain & Hime, 2007). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair exchange relationship with an honest manager (Mulki et al., 2006).

Literature (Grobler et al., 2006) refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or

explicitly to provide these. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behavior (Bagrain & Hime, 2007). Managers who express these characteristics will install a high level of trust with employees. This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, as far as they can, look after their interests and that they will not take advantage or harm another.

The intention of this research is to examine the perceptions of trust by municipal employees towards their managers at a Category B municipality within the province of the Western Cape. The research will particularly test the importance of vertical trust between municipal employees and their managers as it was found to be a significant contributor of employees' job performance and ultimately improved service delivery (Biswas & Varma, 2007). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager and employee and the environment in which the municipality operates and conducts its key objectives. As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this research will focus on employees' perception of trust towards managers. The research will seek to construct a conceptual framework of how management's engagement with employees in terms of job satisfaction, a sense of empowerment, communication, and management reporting and performance management can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

This is an interesting issue in the context of the South African political landscape post 1994. In retrospect, improving public service quality locally and nationally has become a



priority of the South African government to meet the expectations of the public, as it is generally known that the quality of this service is still relatively poor in the local communities of geographical landscape (Kroukamp, 2008). This brief review of the literature shows that vertical trust is the backbone of any credible organization, where low levels of vertical trust experienced by employees do have numerous negative implications for such organizations (Hitch, 2012). Despite the importance of vertical trust relationships to an organization's effective functioning, little published empirical studies seem to be available within the South African context for local governments. The current research aims to make a contribution towards addressing this need.

#### **1.4 Scope of the study**

In South Africa there are three spheres of government: national, provincial and local government. The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. In constructing the country as a developmental state, it is important to create a framework to address the socio- economic challenges where enhancing economic growth and reducing unemployment will be key to achieving such a goal (Potgieter, 2012). The local government sphere is categorized into three types of municipalities, namely a metropolitan municipality, a district municipality and a local municipality which are all based on providing basic services (roads and infrastructure, clean drinking water, electricity and housing) to communities. The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent

with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010).

This research study will focus on the performance of a Category B municipality within the geographic area of the Eden district, Western Cape and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. This Category B municipality has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what inspired the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude towards delivering on the municipality's ultimate goal of basic service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive working environment is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

## **1.5 Objectives of the research**

This section will explain the primary and secondary objectives which the researcher would like to achieve as follows:

### **1.5.1 Primary Objectives**

The primary aim of the research will be to determine the employees' level of trust towards their manager within the category B municipality and how this trust relationship contributes to effective and efficient service delivery. The researcher aims to achieve this by determining whether several dimensions of vertical trust, like the level of general job satisfaction, employee empowerment, communication, and management reporting

and performance management are contributing factors of effective and efficient service delivery.

### 1.5.2 Secondary objectives

The secondary aim of the research will be to establish management's perception of how they perceive the employees' trust towards the management structures. The primary reason for this additional objective relates to the view that it has become critical for management to get personally involved in managing the emotional part of its employees. This engagement is important to ignite a sense of belonging towards the Category B municipality, where employees will put renewed emphasis on the trust amongst all levels of the organizational hierarchy, which ultimately affects their loyalty towards top management.

## 1.6 Research methodology

This section provides a basic description of the proposed methodology to be adopted in order to meet the above- mentioned objectives of the study.

### 1.6.1 Research design

This study will follow a quantitative approach, using survey methodology to collect indicative data from an expediency sample of respondents. It is envisaged that questionnaires will be distributed via email to 800 employees, which are permanently employed (approximately 81.38 percent of total employment profile – permanently employed employees) at the Category B municipality of which the total employment profile is given in table 1.1 as follows:

Table1.1: Employment profile for the Category B municipality, (Source: Category B municipality, 2013)

| Occupational categories                    | Posts filled |            |          |           |           |            |          |           | Total      |
|--|--------------|------------|----------|-----------|-----------|------------|----------|-----------|------------|
|  | Male         |            |          |           | Female    |            |          |           |            |
|  | A            | C          | I        | W         | A         | C          | I        | W         |            |
| Legislators, senior officials and managers | 8            | 12         | 0        | 11        | 10        | 6          | 0        | 2         | 49         |
| Professionals                              | 0            | 1          | 0        | 4         | 0         | 0          | 0        | 0         | 5          |
| Technicians and associate professionals    | 3            | 15         | 0        | 16        | 0         | 4          | 1        | 7         | 46         |
| Clerks                                     | 5            | 28         | 1        | 18        | 8         | 18         | 0        | 7         | 85         |
| Service and sales workers                  | 8            | 40         | 0        | 9         | 20        | 72         | 0        | 25        | 174        |
| Craft and related trades workers           | 13           | 37         | 0        | 7         | 9         | 20         | 0        | 3         | 89         |
| Plant and machine operators and assemblers | 67           | 100        | 0        | 22        | 9         | 25         | 1        | 6         | 230        |
| Elementary occupations                     | 107          | 101        | 0        | 1         | 33        | 63         | 0        | 0         | 305        |
| <b>Total permanent</b>                     | <b>211</b>   | <b>334</b> | <b>1</b> | <b>88</b> | <b>89</b> | <b>208</b> | <b>2</b> | <b>50</b> | <b>983</b> |

### 1.6.2 Type of sample

A convenience sampling technique will be used as questionnaires will be distributed via email to those selected employees on one particular day. The Category B municipality used for this research study operates in the local government sector, located in the Eden District of the Western Cape Province. This Category B municipality provides basic services to the city's community and its surrounding areas. The research data will be distributed among 800 permanently employed individuals throughout the Category B municipality. A total of 983 salaried staff members are employed by the municipality, on a permanent basis. Conservatively, it is envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis.

A pilot study will also be conducted which refers to a trial administration of an instrument in order to identify flaws. The pretest will assist the researcher to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and understand what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009). The researcher will pretest the questionnaire on 10 respondents within the Finance department of the

municipality. The Finance department was chosen as the researcher is being assisted by an undergraduate student employed within that department and would lessen the administrative burden as opposed to collecting questionnaires from all over the Category B municipality.

### 1.6.3 Measuring instrument

A questionnaire will be administered to the employees to complete on a voluntary basis. It will consist of a demographic section, five standardized measuring instruments/ dimensions to measure vertical trust, and a last section where open questions are put to the respondents relating to their perception of trust within the Category B municipality. These sections are preceded by an explanation and cover letter by the researcher of what the questionnaire entails. It includes sharing the objective of the research and was combined with a voluntary consent explanation. The questionnaire will consist of a Section A, Section, B, Section C, Section D, Section E, Section F and Section G. Section A will include eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. Section B to Section F will focus on questions relating to municipal employees' perception of job satisfaction, employee empowerment, communication, management reporting and performance management and how these measures link to vertical trust. The last section relates to open questions of what the municipal employees perceive trust to be and how this is experienced within their current working environment.

Throughout Section B to Section F, respondents will be required to indicate their responses of the five measuring instruments, by using a five- point Likert scale ranging from one (1) = strongly disagree/ extremely dissatisfied to five (5) = strongly agree/ extremely satisfied. The questionnaires will then be scored, using a grid, for each of the factors (measuring instruments).

#### 1.6.4 Data analysis

Data will be analyzed using the computer software package provided by Statistical Consultation Services at the Northwest University and will be guided by Professor Faans Steyn with regards to the statistical interpretations. The empirical analysis will consist of explanatory statistics, including analysis relating to reliability, variance and correlations. Standardized differences will be analyzed in terms of effect sizes, by comparing groups with each other in terms of the mean and standard deviation of each particular group. Item analysis will be conducted on the survey by the respondents, where the coefficient alpha, mean and standard deviation of the dimensions will be calculated.

#### 1.7 Limitations of the research

While the findings of this study are clearly limited due to a moderate sample size, they do nevertheless make an initial contribution to the understanding of the nature of the relationships between the various dimensions and its link to vertical trust. Only responses to the questionnaires will be collected since circumstances and financial constraints will not allow for in-depth interviews with the respondents. Not many published research papers was evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management. However, a potentially key strength would be that a large number of employees throughout the entire municipality's organizational structure will be approached and as such, may have some valuable external validity.

Measurement error is another limitation that will influence the scope of the research. The reliability of the survey statements and the extent to which the dimensions echo the concept of vertical trust needs to be noted.

The approval by the executive management of the Category B municipality was on the condition that the research is classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher refers to this municipality as a "Category B municipality" throughout the research study.

## **1.8 Ethical considerations**

Before proceeding with the data collection phase of this study, ethical clearance was obtained from the executive management of the Category B municipality. An undertaking was given by the researcher to responsibly follow the Northwest University's Guidelines for Ethical Research as set out in the Manual for Postgraduate studies. Participation will be completely voluntary and the anonymity of the participants will be protected in the gathering and analysis of the data and presentation of the research findings.

## **1.9 Contribution of the study**

From the definitions and interpretations regarding the concept of trust, it can be said that trust between two parties is a process that takes time to emerge and evolve due to the risk of vulnerability it involves (Paliszkievicz, 2012). The researcher would aim to present managers within the Category B municipality with insight into how the Category B municipality's employee fraternity perceives the current vertical trust relationship between the two parties to be and what can be done to positively align and transform such attitudes and behaviours with effective and efficient service delivery to the community.

To this effect, there seems to be a lack of awareness from managers about the fact that their supervisory roles involve both consideration for employees and concern for tasks.

They are unaware of the dynamics in the relationships between themselves and their employees and the impact of such dynamics on the Category B municipality's core objective which is basic service delivery (Paliszkievicz, 2012). They do not take into consideration employees' feelings and perceptions and this eventually affects organizational performance. As a result, the research would like to examine how job satisfaction, employee empowerment, communication, management reporting and performance management can contribute to the employees' pursuit of being part of a culture where effective and efficient service delivery to the community is of paramount importance.

### **1.10 Layout of the research**

The mini dissertation will be presented in four chapters. The first chapter deals with the introductory aspects of the research and therefore introduces the concepts that will be discussed in the research. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. Furthermore, the chapter aims to provide insight into the limitations of the research. The chapter then concludes with an explanation pertaining to the structure and design of the research.

The second chapter explains the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aims to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the



conceptualization of vertical trust between employees and managers within the local Category B municipality as well as to determine whether the municipality's performance indeed has relevance to the vertical trust relationship between municipal employees and their managers.

The third chapter explains the various research methodologies which were adopted for this research. The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data will be described, which includes methods implemented to maintain reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. It will serve as an explanation of the data presentation and analysis by examining the empirical findings and discussions of the research, which stems from the data which were collected and analyzed from the respondents' questionnaires.

The fourth chapter will then summarize the research, consisting of conclusions, limitations and recommendations.

## **1.11 Summary**

The chapter aims to lay the foundation of the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. The chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the layout and design of the research.

## **CHAPTER TWO: ASSESSING PERCEPTIONS OF PUBLIC SERVANTS' TRUST IN LEADERSHIP**

### **2.1 Introduction**

This chapter focuses on the conceptual foundation of the trust relationship between local government employees and managers. The aim would be to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. This will be discussed through a brief history and the transformational process, the present local government structure and its institutional performance and functionality in how to effectively carry out its constitutional duties towards the communities it serve.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationships between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories' related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

## **2.2 Local government structure in South Africa**

The Constitution of South Africa prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the national government, provincial government and local government. These spheres of government are autonomous as the Constitution makes explicit provision for these spheres to be distinctive, inter-related and inter-dependent to operate according to the rules set out in the Constitution (Education and Training Unit, 2013b). The national government is the supreme law-making body in the country and the laws made by this sphere of government are applicable throughout South Africa. Provincial governments are bound by laws and policies passed at national government, but can develop its own laws and policies within this framework in order to suit its specific needs. This sphere of government may pass its own constitutions subject to the provisions of the Constitution of South Africa. Local governments consist of municipalities whose objectives are, amongst other things, to provide democratic and accountable government for local communities, to ensure the provision of basic services to communities and to promote social and economic development. (Education and Training Unit, 2013b).

The role of local government, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty and is key in achieving a prosperous civilization. This research aims to explain the evolution of the local government structure in South Africa and will focus on the following aspects. First, a brief overview and the transformational process of the South African government structure will be discussed. Secondly, this will be followed by the present system of the local government in South Africa. This section will discuss the various policies that guide the South African government, the three categories in which local government functions and the challenges of community protests at the local government level. Thirdly, the research looks at the local government's functionality and institutional performance. Lastly, the research looks at

how local government seeks to build a strong foundation in the country's quest of socio-economical upliftment against issues like poverty.

### 2.2.1 Brief overview and the transformational process

Before the promulgation of the Constitution of the Republic of South Africa of 1996 and the transition to democratic local government, local authorities, as they were then known, were mere creatures of statute which were created by provincial governments (SALGA, 2013a). The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which consequently was reformed into a system of social, political and economic control (Koma, 2012).

This cheap migrant labour system was subsequently refined into a system of apartheid where labourers were subjected to segregation and discrimination. As the economy prospered and wealth, as a consequence, were exclusively handed to white South Africans, the government wanted black labour to move to white towns and cities. Black labourers were not allowed to live in these areas which led to restrictive legislation that was passed in order to curb the movement of black people (Koma, 2012). This legislation included the Native Trust and Land Act of 1936 and the Native Laws Amendment Act of 1937 which failed to discourage black people from migrating to urban areas, where municipalities had to provide basic services for them (Development Bank of Southern Africa, 2000). With Apartheid being condemned by other countries and with sanctions imposed on South Africa due to the country's political ideologies, a national reform process began in 1990 (Smith et al., 1998). Since 1994, the South African local government sector experienced various transformational changes National

deliberation negotiated the Local Government Transition Act of 1993 (LGTA) in order to pave a process for change and provided four phases (Koma, 2012).

The first phase was the period between the passing of the Local Government Transition Act of 1993 and the first local government elections held in 1995-1996 (Smith et al., 1998). The Act focused on the political unification of municipalities that had been racially divided under apartheid and emphasized the importance of change in the political landscape and was marred by little attention given to how municipalities should be functioning. The second phase began with the first local government elections and ended with the implementation of the final constitutional model of local government in 1997. Integrated municipalities were established but were not yet fully democratically elected. The third phase began with the final constitutional model of local government in 1997 and provided for a strong and entrenched local government, although some of the constitutional provisions only took effect after the 2000 local government elections (Statutes of The Republic of South Africa, 1996). During this phase, the current municipalities were established which stemmed from the local government election on 5 December 2000. The fourth phase began with the consultative process within government, which preceded the 1998 local government White Paper. This phase focused on how local government could function within the local community. The White Paper alluded to the fact that local government needed to be “developmental”, merely stating that local governments needed to be committed to working with citizens and groups within the community, in order to find sustainable ways to meet their social, economic, and material needs and consequently improving the quality of the lives of the people (Education Training Unit, 2013c).

The Constitution of 1996 made provision for different spheres of government to exercise their powers but history indicated that government regulations had an array of procedures, structures and processes (SALGA, 2013a). Municipalities however, had a common feature as there was a lack of constitutional status whereby municipalities possessed only such rights and powers as was specifically or impliedly granted to them by the legislature. All their actions, including the passing of by-laws and administrative

actions were rendered and subjected to judicial review. Municipalities' existence was subservient to the mercy of the provinces (SALGA, 2013a). The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. A municipality now had the right to govern, on its own initiative, the local government affairs of its respective community.

The historical overview and transformation process culminated in the present system of local government in South Africa, which will be discussed in the following section.

## 2.2.2 The present system of local government in South Africa

This section will provide an overview of the various policies which guide the local government sphere. This will be followed by an explanation of the current government structure within South Africa.

### *2.2.2.1 Policies guiding local government in South Africa*

Although national and provincial governments may oversee the functioning of local government, this must be done without impeding on the institutional integrity of that particular local government. The socio- economic backlogs and non- delivery of basic services in local government, marked by the apartheid legacies, was undoubtedly one of the reasons which led to the national reform process that began in 1990 (Pieterse, 2002). The new democratic government reformed previous legislations and policies to address issues pertaining to segregation, inequality, discrimination, poverty and to establish new transitional local governments. New institutions such as SALGA have

been established with new principles, philosophies and support mechanisms to streamline transformational local government into improved performance levels.

The introduction of the LGTA provided for transitional local government as well as for a clearly defined transition process. Other pieces of important legislation were the Development Facilitation Act which attempted to attend to the functional approach of local governments and to guide them in the direction of being more participative (Koma, 2012). The Demarcation Act also allowed for a complete review of the geographical areas of jurisdiction of local governments and to ensure that every area of South Africa falls under a democratically elected local government (Koma, 2012). From a governance point of view, the above-mentioned acts could evidently be seen to have steered the way in allowing the current elected, fully democratic and demarcated municipalities to begin functioning in democratic and development orientated manner after 2000 (Koma, 2012). These acts were a direct consequence of how the South African Constitution unambiguously provided for what role local municipalities may fulfill and how they could execute its legislative authority and powers. These local municipalities would then autonomously take control over local affairs and other community concerns. Municipalities would provide essential and emergency services effectively and efficiently to respective communities as well as to improve the general welfare of those same communities.

With the twenty first century approaching, the Department of Provincial and Local Government (DPLG) initiated and implemented a strategic plan in order to improve social development and economic growth, through a multi-disciplinary approach (DPLG, 2013). This multi-disciplinary plan is known as the Integrated Development Planning (IDP), and a process through which municipalities prepare a strategic plan containing short, medium and long-term development objectives, strategies and programmes for the municipal area (DPLG, 2013). The IDP aims to enable municipalities to collectively engage with communities and other stakeholders, in order to find innovative and cost effective ways of alleviating poverty and simultaneously growing the local economy. The focus of this initiative was efficient and effective coordination, as reflected in

decentralized development planning and integration, between the three spheres of government (SALGA, 2013a). The initiative was also aligned to the South African Constitution of 1996, which enshrined the notion of cooperative governance and government as one entity, consisting of three inter-dependent spheres on the one hand, and creating a capable local government with a unique and specific developmental role on the other hand.

#### *2.2.2.2 The local government structures in the current political environment*

Chapter 7, Section 155 - 157 of the new South African Constitution of 1996 (Statutes of The Republic of South Africa, 1996), explicitly mandates the municipalities' constitutional responsibility for the delivery of a range of basic services to local communities and by doing so, work towards sustainable development. Responsibility towards basic service delivery (provision of water supply, sewage collection and disposal, refuse removal, electricity and gas supply, municipal health services, municipal roads and storm water drainage, street lighting, municipal parks and recreation) and local economic development in South Africa are therefore the key focus areas of local government. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities as indicated in Table 2.1.



Table 2.1: Three categories of municipalities in South Africa, (Source: SALGA, 2013a)

| Municipal Category                    | Explanation of such category  |
|---------------------------------------|---|
| Category A: Metropolitan Municipality | A municipality that has exclusive municipal executive and legislative authority in its area.  |
| Category B: Local Municipality        | A municipality that shares municipal executive and legislative authority in its area with a Category C municipality within whose area it falls. |
| Category C: District Municipality     | A municipality that has municipal executive and legislative authority in an area that includes more than one municipality.                      |

The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). This is accomplished by using state resources and state influence to attack poverty and expand economic opportunities.

The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. Constructing the country as a developmental state is important to create a framework to address the socio- economic challenges, enhancing economic growth and reducing unemployment (Potgieter, 2012). South Africa, as a developmental state, should provide basic services and restore the Apartheid legacy, but at the same time it needs to align its policies to foster economic development. Potgieter (2012) suggested that in order to address the issues stated

above, bureaucratic competence and economic planning are of the essence but however seems to lack in the current state of government.

The developmental mandate of local government is currently channeled through metropolitan municipalities in the eight largest urbanized and industrialized centers in the country. Metropolitan areas are large urban areas with high population density, an intense movement of people, goods and services, extensive development and multiple business district and industrial areas (SALGA, 2013b). These municipalities are charged with addressing the key challenges outlined in the White Paper on Local Government, namely the legacy of urban apartheid, by establishing a basis for equitable and inclusive metropolitan governance and development (Pieterse, 2002). There are six metropolitan councils in South Africa and they may have up to 270 councilors, appointed for five years (Education and Training Unit, 2013a). They have legislative competence over all the areas listed in Schedules 4B and 5B (Statutes of The Republic of South Africa, 1996).

Outside the metropolitan areas, the local government mandate is pursued by the other two-tier local government - 228 local municipalities grouped into 44 district municipalities, sharing the functional competencies listed in Schedules 4B and 5B (SALGA, 2013a). The responsibilities between the two categories of local government is prescribed by the Municipal Structures Act of 1998, and must take into account the need to provide municipal services in a fair and sustainable manner (The Republic of South Africa, 1999). The Act does so by allocating district municipalities' functions with those not listed and falling in the scope of local municipalities. Local councils exist in smaller cities and towns and have between three and ninety councilors (SALGA, 2013a). Local councils with seven or more councilors have wards. There are 232 local councils. The greatest rationalisation of local authorities occurred in the Category B municipalities. District councils cover a wider geographic area than local councils and areas of lower population density. The long-term goal of the district councils is to enable better regional planning and bulk infrastructure delivery (COGTA, 2009c).

Within each of the categories of municipalities, the Municipal Structures Act allows for diversity in the manner in which a municipality is organised and managed (The Republic of South Africa, 1999). The transformational change of South Africa from a society plagued by discrimination and disparity, into a constitutional democracy continues to pose particularly profound challenges at local government level (Potgieter, 2012). Research studies indicated that it is within local government that acute imbalances in personal wealth, physical infrastructure and the provision of services are often most obvious as a result of community unrest and protests (The Institute for Democracy in Africa, 2010). These consequences of such socio-economic imbalances are due to communities' frustration towards their stagnant impoverished circumstances (Karamoko & Jain, 2011). Protesters often cite the lack of accountability of government officials, along with the absence of public participation as factors that further aggravate their basic service delivery complaints. A brief overview of such protests is given in paragraph 2.2.3. The data suggests that these protests are likely to increase if communities feel that they are being let down by promises of improved social and economic wellbeing by government (Karamoko & Jain, 2011).

Poverty is a challenge of which municipalities are confronted with daily. A large part of the burden of addressing this falls upon local government, as it is the provider of primary services which are essential to the dignity of all who live in its area of jurisdiction. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa (SALGA, 2013a). It is therefore a key mandate of local government (with the support of provincial and national government) to eliminate the disparities and disadvantages that are a consequence of the policies of the past and to ensure, as rapidly as possible, the upgrading of services in the previously disadvantaged areas, so that equal services will be provided to all residents (SALGA, 2013a). The success of eliminating these disparities can start by a strong focus of transparent communication between the community and councilors, community participation, unfunded mandates and political management - managing expectations, pressure groups, roles played by municipal leadership and councilor/administrative issues (Mathekga & Buccus, 2006).

Local government has an obligation to work towards the realization of its philosophy of being a developmental state, by eradication of extreme poverty and hunger, achieving universal primary education, promoting gender equality and empower women, reducing child mortality, improving maternal health, ensuring environmental sustainability, and developing a global partnership for development (The Institute for Democracy in Africa, 2010). The commitment from local government to deliver on the above social and economic development requires resolute effort and a more coordinated approach (Potgieter, 2012).

### 2.2.3 Service delivery challenges faced by municipalities

Taking cognizance of the above background, local government stands to inherit growing responsibility for basic service delivery, primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government is also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Community protests are seen as protests where communities oppose the pace or quality of service delivery by their municipalities (Karamoko & Jain, 2011). The study found that the frequency of community protests across South Africa increased significantly between 2007 and 2009, and then fell dramatically from June 2010 until 2011. Figure 2.1 indicates the trend.

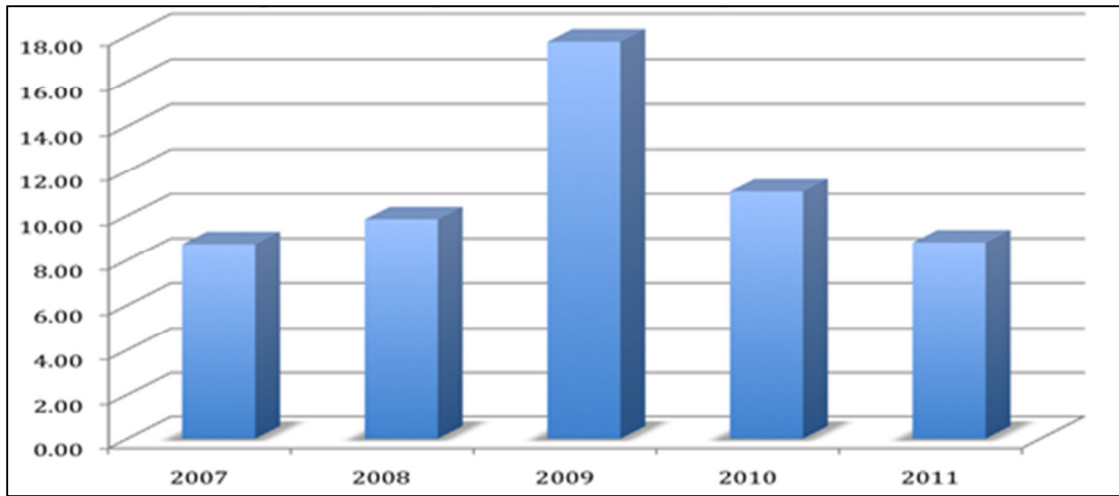


Figure 2.1: Average number of protests per month, 2007 – 2011, (Source: Karamoko & Jain, 2011)

The global financial crisis and the subsequent economic recession at large may have hampered the ability of local governments to adequately provide residents with basic services. This may have contributed negatively on the financial security of South Africans (unemployment and reduced savings) and could be an explanation for the escalating frequency of protests between 2007 and 2009, with a subdued frequency of protests culminating between 2010 and 2011 (Karamoko & Jain, 2011). Basic service delivery protests could not be solely attributed to lack of basic service delivery by municipalities, but is potentially complicated by the migrational flows of the population across South Africa (SALGA, 2013b). More protests occurred in areas where municipal performance progress has been made as opposed to areas where backlogs are more significant e.g. rural areas. This referred to a crucial question of whether local governments and their administrations are undoubtedly capable of fulfilling their mandate, as enshrined in the Constitution (Atkinson, 2003).

An unprecedented wave of popular and violent protests has flowed across the country since 2007 (Karamoko & Jain, 2011). Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get

government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000. The above is substantiated in a survey undertaken by the Institute for Justice and Reconciliation in 2011, which shows that only 43 percent of South Africans actually trust local government (Mdletshe, 2012). This is compared with more positive evaluations of provincial government (56 percent), national government (65 percent), parliament (61 percent) and The Presidency (65 percent). Confidence remains far lower in this sphere of government than at the national or provincial levels. The survey also revealed that the percentage of South Africans who believe they can trust national leaders to do what is right has fallen from 58 percent in 2010 to 51 percent in 2011. Trust in local government has never again reached its highest levels as recorded by the South African Reserve Bank survey at 50% in 2006 (Mdletshe, 2012).

While the causes of the protests differ from one province to the other and from one municipality to the other, in all instances people want to be heard and to be taken seriously (Karamoko & Jain, 2011). The protesters are aware that they are citizens with rights and that they should be treated accordingly to what is enshrined in the Constitution of 1996. This is contrary to local government legislative framework which underpins local governance and popular belief that some form of stakeholder involvement in decision-making is necessary in planning on issues that affect people's lives (Powel, 2009). Corruption, financial mismanagement and non-compliance with financial legislation are common in most municipalities. Consequently, this results in poor performance, thus the delivery of social services is compromised (Powel, 2009). Another factor undermining the performance of municipalities is the availability and shortage of the required skills (COGTA, 2009c). The State of Local Government in South Africa Report 2009 referred to a situation where the skills deficit within municipalities remains a major challenge (COGTA, 2009a). Municipalities lack the managerial, administrative, financial and institutional capacity to meet the rising needs

of the local community. This situation is exacerbated by the decline of municipal professionals and poor linkages between local government and tertiary education sector. As a result, these municipalities cannot meet their required performance standards, hence impacting adversely on the delivery of services.

#### 2.2.4 Local government functionality and institutional performance

The aims of a democratic society and a growing economy can only be attained through a responsive, accountable, effective and efficient structure within local government. When the Ministry of Provincial and Local Government was disbanded and replaced by the COGTA in 2009, the new ministry implemented The Local Government Turnaround Strategy (TAS) and emerged from COGTA's assessment of local government in 2009 (COGTA, 2009a). The department found that, while local government embraced democratization, the municipal structure lacked key performance areas like the inability to eliminate huge service delivery backlogs, breakdown in council communication with and accountability to communities, political interference in administration, corruption, fraud, bad management, increasing violent service delivery protests and a depleted municipal capacity (COGTA, 2009a). This was symptomatic of systematic problems in local government and cooperative governance (COGTA, 2009c).

The national government's aim was to improve overall access to basic services for all households by 2014 (COGTA, 2009b). Despite various challenges, significant progress was made (COGTA, 2011a): 93 percent of the population has access to a basic level of water; 73 percent of households have access to electricity; 67 percent have access to basic sanitation; and 59 percent to once a week refuse removal.

Improving financial management and administrative capacity is closely linked to improved service delivery (COGTA, 2009b). This was substantiated by the poor state of financial management in municipalities, culminating in perennial poor audit outcomes based on the audits performed by the Auditor General between 2009 and 2011 (Auditor General of South Africa, 2012). This was particularly alarming, given the annual budget allocation allocated by the National Treasury Department to the respective local governments. From the table below, it is evident that substantial amounts are

transferred to local government in order to allow for sufficient financial resources to deliver on basic services to communities.

Table 2.2: National grants to local government, 2009/10 – 2015/16 (Rmillion)

| R million  | 2009/10       | 2010/11       | 2011/12       | 2012/13          | 2013/14               | 2014/15       | 2015/16        |
|--|---------------|---------------|---------------|------------------|-----------------------|---------------|----------------|
|  | Outcome       |               |               | Revised estimate | Medium-term estimates |               |                |
| <b>Direct transfers</b>                                    |               |               |               |                  |                       |               |                |
| Equitable share and related                                | 23 845        | 30 541        | 33 173        | 37 373           | 40 582                | 44 490        | 50 208         |
| General fuel levy sharing with metropolitan municipalities | 6 800         | 7 542         | 8 573         | 9 040            | 9 613                 | 10 190        | 10 659         |
| Infrastructure   | 18 699        | 20 871        | 24 643        | 28 029           | 31 132                | 33 698        | 37 121         |
| <b>Capacity building and other</b>                         | <b>2 194</b>  | <b>1 951</b>  | <b>1 862</b>  | <b>2 586</b>     | <b>3 324</b>          | <b>3 201</b>  | <b>3 482</b>   |
| <b>Subtotal direct transfers</b>                           | <b>51 537</b> | <b>60 904</b> | <b>68 251</b> | <b>77 028</b>    | <b>84 651</b>         | <b>91 579</b> | <b>101 469</b> |

(Source: National Treasury: Republic of South Africa, 2013)

The table above indicates an increase in direct transfers from National Treasury to local governments increased by 49.5 percent between 2009/10 and 2012/13 (National Treasury: Republic of South Africa, 2013) and was significantly more than the average inflation rate of 5.5 percent, during that period (Statistics South Africa, 2012). The above inflation increases is illustrated by the annual aggregate increases in direct transfers below (National Treasury, 2013; Statistics South Africa, 2012):

- 2010/11: 18.18 percent as opposed to average inflation of 4.3 percent;
- 2011/12: 12.07 percent as opposed to average inflation of 5.0 percent;
- 2012/13: 12.86 percent as opposed to average inflation of 5.6 percent.

The researcher suggests that, from these amounts of funding allocated to local municipalities, the responsibility lies with accounting officers within the various local governments to manage these funds with accountability and in accord with the legislation uttered in the Municipal Finance Management Act (MFMA). Corporate governance, in terms of the MFMA, is of paramount importance and was also reiterated in the 2011 report by the Auditor General of South Africa (Auditor General of South



Africa, 2012). The table below summarizes the 2010 – 2011 audit outcomes of the 283 municipalities that were audited.

Table 2.3: Auditor General’s consolidated general report on local government audit outcomes, 2010 – 2011, (Source: Oberholzer, 2012)

| Audit outcomes  | Municipalities |             |
|---|----------------|-------------|
|   | 2010 - 2011    | 2009 - 2010 |
| Financial unqualified with no findings                            | 13             | 7           |
| Financially unqualified with findings                             | 115            | 122         |
| Financially unqualified financial statements                      | 45%            | 46%         |
| Qualified opinion, with findings                                  | 53             | 61          |
| Adverse opinion, with findings                                    | 7              | 7           |
| Disclaimer of opinion, with findings                              | 55             | 77          |
| Number of audit reports not issued by 31 January 2012             | 40             | 9           |
| Outstanding audits and financially qualified financial statements | 55%            | 54%         |
| <b>Total number of audits</b>                                     | <b>283</b>     | <b>283</b>  |

*\*Definitions of audit outcomes are provided in list of terms and definitions*

This table indicates a modest progress in achieving the objectives of what is prescribed under the MFMA for achieving clean financial audits. An entity that has a clean financial audit opinion has strong financial management, sound internal controls and a robust budgeting process (The South African Institute of Chartered Accountants, 2013). According to the table, less than five percent of all municipals achieved the required benchmark (Oberholzer, 2012). The remaining results and performances of the other municipalities may be a catalyst for municipalities not functioning at their optimum capacity in terms of service delivery. The figure below provides a breakdown of

provincial performances, with Kwazulu Natal leading the way with 85 percent of its 61 municipalities achieving unqualified or better audit opinions. Western Cape achieved 74 percent and Gauteng 60 percent. The Northwest Province had the worst performance with only eight percent unqualified audit outcomes. A total of 63 percent of its municipalities did not submit financial statements on time (Oberholzer, 2012).

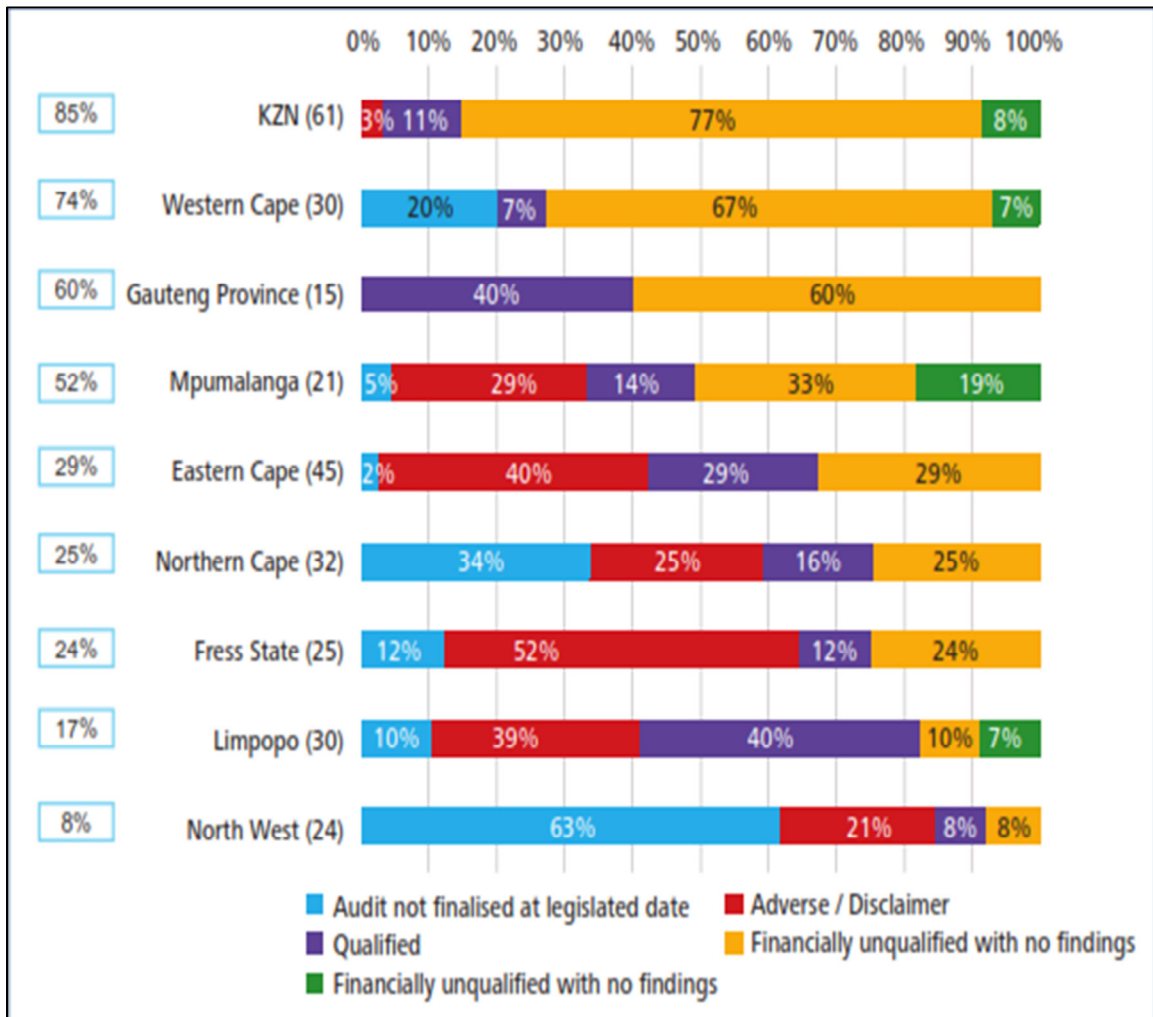


Figure 2.2: Provincial breakdown of the Auditor General's consolidated general report on Local Government audit outcomes, 2010-2011, (Source: Oberholzer, 2012)

From this appalling performance by local municipalities, one would assume that the trust relationship within such municipalities may erode over time. Research

(Lyman, 2012) indicated that employees who trusted their managers had a 42 percent higher return on shareholder investment and performance than organizations in which distrust was the norm. When trust erodes, morale declines, performance plummets and employees become detached from the organization and management (Reina & Reina, 2007). The figure above would assume that service delivery backlogs and public violent protests against the lack of service delivery are mostly prevalent in those areas where financial mismanagement is rife. Karamoko and Jain (2011) suggested the contrary because such protests are predominantly in provinces where corporate governance relating to financial management, was applauded by the Auditor General of South Africa (Auditor General of South Africa, 2012). Irrespective of the above phenomenon, SALGA, as a conduit to alleviate service delivery protests, re-iterated the lack of proper investment in people, the lack of technical, management and leadership skills, the lack of defined minimum competencies for critical positions, and the impact of undue political interference in management decisions (SALGA, 2013a).

Management challenges contribute significantly to the current service delivery backlogs in South Africa. These are estimated at 19.3 percent in water backlogs, 32.6 percent in access to sanitation, 27.3 percent in access to electricity and 40.1 percent in access to refuse removal (Oberholzer, 2012). Although the reasons for service delivery protests are often complex, these backlogs certainly contributed to the perceptions of poor service delivery and the consequent civil unrest, as evidenced by more than 200 service delivery protests during the last few years. In addition, a synopsis of the provincial audit outcomes illustrates that, apart from Kwazulu Natal, Western Cape and Gauteng, there is increasing concern in the remaining provinces due to (Oberholzer, 2012):

- The number of disclaimers, adverse or qualified audit opinions remained at a very concerning 47 percent;
- Forty municipalities were not yet audited due to their failure to submit annual financial statements on time, with the majority of these unlikely to receive a favourable audit outcome. The percentage poor outcomes are therefore likely to move to around 54 percent, the same level as the previous year;

- Only 45 percent of municipalities achieved at least a financially unqualified audit opinion (the same as in the previous year); and
- Only 13 clean audits in the country, i.e. fewer than 5% of municipalities achieving the required benchmark

In contrast to the general perception that municipalities lack the ability to fulfill its mandate in providing basic services as stated in the Constitution, the figure above shows that South Africa has a number of examples of effective, efficient and sustainable municipalities (Auditor General of South Africa, 2012). A strategy for a sustainable turnaround within local government is non-negotiable in order to assure better service delivery within local governments. At least four key priorities can be noted (Oberholzer, 2012):

- Performance management for the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. Research indicated that more and more managers within the public sector are not being evaluated based on performance (Kitshoff, 2013);
- Develop an organizational culture to establish a people-centered culture of service delivery and customer care. Being a municipal employee should be about serving the community and not about entitlement and power. Encourage and reward innovation and initiative that improve service delivery;
- Ensure that planning, governance structures, people, processes, systems, infrastructure and oversight mechanisms are optimal and aligned to the mandate, as defined by a realistic IDP and applicable legislation;
- Financial sustainability and management to sustain economic and financial viability and the prosperity of the municipality. This would be imperative in facilitating growth of the local economy and the creation of jobs.

In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and

adhere to the key deliverables (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Den and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence unilaterally have an influence on the employee's trust in their managers.

### 2.2.5 The case for building a strong local government sphere

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio- economical upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. In order for local municipalities to be at the forefront of such a socio- economical upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Smith et al., 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by Apartheid planning, and planning for a sustainable future. They can only achieve this by working together with local communities and businesses, and adopting a developmental approach (Potgieter, 2012). This implies that municipalities must have policies and institutional frameworks that support and sustain the development and fundamental rights of local people and be geared to promote good governance (The Institute for Democracy in Africa, 2010). The fundamental goal of a democratic system is citizen satisfaction.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide

an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritize local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational environment in which local municipalities encourage effective basic service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009). Low levels of trust may cause communities not to perceive local government as credible.

The test would be to see how the employees' perception of local government influences the trust relationship between employees and managers in the local government sphere. Research conducted (Hitch, 2012) acknowledged the benefit of trust within a working environment. In organizations where high level of trust is embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making processes. Lyman (2012) suggests that employees in such organizations believe they are treated fairly, regardless of their position within the organization. These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

From the above, it would be fair to assume that through trust, a self-fulfilling prophecy is nurtured, which is any positive or negative expectation about circumstances, events, or

people that may affect a person's behaviour towards them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which will satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted. Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. Lyman (2012) stated that modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being. It can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012).

### **2.3 The case of a Category B municipality**

Research (Karamoko & Jain, 2011) conducted over a period between February 2007 and May 2010, indicated that Gauteng accounted for 31.46 percent of the protests in South Africa. The Western Cape accounted for 17.05 percent of such protests, while the Northwest Province accounted for 11.09 percent. The Eastern Cape, Kwazulu-Natal and Mpumalanga contributed 11.09 percent, 9.27 percent and 7.95 percent, respectively. Limpopo, Free State, and the Northern Cape were relatively minor contributors, accounting for 5.30 percent, 4.97 percent and 1.82 percent protests across the country. Figure 2.3 below illustrates:

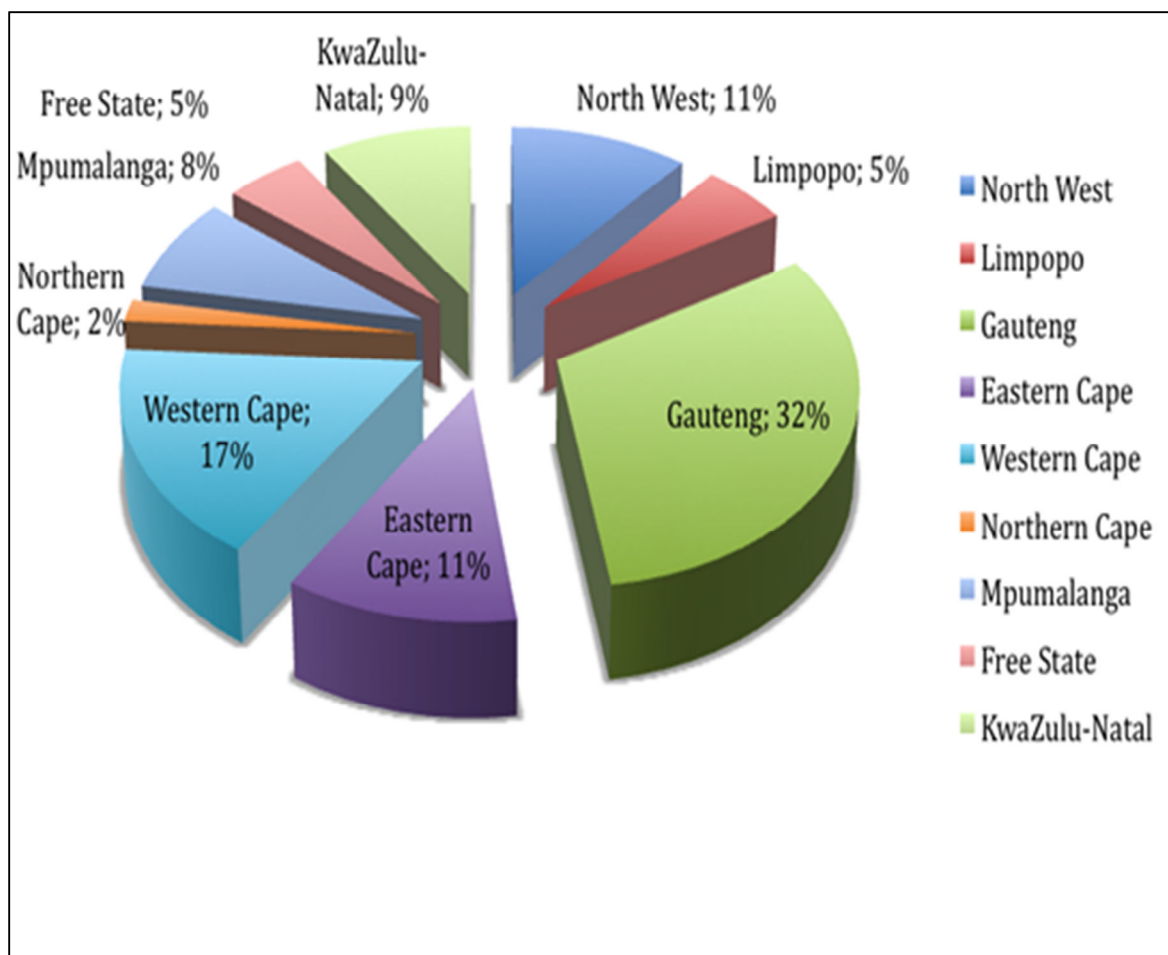


Figure 2.3: Protests by province – February 2007 to May 2010, (Source: Karamoko & Jain, 2011)

Figure 2.4 further reiterates the frustration from communities against the lack of basic service delivery from municipalities. The figure indicates that lack of housing, poor sanitation and water supply, provision of electricity, which form part of the fundamental constitutional right within the country's Constitution, were the main reasons for such protests.



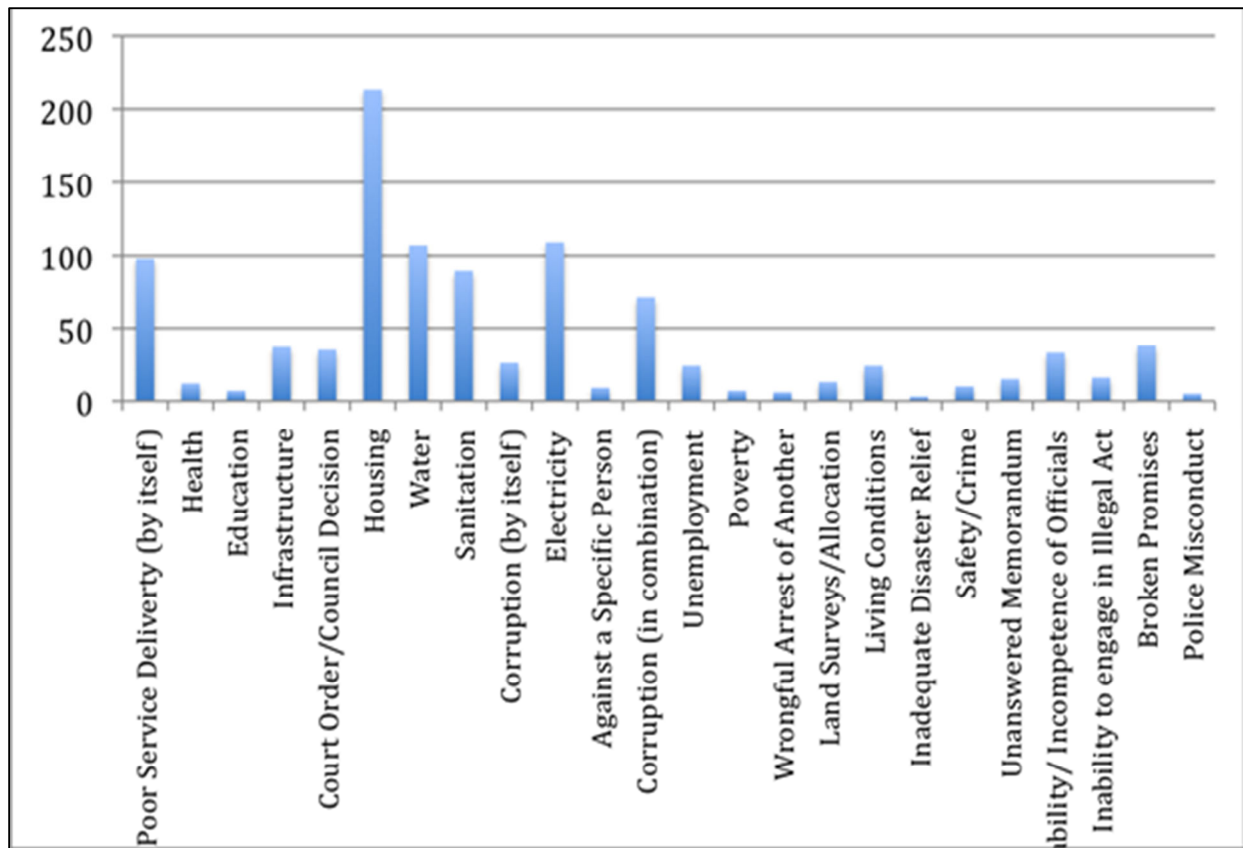


Figure 2.4: Reasons for Protests in South Africa – February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

With the Western Cape and Gauteng Provinces collectively accounting for 49 percent of the protests nationwide, the distribution of protests within these areas indicates that informal settlements on the fringes of urban areas would take part in protests (Karamoko & Jain, 2011). This research also illustrated a breakdown of protests within the Western Cape, which is divided into one metropolitan municipality and five district municipal areas. The majority of these protests occurred within the Cape Town metropolitan municipality. Figure 2.5 illustrates the above.

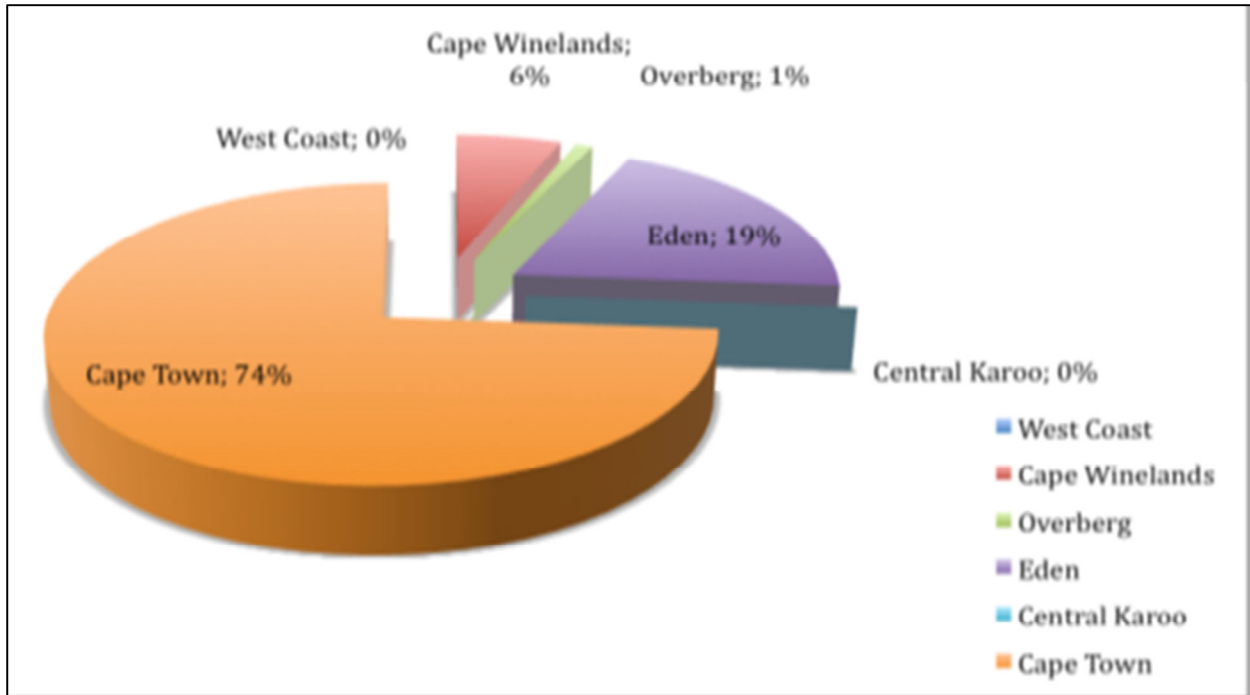


Figure 2.5: Protests by district in the Western Cape -February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

The figure illustrates that such protests were predominantly concentrated within urban areas and was fuelled by protests within informal areas like Nyanga and Khayelitsha. The Eden District, which includes the Category B municipality under discussion, experienced the second highest protests with the majority of those protests occurring within the Plettenberg Bay and Mossel Bay municipalities (Karamoko & Jain, 2011). Various research (Karamoko & Jain, 2011) from the South African Media News Database, suggested that community protests have actually become more common where communities experienced improved service delivery. While these communities were previously on the fringes of South Africa and did not see the government as a realistic contributor to their welfare, the heightened expectations that came with initial improvements in service delivery often resulted in disappointment. The above revelations confirm that one may be oblivious to assume that there is a positive relationship between service delivery protests and the financial performance audit outcomes presented by the Auditor General of South Africa, as illustrated in the five year progress chart below.

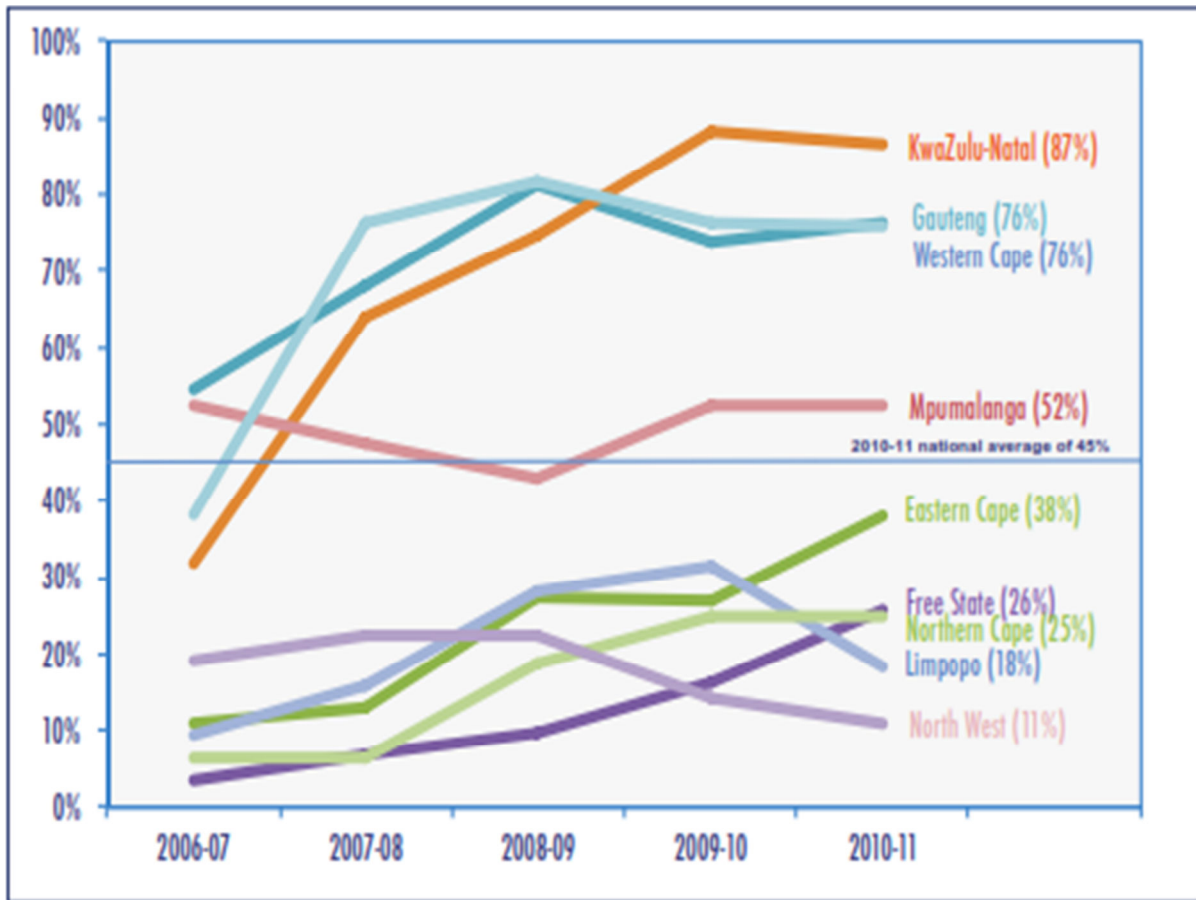


Figure 2.6: Province's five- year progress towards financial unqualified audit opinions, (Source: Auditor General of South Africa, 2012)

Where the assumption would be that service delivery protests would be rife in provinces like Eastern Cape, Northern Cape and Northwest Province, research in 2011 implied the contrary to this effect because protests in excess of 49 percent occurred in the Western Cape and Gauteng provinces alone, over the same five year period (Karamoko & Jain, 2011), compared to the five year progress towards financial unqualified audit figure above. In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what core values inspire the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude

towards delivering on the municipality's ultimate goal of service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive culture is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

Accordingly, this research study will focus on the performance of Category B municipalities within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The study aims to test the importance of trust by employees towards management as it was found to be a significant forecaster of employees' job performance and the community's satisfaction with the status quo for the past few years (Category B municipality, 2013). As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this study will focus on employees' perception of trust towards managers. The study will seek to construct a conceptual framework of how management's engagement with employees in terms communication, job satisfaction, management reporting and sense of empowerment can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

From here onwards, the concept of trust will be contextualized by focusing on vertical trust and five dimensions, as indicated in Appendix A.

## 2.4 Trust: A theoretical perspective

The discussion that follows will focus on various literatures relating to trust. This will be explained within a broader perception by focusing on relevant theories of trust. This includes the theories relating to different types and dimensions of trust, and influence of the trust relationship within the local government sphere. The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

### 2.4.1 Trust as a concept

Research studies (Seppanen et al., 2007) referred to various definitions of trust where the majority of these definitions describe it as a state, belief or a positive expectation. Trust can be the willingness of one party to be vulnerable to the actions of the other party. This is based on the expectation that the one party will perform a particular action important to the other party, irrespective of the ability to monitor or control that other party (Schoorman et al., 2007).

Various definitions implied that trust (Paliszkievicz, 2012):

- is expressed as an optimistic expectation on behavior of a person;
- occurs under the state of vulnerability to the interests of the individual;
- depend upon the behaviour of other people;
- is associated with willingness, cooperation and the benefits, resulting from that cooperation.

From the above, trust can be defined as the willingness to increase the resources invested in another party, based on positive expectations resulting from past positive mutual interactions (Tzafirir & Clegg, 2007). Trust is a conviction by both parties to never act in a way that brings detriment to the other party or to take advantage of their

weaknesses (Colquitt et al., 2007). This study found that the definition of trust is applicable to circumstances where the object of trust is a person or an institution. Trust relates to favourable expectations of the behaviour of another which stems from another's trustworthiness, which relates to the benevolence, ability and integrity of a trustee (Mayer et al., 1995).

The mutual interaction of the trust relationship between two or more parties is determined by the intensity, quality and durability of human interactions and is a function of the interactions between people in different organizational roles and positions (Houtari & Iivonen, 2003). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager (Mulki et al., 2006). The literature refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or explicitly to provide these things (Grobler et al., 2006).

Research (Grobler et al., 2006) also suggested that managers who embrace and uphold this psychological bond with their employees, promote employees' trust in management and foster higher job satisfaction and the intention to improve performance. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behaviour (Mayer et al., 1995; Bagrain & Hime, 2007). Managers who express these characteristics will install high level of trust with employees (Bagrain & Hime, 2007).

The general attitude is that trust may be a substitute for risk, but it also creates a risk for one party about another party (Sabatini, 2009). This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, so far as they can, look after their interests, that they will not take advantage or harm others. Therefore, trust involves personal

vulnerability caused by uncertainty about the future behaviour of others of which you cannot be sure, but believe that they will be kind, or at least not harmful, and act accordingly in a way which may possibly put us at risk (Bouckaert et al., 2003). The above implies that trust is applied where there is no certainty, whereby it is the expectation of gain or loss which determines whether one will grant trust or not (Bouckaert et al., 2003).

Past research (Paliszkiwicz, 2012) referred to trust within an organization as the employees' willingness to be vulnerable to their managers' actions and can only be rendered when managers of that organization sufficiently communicates its actions to its employees through informal and formal engagements. Information available to the employees is imperative, especially when this source of information is obtained within employees' social environment, which would include fellow employees (Tan & Lim, 2009) as trust between people is a requirement of camaraderie and communication. A working environment with a highly trusting ambiance is normally the cornerstone for harmonious employment relationships. Recent events emphasized that managers behave in a manner that violate trust, which results in employees being more cautious and suspicious about the most diminutive behaviour (Covey, 2011). Nowadays, trust is essential to prosperity and can reap benefits as it creates a sense of belonging in a particular organization as the current crisis of trust creates a distinct opportunity to create dividends of high trust in those organizations, beginning with its management. Covey (2011) indicated the importance for managers to nurture a culture of belonging that integrates what the organization claims to believe and how it fundamentally behaves. This is a critical element in optimizing organizational performance. Levels of trust within an organization are often seen as positively related with levels of organizational effectiveness and performance (Schoorman et al., 2007). Given this positive relationship that seems to exist, it is important to understand how interpersonal trust relationship can be nurtured within an organization (Cho & Park, 2011). In order to explain this, one would need to understand the different types of trust within an organization.

#### 2.4.2 Different types of trust

Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). Mayer et al. (1995) stated that horizontal trust is the willingness of an employee to be vulnerable to the actions of co-employees whose behaviour and actions they cannot control. Ellonen et al. (2008) stated that institutional trust is the trust that employees have in organization procedures, technologies, management, goals, visions, competence and justice. Vertical trust is where employees feel vulnerable because managers have substantial influence over resource allocation (Schoorman et al., 2007). Knoll and Gill (2011) indicated that managers would be in a position to make decisions that have a considerable impact on employees (for example where employees have to rely on their managers for work assignments, performance evaluations and promotions). The concept and different types of trust culminated in the different dimensions of trust, which will be discussed in the following section.

#### 2.4.3 Different dimensions of trust

Trust is seen as a complex and multidimensional concept (Schoorman et al., 2007). In order to measure, understand and explain trust, it is imperative to identify the dimensions of trust. The following figure illustrates that trust have a vast variety of dimensions of which each dimension were researched extensively, as indicated in Figure 2.7 below.





Figure 2.7: Dimensions of trust, (Source: Seppanen et al., 2007)

For purposes of this study, the research refers to three primary dimensions, identified as benevolence, ability and integrity. Benevolence is the extent to which a trustee is believed to want to do good for the trustor, apart from any profit motives, with synonyms including loyalty, openness, caring, or supportiveness (Schoorman et al., 2007). Ability captures the knowledge and skills needed to do a specific job along with the interpersonal skills and general wisdom needed to succeed in an organization (Biswas & Varma, 2007). Integrity is the extent to which a trustee is believed to adhere to sound

moral and ethical principles, with synonyms including fairness, justice, consistency, and promise fulfillment (Schoorman et al., 2007).

Previous research (Chun & Rainey, 2005) compared public organizations to private organizations and found that the prevalence of red tape and goal ambiguity in public organizations often negatively influences attitudes of employees of public organizations, when compared to employees of private organizations. Red tape is any rule, process or procedure considered to create a compliance burden on citizens or employees. Organizational goal ambiguity is the extent to which an organizational goal or set of goals allows leeway for interpretation, when the organizational goal represents the desired future state of the organization (Chun & Rainey, 2005). To this effect, Wright (2004) suggested that the prevalence of goal ambiguity and red tape in public organizations makes employees feel less empowered, which in turn reduces their work motivation and job satisfaction and trust in their managers and organization.

Employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and to effectively perform more work. As a core result, this high level of trust would be key in positively influencing performance (Madjar & Ortiz- Walters, 2009). Managers within an organization will be in a position to create conducive conditions for fostering trust and as a consequence, be able to enhance the level of organizational performance and effectiveness (Möllering, Bachmann, & Lee, 2004). The research will focus upon vertical trust and the effects benevolence, integrity and ability employed by managers when they interact with employees (Dirks & Ferrin, 2002). The vertical trust relationship is explained in the following section.

#### 2.4.4 Vertical trust

Three perspectives traditionally dominate trust research in the public sector (Bouckaert, 2012):

- First and most prevalent is the environmental perspective, which focuses on citizens' trust in the public sector;
- Second is the contrary notion of the public sector's trust in citizens;
- Finally, and what this research study entail, the internal organizational perspective focuses on trust within public organizations.

An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Cognizance also needs to be taken that conceptually, it may be possible for employees to trust their managers, but not their organization, or vice versa. Generally it may be possible to view both forms of trust as interrelated (Wright, 2004) but within the internal organizational perspective on trust, this study's core focus is vertical trust within public organizations. This refers to trust of public servants in their managers.

To this effect, levels of vertical trust within an organization are often linked with levels of organizational effectiveness and performance (Schoorman et al., 2007). Based on the positive link found to exist between levels of organizational trust and levels of organizational performance and effectiveness, research attempted to better understand how trust is created within organizations (Cho & Park, 2011). Through understanding the factors affecting trust within organizations, it is believed that managers within an organization will be better able to create conditions that are conducive to trust, thereby enhancing levels of organizational performance and effectiveness (Möllering et al., 2004). Vertical trust may often transpire when an employee favourably evaluates the

benevolence, ability and integrity of their manager and organization (Cho & Park, 2011). Given the link between performance and employee attitudes in public organizations suggested by previous research (Gould-Williams, 2004), there is a need to explore ways in which managers can positively affect employee attitudes for effective and efficient performance. In lieu of the above, building a sense of trust needs to be acknowledged as being a mutual and collective buy-in from the employee and management (Kroukamp, 2008).

Trustworthiness stems from a perception of the expertise, intentions, actions and words of the manager (Clark & Payne, 2006). It was further stated that an individual trusts someone else, when the second person is trustworthy (Caldwell & Hayes, 2007). As indicated with the dimensions of trust, trustworthiness is based upon the ability, benevolence and integrity (Mayer et al., 1995) of the person to be trusted and is closely linked to how management behaves (Gill et al., 2005). Although employees' behaviour may ignite management's behaviour towards employees, that same managers' personal attributes would dictate the manner in which those managers would behave towards employees (Lawal & Oguntuashe, 2012). The employee's trust in a manager may influence the way the employee perceives the manager and may likely affect the manager's behaviour (Seibert et al., 2004). Moreover, the positive influence of trust in the manager may likely be mitigated by the level of trust the manager may have in the employee (Seibert et al., 2004). What also need to be acknowledged is that the trustworthiness of the manager is an important moderator affecting loyalty to the manager (Deng & Wang, 2009). The more employees trust their manager, the more they are expected to be satisfied with the manager and display increased allegiance to the manager (Deng & Wang, 2009). Two recent meta-analyses found that trust in the manager is positively related to job performance and organizational citizenship behaviour which includes allegiance to the manager (Colquitt et al., 2007). The following figure demonstrates the effect of employees feeling trusted.

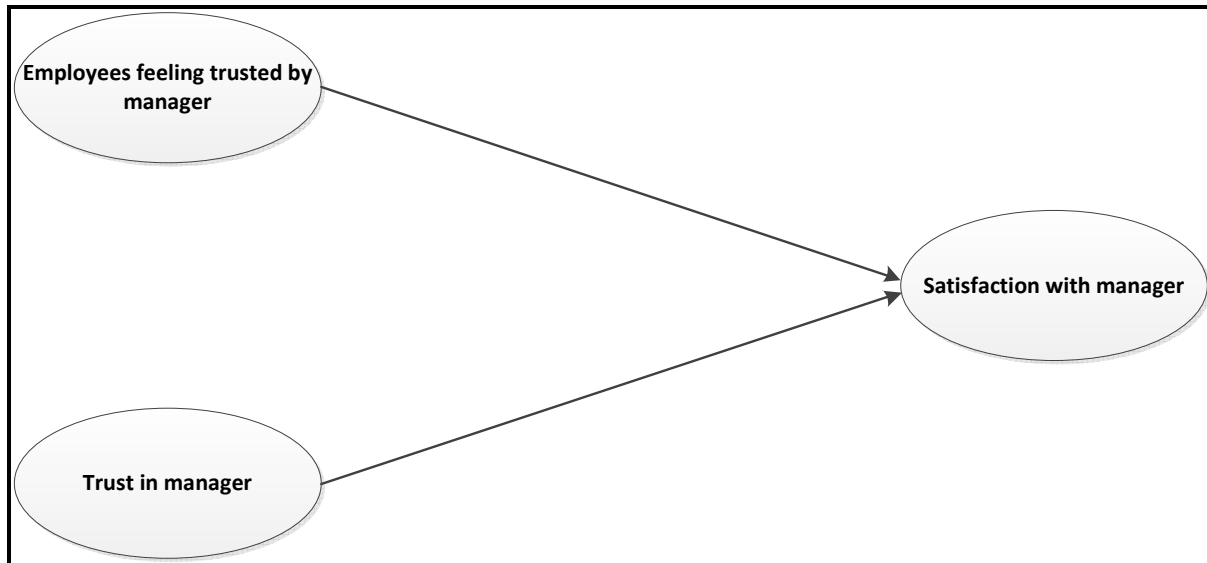


Figure 2.8: The effect of employees feeling trusted, (Source: Amended from Deng & Wang, 2009)

Research studies (Connell et al., 2003) focused on the impact of an employee's trust in management and what it would have on the employee's job performance. The study revealed that the ideology of fairness and human-oriented reflected from an organization's strategies and regulations all have an influence upon an employee's job satisfaction. Other researchers (Aryee et al., 2002) also acknowledged that when employees have trust in management, their organizational identity also increase, which encourage employees to be more effective and efficient in their jobs (Aryee et al., 2002).

It is believed that managers frequently have direct interaction with employees in their daily work environment (Paliszkievicz, 2012). This would suggest that supervisory support may be an important indicator of the quality of relationships between employees and management (Stinglhamber & Vandenberghe, 2003). This indicates that, when management expresses concern for their employees' well-being, assist them in career development, and value and appreciate their work, they would instill a motion to their employees that they are interested in a close and social relationship. In reaction towards managers' humility and to ensure a balance in their exchanges, employees will

feel appreciative and obliged to reciprocate the good deeds and goodwill of management (Stinglhamber & Vandenberghe, 2003). By doing this, they would demonstrate their trustworthiness and the gradual expansion of mutual services (Paliszkievicz, 2012).

#### 2.4.5 Theoretical framework and hypothesis

Communication practices employed by managers are likely to directly and indirectly influence levels of vertical trust in public organizations (Cho & Park, 2011). Mayer et al. (1995) explained that the levels of trust within an organization can affect effectiveness and performance within organizations. Through understanding what factors effects trust in any organization, relies on the conducive environment which managers create in an organization that would influence trust. Mayer et al. (1995) developed an existing research measuring model which suggests that three major elements determine organizational trust: characteristics of the trustor, characteristics of the trustee and the perceived risk.

An element of this model focuses on three major factors that influence trustworthiness. Firstly, it is the ability or the competence which the trustee has in a specific area. The second factor relates to the benevolence, where the trustee has the willingness to do good for the trustor. Lastly, trustworthiness relates to the integrity which assesses the trustee's core set of values in order to guide behaviour as depicted in Figure 2.9 below.

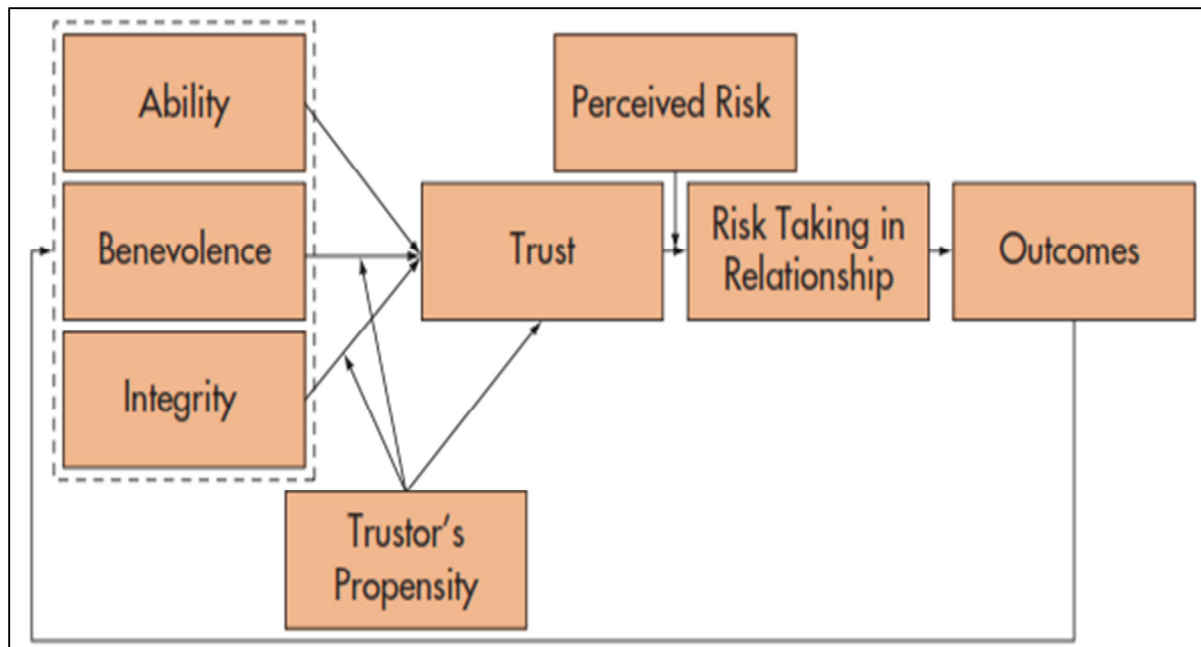


Figure 2.9: Factors of perceived trustworthiness, (Source: Mayer et al., 1995)

From the above figure, this research aims to build upon existing literature pertaining to trustworthiness (Porumbescu et al., 2013), by focusing on how certain factors may influence the employee's level of trust in the manager. A theoretical model tested by Porumbescu et al. (2013) will be revised in which five measuring instruments will be used in order to measure the vertical trust relationship between employees and managers. Vertical trust within public organizations is largely influenced by the manner in which managers communicate with employees and how employees' attitudes are relating to job satisfaction, employee empowerment and performance management (Garnett et al., 2008). Given the model of Mayer et al. (1995), this research will aim to add to the existing research by deriving and empirically testing a theoretical framework that can test the way vertical trust between managers and employees is influenced by certain factors or dimensions. As such, the derived conceptual model presented in Figure 2.10 below, demonstrates the direct relationships that this research intends to investigate.

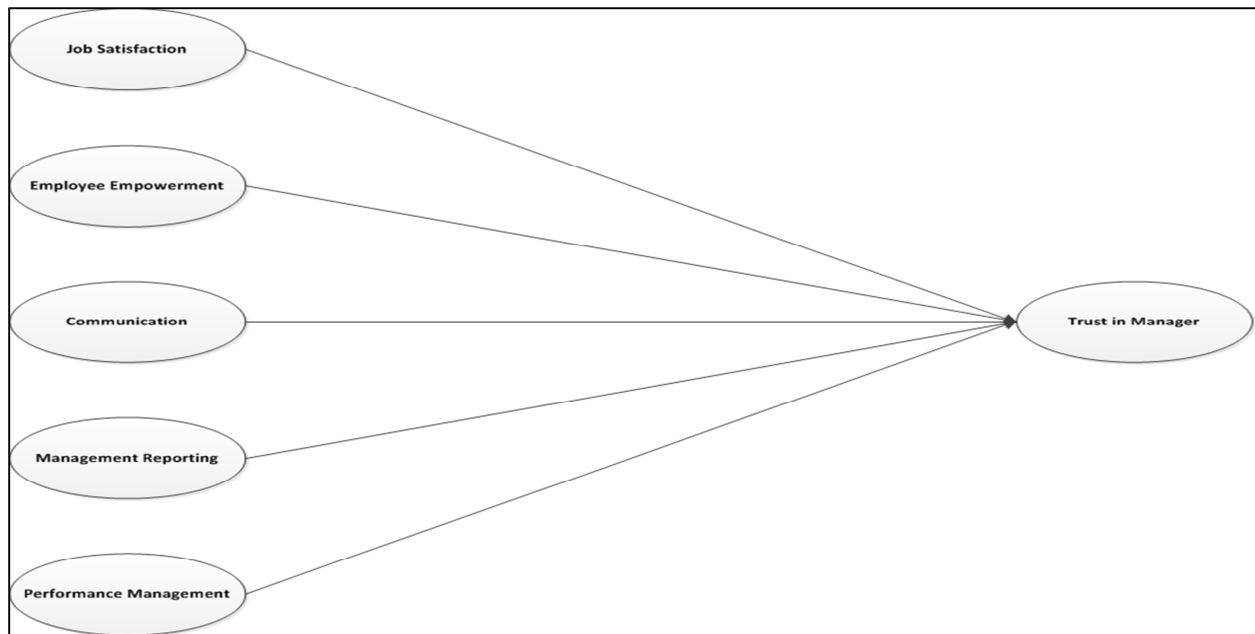


Figure 2.10: Theoretical framework, (Source: Amended from Porumbescu et al., 2013)

Explanations of the relationships suggested to exist between the concepts outlined in Figure 2.10, are provided in the following discussion. As previously stated, this research study will only focus on attitudes relating to job satisfaction, employee empowerment and management reporting and performance management. These dimensions outline the foundation of the questionnaire.

#### 2.4.5.1 Interpersonal trust

The field of organizational behaviour found that positive assessments of the trustworthiness of the manager is strongly related to employees' perceptions of justice within the organization (Aryee et al., 2002; Dirks & Ferrin, 2002; Shockley-Zalabak et al., 2010). Employees' perceptions of justice within an organization can be divided into interrelated categories of interactional, procedural, and distributive. The study will only focus on interactional justice and relates to the manager and can be considered interpersonal (Porumbescu et al., 2013). Managers are believed to be conduit in which



an organization can affect employees' perceptions of interactional justice. This is explained as perceptions that procedures and processes of the organization are implemented by managers fairly (Porumbescu et al., 2013). With managers being able to increase employees' sense of interactional justice, it is widely found that employees in public organizations will frequently assume vulnerability in manager-employee relations (Kim, 2005). An employee's sense of interaction is normally built over an extended period, through constant interaction between the managers and employees (Shockley-Zalabak et al., 2010).

The argument can be raised that, in public organizations, employees' sense of interactional justice stems from the information employees have regarding the policies and processes of the organization, which in turn is a result of the way in which such information is communicated to them via managers (Porumbescu et al., 2013). This argument is based upon one fundamental assumption:

- From a perspective of interactional justice, the way in which information regarding the organization is communicated to employees by a manager, will influence perceptions of interactional justice, which in turn will influence employees' trust in managers.

From the above, interpersonal trust building is an interactive process in which individuals learn or unlearn to establish and maintain trustworthiness, under given organizational (contextual and structural) settings. The employees subject themselves to policies directly or indirectly, positively or negatively sanctioning the building of interpersonal trust (Paliszkiewicz, 2012). Stable intentions for behaviour can be stimulated by durable policies and structures (Six & Sorge, 2008). For interpersonal trust to be built in long-term work relations, both individuals need to have their actions guided by a stable normative frame (Paliszkiewicz, 2012). There are four operative conditions that play an essential role regarding interpersonal trust (Six, 2007):

- The suspension of opportunistic behaviour, or the removal of distrust;
- Exchange of positive relational signals;
- Avoiding negative relational signals, i. e., dealing with trouble;

- The stimulation of frame resonance, or the introduction of trust-enhancing organizational policies.

Six (2007) also indicated that, in order for an organization's management to promote interpersonal trust-building in the organization, a combination of three types of organizational policies can be effective:

- By creating a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Through explicit socialization to make newcomers understand the values and principles of the organization and how things are done in the organization.

#### *2.4.5.2 Trust and communication*

This research includes management reporting as a dimension which would stem from how communication is conducted within an organization. Previous literature related to public organizations has positively related characteristics of communication (Porumbescu et al., 2013). This include frequency and perceived quality, levels of employee performance and attitudes like work motivation, commitment, empowerment, job satisfaction, and interpersonal trust (Aryee et al., 2002; Wright, 2004; Cho and Park, 2011). Little research has questioned to what extent the direction of flows of information between supervisors and subordinates influence levels of vertical trust in public organizations (Porumbescu et al., 2013). The manner in which employees and managers communicates with each other is suggestive of the amount of trust instilled between them and may be indicative of the working environment in which they work.

Impersonal communication strategies view the employee as a passive receiver of information, suggesting that there is no tangible exchange of information (Porumbescu et al., 2013). In public organizations, such strategies have been found to result in a

lower quality relationship between managers and employees (Kroukamp, 2008). This is due to potential misunderstandings on the part of the employee which cannot be clarified. These misunderstandings may possibly hinder employees' sense of empowerment and job satisfaction, and thus increasing their sense of alienation (Wright, 2004). An impersonal communication strategy may also be poorly suited for the task of creating shared sense of understanding between employees and managers. This may be as a result of employees not been given any opportunity to discuss questions they may have regarding organizational practices or goals, which are generally ambiguous in the public sector. Impersonal communication is thus not expected to contribute to employees' perceptions of interactional justice (Aryee et al., 2002), and even hinder the creation of vertical trust.

Another form of communication is interpersonal communication, where managers and employees are both active in the exchange of information (Pandey & Garnett, 2006). Seemingly, this form of communication strategy may be conducive to higher quality relationships between managers and employees in public organizations. A greater exchange of information would enable employees not only to better understand organizational policies, goals, and processes by allowing them to ask questions to their supervisors, but also enable them to possess better knowledge with respect to what is expected of them on the job (Wright, 2004). Greater interaction between a manager and employee would likely enhance the employee's sense of interactional justice, as employees perceive their relationship with their manager as reasonable information (Porumbescu et al., 2013).

#### *2.4.5.3 Job satisfaction and employee empowerment*

Factors which are likely to mediate the relationship between an interpersonal communication strategy used by managers and levels of employees' vertical trust in public organizations relate to job satisfaction, empowerment, and job motivation (Porumbescu et al., 2013). These potential mediating factors have been linked with various forms of manager- employee interaction, information exchange and levels of

trust in managers (Aryee et al., 2002; Dirks & Ferrin, 2002; Cho & Park, 2011). First, the research consider employee job satisfaction to be a consequence of an interpersonal communication strategy employed by the manager, as well as an antecedent of employees' trust in their manager (Porumbescu et al., 2013).

#### *2.4.5.3.1 Job satisfaction*

Job satisfaction refers to the general attitude of an individual towards his or her work (Robbins, 2005). A person with high satisfaction would have a positive attitude towards the job while a dissatisfied person would express a negative attitude towards the job (Robbins, 2005). Job satisfaction is also described as a positive emotional condition resulting from the evaluation of one's work experience comparing to their individual expectations (Mathis & Jackson, 2001). Job satisfaction plays an important role for an employee because employees with job satisfaction usually have good reports for attendance, a lower employee turnover rate and better job performance than employees with job dissatisfaction (Dessler, 2005).

The research previously stated that higher levels of goal ambiguity and red tape in public organizations have been found to negatively impact the attitudes of public sector employees. An interpersonal communication strategy used by a manager is also likely to mitigate the negative impact of these features of public organizations on an employee's attitudes. This would mean that an interpersonal communication strategy would be positively related to employees' job satisfaction in public sector organizations (Porumbescu et al., 2013). With respect to the relationship between job satisfaction and trust in a manager, the study implies that, if a manager is successful in improving employees' levels of job satisfaction, employees' are also more likely to evaluate the ability, benevolence and integrity of their manager (trustworthiness) more positively. This will imply a positive relationship between job satisfaction and trust in the manager (Schoorman et al., 2007).

#### *2.4.5.3.2 Employee empowerment*

Empowerment concerns employees' sense that they are capable of meeting the demands of their work (Porumbescu et al., 2013). It is examined from relational and motivational aspects and can be regarded as a process in which managers share the power they have with their employees (Findikli et al., 2010). Feeling empowered, employees may start to play their part effectively which would, in effect, assist them to focus on goals, making them concentrate more on their roles, communicate with one another more effectively and act smoothly (Findikli et al., 2010). Individuals' need for power has its essence in an internal need for self-determination or feeling of self-efficacy. Having therefore addressed this need, employees can be motivated in such a way that they contribute to company goals more (Arslantaş, 2008).

Existing research (Wright, 2004) has empirically illustrated that employee empowerment among employees is strongly and positively influenced by job goal specificity, which is the opposite of goal ambiguity. Job goal specificity can be considered as the extent to which members of an organization understand the work they are charged to do (Porumbescu et al., 2013). Consequently, an employee's understanding of the work they do, will be linked to the information an employee has of that task, with a possible source for such information likely to be one's manager. In this regard, it is likely that interpersonal communication improves employees' knowledge of tasks and goals at hand, as it offers employees with greater opportunities to ask questions to their managers (Wright, 2004). This ability to ask questions would probably instill employees with the knowledge and confidence that they may resolve any problems that may arise, by communicating with their manager. Lastly and within a public organization, an employee's sense of empowerment is a significant requirement to their trust in the organization (Nyhan, 2000). In essence, employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010). Consequently, employees are likely to evaluate their manager more positively,

as the information afforded to employees by their manager is responsible for their improved sense of empowerment.

#### *2.4.5.4 Relationship between trust and performance management*

Performance management is an integrated process in which managers work with their employees to set expectations, measure and review results, and reward performance, in order to improve employee performance, with the ultimate aim of positively affecting organizational success (Den Hartog et al., 2004). This is needed to provide guidance to employees on how to apply their resources for the benefit of the organization (Sohrabi & Khan Mohammadi, 2007). Performance management is an effective performance management tool for measuring and improving productivity (Mani, 2002). The responsibility would be for the managers to communicate these policies and procedures to employees. Employee ability to participate in the design and development of organizational systems and policies, especially those that directly impact them, is a key component of success (Mani, 2002).

Managers attempts to improve human performance through establishing performance management systems and represents practical mechanism of performance improvement through holding necessary training for employees. They further attempt to establish frequent meetings for assessing of the employees' performance by managers and also represents some recommendations to employees. This continuous process improves the efficiency and effectiveness of the whole system in the long run and as a result, increases total efficiency (Kargar, 2009). From the above, the performance management process can be seen as a continuous cycle with three main elements. This includes planning (designing best practices which include informal mentoring, reviewing the courses of development in job accountability and behaviours), reviewing and evaluation (the review and the way in which they explain about what they have done and presenting corrective suggestions in development of organization programs (Sohrabi & Khan Mohammadi, 2007).

Within the holistic view of performance management, a significant problem pertaining to performance management was identified (Fryer et al., 2009). This involves the predominantly softer people issues and their involvement in the performance management system, inter alia multiple stakeholders, a lack of employee involvement, gaming and lack of involvement of the whole organization, including insufficient support from higher levels of management or decision makers (Fryer et al., 2009). Hence, for performance management to have a positive effect on achieving high trust between managers and employees, it would largely be influenced by the extent to which employees perceive performance management to be fair. This would include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback, and having influence over personal career development (Farndale & Hope-Haily, 2010).

A research study (Interaction Associates, 2009) focused on the trust relationship between managers and employees and the influence this relationship would have on the organization's performance. This will be discussed in the following section.

#### 2.4.6 The effect of trust: better performance in the workplace

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have (Interaction Associates, 2009): a strong sense of shared purpose to succeed; employees who work together to support that purpose; to nurture a working environment in which tolerance and cooperation are highly valued; managers who coach rather than just manage; and a sense of belonging where people collectively participate in making decisions.

It further revealed that such organizations excelled, as compared to their low-trust peers, at showing (Interaction Associates, 2009): organizational behavior consistent

with their values and ethics (85 percent vs. 46 percent); a tendency where organizations retaining employees (80 percent vs. 42 percent); and organizations whom attract, deploy and develop talent (76 percent vs. 24 percent) as indicated in the figure below.

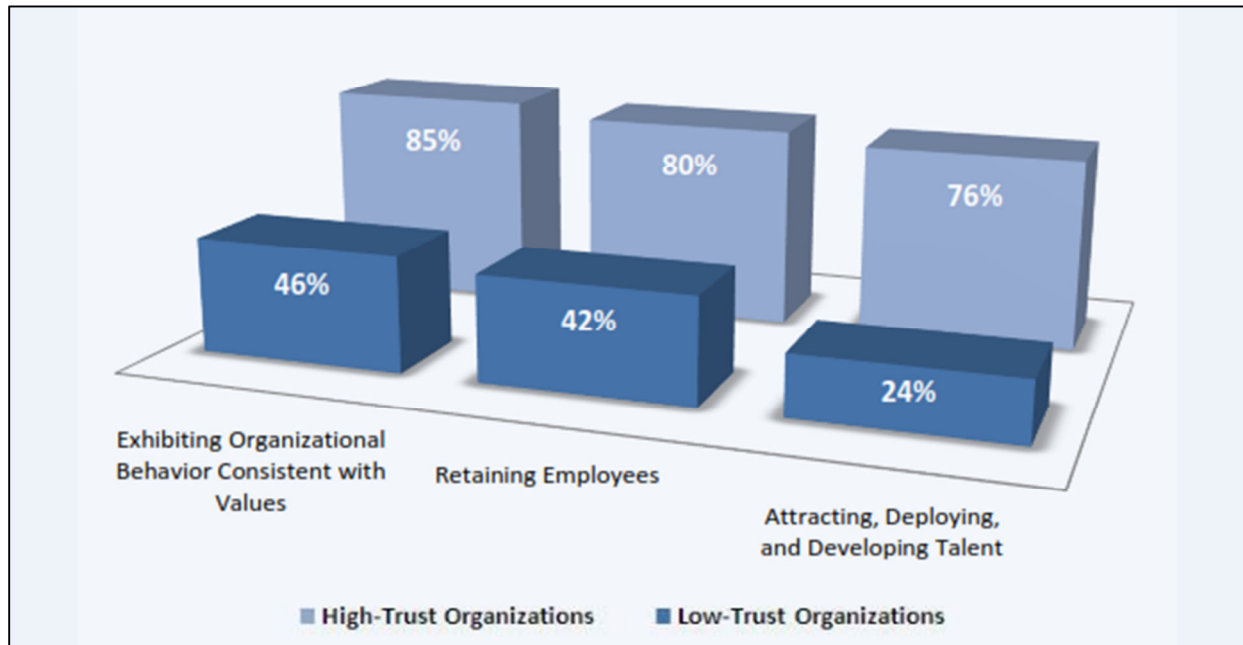


Figure 2.11: Areas of excellence in high- trust organizations, (Source: Interaction Associates, 2009)

The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover (Interaction Associates, 2009). With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust but what need to be understood is that in reality, trust creates authority (Hitch, 2012).



#### *2.4.6.1 The trust in managers and link to performance*

It is important to acknowledge that relationships at work tend to be more formal in nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job. According to past research and theory of human information processing, employees who trust their managers will be able to focus more attention on the tasks at hand, will not be overly concerned or distracted by uncertainty and may be willing to take on more risks (Mayer & Gavin, 2005). These intricate behaviours are expected to make employees to work more, produce exceptional quality of work and feel more comfortable engaging in behaviours that put them at risk, such as suggesting a sense of empowerment to achieve daily job responsibilities- and targets (Mayer et al., 1995). This is indicative of the fact that employees with high levels of performance need to trust their managers and believe that managers will provide the necessary resources, support and backing for effectively doing their daily job (Mayer & Gavin, 2005). Contrary, employees' lack of trust in managers will distract employees' attention from the activities they are obliged to perform and will allow less cognitive resources to be devoted to effectively performing their work (Mayer & Gavin, 2005).

## **2.5 Summary**

This brief review of the literature shows that the vertical trust relationship between managers and employees is an important backbone of any credible organization and research indicate that low levels of vertical trust experienced by employees do have numerous negative implications for managers and organizations. Despite the importance of vertical trust to an organization's effective functioning, little recent published empirical studies seem to be available within the South African context for local governments. The current study aims to make a contribution towards addressing this need.

## CHAPTER THREE: RESEARCH METHODOLOGY

### 3.1 Introduction

In Chapter 1, the research problem statement and objectives were stated. The applicable literature pertaining to the brief overview and transformational process of local government and its obligation to basic service delivery to communities, as enshrined in the Constitution were discussed in Chapter 2. This also included literature pertaining to the concept of trust, with specific reference made to the vertical trust relationship between municipal employees and managers. The main objective of Chapter 3 is to describe the research methodology used in this research study, followed by the presentation of the data and results which culminated from the statistical analysis of the questionnaire responses.

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. Once the population and sample was clarified, the empirical instrument used to collect the data will be described, which includes methods implemented to maintain validity and reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. The research method will provide a planned and systematic approach of investigation that denotes the detail framework of the analysis, data gathering techniques, sampling focus and interpretation strategy and analysis plan. The ethical considerations, that needed to be taken into account when conducting the research, will also be highlighted.

The methodology will be followed by a representation that will outline the general results of the questions pertaining to the vertical trust relationship between employees and managers in the Category B municipality. The chapter will present the empirical findings

of the research as alluded to the theoretical perspectives discussed in Chapter 2. The response rate pertaining to the research will be presented, followed by the identification of the descriptive statistical analysis relating to the biographical information of the respondents. This will be followed by an assessment of the reliability of the five measuring instruments by interpreting the Cronbach Alpha coefficient. Subsequently, the vertical trust relationship will be analyzed by using the effect sizes of various biographical data and interpret how respondents within those biographical categories responded on the five measuring instruments. This will be followed by coefficient of correlations by establishing the linear relationships between those five categories. Finally, the researcher will provide feedback on the open questions posted to the respondents to ascertain what they understand of the concept of trust in their current working environment.

### **3.2 Research methodology**

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The focus of research methodology revolves around the problems to be investigated in a research study and hence is varied according to the problems to be investigated. The research methodology was also explained in the form of an analogy, whereby it is compared with an “onion” (Saunders et al, 2009). Saunders et al. (2009) sees the research problem as the centre whereby several layers have to be “peeled off” before reaching the central position. These layers are the main factors to be considered in determining the research methodology for a particular research study. The research problem to be tested is to ascertain whether the concept of vertical trust relationship between municipal employees and managers, is one of many factors that contribute to effective basis service delivery within a Category B municipality. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality (see Appendix A for example of questionnaire).

Although various classifications and definitions of these terms exist, the analogy given by Saunders et al. (2009) is preferred here in this research study, as it provides an unambiguous overall framework for the complete research process. The discussion here will be limited to the research strategy implemented, and its application to this particular research study, which will be explained in the next section.

### 3.2.1 Research strategy

Saunders et al. (2009) explained research strategy as a general plan of how the researcher will conduct the research and in the process, provide answers to the research questions. Bryman (2008) also identified research strategy as a general orientation to the conduct of research and thus provides the holistic direction of the research, including the process by which the research is conducted. Some of the general research strategies used in business and management are experiment, survey, case study, action research, grounded theory, ethnography, archival research, cross sectional studies, longitudinal studies and participative enquiry (Easterby-Smith et al., 2008; Collis & Hussey, 2009; Saunders et al., 2009). From these various strategies, this research sought to adopt the survey research strategy as the appropriate strategy for research. The following sections briefly describe the survey strategy and justify its preference as opposed to other strategies.

### 3.2.2 The research population and sample

The population and sample applicable to this research will be discussed in this section. A population is any precisely defined group of people, events or things that are of interest to and under investigation by the researcher and that meet the sample criteria for inclusion in this research (Terre Blanche et al., 2006). The selected Category B municipality used for this research study operates within the geographical area of the Eden District, situated in the Western Cape. This Category B municipality provides

basic services to the city and its surrounding areas. The population consisted of all the employees throughout the Category B municipality, which are permanently employed (excluding contract- and temporary employees). A total of 1122 salaried staff members are employed by the Category B municipality, ranging between a mixture of permanent, temporary and contract employees. Holistically, with an estimated population of 193 672 recorded in the 2011 Census and representing approximately 34 percent of the Eden District (Category B municipality, 2013), this municipality's experience of service delivery protests is very small, compared to other Category B municipalities within the Western Cape (Karamoko & Jain, 2011). The operational and financial performance is also commendable, as the municipality received unqualified financial audits since 2010, as indicated in the table below.

Table 3.1: Summarized financial audit outcomes between 2007 – 2012, (Source: Category B municipality, 2013)

| Year   | 2007/ 2008 | 2008/ 2009 | 2009/ 2010 | 2010/ 2011                 | 2011/ 2012                   |
|--------|------------|------------|------------|----------------------------|------------------------------|
| Status | Qualified  | Qualified  | Adverse    | Unqualified - with matters | Unqualified -<br>Clean audit |

The Category B municipality was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality.

A sample is a representation of the population that is selected for the research and consists of a selection of participants from the population (Bryman & Bell, 2007). The sample aims to represent the main interests of the research (Terre Blanche et al., 2006). Terre Blanche et al. (2006) explained that the sample is selected from the population, and is simply the elements or people that form part of this research. Zikmund (2003) explained that an adequate sample will have the same characteristics of the population. Burns and Bush (2010) also explained that the sample size has an impact on how the sample findings would correctly represent the population.

A convenience sampling technique was used to identify the sample. A convenient sample consists of subjects included in the research because they happen to be in the right place at the right time and can provide the information required by the researcher (Hair et al., 2007). Questionnaires were distributed to the available employees on one particular day, with the assistance of an employee at the Category B municipality. The basic idea of sampling is that, by the selection of members of the population, the researcher would be able to draw conclusions regarding the entire population, where sampling refers to the process of selecting elements to observe (Terre Blanche et al., 2006).

Hair et al. (2006) explained that small or very large samples have a negative influence on the statistical tests because either the sample is not big enough to make generalizations or too big to reach any conclusions. Questionnaires were distributed (via email) to 800 permanently employees/ respondents at the Category B municipality of which the total employment profile is given in Table 1.1 of Chapter 1. The sample of the research included all permanently employees at the category B municipality who could read and write in English, which accounted for about 800 employees. The respondents needed to be able to read and write in English as the questionnaire was only available in English. Section G of the questionnaire was translated into Afrikaans as well, due to a large portion of the population's home language being Afrikaans (Category B municipality, 2013). The researcher distributed 800 questionnaires and conservatively envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis. Eventually only 205 respondents participated.

This equates to a response rate of 25.63 percent. Bryman and Bell (2007) indicated that a response rate of less than 50 percent would provide an incorrect generalization of the entire population. The sample size was considered adequate and representative due to an excellent internal reliability analysis, based on the Cronbach Alpha coefficient.

Subjects included in the sample were selected based on certain criteria. The employees throughout the Category B municipality had to meet the following criteria to be included in the sample. They should:

- Be permanently employed by the Category B municipality;
- Be of either sex;
- Be willing to participate.

### 3.2.3 Research design

Research design is the research process that entails the general assumption of the research pertaining to the method of data collection and analysis (Creswell, 2009). Creswell (2009) went on to explain that the choice of the research design depends on the objectives of the research study that would enable the research questions to be answered. This research mainly focuses on the study of vertical trust relationship between employees and managers within local government. Specific focus will be on a Category B municipality situated in the geographical area of the Western Cape. The research attempts to establish whether the vertical trust relationship between the two parties have an influence on effective and efficient service delivery to the community which that Category B municipality serves.

In order to meet the objectives of this research study, a descriptive research design has been used, to illustrate the effects of such a vertical trust relationship. This research design has been used to analyze this vertical trust relationship and the influence it has as a contributing factor, on effective and efficient service delivery to the community which that Category B municipality serves. An analytical research design has also been used to establish relationships between different independent and dependent variables

used in this research study. Descriptive research design is a method which includes surveys and fact-finding enquiries of different kinds (Shuttleworth, 2008) in order to illustrate characteristics of a population or a phenomenon. In this case, it is the vertical trust relationship between the two parties and what contributing influence it has on effective and efficient service delivery to the community which that Category B municipality serves. This involves observing and describing the behavior of a subject without influencing it by any means (Shuttleworth, 2008). This type of design is also conducted where there is previous understanding of the research problem (Zikmund, 2003). The descriptive research design will focus on a particular research method which was implemented and will be explained in the following section.

#### 3.2.4 Research method

Creswell (2009) explain three approaches to research design, being a qualitative approach, quantitative approach and a mixed approach. This research study adopted a quantitative approach and is explained as a formal, objective, systematic process to describe and test relationships and examine cause and effect interactions among variables (Creswell, 2009). This approach is one where the researcher uses post positivist claims for developing knowledge (i.e. cause and effect thinking, reduction to specific variables and hypotheses and questions, use of instrument and observation, the test of theories), employs strategies of enquiry such as experiments and surveys and collects data on predetermined instruments that yield statistical data (Creswell, 2009). This is regularly referred to as research where hypotheses testing are predominant. Such testing normally commence with statements of theory from which the research hypotheses are derived. Then an experimental design is created where the variables in question (the dependent variables) are measured while controlling for the effects of selected independent variables. Quantitative research is used to test an objective theory which usually requires the researcher to collect numerical data whereby it is statistically analyzed (Creswell, 2009). Therefore, quantitative research normally entails instruments that are used for collecting data and being in a position to make



generalizations about a population under investigation (Zikmund et al., 2010). In general, there are two types of quantitative research methods (Creswell, 2007):

**Survey:** This focuses on the collection of data by using a questionnaire in order to establish the opinions of a population, based on a sample of the population (Creswell, 2009). There are also other techniques which a researcher can use and include interviews, telephone calls and observations (Tharenou et al., 2007). A more detail discussion of surveys will be found in the survey section.

**Experiment:** (Tharenou et al., 2007) alluded to a process whereby the researcher divides participants into two groups, which is denoted as a control group and a treatment group. Experiments are then performed to test relationships between cause and effect. This usually involves a comparison of the control group to the treatment group.

Surveys are the most common way of collecting data and because this research opted for this quantitative research method, it is explained in detail below.

#### *3.2.4.1 Surveys*

(Zikmund et al., 2010) described a survey as a research technique in which responses are collected through instruments from a sample in some form or the behavior of respondents is observed and described in some way. Surveys are a regular method of collecting data in research studies, by employing a questionnaire that collects data from a sample, after which that data is statistically analyzed (Saunders et al., 2009). Quantifiable data from respondents are normally collected through the surveys, in order to measure, examine, analyze and generalize the findings. Zikmund (2003) explained that surveys became a scientific and accurate way of collecting data to quantify the gathered information. Creswell (2009) went on to explain that surveys usually record perceptions of respondents about opinions, attitudes and beliefs, which is normally an inexpensive and efficient way of gathering the required information relating to the

population or a sample of it. Of importance is that, by using a questionnaire as the primary source to gather information from respondents, the questionnaires should be logical and follow a certain order that would allow the respondents to record facts, comments and attitudes (Hague, 2002).

A common method of collecting data for surveys is using Likert scales. Likert scales are used for measuring attitudes and behaviours which requires respondents to choose a statement from a number of statements. These statements normally range from “strongly disagree” to “strongly agree” (Saunders et al., 2009). Zikmund (2003) further explains that the respondent would then normally choose a response from a set of five statements where each response is assigned a weight and then would allow the researcher to conduct statistical analysis. These choices made by the respondents are an indication that the respondents agree with the statements and inherently allow them to express their feelings (Zikmund, 2003). The questions posed in the questionnaire must also be structured in such a way whereby similar questions are placed in the same category, which would make it easier for the respondents to follow (Saunders et al., 2009).

This research used a Likert scale that implemented a five point scale as opposed to a seven point scale, because the five point scale reduces the level of frustration amongst respondents and simultaneously increases the rate and quality of the responses (Prayag, 2007). Based on the Likert scale, questions were posed to respondents to best describe the vertical trust relationship between municipal employees and managers. This relationship was tested by focusing on various questions based on the respondents’ perceptions of job satisfaction, communication, employee empowerment, and management reporting and performance management within the Category B municipality (see Appendix A for structure of the Likert scale). The survey instrument design, in the form of a questionnaire, was created and will be discussed in the following section.

### 3.2.4.2 Survey measuring instrument

The questionnaire, as measuring instrument used in the research, was divided into seven sections of which the data was collected by means of a structured questionnaire, attached as Appendix A. These sections were preceded by an explanation and cover letter by the researcher of what the questionnaire entails. The questionnaire included sharing the objective of the research and was combined with a voluntary consent explanation.

The questionnaire was structured according to sections, consisting of a Section A, Section B, Section C, Section D, Section E, Section F and Section G. Section A included eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. This section required the respondents to select an option by making a cross opposite the respondents' selected options. Section B to Section F included an instruction sheet as to how these sections needed to be completed, and consisted of the following amount of questions each:

- Section B: eleven questions which related to respondents' perceptions of job satisfaction;
- Section C: seven questions which related to respondents' perceptions of employee empowerment;
- Section D: twelve questions which related to respondents' perceptions of communication;
- Section E: seven questions which related to respondents' perceptions of employee management reporting;
- Section F: seven questions which related to respondents' perceptions of performance management;

Throughout these sections, the respondents were requested to respond to statements which were based upon a 5 point Likert scale. The sections related to dimensions or measures that may have an influence on the vertical trust relationship between municipal employees and managers. In the last section, identified as Section G, the questionnaire also contained eight open-ended questions relating to the respondents' personal view of trust between the municipal employees and managers. They were requested to add any comments in the space provided on the last two pages of the questionnaire.

### 3.2.5 Data collection

The data collection process will be discussed, based on illustration of this collection in Figure 3.1 below.

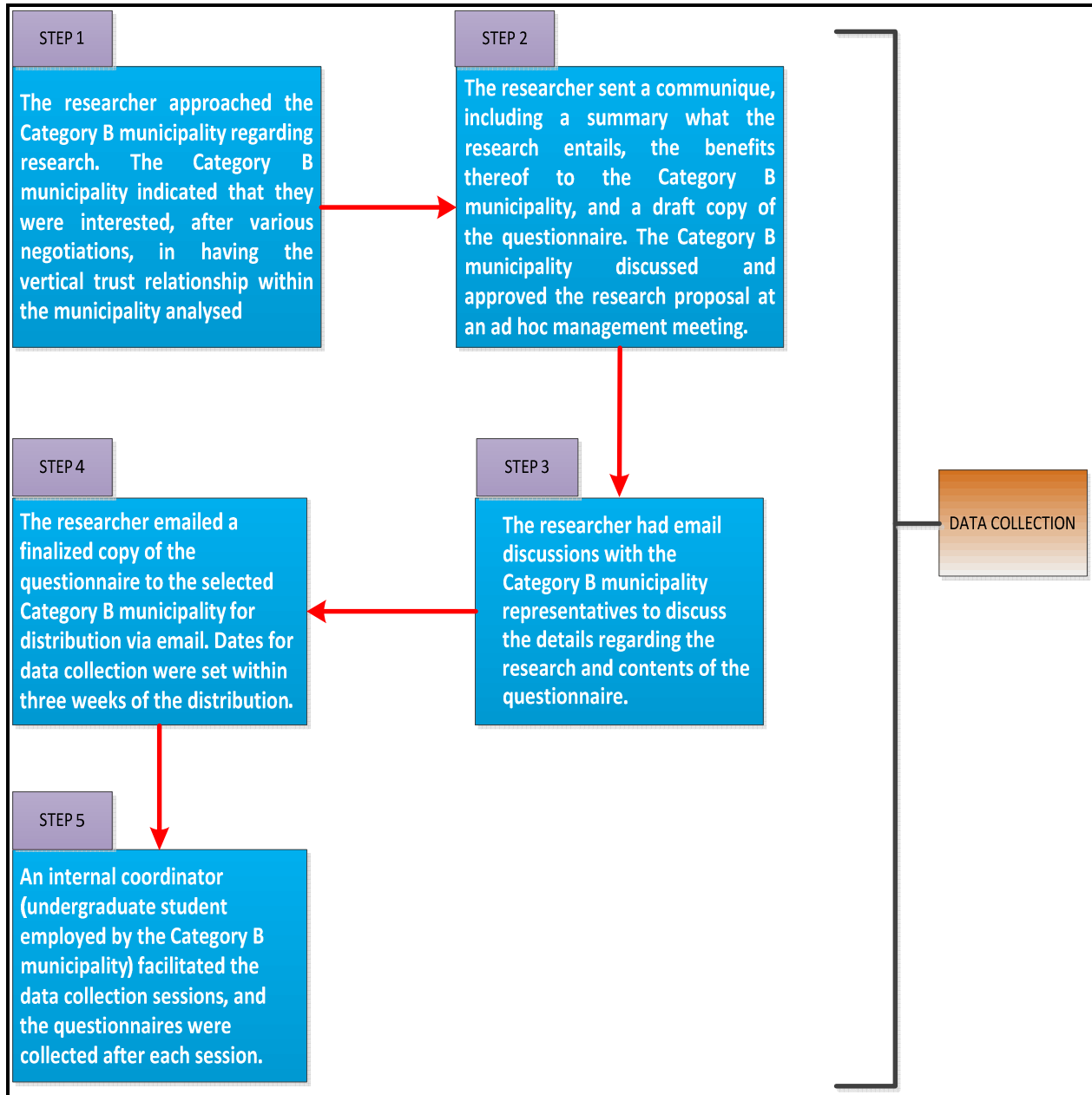


Figure 3.1: Data collection process, (Source: Own Compilation)

The questionnaire was chosen as data collection instrument. A questionnaire is a printed self-report form, designed to source information that can be obtained, for purposes of a specific research, through written responses of the subjects (Collis & Hussey, 2009). The questionnaire was administered and the data was collected from a sample (N=205) of the municipal employees, which are permanently employed (those which could read and write in English) within the area of jurisdiction of the Category B municipality. The data collection process began when the researcher approached the executive management of the Category B municipality and ascertained whether they are interested in a research study which focuses on the vertical trust relationship between municipal employees and managers and whether such relationship is a contributing factor in producing effective and efficient basic services by the municipality to the community. The researcher was assisted by an employee, labeled by the researcher as the internal coordinator, at the municipality to convince the executive management to participate.

The researcher sent an email to the executive management which contained a brief discussion on the research and the potential benefits which it may hold for the municipality. This was accompanied by a draft questionnaire which the executive management had to approve. The research proposal was discussed and approved at an ad hoc executive management meeting, after various email communications which gave the researcher permission to conduct the research. This process was followed by the collation of the final questionnaire which was attached as Appendix A and sent for email distribution by the Human Resource offices at the municipality. The internal coordinator, also busy with similar studies at an undergraduate level, administered the progress and feedback of all the participants. The data collection process took place over the duration of one month as the response rate of those who participated was extremely sporadic. The data collection process was followed by processing of data capturing and will be discussed in the next section.

### 3.2.6 Data capturing

The data capturing and statistical analysis focused on the manner in which the collected data was processed and analyzed. This would enable the researcher to draw conclusions and interpretations. Once the data was collected from the municipality, the internal coordinator categorized the questionnaires per department. These questionnaires were then couriered to the Statistical Consultation Services at the Northwest University, Potchefstroom Campus. A Professor at the Statistical Consultation Services conducted the capturing and transferred it to a statistical data analysis program, called SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009).

### 3.2.7 Data and statistical analysis

The data analysis commenced after the data was collected and captured in order to make sense of the research and attain certain findings (Field, 2009). The quantitative data were analyzed, using SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009). Firstly, all the information from the various sections of the questionnaire was analyzed statistically by using descriptive analysis (Creswell, 2009). Descriptive statistics were used in order to provide a set of scores that are obtained from the respondents and to illustrate basic patterns in the data (Neuman, 2006). Punch (2005) explained that the benefits of conducting a descriptive analysis is that it keeps the researcher close to the data and it enables the researcher to understand the distribution of each variable across the questionnaire respondents (Punch, 2005).

Descriptive statistics were used to summarize Section A of the questionnaire which related to the biographical details. This was done in order to develop a unique profile of the municipality's existing vertical trust relationship (Sections B – G). During the analysis of the research data, frequency tables were used to portray and understand the data. Punch (2005) explained that frequency tables describes the individual scores in

the distribution and are tabulated based on how many respondents achieved in each score, or gave to each response or fell into each category. All the sections of the questionnaire were analyzed statistically by using these frequency distributions as the results can be portrayed as tables or graphs. These graphs and tables would make the results easy to illustrate and assist the researcher to get a basic perception of the characteristics of the data (Neuman, 2006). Once the data was analyzed through the frequency tables, graphs were constructed in order to graphically represent the data contained in the frequency tables.

The descriptive statistical analysis also calculated the mean and standard deviations of the data. Levine et al. (2011) defines the mean as the sum of all the values in a data set divided by the number of values in the data set. This offers a general picture of the data without overwhelming the researcher with each of the observations in the data set. It is simply the average of the various responses pertaining to a scale. The standard deviation was used to measure the scattering of the data. Scattering explains how the data are clustered around the mean as opposed to the standard deviation which measures scattering and is the degree of deviation of the numbers from their mean (Levine et al., 2011).

Before the next section will be discussed, the researcher would like to explain the term variable and then distinguish between a dependent variable and an independent variable, in order to link these terms to the current research study as follows (Levine et al., 2011): A variable is a characteristic of an item or individual and is an abstract representation of a phenomenon (e.g. fear, intelligence, trust) that can occur at two or more levels. An independent variable is the variable that the researcher suspects is the cause of some behaviour. A dependent variable is the behavioural response from participants that is observed. For purposes of this research, the dependent variable under examination is the vertical trust relationship between municipal employees and their managers. The independent variables under examination are shown as the five categories, called job satisfaction, employee empowerment, communication, and management reporting and performance management.



### 3.2.8 The reliability scale

The reliability and validity of research results is an important factor that need to be considered when evaluating a research instrument (Zikmund, 2003). The factor is the statistical criteria employed to evaluate whether the research provides a good measure. A detailed explanation of the factor will be discussed below.

#### 3.2.8.1 *Reliability*

Zikmund (2003) explains reliability as the degree to which an instrument's measures are free from error and that would yield consistent results. Research findings are reliable if such findings can be repeated (Collis & Hussey, 2009). Reliability provides an indication of how consistent the research findings are, based on the method of data collection and analysis (Saunders et al., 2009). Zikmund and Babin (2010) explain that reliability is an indicator of a measure's internal consistency. Research (Collis and Hussey, 2009) acknowledged three essential methods that are accepted for estimating the reliability of responses of a measurement scale: test-retest, split-halves method and internal consistency method. The most commonly used method is the internal consistency method, with specific reference to the Cronbach Alpha coefficient.

The reliability of the questionnaire used in this research was assessed through the use of the Cronbach's Alpha coefficient. Cronbach's Alpha refers to the degree to which the measuring instrument items are homogenous and reflect identical underlying constructs (Pallant, 2007). Bryman and Bell (2007) stated that Cronbach's Alpha is a commonly used test of internal reliability, which essentially calculates the average of all possible split-half reliability coefficients. Once computed, the Cronbach Alpha will calculate a value that varies between one (representing perfect internal reliability) and zero (representing no internal consistency), with the values above 0.70 typically suggests high levels of internal reliability (Bryman & Bell, 2007). From the explanation of the

literature pertaining to reliability, research results reported extraordinary high levels of reliability in Section B to Section F as constructs of vertical trust relationship.

### 3.2.9 Analysis of standardized differences and correlation

This section will discuss the analysis of standardized differences and measures of correlation, in order to evaluate the relationships between Section B to Section F.

#### 3.2.9.1 Analysis of standardized differences

Standardized difference scores are spontaneous indices which measure the effect size between two groups and are independent of sample size (Yang & Dalton, 2012). It is an analysis of the variance present in a research study, which determines whether statistically noteworthy differences of means occur between two or more groups. These scores are used when groups, which have some continuous characteristics (academic achievement, intellectual intelligence, cholesterol level), are compared with one another (Steyn, 2009). Cohen (1962) suggested an effect size index (Cohen's  $d$ ) for the comparison of two sample means. This statistical index can be interpreted as a sample-based estimate of the strength of the relationship between two variables in a statistical population. More specifically, it can be interpreted as a measure of the average difference between means expressed in standard deviation units (Graziano & Raulin, 2010). Cohen's  $d$  will be used to assess the effect size, based on two symmetrically-distributed samples (Cohen, 1988).

The standardized difference by measuring the effect size between two groups will be calculated as:

$$d \equiv \delta = \frac{\mu_1 - \mu_2}{\sigma}$$

Where:

$\delta$  = maximum standard deviation between  $\mu_1$  and  $\mu_2$

$\mu_1$  = mean of group 1

$\mu_2$  = mean of group 2

Cohen (1998) suggested that the effect size indices of 0.2, 0.5, and 0.8 can be used to represent small, medium, and large effect sizes, respectively. Cohen indicated that a medium effect of 0.5 is large enough to be identifiable by inspection. A small effect of 0.2 is noticeably smaller than medium and occurs where measurements are done without any sort of proper experimental controls which can cancel out the effect of background variables. A large effect of 0.8 is an important difference and agrees with what is generally considered to be a definite difference. Once these indices are interpreted, the researcher will refer to the outcome as being of practical significance or not. Practical significance looks at whether the difference is large enough to be of value in a practical sense (Steyn, 2009).

The research questions whether municipal employees' trust in their manager, at the selected municipality, will influence their performance which will lead to effective and efficient basic service delivery to the community. This hypothesis is constructed, based on how managers contribute towards:

- the municipal employees' job satisfaction;
- empowering the employees;
- communication between the two parties;
- the manner in how managers' report to- and align employees to achieve goals;
- employees performance management

The effect sizes will then aim to measure, by categorizing biographical data, the differences in scores for each of the categories, namely job satisfaction, employee empowerment, communication, management reporting and performance management. The effect size indices were used to ascertain whether there were significant variances present between these categories.

### *3.2.9.2 Measures of correlation*

The research conducted also wanted to ascertain whether there was any influence the biographical data had on the five categories mentioned in 3.3.9.1, which were supplemented by the inter-relationships of the five categories. This analysis was conducted by evaluating the linear relationship through correlation. A coefficient of correlation, indicated by the Greek letter  $\rho$  (*rho*), measures the relative strength of a linear relationship between two or more quantitative variables and is derived by evaluating the variations in one variable as another variable also varies (Levine et al., 2011). This research will analyze the Pearson's correlation coefficient which assesses the extent to which values of two variables are linearly related to each other. This will assist the researcher to indicate the direction, strength and the significance of the multivariate relationship between the variables and will enable to provide the researcher with information regarding the likelihood that the coefficient will be found in the population from which the random sample was taken (Bryman & Bell, 2007).

Respondents were requested to indicate their responses on a 5- point Likert scale after which the data will be tested between categories. Levine et al. (2011) explains that coefficient of correlation can range from -1.00 to +1.00; where the value of -1.00 represents a perfect negative correlation, while a value of +1.00 represents a perfect positive correlation and a value of 0.00 represents a lack of correlation. A negative correlation between two variables is where one variable's value tends to increase, the other variable's value tends to decrease in a predictable manner. A positive correlation refers to a relationship between two variables, where one variable's values tend to increase, the other variable's values also tend to increase in a predictable manner.

When the coefficient of correlation gets closer to +1 or -1, the linear relationship between the two variables would be interpreted as strong or significant.

Lastly, the biographical data like age, gender and salary level were tabulated with the various categories of independent variables and were presented in percentages and means.

The results of the data and statistical analysis will be discussed in detail later in this chapter.

### *3.2.10 Pilot testing of the questionnaire*

A pilot was done which refers to a trial administration of an instrument in order to identify flaws. The pretest was necessary to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009).

The researcher piloted the questionnaire on eleven respondents within the Category B municipality. All of those respondents answered with the following suggestions:

- The format and structure of the questionnaire changed in Section A to Section F;
- Section G was also translated to Afrikaans in order for respondents to respond in their own words in how they perceive trust between municipal employees and managers.
- A few questions were added pertaining to strategic management in order to ascertain whether municipal employees participate in formulating strategic objectives for the municipality. Questions relating to the managers' involvement in the employees' career development were also added.

### 3.2.11 Ethical considerations

Apart from expertise and diligence, the process of conducting research requires honesty and integrity and is done to recognize and protect the rights of those participating in the research, as well as prior research done on the research topic (Saunders et al., 2009). It is imperative that researchers perform their research in an ethical manner. There are many ethical considerations, especially in primary research, on which researchers need to be vigilant. Eight considerations were explained, of which the researcher will elaborate on three which is relevant to the current research study (Driscoll & Brizee, 2012):

- The process of data collection was done in a way whereby the researcher forthrightly ensured a non-disclosure of the respondents' information. The participants were informed that their research findings will be anonymous and that their personal identity will not be made public. In a brief explanation, the participants were also explained as to what the research entails.
- The capturing and processing of the respondents data were captured and analyzed by an independent service provider at the Northwest University. This meant that the researcher had no undue influence over the expected results and did not manipulate or distort any data whatsoever. By doing so, the researcher acted in an unbiased manner throughout the collection, capturing and statistical analysis of the data.
- The objective of the research was to ascertain a possible link between one dependent variable and five independent variables and what the influence would be on effective and efficient basic services delivery. The researcher used the findings for academic purposes and to compile a report that will be made available for perusal by the executive management of the Category B municipality.

### 3.3.12 The response rate

Table 3.3 illustrates the response rate which was achieved for this research. The total population for this research was 983 employees which were permanently employed at the Category B municipality. The sample was narrowed down as the researcher differentiated between the total permanently employed employees and those who could read and write in English. The final sample accounted for 800 permanently employed employees of which 205 respondents participated. The statistical analysis indicated that a total of 48 questionnaires had responses where some questions were not answered. The statistics program excluded those questions and, where questions were not answered, a valid percentage was calculated. The valid percentage expresses the number responding as a percentage of those who correctly responded (Levine et al., 2011). The response rate (total number of questionnaires received/ total sample size) was 25.62 percent.

Table 3.2: The response rate, (Source: Own Compilation)

| <b>Category B municipality population and sample</b> | <b>Amount and percentage of responses</b> |
|--|---|
| <b>Population</b>                                    | 983                                       |
| <b>Sample</b>  | 800                                       |
| <b>Total responses</b>                               | 205                                       |
| <b>Total response rate</b>                           | 25.62%                                    |

### 3.3 Findings of the empirical investigation

This section will provide a detailed analysis of the empirical investigation conducted as indicated in the research methodology.

#### 3.3.1 Biographical information of the respondents

The statistics program, SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., was used to analyze the biographical information. Appendix C contains all the frequency tables and bar graphs for the biographical information captured in the questionnaire. Approximately 1.9 percent of the respondents neglected to complete some of the biographical information. This has been neutralized by using the valid percent. The researcher will indicate where the valid percentage will be used.

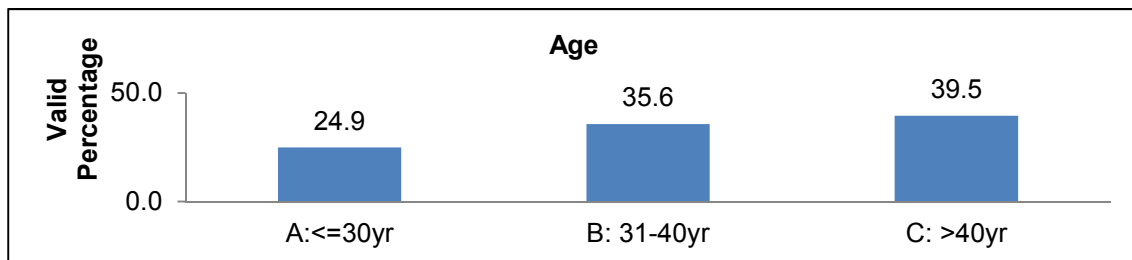


Figure 3.2: Age of respondents, (Source: Own Compilation)

The figure above illustrates the age of the respondents which participated in this survey. From the 205 respondents, 51 (24.9 percent) were younger than 30 years, 73 (35.6 percent) were between 31 years and 40 years old, and 81 (39.5 percent) were older than 40 years of age. From the responses it can be concluded that the majority of the respondents older than 40 years have been employed by the Category B municipality for many years.



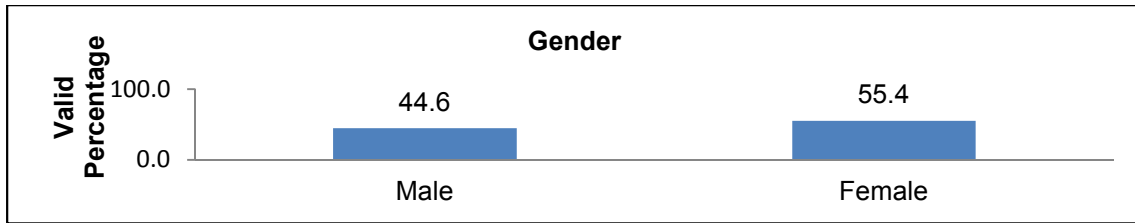


Figure 3.3: Gender of the respondents, (Source: Own Compilation)

The figure above illustrates that 204 respondents indicated their gender, of which 91 (44.6 valid percent) were male and 113 (55.4 valid percent) were female. This response rate is contrary to the existing employment profile of the Category B municipality's pertaining to gender. Permanently employed male employees constitute 64.5 percent of the permanently employment profile, as indicated in Table 1.1.

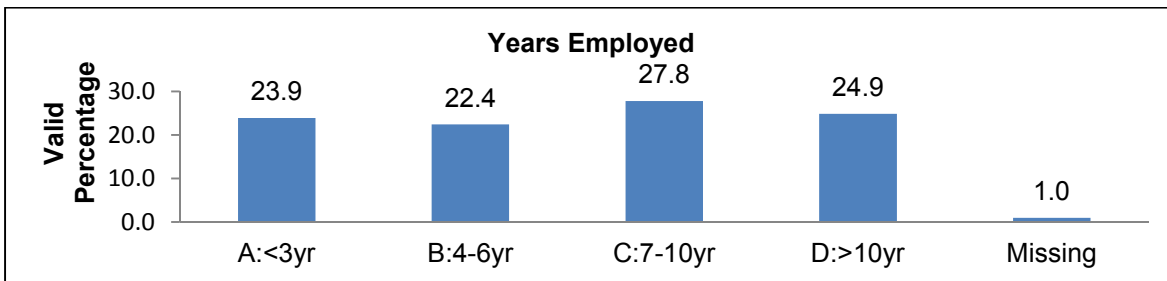


Figure 3.4: Amount of years employed by Category B municipality, (Source: Own Compilation)

The figure above illustrates the amount of years employed at the Category B municipality, of which 203 respondents responded. A total of 49 (23.9 valid percent) were employed for less than three years, 46 (22.4 valid percent) between four and six years, 57 (27.8 valid percent) between seven and 10 years and 51 (24.9 valid percent) for >10 years. The statistical feedback indicated that one percent did not respond to this question. The analysis indicates that the majority of the respondents at the Category B municipality are employed in excess of seven years.

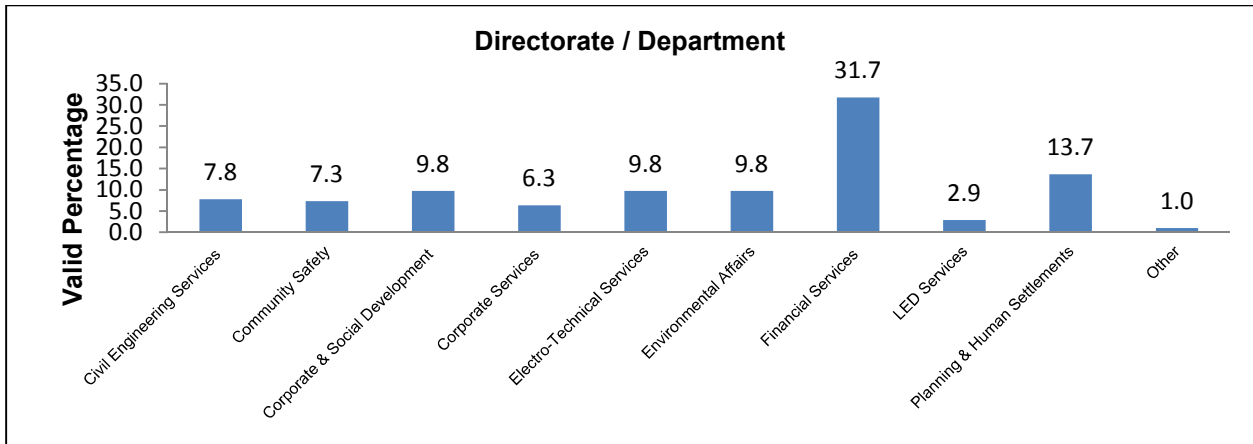


Figure 3.5: Departments where respondents are employed, (Source: Own Compilation)

The figure above illustrates the diversity of departments in which respondents are employed, of which 203 respondents responded. A total of 16 were employed in Civil Engineering Services, 15 in Community Safety, 20 in Corporate and Social Development, 13 in Electro Technical Services, 20 in Electro Technical Services, 20 in Environmental Affairs, 65 in Financial Services, 6 in Local Economic Development (LED) Services, 28 in Planning and Human Settlements and two in other departments.

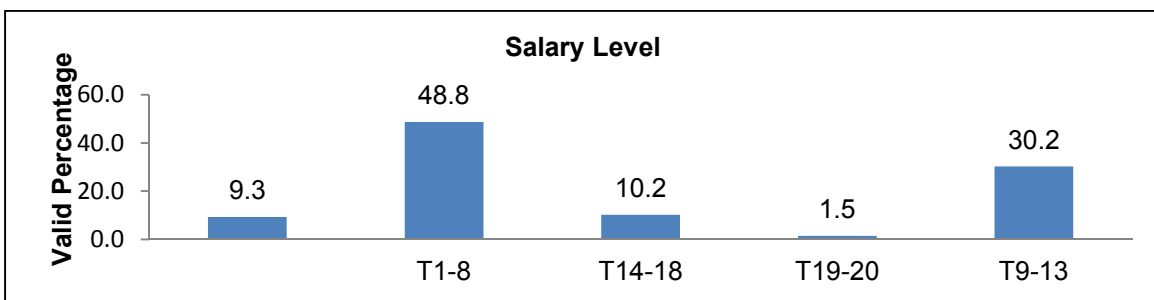


Figure 3.6: Salary level of respondents, (Source: Own Compilation)

The figure above illustrates the salary level of the respondents of which 194 respondents responded. A total of 19 did not know their salary level, 100 indicated T1 – T8 (unskilled/ semi- skilled), 62 indicated T9 – T13 (skilled), 21 indicated T14 – T18 (middle management), and 3 indicated T19 – T20 (senior management). The explanations of all the salary levels are provided in the list of definitions.

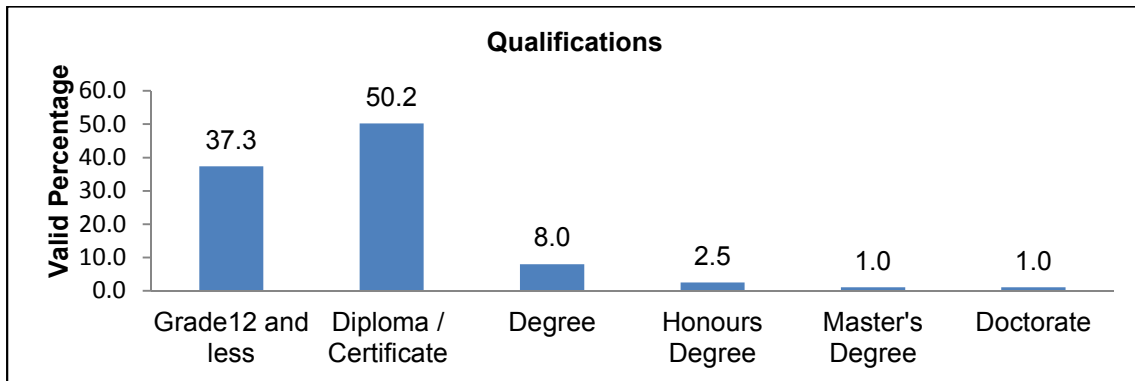


Figure 3.7: Level of Education/ Qualification, (Source: Own Compilation)

The figure above illustrates the level of education and qualifications which the respondents achieved, of which 201 respondents responded. A total of 75 only had Grade 12 and less, 101 had a Diploma/ Certificate, 16 had a Degree, 5 had an Honors degree and 2 had a Master's and Doctorate degree respectively. The analysis concludes that a significant amount of respondents had no formal level of higher education.

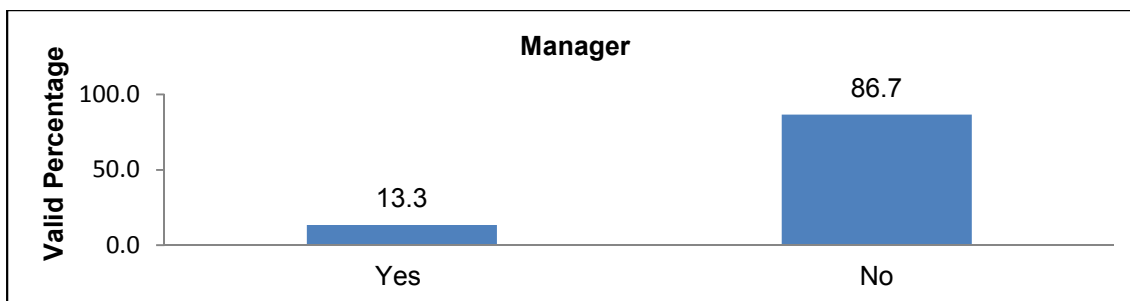


Figure 3.8: Amount of managers which participated, (Source: Own Compilation)

The figure above illustrates the amount of managers which participated as opposed to employees, of which 203 respondents responded. A total of 27 indicated that they are managers as opposed to 176 which indicated that they are employees. This response rate equates to a manager to employee ratio of 1: 6.51.

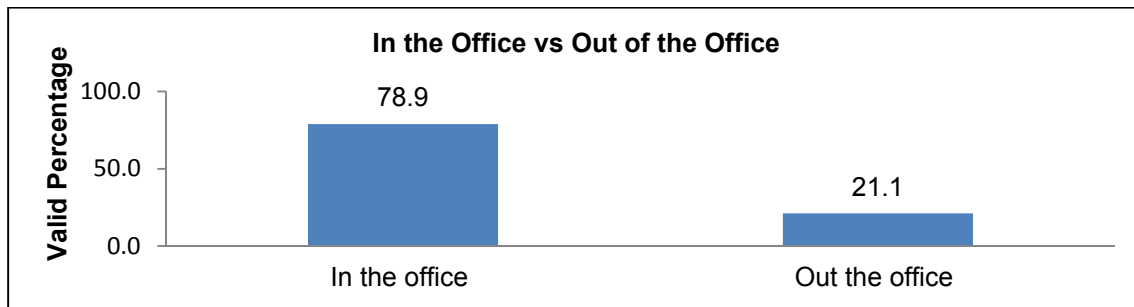


Figure 3.9: Amount of Respondents spending most of the time out of office, (Source: Own Compilation)

The figure above illustrates the amount of respondents which spend most of their time out of the office, of which 199 respondents responded. A total of 157 indicated that they are in the office most of the time. A total of 42 indicated that they spend most of their time out of office. The contextual reference to this question was to ascertain how employees feel about the vertical trust relationship despite not engaging with managers on a frequent basis as a result of their respective job descriptions.

### 3.3.2 Internal reliability of the measuring instruments

This part will explain the reliability of the measuring instruments used in Section B to Section F of the questionnaire. The researcher would like to reiterate the importance of the internal reliability because this shows whether or not an instrument's measures are free of error if such findings can be repeated and provides an indication of how consistent the research findings are (Collis & Hussey, 2009). The Cronbach Alpha

scores were used for measuring the reliability of job satisfaction, employee empowerment, communication, and management reporting and performance management as vertical trust dimensions, and will be discussed in the next section.

### 3.3.2.1 The Cronbach's Alpha reliability scores for the five measuring instruments contained in the questionnaire

Table 3.3 shows the Cronbach's Alpha coefficients for the five measuring instruments identified in Chapter 2 as job satisfaction, employee empowerment, communication, and management reporting and performance management.

Table 3.3: Cronbach's Alpha coefficient scores for measures of vertical trust,  
(Source: Own Compilation)

| Vertical Trust Scales  | Mean  | Standard Deviation | Cronbach's Alpha Coefficient | N of Items in Questionnaire | Cronbach's Alpha Rating |
|------------------------|-------|--------------------|------------------------------|-----------------------------|-------------------------|
| Job Satisfaction       | 33.17 | 11.21              | <b>0.94</b>                  | 11                          | Excellent               |
| Employee Empowerment   | 18.99 | 7.66               | <b>0.93</b>                  | 7                           | Excellent               |
| Communication          | 30.45 | 12.22              | <b>0.96</b>                  | 12                          | Excellent               |
| Management Reporting   | 18.03 | 7.62               | <b>0.95</b>                  | 7                           | Excellent               |
| Performance Management | 18.67 | 7.10               | <b>0.90</b>                  | 7                           | Excellent               |

*All figures rounded off to two decimal places*

The explanation of the Cronbach's Alpha coefficient was indicated by Bryman and Bell (2007) and provided the following rules of thumb for the value of Cronbach's Alpha:

- $>.9$  – Excellent;
- $>.8$  – Good;
- $>.7$  – Acceptable;
- $>.6$  – Questionable;
- $>.5$  – Poor; and
- $<.5$  – Unacceptable

A high level of Cronbach's Alpha thus indicates a good to excellent internal reliability of the items or statements portrayed in the measuring scales. From the interpretations pertaining to the rule of thumb as depicted in Table 3.3, all five vertical trust dimensions were in excess of 0.90 and thus found to have excellent internal reliability. This indicates that all the dimensions yielded consistent results and can therefore be repeated with the probability of receiving the same results in future. The five dimensions used, is a reliable measurement of vertical trust relationship between municipal employees and managers. The item-total statistics relating to the Cronbach's Alpha coefficient for each of the five vertical trust dimensions are attached as Appendix B. These tables will indicate the internal reliability of the dimension if the respective items were to be deleted. The researcher assessed the item-total statistics regarding the municipal employees' perception of communication as a vertical trust dimension. This dimension was chosen as it had the highest internal reliability of all the dimensions tested in this research. Table 3.5 will depict all the statements tested as Section D statement 1 – 12. This table indicates that if the respective statements within Section D is deleted, it is clear that all the Cronbach's Alpha scores are highly reliable, ranging between 0.956 and 0.963.

Table 3.4: Item- total correlation and Cronbach's Alpha coefficient scores of communication as a vertical trust dimension, (Source: Own Compilation)

| Statements of Communication | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-----------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| Section D Statement 1       | 27.96                      | 125.609                        | .816                             | .958                             |
| Section D Statement 2       | 27.27                      | 128.574                        | .681                             | .962                             |
| Section D Statement 3       | 27.97                      | 124.238                        | .850                             | .958                             |
| Section D Statement 4       | 27.99                      | 124.744                        | .848                             | .958                             |
| Section D Statement 5       | 28.22                      | 126.726                        | .823                             | .958                             |
| Section D Statement 6       | 28.03                      | 124.332                        | .862                             | .957                             |
| Section D Statement 7       | 27.97                      | 123.127                        | .887                             | .956                             |
| Section D Statement 8       | 28.07                      | 124.796                        | .864                             | .957                             |
| Section D Statement 9       | 28.11                      | 123.832                        | .893                             | .956                             |
| Section D Statement 10      | 27.90                      | 126.223                        | .825                             | .958                             |
| Section D Statement 11      | 27.63                      | 128.457                        | .699                             | .962                             |
| Section D Statement 12      | 27.87                      | 129.912                        | .646                             | .963                             |

*Figures (except for scale mean if deleted) is rounded of the three decimal places*

From the table, the researcher can derive that the dimension's internal reliability is excellent and will have no significant change in the Cronbach's Alpha coefficient scores, if one of the items/ statements is deleted. Appendix B will show that the remaining four vertical trust dimensions' internal reliability is extremely high, where the deletion on one item/ statement will not significantly change the various dimensions' Cronbach's Alpha coefficient results. This reiterates that the research instrument used in this research is seen as being internally reliable, which increases the reliability of this research.

Culminating with the excellent results of the internal reliability of each of the vertical trust dimensions tested in this research, the following section aims to discuss the results of

all the items or questions of Section B to Section F of the questionnaires in the next section.

### 3.3.3 Findings of responses to items within Section B to Section F of questionnaire

Results of all the items will be analyzed and interpreted as to how respondents' perceived these vertical trust dimensions within the Category B municipality. Each Section will be discussed independently. For ease of understanding, the researcher will interpret and divide the Likert scale into three categories of frequencies. The first category will combine 1) Strongly Disagree and 2) Disagree into one category. The second category will be 3) Neither agree nor Disagree, whereas the third category will consist of 4) Disagree and 5) Strongly disagree. Lastly, the mean of the responses relating to each item, will be used to make certain interpretations.

#### 3.3.3.1 Section B: Job satisfaction

Section B consisted of 11 items or statements relating to job satisfaction. Each statement will thus be analyzed.

From the perception of the respondents' attitude towards job satisfaction, only 203 participants responded to the first statement. A total of 73 (36 valid percent) indicated that they disagree with the statement that it is a pleasure to go to work daily. A total of 92 (45.3 valid percent) felt that it was a pleasure to come to work daily. The amount of participants which were unable to express their view, amounted to 38 (18.7 valid percent). The mean of 2.93 indicated that most of the respondents disagreed with this statement.

The second statement relating to whether the respondent takes pleasure in doing their work, a total of 203 participants responded. A total of 44 (21.5 valid percent) indicated that they disagree with the statement as opposed to 144 (71 valid percent) which indicated that they agree with the statement. The amount of participants which were



unable to express their view, amounted to 15 (7.4 valid percent). The mean of 3.53 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 199 participants responded to the statement that they have no intention to leave the municipality. The participants which disagreed with the statement was 64 (32.2 valid percent) as opposed to the 90 (45.2 valid percent) which agreed with the statement. The amount of participants which were unable to express their view, amounted to 45 (22.6 valid percent). The mean of 3.09 indicated that most of the respondents were neutral and unable to express an opinion.

The fourth statement revolved around whether the participants felt that the work they do adds value to basic service delivery with the city and surrounding communities. Only 200 participants responded of which 42 (21 valid percent) disagreed with the statement. Contrary, a total of 151 (75.5 valid percent) agreed that their work adds value to the municipality's core objective of effective service delivery. The amount of participants which were unable to express their view, amounted to 7 (3.5 valid percent). The mean of 3.73 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 203 participants responded to the statement of whether the Category B municipality is a great organization to work for, of which 61 (30 valid percent) disagreed and 93 (45.8 valid percent) agreed. The amount of participants which were unable to express their view, amounted to 49 (24.1 valid percent). The mean of 3.06 indicated that most of the respondents were neutral and unable to express an opinion.

The sixth statement related to whether employees would recommend anyone to work for the Category B municipality. A total of 202 participants responded of which 73 (36.1 valid percent) disagreed. A total of 77 (38.1 valid percent) agreed that they would recommend anyone to seek employment at the category B municipality. The amount of participants which were unable to express their view, amounted to 52 (25.7 valid percent). The mean of 2.84 indicated that most of the respondents disagreed with this statement.

A total of 204 participants responded to the statement that the employees' personal skills and capabilities are consequences of the good job they are doing. A total of 42 (20.6 valid percent) disagreed, as opposed to 140 (68.6 valid percent), which agreed that their skills sets do play a part. The amount of participants which were unable to express their view, amounted to 22 (10.8 valid percent). The mean of 3.58 indicated that most of the respondents were neutral and unable to express an opinion.

The eighth statement indicated that managers have employees' personal interest at heart whenever employees are required to do their jobs. A total of 200 participants responded of which 103 (51.5 valid percent) disagreed with the statement. A total of 59 (29.5 valid percent) agreed with the statement. The amount of participants which were unable to express their view, amounted to 38 (19 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The statement relating to whether working conditions allows employees to effectively do their jobs, were answered by 200 participants. A total of 98 (49 valid percent) disagreed that there are conducive working conditions, as opposed to the 55 (27.5 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 47 (23.5 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The tenth statement alluded to whether managers are actively involved in the employees' career path, of which 200 participants responded. A total of 115 (47.5 valid percent) disagreed, as appose to the 45 (22.5 valid percent) which agreed. The amount of participants which were unable to express their view, amounted to 40 (20 valid percent). The mean of 2.38 indicated that most of the respondents disagreed with this statement.

The last statement referred to whether the employees are assured that they will not lose their job. A total of 66 (32.5 valid percent) disagreed with the statement and 73 (36 valid percent) agreed that they are assured of not losing their job. A total of 64 (31.5 valid percent) participants were unsure of whether they are assured of not losing their jobs. The mean of 2.88 indicated that most of the respondents disagreed with this statement.

The analysis indicates that the majority of the respondents disagreed with most of the statements, with the rest being dominated by respondents which were neutral and unable to express an opinion.

### 3.3.3.2 Section C: Employee empowerment

Section C consisted of seven items or statements relating to employee empowerment. Each statement will thus be analyzed.

The first statement was aimed at whether the employees were scared to raise an opinion at work. A total of 204 participant responded of which 75 (33.8 valid percent) disagreed with the statement. Contrary, a total of 109 (53.4 valid percent) agreed that they are not scared to raise their opinions at work. The amount of participants who were unable to express their view, amounted to 20 (9.8 valid percent). The mean of 3.14 indicated that most of the respondents were neutral and unable to express an opinion.

The next statement revolves around whether the manager involves employees in decisions that affect their work. A total of 203 participants responded, of which 122 (60.1 valid percent) disagreed and 49 (24.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 32 (15.8 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.

The third statement relates to whether management installs confidence in employees in order for employees to do their work. A total of 201 participants responded, of which 95 (47.3 valid percent) disagreed with the statement. A total of 71 (35.4 valid percent) agreed that management installs confidence in employees for them to do their work. The amount of participants who were unable to express their view, amounted to 35 (17.4 valid percent). The mean of 2.71 indicated that most of the respondents disagreed with this statement.

A total of 202 participants responded to the statement which relates to whether managers allow employees to do their job the way employees see it best, as long as the

work is effectively done. A total of 77 (38.2 valid percent) disagreed with the statement, as opposed to the 91 (45.1 valid percent) participants which agreed. The amount of participants who were unable to express their view, amounted to 34 (16.8 valid percent). The mean of 2.97 indicated that most of the respondents disagreed with this statement.

The fifth statement which refers to whether management creates an environment in which successes are celebrated, were answered by 203 participants. A total of 116 (57.2 valid percent) disagreed in comparison with the 47 (23.1 valid percent) participants which agreed with the statement. The amount of participants who were unable to express their view, amounted to 40 (19.7 valid percent). The mean of 2.45 indicated that most of the respondents disagreed with this statement.

The next statement tested whether management encourages innovative ways to effectively deliver basic services to the city and surrounding communities. A total of 203 participants responded, of which 90 (44.3 valid percent) disagreed with the statement. This was in comparison to a total of 71 (35 valid percent) which agreed that management encourage innovative ways to effectively deliver basic services to the communities. The amount of participants who were unable to express their view, amounted to 42 (20.7 valid percent). The mean of 2.74 indicated that most of the respondents disagreed with this statement. Bouckaert (2012) implied that organizations need to search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance. From the empirical analysis conducted based on the Category B municipality, this element would need to be looked at in order to edge ahead of other similar Category B municipalities.

The last statement relates to whether the management empowers employees to make decisions that will positively influence their work, of which 192 participants responded. A total of 94 (54.4 valid percent) disagreed with the statement, whereas a total of 44 (22.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 54 (28.1 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

### 3.3.3.3 Section D: Communication

Section D consisted of 12 items or statements relating to communication. Each statement will thus be analyzed.

The first statement relates to whether management is transparent in the manner in which they conduct their work. A total of 197 participants responded, of which 105 (53.3 valid percent) disagreed and 45 (22.9 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 47 (23.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement. Tan and Lim (2009) explained in chapter two that transparency is important for information to be communicated, irrespective of whether employee engagements stems from formal or informal interaction.

A total of 197 participants responded to whether management trust the employees to do their job. A total of 52 (26.4 valid percent) participants disagreed and 103 (52.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (21.3 valid percent). The mean of 3.19 indicated that most of the respondents were neutral and unable to express an opinion.

The third statement relates to whether management communicates and displays a sense of fairness towards employees. A total of 201 participants responded, of which 110 (54.8 valid percent) participants disagreed and 53 (26.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement focused on whether management is consistent in their actions and behaviour. A total of 201 participants responded, of which 113 (56.3 valid percent)

disagreed. A total of 44 (22.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management deliver on their promises made to employees. A total of 199 participants responded, of which 123 (61.8 valid percent) participant disagreed with the statement. A total of 27 (13.5 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 49 (24.6 valid percent). The mean of 2.24 indicated that most of the respondents disagreed with this statement.

A total of 198 participants responded to the statement relating to whether management is always willing to discuss employees' personal wellbeing with immense compassion. A total of 116 (58.6 valid percent) participants disagreed and 44 (22.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (19.2 valid percent). The mean of 2.42 indicated that most of the respondents disagreed with this statement.

The seventh statement revolves around whether management make employees feel appreciated in the manner in which management communicate tasks to them. A total of 201 participants responded of which 112 (55.8 valid percent) participants disagreed and 51 (25.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement tested whether there is trust between management and employees. A total of 201 participants responded, of which 119 (59.2 valid percent) of them disagreed. A total of 40 (19.9 valid percent) participants agreed with that there is trust between management and employees. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.

The ninth statement focused on whether management is creating an environment whereby they can communicate honestly with employees. A total of 200 participants responded and 121 (60.5 valid percent) disagreed that such an environment exist. The total of participants who agreed to this statement, amounted to 40 (20 valid percent).The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.34 indicated that most of the respondents disagreed with this statement.

The tenth statement revolves around whether management effectively communicates the strategic objectives of the Category B municipality to the employees. A total of 200 participants responded and 98 (39 valid percent) participants disagreed with the statement. A total of 45 (22.5 valid percent) indicated that they agree that strategic objectives are effectively communicated to the employees. The amount of participants who were unable to express their view, amounted to 57 (28.5 valid percent). The mean of 2.55 indicated that most of the respondents disagreed with this statement.

The penultimate statement referred to whether the employees know and understand the key strategic objectives for effective service delivery over the next three years. A total of 200 participants responded of which 78 (39 valid percent) participant disagreed. The number of participants which agreed with the statement, amounted to 68 (34 valid percent). A total of 54 (27 valid percent) participants were not sure of what these key strategic objectives were. The amount of participants who were unable to express their view, amounted to 54 (27 valid percent). The mean of 2.82 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether the employees participate in the formulation of the Category B municipality's strategic vision. A total of 198 participants responded of which 101 (51.1 valid percent) disagreed with the statement. A total of 56 (28.2 valid percent) agreed that employees are involved in formulating the Category B municipality's strategic vision. The amount of participants who were unable to express their view, amounted to 41 (20.7 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

#### 3.3.3.4 Section E: Management reporting

Section E consisted of seven items or statements relating to management reporting. Each statement will thus be analyzed.

The first statement tests whether management is good in setting realistic goals and whether they assist employees in achieving those goals. A total of 200 participants responded, of which 112 (56 valid percent) participants disagreed with the statement. A total of 49 (24.5 valid percent) participants agreed that management sets realistic goals and assists employees to achieve it. The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.52 indicated that most of the respondents disagreed with this statement.

The next statement relates to whether management sees an employee's opinion on work related issues as important. A total of 201 participants responded, of which 105 (52.3 valid percent) disagreed. The total of participants who agreed with this statement, amounted to 54 (26.9 valid percent). The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

A total of 199 participants responded to the statement which relates to whether management is committed in getting employees' views on how to make the right decisions that may result in a prosperous Category B municipality. The total of participants which disagreed, amounted to 116 (58.3 valid percent) as opposed to 40 (20.1 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 43 (21.6 valid percent). The mean of 2.40 indicated that most of the respondents disagreed with this statement.



The fourth statement relates to whether the employee can trust management. A total of 200 participants responded, of which 112 (56 valid percent) participants responded. Those participants who agreed with the statement, amounted to 36 (18 valid percent). The amount of participants who were unable to express their view, amounted to 52 (26 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The next statement looked at whether management can align employees in a way that would enable employees to work towards a common goal. A total of 201 participants responded, of which 111 (55.3 valid percent) participants disagreed and 52 (25.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement.

The penultimate statement looks at whether management conduct themselves in a polite and professional manner when addressing work related issues to employees. A total of 201 participants responded, of which 93 (46.3 valid percent) participants disagreed. A total of 66 (32.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.68 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether employees feel that management is capable of implementing strategies that will successfully lead to a better delivery of basic services to the communities. A total of 202 participant responded, of which 70 (34.7 valid percent) participant disagreed. The amount of participants who agreed, amounted to 76 (37.6 valid percent). The amount of participants who were unable to express their view, amounted to 56 (27.7 valid percent). The mean of 3.00 indicated that most of the respondents were neutral and unable to express an opinion.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

### 3.3.3.5 Section F: Performance management

Section F consisted of seven items or statements relating to performance management. Each statement will thus be analyzed.

A total of 196 participants responded to the statement relating to whether performance feedback is regularly provided on how employees do their work. The amount of participants which disagreed, amounted to 129 (65.8 valid percent). A total of 40 (20.4 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 27 (13.8 valid percent). The mean of 2.22 indicated that most of the respondents disagreed with this statement.

The second statement related to whether employees believe that performance reviews are fairly and accurately conducted. A total of 195 participants responded of which 77 (39.5 valid percent) participants disagreed. The total of participants who agreed with the statement, amounted to 80 (41.1 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 2.89 indicated that most of the respondents disagreed with this statement. Mulki et al. (2006) indicated that trust in a manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager. The empirical analysis implied that managers in the Category B municipality would need to positively nurture beliefs about what employees think they are entitled to receive or should receive because employees perceive that their managers conveyed promises either implicitly or explicitly to provide fair performance feedback (Grobler et al., 2006).

The third statement revolves around whether the employees know and understand their performance agreement with the Category B municipality. A total of 195 participants responded, of which 63 (32.3 valid percent) disagreed with the statement. The total of participants which agreed with the statement, amounted to 94 (48.2 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 3.08 indicated that most of the respondents were neutral and unable to express an opinion.

The statement relating to whether employees will get good performance reviews if they deliver on their job responsibilities, as indicated in the performance agreement, were answered by 195 participants. Of those participants, a total of 73 (37.4 valid percent) disagreed and a total of 86 (44.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 36 (18.5 valid percent). The mean of 2.96 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management treats good performers different to how they treat non- performers. This statement was answered by 196 participants, of who 88 (44.9 valid percent) disagreed and 56 (28.6 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 52 (26.5 valid percent). The mean of 2.70 indicated that most of the respondents disagreed with this statement.

The sixth statement looks at whether management is committed to manage employees' performance and assists them in their career and personal development. A total of 198 participants responded, of which 110 (55.6 valid percent) disagreed with the statement. The total of participants who agreed with the statement, amounted to 38 (19.1 valid percent). The amount of participants who were unable to express their view, amounted to 50 (25.3 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The last statement focused on whether the employees were allowed by management to enroll for training programmes over the last 12 months. A total of 108 (55.4 valid percent) participants disagreed with the statement, as opposed to 62 (31.8 valid percent) participants who agreed with the statement. The amount of participants who were unable to express their view, amounted to 25 (12.8 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinions. Further details of this analysis in 3.3.3 are provided in Appendix C.

The researcher further analyzed the questionnaires to ascertain which statements received the highest responses, based on the 5- point Likert scale. The next section will discuss these responses, based on how the participants responded from 1) Strongly Disagree to 5) Strongly Agree. The responses were based on the valid percent of the actual participants who responded. The criteria, for how these statements were also selected, were based on whether more than 60 participants responded to a particular statement. These participants would represent more than 30 percent of those participants which responded and thus represent one third of those who chose a particular statement.

### 3.3.5 Statements with high level of “Strongly Disagree” responses

The analyses revealed that eight statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether the management is actively involved and support the employees in their career path at the Category B municipality, of which 34.5 valid percent strongly disagreed with this statement. This was from a total of 200 participants who responded. The second statement relates to whether performance feedback is regularly provided on how employees do their job, of which 35.21 valid percent strongly disagreed with the statement. This was from a total of 196 participants who responded. A graphical illustration of the eight statements is provided below.

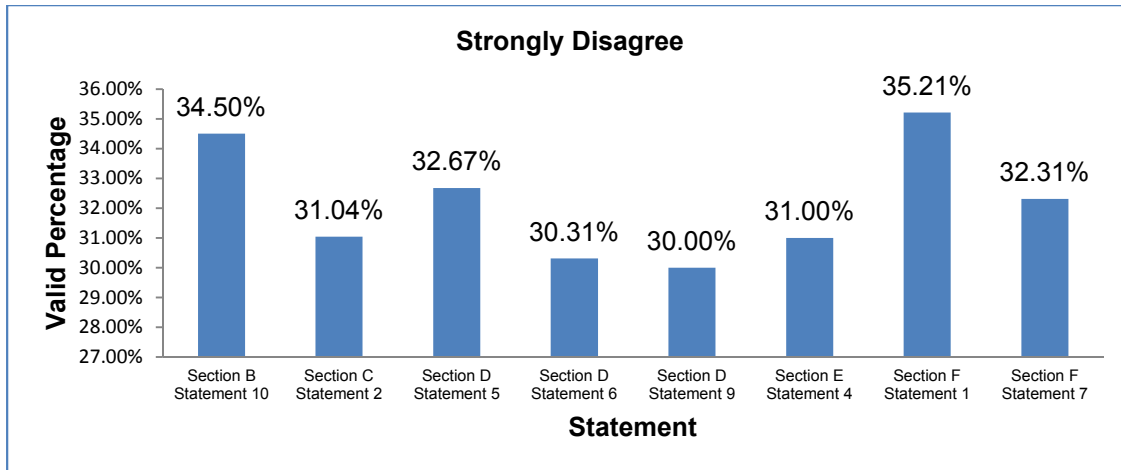


Figure 3.10: Statements with high frequency of “Strongly Disagree” responses, (Source: Own Compilation)

### 3.3.6 Statements with high level of “Disagree” responses

The analyses revealed that five statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first statement with the highest response relates to whether management is good in setting realistic goal and assists employees in achieving their goals. From a total of 196 participants who responded, 32.5 valid percent indicated that they disagree with the statement. The second statement relates to whether employees believe that there is trust between management and employees, of which 31.84 valid percent disagreed with the statement. This was from a total of 201 participants which responded. A graphical illustration of the five statements is provided below.

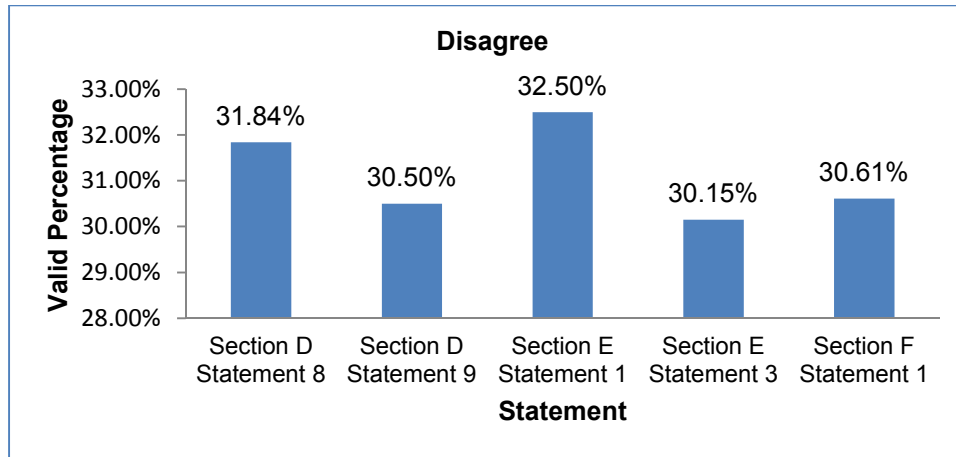


Figure 3.11: Statements with high frequency of “Disagree” responses, (Source: Own Compilation)

### 3.3.7 Statements with high level of “Agree” responses

The analyses revealed that eleven statements throughout Section B – Section F, had a high frequency of responses, who were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether employees take pleasure in doing their work, of whom 48.77 valid percent agreed with this statement. This was from a total of 203 participants who responded. The second statement relates to whether employees’ personal skills and capabilities are testimony of the good job they are doing, of who 44.12 valid percent agreed with the statement. This was from a total of 204 participants who responded. A graphical illustration of the eleven statements is provided below.

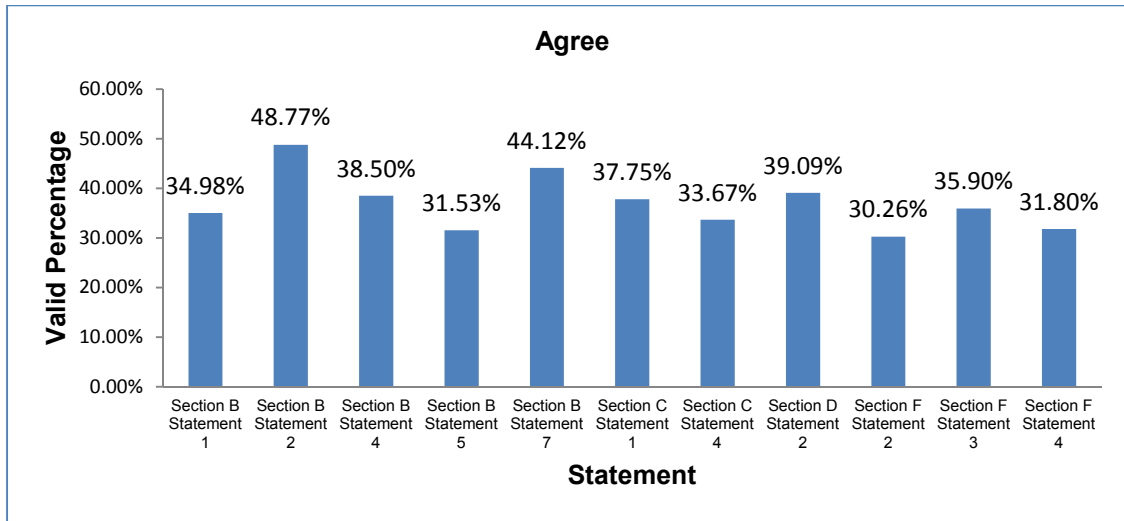


Figure 3.12: Statements with high frequency of “Agree” responses, (Source: Own Compilation)

### 3.3.8 Statements with high level of “Strongly Agree” responses

The analyses revealed that one statement throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. The statement relates to whether the work which employees do, add value in delivering basic services in the town and the surrounding communities. From the 200 participants who responded, 37 valid percent strongly agreed with this statement. A graphical illustration of the statement is provided below.

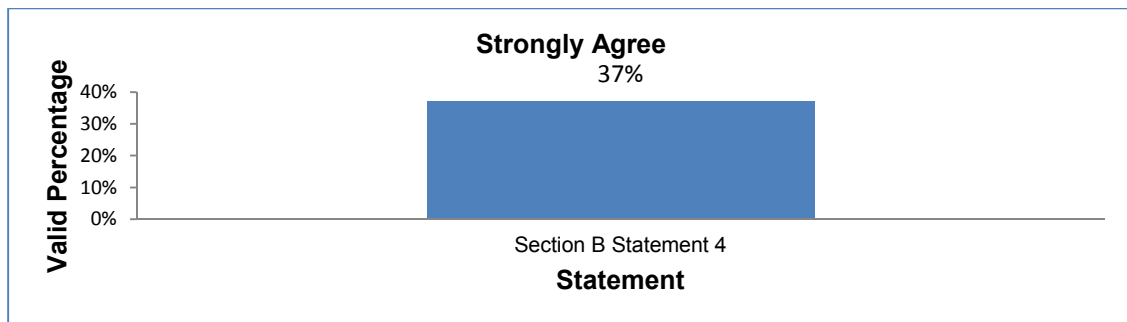


Figure 3.13: Statements with high frequency of “Strongly Agree” responses, (Source: Own Compilation)

More detail pertaining to the high frequency of responses based on the Likert scale, is provided in Appendix D.

The next analysis revolves around the results pertaining to all the items/ statements in Section B to Section F. The analysis will be done by categorizing and interpreting the responses of the biographical information in groups and assessing how the responses for Section B to Section F differed in comparison. This will be discussed by focusing on the effect sizes, in the next section.

### 3.3.9 Effect sizes indices for heterogeneous variances

The calculation of the effect sizes will assist the researcher to ascertain whether there are practically significant differences between two and more groups. This analysis was done by applying the Cohen  $d$  that assumes homogeneity of population variances and uses means and standard deviations of those groups which are being compared against each other (Cohen, 1988). The biographic information in Section A will be used to compare how the following groups fared in responding to the vertical trust relationship dimensions in Section B – to Section F:

- Effect sizes of how gender perceived those dimensions;
- Effect sizes of how the age groups perceived those dimensions;
- Effect sizes of how respondents with number of years employed perceived those dimensions;
- Effect sizes of how various departments perceived those dimensions;
- Effect sizes of how respondents with various salary levels perceived those dimensions;
- Effect sizes of how respondents with different qualifications/ levels of education perceived those dimensions;
- Effect sizes between managers and employees and how they perceived those dimensions; and



- Effect sizes of employees which spend most of their time out of office, as appose to being in the office

### 3.3.9.1 Effect sizes of how gender perceived those dimensions

Table 3.5 illustrates the effect sizes between the amount of males and females responded to the five vertical trust dimensions.

Table 3.5: Effect sizes for gender, (Source: Own Compilation)

| GENDER  |                        | N   | Minimum | Maximum | Mean | Std. Deviation | d     |
|---------|------------------------|-----|---------|---------|------|----------------|-------|
| Males   | Job satisfaction       | 91  | 1.00    | 5.00    | 3.06 | 1.06           | -0.05 |
|         | Employee empowerment   | 90  | 1.00    | 5.00    | 2.82 | 1.10           | 0.17  |
|         | Communication          | 90  | 1.00    | 5.00    | 2.60 | 1.06           | 0.07  |
|         | Management reporting   | 90  | 1.00    | 5.00    | 2.63 | 1.16           | 0.08  |
|         | Performance management | 89  | 1.00    | 5.00    | 2.69 | 1.08           | -0.03 |
|         | Valid N (list wise)    | 89  |         |         |      |                |       |
| Females | Job satisfaction       | 113 | 1.00    | 5.00    | 3.11 | 1.01           |       |
|         | Employee empowerment   | 113 | 1.00    | 5.00    | 2.63 | 1.07           |       |
|         | Communication          | 112 | 1.00    | 5.00    | 2.52 | 1.02           |       |
|         | Management reporting   | 112 | 1.00    | 5.00    | 2.54 | 1.05           |       |
|         | Performance management | 108 | 1.00    | 5.00    | 2.71 | 0.96           |       |
|         | Valid N (list wise)    | 107 |         |         |      |                |       |

From the interpretation of Cohen's  $d$  in the last column of Table 3.5, there is no significant difference in the manner in which both male and females perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.17, which constitutes a small effect size. The majority of their responses indicated that both genders generally disagreed with the statements within the various dimensions.

### 3.3.9.2 Effect sizes of how the age groups perceived those dimensions

The researcher categorized the age groups as <30 years, between 31 – 40 years and >40 years and older. Table 3.6 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

Table 3.6: Effect sizes for age groups, (Source: Own Compilation)

| AGE_1      |                        | N  | Mean | Std. Deviation | d_AB | d_AC  | d_BC  |
|------------|------------------------|----|------|----------------|------|-------|-------|
| A: <=30yr  | Job satisfaction       | 51 | 3.13 | 1.12           | 0.13 | 0.00  | -0.14 |
|            | Employee empowerment   | 50 | 2.73 | 0.99           | 0.14 | -0.05 | -0.17 |
|            | Communication          | 50 | 2.62 | 1.10           | 0.18 | 0.00  | -0.19 |
|            | Management reporting   | 50 | 2.62 | 1.09           | 0.20 | -0.09 | -0.28 |
|            | Performance management | 49 | 2.81 | 1.06           | 0.30 | -0.02 | -0.34 |
|            | Valid N (list wise)    | 49 |      |                |      |       |       |
| B: 31-40yr | Job satisfaction       | 73 | 2.98 | 0.98           |      |       |       |
|            | Employee empowerment   | 73 | 2.59 | 1.04           |      |       |       |
|            | Communication          | 73 | 2.42 | 0.97           |      |       |       |
|            | Management reporting   | 72 | 2.40 | 1.02           |      |       |       |
|            | Performance management | 70 | 2.49 | 0.97           |      |       |       |
|            | Valid N (list wise)    | 70 |      |                |      |       |       |
| C: >40yr   | Job satisfaction       | 81 | 3.13 | 1.04           |      |       |       |
|            | Employee empowerment   | 81 | 2.80 | 1.17           |      |       |       |
|            | Communication          | 80 | 2.62 | 1.06           |      |       |       |
|            | Management reporting   | 81 | 2.72 | 1.14           |      |       |       |
|            | Performance management | 79 | 2.83 | 1.00           |      |       |       |
|            | Valid N (list wise)    | 78 |      |                |      |       |       |

From the interpretation of Cohen's  $d$  in the last three columns of Table 3.6, there is no significant difference in the manner in which the three age groups perceived and

responded to the various dimensions. The effect size indices ( $d$ ) were between -0.34 and 0.30, which constitutes a small effect size. The majority of their responses indicated that the respondents disagreed with the statements within the various dimensions.

### *3.3.9.3 Effect sizes of how respondents with various years of employment perceived those dimensions*

The researcher categorized respondents' number years employed at the municipality in groups as <3 years, between 4 – 6 years, between 7 – 10 years and >10 years employed. Appendix E will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

From the interpretation of Cohen's  $d$  in the last six columns of Appendix E, there is no significant difference in the manner in which five of the six groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.28 and 0.38, which constitutes a small effect size. The researcher noted that the responses pertaining to communication, between group <3 years and >10 years, had a higher effect size of 0.51 which can be interpreted as a medium effect. Within the five groups, the researcher also discovered that there was a medium effect of 0.52, 0.52 and 0.50 in how the two groups between 4 – 6 years and 7 – 10 years responded to job satisfaction, communication and management reporting respectively. These effect sizes also constitute a medium effect. Lastly, the sixth group which were categorized between <3 years and 7 – 10 years also had differences pertaining to job satisfaction, employee empowerment, communication and management reporting. From the table in Appendix E, it can be noted that the former group responded more positive as opposed to what the latter group's perception of these three dimensions were, although most responses tended to disagree.

On aggregate, all age groups predominantly disagreed with the statements within the five vertical trust dimensions. The researcher would also like to focus the attention on

the group in last column of Appendix E. The analysis indicates that the age group of 7 – 10 years responded more negatively to all the statements within the five vertical trust dimensions, as opposed to what the age group >10 years responded.

#### *3.3.9.4 Effect sizes of how respondents in various departments perceived those dimensions,*

The researcher categorized respondents working at the municipality into 45 groups in order to compare the 10 departments with each other (please see Appendix A and Appendix F for identifying the departments and its effect sizes). Appendix F will illustrate the effect sizes between those departments. This will provide an indication of whether there were significant differences in how respondents in different departments responded to the five vertical trust dimensions. From the interpretation of Cohen's  $d$  in the last 45 columns of Appendix F, the researcher discovered that the Local Economic Development Department, Corporate and Social Development and Civil Engineering Department were more negative than all the other departments, when responding to the statements. A comparison between these three departments suggested no significant difference in the manner in which these three departments perceived and responded to the various dimensions. This is confirmed by most of the effect size indices being between -0.22 and 0.72 (small to medium effect), with the responses relating to job satisfaction and performance management revealing large effect size indices of 1.33 and 0.84 respectively. Respondents in Corporate and Social Development Department were more positive in their responses than Local Economic Development Department, relating job satisfaction (1.49) and employee empowerment (1.08). The Local Economic Development Department strongly disagreed with the statements, whereas the two respondents in the tenth Department however agreed with the statements. Respondents in Community Safety Department were more positive than all of the other Departments.

A holistic view of the results suggests that most of the departments disagreed with the statements provided within the various dimensions. There are some large effect size indices between various departments which are of practical significance, but the majority fluctuates between the small (0.2) and medium (0.5).

#### *3.3.9.5 Effect sizes of how respondents in various salary levels perceived those dimensions*

The researcher categorized respondents' salary levels at the municipality in groups as T1 – 8, T14 – 18, T19 – 20 and T9 – 13. Appendix G will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those salary levels responded to the five vertical trust dimensions. From the interpretation of Cohen's  $d$  in the last six columns of Appendix G, there is no significant difference in the manner in which group T14 – 18, T19 – 20 and T9 – 13 responded. The effect size indices ( $d$ ) was between -0.10 and 0.60, which constitutes a small effect size, although three of those indices at 0.50, 0.52 and 0.68 constitutes a medium effect. The majority of their responses indicated that the respondents within those groups disagreed with the statements within the various dimensions. The responses of T14 – 18 were more positive as most of their responses did not constitute that they either strongly disagree or disagree with the statements.

The researcher discovered that the T1 – 8 groups responded more negative to the statements, compared to the other groups. All the effect size indices ( $d$ ) appeared to be between -0.91 and -0.05. A further comparison between T1 – 8 and T14 – 18 revealed that there was a significant difference in perception as T1 – 8 were very negative towards the five dimensions. This is confirmed by large effect size indices ( $d$ ) of -0.86, -0.77 and -0.91 for employee empowerment, communication and management reporting. Performance management was also negative, but a medium effect size indices of -0.53.

3.3.9.6 *Effect sizes of how respondents with different qualifications perceived those dimensions*

The researcher categorized respondents' levels of qualification at the municipality in groups as <Grade 12, Degree and more, and respondents with a Certificate or Diploma. Table 3.7 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents with different qualifications responded to the five vertical trust dimensions.

Table 3.7: Effect sizes of how respondents with different qualifications perceived those dimensions, (Source: Own Compilation)

| QUALIFICATION              |                        | N   | Mean | Std. Deviation | d_AC  | d_AB  | d_CB |
|----------------------------|------------------------|-----|------|----------------|-------|-------|------|
| A: <=Gr12                  | Job satisfaction       | 75  | 2.97 | 1.17           | -0.41 | -0.08 | 0.40 |
|                            | Employee empowerment   | 74  | 2.60 | 1.16           | -0.42 | -0.08 | 0.38 |
|                            | Communication          | 73  | 2.47 | 1.15           | -0.40 | -0.04 | 0.40 |
|                            | Management reporting   | 73  | 2.47 | 1.18           | -0.40 | -0.11 | 0.30 |
|                            | Performance management | 72  | 2.64 | 1.08           | -0.43 | 0.01  | 0.49 |
|                            | Valid N (list wise)    | 71  |      |                |       |       |      |
| C: Degree+                 | Job satisfaction       | 25  | 3.45 | 0.83           |       |       |      |
|                            | Employee empowerment   | 25  | 3.09 | 1.03           |       |       |      |
|                            | Communication          | 25  | 2.93 | 1.02           |       |       |      |
|                            | Management reporting   | 25  | 2.94 | 1.16           |       |       |      |
|                            | Performance management | 24  | 3.11 | 0.88           |       |       |      |
|                            | Valid N (list wise)    | 24  |      |                |       |       |      |
| B: Diploma/<br>Certificate | Job satisfaction       | 101 | 3.07 | 0.96           |       |       |      |
|                            | Employee empowerment   | 101 | 2.70 | 1.02           |       |       |      |
|                            | Communication          | 101 | 2.52 | 0.94           |       |       |      |
|                            | Management reporting   | 101 | 2.59 | 1.00           |       |       |      |
|                            | Performance management | 98  | 2.63 | 0.98           |       |       |      |
|                            | Valid N (list wise)    | 98  |      |                |       |       |      |

From the interpretation of Cohen's  $d$  in the last three columns of Table 3.7, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.43 and 0.49, which constitutes a small effect size. Respondents with a Grade 12 and less, perceived the statements more negative than the other two groups. On the aggregate, the majority of their responses indicated that all these groups generally disagreed with the statements within the various dimensions.

### 3.3.9.7 Effect sizes between managers and employees and how they perceived those dimensions

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.8 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.

Table 3.8: Effect sizes between managers and employees and how they perceived those dimensions, (Source: Own Compilation)

| <b>MANAGER (1) vs. EMPLOYEE (2)</b> |                        | <b>N</b> | <b>Minimum</b> | <b>Maximum</b> | <b>Mean</b> | <b>Std. Deviation</b> | <b>d</b> |
|-------------------------------------|------------------------|----------|----------------|----------------|-------------|-----------------------|----------|
| 1                                   | Job satisfaction       | 27       | 1.45           | 4.45           | 3.51        | 0.75                  | 0.47     |
|                                     | Employee empowerment   | 27       | 1.29           | 4.71           | 3.57        | 0.84                  | 0.93     |
|                                     | Communication          | 27       | 1.30           | 4.08           | 3.24        | 0.71                  | 0.77     |
|                                     | Management reporting   | 27       | 1.29           | 4.43           | 3.36        | 0.82                  | 0.83     |
|                                     | Performance management | 26       | 1.00           | 4.57           | 3.28        | 0.82                  | 0.66     |
|                                     | Valid N (list wise)    | 26       |                |                |             |                       |          |
| 2                                   | Job satisfaction       | 176      | 1.00           | 5.00           | 3.00        | 1.06                  |          |
|                                     | Employee empowerment   | 175      | 1.00           | 5.00           | 2.58        | 1.06                  |          |
|                                     | Communication          | 174      | 1.00           | 5.00           | 2.44        | 1.04                  |          |
|                                     | Management reporting   | 174      | 1.00           | 5.00           | 2.46        | 1.08                  |          |
|                                     | Performance management | 170      | 1.00           | 5.00           | 2.61        | 1.01                  |          |
|                                     | Valid N (list wise)    | 169      |                |                |             |                       |          |

From the interpretation of Cohen's  $d$  in the last column of Table 3.8, there is a significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between 0.47 and 0.93, which constitutes a medium to large effect size. Managers seemed to be more positive in their responses to the statements within the various dimensions. Their perceptions in terms of employee empowerment, communication, and management reporting were significantly better as oppose to those of the employees. This is confirmed by effect size indices of 0.93, 0.77 and 0.83 respectively. Their perception regarding job satisfaction and performance management did not have a significant difference than those of employees, with a medium effect size of 0.47 and 0.66 respectively.

On the aggregate, managers' responses were significantly more positive than those of employees.

#### *3.3.9.8 Effect sizes of employees who spend most of their time out of office, as opposed to being in the office*

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.9 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.



Table 3.9: Effect sizes of employees who spend most of their time out of office as opposed to being in the office, (Source: Own Compilation)

| IN THE OFFICE/<br>OUT OF OFFICE |                        | N   | Minimum | Maximum | Mean | Std.<br>Deviation | d     |
|---------------------------------|------------------------|-----|---------|---------|------|-------------------|-------|
| In the office (1)               | Job satisfaction       | 157 | 1       | 5.00    | 3.14 | 0.93              | 0.25  |
|                                 | Employee empowerment   | 156 | 1       | 5.00    | 2.76 | 1.04              | 0.20  |
|                                 | Communication          | 155 | 1       | 4.67    | 2.53 | 0.98              | -0.05 |
|                                 | Management reporting   | 156 | 1       | 5.00    | 2.59 | 1.01              | 0.04  |
|                                 | Performance management | 152 | 1       | 4.71    | 2.73 | 0.93              | 0.07  |
|                                 | Valid N (list wise)    | 151 |         |         |      |                   |       |
| Out of the office (2)           | Job satisfaction       | 42  | 1       | 5.00    | 2.79 | 1.37              |       |
|                                 | Employee empowerment   | 42  | 1       | 5.00    | 2.52 | 1.22              |       |
|                                 | Communication          | 42  | 1       | 5.00    | 2.60 | 1.26              |       |
|                                 | Management reporting   | 41  | 1       | 5.00    | 2.54 | 1.35              |       |
|                                 | Performance management | 40  | 1       | 5.00    | 2.63 | 1.28              |       |
|                                 | Valid N (list wise)    | 40  |         |         |      |                   |       |

From the interpretation of Cohen's  $d$  in the last column of table 3.9, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.25, which constitutes a small effect size. Those respondents in the office were more negative about communication than those respondents that are outside the office. This is confirmed with effect size indices of -0.05. Holistically, both groups disagreed with most of the statements within the various dimensions.

Now that the effect sizes were discussed in order to get a sense of how the various groups of respondents perceived the five vertical trust dimensions, the linear relationship between the five dimensions will be explained in the following section.

### 3.3.10 The linear relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section aims to explain the linear relationship between the five vertical trust dimensions. This is to ascertain whether there is any linear relationship that is of statistical significance at the Category B municipality. Levine et al. (2011) explained that the statistical significance of a result represents the extent to which the result is representative of the entire population. The Pearson correlation coefficient was used to assess the linear relationships. Table 3.10 provides details pertaining to the linear relationship between the five dimensions. The significant linear relationships will be highlighted in green.

Table 3.10: Correlation matrix between the five vertical trust dimensions, (Source: Own Compilation)

|                        |                     | Job satisfaction | Employee empowerment | Communication | Management Reporting | Performance Management |
|------------------------|---------------------|------------------|----------------------|---------------|----------------------|------------------------|
| Job satisfaction       | Pearson Correlation | 1.00             | .867                 | .850          | 0.810                | 0.760                  |
|                        |                     |                  |                      |               |                      |                        |
| Employee Empowerment   | Pearson Correlation | .867             | 1.00                 | .881          | 0.860                | 0.800                  |
|                        |                     |                  |                      |               |                      |                        |
| Communication          | Pearson Correlation | .850             | .881                 | 1.00          | 0.920                | 0.790                  |
|                        |                     |                  |                      |               |                      |                        |
| Management reporting   | Pearson Correlation | .807             | .859                 | .922          | 1.00                 | 0.810                  |
|                        |                     |                  |                      |               |                      |                        |
| Performance Management | Pearson Correlation | .756             | .799                 | .787          | 0.810                | 1.00                   |
|                        |                     |                  |                      |               |                      |                        |

The table illustrates both a positive and strong linear relationship amongst the five vertical trust dimensions. The sample coefficient of correlation,  $r$ , was closer to a perfect

positive correlation of one in all the instances where correlation was tested. The results indicate that if one of the dimensions increase, the other dimensions will also increase. The assumption would then be that if the vertical trust relationship is a conduit for effective service delivery, then these dimensions would have a positive influence on the basic service delivery of the category B municipality.

The following section will deal with responses to eight open questions in Section G, which were provided by the 205 participants.

### 3.3.11 Findings from the open-ended questions

These questions related to how the respondents perceive trust in their working environment and how it may possibly contribute. The researcher assessed 141 questionnaires because 64 questionnaires, pertaining to Section G, was not completed and could not be used. This section will be discussed by stating the open question (only the English version), followed by a synopsis of the main points which the researcher felt is essential:

#### *3.3.11.1 Section G - How would you define trust in your working environment?*

Approximately 90 percent of the respondents provided various interpretations of how they perceived the working environment. They felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. The opinion was that for trust to be enshrined between parties, managers must be willing to

give assistance when the need arises. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management were inconsistent in decision-making. Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship, build on companionship, communication and humility.

### *3.3.11.2 Section G - What is your understanding of trust between management and employee?*

About 55 percent of the respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Many respondents indicated trust between affected parties are lacking because managers do not deliver on their promises. Grobler et al. (2006) implied that for trust to be nurtured, employees must believe that managers will not renege on promises. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinion related to a lack of cooperation between affected parties because there is no alignment and cohesion between managers and employees, when work is expected to be done. Their perceptions were aligned to research implicated in chapter two that a conducive working environment needs to be nurtured where tolerance and cooperation are highly valued (Interaction Associates, 2009). Respondents highlighted that confidentiality is key, when people need to be trusted. Some felt that this confidentiality was not implemented to its full potential at the municipality.

### *3.3.11.3 Section G - Will the employee's trust in management result in improved service delivery?*

More than 95 percent of the respondents were of the opinion that it will result in improved basic service delivery. A few stated that in order for this to be accomplished, it would need a drastic change in management. Some respondents indicated that the trust will improve the work ethics and interpersonal relationships between the affected parties. There were respondents who were very negative because management tends to burden employees with more work than they are able to accommodate. This happened without any incentive or "reward in kind" like additional leave days.

### *3.3.11.4 Section G - How do you experience the trust between you and management?*

Respondents noted that there is a huge concern because they were blunt in saying that trust is non-existent. Some indicated that this sentiment stems from the realization that communication lacks within the municipality. They are afraid of sharing personal issues with management for the mere fact that they experience the trust relationship as not authentic. No platforms are created for employees to raise concerns or best practices in how to serve the community better. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents indicated that there is no transparency, hence very difficult to put trust in others. This is aligned to what Covey (2011) explained in chapter two where managers tend to behave in a manner that violates trust, which results in employees being more cautious and suspicious about the most diminutive behaviour.

About 15 percent of the respondents indicated that they perceive a sense of trust, but it could be improved through teambuilding and communication. Some also felt that although trust is experienced, it can be broken apart by council interferences.

### *3.3.11.5 Section G - What is the biggest factor that enables you to effectively do your job?*

Respondents indicated that their personal senses of commitment to their daily job responsibilities are key to effective basic service delivery. A substantial number of respondents indicated that cooperation between various stakeholders, based on mutual respect and trust, is key to effective basic service delivery. Some respondents noted that they experience a sense of camaraderie amongst employees in order to do their jobs. Respondents noted that for them to effectively conduct their daily job, it is imperative for managers to provide the necessary assistance and guidance. Some respondents again indicated that victimization plays a key role when measuring their productivity, because it results in health issues that hamper effective service delivery. Some indicated that they are just working to earn a salary. Respondents noted that proper planning and management also influence basic service delivery.

### *3.3.11.6 Section G - What prohibits you from effectively doing your job?*

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Some were blunt in saying that lazy people and frequent skeleton staff result in them doing more work than what was allocated to them, without any recognition. Respondents also implied that management does not allow them to be more dynamic and innovative when conducting the daily job responsibilities. This situation is contradictory to what Madjar and Ortiz-Walters (2009) indicated where employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and effectively perform more work. A significant number of respondents alluded to gossiping and internal feuds between employees and managers as deterrent factors when doing their job. Some respondents further alluded to jobs being duplicated and not clearly specified by managers also hindering effective service delivery. Once again, the notion

relating to political interferences plays a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities.

*3.3.11.7 Section G - What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years?*

The majority of the respondents indicated that this is due to a number of reasons such as: good corporate governance and effective reporting system, good management and administration, proper communication to those involved in the financial auditing process, effective work and teamwork and the expertise of key personnel. Some respondents pondered on how these accolades were achieved. A few respondents alluded to the fact that it may be because “management make employees work like slaves while managers gets the credit for a job well done.”

*3.3.11.8 Section G - Any suggestions/ other comments in this regard?*

Approximately 15 percent of the respondents which insisted that effective communication must be the order of the day, employees are informed of the municipality’s objectives. In saying that, respondents felt that they must be included in a participative management structure, where their views are heard. Respondents felt that employees need to be appreciated more often so that they can feel part of a successful organization. There was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In excess of 75 percent of the respondents indicated “None/ No Comment” when they responded to this question.

### **3.4 Summary**

This chapter aimed to outline the research methodology applicable to this research topic. This included an overview of the research method, research design and research strategy. The research measuring instrument pertaining to the population and sample of the research were also discussed in detail. The data collection- and capturing process were explained by means of a six- step procedure. Various statistical terminologies were explained that will be used in the statistical analysis, including reliability and coefficient of correlation results. The researcher highlighted ethical considerations which were followed and enforced. Once the research methodology was discussed, the researcher aimed to present and interpret the empirical results which culminated from the questionnaire.

The descriptive statistics pertaining to the respondents that participated in the research were discussed. The biographical information was analyzed and illustrated by using bar charts. The internal reliability, by using the Cronbach's Alpha coefficient, was tested for all the vertical trust dimensions of which the results indicated excellent reliability in all instances. The next part revolved around a detailed discussion of Section B – F of the questionnaire and how the respondents responded to the various statements. This also included a synopsis of those statements which had a high frequency of responses, based on the five- point Likert scale. This was followed by an interpretation of the Cohen effect size index in order to determine how various groups, derived from the biographical information in Section A, responded to the various statements throughout Section B to F. The penultimate phase was based on a discussion relating to the existence of a linear relationship between the five vertical trust dimensions. The researcher interpreted the data by using the Pearson correlation coefficient. All the dimensions had both a positive and statistically significant linear relationship amongst each other. The last part revolved around the eight open-ended questions where the respondents were asked to give their views of trust and how their experience it within the Category B municipality. The next chapter will conclude this research and will identify recommendations and limitations relevant to the research



## CHAPTER 4: SUMMARY AND RECOMMENDATIONS

### 4.1 Introduction

This chapter will mainly provide a summary of the research conducted. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government. These deficiencies led to an array of service delivery protests throughout South Africa. With the foundation of the local government structure being laid, the transformation of local government was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Municipalities, as part of local government, were given the mandate to execute on these objectives. In order for such municipal services to be delivered, requires a combined effort from all stakeholders within the local government sphere. The interpersonal dynamics is key in order to enable municipalities to deliver on those basic services, as enshrined in the Constitution of South Africa.

For the purpose of this research, the emphasis focused on a Category B municipality in the Western Cape which received a vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The primary objective of this research was to examine the vertical trust relationship, based on various dimensions which may instill such trust. This examination would assist the researcher to ascertain whether the vertical trust relationship was a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality.

The first step in achieving this objective was to conduct a literature study which would explain the transformational change and mandate within local government. This was followed by a theoretical perspective of the concept of vertical trust relationship. The next step was an empirical analysis based on a survey conducted at the Category B municipality. The key objective was to ascertain what employees' opinion is of vertical trust between them and their managers by indicating how they perceived the five dimensions. Taking this into consideration, the next part will provide a brief overview of all the preceding chapters and how the objectives of this research were accomplished.

## **4.2 Main research findings**

The first chapter aimed in providing the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. Further, the chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the structure and design of the research.

The second chapter explained the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aimed to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship, as a contributing factor, have on effectively delivering basic services to communities. The chapter provided a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research then aimed to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities.

The third chapter explained the various research methodologies which were adopted for this research. The research methodology described the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data was described, which included methods implemented to maintain reliability of the instrument. The ethical considerations pertaining to this research were also mentioned. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter also discussed the statistical techniques which were used in the research in an attempt to analyze and test the collected data. This chapter also served as an explanation of the data presentation and analysis. The empirical findings and discussions of the research were given, which stemmed from the data which were collected and analyzed from the respondents' questionnaires. These empirical findings were accomplished by using statistical models in order to identify the response rate, internal reliability, correlations and standardized differences (Cohen's *d*). The conclusions with regards to these empirical findings and assessments will be discussed in the next section.

#### 4.2.1 Conclusion of the empirical findings

The conclusions of the empirical findings will be discussed in the following order:

- A holistic assessment of how the respondents perceived the five dimensions;
- The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions;
- The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management;
- The internal reliability of the five dimensions;
- The open-ended questions.

The following section will provide a holistic assessment of how respondents perceived the five dimensions after interpreting all statements in the questionnaire and will be discussed in relation to each dimension below.

#### *4.2.1.1. Job satisfaction*

This dimension was assessed according to how the respondents interpreted the statements in the questionnaire. The interpretation of the sample mean of 3.07 indicated that the respondents were not able to express their opinion on the statements. However, the statistical analysis indicated that the respondents disagreed with six of the statements. From the analysis of these six statements, it is clear that the respondents do not consider the Category B municipality as a preferred employer and would not recommend employment at the Category B municipality to anyone. The respondents felt that management does not have their personal interest at heart whenever respondents are required to do their job. The respondents identified a fundamental problem where their perceptions revealed that management is not actively involved in their career path at the Category B municipality. This implied that respondents revealed a sense of vulnerability as they felt that their jobs are not guaranteed. Stinglhamber and Vandenberghe (2003) implied that supervisory support may be a key indicator of the quality of relationships between employees and managers. Management would need to express concern for their employees' well-being and assist them in career development. Despite these disagreements, there was an acknowledgement from respondents that their type of work adds value to the core objective of delivering basic services to the community. Dessler (2005) implied in chapter two that job satisfaction usually result in better job performance and that management must find ways in nurturing opportunities for employees to be stimulated by the way they conduct their daily job responsibilities.

#### *4.2.1.2 Employee empowerment*

The statistical analysis implicated that respondents, in general, disagreed with the statements of employee empowerment. Although some respondents were not scared to raise their opinions at work, there was a large constituency which felt management does not do enough to involve them in decision making processes. The perception was that employees do not feel worthy as management refrains from instilling confidence where an environment is created in which employees can effectively do their job. Findikli et al. (2010) explained that empowerment will ignite a sense of urgency where employees may start to play their part in doing their jobs. This will allow them to concentrate more on their roles within the organization where transparent communication is important. Porumbescu et al. (2013) also implied that empowerment will allow employees to understand exactly what are expected of them whereby the correct information is transferred from managers. This is important because employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010).

#### *4.2.1.3 Communication*

This dimension had the lowest perceptions and implied that communication within the Category B municipality is lacking. Respondents were adamant that transparency from management causes a breakdown in trust, as indicated in the open-ended question section. Although 52.3 valid percent believed that management has trust in them, the exact opposite was perceived when fairness from management was assessed. The respondents indicated that management's actions and behaviours are inconsistent and is further exacerbated by the perception that management does not deliver on their promises. This perceived lack of communication may contribute to employees feeling

unappreciated. The researcher wants to note that the research exposed the notion that there is trust between managers and employees, with the majority of respondents implying the contrary. The majority of the respondents further indicated that no conducive platform is created by management in order to honestly interact with employees. The lack of communication is highlighted where key strategic objectives are not communicated because most of the respondents were not aware of such strategic objectives. Respondents also indicated that they do not participate in any strategic vision for the Category B municipality. The concerns mentioned above was explained by Porumbescu et al. (2013) where lack of communication result in potential misunderstandings on the part of the employee which cannot be clarified immediately. This may be a consequence of employees not being given any opportunity to discuss questions they may have regarding their organizational practices and goals, which are generally ambiguous in the public sector.

#### *4.2.1.4 Management reporting*

The statistical analysis implied that the majority of the respondents disagreed with all the statements, which may be a consequence of respondents' perceptions that communication in the Category B municipality is non-existent. Respondents felt that management lacks in setting realistic goals and offering their assistance in achieving it. The respondents once again responded by implying that trust lacks between management and employees. The respondents further disagreed with the statement that management has the ability to align employees in a manner that would lead to achieving a common goal. The majority of the respondents perceived management in a way in which they lack professionalism when it comes to work related issues. Lastly, the respondents were unable to express a concise opinion of whether management has the acumen to implement strategies that would successfully lead to better service delivery. Kargar (2009) explained in chapter two that frequent meetings between the affected parties in order to assess the employees ability to make the right decisions pertaining to their work, which may result in a successful organization.

#### *4.2.1.5 Performance management*

The respondents were very critical pertaining to the statements of performance management and disagreed with the majority of the statements. Performance feedback from management was not regularly forthcoming in order to make employees aware of where they may improve in terms of their job performance. They also perceived performance reviews as being unfair and inaccurate, although a large part of the respondents understood their performance agreement with the Category B municipality. The majority of the respondents indicated that they believe that they would get a good performance rating if they delivered on their job responsibilities. Respondents also acknowledged that good performers are treated differently than non-performers. Lastly, the statistical analysis indicated that there is no commitment from management pertaining to employees' career and personal development, with a large percentage indicating that they were not allowed to enroll for any form of training. Chapter two referred to performance management problems as identified by Fryer et al. (2009). This involved the predominantly softer issues and the employees' lack of involvement in the performance management system. For trust to be nurtured, the performance management system would need to be perceived as fair and include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback and having influence over personal career development (Farndale & Hope-Haily, 2010).

The analysis conducted in 4.2.1 is supported by a summary of those responses to statements which had a high frequency percentage of 30 percent and more. This will be provided in Appendix D of the research.

#### 4.2.2 The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions

The research considered biographical information like gender, age, years of employment, department in which employed, salary level, level of education, whether the respondents are managers and whether their job expects them to be in the office or out of the office as indicators of how employees within these categories perceived the five dimensions of vertical trust relationship between the municipal employees and managers. In order to achieve these comparisons of groups within each biographical cluster, Cohen's effect size indices ( $d$ ) were used to illustrate whether there may be significant differences within each biographical cluster.

##### 4.2.2.1 Gender

The statistical analysis indicated that 55.4 percent of the responses were female and 44.6 percent was male. The Cohen's  $d$  illustrated there is no significant difference between genders in how they perceived and responded to the five dimensions. Generally, the analysis indicated that both genders disagreed with the majority of the statements which explained the five dimensions.

##### 4.2.2.2 Age

The age categories in the questionnaire were reduced from five groups to three groups in order to test for Cohen's  $d$ . The three age groups were categorized as <30 years, between 31 – 40 years and those respondents older than 40 years. Cohen's  $d$  illustrated no significant difference in how the various groups perceived and responded to the five dimensions. The analysis indicated that the age group between 31 – 40 years was more negative towards the statements as opposed to the other two age groups. A



holistic view of the analysis indicated however that all three groups disagreed with the statements within the five dimensions.

#### *4.2.2.3 Years employed*

The years employed categories in the questionnaire were reduced from five groups to four groups in order to test for Cohen's  $d$ . These groups were categorized as those employed <3 years, between 4 – 6 years, between 7 – 10 years and longer than 10 years. The Cohen  $d$  revealed that there were no significant differences in how these groups perceived and responded to the five dimensions. Although the effect size differences were not that significant, the researcher discovered that the respondents employed between 7 – 10 years were more negative than all the other groups. Cohen's  $d$  also confirmed that the respondents employed between 7 – 10 years perceived and responded more negatively than the group employed longer than 10 years. The group employed for <3 years were more positive than the other three groups, although all groups tended to disagree with most of the statements within the five dimensions.

#### *4.2.2.4 Departments in which respondents are employed*

The researcher identified 10 departments in which the respondents are employed. A holistic view of the results indicated that most of the departments disagreed with how they perceived and responded to the statements within the five dimensions. Of significance is that Community Safety Department perceived these statements more positive compared to the other departments whereas the Local Economic Development Department was extremely negative towards the five dimensions as the respondents within this department strongly disagreed.

#### *4.2.2.5 Salary levels*

For purposes of the Cohen  $d$ , the researcher reduced the categories of the salary levels to four groups. From the analysis, it is obvious that the lowest salary level perceived and responded negatively towards the five dimensions. Respondents within the group of the second highest salary levels responded more favourably. Generally, all groups disagreed with the statements within the five dimensions, with the exception of the group which were categorized into salary level T 14 – 18.

#### *4.2.2.6 Level of education*

The levels of education were categorized into three groups, namely those with <Grade 12, a diploma or certificate and those respondents with a degree and more. There was no significant difference in how these groups perceived and responded to the five dimensions. The researcher would like to highlight the negative sentiment of the group <Grade 12 as this group was more negative than the other two groups. However, all the groups disagreed with most of the statements relating to the five dimensions.

#### *4.2.2.7 Effect differences between managers and employees*

The Cohen  $d$  illustrated a significant difference in how managers perceived and responded to the statements, as opposed to employees. Managers seemed to be more positive in their responses, especially when they had to respond to statements pertaining to employee empowerment and management reporting. Generally, managers were more positive than employees.

#### *4.2.2.8 Most time spent out of the office versus time in the office*

The statistical analysis indicated that there was no significant difference between these two groups. Holistically, both groups disagreed on most of the statements within the various dimensions.

A summary of this section revealed that most of the respondents, as analyzed from a socioeconomic perspective, disagreed with most of the statements. Of significance was how negative the younger age group and lower salary level perceived the majority of the statements. The researcher would also like to allude to the negative perception of those employees that has been in the Category B municipality's employment for between 7 – 10 years. The research also confirmed that those employees with the least level of education were more negative than the more educated respondents.

#### 4.2.3 The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section relates to test whether there was any significant relationship between the five vertical trust dimensions. The analysis was done by testing for a linear relationship and using the Pearson correlation coefficient. From Table 3.10 in Chapter 3, the results indicated that there is a positive linear relationship between job satisfaction, employee empowerment, communication, and management reporting and performance management. The table further illustrates a statistically significant relationship amongst these dimensions. An explanation for these strong relationships amongst these dimensions may be that the dimensions are testing employee attitudes, which are likely to be highly correlated with each other (Kampen et al., 2006). It is therefore evident that a change in attitude towards one of the dimensions will influence the other dimension in the same direction. The assumption can thus be made that any positive influence in attitude towards either of the dimensions would positively impact on the vertical trust relationship.

#### 4.2.4 The internal reliability of the five dimensions

The internal reliability was measured by using the Cronbach Alpha reliability scores. Table 3.3 in Chapter 3 illustrated an excellent internal reliability as all the dimensions' reliability scores were in excess of 0.90. The significance of these results indicated that all the statements within each dimension yielded consistent results and can therefore acknowledge that those dimensions are reliable measurements of the vertical trust relationship between municipal employees and managers. Figure 4.1 below indicates the results of the internal reliability.

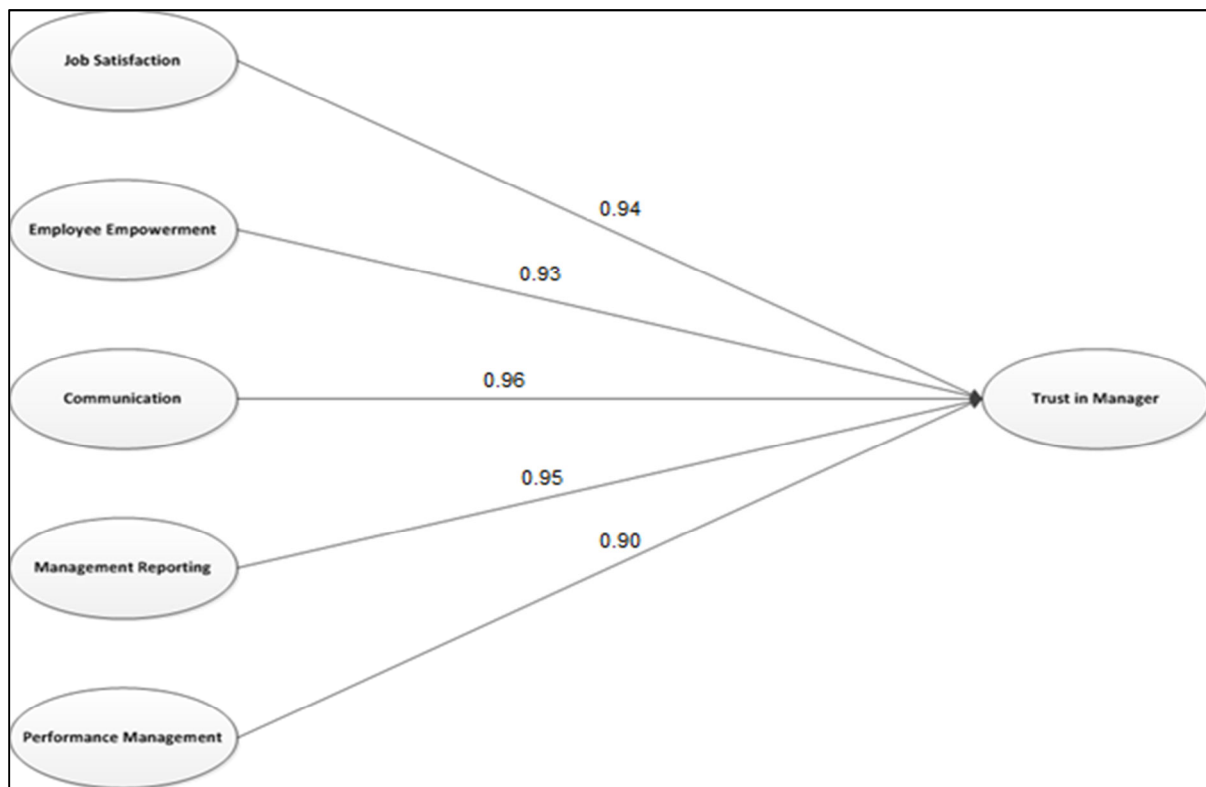


Figure 4.1: Results for internal reliability, (Source: Own Compilation amended from Porumbescu et al., 2013)

#### 4.2.5 The open-ended questions

The eight open-ended questions in Section G of the questionnaire were examined and the researcher found the following to be of relevance.

Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship built on companionship, communication and humility. Respondents felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management was inconsistent in decision-making.

Respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinions related to a lack of cooperation between affected parties because there are no alignment and cohesion between managers and employees, when work is expected to be done. Respondents felt that management tends to burden employees with more work than they are able to accommodate.

No platforms are created for employees to raise concerns or best practices in how best to serve the community. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents

indicated that there is no transparency, hence it becomes very difficult to put trust in others.

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Respondents highlighted the notion that political interferences play a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities. Lastly, there was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In essence, the following was confirmed as alluded to in Chapter 2:

- Management needs to create a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Management must manage through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Communication must be in terms of explicit socialization to make employees understand the values and principles of the organization and how things are done in the organization.

#### **4.3 Recommendations to the Category B municipality**

After an in-depth analysis of the empirical findings, the researcher identified numerous recommendations relating to the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors and needs to be commended

One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of the Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy (Coetsee, 2002).

The findings of this research suggested that there is a substantial breakdown of communication between the affected parties. The research suggests that managers need to implement a participative communication strategy to nurture some sort of trust between managers and employees. The research revealed that this lack of communication was felt throughout all the departments.

The open-ended questions revealed that there is a lack of opportunities whereby employees can use innovative ways in order to effectively do their job. This is on the back of concerns raised in the open-ended questions that managers tend to be autocratic when it comes to allocating job task and the manner in which it should be completed. Employee empowerment is key for a prosperous vertical trust relationship and can start by investing in employees' capabilities to effectively do their job.

Frequent improvement in skill levels by implementing specific training programs may be a conduit of growing employees' personal impact, professionalism and the manner in which they contribute the Category B municipality's key objective. This may instill some trust into employees as they may feel that managers are committed to their personal and career development.

Management need to ensure that they understand the value of employee participation, especially where the Category B municipality's strategies are of importance. A collective effort from both parties needs to be embraced and acknowledged that the success of the Category B municipality can only be achieved by aligning common goals. Mutual participation in the key deliverables of the Category B municipality will also result in a higher level of trust.

Respondents were very negative about the manner in which management reports important issues. From the analysis it seemed that these reporting lines were non – existent at times. A lack of transparency in this regard was an important issue that was raised. Although employees felt that they add value to the Category B municipality's objective of delivering basic services to the community, they still had the view that their contributions are not appropriately acknowledged. This acknowledgement could start by implementing a plan where performance feedback is frequently given in order to make employees aware of where they may have shortcomings. This would also assist where a good working environment is created and a culture of teamwork is embraced.

Performance management must be based on the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. An organizational culture to establish a people centered culture of service delivery and customer care should be developed. Being a municipal employee should be about serving the community and not about entitlement and power. Encouraging and rewarding innovation and initiatives that improve service delivery should be promoted.

Based on the categorization of the biographical information in Chapter 3, Cohen's *d* analysis reiterated that all the groups disagreed with most of the statements posted in the questionnaire. Although there was no significant difference in attitude amongst both genders, there was a specific age group and salary level that was more negative than any of the other groups within the specified categories. The researcher also noted that respondents in a specific department were extremely negative and would suggest that this needs to be addressed in order to improve attitudes within the aforementioned groups. Holistically, it is imperative for management to acknowledge that human



resource practices need to be implemented where this function plays a critical role in exerting an influence on the vertical trust relationship between the affected parties of which this research alludes to.

#### **4.4 Recommendations for future research**

The research indicated that the performance of the category B municipality is largely accomplished by a mainly negative workforce and low trust relationship between employees and their managers. The empirical findings suggested that the majority of the respondents throughout the Category B municipality disagree with the statements which tested the dimensions of vertical trust relationship. With no significant difference in perceptions when the biographical information were categorized into various groups and compared, the researcher suggests that employees' current perceptions may be addressed by possibly conducting a similar research to ascertain what gives rise to their negativity and establishing what would motivate employees, that may lead to effective and efficient basic service delivery.

#### **4.5 Limitations of this research**

The findings of this study are clearly limited due to a moderate response rate, but nevertheless make an initial contribution to the understanding of the nature of the relationships between the various instrument variables.

The dominant language at the Category B municipality is Afrikaans although the questionnaire was in English. The researcher alleviated this situation by translating the open-ended questions into Afrikaans for a more proper and adequate response. Although this assisted in some way, there were a lot of statements pertaining to the five dimensions that was not completed. Time and financial constraints also prohibited the researcher from having in- depth interviews with the respondents.

The researcher struggled to source latest literature on this specific topic and had to make use of some literature studies dating back to 2000. Not many published research papers were evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management.

The extent to which the instrument measures echo the concept of vertical trust needed to be noted. A mitigating factor was that an undergraduate student at the municipality, currently busy with similar research, provided personal explanations to respondents, on any vagueness which the questionnaire may have brought about.

The researcher would like to state that this research only provides a picture of a situational analysis within a particular sample population. It would thus be appropriate to engage in similar studies at the Category B municipality with a bigger response rate and endeavour similar comparative research at other local Category B municipalities.

The approval by the executive management of the Category B municipality was on the conditioned that the research be classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher referred to this municipality as a "Category B municipality" throughout the research.

#### **4.6 Evaluation of the research study**

This section will discuss the primary and secondary objectives of the research respectively and whether these objectives were achieved.

##### **4.6.1 Primary objective**

The questionnaire aimed to establish the vertical trust relationship between the municipal employees and their managers and how this relationship contributes to effective and efficient basic service delivery which the Category B municipality provides

to the community. The questionnaire revealed that, on aggregate, the employees disagreed with the majority of the statements within the various sections.

Those respondents which participated indicated that their perceptions of the level of job satisfaction within the Category B municipality were not decisive as they were unwilling to take a stance on whether they agree or disagree with the various statements. Contrary to the perceptions pertaining to job satisfaction within the Category B municipality, respondents disagreed with the statements which related to employee empowerment, communication and management reporting and performance management. These perceptions by the respondents were also confirmed where various respondents were categorized in groups and compared amongst themselves.

Based on the revelations of the respondents, the researcher found that there is a peculiar situation within the Category B municipality where the Category B municipality continuously received various accolades for financial management and their efforts in delivering basic services to the community the last three years. The research found however that these accolades were obtained without the trust relationship between the municipal employees and managers playing a significant role. This revelation is contradictory to the notion that vertical trust within high organizations contribute to better management and better collaboration at all levels of the organization.

The questionnaire revealed that the affected parties of this research lack a strong sense of shared purpose to succeed in fulfilling the Category B municipality's core objective of basic service delivery. The nurturing of a working environment in which tolerance and cooperation are valued is neglected and this was mentioned by respondents in the open-ended questions of the questionnaire. The disagreement which stemmed from the statements and open-ended questions within the various sections highlighted the importance of managers' need to re-assess their position and begin to act as coaches as opposed to just managing the employees. Furthermore, the questionnaire exposed a situation where communication and employee empowerment is non-existent which

curbs an ideal working environment, based on a sense of belonging and where people collectively participate in making decisions.

The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce.

#### 4.6.2 Secondary objective

The sole secondary objective was to ascertain how managers within the Category B municipality perceived the municipal employees' perceptions regarding the level of job satisfaction, employee empowerment, communication and management reporting and performance management. For this evaluation to take place, the researcher acknowledges that 27 managers, between the salary levels T14 – 20, took part in this survey. This constitutes 13.3 percent of those participants which responded in general. Holistically, as the statistically significant effect size analysis indicated, the managers responded more positively to the statements as opposed to the employees. On aggregate, managers were not decisive in whether they agree or disagreed with the various statements and chose to be impartial. This revelation is of concern because managers at the Category B municipality may be under the illusion that the vertical trust relationship between the affected parties is in order, but contradicts the perceptions of how employees actually feel.

With the internal reliability of the five measures being consistent with a Cronbach's Alpha coefficient in excess of 0.9, the research found that those five dimensions were significant determinants of vertical trust in management. For this reason, it is imperative for management within the Category B municipality to acknowledge that these dimensions are an indication of how to ensure a better trust relationship within the organization. The open-ended questions revealed that, despite managers' positive perceptions, there are distinct differences between the affected parties which could dampen improvement in future deliverables of the key objectives of basic service delivery. The open-ended questions also indicated that the employees' perceptions towards managers are that of managers finding it difficult to embrace a top-down model

of management that adheres to the perception that authority creates trust. Managers need to understand that in reality, trust creates authority (Hitch, 2012).

#### **4.7 Conclusion**

The research questioned whether there is some sort of vertical trust relationship between the municipal employees and managers. This was tested by employing five dimensions of vertical trust. The results indicated that there is a significant lack of trust between managers and employees and indicated that there exists a sense of effective and efficient performance within the category B municipality, but with a mainly negative workforce. The in- depth analysis concluded that for such a relationship to be built, there must be a clear sense of transparent communication employed where employees can feel trusted. Accountability needs to be nurtured where employees are entrusted with job tasks without feeling victimized or unworthy of not being able to accomplish this.

In conclusion, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

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## APPENDICES

### Appendix A: Questionnaire to test vertical trust in a Category B municipality

**Dear Employee**

We would like to invite you to participate in a research study, evaluating your perception of trust toward your management and its effect on your job performance to improve basic service delivery.

The questionnaire attempts to identify the influence of the employee's trust in management and its effect on performance within the Municipality. In other words, does this organizational trust influence employees' performances in effective service delivery?

The questionnaire will take approximately fifteen (15) minutes to complete, and we appreciate your valuable contribution towards a better understanding of your perception, and ensuring that the Municipality provides effective service delivery to the town/ city and surrounding areas.

*Please note that all information shared in this questionnaire and all future interactions will be treated confidentially and will be used only for research purposes. No confidential- and personal identifiable information will be shared with any third party.*

Kindly complete each section and answer all the questions.

Thank you for your cooperation in this regard.

#### Section A

Please indicate by means of a cross (X) the option that applies to you:

**1) Gender:**

|      |   |        |   |
|------|---|--------|---|
| Male | 1 | Female | 2 |
|------|---|--------|---|

**2) Age:**

|                      |   |              |   |              |   |               |   |                    |   |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|
| 20 years and younger | 1 | 21– 30 years | 2 | 31- 40 years | 3 | 41 – 60 years | 4 | 61 years and older | 5 |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|

**3) Months/ Years of employment at the Municipality:**

|                |   |                |   |                |   |                 |   |              |   |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|
| 0-12<br>Months | 1 | 1 – 3<br>years | 2 | 4 – 6<br>years | 3 | 7 – 10<br>years | 4 | 11+<br>years | 5 |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|

**4) Please indicate the Directorate/ Department you work for:**

|                                      |                      |  |  |   |                           |                               |  |   |
|--------------------------------------|----------------------|--|--|---|---------------------------|-------------------------------|--|---|
| Civil<br>Engineeri<br>ng<br>Services | Commun<br>ity Safety | Corporate<br>and Social<br>Developm<br>ent | Corpora<br>te<br>Service<br>s<br>(includi<br>ng the<br>office of<br>the<br>Municip<br>al<br>Manage<br>r) | Electro-<br>Techni<br>cal<br>Service<br>s | Environme<br>ntal Affairs | Financi<br>al<br>Servic<br>es | Local<br>Economic<br>Developm<br>ent<br>Services | Planning<br>and<br>Human<br>Settlemen<br>ts |
| 1                                    | 2                    | 3  | 4  | 5   | 6                         | 7                             | 8  | 9   |
| Other: Please<br>Specify             |                      | 10   |  |   |                           |                               |  |   |

**5) Please indicate your job category:**

|                       |   |            |   |          |   |           |   |              |   |                |   |
|-----------------------|---|------------|---|----------|---|-----------|---|--------------|---|----------------|---|
| T1 – T3               | 1 | T4 –<br>T8 | 2 | T9 – T13 | 3 | T14 – T18 | 4 | T19 –<br>T20 | 5 | Do not<br>know | 6 |
| Other: Please specify |   |            | 7 |          |   |           |   |              |   |                |   |

**6) I have the following qualification:**

|                       |                         |        |                   |                    |                     |
|-----------------------|-------------------------|--------|-------------------|--------------------|---------------------|
| Grade 12 and<br>less  | Diploma/<br>Certificate | Degree | Honours<br>Degree | Master's<br>Degree | Doctorate<br>Degree |
| 1                     | 2                       | 3      | 4                 | 5                  | 6                   |
| Other: Please specify |                         | 7      |                   |                    |                     |

**7) Are you a manager?**

|     |   |    |   |
|-----|---|----|---|
| Yes | 1 | No | 2 |
|-----|---|----|---|

**8) Your work expects you to spend most of your time at work:**

|               |   |                   |   |
|---------------|---|-------------------|---|
| In the office | 1 | Out of the office | 2 |
|---------------|---|-------------------|---|

The following five (5) sections relate to your job satisfaction, employee empowerment, communication and management reporting.

| 1                        | 2               | 3                                 | 4            | 5                     |
|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| <b>Strongly Disagree</b> | <b>Disagree</b> | <b>Neither agree nor disagree</b> | <b>Agree</b> | <b>Strongly Agree</b> |

Think about Management to whom you report to at the Municipality. For each statement, mark a (X) that best describes how much you agree or disagree with each statement, using the above scale:

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| <b>Section B: Job Satisfaction</b>  |                        |               |                                 |            |                     |
| 2.1 It is a pleasure coming to work daily.  |                        |               |                                 |            |                     |
| 2.2 I take pleasure in doing my work.   |                        |               |                                 |            |                     |
| 2.3 I have no intention of leaving my job.  |                        |               |                                 |            |                     |
| 2.4 The work I do adds value in delivering the basic services in town / city and the surrounding communities. |                        |               |                                 |            |                     |
| 2.5 The municipality is a great organisation to work for.   |                        |               |                                 |            |                     |
| 2.6 I would recommend anyone to work for the municipality.  |                        |               |                                 |            |                     |
| 2.7 My personal skills and capabilities are testimony of the good job I'm doing.                              |                        |               |                                 |            |                     |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| 2.8 Management has my personal interest at heart whenever I am required to do my job.           |                        |               |                                 |            |                     |
| 2.9 Working conditions at the municipality allows me to effectively do my job.                  |                        |               |                                 |            |                     |
| 2.10 Management is actively involved and supports me in my career path within the municipality. |                        |               |                                 |            |                     |
| 2.11 I am assured that I won't lose my job.   |                        |               |                                 |            |                     |

| <b>Section C: Employee Empowerment</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 3.1 When I am at work, I am not scared to raise an opinion involving my work.                             |  |  |  |  |  |
| 3.2 Management involves me in decisions that affect my work.  |  |  |  |  |  |
| 3.3 Management installs confidence in me for the work I need to do.                                       |  |  |  |  |  |
| 3.4 Management allows me to do my job the way I see it best, as long as my work is effectively concluded. |  |  |  |  |  |
| 3.5 Management creates an environment in which successes are celebrated.                                  |  |  |  |  |  |
| 3.6 Management encourages innovative ways to effectively deliver basic services to the community.         |  |  |  |  |  |
| 3.7 Management empowers me to make decisions that will positively influence my work.                      |  |  |  |  |  |

|  | 1<br>Strongly<br>disagree | 2<br>Disagree | 3<br>Neither<br>agree<br>nor<br>disagree | 4<br>Agree | 5<br>Strongly<br>agree |
|--|---------------------------|---------------|--|------------|------------------------|
| <b>Section D: Communication</b>  |                           |               |  |            |                        |
| 4.1 A sense of transparency is evident in the way Management conduct their work.   |                           |               |  |            |                        |
| 4.2 Management trusts me to effectively do my job  |                           |               |  |            |                        |
| 4.3 Management communicates and displays a sense of fairness towards employees.  |                           |               |  |            |                        |
| 4.4 Management's actions and behaviour are very consistent.  |                           |               |  |            |                        |
| 4.5 Management delivers on their promises to employees.  |                           |               |  |            |                        |
| 4.6 Management is always willing to discuss my personal wellbeing with immense compassion.   |                           |               |  |            |                        |
| 4.7 Management makes me feel appreciated in how they communicate tasks to me.  |                           |               |  |            |                        |
| 4.8 I believe there is trust between management and employees.   |                           |               |  |            |                        |
| 4.9 Management creates an environment where they communicate honestly with employees.  |                           |               |  |            |                        |
| 4.10 Management sufficiently communicate the municipality's strategic objectives to employees.                                       |                           |               |  |            |                        |
| 4.11 I know and understand the municipality's key strategic objectives for effective service delivery over the next three (3) years. |                           |               |  |            |                        |
| 4.12 As an employee, I participated in   |                           |               |  |            |                        |



|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| the formulation of the municipality's strategic vision. |                        |               |                                 |            |                     |

| <b>Section E: Management reporting</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 5.1 Management is good in setting realistic goals and assists me in achieving it.   |  |  |  |  |  |
| 5.2 My opinion on work related issues is important to management.   |  |  |  |  |  |
| 5.3 Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality.                |  |  |  |  |  |
| 5.4 I know that I can trust management.   |  |  |  |  |  |
| 5.5 Management has the ability to align employees in order to work towards a common goal.   |  |  |  |  |  |
| 5.6 Management conduct themselves in a polite and professional manner when addressing work related issues to employees.                             |  |  |  |  |  |
| 5.7 I feel that management is capable of implementing strategies that will successfully lead to better delivery of basic services to the community. |  |  |  |  |  |

With regards to the key performance evaluation criteria at the Municipality, please answer the following questions:

| <b>Section F: Performance management</b>                            |  |  |  |  |  |
|---|--|--|--|--|--|
| 6.1 Performance feedback is regularly provided on how I do my work. |  |  |  |  |  |

|  | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|--|------------------------|---------------|---------------------------------|------------|---------------------|
| 6.2 I believe that my performance reviews are fair and accurate.   |                        |               |                                 |            |                     |
| 6.3 I know and understand my performance agreement with the municipality.  |                        |               |                                 |            |                     |
| 6.4 I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality. |                        |               |                                 |            |                     |
| 6.5 I sense that management has a tendency of treating good performers differently than non-performers.  |                        |               |                                 |            |                     |
| 6.6 Management is committed to manage my performance and assist in my career and personal development.   |                        |               |                                 |            |                     |
| 6.7 I was allowed by management to enrol for training programmes over the last year.   |                        |               |                                 |            |                     |

**Section G: Personal view of trust between management and employees**

7.1 How would you define trust in your working environment? Hoe sal u vertroue omskryf in u werksomgewing?

7.2 What is your understanding of trust between management and employee? Wat is u seining rondom vertroue tussen bestuur en amptenare?

|  |
|--|
|  |
| 7.3 Will the employee's trust in management result in improved service delivery? / Sal amptenare se vertrouwe in die bestuur lei tot die verbetering in dienslewering? |
|  |
| 7.4 How do you experience the trust between you and management? / Hoe ondervind u die vertrouensverhouding tussen uself en die bestuur?                                |
|  |
| 7.5 What is the biggest factor that enables you to effectively do your job? / Wat is die grootste faktor wat u instaat stel om u werk effektief te verrig?             |
|  |
| 7.6 What prohibits you from effectively doing your job? / Wat verhoed u om werk effektief te verrig?   |
|  |

|   |
|---|
|   |
| 7.7 What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years? / Wat is die vernaamste rede, volgens u, waarom die munisipaliteit die afgelope paar jaar 'n skoon oudit vanaf die Ouditeur Generaal ontvang het? |
|   |
| 7.8 Any suggestions/ other comments in this regard? / Enige ander voorstelle/ kommentaar in hierdie verband?  |
|   |

**THANK YOU AND WE APPRECIATE YOUR TIME AND EFFORT**

**The Researcher**

## Appendix B: Details of internal consistency of each dimension specific scale

### Dimension 1: Job Satisfaction

| Statements of Job Satisfaction | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|--------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section B Statement 1          | 2.93 | 1.322          | 187 | .802                             | .927                             |
| Section B Statement 2          | 3.53 | 1.280          | 187 | .783                             | .928                             |
| Section B Statement 3          | 3.09 | 1.406          | 187 | .715                             | .931                             |
| Section B Statement 4          | 3.73 | 1.389          | 187 | .734                             | .930                             |
| Section B Statement 5          | 3.06 | 1.288          | 187 | .786                             | .928                             |
| Section B Statement 6          | 2.84 | 1.279          | 187 | .733                             | .930                             |
| Section B Statement 7          | 3.58 | 1.277          | 187 | .690                             | .932                             |
| Section B Statement 8          | 2.57 | 1.336          | 187 | .764                             | .929                             |
| Section B Statement 9          | 2.57 | 1.261          | 187 | .693                             | .932                             |
| Section B Statement 10         | 2.38 | 1.257          | 187 | .715                             | .931                             |
| Section B Statement 11         | 2.88 | 1.230          | 187 | .619                             | .935                             |

## Dimension 2: Employee Empowerment

| Statements of Employee Empowerment | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section C Statement 1              | 3.14 | 1.419          | 188 | .662                             | .931                             |
| Section C Statement 2              | 2.39 | 1.256          | 188 | .772                             | .920                             |
| Section C Statement 3              | 2.71 | 1.333          | 188 | .818                             | .915                             |
| Section C Statement 4              | 2.97 | 1.389          | 188 | .785                             | .918                             |
| Section C Statement 5              | 2.45 | 1.242          | 188 | .808                             | .916                             |
| Section C Statement 6              | 2.74 | 1.316          | 188 | .813                             | .915                             |
| Section C Statement 7              | 2.58 | 1.160          | 188 | .798                             | .918                             |

#### Dimension 4: Management Reporting

| Statements of Management Reporting | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section E Statement 1              | 2.52 | 1.234          | 196 | .860                             | .941                             |
| Section E Statement 2              | 2.58 | 1.244          | 196 | .826                             | .944                             |
| Section E Statement 3              | 2.40 | 1.226          | 196 | .832                             | .944                             |
| Section E Statement 4              | 2.35 | 1.187          | 196 | .857                             | .942                             |
| Section E Statement 5              | 2.50 | 1.251          | 196 | .867                             | .941                             |
| Section E Statement 6              | 2.68 | 1.318          | 196 | .855                             | .942                             |
| Section E Statement 7              | 3.00 | 1.198          | 196 | .742                             | .951                             |

## Dimension 5: Performance Management

| Statement of Performance Management | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section F Statement 1               | 2.22 | 1.199          | 186 | .684                             | .888                             |
| Section F Statement 2               | 2.89 | 1.327          | 186 | .749                             | .881                             |
| Section F Statement 3               | 3.08 | 1.311          | 186 | .732                             | .883                             |
| Section F Statement 4               | 2.96 | 1.347          | 186 | .750                             | .880                             |
| Section F Statement 5               | 2.70 | 1.279          | 186 | .689                             | .888                             |
| Section F Statement 6               | 2.35 | 1.164          | 186 | .779                             | .879                             |
| Section F Statement 7               | 2.46 | 1.340          | 186 | .581                             | .900                             |



**Appendix C: Frequencies and means of responses for statements posted in Section B to Section F**

**Section B: Job satisfaction**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 43        | 21.0    | 21.2          | 21.2               |
|             | Disagree                   | 30        | 14.6    | 14.8          | 36.0               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.7          | 54.7               |
|             | Agree                      | 71        | 34.6    | 35.0          | 89.7               |
|             | Strongly agree             | 21        | 10.2    | 10.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 27        | 13.2    | 13.3          | 13.3               |
|             | Disagree                   | 17        | 8.3     | 8.4           | 21.7               |
|             | Neither agree nor disagree | 15        | 7.3     | 7.4           | 29.1               |
|             | Agree                      | 99        | 48.3    | 48.8          | 77.8               |
|             | Strongly agree             | 45        | 22.0    | 22.2          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 40               | 19.5           | 20.1                 | 20.1                      |
|                    | Disagree                   | 24               | 11.7           | 12.1                 | 32.2                      |
|                    | Neither agree nor disagree | 45               | 22.0           | 22.6                 | 54.8                      |
|                    | Agree                      | 50               | 24.4           | 25.1                 | 79.9                      |
|                    | Strongly agree             | 40               | 19.5           | 20.1                 | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 28               | 13.7           | 14.0                 | 14.0                      |
|                    | Disagree                   | 14               | 6.8            | 7.0                  | 21.0                      |
|                    | Neither agree nor disagree | 7                | 3.4            | 3.5                  | 24.5                      |
|                    | Agree                      | 77               | 37.6           | 38.5                 | 63.0                      |
|                    | Strongly agree             | 74               | 36.1           | 37.0                 | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 34        | 16.6    | 16.7          | 16.7               |
|             | Disagree                   | 27        | 13.2    | 13.3          | 30.0               |
|             | Neither agree nor disagree | 49        | 23.9    | 24.1          | 54.2               |
|             | Agree                      | 64        | 31.2    | 31.5          | 85.7               |
|             | Strongly agree             | 29        | 14.1    | 14.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.3          | 20.3               |
|             | Disagree                   | 32        | 15.6    | 15.8          | 36.1               |
|             | Neither agree nor disagree | 52        | 25.4    | 25.7          | 61.9               |
|             | Agree                      | 55        | 26.8    | 27.2          | 89.1               |
|             | Strongly agree             | 22        | 10.7    | 10.9          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 24        | 11.7    | 11.8          | 11.8               |
|             | Disagree                   | 18        | 8.8     | 8.8           | 20.6               |
|             | Neither agree nor disagree | 22        | 10.7    | 10.8          | 31.4               |
|             | Agree                      | 90        | 43.9    | 44.1          | 75.5               |
|             | Strongly agree             | 50        | 24.4    | 24.5          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 59        | 28.8    | 29.5          | 29.5               |
|             | Disagree                   | 44        | 21.5    | 22.0          | 51.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.0          | 70.5               |
|             | Agree                      | 41        | 20.0    | 20.5          | 91.0               |
|             | Strongly agree             | 18        | 8.8     | 9.0           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 9 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 52        | 25.4    | 26.0          | 26.0               |
|             | Disagree                   | 46        | 22.4    | 23.0          | 49.0               |
|             | Neither agree nor disagree | 47        | 22.9    | 23.5          | 72.5               |
|             | Agree                      | 40        | 19.5    | 20.0          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 10 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 69        | 33.7    | 34.5          | 34.5               |
|              | Disagree                   | 46        | 22.4    | 23.0          | 57.5               |
|              | Neither agree nor disagree | 40        | 19.5    | 20.0          | 77.5               |
|              | Agree                      | 33        | 16.1    | 16.5          | 94.0               |
|              | Strongly agree             | 12        | 5.9     | 6.0           | 100.0              |
|              | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing      | System                     | 5         | 2.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 40        | 19.5    | 19.7          | 19.7               |
|              | Disagree                   | 26        | 12.7    | 12.8          | 32.5               |
|              | Neither agree nor disagree | 64        | 31.2    | 31.5          | 64.0               |
|              | Agree                      | 56        | 27.3    | 27.6          | 91.6               |
|              | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|              | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing      | System                     | 2         | 1.0     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

### Means

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.93 | 1.322          |
| 2         | 3.53 | 1.280          |
| 3         | 3.09 | 1.406          |
| 4         | 3.73 | 1.389          |
| 5         | 3.06 | 1.288          |
| 6         | 2.84 | 1.279          |
| 7         | 3.58 | 1.277          |
| 8         | 2.57 | 1.336          |
| 9         | 2.57 | 1.261          |
| 10        | 2.38 | 1.257          |
| 11        | 2.88 | 1.230          |

### Section C: Employee empowerment

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 19.6          | 19.6               |
|             | Disagree                   | 35        | 17.1    | 17.2          | 36.8               |
|             | Neither agree nor disagree | 20        | 9.8     | 9.8           | 46.6               |
|             | Agree                      | 77        | 37.6    | 37.7          | 84.3               |
|             | Strongly agree             | 32        | 15.6    | 15.7          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 31.0          | 31.0               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 60.1               |
|             | Neither agree nor disagree | 32        | 15.6    | 15.8          | 75.9               |
|             | Agree                      | 38        | 18.5    | 18.7          | 94.6               |
|             | Strongly agree             | 11        | 5.4     | 5.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 42        | 20.5    | 20.9          | 47.3               |
|             | Neither agree nor disagree | 35        | 17.1    | 17.4          | 64.7               |
|             | Agree                      | 56        | 27.3    | 27.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.3          | 23.3               |
|             | Disagree                   | 30        | 14.6    | 14.9          | 38.1               |
|             | Neither agree nor disagree | 34        | 16.6    | 16.8          | 55.0               |
|             | Agree                      | 68        | 33.2    | 33.7          | 88.6               |
|             | Strongly agree             | 23        | 11.2    | 11.4          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |



| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.1          | 28.1               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 57.1               |
|             | Neither agree nor disagree | 40        | 19.5    | 19.7          | 76.8               |
|             | Agree                      | 35        | 17.1    | 17.2          | 94.1               |
|             | Strongly agree             | 12        | 5.9     | 5.9           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 48        | 23.4    | 23.6          | 23.6               |
|             | Disagree                   | 42        | 20.5    | 20.7          | 44.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.7          | 65.0               |
|             | Agree                      | 54        | 26.3    | 26.6          | 91.6               |
|             | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 21.4          | 21.4               |
|             | Disagree                   | 53        | 25.9    | 27.6          | 49.0               |
|             | Neither agree nor disagree | 54        | 26.3    | 28.1          | 77.1               |
|             | Agree                      | 33        | 16.1    | 17.2          | 94.3               |
|             | Strongly agree             | 11        | 5.4     | 5.7           | 100.0              |
|             | Total                      | 192       | 93.7    | 100.0         |                    |
| Missing     | System                     | 13        | 6.3     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 3.14 | 1.419          |
| 2         | 2.39 | 1.256          |
| 3         | 2.71 | 1.333          |
| 4         | 2.97 | 1.389          |
| 5         | 2.45 | 1.242          |
| 6         | 2.74 | 1.316          |
| 7         | 2.58 | 1.160          |

## Section D: Communication

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.9          | 26.9               |
|             | Disagree                   | 52        | 25.4    | 26.4          | 53.3               |
|             | Neither agree nor disagree | 47        | 22.9    | 23.9          | 77.2               |
|             | Agree                      | 33        | 16.1    | 16.8          | 93.9               |
|             | Strongly agree             | 12        | 5.9     | 6.1           | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 29        | 14.1    | 14.7          | 14.7               |
|             | Disagree                   | 23        | 11.2    | 11.7          | 26.4               |
|             | Neither agree nor disagree | 42        | 20.5    | 21.3          | 47.7               |
|             | Agree                      | 77        | 37.6    | 39.1          | 86.8               |
|             | Strongly agree             | 26        | 12.7    | 13.2          | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 54        | 26.3    | 26.9          | 54.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 73.6               |
|             | Agree                      | 41        | 20.0    | 20.4          | 94.0               |
|             | Strongly agree             | 12        | 5.9     | 6.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 56.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 77.1               |
|             | Agree                      | 33        | 16.1    | 16.4          | 93.5               |
|             | Strongly agree             | 13        | 6.3     | 6.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 65        | 31.7    | 32.7          | 32.7               |
|             | Disagree                   | 58        | 28.3    | 29.1          | 61.8               |
|             | Neither agree nor disagree | 49        | 23.9    | 24.6          | 86.4               |
|             | Agree                      | 16        | 7.8     | 8.0           | 94.5               |
|             | Strongly agree             | 11        | 5.4     | 5.5           | 100.0              |
|             | Total                      | 199       | 97.1    | 100.0         |                    |
| Missing     | System                     | 6         | 2.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 60        | 29.3    | 30.3          | 30.3               |
|             | Disagree                   | 56        | 27.3    | 28.3          | 58.6               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.2          | 77.8               |
|             | Agree                      | 33        | 16.1    | 16.7          | 94.4               |
|             | Strongly agree             | 11        | 5.4     | 5.6           | 100.0              |
|             | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing     | System                     | 7         | 3.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 55.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.6               |
|             | Agree                      | 36        | 17.6    | 17.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 64        | 31.2    | 31.8          | 59.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 80.1               |
|             | Agree                      | 24        | 11.7    | 11.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.0                 | 30.0                      |
|                    | Disagree                   | 61               | 29.8           | 30.5                 | 60.5                      |
|                    | Neither agree nor disagree | 39               | 19.0           | 19.5                 | 80.0                      |
|                    | Agree                      | 28               | 13.7           | 14.0                 | 94.0                      |
|                    | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 46               | 22.4           | 23.0                 | 23.0                      |
|                     | Disagree                   | 52               | 25.4           | 26.0                 | 49.0                      |
|                     | Neither agree nor disagree | 57               | 27.8           | 28.5                 | 77.5                      |
|                     | Agree                      | 34               | 16.6           | 17.0                 | 94.5                      |
|                     | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 42        | 20.5    | 21.0          | 21.0               |
|              | Disagree                   | 36        | 17.6    | 18.0          | 39.0               |
|              | Neither agree nor disagree | 54        | 26.3    | 27.0          | 66.0               |
|              | Agree                      | 57        | 27.8    | 28.5          | 94.5               |
|              | Strongly agree             | 11        | 5.4     | 5.5           | 100.0              |
|              | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing      | System                     | 5         | 2.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

| STATEMENT 12 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 50        | 24.4    | 25.3          | 25.3               |
|              | Disagree                   | 51        | 24.9    | 25.8          | 51.0               |
|              | Neither agree nor disagree | 41        | 20.0    | 20.7          | 71.7               |
|              | Agree                      | 47        | 22.9    | 23.7          | 95.5               |
|              | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|              | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing      | System                     | 7         | 3.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |



## Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.50 | 1.214          |
| 2         | 3.19 | 1.242          |
| 3         | 2.48 | 1.241          |
| 4         | 2.46 | 1.218          |
| 5         | 2.24 | 1.147          |
| 6         | 2.42 | 1.220          |
| 7         | 2.48 | 1.250          |
| 8         | 2.39 | 1.195          |
| 9         | 2.34 | 1.208          |
| 10        | 2.55 | 1.171          |
| 11        | 2.82 | 1.221          |
| 12        | 2.58 | 1.216          |

## Section E: Management reporting

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.5          | 23.5               |
|             | Disagree                   | 65        | 31.7    | 32.5          | 56.0               |
|             | Neither agree nor disagree | 39        | 19.0    | 19.5          | 75.5               |
|             | Agree                      | 34        | 16.6    | 17.0          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 45        | 22.0    | 22.4          | 22.4               |
|             | Disagree                   | 60        | 29.3    | 29.9          | 52.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 73.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 28.1          | 28.1               |
|             | Disagree                   | 60        | 29.3    | 30.2          | 58.3               |
|             | Neither agree nor disagree | 43        | 21.0    | 21.6          | 79.9               |
|             | Agree                      | 26        | 12.7    | 13.1          | 93.0               |
|             | Strongly agree             | 14        | 6.8     | 7.0           | 100.0              |
|             | Total                      | 199       | 97.1    | 100.0         |                    |
| Missing     | System                     | 6         | 2.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 62        | 30.2    | 31.0          | 31.0               |
|             | Disagree                   | 50        | 24.4    | 25.0          | 56.0               |
|             | Neither agree nor disagree | 52        | 25.4    | 26.0          | 82.0               |
|             | Agree                      | 26        | 12.7    | 13.0          | 95.0               |
|             | Strongly agree             | 10        | 4.9     | 5.0           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 58        | 28.3    | 28.9          | 55.2               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 93.0               |
|             | Strongly agree             | 14        | 6.8     | 7.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 40        | 19.5    | 19.9          | 46.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 67.2               |
|             | Agree                      | 49        | 23.9    | 24.4          | 91.5               |
|             | Strongly agree             | 17        | 8.3     | 8.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 28        | 13.7    | 13.9          | 13.9               |
|             | Disagree                   | 42        | 20.5    | 20.8          | 34.7               |
|             | Neither agree nor disagree | 56        | 27.3    | 27.7          | 62.4               |
|             | Agree                      | 56        | 27.3    | 27.7          | 90.1               |
|             | Strongly agree             | 20        | 9.8     | 9.9           | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.52 | 1.234          |
| 2         | 2.58 | 1.244          |
| 3         | 2.40 | 1.226          |
| 4         | 2.35 | 1.187          |
| 5         | 2.50 | 1.251          |
| 6         | 2.68 | 1.318          |
| 7         | 3.00 | 1.198          |

**Section F: Performance management**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 69        | 33.7    | 35.2          | 35.2               |
|             | Disagree                   | 60        | 29.3    | 30.6          | 65.8               |
|             | Neither agree nor disagree | 27        | 13.2    | 13.8          | 79.6               |
|             | Agree                      | 32        | 15.6    | 16.3          | 95.9               |
|             | Strongly agree             | 8         | 3.9     | 4.1           | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 20.5          | 20.5               |
|             | Disagree                   | 37        | 18.0    | 19.0          | 39.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.5          | 59.0               |
|             | Agree                      | 59        | 28.8    | 30.3          | 89.2               |
|             | Strongly agree             | 21        | 10.2    | 10.8          | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 33               | 16.1           | 16.9                 | 16.9                      |
|                    | Disagree                   | 30               | 14.6           | 15.4                 | 32.3                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.5                 | 51.8                      |
|                    | Agree                      | 70               | 34.1           | 35.9                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 38               | 18.5           | 19.5                 | 19.5                      |
|                    | Disagree                   | 35               | 17.1           | 17.9                 | 37.4                      |
|                    | Neither agree nor disagree | 36               | 17.6           | 18.5                 | 55.9                      |
|                    | Agree                      | 62               | 30.2           | 31.8                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.9          | 20.9               |
|             | Disagree                   | 47        | 22.9    | 24.0          | 44.9               |
|             | Neither agree nor disagree | 52        | 25.4    | 26.5          | 71.4               |
|             | Agree                      | 35        | 17.1    | 17.9          | 89.3               |
|             | Strongly agree             | 21        | 10.2    | 10.7          | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.8          | 28.8               |
|             | Disagree                   | 53        | 25.9    | 26.8          | 55.6               |
|             | Neither agree nor disagree | 50        | 24.4    | 25.3          | 80.8               |
|             | Agree                      | 29        | 14.1    | 14.6          | 95.5               |
|             | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|             | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing     | System                     | 7         | 3.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |



| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 32.3          | 32.3               |
|             | Disagree                   | 45        | 22.0    | 23.1          | 55.4               |
|             | Neither agree nor disagree | 25        | 12.2    | 12.8          | 68.2               |
|             | Agree                      | 47        | 22.9    | 24.1          | 92.3               |
|             | Strongly agree             | 15        | 7.3     | 7.7           | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

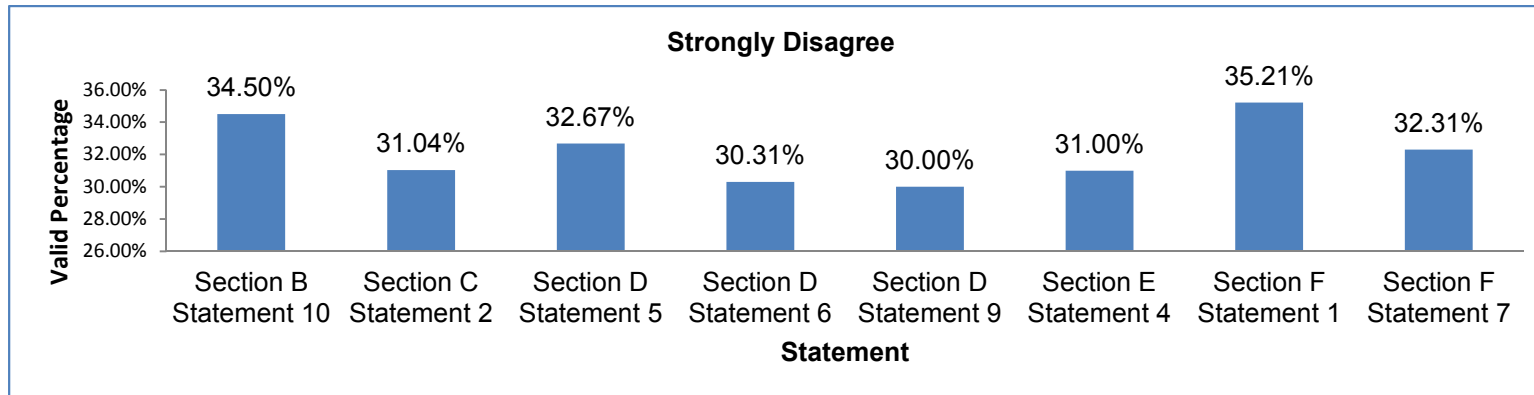
### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.22 | 1.199          |
| 2         | 2.89 | 1.327          |
| 3         | 3.08 | 1.311          |
| 4         | 2.96 | 1.347          |
| 5         | 2.70 | 1.279          |
| 6         | 2.35 | 1.164          |
| 7         | 2.46 | 1.340          |

## Appendix D – Statements with the most responses

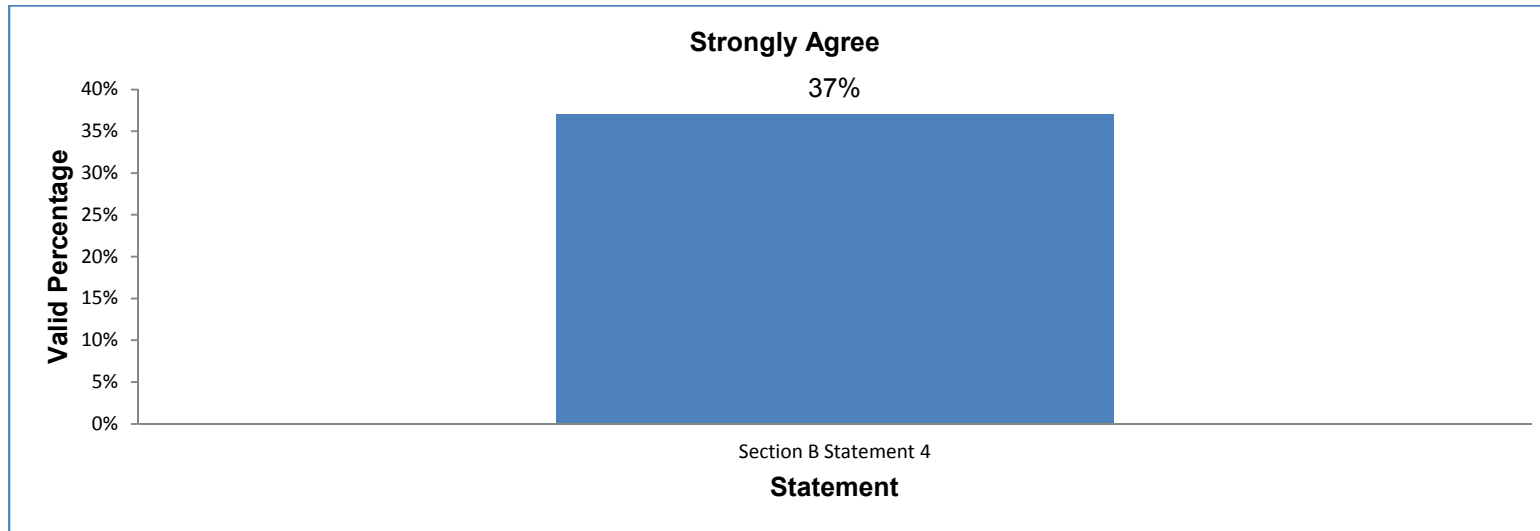
### Strongly disagree

| STATEMENT   | VALID PERCENTATGE |
|---|-------------------|
| Management is actively involved and supports me in my career path within the municipality (Section B Statement 10). | 34.5%             |
| Management involves me in decisions that affect my work (Section C Statement 2).                                    | 31.04%            |
| Management delivers on their promises to employees (Section D Statement 5).   | 32.67%            |
| Management is always willing to discuss my personal wellbeing with immense compassion (Section D Statement 6).      | 30.31%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).           | 30.00%            |
| I know that I can trust management (Section E Statement 4).   | 31.00%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).                             | 35.21%            |
| I was allowed by management to enroll for training programmes over the last year (Section F Statement 7).           | 32.31%            |



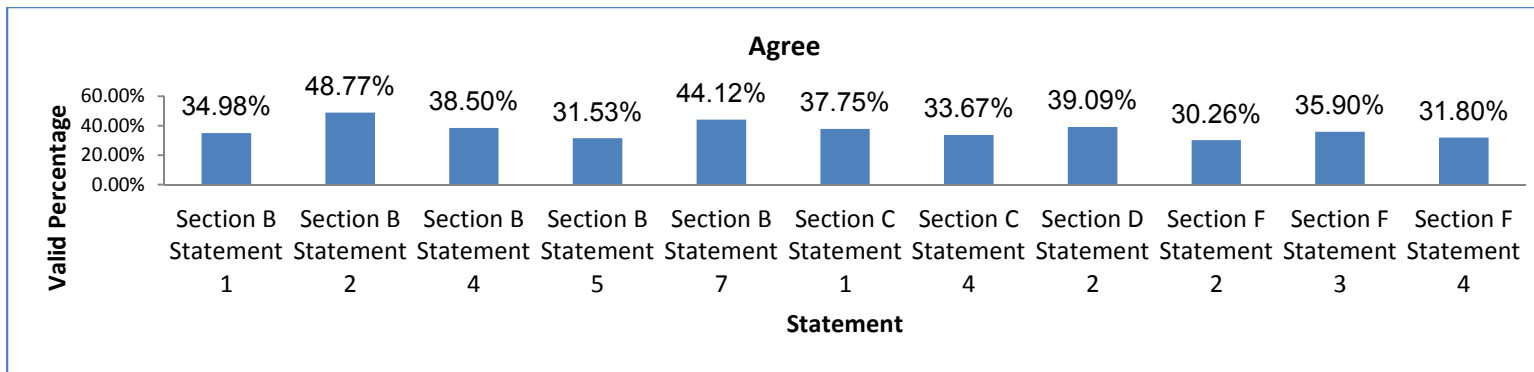
### Strongly agree

| STATEMENT   | VALID PERCENTAGE |
|---|------------------|
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4). | 37%              |



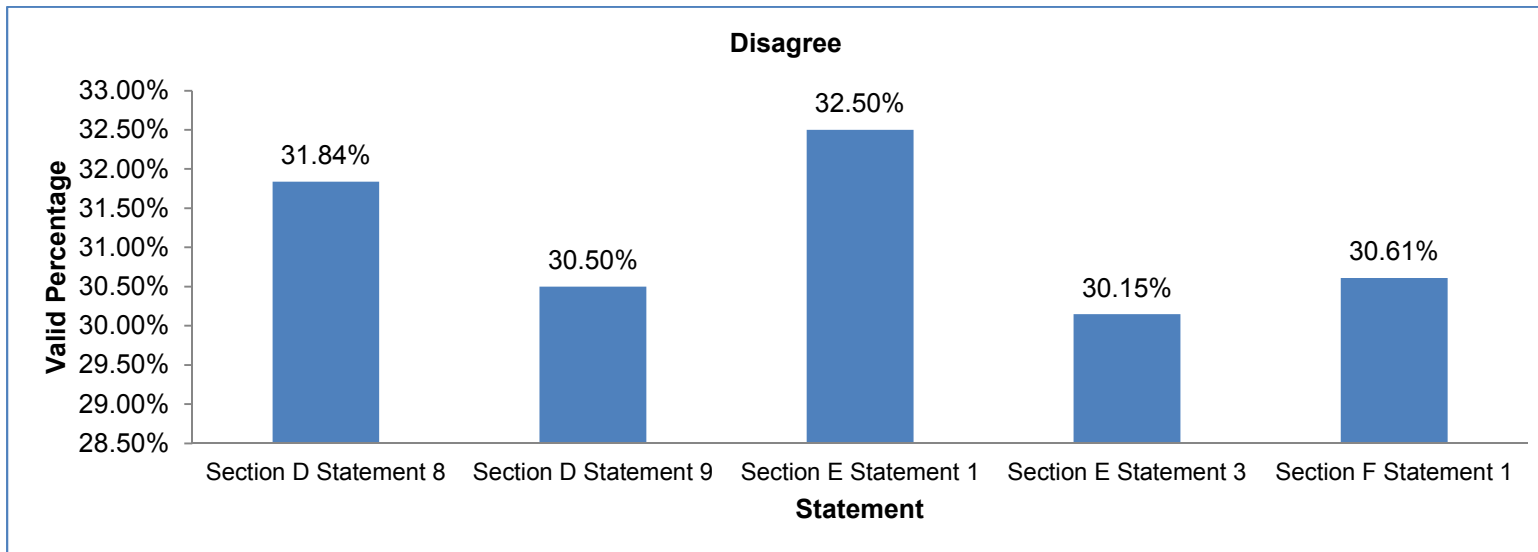
## Agree

| STATEMENT  | VALID PERCENTAGE |
|--|------------------|
| It is a pleasure coming to work daily (Section B Statement 1).   | 34.98%           |
| I take pleasure in doing my work (Section B Statement 2).  | 48.77%           |
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4).                                    | 38.50%           |
| The municipality is a great organization to work for (Section B Statement 5).  | 31.53%           |
| My personal skills and capabilities are testimony of the good job I'm doing (Section B Statement 7).   | 44.12%           |
| When I am at work, I am not scared to raise an opinion involving my work (Section C Statement 1).  | 37.75%           |
| Management allows me to do my job the way I see it best, as long as my work is effectively concluded (Section C Statement 4).  | 33.67%           |
| Management trusts me to effectively do my job (Section D Statement 2).   | 39.09%           |
| I believe that my performance reviews are fair and accurate (Section F Statement 2).   | 30.26%           |
| I know and understand my performance agreement with the municipality (Section F Statement 3).  | 35.90%           |
| I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality (Section F Statement 4). | 31.80%           |



## Disagree

| STATEMENT  | VALID PERCENTATGE |
|--|-------------------|
| I believe there is trust between management and employees (Section D Statement 8).   | 31.84%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).  | 30.50%            |
| Management is good in setting realistic goals and assists me in achieving it (Section E Statement 1).  | 32.50%            |
| Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality (Section E Statement 3). | 30.15%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).  | 30.61%            |



**Appendix E - Effect sizes of how employees with various years of employment perceived the five dimensions**

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD  |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|-------|
| A:<3yr         | Job satisfaction       | 49 | 3.33 | 1.09           | 0.01 | 0.51 | 0.38 | 0.52 | 0.38 | -0.12 |
|                | Employee empowerment   | 49 | 3.00 | 1.05           | 0.12 | 0.55 | 0.36 | 0.44 | 0.24 | -0.19 |
|                | Communication          | 49 | 2.93 | 1.11           | 0.19 | 0.64 | 0.51 | 0.52 | 0.34 | -0.14 |
|                | Management reporting   | 49 | 2.95 | 1.22           | 0.19 | 0.60 | 0.37 | 0.50 | 0.21 | -0.28 |
|                | Performance management | 48 | 2.94 | 1.09           | 0.15 | 0.39 | 0.27 | 0.26 | 0.15 | -0.12 |
|                | Valid N (list wise)    | 48 |      |                |      |      |      |      |      |       |
| B:4-6yr        | Job satisfaction       | 46 | 3.32 | 0.83           |      |      |      |      |      |       |
|                | Employee empowerment   | 45 | 2.88 | 0.95           |      |      |      |      |      |       |
|                | Communication          | 44 | 2.72 | 0.94           |      |      |      |      |      |       |
|                | Management reporting   | 44 | 2.72 | 0.93           |      |      |      |      |      |       |
|                | Performance management | 41 | 2.78 | 0.96           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 40 |      |                |      |      |      |      |      |       |
| C:7-10yr       | Job satisfaction       | 57 | 2.78 | 1.04           |      |      |      |      |      |       |
|                | Employee empowerment   | 57 | 2.40 | 1.11           |      |      |      |      |      |       |
|                | Communication          | 57 | 2.23 | 0.96           |      |      |      |      |      |       |
|                | Management reporting   | 57 | 2.21 | 1.02           |      |      |      |      |      |       |
|                | Performance management | 57 | 2.51 | 1.05           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 57 |      |                |      |      |      |      |      |       |
| D:>10yr        | Job satisfaction       | 51 | 2.92 | 1.07           |      |      |      |      |      |       |

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|                | Employee empowerment   | 51 | 2.61 | 1.11           |      |      |      |      |      |      |
|                | Communication          | 51 | 2.37 | 1.02           |      |      |      |      |      |      |
|                | Management reporting   | 51 | 2.50 | 1.04           |      |      |      |      |      |      |
|                | Performance management | 50 | 2.64 | 0.91           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 50 |      |                |      |      |      |      |      |      |
| Missing        | Job satisfaction       | 2  | 3.27 | 1.29           |      |      |      |      |      |      |
|                | Employee empowerment   | 2  | 3.07 | 1.52           |      |      |      |      |      |      |
|                | Communication          | 2  | 2.88 | 1.11           |      |      |      |      |      |      |
|                | Management reporting   | 2  | 3.00 | 1.82           |      |      |      |      |      |      |
|                | Performance management | 2  | 2.79 | 1.11           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 2  |      |                |      |      |      |      |      |      |

### Appendix F - Effect sizes of how respondents in various departments perceived the five dimensions

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2        | d1_3        | d1_4        | d1_5        | d1_6        | d1_7         | d1_8         | d1_9         | d1_10 |
|-------------|------------------------|----|--------|----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|-------|
| 1           | Job satisfaction       | 16 | 2.7864 | 1.00055        | -0.69       | 0.00        | -0.23       | -0.04       | -0.32       | -0.42        | 1.33         | -0.38        | -1.99 |
|             | Employee empowerment   | 16 | 2.2098 | 1.17743        | -0.90       | -0.22       | -0.56       | -0.25       | -0.48       | -0.48        | 0.72         | -0.61        | -1.76 |
|             | Communication          | 16 | 2.1250 | 1.02017        | -1.08       | -0.06       | -0.38       | -0.20       | -0.61       | -0.38        | 0.53         | -0.61        | -2.12 |
|             | Management reporting   | 16 | 2.2321 | 1.01402        | -0.63       | 0.13        | -0.46       | -0.16       | -0.53       | -0.35        | 0.60         | -0.51        | -1.25 |
|             | Performance management | 15 | 2.3714 | .90319         | -0.36       | 0.06        | -0.33       | -0.19       | -0.45       | -0.56        | 0.84         | -0.35        | -1.87 |
|             | Valid N (list wise)    | 15 |        |                | <b>d2_3</b> | <b>d2_4</b> | <b>d2_5</b> | <b>d2_6</b> | <b>d2_7</b> | <b>d2_8</b>  | <b>d2_9</b>  | <b>d2_10</b> |       |
| 2           | Job satisfaction       | 15 | 3.5909 | 1.16027        | 0.70        | 0.50        | 0.66        | 0.29        | 0.33        | 1.84         | 0.34         | -1.02        |       |
|             | Employee empowerment   | 14 | 3.2857 | 1.18996        | 0.68        | 0.35        | 0.66        | 0.43        | 0.43        | 1.62         | 0.31         | -0.84        |       |
|             | Communication          | 14 | 3.2798 | 1.06949        | 1.02        | 0.72        | 0.89        | 0.33        | 0.72        | 1.59         | 0.47         | -0.95        |       |
|             | Management reporting   | 13 | 3.0330 | 1.26592        | 0.74        | 0.23        | 0.50        | 0.04        | 0.35        | 1.12         | 0.20         | -0.68        |       |
|             | Performance management | 13 | 2.9121 | 1.48294        | 0.41        | 0.14        | 0.23        | -0.01       | 0.02        | 0.87         | 0.12         | -0.78        |       |
|             | Valid N (list wise)    | 13 |        |                | <b>d3_4</b> | <b>d3_5</b> | <b>d3_6</b> | <b>d3_7</b> | <b>d3_8</b> | <b>d3_9</b>  | <b>d3_10</b> |              |       |
| 3           | Job satisfaction       | 20 | 2.7818 | .88945         | -0.23       | -0.04       | -0.32       | -0.48       | 1.49        | -0.39        | -2.24        |              |       |
|             | Employee empowerment   | 20 | 2.4714 | 1.03350        | -0.38       | -0.03       | -0.28       | -0.29       | 1.08        | -0.40        | -1.76        |              |       |
|             | Communication          | 20 | 2.1860 | .78788         | -0.33       | -0.14       | -0.56       | -0.35       | 0.76        | -0.55        | -2.67        |              |       |
|             | Management reporting   | 20 | 2.1000 | .85727         | -0.58       | -0.28       | -0.63       | -0.50       | 0.56        | -0.63        | -1.34        |              |       |
|             | Performance management | 20 | 2.3083 | .99111         | -0.39       | -0.25       | -0.50       | -0.57       | 0.70        | -0.41        | -1.78        |              |       |
|             | Valid N (list wise)    | 20 |        |                | <b>d4_5</b> | <b>d4_6</b> | <b>d4_7</b> | <b>d4_8</b> | <b>d4_9</b> | <b>d4_10</b> |              |              |       |
| 4           | Job satisfaction       | 13 | 3.0147 | .99103         | 0.17        | -0.15       | -0.20       | 1.57        | -0.17       | -1.77        |              |              |       |
|             | Employee empowerment   | 13 | 2.8681 | 1.03421        | 0.33        | 0.09        | 0.09        | 1.46        | -0.05       | -1.37        |              |              |       |
|             | Communication          | 13 | 2.5140 | .98382         | 0.19        | -0.29       | 0.00        | 0.95        | -0.24       | -1.81        |              |              |       |
|             | Management reporting   | 13 | 2.7363 | 1.09862        | 0.30        | -0.17       | 0.14        | 1.02        | -0.04       | -0.89        |              |              |       |



| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2  | d1_3  | d1_4  | d1_5  | d1_6  | d1_7  | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|-------|-------|-------|-------|-------|-------|------|------|-------|
|             | Performance management | 13 | 2.6996 | .98104         | 0.13  | -0.18 | -0.18 | 1.11  | -0.04 | -1.40 |      |      |       |
|             | Valid N (list wise)    | 13 |        |                | d5_6  | d5_7  | d5_8  | d5_9  | d5_10 |       |      |      |       |
| 5           | Job satisfaction       | 20 | 2.8256 | 1.09270        | -0.29 | -0.35 | 1.25  | -0.34 | -1.78 |       |      |      |       |
|             | Employee empowerment   | 20 | 2.5060 | 1.08467        | -0.24 | -0.25 | 1.06  | -0.37 | -1.64 |       |      |      |       |
|             | Communication          | 19 | 2.3287 | .99428         | -0.44 | -0.19 | 0.75  | -0.42 | -1.97 |       |      |      |       |
|             | Management reporting   | 20 | 2.4036 | 1.09370        | -0.41 | -0.16 | 0.72  | -0.34 | -1.13 |       |      |      |       |
|             | Performance management | 18 | 2.5661 | 1.04199        | -0.29 | -0.30 | 0.91  | -0.16 | -1.44 |       |      |      |       |
|             | Valid N (list wise)    | 17 |        |                | d6_7  | d6_8  | d6_9  | d6_10 |       |       |      |      |       |
| 6           | Job satisfaction       | 20 | 3.2091 | 1.32894        | 0.00  | 1.32  | 0.01  | -1.18 |       |       |      |      |       |
|             | Employee empowerment   | 20 | 2.7738 | 1.09746        | 0.00  | 1.29  | -0.13 | -1.38 |       |       |      |      |       |
|             | Communication          | 20 | 2.8723 | 1.23308        | 0.29  | 1.05  | 0.08  | -1.15 |       |       |      |      |       |
|             | Management reporting   | 20 | 2.9786 | 1.40299        | 0.28  | 0.97  | 0.14  | -0.72 |       |       |      |      |       |
|             | Performance management | 19 | 2.9248 | 1.22740        | 0.04  | 1.07  | 0.15  | -0.93 |       |       |      |      |       |
|             | Valid N (list wise)    | 19 |        |                | d7_8  | d7_9  | d7_10 |       |       |       |      |      |       |
| 7           | Job satisfaction       | 65 | 3.2100 | .77664         | 2.26  | 0.02  | -2.01 |       |       |       |      |      |       |
|             | Employee empowerment   | 65 | 2.7736 | .93606         | 1.51  | -0.13 | -1.62 |       |       |       |      |      |       |
|             | Communication          | 65 | 2.5141 | .93590         | 0.99  | -0.24 | -1.90 |       |       |       |      |      |       |
|             | Management reporting   | 65 | 2.5839 | .95985         | 1.01  | -0.18 | -1.00 |       |       |       |      |      |       |
|             | Performance management | 64 | 2.8776 | .73887         | 1.71  | 0.13  | -1.31 |       |       |       |      |      |       |
|             | Valid N (list wise)    | 64 |        |                | d8_9  | d8_10 |       |       |       |       |      |      |       |
| 8           | Job satisfaction       | 6  | 1.4545 | .64025         | -1.63 | -5.18 |       |       |       |       |      |      |       |
|             | Employee empowerment   | 6  | 1.3571 | .35857         | -1.39 | -8.17 |       |       |       |       |      |      |       |
|             | Communication          | 6  | 1.5833 | .53489         | -1.11 | -5.06 |       |       |       |       |      |      |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2         | d1_3  | d1_4 | d1_5 | d1_6 | d1_7 | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|--------------|-------|------|------|------|------|------|------|-------|
|             | Management reporting   | 6  | 1.6190 | .49211         | -1.07        | -1.68 |      |      |      |      |      |      |       |
|             | Performance management | 6  | 1.6151 | .70122         | -1.07        | -2.70 |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 6  |        |                | <b>d9_10</b> |       |      |      |      |      |      |      |       |
| 9           | Job satisfaction       | 28 | 3.1927 | 1.06402        | -1.48        |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 28 | 2.9226 | 1.12390        | -1.21        |       |      |      |      |      |      |      |       |
|             | Communication          | 28 | 2.7746 | 1.06933        | -1.42        |       |      |      |      |      |      |      |       |
|             | Management reporting   | 28 | 2.7806 | 1.08273        | -0.86        |       |      |      |      |      |      |      |       |
|             | performance management | 28 | 2.7398 | 1.05556        | -1.26        |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 28 |        |                |              |       |      |      |      |      |      |      |       |
| 10          | Job satisfaction       | 2  | 4.7727 | .06428         |              |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 2  | 4.2857 | .20203         |              |       |      |      |      |      |      |      |       |
|             | Communication          | 2  | 4.2917 | .41248         |              |       |      |      |      |      |      |      |       |
|             | Management reporting   | 2  | 4.0000 | 1.41421        |              |       |      |      |      |      |      |      |       |
|             | Performance management | 2  | 4.0714 | .90914         |              |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 2  |        |                |              |       |      |      |      |      |      |      |       |

**Appendix G - Effect sizes of how respondents in various salary levels perceived the five dimensions**

| SALARY LEVEL  |                        | N   | Mean | Std. Deviation | d_12  | d_13  | d_14  | d_23 | d_24 | d_34  |
|---------------|------------------------|-----|------|----------------|-------|-------|-------|------|------|-------|
| T1-8<br>(1)   | Job satisfaction       | 100 | 2.91 | 0.99           | -0.35 | -0.05 | -0.19 | 0.22 | 0.15 | -0.10 |
|               | Employee empowerment   | 100 | 2.47 | 1.03           | -0.86 | -0.20 | -0.31 | 0.50 | 0.52 | -0.06 |
|               | Communication          | 99  | 2.31 | 0.99           | -0.77 | -0.51 | -0.26 | 0.14 | 0.49 | 0.29  |
|               | Management reporting   | 100 | 2.34 | 1.02           | -0.91 | -0.42 | -0.20 | 0.34 | 0.68 | 0.25  |
|               | Performance management | 99  | 2.56 | 0.94           | -0.53 | -0.30 | -0.14 | 0.13 | 0.31 | 0.17  |
|               | Valid N (list wise)    | 98  |      |                |       |       |       |      |      |       |
| T14-18<br>(2) | Job satisfaction       | 21  | 3.26 | 0.98           |       |       |       |      |      |       |
|               | Employee empowerment   | 21  | 3.35 | 1.00           |       |       |       |      |      |       |
|               | Communication          | 21  | 3.08 | 0.85           |       |       |       |      |      |       |
|               | Management reporting   | 21  | 3.27 | 0.97           |       |       |       |      |      |       |
|               | Performance management | 20  | 3.06 | 0.89           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 20  |      |                |       |       |       |      |      |       |
| T19-20<br>(3) | Job satisfaction       | 3   | 2.97 | 1.32           |       |       |       |      |      |       |
|               | Employee empowerment   | 3   | 2.72 | 1.25           |       |       |       |      |      |       |
|               | Communication          | 3   | 2.92 | 1.18           |       |       |       |      |      |       |
|               | Management reporting   | 3   | 2.86 | 1.22           |       |       |       |      |      |       |
|               | Performance management | 3   | 2.90 | 1.15           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 3   |      |                |       |       |       |      |      |       |
| T9-13<br>(4)  | Job satisfaction       | 62  | 3.10 | 1.04           |       |       |       |      |      |       |
|               | Employee empowerment   | 62  | 2.80 | 1.08           |       |       |       |      |      |       |
|               | Communication          | 62  | 2.58 | 1.03           |       |       |       |      |      |       |

| SALARY LEVEL |                        | N  | Mean | Std. Deviation | d_12 | d_13 | d_14 | d_23 | d_24 | d_34 |
|--------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|              | Management reporting   | 61 | 2.55 | 1.06           |      |      |      |      |      |      |
|              | Performance management | 59 | 2.71 | 1.10           |      |      |      |      |      |      |
|              | Valid N (list wise)    | 59 |      |                |      |      |      |      |      |      |



NORTH-WEST UNIVERSITY  
YUNIBESITI YA BOKONE-BOPHIRIMA  
NOORDWES-UNIVERSITEIT  
POTCHEFSTROOM CAMPUS

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**MBA 2011/12/13**

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**STUDENT NUMBER: 11959010**

**AN ASSESSMENT OF PUBLIC SERVANTS' TRUST IN MANAGEMENT WITHIN A  
LOCAL MUNICIPALITY**

A mini-dissertation submitted to The Potchefstroom Business School, North West University, in partial fulfillment of the requirements for the degree of Master of Business Administration

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## DECLARATION

I declare that this research is my own, unaided work. The research is submitted in partial fulfillment of the requirements of the degree of Master of Business Administration at Potchefstroom Business School, Northwest University. It has not been, according to my knowledge, submitted before for any degree or examination in any other university.

---

Cuan Fransman

---

Date

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## **ABSTRACT**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c).

The role of local government in, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty, which is imperative in achieving a prosperous civilization. The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa. In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. The



test would be to see how the municipal employees' perception of trust influences the trust relationship between employees and managers in the local government sphere.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationship between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The research focused on the performance of a Category B municipality within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and accolade due to continuous improvements in service delivery over the last few years. Five dimensions were examined by conducting a survey in order to establish the perceptions of municipal employees relating to the dimensions of job satisfaction, employee empowerment, communication, management reporting and performance management. These perceptions were assessed by interpreting the responses of (N = 205) respondents from the Category B municipality.

The main finding was that the respondents were very negative towards how they experience the five dimensions within the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. This is contrary to the Category B

municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of this Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy.

It can be concluded that, in order for vertical trust to be of significance within the dynamics of this Category B municipality, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

**KEYWORDS:** Vertical trust, Job satisfaction, Employee empowerment, Communication, Employee management reporting, Performance management

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## LIST OF TERMS AND DEFINITIONS

**Clean Audit Outcome:**

The financial statements are free from material misstatements (in other words, a financially unqualified audit opinion) and there are no material findings on reporting on performance objectives or non-compliance with legislation (Auditor General of South Africa, 2013).

**Financially Unqualified Audit Opinion:**

The financial statements contain no material misstatements. Unless we express a clean audit outcome, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects (Auditor General of South Africa, 2013).

**Qualified Audit Opinion:**

The financial statements contain material misstatements in specific amounts, or there is insufficient evidence for us to conclude that specific amounts included in the financial statements are not materially

misstated (Auditor General of South Africa, 2013).

**Adverse Audit Opinion:**

The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements (Auditor General of South Africa, 2013).

**Disclaimer of Audit Opinion:**

The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements (Auditor General of South Africa, 2013).

**Unskilled level (T1 – 3):**

This skills level is that which is developed with a limited amount of training. The learning period is short and usually consists of following instructions or watching demonstrations of the work to be done (Deloitte., 2009).

**Semi-Skilled Level (T4 – 8):**

At this level there is a certain amount of discretion or judgment involved. It therefore follows that additional training/ experience/ practice is needed following the initial training period. Skills are required through a learning period and developed by constant application and correction until operations become routine (Deloitte., 2009).

**Skilled Level (T9 – 13):**

This level of skill is usually reached after years of experience and/ or training. This level is such that routines which have been learned can be used or varied to achieve the desired result. The ability to recognize cause and effect is necessary (Deloitte., 2009).

**Middle Management level (T14 – 18):**

This level of skill requires conceptualization of future actions or needs in order to formulate short to medium term plans for or within a discipline or function. Advice, management or tactical use of resources specific to the job is features at this level (Deloitte., 2009).

**Senior Management level (T19 – 20)**

This level of skill requires formulation of strategic direction as well as the underlying organizational policy in order to set plans for major functions/ disciplines and/ or the organization as a whole. The ability to deal with new situations at the level of major functions/ disciplines/ together with the business risk factors impacting the organization and/ or the business environment, is essential (Deloitte., 2009).

## **LIST OF ABBREVIATIONS**

COGTA: Department of Cooperative Governance and Traditional Affairs

DPLG: Department of Provincial and Local Government

IDP: Integrated Development Planning

LED: Local Economic Development

LGTA: Local Government Transition Act

MFMA: Municipal Finance Management Act

SALGA: South African Local Government Association

TAS: The Local Government Turnaround Strategy

## **CHAPTER ONE: INTRODUCTION**

### **1.1 Introduction**

This chapter deals with an overview of the assessment of the vertical trust relationship between municipal employees' and their managers. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. The chapter also aims to shed light on the significance of the research as well as the limitations. The chapter then concludes with an explanation pertaining to the structure and design of the research.

### **1.2 Background**

Trust in management has an important effect on employee performance, behaviour and attitudes and has been recognized across numerous literatures and disciplines (Kroukamp, 2008). People's trust amongst each other within a public organization is an intangible element because these interpersonal trust relationships are fundamentally important for social and economic growth (Askvik & Bak, 2005). Trust has become an important phenomenon for understanding collective action. Trust makes it possible for people to enter into relationships of dependence and cooperation. Trust conveys awareness which is predominantly determined by people's desire and expectation in order to enhance effectiveness within a working environment. There also seems to be an intangible association between cooperation and performance within organizations. For this reason, organizations search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance, to edge ahead of their competitors (Bouckaert, 2012). Trust is imperative in all spheres of the society and in order for any municipality to be accountable for delivering a basic



human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and adhere to the key deliverables, as indicated and enshrined in the Constitution, the Municipal Structures Act, and the Municipal Systems Act (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Deng and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence which unilaterally have an influence on the employee's trust in their managers.

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have a strong sense of shared purpose to succeed. Employees work together to support that purpose in order to nurture a working environment in which tolerance and cooperation are highly valued. The research also found those managers who coach rather than just manage and instill a sense of belonging where people collectively participate in making decisions, is important in such organizations. The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover. With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust. What needs to be understood is that in reality, trust creates authority (Hitch, 2012).

The Constitution of South Africa (Statutes of The Republic of South Africa, 1996) prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the National government, Provincial government and Local government. An objective, as prescribed in the Constitution, denotes that these three spheres of government within

South Africa should operate within a structure of co-operative governance whereby the national and provincial government need to assist and reinforce the capacity of local government in order to manage their Constitutional obligation of effectively providing basic services to communities (Statutes of The Republic of South Africa, 1996).

Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government was also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Since 2007, an unprecedented wave of popular and violent protests has flowed across the country. Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000.

The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which was consequently reformed into a system of social, political and economic control. This was where the imbalances, inequalities and disparities came from and was dubbed the Apartheid regime. The transformation of local

government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor (SALGA, 2013a). The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities (discussed in Chapter Two). Such municipalities now had the right to govern, on its own initiative, the local government affairs of its respective community.

For the purpose of this research, the emphasis will be on the local government sphere. The researcher approached the executive management of a Category B municipality in the Western Cape to discuss the need for a survey relating to the trust relationship between municipal employees and their managers and how this may be a contributor to the municipality's goal of effectively and efficiently delivering basic services to the community. The Category B municipality received vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The selected Category B municipality was also in the proximity of where the researcher was born and raised and hence, was eager to discover additional contributing factors for that municipality's operational successes. The broad purpose of this research is to examine the vertical trust relationship, based on various categories which may instill such trust, in order to ascertain whether this is a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality. By conducting this research, the researcher believes that the findings would encourage the Category B municipality to make continuous assessments of the

trust relationship between employees and managers. Furthermore, the study aims to promote a workplace environment based on mutual trust amongst the internal stakeholders in order to allow for effective and efficient delivery of basic services.

### **1.3 Problem statement**

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio-economic upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role (Department of Provincial and Local Government, 2013). In order for local municipalities to be at the forefront of such a socio-economic upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Ministry for Provincial Affairs and Constitutional Development, 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by apartheid planning, and planning for a sustainable future.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritise local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of a developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational culture and the environment in which local municipalities

encourage effective service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009).

Low levels of trust may cause communities not to perceive local government as credible. Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). For the purpose of this research, the focus will be on vertical trust, where employees feel vulnerable because managers have substantial influence over resource allocation (Mayer & Gavin, 2005). An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two-dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Relationships at work tend to be more formal of nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job.

The test would be to see how perceptions of local government influence the trust relationship between employees and managers in the local government sphere. Research (Hitch, 2012) conducted acknowledged the benefit of trust within a working environment. In organizations where high levels of trust are embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making

processes. Employees in such organizations believe they are treated fairly, regardless of their position within the organization (Lyman, 2012). These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

Trust as a self-fulfilling prophecy is nurtured and is any positive or negative expectation about circumstances, events, or people that may affect a person's behaviour toward them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which may satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted.

Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. These modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being (Lyman, 2012). Hence, it can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012). Trust is an important part of the social cohesion within any organization and it is key for trust between managers and employees to be feasible, in order for an organization to be successful (Bagrain & Hime, 2007). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair exchange relationship with an honest manager (Mulki et al., 2006).

Literature (Grobler et al., 2006) refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or

explicitly to provide these. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behavior (Bagrain & Hime, 2007). Managers who express these characteristics will install a high level of trust with employees. This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, as far as they can, look after their interests and that they will not take advantage or harm another.

The intention of this research is to examine the perceptions of trust by municipal employees towards their managers at a Category B municipality within the province of the Western Cape. The research will particularly test the importance of vertical trust between municipal employees and their managers as it was found to be a significant contributor of employees' job performance and ultimately improved service delivery (Biswas & Varma, 2007). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager and employee and the environment in which the municipality operates and conducts its key objectives. As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this research will focus on employees' perception of trust towards managers. The research will seek to construct a conceptual framework of how management's engagement with employees in terms of job satisfaction, a sense of empowerment, communication, and management reporting and performance management can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

This is an interesting issue in the context of the South African political landscape post 1994. In retrospect, improving public service quality locally and nationally has become a

priority of the South African government to meet the expectations of the public, as it is generally known that the quality of this service is still relatively poor in the local communities of geographical landscape (Kroukamp, 2008). This brief review of the literature shows that vertical trust is the backbone of any credible organization, where low levels of vertical trust experienced by employees do have numerous negative implications for such organizations (Hitch, 2012). Despite the importance of vertical trust relationships to an organization's effective functioning, little published empirical studies seem to be available within the South African context for local governments. The current research aims to make a contribution towards addressing this need.

#### **1.4 Scope of the study**

In South Africa there are three spheres of government: national, provincial and local government. The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. In constructing the country as a developmental state, it is important to create a framework to address the socio- economic challenges where enhancing economic growth and reducing unemployment will be key to achieving such a goal (Potgieter, 2012). The local government sphere is categorized into three types of municipalities, namely a metropolitan municipality, a district municipality and a local municipality which are all based on providing basic services (roads and infrastructure, clean drinking water, electricity and housing) to communities. The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide an integrated development approach to social and economic development issues and to supply essential services congruent



with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010).

This research study will focus on the performance of a Category B municipality within the geographic area of the Eden district, Western Cape and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. This Category B municipality has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what inspired the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude towards delivering on the municipality's ultimate goal of basic service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive working environment is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

## **1.5 Objectives of the research**

This section will explain the primary and secondary objectives which the researcher would like to achieve as follows:

### **1.5.1 Primary Objectives**

The primary aim of the research will be to determine the employees' level of trust towards their manager within the category B municipality and how this trust relationship contributes to effective and efficient service delivery. The researcher aims to achieve this by determining whether several dimensions of vertical trust, like the level of general job satisfaction, employee empowerment, communication, and management reporting

and performance management are contributing factors of effective and efficient service delivery.

### 1.5.2 Secondary objectives

The secondary aim of the research will be to establish management's perception of how they perceive the employees' trust towards the management structures. The primary reason for this additional objective relates to the view that it has become critical for management to get personally involved in managing the emotional part of its employees. This engagement is important to ignite a sense of belonging towards the Category B municipality, where employees will put renewed emphasis on the trust amongst all levels of the organizational hierarchy, which ultimately affects their loyalty towards top management.

## 1.6 Research methodology

This section provides a basic description of the proposed methodology to be adopted in order to meet the above- mentioned objectives of the study.

### 1.6.1 Research design

This study will follow a quantitative approach, using survey methodology to collect indicative data from an expediency sample of respondents. It is envisaged that questionnaires will be distributed via email to 800 employees, which are permanently employed (approximately 81.38 percent of total employment profile – permanently employed employees) at the Category B municipality of which the total employment profile is given in table 1.1 as follows:

Table1.1: Employment profile for the Category B municipality, (Source: Category B municipality, 2013)

| Occupational categories                    | Posts filled |            |          |           |           |            |          |           | Total      |
|--|--------------|------------|----------|-----------|-----------|------------|----------|-----------|------------|
|  | Male         |            |          |           | Female    |            |          |           |            |
|  | A            | C          | I        | W         | A         | C          | I        | W         |            |
| Legislators, senior officials and managers | 8            | 12         | 0        | 11        | 10        | 6          | 0        | 2         | 49         |
| Professionals                              | 0            | 1          | 0        | 4         | 0         | 0          | 0        | 0         | 5          |
| Technicians and associate professionals    | 3            | 15         | 0        | 16        | 0         | 4          | 1        | 7         | 46         |
| Clerks                                     | 5            | 28         | 1        | 18        | 8         | 18         | 0        | 7         | 85         |
| Service and sales workers                  | 8            | 40         | 0        | 9         | 20        | 72         | 0        | 25        | 174        |
| Craft and related trades workers           | 13           | 37         | 0        | 7         | 9         | 20         | 0        | 3         | 89         |
| Plant and machine operators and assemblers | 67           | 100        | 0        | 22        | 9         | 25         | 1        | 6         | 230        |
| Elementary occupations                     | 107          | 101        | 0        | 1         | 33        | 63         | 0        | 0         | 305        |
| <b>Total permanent</b>                     | <b>211</b>   | <b>334</b> | <b>1</b> | <b>88</b> | <b>89</b> | <b>208</b> | <b>2</b> | <b>50</b> | <b>983</b> |

### 1.6.2 Type of sample

A convenience sampling technique will be used as questionnaires will be distributed via email to those selected employees on one particular day. The Category B municipality used for this research study operates in the local government sector, located in the Eden District of the Western Cape Province. This Category B municipality provides basic services to the city's community and its surrounding areas. The research data will be distributed among 800 permanently employed individuals throughout the Category B municipality. A total of 983 salaried staff members are employed by the municipality, on a permanent basis. Conservatively, it is envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis.

A pilot study will also be conducted which refers to a trial administration of an instrument in order to identify flaws. The pretest will assist the researcher to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and understand what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009). The researcher will pretest the questionnaire on 10 respondents within the Finance department of the

municipality. The Finance department was chosen as the researcher is being assisted by an undergraduate student employed within that department and would lessen the administrative burden as opposed to collecting questionnaires from all over the Category B municipality.

### 1.6.3 Measuring instrument

A questionnaire will be administered to the employees to complete on a voluntary basis. It will consist of a demographic section, five standardized measuring instruments/ dimensions to measure vertical trust, and a last section where open questions are put to the respondents relating to their perception of trust within the Category B municipality. These sections are preceded by an explanation and cover letter by the researcher of what the questionnaire entails. It includes sharing the objective of the research and was combined with a voluntary consent explanation. The questionnaire will consist of a Section A, Section, B, Section C, Section D, Section E, Section F and Section G. Section A will include eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. Section B to Section F will focus on questions relating to municipal employees' perception of job satisfaction, employee empowerment, communication, management reporting and performance management and how these measures link to vertical trust. The last section relates to open questions of what the municipal employees perceive trust to be and how this is experienced within their current working environment.

Throughout Section B to Section F, respondents will be required to indicate their responses of the five measuring instruments, by using a five- point Likert scale ranging from one (1) = strongly disagree/ extremely dissatisfied to five (5) = strongly agree/ extremely satisfied. The questionnaires will then be scored, using a grid, for each of the factors (measuring instruments).

#### 1.6.4 Data analysis

Data will be analyzed using the computer software package provided by Statistical Consultation Services at the Northwest University and will be guided by Professor Faans Steyn with regards to the statistical interpretations. The empirical analysis will consist of explanatory statistics, including analysis relating to reliability, variance and correlations. Standardized differences will be analyzed in terms of effect sizes, by comparing groups with each other in terms of the mean and standard deviation of each particular group. Item analysis will be conducted on the survey by the respondents, where the coefficient alpha, mean and standard deviation of the dimensions will be calculated.

#### 1.7 Limitations of the research

While the findings of this study are clearly limited due to a moderate sample size, they do nevertheless make an initial contribution to the understanding of the nature of the relationships between the various dimensions and its link to vertical trust. Only responses to the questionnaires will be collected since circumstances and financial constraints will not allow for in-depth interviews with the respondents. Not many published research papers was evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management. However, a potentially key strength would be that a large number of employees throughout the entire municipality's organizational structure will be approached and as such, may have some valuable external validity.

Measurement error is another limitation that will influence the scope of the research. The reliability of the survey statements and the extent to which the dimensions echo the concept of vertical trust needs to be noted.

The approval by the executive management of the Category B municipality was on the condition that the research is classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher refers to this municipality as a "Category B municipality" throughout the research study.

## **1.8 Ethical considerations**

Before proceeding with the data collection phase of this study, ethical clearance was obtained from the executive management of the Category B municipality. An undertaking was given by the researcher to responsibly follow the Northwest University's Guidelines for Ethical Research as set out in the Manual for Postgraduate studies. Participation will be completely voluntary and the anonymity of the participants will be protected in the gathering and analysis of the data and presentation of the research findings.

## **1.9 Contribution of the study**

From the definitions and interpretations regarding the concept of trust, it can be said that trust between two parties is a process that takes time to emerge and evolve due to the risk of vulnerability it involves (Paliszkievicz, 2012). The researcher would aim to present managers within the Category B municipality with insight into how the Category B municipality's employee fraternity perceives the current vertical trust relationship between the two parties to be and what can be done to positively align and transform such attitudes and behaviours with effective and efficient service delivery to the community.

To this effect, there seems to be a lack of awareness from managers about the fact that their supervisory roles involve both consideration for employees and concern for tasks.

They are unaware of the dynamics in the relationships between themselves and their employees and the impact of such dynamics on the Category B municipality's core objective which is basic service delivery (Paliszkievicz, 2012). They do not take into consideration employees' feelings and perceptions and this eventually affects organizational performance. As a result, the research would like to examine how job satisfaction, employee empowerment, communication, management reporting and performance management can contribute to the employees' pursuit of being part of a culture where effective and efficient service delivery to the community is of paramount importance.

### **1.10 Layout of the research**

The mini dissertation will be presented in four chapters. The first chapter deals with the introductory aspects of the research and therefore introduces the concepts that will be discussed in the research. The chapter begins with a discussion of a general background pertaining to the research, discusses the literature review and the research methodology, provides a brief framework of the research problem, defines the scope of the research and lays down the research objectives. Furthermore, the chapter aims to provide insight into the limitations of the research. The chapter then concludes with an explanation pertaining to the structure and design of the research.

The second chapter explains the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aims to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the

conceptualization of vertical trust between employees and managers within the local Category B municipality as well as to determine whether the municipality's performance indeed has relevance to the vertical trust relationship between municipal employees and their managers.

The third chapter explains the various research methodologies which were adopted for this research. The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data will be described, which includes methods implemented to maintain reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. It will serve as an explanation of the data presentation and analysis by examining the empirical findings and discussions of the research, which stems from the data which were collected and analyzed from the respondents' questionnaires.

The fourth chapter will then summarize the research, consisting of conclusions, limitations and recommendations.

## **1.11 Summary**

The chapter aims to lay the foundation of the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. The chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the layout and design of the research.



## **CHAPTER TWO: ASSESSING PERCEPTIONS OF PUBLIC SERVANTS' TRUST IN LEADERSHIP**

### **2.1 Introduction**

This chapter focuses on the conceptual foundation of the trust relationship between local government employees and managers. The aim would be to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship as a contributing factor have on effectively delivering basic services to communities. The chapter will provide a discussion of local government and its related structures. This will be discussed through a brief history and the transformational process, the present local government structure and its institutional performance and functionality in how to effectively carry out its constitutional duties towards the communities it serve.

Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research will aim to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities. Attention will focus on the conceptualization of vertical trust between employees and managers within local government in South Africa as well as to determine whether municipalities' performance indeed have a link with vertical trust relationships between the relevant employees and managers. This will be explained within a broader perception by focusing on relevant theories of trust, which include the theories' related different types- and dimensions of trust, and influence of the trust relationship within the local government sphere.

The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

## **2.2 Local government structure in South Africa**

The Constitution of South Africa prescribes how government needs to function and identifies three spheres of government within South Africa (Education and Training Unit, 2013b), being the national government, provincial government and local government. These spheres of government are autonomous as the Constitution makes explicit provision for these spheres to be distinctive, inter-related and inter-dependent to operate according to the rules set out in the Constitution (Education and Training Unit, 2013b). The national government is the supreme law-making body in the country and the laws made by this sphere of government are applicable throughout South Africa. Provincial governments are bound by laws and policies passed at national government, but can develop its own laws and policies within this framework in order to suit its specific needs. This sphere of government may pass its own constitutions subject to the provisions of the Constitution of South Africa. Local governments consist of municipalities whose objectives are, amongst other things, to provide democratic and accountable government for local communities, to ensure the provision of basic services to communities and to promote social and economic development. (Education and Training Unit, 2013b).

The role of local government, amongst other things, is to promote a better life for all by creating jobs, alleviating poverty and is key in achieving a prosperous civilization. This research aims to explain the evolution of the local government structure in South Africa and will focus on the following aspects. First, a brief overview and the transformational process of the South African government structure will be discussed. Secondly, this will be followed by the present system of the local government in South Africa. This section will discuss the various policies that guide the South African government, the three categories in which local government functions and the challenges of community protests at the local government level. Thirdly, the research looks at the local government's functionality and institutional performance. Lastly, the research looks at

how local government seeks to build a strong foundation in the country's quest of socio-economical upliftment against issues like poverty.

### 2.2.1 Brief overview and the transformational process

Before the promulgation of the Constitution of the Republic of South Africa of 1996 and the transition to democratic local government, local authorities, as they were then known, were mere creatures of statute which were created by provincial governments (SALGA, 2013a). The foundation of the local government structure were laid as a consequence of the Anglo- South African Boer War and the development of the Union of South Africa in 1910 (Koma, 2012). History showed that the nature of the South African political system was intricately linked with the country's economy and the wealth of gold resources which saw western countries flock to South Africa to seize the opportunistic prospecting in gold mining (Koma, 2012). The cheap migrant labour system introduced cheap black labour to these mines which consequently was reformed into a system of social, political and economic control (Koma, 2012).

This cheap migrant labour system was subsequently refined into a system of apartheid where labourers were subjected to segregation and discrimination. As the economy prospered and wealth, as a consequence, were exclusively handed to white South Africans, the government wanted black labour to move to white towns and cities. Black labourers were not allowed to live in these areas which led to restrictive legislation that was passed in order to curb the movement of black people (Koma, 2012). This legislation included the Native Trust and Land Act of 1936 and the Native Laws Amendment Act of 1937 which failed to discourage black people from migrating to urban areas, where municipalities had to provide basic services for them (Development Bank of Southern Africa, 2000). With Apartheid being condemned by other countries and with sanctions imposed on South Africa due to the country's political ideologies, a national reform process began in 1990 (Smith et al., 1998). Since 1994, the South African local government sector experienced various transformational changes National

deliberation negotiated the Local Government Transition Act of 1993 (LGTA) in order to pave a process for change and provided four phases (Koma, 2012).

The first phase was the period between the passing of the Local Government Transition Act of 1993 and the first local government elections held in 1995-1996 (Smith et al., 1998). The Act focused on the political unification of municipalities that had been racially divided under apartheid and emphasized the importance of change in the political landscape and was marred by little attention given to how municipalities should be functioning. The second phase began with the first local government elections and ended with the implementation of the final constitutional model of local government in 1997. Integrated municipalities were established but were not yet fully democratically elected. The third phase began with the final constitutional model of local government in 1997 and provided for a strong and entrenched local government, although some of the constitutional provisions only took effect after the 2000 local government elections (Statutes of The Republic of South Africa, 1996). During this phase, the current municipalities were established which stemmed from the local government election on 5 December 2000. The fourth phase began with the consultative process within government, which preceded the 1998 local government White Paper. This phase focused on how local government could function within the local community. The White Paper alluded to the fact that local government needed to be “developmental”, merely stating that local governments needed to be committed to working with citizens and groups within the community, in order to find sustainable ways to meet their social, economic, and material needs and consequently improving the quality of the lives of the people (Education Training Unit, 2013c).

The Constitution of 1996 made provision for different spheres of government to exercise their powers but history indicated that government regulations had an array of procedures, structures and processes (SALGA, 2013a). Municipalities however, had a common feature as there was a lack of constitutional status whereby municipalities possessed only such rights and powers as was specifically or impliedly granted to them by the legislature. All their actions, including the passing of by-laws and administrative

actions were rendered and subjected to judicial review. Municipalities' existence was subservient to the mercy of the provinces (SALGA, 2013a). The transformation of local government, as it stood during the apartheid period, was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. The rationale was to firmly establish local government's autonomy (SALGA, 2013a). Local governments are political units or instrumentalities constituted by law (the peculiar or unique characteristics of which is their subordinate status to the central government) which have substantial control over local affairs and likewise have the power to tax. A municipality now had the right to govern, on its own initiative, the local government affairs of its respective community.

The historical overview and transformation process culminated in the present system of local government in South Africa, which will be discussed in the following section.

## 2.2.2 The present system of local government in South Africa

This section will provide an overview of the various policies which guide the local government sphere. This will be followed by an explanation of the current government structure within South Africa.

### *2.2.2.1 Policies guiding local government in South Africa*

Although national and provincial governments may oversee the functioning of local government, this must be done without impeding on the institutional integrity of that particular local government. The socio- economic backlogs and non- delivery of basic services in local government, marked by the apartheid legacies, was undoubtedly one of the reasons which led to the national reform process that began in 1990 (Pieterse, 2002). The new democratic government reformed previous legislations and policies to address issues pertaining to segregation, inequality, discrimination, poverty and to establish new transitional local governments. New institutions such as SALGA have

been established with new principles, philosophies and support mechanisms to streamline transformational local government into improved performance levels.

The introduction of the LGTA provided for transitional local government as well as for a clearly defined transition process. Other pieces of important legislation were the Development Facilitation Act which attempted to attend to the functional approach of local governments and to guide them in the direction of being more participative (Koma, 2012). The Demarcation Act also allowed for a complete review of the geographical areas of jurisdiction of local governments and to ensure that every area of South Africa falls under a democratically elected local government (Koma, 2012). From a governance point of view, the above-mentioned acts could evidently be seen to have steered the way in allowing the current elected, fully democratic and demarcated municipalities to begin functioning in democratic and development orientated manner after 2000 (Koma, 2012). These acts were a direct consequence of how the South African Constitution unambiguously provided for what role local municipalities may fulfill and how they could execute its legislative authority and powers. These local municipalities would then autonomously take control over local affairs and other community concerns. Municipalities would provide essential and emergency services effectively and efficiently to respective communities as well as to improve the general welfare of those same communities.

With the twenty first century approaching, the Department of Provincial and Local Government (DPLG) initiated and implemented a strategic plan in order to improve social development and economic growth, through a multi-disciplinary approach (DPLG, 2013). This multi-disciplinary plan is known as the Integrated Development Planning (IDP), and a process through which municipalities prepare a strategic plan containing short, medium and long-term development objectives, strategies and programmes for the municipal area (DPLG, 2013). The IDP aims to enable municipalities to collectively engage with communities and other stakeholders, in order to find innovative and cost effective ways of alleviating poverty and simultaneously growing the local economy. The focus of this initiative was efficient and effective coordination, as reflected in

decentralized development planning and integration, between the three spheres of government (SALGA, 2013a). The initiative was also aligned to the South African Constitution of 1996, which enshrined the notion of cooperative governance and government as one entity, consisting of three inter-dependent spheres on the one hand, and creating a capable local government with a unique and specific developmental role on the other hand.

#### *2.2.2.2 The local government structures in the current political environment*

Chapter 7, Section 155 - 157 of the new South African Constitution of 1996 (Statutes of The Republic of South Africa, 1996), explicitly mandates the municipalities' constitutional responsibility for the delivery of a range of basic services to local communities and by doing so, work towards sustainable development. Responsibility towards basic service delivery (provision of water supply, sewage collection and disposal, refuse removal, electricity and gas supply, municipal health services, municipal roads and storm water drainage, street lighting, municipal parks and recreation) and local economic development in South Africa are therefore the key focus areas of local government. The Constitution further allocates the functional areas of local government competency in Schedules 4B and 5B. The Municipal Structure Act (Act 117 of 1998) reiterates the introduction of three main types of municipalities as indicated in Table 2.1.

Table 2.1: Three categories of municipalities in South Africa, (Source: SALGA, 2013a)

| Municipal Category                    | Explanation of such category  |
|---------------------------------------|---|
| Category A: Metropolitan Municipality | A municipality that has exclusive municipal executive and legislative authority in its area.  |
| Category B: Local Municipality        | A municipality that shares municipal executive and legislative authority in its area with a Category C municipality within whose area it falls. |
| Category C: District Municipality     | A municipality that has municipal executive and legislative authority in an area that includes more than one municipality.                      |

The South African government's approach to all other levels of government is that of the developmental state (Potgieter, 2012). A developmental state plays an active role in guiding economic development and using the resources of the country to meet the needs of the people, by finding a balance between economic growth and social development (Education Training Unit, 2013c). This is accomplished by using state resources and state influence to attack poverty and expand economic opportunities.

The collective goal of creating South Africa as a developmental state, where the quality of life is high, needs to be entrenched. Constructing the country as a developmental state is important to create a framework to address the socio-economic challenges, enhancing economic growth and reducing unemployment (Potgieter, 2012). South Africa, as a developmental state, should provide basic services and restore the Apartheid legacy, but at the same time it needs to align its policies to foster economic development. Potgieter (2012) suggested that in order to address the issues stated



above, bureaucratic competence and economic planning are of the essence but however seems to lack in the current state of government.

The developmental mandate of local government is currently channeled through metropolitan municipalities in the eight largest urbanized and industrialized centers in the country. Metropolitan areas are large urban areas with high population density, an intense movement of people, goods and services, extensive development and multiple business district and industrial areas (SALGA, 2013b). These municipalities are charged with addressing the key challenges outlined in the White Paper on Local Government, namely the legacy of urban apartheid, by establishing a basis for equitable and inclusive metropolitan governance and development (Pieterse, 2002). There are six metropolitan councils in South Africa and they may have up to 270 councilors, appointed for five years (Education and Training Unit, 2013a). They have legislative competence over all the areas listed in Schedules 4B and 5B (Statutes of The Republic of South Africa, 1996).

Outside the metropolitan areas, the local government mandate is pursued by the other two-tier local government - 228 local municipalities grouped into 44 district municipalities, sharing the functional competencies listed in Schedules 4B and 5B (SALGA, 2013a). The responsibilities between the two categories of local government is prescribed by the Municipal Structures Act of 1998, and must take into account the need to provide municipal services in a fair and sustainable manner (The Republic of South Africa, 1999). The Act does so by allocating district municipalities' functions with those not listed and falling in the scope of local municipalities. Local councils exist in smaller cities and towns and have between three and ninety councilors (SALGA, 2013a). Local councils with seven or more councilors have wards. There are 232 local councils. The greatest rationalisation of local authorities occurred in the Category B municipalities. District councils cover a wider geographic area than local councils and areas of lower population density. The long-term goal of the district councils is to enable better regional planning and bulk infrastructure delivery (COGTA, 2009c).

Within each of the categories of municipalities, the Municipal Structures Act allows for diversity in the manner in which a municipality is organised and managed (The Republic of South Africa, 1999). The transformational change of South Africa from a society plagued by discrimination and disparity, into a constitutional democracy continues to pose particularly profound challenges at local government level (Potgieter, 2012). Research studies indicated that it is within local government that acute imbalances in personal wealth, physical infrastructure and the provision of services are often most obvious as a result of community unrest and protests (The Institute for Democracy in Africa, 2010). These consequences of such socio-economic imbalances are due to communities' frustration towards their stagnant impoverished circumstances (Karamoko & Jain, 2011). Protesters often cite the lack of accountability of government officials, along with the absence of public participation as factors that further aggravate their basic service delivery complaints. A brief overview of such protests is given in paragraph 2.2.3. The data suggests that these protests are likely to increase if communities feel that they are being let down by promises of improved social and economic wellbeing by government (Karamoko & Jain, 2011).

Poverty is a challenge of which municipalities are confronted with daily. A large part of the burden of addressing this falls upon local government, as it is the provider of primary services which are essential to the dignity of all who live in its area of jurisdiction. Thus, local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa (SALGA, 2013a). It is therefore a key mandate of local government (with the support of provincial and national government) to eliminate the disparities and disadvantages that are a consequence of the policies of the past and to ensure, as rapidly as possible, the upgrading of services in the previously disadvantaged areas, so that equal services will be provided to all residents (SALGA, 2013a). The success of eliminating these disparities can start by a strong focus of transparent communication between the community and councilors, community participation, unfunded mandates and political management - managing expectations, pressure groups, roles played by municipal leadership and councilor/administrative issues (Mathekga & Buccus, 2006).

Local government has an obligation to work towards the realization of its philosophy of being a developmental state, by eradication of extreme poverty and hunger, achieving universal primary education, promoting gender equality and empower women, reducing child mortality, improving maternal health, ensuring environmental sustainability, and developing a global partnership for development (The Institute for Democracy in Africa, 2010). The commitment from local government to deliver on the above social and economic development requires resolute effort and a more coordinated approach (Potgieter, 2012).

### 2.2.3 Service delivery challenges faced by municipalities

Taking cognizance of the above background, local government stands to inherit growing responsibility for basic service delivery, primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government activity (Mathekga & Buccus, 2006). Local government is also marred by some dramatic deficiencies in terms of its capacity and structure to meet those demands of basic service delivery. These deficiencies led to an array of service delivery protests throughout South Africa as indicated in a 2011 research study conducted, to establish the causes associated with the protests, as perceived by affected municipalities (Karamoko & Jain, 2011). Community protests are seen as protests where communities oppose the pace or quality of service delivery by their municipalities (Karamoko & Jain, 2011). The study found that the frequency of community protests across South Africa increased significantly between 2007 and 2009, and then fell dramatically from June 2010 until 2011. Figure 2.1 indicates the trend.

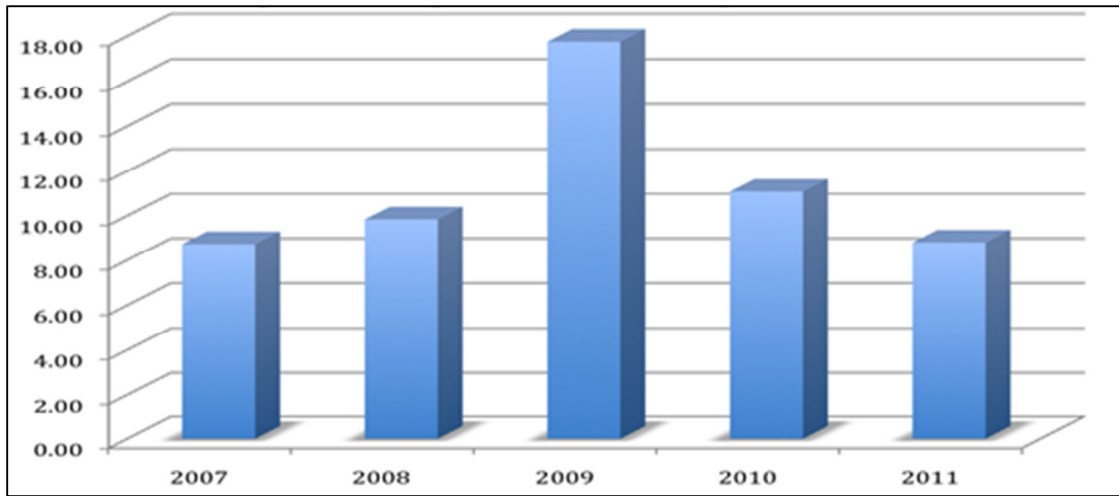


Figure 2.1: Average number of protests per month, 2007 – 2011, (Source: Karamoko & Jain, 2011)

The global financial crisis and the subsequent economic recession at large may have hampered the ability of local governments to adequately provide residents with basic services. This may have contributed negatively on the financial security of South Africans (unemployment and reduced savings) and could be an explanation for the escalating frequency of protests between 2007 and 2009, with a subdued frequency of protests culminating between 2010 and 2011 (Karamoko & Jain, 2011). Basic service delivery protests could not be solely attributed to lack of basic service delivery by municipalities, but is potentially complicated by the migrational flows of the population across South Africa (SALGA, 2013b). More protests occurred in areas where municipal performance progress has been made as opposed to areas where backlogs are more significant e.g. rural areas. This referred to a crucial question of whether local governments and their administrations are undoubtedly capable of fulfilling their mandate, as enshrined in the Constitution (Atkinson, 2003).

An unprecedented wave of popular and violent protests has flowed across the country since 2007 (Karamoko & Jain, 2011). Protesters explained that they took to the streets because there was no way for them to get to speak to government, let alone to get

government to listen to them (SALGA, 2013b). Government's faith in local government, as the sphere that is closest to people and the delivery arm of the state, is not shared by citizens (Powel, 2009). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000. The above is substantiated in a survey undertaken by the Institute for Justice and Reconciliation in 2011, which shows that only 43 percent of South Africans actually trust local government (Mdletshe, 2012). This is compared with more positive evaluations of provincial government (56 percent), national government (65 percent), parliament (61 percent) and The Presidency (65 percent). Confidence remains far lower in this sphere of government than at the national or provincial levels. The survey also revealed that the percentage of South Africans who believe they can trust national leaders to do what is right has fallen from 58 percent in 2010 to 51 percent in 2011. Trust in local government has never again reached its highest levels as recorded by the South African Reserve Bank survey at 50% in 2006 (Mdletshe, 2012).

While the causes of the protests differ from one province to the other and from one municipality to the other, in all instances people want to be heard and to be taken seriously (Karamoko & Jain, 2011). The protesters are aware that they are citizens with rights and that they should be treated accordingly to what is enshrined in the Constitution of 1996. This is contrary to local government legislative framework which underpins local governance and popular belief that some form of stakeholder involvement in decision-making is necessary in planning on issues that affect people's lives (Powel, 2009). Corruption, financial mismanagement and non-compliance with financial legislation are common in most municipalities. Consequently, this results in poor performance, thus the delivery of social services is compromised (Powel, 2009). Another factor undermining the performance of municipalities is the availability and shortage of the required skills (COGTA, 2009c). The State of Local Government in South Africa Report 2009 referred to a situation where the skills deficit within municipalities remains a major challenge (COGTA, 2009a). Municipalities lack the managerial, administrative, financial and institutional capacity to meet the rising needs

of the local community. This situation is exacerbated by the decline of municipal professionals and poor linkages between local government and tertiary education sector. As a result, these municipalities cannot meet their required performance standards, hence impacting adversely on the delivery of services.

#### 2.2.4 Local government functionality and institutional performance

The aims of a democratic society and a growing economy can only be attained through a responsive, accountable, effective and efficient structure within local government. When the Ministry of Provincial and Local Government was disbanded and replaced by the COGTA in 2009, the new ministry implemented The Local Government Turnaround Strategy (TAS) and emerged from COGTA's assessment of local government in 2009 (COGTA, 2009a). The department found that, while local government embraced democratization, the municipal structure lacked key performance areas like the inability to eliminate huge service delivery backlogs, breakdown in council communication with and accountability to communities, political interference in administration, corruption, fraud, bad management, increasing violent service delivery protests and a depleted municipal capacity (COGTA, 2009a). This was symptomatic of systematic problems in local government and cooperative governance (COGTA, 2009c).

The national government's aim was to improve overall access to basic services for all households by 2014 (COGTA, 2009b). Despite various challenges, significant progress was made (COGTA, 2011a): 93 percent of the population has access to a basic level of water; 73 percent of households have access to electricity; 67 percent have access to basic sanitation; and 59 percent to once a week refuse removal.

Improving financial management and administrative capacity is closely linked to improved service delivery (COGTA, 2009b). This was substantiated by the poor state of financial management in municipalities, culminating in perennial poor audit outcomes based on the audits performed by the Auditor General between 2009 and 2011 (Auditor General of South Africa, 2012). This was particularly alarming, given the annual budget allocation allocated by the National Treasury Department to the respective local governments. From the table below, it is evident that substantial amounts are

transferred to local government in order to allow for sufficient financial resources to deliver on basic services to communities.

Table 2.2: National grants to local government, 2009/10 – 2015/16 (Rmillion)

| R million  | 2009/10       | 2010/11       | 2011/12       | 2012/13          | 2013/14               | 2014/15       | 2015/16        |
|--|---------------|---------------|---------------|------------------|-----------------------|---------------|----------------|
|  | Outcome       |               |               | Revised estimate | Medium-term estimates |               |                |
| <b>Direct transfers</b>                                    |               |               |               |                  |                       |               |                |
| Equitable share and related                                | 23 845        | 30 541        | 33 173        | 37 373           | 40 582                | 44 490        | 50 208         |
| General fuel levy sharing with metropolitan municipalities | 6 800         | 7 542         | 8 573         | 9 040            | 9 613                 | 10 190        | 10 659         |
| Infrastructure   | 18 699        | 20 871        | 24 643        | 28 029           | 31 132                | 33 698        | 37 121         |
| <b>Capacity building and other</b>                         | <b>2 194</b>  | <b>1 951</b>  | <b>1 862</b>  | <b>2 586</b>     | <b>3 324</b>          | <b>3 201</b>  | <b>3 482</b>   |
| <b>Subtotal direct transfers</b>                           | <b>51 537</b> | <b>60 904</b> | <b>68 251</b> | <b>77 028</b>    | <b>84 651</b>         | <b>91 579</b> | <b>101 469</b> |

(Source: National Treasury: Republic of South Africa, 2013)

The table above indicates an increase in direct transfers from National Treasury to local governments increased by 49.5 percent between 2009/10 and 2012/13 (National Treasury: Republic of South Africa, 2013) and was significantly more than the average inflation rate of 5.5 percent, during that period (Statistics South Africa, 2012). The above inflation increases is illustrated by the annual aggregate increases in direct transfers below (National Treasury, 2013; Statistics South Africa, 2012):

- 2010/11: 18.18 percent as opposed to average inflation of 4.3 percent;
- 2011/12: 12.07 percent as opposed to average inflation of 5.0 percent;
- 2012/13: 12.86 percent as opposed to average inflation of 5.6 percent.

The researcher suggests that, from these amounts of funding allocated to local municipalities, the responsibility lies with accounting officers within the various local governments to manage these funds with accountability and in accord with the legislation uttered in the Municipal Finance Management Act (MFMA). Corporate governance, in terms of the MFMA, is of paramount importance and was also reiterated in the 2011 report by the Auditor General of South Africa (Auditor General of South

Africa, 2012). The table below summarizes the 2010 – 2011 audit outcomes of the 283 municipalities that were audited.

Table 2.3: Auditor General’s consolidated general report on local government audit outcomes, 2010 – 2011, (Source: Oberholzer, 2012)

| Audit outcomes  | Municipalities |             |
|---|----------------|-------------|
|   | 2010 - 2011    | 2009 - 2010 |
| Financial unqualified with no findings                            | 13             | 7           |
| Financially unqualified with findings                             | 115            | 122         |
| Financially unqualified financial statements                      | 45%            | 46%         |
| Qualified opinion, with findings                                  | 53             | 61          |
| Adverse opinion, with findings                                    | 7              | 7           |
| Disclaimer of opinion, with findings                              | 55             | 77          |
| Number of audit reports not issued by 31 January 2012             | 40             | 9           |
| Outstanding audits and financially qualified financial statements | 55%            | 54%         |
| <b>Total number of audits</b>                                     | <b>283</b>     | <b>283</b>  |

*\*Definitions of audit outcomes are provided in list of terms and definitions*

This table indicates a modest progress in achieving the objectives of what is prescribed under the MFMA for achieving clean financial audits. An entity that has a clean financial audit opinion has strong financial management, sound internal controls and a robust budgeting process (The South African Institute of Chartered Accountants, 2013). According to the table, less than five percent of all municipals achieved the required benchmark (Oberholzer, 2012). The remaining results and performances of the other municipalities may be a catalyst for municipalities not functioning at their optimum capacity in terms of service delivery. The figure below provides a breakdown of



provincial performances, with Kwazulu Natal leading the way with 85 percent of its 61 municipalities achieving unqualified or better audit opinions. Western Cape achieved 74 percent and Gauteng 60 percent. The Northwest Province had the worst performance with only eight percent unqualified audit outcomes. A total of 63 percent of its municipalities did not submit financial statements on time (Oberholzer, 2012).

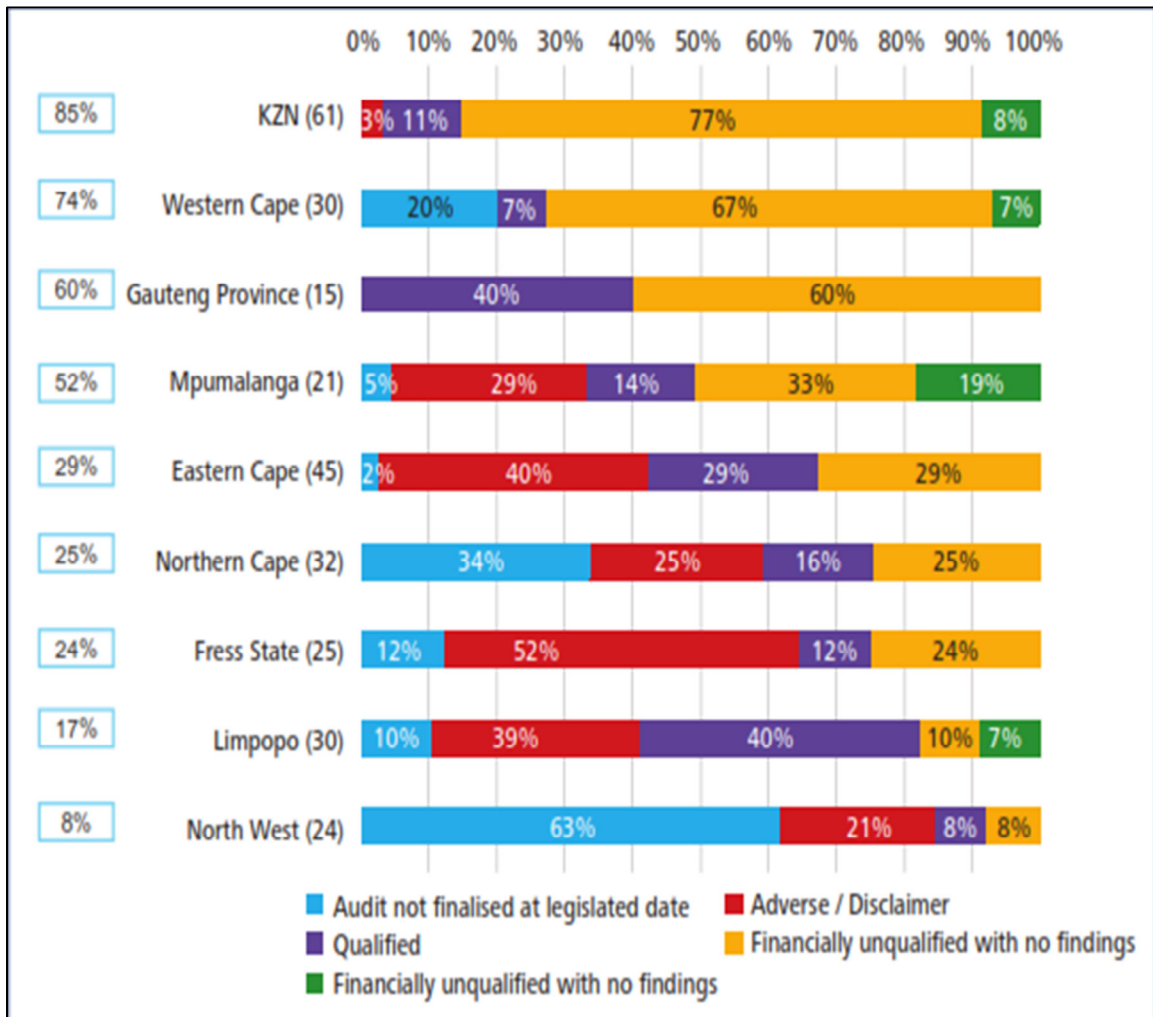


Figure 2.2: Provincial breakdown of the Auditor General's consolidated general report on Local Government audit outcomes, 2010-2011, (Source: Oberholzer, 2012)

From this appalling performance by local municipalities, one would assume that the trust relationship within such municipalities may erode over time. Research

(Lyman, 2012) indicated that employees who trusted their managers had a 42 percent higher return on shareholder investment and performance than organizations in which distrust was the norm. When trust erodes, morale declines, performance plummets and employees become detached from the organization and management (Reina & Reina, 2007). The figure above would assume that service delivery backlogs and public violent protests against the lack of service delivery are mostly prevalent in those areas where financial mismanagement is rife. Karamoko and Jain (2011) suggested the contrary because such protests are predominantly in provinces where corporate governance relating to financial management, was applauded by the Auditor General of South Africa (Auditor General of South Africa, 2012). Irrespective of the above phenomenon, SALGA, as a conduit to alleviate service delivery protests, re-iterated the lack of proper investment in people, the lack of technical, management and leadership skills, the lack of defined minimum competencies for critical positions, and the impact of undue political interference in management decisions (SALGA, 2013a).

Management challenges contribute significantly to the current service delivery backlogs in South Africa. These are estimated at 19.3 percent in water backlogs, 32.6 percent in access to sanitation, 27.3 percent in access to electricity and 40.1 percent in access to refuse removal (Oberholzer, 2012). Although the reasons for service delivery protests are often complex, these backlogs certainly contributed to the perceptions of poor service delivery and the consequent civil unrest, as evidenced by more than 200 service delivery protests during the last few years. In addition, a synopsis of the provincial audit outcomes illustrates that, apart from Kwazulu Natal, Western Cape and Gauteng, there is increasing concern in the remaining provinces due to (Oberholzer, 2012):

- The number of disclaimers, adverse or qualified audit opinions remained at a very concerning 47 percent;
- Forty municipalities were not yet audited due to their failure to submit annual financial statements on time, with the majority of these unlikely to receive a favourable audit outcome. The percentage poor outcomes are therefore likely to move to around 54 percent, the same level as the previous year;

- Only 45 percent of municipalities achieved at least a financially unqualified audit opinion (the same as in the previous year); and
- Only 13 clean audits in the country, i.e. fewer than 5% of municipalities achieving the required benchmark

In contrast to the general perception that municipalities lack the ability to fulfill its mandate in providing basic services as stated in the Constitution, the figure above shows that South Africa has a number of examples of effective, efficient and sustainable municipalities (Auditor General of South Africa, 2012). A strategy for a sustainable turnaround within local government is non-negotiable in order to assure better service delivery within local governments. At least four key priorities can be noted (Oberholzer, 2012):

- Performance management for the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. Research indicated that more and more managers within the public sector are not being evaluated based on performance (Kitshoff, 2013);
- Develop an organizational culture to establish a people-centered culture of service delivery and customer care. Being a municipal employee should be about serving the community and not about entitlement and power. Encourage and reward innovation and initiative that improve service delivery;
- Ensure that planning, governance structures, people, processes, systems, infrastructure and oversight mechanisms are optimal and aligned to the mandate, as defined by a realistic IDP and applicable legislation;
- Financial sustainability and management to sustain economic and financial viability and the prosperity of the municipality. This would be imperative in facilitating growth of the local economy and the creation of jobs.

In order for any municipality to be accountable for delivering a basic human right towards local communities, as stipulated in the Constitution of 1996, it is imperative that the relationship between the internal stakeholders of the local municipality is sound. A conducive environment must be created for public servants to perform their duties and

adhere to the key deliverables (Atkinson, 2003). The relationship between the internal stakeholders is identified as the municipal employees and the managerial structures within the municipality. Den and Wang (2009) implied that it is important to establish the link between the employees' job satisfaction, communication and management strategies of their managers and encouragement towards performance excellence unilaterally have an influence on the employee's trust in their managers.

### 2.2.5 The case for building a strong local government sphere

Providing basic local administration has become one of a vast variety of priorities for all municipalities within the South African context. Municipalities need to be instrumental in South Africa's socio- economical upliftment against issues like poverty and underdevelopment because government policy requires municipalities to play a developmental role. In order for local municipalities to be at the forefront of such a socio- economical upliftment process, it must be committed to engage with all stakeholders in the communities to find ways to improve the quality of lives in the respective communities. It should especially target those within communities that are marginalized or excluded, such as women, disabled people and very poor people (Smith et al., 1998). The legacy of Apartheid created enormous challenges for local municipalities in meeting basic human needs, addressing past backlogs and problems caused by Apartheid planning, and planning for a sustainable future. They can only achieve this by working together with local communities and businesses, and adopting a developmental approach (Potgieter, 2012). This implies that municipalities must have policies and institutional frameworks that support and sustain the development and fundamental rights of local people and be geared to promote good governance (The Institute for Democracy in Africa, 2010). The fundamental goal of a democratic system is citizen satisfaction.

The effectiveness of good local governance may rely on the capacity of local government structures, participative of municipal leadership and employees, to provide

an integrated development approach to social and economic development issues and to supply essential services congruent with the needs and desires of the local communities (The Institute for Democracy in Africa, 2010). Municipalities need to be in a position to identify and prioritize local needs, determine adequate levels of services and allocate necessary resources to the public (COGTA, 2009c). South Africa has taken a significant and positive stride towards the promise of developmental local government (COGTA, 2011a). Most municipalities are still plagued by significant challenges. One key issue is the internal organizational environment in which local municipalities encourage effective basic service delivery (Oberholzer, 2012). Local government is the least trusted of all public institutions in the country and that has been the case since the first elections in 2000 (Powel, 2009). Low levels of trust may cause communities not to perceive local government as credible.

The test would be to see how the employees' perception of local government influences the trust relationship between employees and managers in the local government sphere. Research conducted (Hitch, 2012) acknowledged the benefit of trust within a working environment. In organizations where high level of trust is embraced, employees would experience others, particularly management, as credible. Employees would believe what managers say are true and have confidence that the actions of those managers will remain consistent with their words and actions. This is underpinned by employees' conviction that managers are ethical within the working environment (Lyman, 2012). Within high trust organizations, employees would experience a vast amount of respect and is shown through managers' support of their employees' professional growth and the consideration of employees' ideas in decision-making processes. Lyman (2012) suggests that employees in such organizations believe they are treated fairly, regardless of their position within the organization. These organizations cooperate well across departments and hierarchies, and seek unbiased solutions to difficult circumstances.

From the above, it would be fair to assume that through trust, a self-fulfilling prophecy is nurtured, which is any positive or negative expectation about circumstances, events, or

people that may affect a person's behaviour towards them in a manner that causes those expectations to be fulfilled (Bearman & Hedstrom, 2009). Trusting and feeling trusted are a mutually interactive process, embracing attitude and satisfaction (Lyman, 2012). The moment when employees feel trusted by managers, they believe that the managers will give them fair treatment, respect, and probably more resources or more opportunities, which will satisfy both their physical and spiritual needs (Lau et al., 2007). This may be that they may have greater satisfaction with their manager (Wang et al., 2008). Specifically, one has to do something to give people the conviction they need to believe that one should be trusted. Trust may also be earned through interaction, varying from a simple conversation between co-workers, a five-minute chat in the break room between a manager and employee, or teamwork among co-workers to complete a project. Lyman (2012) stated that modest interactions ultimately convey the willingness on the part of one person to do something that is to the benefit of another person's well-being. It can be through a person's action and interaction that others can assess whether that person can be trusted (Hitch, 2012).

### **2.3 The case of a Category B municipality**

Research (Karamoko & Jain, 2011) conducted over a period between February 2007 and May 2010, indicated that Gauteng accounted for 31.46 percent of the protests in South Africa. The Western Cape accounted for 17.05 percent of such protests, while the Northwest Province accounted for 11.09 percent. The Eastern Cape, Kwazulu-Natal and Mpumalanga contributed 11.09 percent, 9.27 percent and 7.95 percent, respectively. Limpopo, Free State, and the Northern Cape were relatively minor contributors, accounting for 5.30 percent, 4.97 percent and 1.82 percent protests across the country. Figure 2.3 below illustrates:

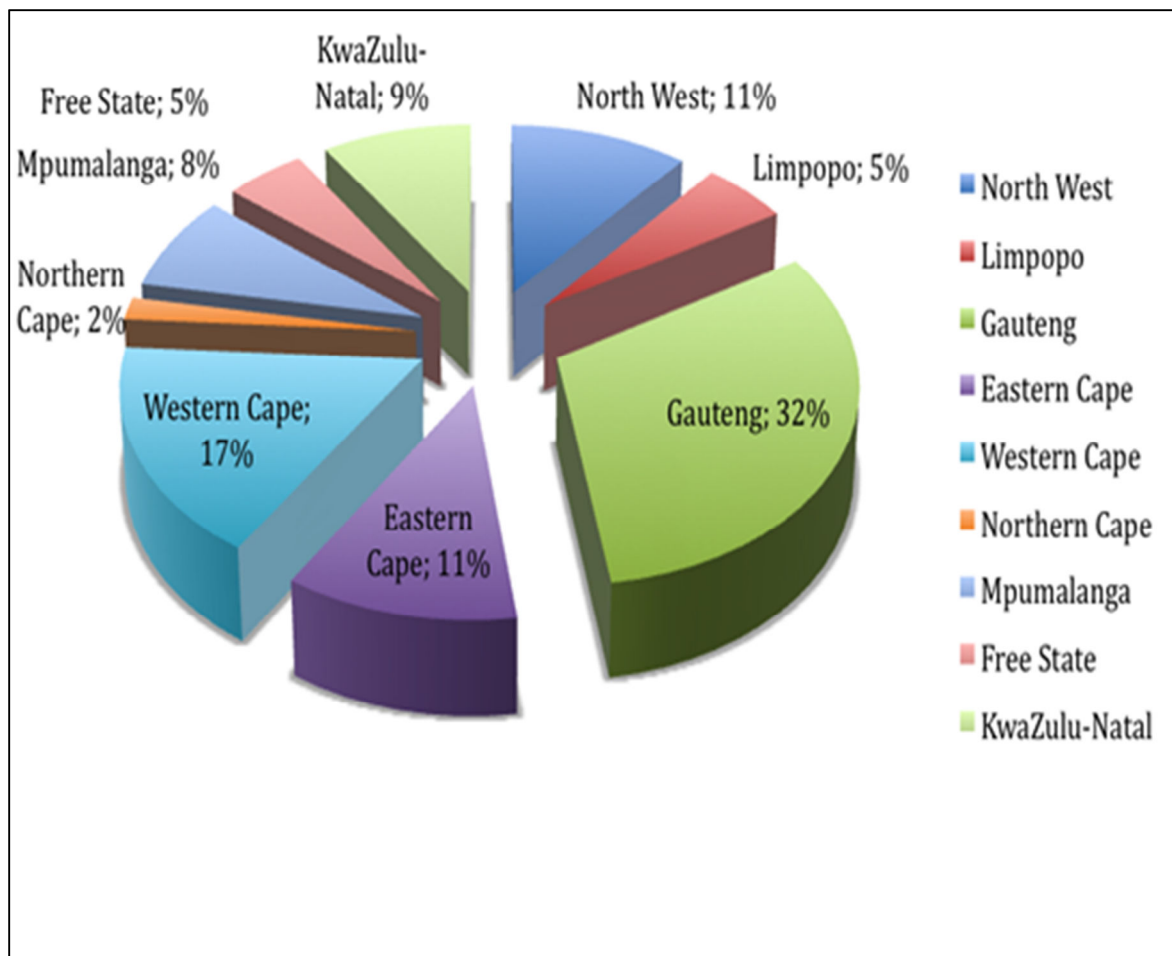


Figure 2.3: Protests by province – February 2007 to May 2010, (Source: Karamoko & Jain, 2011)

Figure 2.4 further reiterates the frustration from communities against the lack of basic service delivery from municipalities. The figure indicates that lack of housing, poor sanitation and water supply, provision of electricity, which form part of the fundamental constitutional right within the country's Constitution, were the main reasons for such protests.

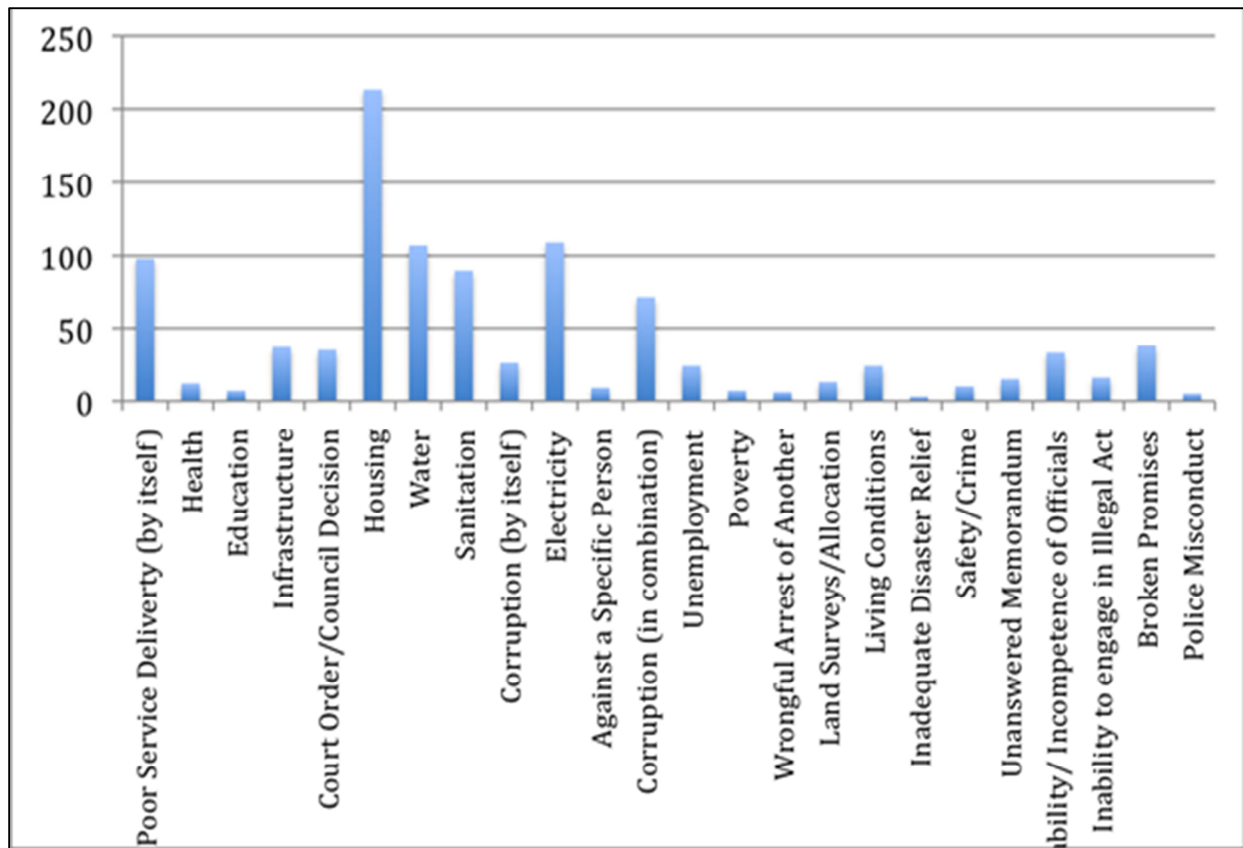


Figure 2.4: Reasons for Protests in South Africa – February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

With the Western Cape and Gauteng Provinces collectively accounting for 49 percent of the protests nationwide, the distribution of protests within these areas indicates that informal settlements on the fringes of urban areas would take part in protests (Karamoko & Jain, 2011). This research also illustrated a breakdown of protests within the Western Cape, which is divided into one metropolitan municipality and five district municipal areas. The majority of these protests occurred within the Cape Town metropolitan municipality. Figure 2.5 illustrates the above.



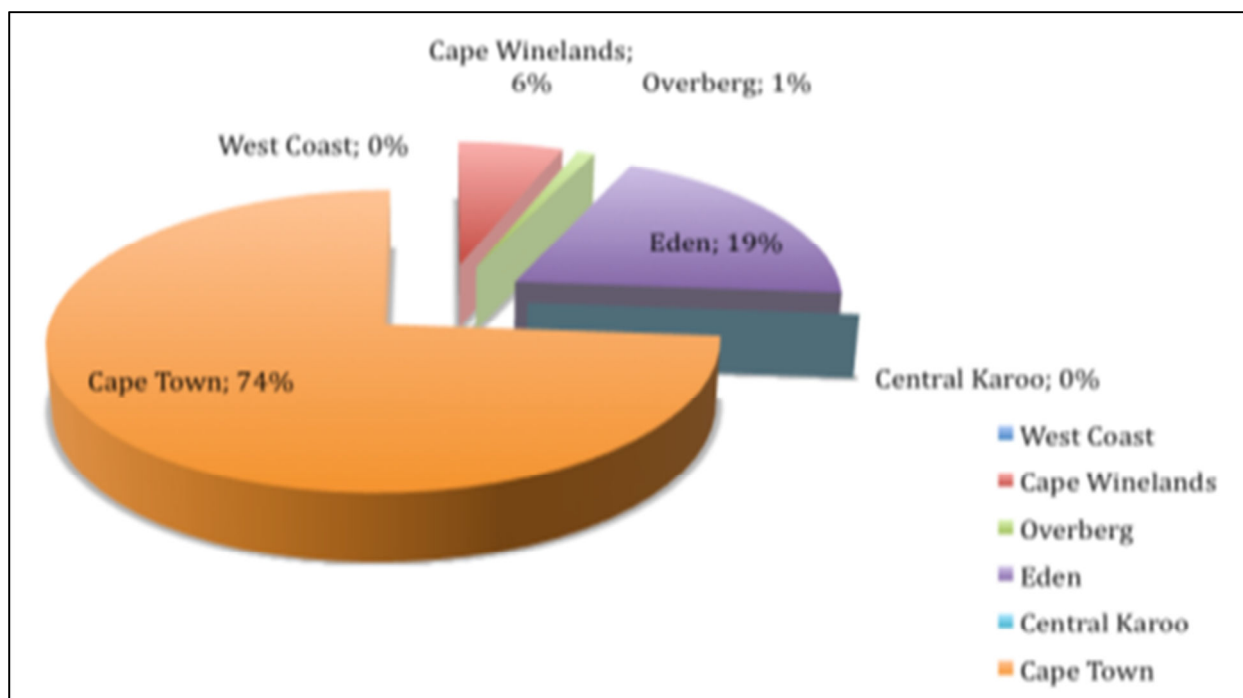


Figure 2.5: Protests by district in the Western Cape -February 2007 to May 2011, (Source: Karamoko & Jain, 2011)

The figure illustrates that such protests were predominantly concentrated within urban areas and was fuelled by protests within informal areas like Nyanga and Khayelitsha. The Eden District, which includes the Category B municipality under discussion, experienced the second highest protests with the majority of those protests occurring within the Plettenberg Bay and Mossel Bay municipalities (Karamoko & Jain, 2011). Various research (Karamoko & Jain, 2011) from the South African Media News Database, suggested that community protests have actually become more common where communities experienced improved service delivery. While these communities were previously on the fringes of South Africa and did not see the government as a realistic contributor to their welfare, the heightened expectations that came with initial improvements in service delivery often resulted in disappointment. The above revelations confirm that one may be oblivious to assume that there is a positive relationship between service delivery protests and the financial performance audit outcomes presented by the Auditor General of South Africa, as illustrated in the five year progress chart below.

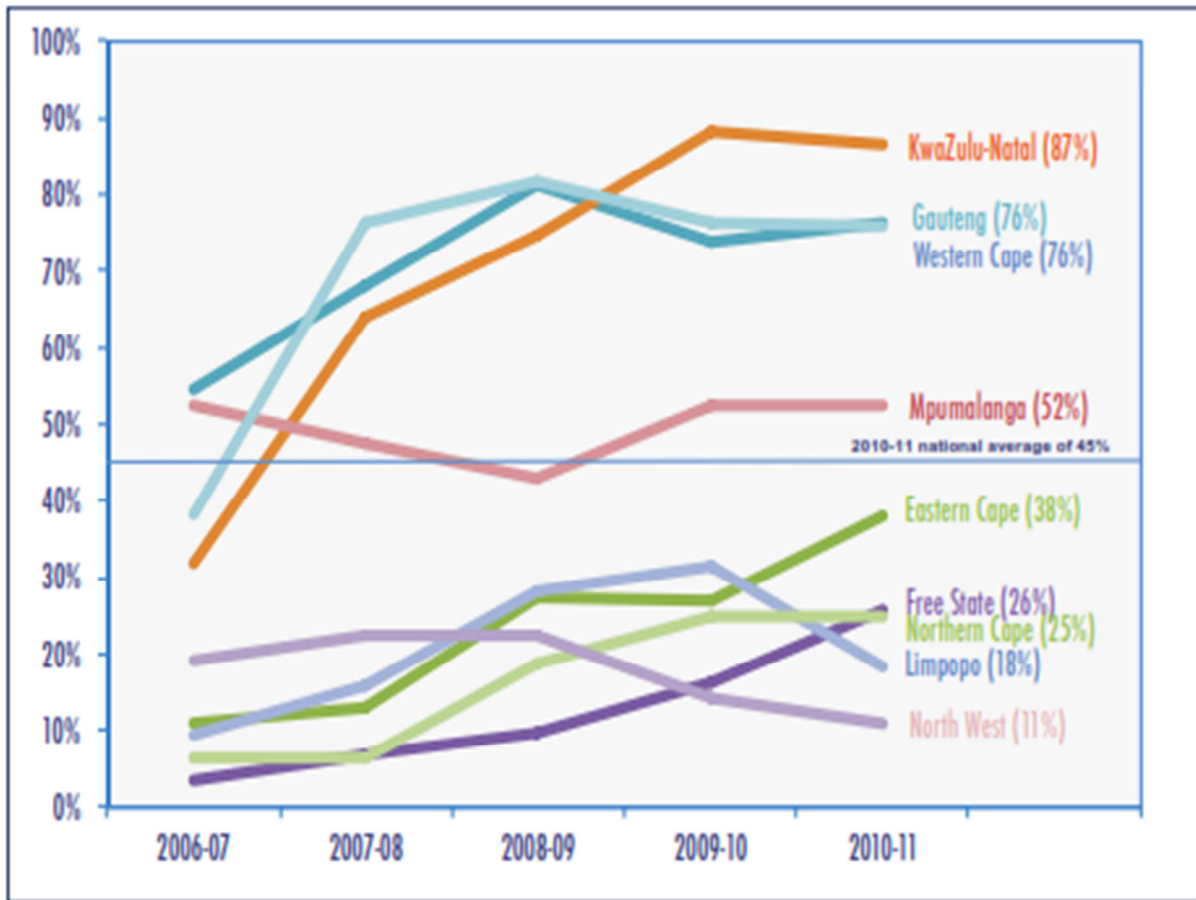


Figure 2.6: Province's five- year progress towards financial unqualified audit opinions, (Source: Auditor General of South Africa, 2012)

Where the assumption would be that service delivery protests would be rife in provinces like Eastern Cape, Northern Cape and Northwest Province, research in 2011 implied the contrary to this effect because protests in excess of 49 percent occurred in the Western Cape and Gauteng provinces alone, over the same five year period (Karamoko & Jain, 2011), compared to the five year progress towards financial unqualified audit figure above. In order to subscribe the municipality's performance to various factors, it would be prudent to ascertain what core values inspire the municipality to get such accolades and how employees are inspired to participate in realizing such achievements (Mackey, 2010). The perception of managers' belief in employees' attitude

towards delivering on the municipality's ultimate goal of service delivery, may depend on whether employees trust the judgment of their competent managers. This may be achieved where a conducive culture is nurtured and valued whereby transparent relationships must be embraced by showing care and concern for one another (Lyman, 2012).

Accordingly, this research study will focus on the performance of Category B municipalities within the geographic area of the Western Cape, and how the vertical trust relationship between employees towards managers and the subsequent performance of the municipalities would influence effective service delivery. A Category B municipality within the Eden district was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The study aims to test the importance of trust by employees towards management as it was found to be a significant forecaster of employees' job performance and the community's satisfaction with the status quo for the past few years (Category B municipality, 2013). As this is a public sector institution with a vast diversity of employees (in excess of 1000 employees) from various demographics, this study will focus on employees' perception of trust towards managers. The study will seek to construct a conceptual framework of how management's engagement with employees in terms communication, job satisfaction, management reporting and sense of empowerment can influence vertical trust. Lastly, the study will attempt to find whether these factors of vertical trust are contributing factors of the accolades received due to continuous improvements in service delivery over the last few years.

From here onwards, the concept of trust will be contextualized by focusing on vertical trust and five dimensions, as indicated in Appendix A.

## 2.4 Trust: A theoretical perspective

The discussion that follows will focus on various literatures relating to trust. This will be explained within a broader perception by focusing on relevant theories of trust. This includes the theories relating to different types and dimensions of trust, and influence of the trust relationship within the local government sphere. The theories of trust will revolve around the theoretical aspects and the concept of vertical trust. Based on the theoretical description, an analytical framework based on various categories, was used to ascertain whether trust indeed is a contributing factor which influences effective service delivery within a local municipality.

### 2.4.1 Trust as a concept

Research studies (Seppanen et al., 2007) referred to various definitions of trust where the majority of these definitions describe it as a state, belief or a positive expectation. Trust can be the willingness of one party to be vulnerable to the actions of the other party. This is based on the expectation that the one party will perform a particular action important to the other party, irrespective of the ability to monitor or control that other party (Schoorman et al., 2007).

Various definitions implied that trust (Paliszkievicz, 2012):

- is expressed as an optimistic expectation on behavior of a person;
- occurs under the state of vulnerability to the interests of the individual;
- depend upon the behaviour of other people;
- is associated with willingness, cooperation and the benefits, resulting from that cooperation.

From the above, trust can be defined as the willingness to increase the resources invested in another party, based on positive expectations resulting from past positive mutual interactions (Tzafirir & Clegg, 2007). Trust is a conviction by both parties to never act in a way that brings detriment to the other party or to take advantage of their

weaknesses (Colquitt et al., 2007). This study found that the definition of trust is applicable to circumstances where the object of trust is a person or an institution. Trust relates to favourable expectations of the behaviour of another which stems from another's trustworthiness, which relates to the benevolence, ability and integrity of a trustee (Mayer et al., 1995).

The mutual interaction of the trust relationship between two or more parties is determined by the intensity, quality and durability of human interactions and is a function of the interactions between people in different organizational roles and positions (Houtari & Iivonen, 2003). Trust in one's manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager (Mulki et al., 2006). The literature refers to an unwritten psychological contract that lays the foundation of a trust relationship between employees and managers. It describes the beliefs about what employees think they are entitled to receive or should receive because they perceive that their employers conveyed promises either implicitly or explicitly to provide these things (Grobler et al., 2006).

Research (Grobler et al., 2006) also suggested that managers who embrace and uphold this psychological bond with their employees, promote employees' trust in management and foster higher job satisfaction and the intention to improve performance. In order for this bond of trust to be in effect, managers must entrench a conducive environment of trust which should be visible and experienced by every employee (Coetzee, 2003). Employees' perceptions of their managers' trust is based on benevolence, integrity, ability, openness to share information and consistency of behaviour (Mayer et al., 1995; Bagrain & Hime, 2007). Managers who express these characteristics will install high level of trust with employees (Bagrain & Hime, 2007).

The general attitude is that trust may be a substitute for risk, but it also creates a risk for one party about another party (Sabatini, 2009). This occurs when parties, holding certain favourable perceptions of each other, allow this relationship to reach the expected outcomes (Schoorman et al., 2007). Trust is intimately linked to risk and expectations and involves the belief that others will, so far as they can, look after their interests, that they will not take advantage or harm others. Therefore, trust involves personal

vulnerability caused by uncertainty about the future behaviour of others of which you cannot be sure, but believe that they will be kind, or at least not harmful, and act accordingly in a way which may possibly put us at risk (Bouckaert et al., 2003). The above implies that trust is applied where there is no certainty, whereby it is the expectation of gain or loss which determines whether one will grant trust or not (Bouckaert et al., 2003).

Past research (Paliszkiwicz, 2012) referred to trust within an organization as the employees' willingness to be vulnerable to their managers' actions and can only be rendered when managers of that organization sufficiently communicates its actions to its employees through informal and formal engagements. Information available to the employees is imperative, especially when this source of information is obtained within employees' social environment, which would include fellow employees (Tan & Lim, 2009) as trust between people is a requirement of camaraderie and communication. A working environment with a highly trusting ambiance is normally the cornerstone for harmonious employment relationships. Recent events emphasized that managers behave in a manner that violate trust, which results in employees being more cautious and suspicious about the most diminutive behaviour (Covey, 2011). Nowadays, trust is essential to prosperity and can reap benefits as it creates a sense of belonging in a particular organization as the current crisis of trust creates a distinct opportunity to create dividends of high trust in those organizations, beginning with its management. Covey (2011) indicated the importance for managers to nurture a culture of belonging that integrates what the organization claims to believe and how it fundamentally behaves. This is a critical element in optimizing organizational performance. Levels of trust within an organization are often seen as positively related with levels of organizational effectiveness and performance (Schoorman et al., 2007). Given this positive relationship that seems to exist, it is important to understand how interpersonal trust relationship can be nurtured within an organization (Cho & Park, 2011). In order to explain this, one would need to understand the different types of trust within an organization.

#### 2.4.2 Different types of trust

Of importance is to acknowledge the various types of trust. Research (Loon, 2007) indicated that there are basically three types of trust, being horizontal (trust between co-workers), institutional (trust between employees and organizations) and vertical (trust between employees and managers). Mayer et al. (1995) stated that horizontal trust is the willingness of an employee to be vulnerable to the actions of co-employees whose behaviour and actions they cannot control. Ellonen et al. (2008) stated that institutional trust is the trust that employees have in organization procedures, technologies, management, goals, visions, competence and justice. Vertical trust is where employees feel vulnerable because managers have substantial influence over resource allocation (Schoorman et al., 2007). Knoll and Gill (2011) indicated that managers would be in a position to make decisions that have a considerable impact on employees (for example where employees have to rely on their managers for work assignments, performance evaluations and promotions). The concept and different types of trust culminated in the different dimensions of trust, which will be discussed in the following section.

#### 2.4.3 Different dimensions of trust

Trust is seen as a complex and multidimensional concept (Schoorman et al., 2007). In order to measure, understand and explain trust, it is imperative to identify the dimensions of trust. The following figure illustrates that trust have a vast variety of dimensions of which each dimension were researched extensively, as indicated in Figure 2.7 below.



Figure 2.7: Dimensions of trust, (Source: Seppanen et al., 2007)

For purposes of this study, the research refers to three primary dimensions, identified as benevolence, ability and integrity. Benevolence is the extent to which a trustee is believed to want to do good for the trustor, apart from any profit motives, with synonyms including loyalty, openness, caring, or supportiveness (Schoorman et al., 2007). Ability captures the knowledge and skills needed to do a specific job along with the interpersonal skills and general wisdom needed to succeed in an organization (Biswas & Varma, 2007). Integrity is the extent to which a trustee is believed to adhere to sound



moral and ethical principles, with synonyms including fairness, justice, consistency, and promise fulfillment (Schoorman et al., 2007).

Previous research (Chun & Rainey, 2005) compared public organizations to private organizations and found that the prevalence of red tape and goal ambiguity in public organizations often negatively influences attitudes of employees of public organizations, when compared to employees of private organizations. Red tape is any rule, process or procedure considered to create a compliance burden on citizens or employees. Organizational goal ambiguity is the extent to which an organizational goal or set of goals allows leeway for interpretation, when the organizational goal represents the desired future state of the organization (Chun & Rainey, 2005). To this effect, Wright (2004) suggested that the prevalence of goal ambiguity and red tape in public organizations makes employees feel less empowered, which in turn reduces their work motivation and job satisfaction and trust in their managers and organization.

Employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and to effectively perform more work. As a core result, this high level of trust would be key in positively influencing performance (Madjar & Ortiz- Walters, 2009). Managers within an organization will be in a position to create conducive conditions for fostering trust and as a consequence, be able to enhance the level of organizational performance and effectiveness (Möllering, Bachmann, & Lee, 2004). The research will focus upon vertical trust and the effects benevolence, integrity and ability employed by managers when they interact with employees (Dirks & Ferrin, 2002). The vertical trust relationship is explained in the following section.

#### 2.4.4 Vertical trust

Three perspectives traditionally dominate trust research in the public sector (Bouckaert, 2012):

- First and most prevalent is the environmental perspective, which focuses on citizens' trust in the public sector;
- Second is the contrary notion of the public sector's trust in citizens;
- Finally, and what this research study entail, the internal organizational perspective focuses on trust within public organizations.

An elaboration on this vertical trust explained that an employee's trust in their manager can be seen as a form of interpersonal trust (Cho & Park, 2011). Thus, vertical trust is a two dimensional construct, where one dimension reflects an employee's interpersonal trust in their manager and the second dimension reflects an employee's institutional trust in their organization (Porumbescu et al., 2013). Cognizance also needs to be taken that conceptually, it may be possible for employees to trust their managers, but not their organization, or vice versa. Generally it may be possible to view both forms of trust as interrelated (Wright, 2004) but within the internal organizational perspective on trust, this study's core focus is vertical trust within public organizations. This refers to trust of public servants in their managers.

To this effect, levels of vertical trust within an organization are often linked with levels of organizational effectiveness and performance (Schoorman et al., 2007). Based on the positive link found to exist between levels of organizational trust and levels of organizational performance and effectiveness, research attempted to better understand how trust is created within organizations (Cho & Park, 2011). Through understanding the factors affecting trust within organizations, it is believed that managers within an organization will be better able to create conditions that are conducive to trust, thereby enhancing levels of organizational performance and effectiveness (Möllering et al., 2004). Vertical trust may often transpire when an employee favourably evaluates the

benevolence, ability and integrity of their manager and organization (Cho & Park, 2011). Given the link between performance and employee attitudes in public organizations suggested by previous research (Gould-Williams, 2004), there is a need to explore ways in which managers can positively affect employee attitudes for effective and efficient performance. In lieu of the above, building a sense of trust needs to be acknowledged as being a mutual and collective buy-in from the employee and management (Kroukamp, 2008).

Trustworthiness stems from a perception of the expertise, intentions, actions and words of the manager (Clark & Payne, 2006). It was further stated that an individual trusts someone else, when the second person is trustworthy (Caldwell & Hayes, 2007). As indicated with the dimensions of trust, trustworthiness is based upon the ability, benevolence and integrity (Mayer et al., 1995) of the person to be trusted and is closely linked to how management behaves (Gill et al., 2005). Although employees' behaviour may ignite management's behaviour towards employees, that same managers' personal attributes would dictate the manner in which those managers would behave towards employees (Lawal & Oguntuashe, 2012). The employee's trust in a manager may influence the way the employee perceives the manager and may likely affect the manager's behaviour (Seibert et al., 2004). Moreover, the positive influence of trust in the manager may likely be mitigated by the level of trust the manager may have in the employee (Seibert et al., 2004). What also need to be acknowledged is that the trustworthiness of the manager is an important moderator affecting loyalty to the manager (Deng & Wang, 2009). The more employees trust their manager, the more they are expected to be satisfied with the manager and display increased allegiance to the manager (Deng & Wang, 2009). Two recent meta-analyses found that trust in the manager is positively related to job performance and organizational citizenship behaviour which includes allegiance to the manager (Colquitt et al., 2007). The following figure demonstrates the effect of employees feeling trusted.

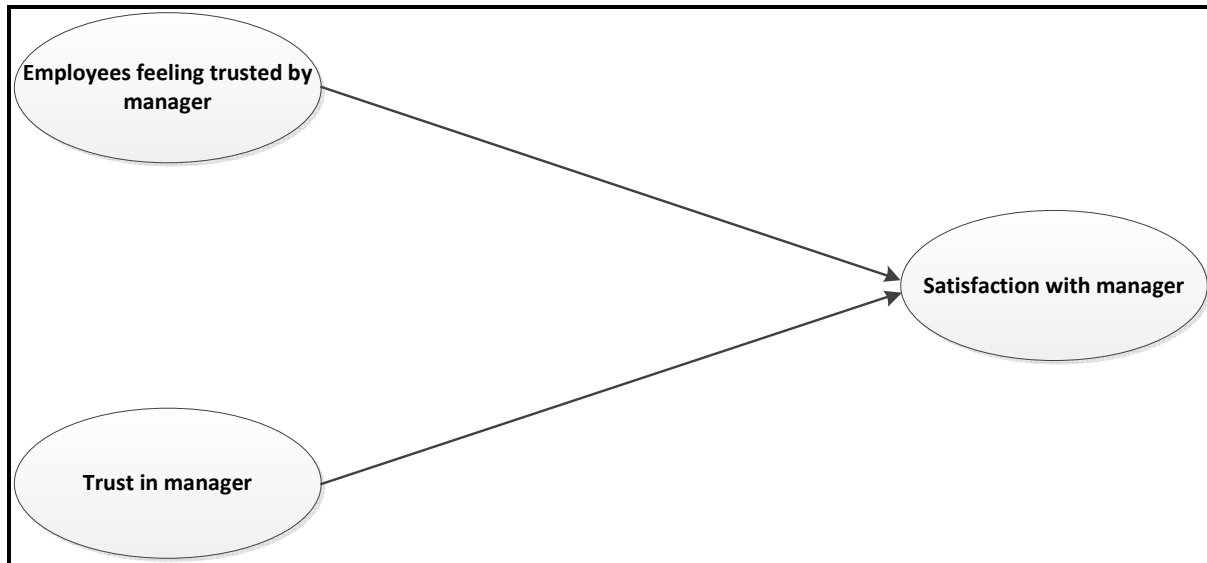


Figure 2.8: The effect of employees feeling trusted, (Source: Amended from Deng & Wang, 2009)

Research studies (Connell et al., 2003) focused on the impact of an employee's trust in management and what it would have on the employee's job performance. The study revealed that the ideology of fairness and human-oriented reflected from an organization's strategies and regulations all have an influence upon an employee's job satisfaction. Other researchers (Aryee et al., 2002) also acknowledged that when employees have trust in management, their organizational identity also increase, which encourage employees to be more effective and efficient in their jobs (Aryee et al., 2002).

It is believed that managers frequently have direct interaction with employees in their daily work environment (Paliszkievicz, 2012). This would suggest that supervisory support may be an important indicator of the quality of relationships between employees and management (Stinglhamber & Vandenberghe, 2003). This indicates that, when management expresses concern for their employees' well-being, assist them in career development, and value and appreciate their work, they would instill a motion to their employees that they are interested in a close and social relationship. In reaction towards managers' humility and to ensure a balance in their exchanges, employees will

feel appreciative and obliged to reciprocate the good deeds and goodwill of management (Stinglhamber & Vandenberghe, 2003). By doing this, they would demonstrate their trustworthiness and the gradual expansion of mutual services (Paliszkievicz, 2012).

#### 2.4.5 Theoretical framework and hypothesis

Communication practices employed by managers are likely to directly and indirectly influence levels of vertical trust in public organizations (Cho & Park, 2011). Mayer et al. (1995) explained that the levels of trust within an organization can affect effectiveness and performance within organizations. Through understanding what factors effects trust in any organization, relies on the conducive environment which managers create in an organization that would influence trust. Mayer et al. (1995) developed an existing research measuring model which suggests that three major elements determine organizational trust: characteristics of the trustor, characteristics of the trustee and the perceived risk.

An element of this model focuses on three major factors that influence trustworthiness. Firstly, it is the ability or the competence which the trustee has in a specific area. The second factor relates to the benevolence, where the trustee has the willingness to do good for the trustor. Lastly, trustworthiness relates to the integrity which assesses the trustee's core set of values in order to guide behaviour as depicted in Figure 2.9 below.

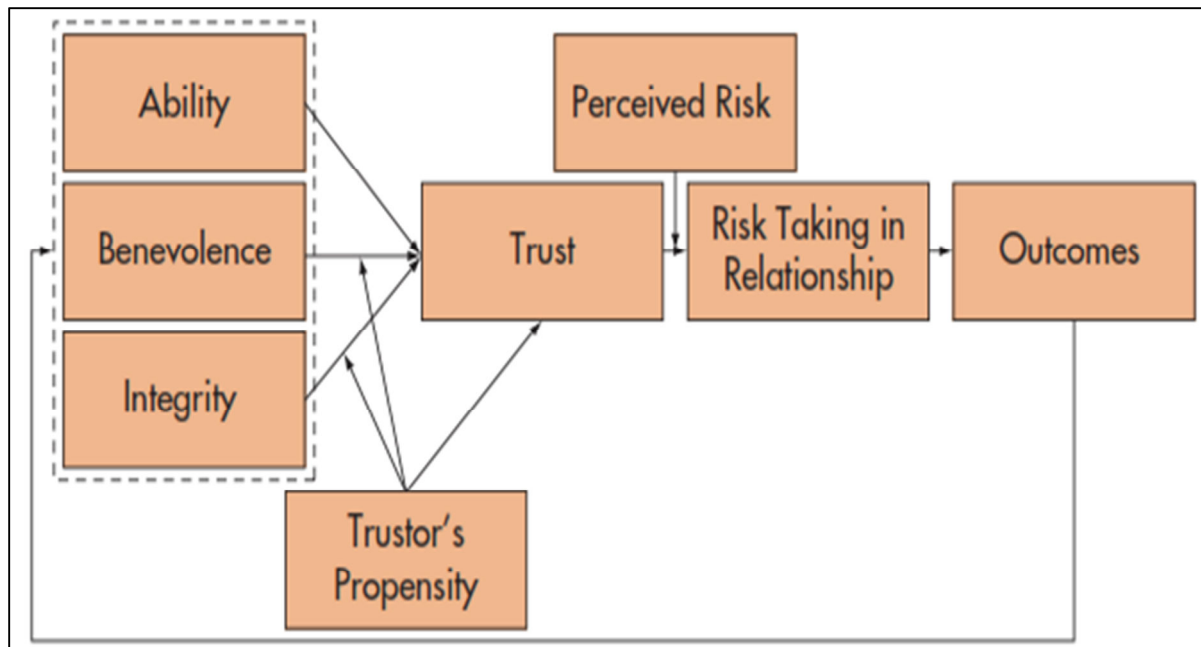


Figure 2.9: Factors of perceived trustworthiness, (Source: Mayer et al., 1995)

From the above figure, this research aims to build upon existing literature pertaining to trustworthiness (Porumbescu et al., 2013), by focusing on how certain factors may influence the employee's level of trust in the manager. A theoretical model tested by Porumbescu et al. (2013) will be revised in which five measuring instruments will be used in order to measure the vertical trust relationship between employees and managers. Vertical trust within public organizations is largely influenced by the manner in which managers communicate with employees and how employees' attitudes are relating to job satisfaction, employee empowerment and performance management (Garnett et al., 2008). Given the model of Mayer et al. (1995), this research will aim to add to the existing research by deriving and empirically testing a theoretical framework that can test the way vertical trust between managers and employees is influenced by certain factors or dimensions. As such, the derived conceptual model presented in Figure 2.10 below, demonstrates the direct relationships that this research intends to investigate.

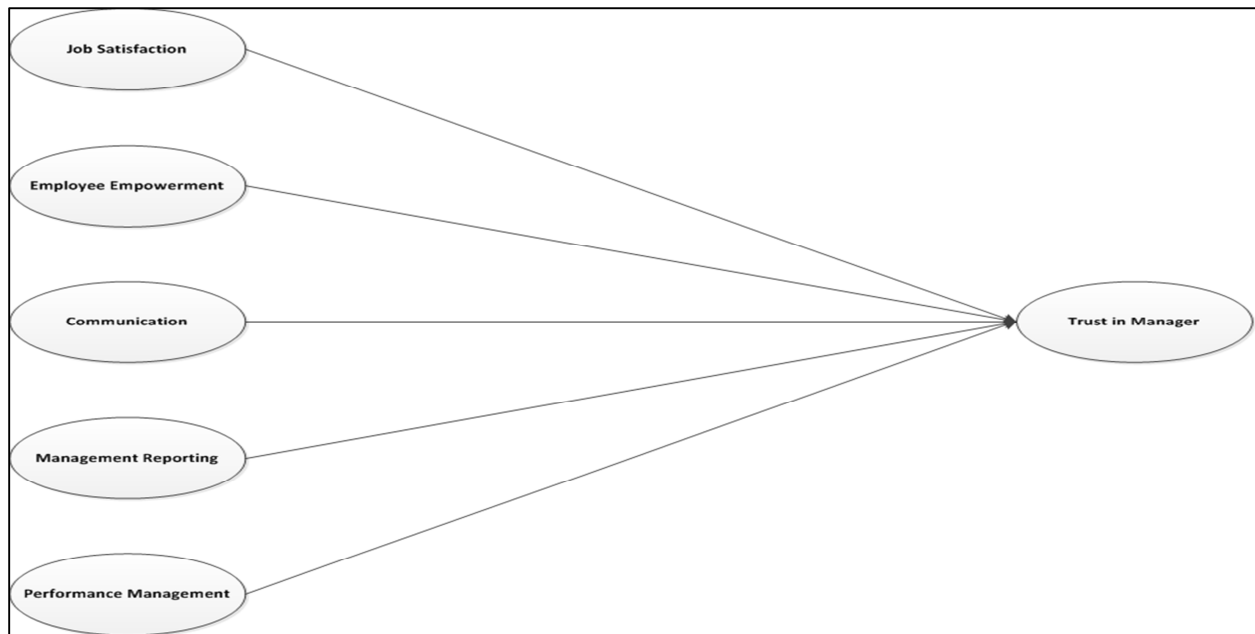


Figure 2.10: Theoretical framework, (Source: Amended from Porumbescu et al., 2013)

Explanations of the relationships suggested to exist between the concepts outlined in Figure 2.10, are provided in the following discussion. As previously stated, this research study will only focus on attitudes relating to job satisfaction, employee empowerment and management reporting and performance management. These dimensions outline the foundation of the questionnaire.

#### 2.4.5.1 Interpersonal trust

The field of organizational behaviour found that positive assessments of the trustworthiness of the manager is strongly related to employees' perceptions of justice within the organization (Aryee et al., 2002; Dirks & Ferrin, 2002; Shockley-Zalabak et al., 2010). Employees' perceptions of justice within an organization can be divided into interrelated categories of interactional, procedural, and distributive. The study will only focus on interactional justice and relates to the manager and can be considered interpersonal (Porumbescu et al., 2013). Managers are believed to be conduit in which

an organization can affect employees' perceptions of interactional justice. This is explained as perceptions that procedures and processes of the organization are implemented by managers fairly (Porumbescu et al., 2013). With managers being able to increase employees' sense of interactional justice, it is widely found that employees in public organizations will frequently assume vulnerability in manager-employee relations (Kim, 2005). An employee's sense of interaction is normally built over an extended period, through constant interaction between the managers and employees (Shockley-Zalabak et al., 2010).

The argument can be raised that, in public organizations, employees' sense of interactional justice stems from the information employees have regarding the policies and processes of the organization, which in turn is a result of the way in which such information is communicated to them via managers (Porumbescu et al., 2013). This argument is based upon one fundamental assumption:

- From a perspective of interactional justice, the way in which information regarding the organization is communicated to employees by a manager, will influence perceptions of interactional justice, which in turn will influence employees' trust in managers.

From the above, interpersonal trust building is an interactive process in which individuals learn or unlearn to establish and maintain trustworthiness, under given organizational (contextual and structural) settings. The employees subject themselves to policies directly or indirectly, positively or negatively sanctioning the building of interpersonal trust (Paliszkievicz, 2012). Stable intentions for behaviour can be stimulated by durable policies and structures (Six & Sorge, 2008). For interpersonal trust to be built in long-term work relations, both individuals need to have their actions guided by a stable normative frame (Paliszkievicz, 2012). There are four operative conditions that play an essential role regarding interpersonal trust (Six, 2007):

- The suspension of opportunistic behaviour, or the removal of distrust;
- Exchange of positive relational signals;
- Avoiding negative relational signals, i. e., dealing with trouble;



- The stimulation of frame resonance, or the introduction of trust-enhancing organizational policies.

Six (2007) also indicated that, in order for an organization's management to promote interpersonal trust-building in the organization, a combination of three types of organizational policies can be effective:

- By creating a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Through explicit socialization to make newcomers understand the values and principles of the organization and how things are done in the organization.

#### *2.4.5.2 Trust and communication*

This research includes management reporting as a dimension which would stem from how communication is conducted within an organization. Previous literature related to public organizations has positively related characteristics of communication (Porumbescu et al., 2013). This include frequency and perceived quality, levels of employee performance and attitudes like work motivation, commitment, empowerment, job satisfaction, and interpersonal trust (Aryee et al., 2002; Wright, 2004; Cho and Park, 2011). Little research has questioned to what extent the direction of flows of information between supervisors and subordinates influence levels of vertical trust in public organizations (Porumbescu et al., 2013). The manner in which employees and managers communicates with each other is suggestive of the amount of trust instilled between them and may be indicative of the working environment in which they work.

Impersonal communication strategies view the employee as a passive receiver of information, suggesting that there is no tangible exchange of information (Porumbescu et al., 2013). In public organizations, such strategies have been found to result in a

lower quality relationship between managers and employees (Kroukamp, 2008). This is due to potential misunderstandings on the part of the employee which cannot be clarified. These misunderstandings may possibly hinder employees' sense of empowerment and job satisfaction, and thus increasing their sense of alienation (Wright, 2004). An impersonal communication strategy may also be poorly suited for the task of creating shared sense of understanding between employees and managers. This may be as a result of employees not been given any opportunity to discuss questions they may have regarding organizational practices or goals, which are generally ambiguous in the public sector. Impersonal communication is thus not expected to contribute to employees' perceptions of interactional justice (Aryee et al., 2002), and even hinder the creation of vertical trust.

Another form of communication is interpersonal communication, where managers and employees are both active in the exchange of information (Pandey & Garnett, 2006). Seemingly, this form of communication strategy may be conducive to higher quality relationships between managers and employees in public organizations. A greater exchange of information would enable employees not only to better understand organizational policies, goals, and processes by allowing them to ask questions to their supervisors, but also enable them to possess better knowledge with respect to what is expected of them on the job (Wright, 2004). Greater interaction between a manager and employee would likely enhance the employee's sense of interactional justice, as employees perceive their relationship with their manager as reasonable information (Porumbescu et al., 2013).

#### *2.4.5.3 Job satisfaction and employee empowerment*

Factors which are likely to mediate the relationship between an interpersonal communication strategy used by managers and levels of employees' vertical trust in public organizations relate to job satisfaction, empowerment, and job motivation (Porumbescu et al., 2013). These potential mediating factors have been linked with various forms of manager- employee interaction, information exchange and levels of

trust in managers (Aryee et al., 2002; Dirks & Ferrin, 2002; Cho & Park, 2011). First, the research consider employee job satisfaction to be a consequence of an interpersonal communication strategy employed by the manager, as well as an antecedent of employees' trust in their manager (Porumbescu et al., 2013).

#### *2.4.5.3.1 Job satisfaction*

Job satisfaction refers to the general attitude of an individual towards his or her work (Robbins, 2005). A person with high satisfaction would have a positive attitude towards the job while a dissatisfied person would express a negative attitude towards the job (Robbins, 2005). Job satisfaction is also described as a positive emotional condition resulting from the evaluation of one's work experience comparing to their individual expectations (Mathis & Jackson, 2001). Job satisfaction plays an important role for an employee because employees with job satisfaction usually have good reports for attendance, a lower employee turnover rate and better job performance than employees with job dissatisfaction (Dessler, 2005).

The research previously stated that higher levels of goal ambiguity and red tape in public organizations have been found to negatively impact the attitudes of public sector employees. An interpersonal communication strategy used by a manager is also likely to mitigate the negative impact of these features of public organizations on an employee's attitudes. This would mean that an interpersonal communication strategy would be positively related to employees' job satisfaction in public sector organizations (Porumbescu et al., 2013). With respect to the relationship between job satisfaction and trust in a manager, the study implies that, if a manager is successful in improving employees' levels of job satisfaction, employees' are also more likely to evaluate the ability, benevolence and integrity of their manager (trustworthiness) more positively. This will imply a positive relationship between job satisfaction and trust in the manager (Schoorman et al., 2007).

#### *2.4.5.3.2 Employee empowerment*

Empowerment concerns employees' sense that they are capable of meeting the demands of their work (Porumbescu et al., 2013). It is examined from relational and motivational aspects and can be regarded as a process in which managers share the power they have with their employees (Findikli et al., 2010). Feeling empowered, employees may start to play their part effectively which would, in effect, assist them to focus on goals, making them concentrate more on their roles, communicate with one another more effectively and act smoothly (Findikli et al., 2010). Individuals' need for power has its essence in an internal need for self-determination or feeling of self-efficacy. Having therefore addressed this need, employees can be motivated in such a way that they contribute to company goals more (Arslantaş, 2008).

Existing research (Wright, 2004) has empirically illustrated that employee empowerment among employees is strongly and positively influenced by job goal specificity, which is the opposite of goal ambiguity. Job goal specificity can be considered as the extent to which members of an organization understand the work they are charged to do (Porumbescu et al., 2013). Consequently, an employee's understanding of the work they do, will be linked to the information an employee has of that task, with a possible source for such information likely to be one's manager. In this regard, it is likely that interpersonal communication improves employees' knowledge of tasks and goals at hand, as it offers employees with greater opportunities to ask questions to their managers (Wright, 2004). This ability to ask questions would probably instill employees with the knowledge and confidence that they may resolve any problems that may arise, by communicating with their manager. Lastly and within a public organization, an employee's sense of empowerment is a significant requirement to their trust in the organization (Nyhan, 2000). In essence, employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010). Consequently, employees are likely to evaluate their manager more positively,

as the information afforded to employees by their manager is responsible for their improved sense of empowerment.

#### *2.4.5.4 Relationship between trust and performance management*

Performance management is an integrated process in which managers work with their employees to set expectations, measure and review results, and reward performance, in order to improve employee performance, with the ultimate aim of positively affecting organizational success (Den Hartog et al., 2004). This is needed to provide guidance to employees on how to apply their resources for the benefit of the organization (Sohrabi & Khan Mohammadi, 2007). Performance management is an effective performance management tool for measuring and improving productivity (Mani, 2002). The responsibility would be for the managers to communicate these policies and procedures to employees. Employee ability to participate in the design and development of organizational systems and policies, especially those that directly impact them, is a key component of success (Mani, 2002).

Managers attempts to improve human performance through establishing performance management systems and represents practical mechanism of performance improvement through holding necessary training for employees. They further attempt to establish frequent meetings for assessing of the employees' performance by managers and also represents some recommendations to employees. This continuous process improves the efficiency and effectiveness of the whole system in the long run and as a result, increases total efficiency (Kargar, 2009). From the above, the performance management process can be seen as a continuous cycle with three main elements. This includes planning (designing best practices which include informal mentoring, reviewing the courses of development in job accountability and behaviours), reviewing and evaluation (the review and the way in which they explain about what they have done and presenting corrective suggestions in development of organization programs (Sohrabi & Khan Mohammadi, 2007).

Within the holistic view of performance management, a significant problem pertaining to performance management was identified (Fryer et al., 2009). This involves the predominantly softer people issues and their involvement in the performance management system, inter alia multiple stakeholders, a lack of employee involvement, gaming and lack of involvement of the whole organization, including insufficient support from higher levels of management or decision makers (Fryer et al., 2009). Hence, for performance management to have a positive effect on achieving high trust between managers and employees, it would largely be influenced by the extent to which employees perceive performance management to be fair. This would include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback, and having influence over personal career development (Farndale & Hope-Haily, 2010).

A research study (Interaction Associates, 2009) focused on the trust relationship between managers and employees and the influence this relationship would have on the organization's performance. This will be discussed in the following section.

#### 2.4.6 The effect of trust: better performance in the workplace

A worldwide research study in 2009 (Interaction Associates, 2009) was conducted and found that vertical trust within high-trust organizations had more effective management and better collaboration at all levels of the organization. It found that such organizations have (Interaction Associates, 2009): a strong sense of shared purpose to succeed; employees who work together to support that purpose; to nurture a working environment in which tolerance and cooperation are highly valued; managers who coach rather than just manage; and a sense of belonging where people collectively participate in making decisions.

It further revealed that such organizations excelled, as compared to their low-trust peers, at showing (Interaction Associates, 2009): organizational behavior consistent

with their values and ethics (85 percent vs. 46 percent); a tendency where organizations retaining employees (80 percent vs. 42 percent); and organizations whom attract, deploy and develop talent (76 percent vs. 24 percent) as indicated in the figure below.

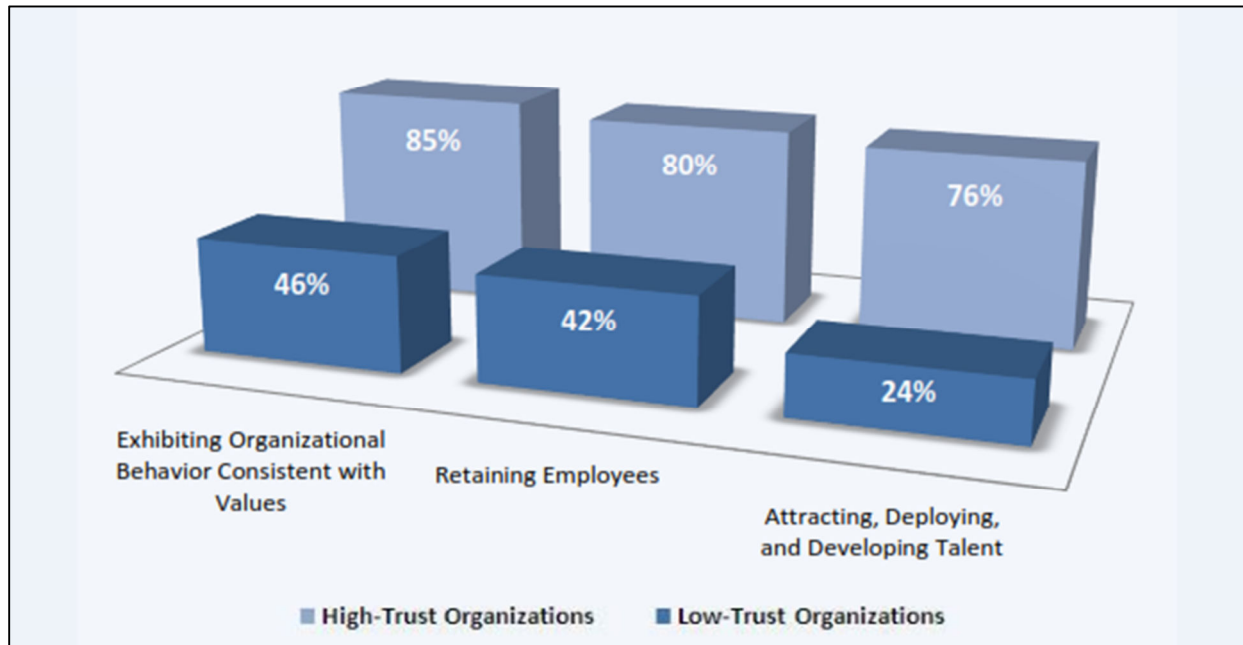


Figure 2.11: Areas of excellence in high- trust organizations, (Source: Interaction Associates, 2009)

The study further implicated that, if trust increases profitability, then the lack of trust lowers productivity, job satisfaction and increases employee turnover (Interaction Associates, 2009). With all the benefits of having trust in an organization, the notion of creating and maintaining it would be a high priority for management. Unfortunately, many managers find it difficult to embrace the top-down model of management that adheres to the perception that authority creates trust but what need to be understood is that in reality, trust creates authority (Hitch, 2012).

#### *2.4.6.1 The trust in managers and link to performance*

It is important to acknowledge that relationships at work tend to be more formal in nature, especially where managers have the delegation of authority whereby they have the mandate to make decisions (e.g. promotions, salary increases, etc.) and provide support to employees to effectively do their job. According to past research and theory of human information processing, employees who trust their managers will be able to focus more attention on the tasks at hand, will not be overly concerned or distracted by uncertainty and may be willing to take on more risks (Mayer & Gavin, 2005). These intricate behaviours are expected to make employees to work more, produce exceptional quality of work and feel more comfortable engaging in behaviours that put them at risk, such as suggesting a sense of empowerment to achieve daily job responsibilities- and targets (Mayer et al., 1995). This is indicative of the fact that employees with high levels of performance need to trust their managers and believe that managers will provide the necessary resources, support and backing for effectively doing their daily job (Mayer & Gavin, 2005). Contrary, employees' lack of trust in managers will distract employees' attention from the activities they are obliged to perform and will allow less cognitive resources to be devoted to effectively performing their work (Mayer & Gavin, 2005).

## **2.5 Summary**

This brief review of the literature shows that the vertical trust relationship between managers and employees is an important backbone of any credible organization and research indicate that low levels of vertical trust experienced by employees do have numerous negative implications for managers and organizations. Despite the importance of vertical trust to an organization's effective functioning, little recent published empirical studies seem to be available within the South African context for local governments. The current study aims to make a contribution towards addressing this need.



## CHAPTER THREE: RESEARCH METHODOLOGY

### 3.1 Introduction

In Chapter 1, the research problem statement and objectives were stated. The applicable literature pertaining to the brief overview and transformational process of local government and its obligation to basic service delivery to communities, as enshrined in the Constitution were discussed in Chapter 2. This also included literature pertaining to the concept of trust, with specific reference made to the vertical trust relationship between municipal employees and managers. The main objective of Chapter 3 is to describe the research methodology used in this research study, followed by the presentation of the data and results which culminated from the statistical analysis of the questionnaire responses.

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The research methodology describes the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. Once the population and sample was clarified, the empirical instrument used to collect the data will be described, which includes methods implemented to maintain validity and reliability of the instrument. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter would also discuss the statistical techniques which were used in the research in an attempt to analyze and test the collected data. The research method will provide a planned and systematic approach of investigation that denotes the detail framework of the analysis, data gathering techniques, sampling focus and interpretation strategy and analysis plan. The ethical considerations, that needed to be taken into account when conducting the research, will also be highlighted.

The methodology will be followed by a representation that will outline the general results of the questions pertaining to the vertical trust relationship between employees and managers in the Category B municipality. The chapter will present the empirical findings

of the research as alluded to the theoretical perspectives discussed in Chapter 2. The response rate pertaining to the research will be presented, followed by the identification of the descriptive statistical analysis relating to the biographical information of the respondents. This will be followed by an assessment of the reliability of the five measuring instruments by interpreting the Cronbach Alpha coefficient. Subsequently, the vertical trust relationship will be analyzed by using the effect sizes of various biographical data and interpret how respondents within those biographical categories responded on the five measuring instruments. This will be followed by coefficient of correlations by establishing the linear relationships between those five categories. Finally, the researcher will provide feedback on the open questions posted to the respondents to ascertain what they understand of the concept of trust in their current working environment.

### **3.2 Research methodology**

Research methodology is the overall approach to the whole process of the research study (Collis & Hussey, 2009). The focus of research methodology revolves around the problems to be investigated in a research study and hence is varied according to the problems to be investigated. The research methodology was also explained in the form of an analogy, whereby it is compared with an “onion” (Saunders et al, 2009). Saunders et al. (2009) sees the research problem as the centre whereby several layers have to be “peeled off” before reaching the central position. These layers are the main factors to be considered in determining the research methodology for a particular research study. The research problem to be tested is to ascertain whether the concept of vertical trust relationship between municipal employees and managers, is one of many factors that contribute to effective basis service delivery within a Category B municipality. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality (see Appendix A for example of questionnaire).

Although various classifications and definitions of these terms exist, the analogy given by Saunders et al. (2009) is preferred here in this research study, as it provides an unambiguous overall framework for the complete research process. The discussion here will be limited to the research strategy implemented, and its application to this particular research study, which will be explained in the next section.

### 3.2.1 Research strategy

Saunders et al. (2009) explained research strategy as a general plan of how the researcher will conduct the research and in the process, provide answers to the research questions. Bryman (2008) also identified research strategy as a general orientation to the conduct of research and thus provides the holistic direction of the research, including the process by which the research is conducted. Some of the general research strategies used in business and management are experiment, survey, case study, action research, grounded theory, ethnography, archival research, cross sectional studies, longitudinal studies and participative enquiry (Easterby-Smith et al., 2008; Collis & Hussey, 2009; Saunders et al., 2009). From these various strategies, this research sought to adopt the survey research strategy as the appropriate strategy for research. The following sections briefly describe the survey strategy and justify its preference as opposed to other strategies.

### 3.2.2 The research population and sample

The population and sample applicable to this research will be discussed in this section. A population is any precisely defined group of people, events or things that are of interest to and under investigation by the researcher and that meet the sample criteria for inclusion in this research (Terre Blanche et al., 2006). The selected Category B municipality used for this research study operates within the geographical area of the Eden District, situated in the Western Cape. This Category B municipality provides

basic services to the city and its surrounding areas. The population consisted of all the employees throughout the Category B municipality, which are permanently employed (excluding contract- and temporary employees). A total of 1122 salaried staff members are employed by the Category B municipality, ranging between a mixture of permanent, temporary and contract employees. Holistically, with an estimated population of 193 672 recorded in the 2011 Census and representing approximately 34 percent of the Eden District (Category B municipality, 2013), this municipality's experience of service delivery protests is very small, compared to other Category B municipalities within the Western Cape (Karamoko & Jain, 2011). The operational and financial performance is also commendable, as the municipality received unqualified financial audits since 2010, as indicated in the table below.

Table 3.1: Summarized financial audit outcomes between 2007 – 2012, (Source: Category B municipality, 2013)

| Year   | 2007/ 2008 | 2008/ 2009 | 2009/ 2010 | 2010/ 2011                 | 2011/ 2012                   |
|--------|------------|------------|------------|----------------------------|------------------------------|
| Status | Qualified  | Qualified  | Adverse    | Unqualified - with matters | Unqualified -<br>Clean audit |

The Category B municipality was identified as an institution that, within the broader government sphere, has been complimented and commended due to continuous improvements in service delivery over the last few years (Category B municipality, 2013). The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors. One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. The research will assess this relationship by examining a few dimensions affecting trust by employees towards management within this Category B municipality.

A sample is a representation of the population that is selected for the research and consists of a selection of participants from the population (Bryman & Bell, 2007). The sample aims to represent the main interests of the research (Terre Blanche et al., 2006). Terre Blanche et al. (2006) explained that the sample is selected from the population, and is simply the elements or people that form part of this research. Zikmund (2003) explained that an adequate sample will have the same characteristics of the population. Burns and Bush (2010) also explained that the sample size has an impact on how the sample findings would correctly represent the population.

A convenience sampling technique was used to identify the sample. A convenient sample consists of subjects included in the research because they happen to be in the right place at the right time and can provide the information required by the researcher (Hair et al., 2007). Questionnaires were distributed to the available employees on one particular day, with the assistance of an employee at the Category B municipality. The basic idea of sampling is that, by the selection of members of the population, the researcher would be able to draw conclusions regarding the entire population, where sampling refers to the process of selecting elements to observe (Terre Blanche et al., 2006).

Hair et al. (2006) explained that small or very large samples have a negative influence on the statistical tests because either the sample is not big enough to make generalizations or too big to reach any conclusions. Questionnaires were distributed (via email) to 800 permanently employees/ respondents at the Category B municipality of which the total employment profile is given in Table 1.1 of Chapter 1. The sample of the research included all permanently employees at the category B municipality who could read and write in English, which accounted for about 800 employees. The respondents needed to be able to read and write in English as the questionnaire was only available in English. Section G of the questionnaire was translated into Afrikaans as well, due to a large portion of the population's home language being Afrikaans (Category B municipality, 2013). The researcher distributed 800 questionnaires and conservatively envisaged that an expected response of 300 questionnaires will be completed and returned to the researcher for analysis. Eventually only 205 respondents participated.

This equates to a response rate of 25.63 percent. Bryman and Bell (2007) indicated that a response rate of less than 50 percent would provide an incorrect generalization of the entire population. The sample size was considered adequate and representative due to an excellent internal reliability analysis, based on the Cronbach Alpha coefficient.

Subjects included in the sample were selected based on certain criteria. The employees throughout the Category B municipality had to meet the following criteria to be included in the sample. They should:

- Be permanently employed by the Category B municipality;
- Be of either sex;
- Be willing to participate.

### 3.2.3 Research design

Research design is the research process that entails the general assumption of the research pertaining to the method of data collection and analysis (Creswell, 2009). Creswell (2009) went on to explain that the choice of the research design depends on the objectives of the research study that would enable the research questions to be answered. This research mainly focuses on the study of vertical trust relationship between employees and managers within local government. Specific focus will be on a Category B municipality situated in the geographical area of the Western Cape. The research attempts to establish whether the vertical trust relationship between the two parties have an influence on effective and efficient service delivery to the community which that Category B municipality serves.

In order to meet the objectives of this research study, a descriptive research design has been used, to illustrate the effects of such a vertical trust relationship. This research design has been used to analyze this vertical trust relationship and the influence it has as a contributing factor, on effective and efficient service delivery to the community which that Category B municipality serves. An analytical research design has also been used to establish relationships between different independent and dependent variables

used in this research study. Descriptive research design is a method which includes surveys and fact-finding enquiries of different kinds (Shuttleworth, 2008) in order to illustrate characteristics of a population or a phenomenon. In this case, it is the vertical trust relationship between the two parties and what contributing influence it has on effective and efficient service delivery to the community which that Category B municipality serves. This involves observing and describing the behavior of a subject without influencing it by any means (Shuttleworth, 2008). This type of design is also conducted where there is previous understanding of the research problem (Zikmund, 2003). The descriptive research design will focus on a particular research method which was implemented and will be explained in the following section.

#### 3.2.4 Research method

Creswell (2009) explain three approaches to research design, being a qualitative approach, quantitative approach and a mixed approach. This research study adopted a quantitative approach and is explained as a formal, objective, systematic process to describe and test relationships and examine cause and effect interactions among variables (Creswell, 2009). This approach is one where the researcher uses post positivist claims for developing knowledge (i.e. cause and effect thinking, reduction to specific variables and hypotheses and questions, use of instrument and observation, the test of theories), employs strategies of enquiry such as experiments and surveys and collects data on predetermined instruments that yield statistical data (Creswell, 2009). This is regularly referred to as research where hypotheses testing are predominant. Such testing normally commence with statements of theory from which the research hypotheses are derived. Then an experimental design is created where the variables in question (the dependent variables) are measured while controlling for the effects of selected independent variables. Quantitative research is used to test an objective theory which usually requires the researcher to collect numerical data whereby it is statistically analyzed (Creswell, 2009). Therefore, quantitative research normally entails instruments that are used for collecting data and being in a position to make

generalizations about a population under investigation (Zikmund et al., 2010). In general, there are two types of quantitative research methods (Creswell, 2007):

**Survey:** This focuses on the collection of data by using a questionnaire in order to establish the opinions of a population, based on a sample of the population (Creswell, 2009). There are also other techniques which a researcher can use and include interviews, telephone calls and observations (Tharenou et al., 2007). A more detail discussion of surveys will be found in the survey section.

**Experiment:** (Tharenou et al., 2007) alluded to a process whereby the researcher divides participants into two groups, which is denoted as a control group and a treatment group. Experiments are then performed to test relationships between cause and effect. This usually involves a comparison of the control group to the treatment group.

Surveys are the most common way of collecting data and because this research opted for this quantitative research method, it is explained in detail below.

#### *3.2.4.1 Surveys*

(Zikmund et al., 2010) described a survey as a research technique in which responses are collected through instruments from a sample in some form or the behavior of respondents is observed and described in some way. Surveys are a regular method of collecting data in research studies, by employing a questionnaire that collects data from a sample, after which that data is statistically analyzed (Saunders et al., 2009). Quantifiable data from respondents are normally collected through the surveys, in order to measure, examine, analyze and generalize the findings. Zikmund (2003) explained that surveys became a scientific and accurate way of collecting data to quantify the gathered information. Creswell (2009) went on to explain that surveys usually record perceptions of respondents about opinions, attitudes and beliefs, which is normally an inexpensive and efficient way of gathering the required information relating to the



population or a sample of it. Of importance is that, by using a questionnaire as the primary source to gather information from respondents, the questionnaires should be logical and follow a certain order that would allow the respondents to record facts, comments and attitudes (Hague, 2002).

A common method of collecting data for surveys is using Likert scales. Likert scales are used for measuring attitudes and behaviours which requires respondents to choose a statement from a number of statements. These statements normally range from “strongly disagree” to “strongly agree” (Saunders et al., 2009). Zikmund (2003) further explains that the respondent would then normally choose a response from a set of five statements where each response is assigned a weight and then would allow the researcher to conduct statistical analysis. These choices made by the respondents are an indication that the respondents agree with the statements and inherently allow them to express their feelings (Zikmund, 2003). The questions posed in the questionnaire must also be structured in such a way whereby similar questions are placed in the same category, which would make it easier for the respondents to follow (Saunders et al., 2009).

This research used a Likert scale that implemented a five point scale as opposed to a seven point scale, because the five point scale reduces the level of frustration amongst respondents and simultaneously increases the rate and quality of the responses (Prayag, 2007). Based on the Likert scale, questions were posed to respondents to best describe the vertical trust relationship between municipal employees and managers. This relationship was tested by focusing on various questions based on the respondents’ perceptions of job satisfaction, communication, employee empowerment, and management reporting and performance management within the Category B municipality (see Appendix A for structure of the Likert scale). The survey instrument design, in the form of a questionnaire, was created and will be discussed in the following section.

### 3.2.4.2 Survey measuring instrument

The questionnaire, as measuring instrument used in the research, was divided into seven sections of which the data was collected by means of a structured questionnaire, attached as Appendix A. These sections were preceded by an explanation and cover letter by the researcher of what the questionnaire entails. The questionnaire included sharing the objective of the research and was combined with a voluntary consent explanation.

The questionnaire was structured according to sections, consisting of a Section A, Section B, Section C, Section D, Section E, Section F and Section G. Section A included eight biographical questions pertaining to age, gender, years of employment at the Category B municipality, department worked for, salary level, highest level of job qualification, whether the respondent is a manager or not and place of work. This section required the respondents to select an option by making a cross opposite the respondents' selected options. Section B to Section F included an instruction sheet as to how these sections needed to be completed, and consisted of the following amount of questions each:

- Section B: eleven questions which related to respondents' perceptions of job satisfaction;
- Section C: seven questions which related to respondents' perceptions of employee empowerment;
- Section D: twelve questions which related to respondents' perceptions of communication;
- Section E: seven questions which related to respondents' perceptions of employee management reporting;
- Section F: seven questions which related to respondents' perceptions of performance management;

Throughout these sections, the respondents were requested to respond to statements which were based upon a 5 point Likert scale. The sections related to dimensions or measures that may have an influence on the vertical trust relationship between municipal employees and managers. In the last section, identified as Section G, the questionnaire also contained eight open-ended questions relating to the respondents' personal view of trust between the municipal employees and managers. They were requested to add any comments in the space provided on the last two pages of the questionnaire.

### 3.2.5 Data collection

The data collection process will be discussed, based on illustration of this collection in Figure 3.1 below.

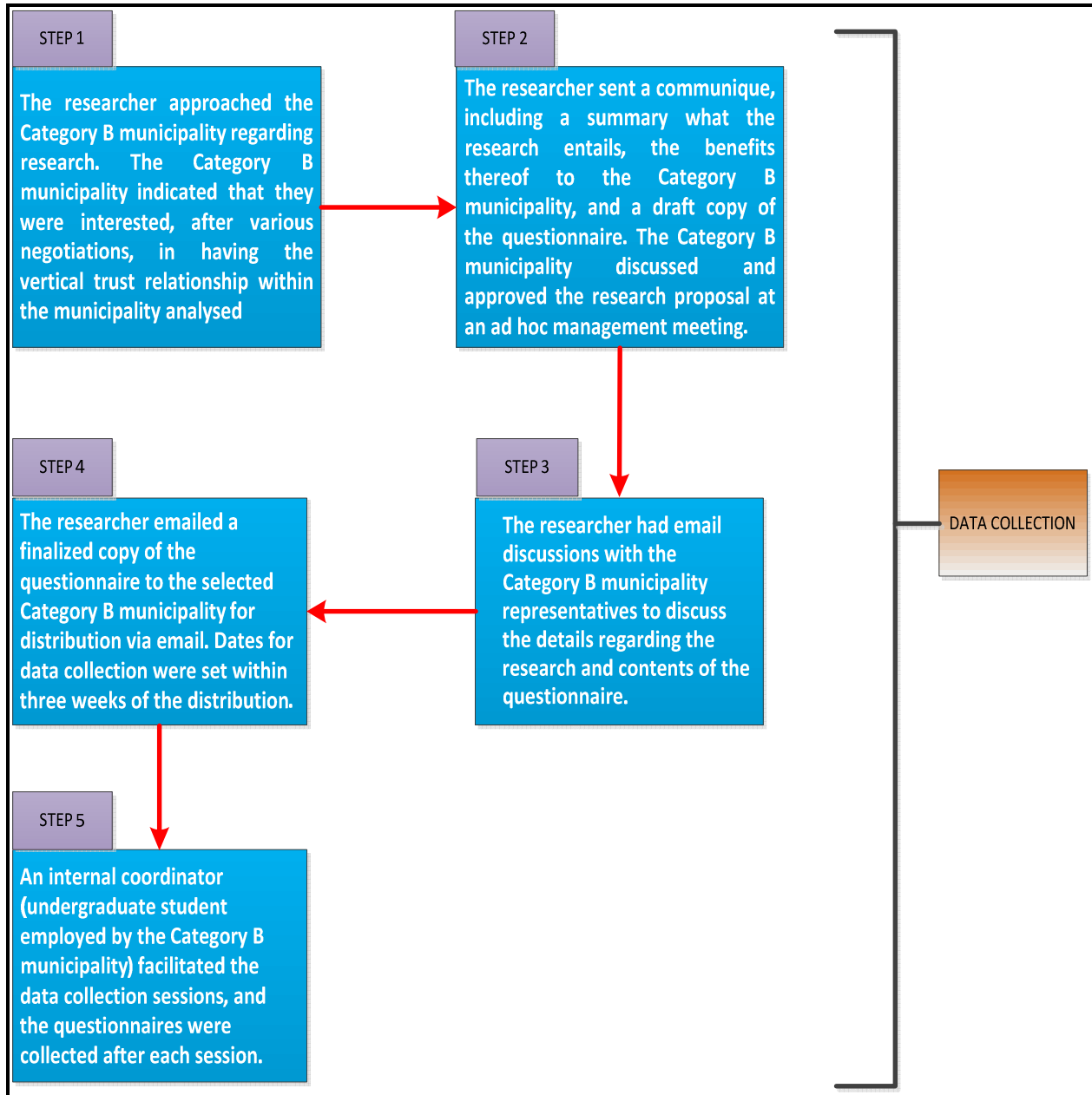


Figure 3.1: Data collection process, (Source: Own Compilation)

The questionnaire was chosen as data collection instrument. A questionnaire is a printed self-report form, designed to source information that can be obtained, for purposes of a specific research, through written responses of the subjects (Collis & Hussey, 2009). The questionnaire was administered and the data was collected from a sample (N=205) of the municipal employees, which are permanently employed (those which could read and write in English) within the area of jurisdiction of the Category B municipality. The data collection process began when the researcher approached the executive management of the Category B municipality and ascertained whether they are interested in a research study which focuses on the vertical trust relationship between municipal employees and managers and whether such relationship is a contributing factor in producing effective and efficient basic services by the municipality to the community. The researcher was assisted by an employee, labeled by the researcher as the internal coordinator, at the municipality to convince the executive management to participate.

The researcher sent an email to the executive management which contained a brief discussion on the research and the potential benefits which it may hold for the municipality. This was accompanied by a draft questionnaire which the executive management had to approve. The research proposal was discussed and approved at an ad hoc executive management meeting, after various email communications which gave the researcher permission to conduct the research. This process was followed by the collation of the final questionnaire which was attached as Appendix A and sent for email distribution by the Human Resource offices at the municipality. The internal coordinator, also busy with similar studies at an undergraduate level, administered the progress and feedback of all the participants. The data collection process took place over the duration of one month as the response rate of those who participated was extremely sporadic. The data collection process was followed by processing of data capturing and will be discussed in the next section.

### 3.2.6 Data capturing

The data capturing and statistical analysis focused on the manner in which the collected data was processed and analyzed. This would enable the researcher to draw conclusions and interpretations. Once the data was collected from the municipality, the internal coordinator categorized the questionnaires per department. These questionnaires were then couriered to the Statistical Consultation Services at the Northwest University, Potchefstroom Campus. A Professor at the Statistical Consultation Services conducted the capturing and transferred it to a statistical data analysis program, called SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009).

### 3.2.7 Data and statistical analysis

The data analysis commenced after the data was collected and captured in order to make sense of the research and attain certain findings (Field, 2009). The quantitative data were analyzed, using SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., (2009). Firstly, all the information from the various sections of the questionnaire was analyzed statistically by using descriptive analysis (Creswell, 2009). Descriptive statistics were used in order to provide a set of scores that are obtained from the respondents and to illustrate basic patterns in the data (Neuman, 2006). Punch (2005) explained that the benefits of conducting a descriptive analysis is that it keeps the researcher close to the data and it enables the researcher to understand the distribution of each variable across the questionnaire respondents (Punch, 2005).

Descriptive statistics were used to summarize Section A of the questionnaire which related to the biographical details. This was done in order to develop a unique profile of the municipality's existing vertical trust relationship (Sections B – G). During the analysis of the research data, frequency tables were used to portray and understand the data. Punch (2005) explained that frequency tables describes the individual scores in

the distribution and are tabulated based on how many respondents achieved in each score, or gave to each response or fell into each category. All the sections of the questionnaire were analyzed statistically by using these frequency distributions as the results can be portrayed as tables of graphs. These graphs and table would make the results easy to illustrate and assist the researcher to get a basic perception of the characteristics of the data (Neuman, 2006). Once the data was analyzed through the frequency tables, graphs were constructed in order to graphically represent the data contained in the frequency tables.

The descriptive statistical analysis also calculated the mean and standard deviations of the data. Levine et al. (2011) defines the mean as the sum of all the values in a data set divided by the sum of the values in the data set. This offers a general picture of the data without overwhelming the researcher with each of the observations in the data set. It is simply the average of the various responses pertaining to a scale. The standard deviation was used to measure the scattering of the data. Scattering explains how the data are clustered around the mean as opposed to the standard deviation which measures scattering and is the degree of deviation of the numbers from their mean (Levine et al., 2011).

Before the next section will be discussed, the researcher would like to explain the term variable and then distinguish between a dependent variable and an independent variable, in order to link these terms to the current research study as follows (Levine et al., 2011): A variable is a characteristic of an item or individual and is an abstract representation of a phenomenon (e.g. fear, intelligence, trust) that can occur at two or more levels. An independent variable is the variable that the researcher suspects is the cause of some behaviour. A dependent variable is the behavioural response from participants that is observed. For purposes of this research, the dependent variable under examination is the vertical trust relationship between municipal employees and their managers. The independent variables under examination are shown as the five categories, called job satisfaction, employee empowerment, communication, and management reporting and performance management.

### 3.2.8 The reliability scale

The reliability and validity of research results is an important factor that need to be considered when evaluating a research instrument (Zikmund, 2003). The factor is the statistical criteria employed to evaluate whether the research provides a good measure. A detailed explanation of the factor will be discussed below.

#### 3.2.8.1 *Reliability*

Zikmund (2003) explains reliability as the degree to which an instrument's measures are free from error and that would yield consistent results. Research findings are reliable if such findings can be repeated (Collis & Hussey, 2009). Reliability provides an indication of how consistent the research findings are, based on the method of data collection and analysis (Saunders et al., 2009). Zikmund and Babin (2010) explain that reliability is an indicator of a measure's internal consistency. Research (Collis and Hussey, 2009) acknowledged three essential methods that are accepted for estimating the reliability of responses of a measurement scale: test-retest, split-halves method and internal consistency method. The most commonly used method is the internal consistency method, with specific reference to the Cronbach Alpha coefficient.

The reliability of the questionnaire used in this research was assessed through the use of the Cronbach's Alpha coefficient. Cronbach's Alpha refers to the degree to which the measuring instrument items are homogenous and reflect identical underlying constructs (Pallant, 2007). Bryman and Bell (2007) stated that Cronbach's Alpha is a commonly used test of internal reliability, which essentially calculates the average of all possible split-half reliability coefficients. Once computed, the Cronbach Alpha will calculate a value that varies between one (representing perfect internal reliability) and zero (representing no internal consistency), with the values above 0.70 typically suggests high levels of internal reliability (Bryman & Bell, 2007). From the explanation of the



literature pertaining to reliability, research results reported extraordinary high levels of reliability in Section B to Section F as constructs of vertical trust relationship.

### 3.2.9 Analysis of standardized differences and correlation

This section will discuss the analysis of standardized differences and measures of correlation, in order to evaluate the relationships between Section B to Section F.

#### 3.2.9.1 Analysis of standardized differences

Standardized difference scores are spontaneous indices which measure the effect size between two groups and are independent of sample size (Yang & Dalton, 2012). It is an analysis of the variance present in a research study, which determines whether statistically noteworthy differences of means occur between two or more groups. These scores are used when groups, which have some continuous characteristics (academic achievement, intellectual intelligence, cholesterol level), are compared with one another (Steyn, 2009). Cohen (1962) suggested an effect size index (Cohen's  $d$ ) for the comparison of two sample means. This statistical index can be interpreted as a sample-based estimate of the strength of the relationship between two variables in a statistical population. More specifically, it can be interpreted as a measure of the average difference between means expressed in standard deviation units (Graziano & Raulin, 2010). Cohen's  $d$  will be used to assess the effect size, based on two symmetrically-distributed samples (Cohen, 1988).

The standardized difference by measuring the effect size between two groups will be calculated as:

$$d \equiv \delta = \frac{\mu_1 - \mu_2}{\sigma}$$

Where:

$\delta$  = maximum standard deviation between  $\mu_1$  and  $\mu_2$

$\mu_1$  = mean of group 1

$\mu_2$  = mean of group 2

Cohen (1998) suggested that the effect size indices of 0.2, 0.5, and 0.8 can be used to represent small, medium, and large effect sizes, respectively. Cohen indicated that a medium effect of 0.5 is large enough to be identifiable by inspection. A small effect of 0.2 is noticeably smaller than medium and occurs where measurements are done without any sort of proper experimental controls which can cancel out the effect of background variables. A large effect of 0.8 is an important difference and agrees with what is generally considered to be a definite difference. Once these indices are interpreted, the researcher will refer to the outcome as being of practical significance or not. Practical significance looks at whether the difference is large enough to be of value in a practical sense (Steyn, 2009).

The research questions whether municipal employees' trust in their manager, at the selected municipality, will influence their performance which will lead to effective and efficient basic service delivery to the community. This hypothesis is constructed, based on how managers contribute towards:

- the municipal employees' job satisfaction;
- empowering the employees;
- communication between the two parties;
- the manner in how managers' report to- and align employees to achieve goals;
- employees performance management

The effect sizes will then aim to measure, by categorizing biographical data, the differences in scores for each of the categories, namely job satisfaction, employee empowerment, communication, management reporting and performance management. The effect size indices were used to ascertain whether there were significant variances present between these categories.

### *3.2.9.2 Measures of correlation*

The research conducted also wanted to ascertain whether there was any influence the biographical data had on the five categories mentioned in 3.3.9.1, which were supplemented by the inter-relationships of the five categories. This analysis was conducted by evaluating the linear relationship through correlation. A coefficient of correlation, indicated by the Greek letter  $\rho$  (*rho*), measures the relative strength of a linear relationship between two or more quantitative variables and is derived by evaluating the variations in one variable as another variable also varies (Levine et al., 2011). This research will analyze the Pearson's correlation coefficient which assesses the extent to which values of two variables are linearly related to each other. This will assist the researcher to indicate the direction, strength and the significance of the multivariate relationship between the variables and will enable to provide the researcher with information regarding the likelihood that the coefficient will be found in the population from which the random sample was taken (Bryman & Bell, 2007).

Respondents were requested to indicate their responses on a 5- point Likert scale after which the data will be tested between categories. Levine et al. (2011) explains that coefficient of correlation can range from -1.00 to +1.00; where the value of -1.00 represents a perfect negative correlation, while a value of +1.00 represents a perfect positive correlation and a value of 0.00 represents a lack of correlation. A negative correlation between two variables is where one variable's value tends to increase, the other variable's value tends to decrease in a predictable manner. A positive correlation refers to a relationship between two variables, where one variable's values tend to increase, the other variable's values also tend to increase in a predictable manner.

When the coefficient of correlation gets closer to +1 or -1, the linear relationship between the two variables would be interpreted as strong or significant.

Lastly, the biographical data like age, gender and salary level were tabulated with the various categories of independent variables and were presented in percentages and means.

The results of the data and statistical analysis will be discussed in detail later in this chapter.

### *3.2.10 Pilot testing of the questionnaire*

A pilot was done which refers to a trial administration of an instrument in order to identify flaws. The pretest was necessary to determine whether the instructions and questions posed in the questionnaire were clear and understandable for the respondents to interpret and what is required from them. This is referred to as the pretesting of a questionnaire (Creswell, 2009).

The researcher piloted the questionnaire on eleven respondents within the Category B municipality. All of those respondents answered with the following suggestions:

- The format and structure of the questionnaire changed in Section A to Section F;
- Section G was also translated to Afrikaans in order for respondents to respond in their own words in how they perceive trust between municipal employees and managers.
- A few questions were added pertaining to strategic management in order to ascertain whether municipal employees participate in formulating strategic objectives for the municipality. Questions relating to the managers' involvement in the employees' career development were also added.

### 3.2.11 Ethical considerations

Apart from expertise and diligence, the process of conducting research requires honesty and integrity and is done to recognize and protect the rights of those participating in the research, as well as prior research done on the research topic (Saunders et al., 2009). It is imperative that researchers perform their research in an ethical manner. There are many ethical considerations, especially in primary research, on which researchers need to be vigilant. Eight considerations were explained, of which the researcher will elaborate on three which is relevant to the current research study (Driscoll & Brizee, 2012):

- The process of data collection was done in a way whereby the researcher forthrightly ensured a non-disclosure of the respondents' information. The participants were informed that their research findings will be anonymous and that their personal identity will not be made public. In a brief explanation, the participants were also explained as to what the research entails.
- The capturing and processing of the respondents data were captured and analyzed by an independent service provider at the Northwest University. This meant that the researcher had no undue influence over the expected results and did not manipulate or distort any data whatsoever. By doing so, the researcher acted in an unbiased manner throughout the collection, capturing and statistical analysis of the data.
- The objective of the research was to ascertain a possible link between one dependent variable and five independent variables and what the influence would be on effective and efficient basic services delivery. The researcher used the findings for academic purposes and to compile a report that will be made available for perusal by the executive management of the Category B municipality.

### 3.3.12 The response rate

Table 3.3 illustrates the response rate which was achieved for this research. The total population for this research was 983 employees which were permanently employed at the Category B municipality. The sample was narrowed down as the researcher differentiated between the total permanently employed employees and those who could read and write in English. The final sample accounted for 800 permanently employed employees of which 205 respondents participated. The statistical analysis indicated that a total of 48 questionnaires had responses where some questions were not answered. The statistics program excluded those questions and, where questions were not answered, a valid percentage was calculated. The valid percentage expresses the number responding as a percentage of those who correctly responded (Levine et al., 2011). The response rate (total number of questionnaires received/ total sample size) was 25.62 percent.

Table 3.2: The response rate, (Source: Own Compilation)

| <b>Category B municipality population and sample</b> | <b>Amount and percentage of responses</b> |
|--|---|
| <b>Population</b>                                    | 983                                       |
| <b>Sample</b>  | 800                                       |
| <b>Total responses</b>                               | 205                                       |
| <b>Total response rate</b>                           | 25.62%                                    |

### 3.3 Findings of the empirical investigation

This section will provide a detailed analysis of the empirical investigation conducted as indicated in the research methodology.

#### 3.3.1 Biographical information of the respondents

The statistics program, SPSS Inc., PASW Statistics 18 and Release Version 18.0.0., was used to analyze the biographical information. Appendix C contains all the frequency tables and bar graphs for the biographical information captured in the questionnaire. Approximately 1.9 percent of the respondents neglected to complete some of the biographical information. This has been neutralized by using the valid percent. The researcher will indicate where the valid percentage will be used.

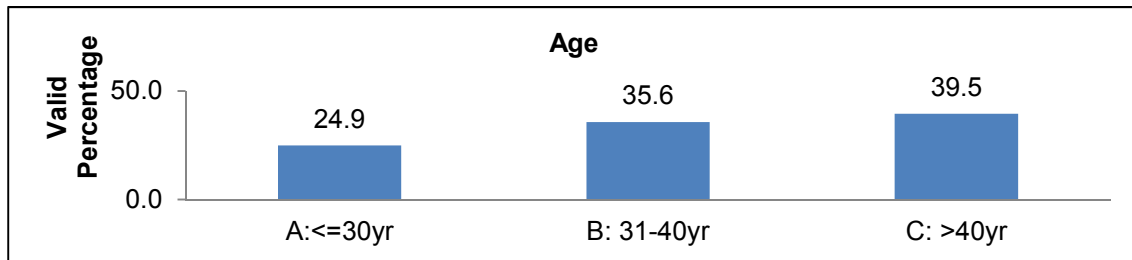


Figure 3.2: Age of respondents, (Source: Own Compilation)

The figure above illustrates the age of the respondents which participated in this survey. From the 205 respondents, 51 (24.9 percent) were younger than 30 years, 73 (35.6 percent) were between 31 years and 40 years old, and 81 (39.5 percent) were older than 40 years of age. From the responses it can be concluded that the majority of the respondents older than 40 years have been employed by the Category B municipality for many years.

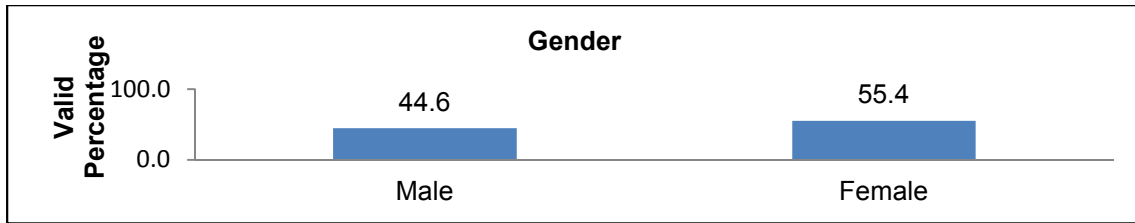


Figure 3.3: Gender of the respondents, (Source: Own Compilation)

The figure above illustrates that 204 respondents indicated their gender, of which 91 (44.6 valid percent) were male and 113 (55.4 valid percent) were female. This response rate is contrary to the existing employment profile of the Category B municipality's pertaining to gender. Permanently employed male employees constitute 64.5 percent of the permanently employment profile, as indicated in Table 1.1.

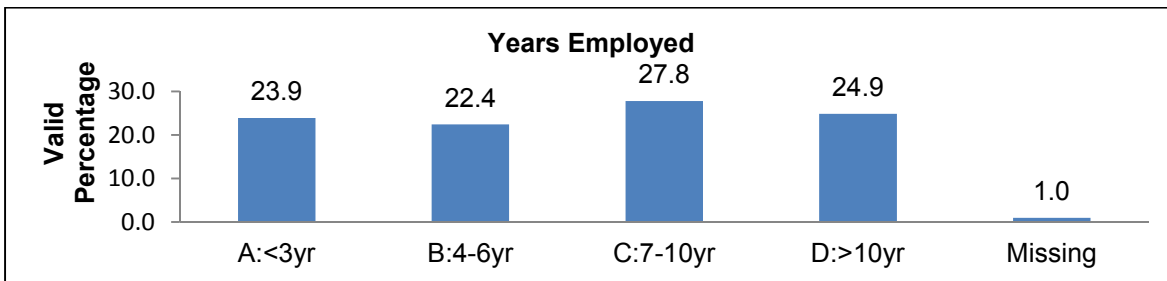


Figure 3.4: Amount of years employed by Category B municipality, (Source: Own Compilation)

The figure above illustrates the amount of years employed at the Category B municipality, of which 203 respondents responded. A total of 49 (23.9 valid percent) were employed for less than three years, 46 (22.4 valid percent) between four and six years, 57 (27.8 valid percent) between seven and 10 years and 51 (24.9 valid percent) for >10 years. The statistical feedback indicated that one percent did not respond to this question. The analysis indicates that the majority of the respondents at the Category B municipality are employed in excess of seven years.



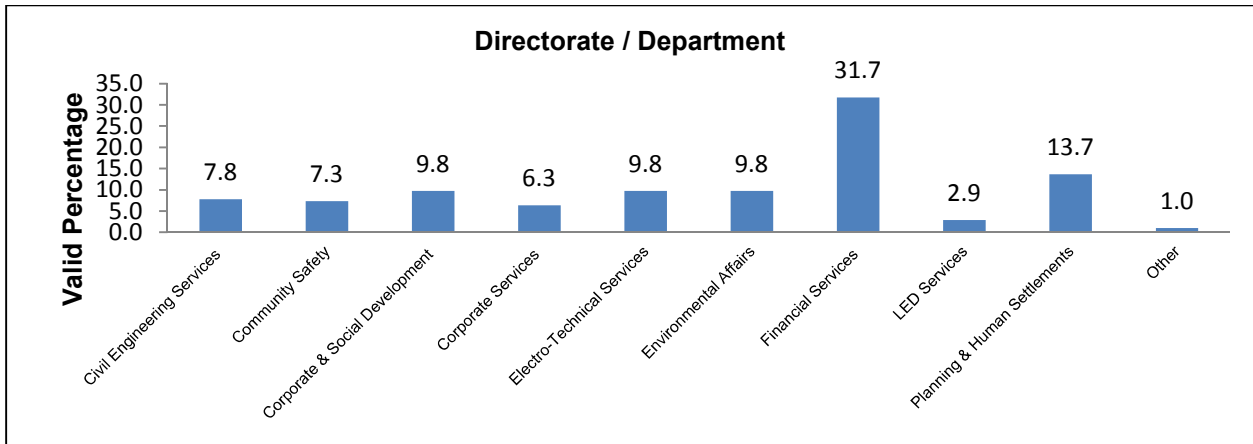


Figure 3.5: Departments where respondents are employed, (Source: Own Compilation)

The figure above illustrates the diversity of departments in which respondents are employed, of which 203 respondents responded. A total of 16 were employed in Civil Engineering Services, 15 in Community Safety, 20 in Corporate and Social Development, 13 in Electro Technical Services, 20 in Electro Technical Services, 20 in Environmental Affairs, 65 in Financial Services, 6 in Local Economic Development (LED) Services, 28 in Planning and Human Settlements and two in other departments.

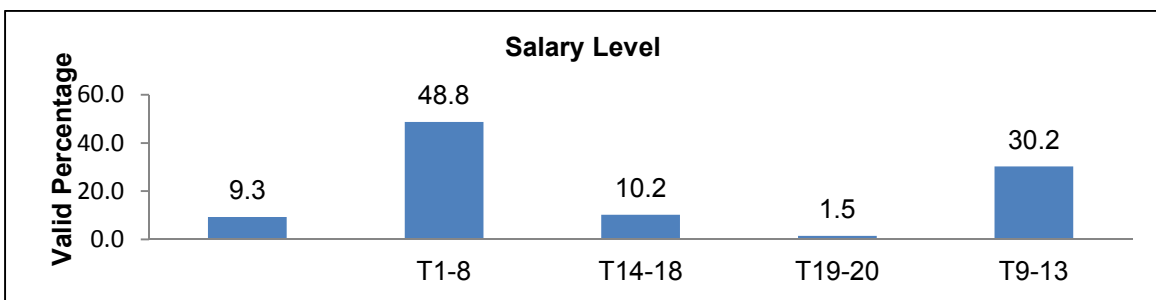


Figure 3.6: Salary level of respondents, (Source: Own Compilation)

The figure above illustrates the salary level of the respondents of which 194 respondents responded. A total of 19 did not know their salary level, 100 indicated T1 – T8 (unskilled/ semi- skilled), 62 indicated T9 – T13 (skilled), 21 indicated T14 – T18 (middle management), and 3 indicated T19 – T20 (senior management). The explanations of all the salary levels are provided in the list of definitions.

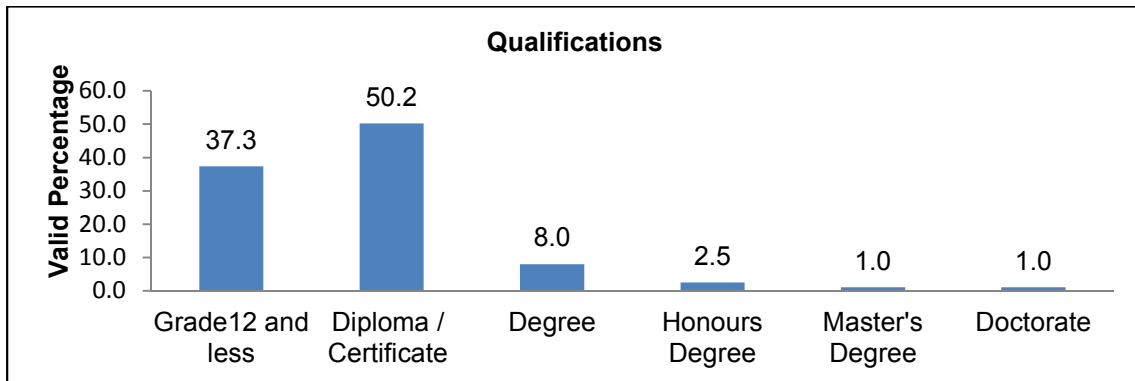


Figure 3.7: Level of Education/ Qualification, (Source: Own Compilation)

The figure above illustrates the level of education and qualifications which the respondents achieved, of which 201 respondents responded. A total of 75 only had Grade 12 and less, 101 had a Diploma/ Certificate, 16 had a Degree, 5 had an Honors degree and 2 had a Master's and Doctorate degree respectively. The analysis concludes that a significant amount of respondents had no formal level of higher education.

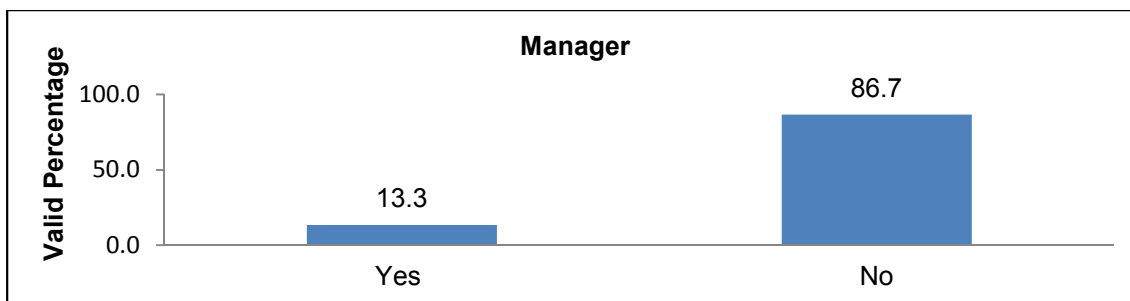


Figure 3.8: Amount of managers which participated, (Source: Own Compilation)

The figure above illustrates the amount of managers which participated as opposed to employees, of which 203 respondents responded. A total of 27 indicated that they are managers as opposed to 176 which indicated that they are employees. This response rate equates to a manager to employee ratio of 1: 6.51.

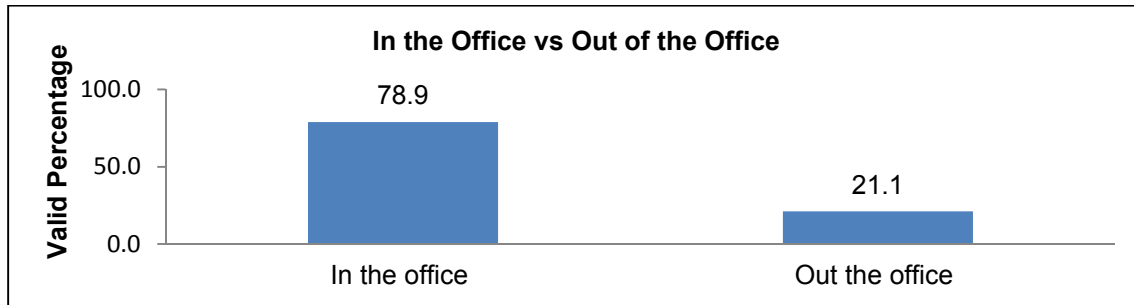


Figure 3.9: Amount of Respondents spending most of the time out of office, (Source: Own Compilation)

The figure above illustrates the amount of respondents which spend most of their time out of the office, of which 199 respondents responded. A total of 157 indicated that they are in the office most of the time. A total of 42 indicated that they spend most of their time out of office. The contextual reference to this question was to ascertain how employees feel about the vertical trust relationship despite not engaging with managers on a frequent basis as a result of their respective job descriptions.

### 3.3.2 Internal reliability of the measuring instruments

This part will explain the reliability of the measuring instruments used in Section B to Section F of the questionnaire. The researcher would like to reiterate the importance of the internal reliability because this shows whether or not an instrument's measures are free of error if such findings can be repeated and provides an indication of how consistent the research findings are (Collis & Hussey, 2009). The Cronbach Alpha

scores were used for measuring the reliability of job satisfaction, employee empowerment, communication, and management reporting and performance management as vertical trust dimensions, and will be discussed in the next section.

### 3.3.2.1 The Cronbach’s Alpha reliability scores for the five measuring instruments contained in the questionnaire

Table 3.3 shows the Cronbach’s Alpha coefficients for the five measuring instruments identified in Chapter 2 as job satisfaction, employee empowerment, communication, and management reporting and performance management.

Table 3.3: Cronbach’s Alpha coefficient scores for measures of vertical trust,  
(Source: Own Compilation)

| Vertical Trust Scales  | Mean  | Standard Deviation | Cronbach’s Alpha Coefficient | N of Items in Questionnaire | Cronbach’s Alpha Rating |
|------------------------|-------|--------------------|------------------------------|-----------------------------|-------------------------|
| Job Satisfaction       | 33.17 | 11.21              | <b>0.94</b>                  | 11                          | Excellent               |
| Employee Empowerment   | 18.99 | 7.66               | <b>0.93</b>                  | 7                           | Excellent               |
| Communication          | 30.45 | 12.22              | <b>0.96</b>                  | 12                          | Excellent               |
| Management Reporting   | 18.03 | 7.62               | <b>0.95</b>                  | 7                           | Excellent               |
| Performance Management | 18.67 | 7.10               | <b>0.90</b>                  | 7                           | Excellent               |

*All figures rounded off to two decimal places*

The explanation of the Cronbach's Alpha coefficient was indicated by Bryman and Bell (2007) and provided the following rules of thumb for the value of Cronbach's Alpha:

- $>.9$  – Excellent;
- $>.8$  – Good;
- $>.7$  – Acceptable;
- $>.6$  – Questionable;
- $>.5$  – Poor; and
- $<.5$  – Unacceptable

A high level of Cronbach's Alpha thus indicates a good to excellent internal reliability of the items or statements portrayed in the measuring scales. From the interpretations pertaining to the rule of thumb as depicted in Table 3.3, all five vertical trust dimensions were in excess of 0.90 and thus found to have excellent internal reliability. This indicates that all the dimensions yielded consistent results and can therefore be repeated with the probability of receiving the same results in future. The five dimensions used, is a reliable measurement of vertical trust relationship between municipal employees and managers. The item-total statistics relating to the Cronbach's Alpha coefficient for each of the five vertical trust dimensions are attached as Appendix B. These tables will indicate the internal reliability of the dimension if the respective items were to be deleted. The researcher assessed the item-total statistics regarding the municipal employees' perception of communication as a vertical trust dimension. This dimension was chosen as it had the highest internal reliability of all the dimensions tested in this research. Table 3.5 will depict all the statements tested as Section D statement 1 – 12. This table indicates that if the respective statements within Section D is deleted, it is clear that all the Cronbach's Alpha scores are highly reliable, ranging between 0.956 and 0.963.

Table 3.4: Item- total correlation and Cronbach's Alpha coefficient scores of communication as a vertical trust dimension, (Source: Own Compilation)

| Statements of Communication | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-----------------------------|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| Section D Statement 1       | 27.96                      | 125.609                        | .816                             | .958                             |
| Section D Statement 2       | 27.27                      | 128.574                        | .681                             | .962                             |
| Section D Statement 3       | 27.97                      | 124.238                        | .850                             | .958                             |
| Section D Statement 4       | 27.99                      | 124.744                        | .848                             | .958                             |
| Section D Statement 5       | 28.22                      | 126.726                        | .823                             | .958                             |
| Section D Statement 6       | 28.03                      | 124.332                        | .862                             | .957                             |
| Section D Statement 7       | 27.97                      | 123.127                        | .887                             | .956                             |
| Section D Statement 8       | 28.07                      | 124.796                        | .864                             | .957                             |
| Section D Statement 9       | 28.11                      | 123.832                        | .893                             | .956                             |
| Section D Statement 10      | 27.90                      | 126.223                        | .825                             | .958                             |
| Section D Statement 11      | 27.63                      | 128.457                        | .699                             | .962                             |
| Section D Statement 12      | 27.87                      | 129.912                        | .646                             | .963                             |

*Figures (except for scale mean if deleted) is rounded of the three decimal places*

From the table, the researcher can derive that the dimension's internal reliability is excellent and will have no significant change in the Cronbach's Alpha coefficient scores, if one of the items/ statements is deleted. Appendix B will show that the remaining four vertical trust dimensions' internal reliability is extremely high, where the deletion on one item/ statement will not significantly change the various dimensions' Cronbach's Alpha coefficient results. This reiterates that the research instrument used in this research is seen as being internally reliable, which increases the reliability of this research.

Culminating with the excellent results of the internal reliability of each of the vertical trust dimensions tested in this research, the following section aims to discuss the results of

all the items or questions of Section B to Section F of the questionnaires in the next section.

### 3.3.3 Findings of responses to items within Section B to Section F of questionnaire

Results of all the items will be analyzed and interpreted as to how respondents' perceived these vertical trust dimensions within the Category B municipality. Each Section will be discussed independently. For ease of understanding, the researcher will interpret and divide the Likert scale into three categories of frequencies. The first category will combine 1) Strongly Disagree and 2) Disagree into one category. The second category will be 3) Neither agree nor Disagree, whereas the third category will consist of 4) Disagree and 5) Strongly disagree. Lastly, the mean of the responses relating to each item, will be used to make certain interpretations.

#### 3.3.3.1 Section B: Job satisfaction

Section B consisted of 11 items or statements relating to job satisfaction. Each statement will thus be analyzed.

From the perception of the respondents' attitude towards job satisfaction, only 203 participants responded to the first statement. A total of 73 (36 valid percent) indicated that they disagree with the statement that it is a pleasure to go to work daily. A total of 92 (45.3 valid percent) felt that it was a pleasure to come to work daily. The amount of participants which were unable to express their view, amounted to 38 (18.7 valid percent). The mean of 2.93 indicated that most of the respondents disagreed with this statement.

The second statement relating to whether the respondent takes pleasure in doing their work, a total of 203 participants responded. A total of 44 (21.5 valid percent) indicated that they disagree with the statement as opposed to 144 (71 valid percent) which indicated that they agree with the statement. The amount of participants which were

unable to express their view, amounted to 15 (7.4 valid percent). The mean of 3.53 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 199 participants responded to the statement that they have no intention to leave the municipality. The participants which disagreed with the statement was 64 (32.2 valid percent) as opposed to the 90 (45.2 valid percent) which agreed with the statement. The amount of participants which were unable to express their view, amounted to 45 (22.6 valid percent). The mean of 3.09 indicated that most of the respondents were neutral and unable to express an opinion.

The fourth statement revolved around whether the participants felt that the work they do adds value to basic service delivery with the city and surrounding communities. Only 200 participants responded of which 42 (21 valid percent) disagreed with the statement. Contrary, a total of 151 (75.5 valid percent) agreed that their work adds value to the municipality's core objective of effective service delivery. The amount of participants which were unable to express their view, amounted to 7 (3.5 valid percent). The mean of 3.73 indicated that most of the respondents were neutral and unable to express an opinion.

A total of 203 participants responded to the statement of whether the Category B municipality is a great organization to work for, of which 61 (30 valid percent) disagreed and 93 (45.8 valid percent) agreed. The amount of participants which were unable to express their view, amounted to 49 (24.1 valid percent). The mean of 3.06 indicated that most of the respondents were neutral and unable to express an opinion.

The sixth statement related to whether employees would recommend anyone to work for the Category B municipality. A total of 202 participants responded of which 73 (36.1 valid percent) disagreed. A total of 77 (38.1 valid percent) agreed that they would recommend anyone to seek employment at the category B municipality. The amount of participants which were unable to express their view, amounted to 52 (25.7 valid percent). The mean of 2.84 indicated that most of the respondents disagreed with this statement.



A total of 204 participants responded to the statement that the employees' personal skills and capabilities are consequences of the good job they are doing. A total of 42 (20.6 valid percent) disagreed, as opposed to 140 (68.6 valid percent), which agreed that their skills sets do play a part. The amount of participants which were unable to express their view, amounted to 22 (10.8 valid percent). The mean of 3.58 indicated that most of the respondents were neutral and unable to express an opinion.

The eighth statement indicated that managers have employees' personal interest at heart whenever employees are required to do their jobs. A total of 200 participants responded of which 103 (51.5 valid percent) disagreed with the statement. A total of 59 (29.5 valid percent) agreed with the statement. The amount of participants which were unable to express their view, amounted to 38 (19 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The statement relating to whether working conditions allows employees to effectively do their jobs, were answered by 200 participants. A total of 98 (49 valid percent) disagreed that there are conducive working conditions, as opposed to the 55 (27.5 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 47 (23.5 valid percent). The mean of 2.57 indicated that most of the respondents disagreed with this statement.

The tenth statement alluded to whether managers are actively involved in the employees' career path, of which 200 participants responded. A total of 115 (47.5 valid percent) disagreed, as appose to the 45 (22.5 valid percent) which agreed. The amount of participants which were unable to express their view, amounted to 40 (20 valid percent). The mean of 2.38 indicated that most of the respondents disagreed with this statement.

The last statement referred to whether the employees are assured that they will not lose their job. A total of 66 (32.5 valid percent) disagreed with the statement and 73 (36 valid percent) agreed that they are assured of not losing their job. A total of 64 (31.5 valid percent) participants were unsure of whether they are assured of not losing their jobs. The mean of 2.88 indicated that most of the respondents disagreed with this statement.

The analysis indicates that the majority of the respondents disagreed with most of the statements, with the rest being dominated by respondents which were neutral and unable to express an opinion.

### 3.3.3.2 Section C: Employee empowerment

Section C consisted of seven items or statements relating to employee empowerment. Each statement will thus be analyzed.

The first statement was aimed at whether the employees were scared to raise an opinion at work. A total of 204 participant responded of which 75 (33.8 valid percent) disagreed with the statement. Contrary, a total of 109 (53.4 valid percent) agreed that they are not scared to raise their opinions at work. The amount of participants who were unable to express their view, amounted to 20 (9.8 valid percent). The mean of 3.14 indicated that most of the respondents were neutral and unable to express an opinion.

The next statement revolves around whether the manager involves employees in decisions that affect their work. A total of 203 participants responded, of which 122 (60.1 valid percent) disagreed and 49 (24.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 32 (15.8 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.

The third statement relates to whether management installs confidence in employees in order for employees to do their work. A total of 201 participants responded, of which 95 (47.3 valid percent) disagreed with the statement. A total of 71 (35.4 valid percent) agreed that management installs confidence in employees for them to do their work. The amount of participants who were unable to express their view, amounted to 35 (17.4 valid percent). The mean of 2.71 indicated that most of the respondents disagreed with this statement.

A total of 202 participants responded to the statement which relates to whether managers allow employees to do their job the way employees see it best, as long as the

work is effectively done. A total of 77 (38.2 valid percent) disagreed with the statement, as opposed to the 91 (45.1 valid percent) participants which agreed. The amount of participants who were unable to express their view, amounted to 34 (16.8 valid percent). The mean of 2.97 indicated that most of the respondents disagreed with this statement.

The fifth statement which refers to whether management creates an environment in which successes are celebrated, were answered by 203 participants. A total of 116 (57.2 valid percent) disagreed in comparison with the 47 (23.1 valid percent) participants which agreed with the statement. The amount of participants who were unable to express their view, amounted to 40 (19.7 valid percent). The mean of 2.45 indicated that most of the respondents disagreed with this statement.

The next statement tested whether management encourages innovative ways to effectively deliver basic services to the city and surrounding communities. A total of 203 participants responded, of which 90 (44.3 valid percent) disagreed with the statement. This was in comparison to a total of 71 (35 valid percent) which agreed that management encourage innovative ways to effectively deliver basic services to the communities. The amount of participants who were unable to express their view, amounted to 42 (20.7 valid percent). The mean of 2.74 indicated that most of the respondents disagreed with this statement. Bouckaert (2012) implied that organizations need to search for innovative ways to promote trust and cooperation within their people in order to improve job satisfaction and performance. From the empirical analysis conducted based on the Category B municipality, this element would need to be looked at in order to edge ahead of other similar Category B municipalities.

The last statement relates to whether the management empowers employees to make decisions that will positively influence their work, of which 192 participants responded. A total of 94 (54.4 valid percent) disagreed with the statement, whereas a total of 44 (22.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 54 (28.1 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

### 3.3.3.3 Section D: Communication

Section D consisted of 12 items or statements relating to communication. Each statement will thus be analyzed.

The first statement relates to whether management is transparent in the manner in which they conduct their work. A total of 197 participants responded, of which 105 (53.3 valid percent) disagreed and 45 (22.9 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 47 (23.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement. Tan and Lim (2009) explained in chapter two that transparency is important for information to be communicated, irrespective of whether employee engagements stems from formal or informal interaction.

A total of 197 participants responded to whether management trust the employees to do their job. A total of 52 (26.4 valid percent) participants disagreed and 103 (52.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (21.3 valid percent). The mean of 3.19 indicated that most of the respondents were neutral and unable to express an opinion.

The third statement relates to whether management communicates and displays a sense of fairness towards employees. A total of 201 participants responded, of which 110 (54.8 valid percent) participants disagreed and 53 (26.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement focused on whether management is consistent in their actions and behaviour. A total of 201 participants responded, of which 113 (56.3 valid percent)

disagreed. A total of 44 (22.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management deliver on their promises made to employees. A total of 199 participants responded, of which 123 (61.8 valid percent) participant disagreed with the statement. A total of 27 (13.5 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 49 (24.6 valid percent). The mean of 2.24 indicated that most of the respondents disagreed with this statement.

A total of 198 participants responded to the statement relating to whether management is always willing to discuss employees' personal wellbeing with immense compassion. A total of 116 (58.6 valid percent) participants disagreed and 44 (22.3 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (19.2 valid percent). The mean of 2.42 indicated that most of the respondents disagreed with this statement.

The seventh statement revolves around whether management make employees feel appreciated in the manner in which management communicate tasks to them. A total of 201 participants responded of which 112 (55.8 valid percent) participants disagreed and 51 (25.4 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.48 indicated that most of the respondents disagreed with this statement.

The next statement tested whether there is trust between management and employees. A total of 201 participants responded, of which 119 (59.2 valid percent) of them disagreed. A total of 40 (19.9 valid percent) participants agreed with that there is trust between management and employees. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.39 indicated that most of the respondents disagreed with this statement.

The ninth statement focused on whether management is creating an environment whereby they can communicate honestly with employees. A total of 200 participants responded and 121 (60.5 valid percent) disagreed that such an environment exist. The total of participants who agreed to this statement, amounted to 40 (20 valid percent).The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.34 indicated that most of the respondents disagreed with this statement.

The tenth statement revolves around whether management effectively communicates the strategic objectives of the Category B municipality to the employees. A total of 200 participants responded and 98 (39 valid percent) participants disagreed with the statement. A total of 45 (22.5 valid percent) indicated that they agree that strategic objectives are effectively communicated to the employees. The amount of participants who were unable to express their view, amounted to 57 (28.5 valid percent). The mean of 2.55 indicated that most of the respondents disagreed with this statement.

The penultimate statement referred to whether the employees know and understand the key strategic objectives for effective service delivery over the next three years. A total of 200 participants responded of which 78 (39 valid percent) participant disagreed. The number of participants which agreed with the statement, amounted to 68 (34 valid percent). A total of 54 (27 valid percent) participants were not sure of what these key strategic objectives were. The amount of participants who were unable to express their view, amounted to 54 (27 valid percent). The mean of 2.82 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether the employees participate in the formulation of the Category B municipality's strategic vision. A total of 198 participants responded of which 101 (51.1 valid percent) disagreed with the statement. A total of 56 (28.2 valid percent) agreed that employees are involved in formulating the Category B municipality's strategic vision. The amount of participants who were unable to express their view, amounted to 41 (20.7 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.

#### 3.3.3.4 Section E: Management reporting

Section E consisted of seven items or statements relating to management reporting. Each statement will thus be analyzed.

The first statement tests whether management is good in setting realistic goals and whether they assist employees in achieving those goals. A total of 200 participants responded, of which 112 (56 valid percent) participants disagreed with the statement. A total of 49 (24.5 valid percent) participants agreed that management sets realistic goals and assists employees to achieve it. The amount of participants who were unable to express their view, amounted to 39 (19.5 valid percent). The mean of 2.52 indicated that most of the respondents disagreed with this statement.

The next statement relates to whether management sees an employee's opinion on work related issues as important. A total of 201 participants responded, of which 105 (52.3 valid percent) disagreed. The total of participants who agreed with this statement, amounted to 54 (26.9 valid percent). The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.58 indicated that most of the respondents disagreed with this statement.

A total of 199 participants responded to the statement which relates to whether management is committed in getting employees' views on how to make the right decisions that may result in a prosperous Category B municipality. The total of participants which disagreed, amounted to 116 (58.3 valid percent) as opposed to 40 (20.1 valid percent) participants which agreed with the statement. The amount of participants which were unable to express their view, amounted to 43 (21.6 valid percent). The mean of 2.40 indicated that most of the respondents disagreed with this statement.

The fourth statement relates to whether the employee can trust management. A total of 200 participants responded, of which 112 (56 valid percent) participants responded. Those participants who agreed with the statement, amounted to 36 (18 valid percent). The amount of participants who were unable to express their view, amounted to 52 (26 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The next statement looked at whether management can align employees in a way that would enable employees to work towards a common goal. A total of 201 participants responded, of which 111 (55.3 valid percent) participants disagreed and 52 (25.9 valid percent) participants agreed. The amount of participants who were unable to express their view, amounted to 38 (18.9 valid percent). The mean of 2.50 indicated that most of the respondents disagreed with this statement.

The penultimate statement looks at whether management conduct themselves in a polite and professional manner when addressing work related issues to employees. A total of 201 participants responded, of which 93 (46.3 valid percent) participants disagreed. A total of 66 (32.9 valid percent) agreed with the statement. The amount of participants who were unable to express their view, amounted to 42 (20.9 valid percent). The mean of 2.68 indicated that most of the respondents disagreed with this statement.

The last statement revolves around whether employees feel that management is capable of implementing strategies that will successfully lead to a better delivery of basic services to the communities. A total of 202 participant responded, of which 70 (34.7 valid percent) participant disagreed. The amount of participants who agreed, amounted to 76 (37.6 valid percent). The amount of participants who were unable to express their view, amounted to 56 (27.7 valid percent). The mean of 3.00 indicated that most of the respondents were neutral and unable to express an opinion.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinion.



### 3.3.3.5 Section F: Performance management

Section F consisted of seven items or statements relating to performance management. Each statement will thus be analyzed.

A total of 196 participants responded to the statement relating to whether performance feedback is regularly provided on how employees do their work. The amount of participants which disagreed, amounted to 129 (65.8 valid percent). A total of 40 (20.4 valid percent) participants agreed with the statement. The amount of participants who were unable to express their view, amounted to 27 (13.8 valid percent). The mean of 2.22 indicated that most of the respondents disagreed with this statement.

The second statement related to whether employees believe that performance reviews are fairly and accurately conducted. A total of 195 participants responded of which 77 (39.5 valid percent) participants disagreed. The total of participants who agreed with the statement, amounted to 80 (41.1 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 2.89 indicated that most of the respondents disagreed with this statement. Mulki et al. (2006) indicated that trust in a manager entails the positive effect that occurs when an employee believes that he or she has a fair relationship with an honest manager. The empirical analysis implied that managers in the Category B municipality would need to positively nurture beliefs about what employees think they are entitled to receive or should receive because employees perceive that their managers conveyed promises either implicitly or explicitly to provide fair performance feedback (Grobler et al., 2006).

The third statement revolves around whether the employees know and understand their performance agreement with the Category B municipality. A total of 195 participants responded, of which 63 (32.3 valid percent) disagreed with the statement. The total of participants which agreed with the statement, amounted to 94 (48.2 valid percent). The amount of participants who were unable to express their view, amounted to 38 (19.5 valid percent). The mean of 3.08 indicated that most of the respondents were neutral and unable to express an opinion.

The statement relating to whether employees will get good performance reviews if they deliver on their job responsibilities, as indicated in the performance agreement, were answered by 195 participants. Of those participants, a total of 73 (37.4 valid percent) disagreed and a total of 86 (44.1 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 36 (18.5 valid percent). The mean of 2.96 indicated that most of the respondents disagreed with this statement.

The fifth statement relates to whether management treats good performers different to how they treat non- performers. This statement was answered by 196 participants, of who 88 (44.9 valid percent) disagreed and 56 (28.6 valid percent) agreed. The amount of participants who were unable to express their view, amounted to 52 (26.5 valid percent). The mean of 2.70 indicated that most of the respondents disagreed with this statement.

The sixth statement looks at whether management is committed to manage employees' performance and assists them in their career and personal development. A total of 198 participants responded, of which 110 (55.6 valid percent) disagreed with the statement. The total of participants who agreed with the statement, amounted to 38 (19.1 valid percent). The amount of participants who were unable to express their view, amounted to 50 (25.3 valid percent). The mean of 2.35 indicated that most of the respondents disagreed with this statement.

The last statement focused on whether the employees were allowed by management to enroll for training programmes over the last 12 months. A total of 108 (55.4 valid percent) participants disagreed with the statement, as opposed to 62 (31.8 valid percent) participants who agreed with the statement. The amount of participants who were unable to express their view, amounted to 25 (12.8 valid percent). The mean of 2.46 indicated that most of the respondents disagreed with this statement.

The respondents responded by disagreeing with the majority of the statements, except for one where they were unable to express their opinions. Further details of this analysis in 3.3.3 are provided in Appendix C.

The researcher further analyzed the questionnaires to ascertain which statements received the highest responses, based on the 5- point Likert scale. The next section will discuss these responses, based on how the participants responded from 1) Strongly Disagree to 5) Strongly Agree. The responses were based on the valid percent of the actual participants who responded. The criteria, for how these statements were also selected, were based on whether more than 60 participants responded to a particular statement. These participants would represent more than 30 percent of those participants which responded and thus represent one third of those who chose a particular statement.

### 3.3.5 Statements with high level of “Strongly Disagree” responses

The analyses revealed that eight statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether the management is actively involved and support the employees in their career path at the Category B municipality, of which 34.5 valid percent strongly disagreed with this statement. This was from a total of 200 participants who responded. The second statement relates to whether performance feedback is regularly provided on how employees do their job, of which 35.21 valid percent strongly disagreed with the statement. This was from a total of 196 participants who responded. A graphical illustration of the eight statements is provided below.

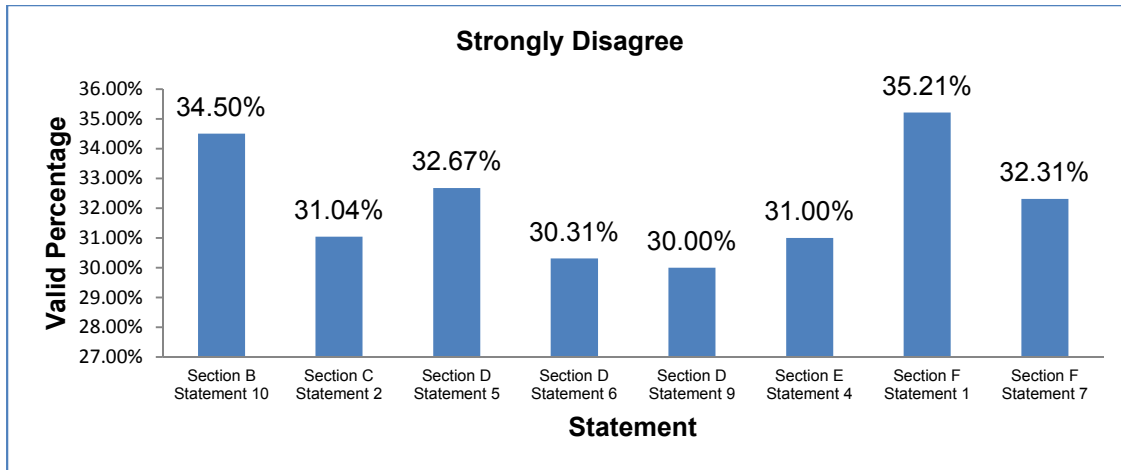


Figure 3.10: Statements with high frequency of “Strongly Disagree” responses,  
(Source: Own Compilation)

### 3.3.6 Statements with high level of “Disagree” responses

The analyses revealed that five statements throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first statement with the highest response relates to whether management is good in setting realistic goal and assists employees in achieving their goals. From a total of 196 participants who responded, 32.5 valid percent indicated that they disagree with the statement. The second statement relates to whether employees believe that there is trust between management and employees, of which 31.84 valid percent disagreed with the statement. This was from a total of 201 participants which responded. A graphical illustration of the five statements is provided below.

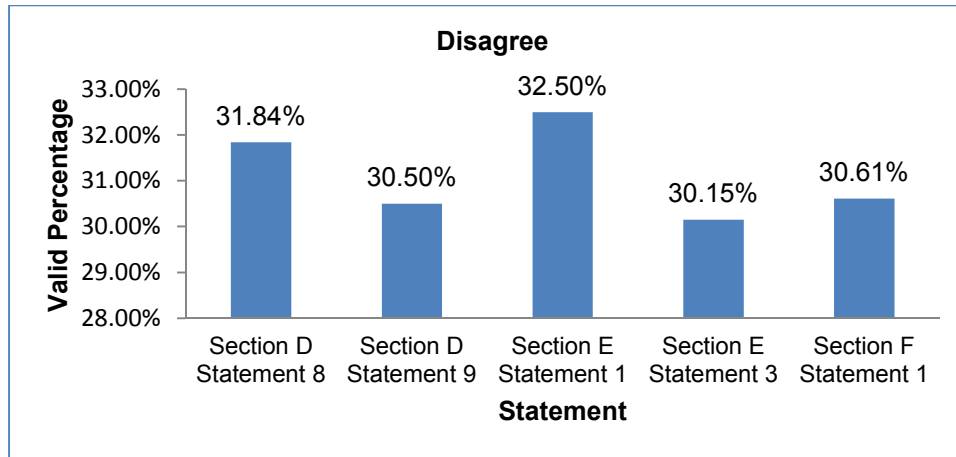


Figure 3.11: Statements with high frequency of “Disagree” responses, (Source: Own Compilation)

### 3.3.7 Statements with high level of “Agree” responses

The analyses revealed that eleven statements throughout Section B – Section F, had a high frequency of responses, who were in excess of 30 percent. From this category, there were two statements which had the highest response rate. The first one relates to whether employees take pleasure in doing their work, of whom 48.77 valid percent agreed with this statement. This was from a total of 203 participants who responded. The second statement relates to whether employees’ personal skills and capabilities are testimony of the good job they are doing, of who 44.12 valid percent agreed with the statement. This was from a total of 204 participants who responded. A graphical illustration of the eleven statements is provided below.

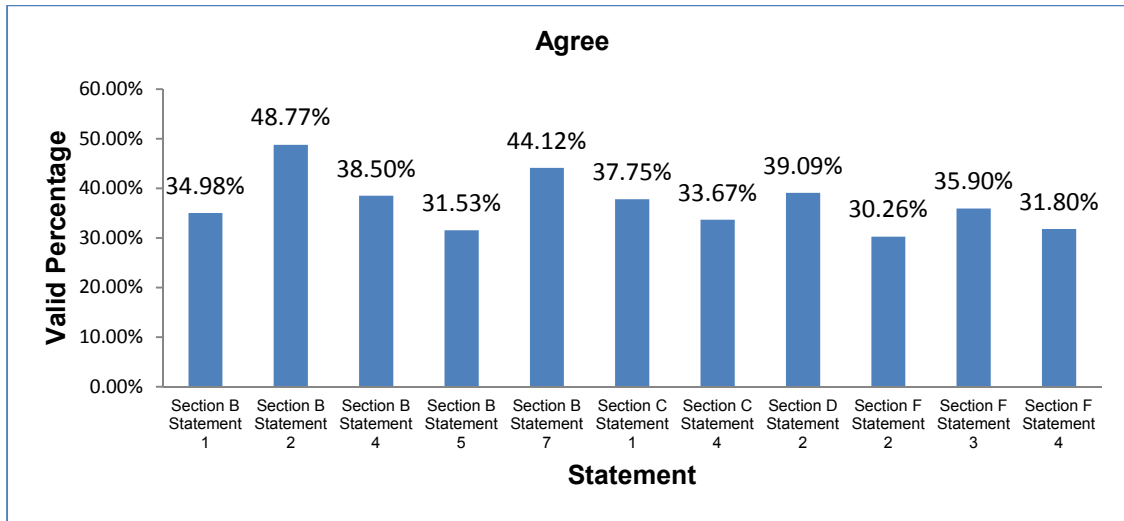


Figure 3.12: Statements with high frequency of “Agree” responses, (Source: Own Compilation)

### 3.3.8 Statements with high level of “Strongly Agree” responses

The analyses revealed that one statement throughout Section B – Section F, had a high frequency of responses, which were in excess of 30 percent. The statement relates to whether the work which employees do, add value in delivering basic services in the town and the surrounding communities. From the 200 participants who responded, 37 valid percent strongly agreed with this statement. A graphical illustration of the statement is provided below.

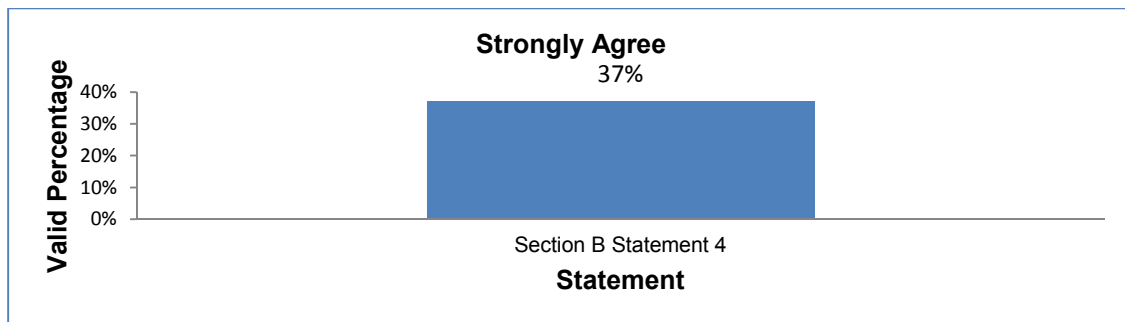


Figure 3.13: Statements with high frequency of “Strongly Agree” responses, (Source: Own Compilation)

More detail pertaining to the high frequency of responses based on the Likert scale, is provided in Appendix D.

The next analysis revolves around the results pertaining to all the items/ statements in Section B to Section F. The analysis will be done by categorizing and interpreting the responses of the biographical information in groups and assessing how the responses for Section B to Section F differed in comparison. This will be discussed by focusing on the effect sizes, in the next section.

### 3.3.9 Effect sizes indices for heterogeneous variances

The calculation of the effect sizes will assist the researcher to ascertain whether there are practically significant differences between two and more groups. This analysis was done by applying the Cohen  $d$  that assumes homogeneity of population variances and uses means and standard deviations of those groups which are being compared against each other (Cohen, 1988). The biographic information in Section A will be used to compare how the following groups fared in responding to the vertical trust relationship dimensions in Section B – to Section F:

- Effect sizes of how gender perceived those dimensions;
- Effect sizes of how the age groups perceived those dimensions;
- Effect sizes of how respondents with number of years employed perceived those dimensions;
- Effect sizes of how various departments perceived those dimensions;
- Effect sizes of how respondents with various salary levels perceived those dimensions;
- Effect sizes of how respondents with different qualifications/ levels of education perceived those dimensions;
- Effect sizes between managers and employees and how they perceived those dimensions; and

- Effect sizes of employees which spend most of their time out of office, as appose to being in the office

### 3.3.9.1 Effect sizes of how gender perceived those dimensions

Table 3.5 illustrates the effect sizes between the amount of males and females responded to the five vertical trust dimensions.

Table 3.5: Effect sizes for gender, (Source: Own Compilation)

| GENDER  |                        | N   | Minimum | Maximum | Mean | Std. Deviation | d     |
|---------|------------------------|-----|---------|---------|------|----------------|-------|
| Males   | Job satisfaction       | 91  | 1.00    | 5.00    | 3.06 | 1.06           | -0.05 |
|         | Employee empowerment   | 90  | 1.00    | 5.00    | 2.82 | 1.10           | 0.17  |
|         | Communication          | 90  | 1.00    | 5.00    | 2.60 | 1.06           | 0.07  |
|         | Management reporting   | 90  | 1.00    | 5.00    | 2.63 | 1.16           | 0.08  |
|         | Performance management | 89  | 1.00    | 5.00    | 2.69 | 1.08           | -0.03 |
|         | Valid N (list wise)    | 89  |         |         |      |                |       |
| Females | Job satisfaction       | 113 | 1.00    | 5.00    | 3.11 | 1.01           |       |
|         | Employee empowerment   | 113 | 1.00    | 5.00    | 2.63 | 1.07           |       |
|         | Communication          | 112 | 1.00    | 5.00    | 2.52 | 1.02           |       |
|         | Management reporting   | 112 | 1.00    | 5.00    | 2.54 | 1.05           |       |
|         | Performance management | 108 | 1.00    | 5.00    | 2.71 | 0.96           |       |
|         | Valid N (list wise)    | 107 |         |         |      |                |       |

From the interpretation of Cohen's  $d$  in the last column of Table 3.5, there is no significant difference in the manner in which both male and females perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.17, which constitutes a small effect size. The majority of their responses indicated that both genders generally disagreed with the statements within the various dimensions.



### 3.3.9.2 Effect sizes of how the age groups perceived those dimensions

The researcher categorized the age groups as <30 years, between 31 – 40 years and >40 years and older. Table 3.6 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

Table 3.6: Effect sizes for age groups, (Source: Own Compilation)

| AGE_1      |                        | N  | Mean | Std. Deviation | d_AB | d_AC  | d_BC  |
|------------|------------------------|----|------|----------------|------|-------|-------|
| A: <=30yr  | Job satisfaction       | 51 | 3.13 | 1.12           | 0.13 | 0.00  | -0.14 |
|            | Employee empowerment   | 50 | 2.73 | 0.99           | 0.14 | -0.05 | -0.17 |
|            | Communication          | 50 | 2.62 | 1.10           | 0.18 | 0.00  | -0.19 |
|            | Management reporting   | 50 | 2.62 | 1.09           | 0.20 | -0.09 | -0.28 |
|            | Performance management | 49 | 2.81 | 1.06           | 0.30 | -0.02 | -0.34 |
|            | Valid N (list wise)    | 49 |      |                |      |       |       |
| B: 31-40yr | Job satisfaction       | 73 | 2.98 | 0.98           |      |       |       |
|            | Employee empowerment   | 73 | 2.59 | 1.04           |      |       |       |
|            | Communication          | 73 | 2.42 | 0.97           |      |       |       |
|            | Management reporting   | 72 | 2.40 | 1.02           |      |       |       |
|            | Performance management | 70 | 2.49 | 0.97           |      |       |       |
|            | Valid N (list wise)    | 70 |      |                |      |       |       |
| C: >40yr   | Job satisfaction       | 81 | 3.13 | 1.04           |      |       |       |
|            | Employee empowerment   | 81 | 2.80 | 1.17           |      |       |       |
|            | Communication          | 80 | 2.62 | 1.06           |      |       |       |
|            | Management reporting   | 81 | 2.72 | 1.14           |      |       |       |
|            | Performance management | 79 | 2.83 | 1.00           |      |       |       |
|            | Valid N (list wise)    | 78 |      |                |      |       |       |

From the interpretation of Cohen's  $d$  in the last three columns of Table 3.6, there is no significant difference in the manner in which the three age groups perceived and

responded to the various dimensions. The effect size indices ( $d$ ) were between -0.34 and 0.30, which constitutes a small effect size. The majority of their responses indicated that the respondents disagreed with the statements within the various dimensions.

### *3.3.9.3 Effect sizes of how respondents with various years of employment perceived those dimensions*

The researcher categorized respondents' number years employed at the municipality in groups as <3 years, between 4 – 6 years, between 7 – 10 years and >10 years employed. Appendix E will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective age groups responded to the five vertical trust dimensions.

From the interpretation of Cohen's  $d$  in the last six columns of Appendix E, there is no significant difference in the manner in which five of the six groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.28 and 0.38, which constitutes a small effect size. The researcher noted that the responses pertaining to communication, between group <3 years and >10 years, had a higher effect size of 0.51 which can be interpreted as a medium effect. Within the five groups, the researcher also discovered that there was a medium effect of 0.52, 0.52 and 0.50 in how the two groups between 4 – 6 years and 7 – 10 years responded to job satisfaction, communication and management reporting respectively. These effect sizes also constitute a medium effect. Lastly, the sixth group which were categorized between <3 years and 7 – 10 years also had differences pertaining to job satisfaction, employee empowerment, communication and management reporting. From the table in Appendix E, it can be noted that the former group responded more positive as opposed to what the latter group's perception of these three dimensions were, although most responses tended to disagree.

On aggregate, all age groups predominantly disagreed with the statements within the five vertical trust dimensions. The researcher would also like to focus the attention on

the group in last column of Appendix E. The analysis indicates that the age group of 7 – 10 years responded more negatively to all the statements within the five vertical trust dimensions, as opposed to what the age group >10 years responded.

#### *3.3.9.4 Effect sizes of how respondents in various departments perceived those dimensions,*

The researcher categorized respondents working at the municipality into 45 groups in order to compare the 10 departments with each other (please see Appendix A and Appendix F for identifying the departments and its effect sizes). Appendix F will illustrate the effect sizes between those departments. This will provide an indication of whether there were significant differences in how respondents in different departments responded to the five vertical trust dimensions. From the interpretation of Cohen's  $d$  in the last 45 columns of Appendix F, the researcher discovered that the Local Economic Development Department, Corporate and Social Development and Civil Engineering Department were more negative than all the other departments, when responding to the statements. A comparison between these three departments suggested no significant difference in the manner in which these three departments perceived and responded to the various dimensions. This is confirmed by most of the effect size indices being between -0.22 and 0.72 (small to medium effect), with the responses relating to job satisfaction and performance management revealing large effect size indices of 1.33 and 0.84 respectively. Respondents in Corporate and Social Development Department were more positive in their responses than Local Economic Development Department, relating job satisfaction (1.49) and employee empowerment (1.08). The Local Economic Development Department strongly disagreed with the statements, whereas the two respondents in the tenth Department however agreed with the statements. Respondents in Community Safety Department were more positive than all of the other Departments.

A holistic view of the results suggests that most of the departments disagreed with the statements provided within the various dimensions. There are some large effect size indices between various departments which are of practical significance, but the majority fluctuates between the small (0.2) and medium (0.5).

#### *3.3.9.5 Effect sizes of how respondents in various salary levels perceived those dimensions*

The researcher categorized respondents' salary levels at the municipality in groups as T1 – 8, T14 – 18, T19 – 20 and T9 – 13. Appendix G will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those salary levels responded to the five vertical trust dimensions. From the interpretation of Cohen's  $d$  in the last six columns of Appendix G, there is no significant difference in the manner in which group T14 – 18, T19 – 20 and T9 – 13 responded. The effect size indices ( $d$ ) was between -0.10 and 0.60, which constitutes a small effect size, although three of those indices at 0.50, 0.52 and 0.68 constitutes a medium effect. The majority of their responses indicated that the respondents within those groups disagreed with the statements within the various dimensions. The responses of T14 – 18 were more positive as most of their responses did not constitute that they either strongly disagree or disagree with the statements.

The researcher discovered that the T1 – 8 groups responded more negative to the statements, compared to the other groups. All the effect size indices ( $d$ ) appeared to be between -0.91 and -0.05. A further comparison between T1 – 8 and T14 – 18 revealed that there was a significant difference in perception as T1 – 8 were very negative towards the five dimensions. This is confirmed by large effect size indices ( $d$ ) of -0.86, -0.77 and -0.91 for employee empowerment, communication and management reporting. Performance management was also negative, but a medium effect size indices of -0.53.

3.3.9.6 *Effect sizes of how respondents with different qualifications perceived those dimensions*

The researcher categorized respondents' levels of qualification at the municipality in groups as <Grade 12, Degree and more, and respondents with a Certificate or Diploma. Table 3.7 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents with different qualifications responded to the five vertical trust dimensions.

Table 3.7: Effect sizes of how respondents with different qualifications perceived those dimensions, (Source: Own Compilation)

| QUALIFICATION              |                        | N   | Mean | Std. Deviation | d_AC  | d_AB  | d_CB |
|----------------------------|------------------------|-----|------|----------------|-------|-------|------|
| A: <=Gr12                  | Job satisfaction       | 75  | 2.97 | 1.17           | -0.41 | -0.08 | 0.40 |
|                            | Employee empowerment   | 74  | 2.60 | 1.16           | -0.42 | -0.08 | 0.38 |
|                            | Communication          | 73  | 2.47 | 1.15           | -0.40 | -0.04 | 0.40 |
|                            | Management reporting   | 73  | 2.47 | 1.18           | -0.40 | -0.11 | 0.30 |
|                            | Performance management | 72  | 2.64 | 1.08           | -0.43 | 0.01  | 0.49 |
|                            | Valid N (list wise)    | 71  |      |                |       |       |      |
| C: Degree+                 | Job satisfaction       | 25  | 3.45 | 0.83           |       |       |      |
|                            | Employee empowerment   | 25  | 3.09 | 1.03           |       |       |      |
|                            | Communication          | 25  | 2.93 | 1.02           |       |       |      |
|                            | Management reporting   | 25  | 2.94 | 1.16           |       |       |      |
|                            | Performance management | 24  | 3.11 | 0.88           |       |       |      |
|                            | Valid N (list wise)    | 24  |      |                |       |       |      |
| B: Diploma/<br>Certificate | Job satisfaction       | 101 | 3.07 | 0.96           |       |       |      |
|                            | Employee empowerment   | 101 | 2.70 | 1.02           |       |       |      |
|                            | Communication          | 101 | 2.52 | 0.94           |       |       |      |
|                            | Management reporting   | 101 | 2.59 | 1.00           |       |       |      |
|                            | Performance management | 98  | 2.63 | 0.98           |       |       |      |
|                            | Valid N (list wise)    | 98  |      |                |       |       |      |

From the interpretation of Cohen's  $d$  in the last three columns of Table 3.7, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.43 and 0.49, which constitutes a small effect size. Respondents with a Grade 12 and less, perceived the statements more negative than the other two groups. On the aggregate, the majority of their responses indicated that all these groups generally disagreed with the statements within the various dimensions.

### 3.3.9.7 Effect sizes between managers and employees and how they perceived those dimensions

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.8 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.

Table 3.8: Effect sizes between managers and employees and how they perceived those dimensions, (Source: Own Compilation)

| MANAGER (1) vs. EMPLOYEE (2) |                        | N   | Minimum | Maximum | Mean | Std. Deviation | d    |
|------------------------------|------------------------|-----|---------|---------|------|----------------|------|
| 1                            | Job satisfaction       | 27  | 1.45    | 4.45    | 3.51 | 0.75           | 0.47 |
|                              | Employee empowerment   | 27  | 1.29    | 4.71    | 3.57 | 0.84           | 0.93 |
|                              | Communication          | 27  | 1.30    | 4.08    | 3.24 | 0.71           | 0.77 |
|                              | Management reporting   | 27  | 1.29    | 4.43    | 3.36 | 0.82           | 0.83 |
|                              | Performance management | 26  | 1.00    | 4.57    | 3.28 | 0.82           | 0.66 |
|                              | Valid N (list wise)    | 26  |         |         |      |                |      |
| 2                            | Job satisfaction       | 176 | 1.00    | 5.00    | 3.00 | 1.06           |      |
|                              | Employee empowerment   | 175 | 1.00    | 5.00    | 2.58 | 1.06           |      |
|                              | Communication          | 174 | 1.00    | 5.00    | 2.44 | 1.04           |      |
|                              | Management reporting   | 174 | 1.00    | 5.00    | 2.46 | 1.08           |      |
|                              | Performance management | 170 | 1.00    | 5.00    | 2.61 | 1.01           |      |
|                              | Valid N (list wise)    | 169 |         |         |      |                |      |

From the interpretation of Cohen's  $d$  in the last column of Table 3.8, there is a significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between 0.47 and 0.93, which constitutes a medium to large effect size. Managers seemed to be more positive in their responses to the statements within the various dimensions. Their perceptions in terms of employee empowerment, communication, and management reporting were significantly better as oppose to those of the employees. This is confirmed by effect size indices of 0.93, 0.77 and 0.83 respectively. Their perception regarding job satisfaction and performance management did not have a significant difference than those of employees, with a medium effect size of 0.47 and 0.66 respectively.

On the aggregate, managers' responses were significantly more positive than those of employees.

#### *3.3.9.8 Effect sizes of employees who spend most of their time out of office, as opposed to being in the office*

The researcher categorized respondents' levels of authority at the municipality in groups as one being a manager and the other group being a normal employee. Table 3.9 will illustrate the effect sizes between those groups, in order to provide an indication of whether there were significant differences of how those respective respondents in those groups responded to the five vertical trust dimensions.

Table 3.9: Effect sizes of employees who spend most of their time out of office as opposed to being in the office, (Source: Own Compilation)

| IN THE OFFICE/<br>OUT OF OFFICE |                        | N   | Minimum | Maximum | Mean | Std.<br>Deviation | d     |
|---------------------------------|------------------------|-----|---------|---------|------|-------------------|-------|
| In the office (1)               | Job satisfaction       | 157 | 1       | 5.00    | 3.14 | 0.93              | 0.25  |
|                                 | Employee empowerment   | 156 | 1       | 5.00    | 2.76 | 1.04              | 0.20  |
|                                 | Communication          | 155 | 1       | 4.67    | 2.53 | 0.98              | -0.05 |
|                                 | Management reporting   | 156 | 1       | 5.00    | 2.59 | 1.01              | 0.04  |
|                                 | Performance management | 152 | 1       | 4.71    | 2.73 | 0.93              | 0.07  |
|                                 | Valid N (list wise)    | 151 |         |         |      |                   |       |
| Out of the office (2)           | Job satisfaction       | 42  | 1       | 5.00    | 2.79 | 1.37              |       |
|                                 | Employee empowerment   | 42  | 1       | 5.00    | 2.52 | 1.22              |       |
|                                 | Communication          | 42  | 1       | 5.00    | 2.60 | 1.26              |       |
|                                 | Management reporting   | 41  | 1       | 5.00    | 2.54 | 1.35              |       |
|                                 | Performance management | 40  | 1       | 5.00    | 2.63 | 1.28              |       |
|                                 | Valid N (list wise)    | 40  |         |         |      |                   |       |

From the interpretation of Cohen's  $d$  in the last column of table 3.9, there is no significant difference in the manner in which these groups perceived and responded to the various dimensions. The effect size indices ( $d$ ) were between -0.05 and 0.25, which constitutes a small effect size. Those respondents in the office were more negative about communication than those respondents that are outside the office. This is confirmed with effect size indices of -0.05. Holistically, both groups disagreed with most of the statements within the various dimensions.

Now that the effect sizes were discussed in order to get a sense of how the various groups of respondents perceived the five vertical trust dimensions, the linear relationship between the five dimensions will be explained in the following section.



### 3.3.10 The linear relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section aims to explain the linear relationship between the five vertical trust dimensions. This is to ascertain whether there is any linear relationship that is of statistical significance at the Category B municipality. Levine et al. (2011) explained that the statistical significance of a result represents the extent to which the result is representative of the entire population. The Pearson correlation coefficient was used to assess the linear relationships. Table 3.10 provides details pertaining to the linear relationship between the five dimensions. The significant linear relationships will be highlighted in green.

Table 3.10: Correlation matrix between the five vertical trust dimensions, (Source: Own Compilation)

|                        |                     | Job satisfaction | Employee empowerment | Communication | Management Reporting | Performance Management |
|------------------------|---------------------|------------------|----------------------|---------------|----------------------|------------------------|
| Job satisfaction       | Pearson Correlation | 1.00             | .867                 | .850          | 0.810                | 0.760                  |
|                        |                     |                  |                      |               |                      |                        |
| Employee Empowerment   | Pearson Correlation | .867             | 1.00                 | .881          | 0.860                | 0.800                  |
|                        |                     |                  |                      |               |                      |                        |
| Communication          | Pearson Correlation | .850             | .881                 | 1.00          | 0.920                | 0.790                  |
|                        |                     |                  |                      |               |                      |                        |
| Management reporting   | Pearson Correlation | .807             | .859                 | .922          | 1.00                 | 0.810                  |
|                        |                     |                  |                      |               |                      |                        |
| Performance Management | Pearson Correlation | .756             | .799                 | .787          | 0.810                | 1.00                   |
|                        |                     |                  |                      |               |                      |                        |

The table illustrates both a positive and strong linear relationship amongst the five vertical trust dimensions. The sample coefficient of correlation,  $r$ , was closer to a perfect

positive correlation of one in all the instances where correlation was tested. The results indicate that if one of the dimensions increase, the other dimensions will also increase. The assumption would then be that if the vertical trust relationship is a conduit for effective service delivery, then these dimensions would have a positive influence on the basic service delivery of the category B municipality.

The following section will deal with responses to eight open questions in Section G, which were provided by the 205 participants.

### 3.3.11 Findings from the open-ended questions

These questions related to how the respondents perceive trust in their working environment and how it may possibly contribute. The researcher assessed 141 questionnaires because 64 questionnaires, pertaining to Section G, was not completed and could not be used. This section will be discussed by stating the open question (only the English version), followed by a synopsis of the main points which the researcher felt is essential:

#### *3.3.11.1 Section G - How would you define trust in your working environment?*

Approximately 90 percent of the respondents provided various interpretations of how they perceived the working environment. They felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. The opinion was that for trust to be enshrined between parties, managers must be willing to

give assistance when the need arises. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management were inconsistent in decision-making. Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship, build on companionship, communication and humility.

### *3.3.11.2 Section G - What is your understanding of trust between management and employee?*

About 55 percent of the respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Many respondents indicated trust between affected parties are lacking because managers do not deliver on their promises. Grobler et al. (2006) implied that for trust to be nurtured, employees must believe that managers will not renege on promises. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinion related to a lack of cooperation between affected parties because there is no alignment and cohesion between managers and employees, when work is expected to be done. Their perceptions were aligned to research implicated in chapter two that a conducive working environment needs to be nurtured where tolerance and cooperation are highly valued (Interaction Associates, 2009). Respondents highlighted that confidentiality is key, when people need to be trusted. Some felt that this confidentiality was not implemented to its full potential at the municipality.

### *3.3.11.3 Section G - Will the employee's trust in management result in improved service delivery?*

More than 95 percent of the respondents were of the opinion that it will result in improved basic service delivery. A few stated that in order for this to be accomplished, it would need a drastic change in management. Some respondents indicated that the trust will improve the work ethics and interpersonal relationships between the affected parties. There were respondents who were very negative because management tends to burden employees with more work than they are able to accommodate. This happened without any incentive or "reward in kind" like additional leave days.

### *3.3.11.4 Section G - How do you experience the trust between you and management?*

Respondents noted that there is a huge concern because they were blunt in saying that trust is non-existent. Some indicated that this sentiment stems from the realization that communication lacks within the municipality. They are afraid of sharing personal issues with management for the mere fact that they experience the trust relationship as not authentic. No platforms are created for employees to raise concerns or best practices in how to serve the community better. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents indicated that there is no transparency, hence very difficult to put trust in others. This is aligned to what Covey (2011) explained in chapter two where managers tend to behave in a manner that violates trust, which results in employees being more cautious and suspicious about the most diminutive behaviour.

About 15 percent of the respondents indicated that they perceive a sense of trust, but it could be improved through teambuilding and communication. Some also felt that although trust is experienced, it can be broken apart by council interferences.

### *3.3.11.5 Section G - What is the biggest factor that enables you to effectively do your job?*

Respondents indicated that their personal senses of commitment to their daily job responsibilities are key to effective basic service delivery. A substantial number of respondents indicated that cooperation between various stakeholders, based on mutual respect and trust, is key to effective basic service delivery. Some respondents noted that they experience a sense of camaraderie amongst employees in order to do their jobs. Respondents noted that for them to effectively conduct their daily job, it is imperative for managers to provide the necessary assistance and guidance. Some respondents again indicated that victimization plays a key role when measuring their productivity, because it results in health issues that hamper effective service delivery. Some indicated that they are just working to earn a salary. Respondents noted that proper planning and management also influence basic service delivery.

### *3.3.11.6 Section G - What prohibits you from effectively doing your job?*

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Some were blunt in saying that lazy people and frequent skeleton staff result in them doing more work than what was allocated to them, without any recognition. Respondents also implied that management does not allow them to be more dynamic and innovative when conducting the daily job responsibilities. This situation is contradictory to what Madjar and Ortiz-Walters (2009) indicated where employees' trust in managers' ability to liberate their cognitive and attention resources would allow them to engage in more complex and cognitively demanding activities and effectively perform more work. A significant number of respondents alluded to gossiping and internal feuds between employees and managers as deterrent factors when doing their job. Some respondents further alluded to jobs being duplicated and not clearly specified by managers also hindering effective service delivery. Once again, the notion

relating to political interferences plays a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities.

*3.3.11.7 Section G - What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years?*

The majority of the respondents indicated that this is due to a number of reasons such as: good corporate governance and effective reporting system, good management and administration, proper communication to those involved in the financial auditing process, effective work and teamwork and the expertise of key personnel. Some respondents pondered on how these accolades were achieved. A few respondents alluded to the fact that it may be because “management make employees work like slaves while managers gets the credit for a job well done.”

*3.3.11.8 Section G - Any suggestions/ other comments in this regard?*

Approximately 15 percent of the respondents which insisted that effective communication must be the order of the day, employees are informed of the municipality’s objectives. In saying that, respondents felt that they must be included in a participative management structure, where their views are heard. Respondents felt that employees need to be appreciated more often so that they can feel part of a successful organization. There was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In excess of 75 percent of the respondents indicated “None/ No Comment” when they responded to this question.

### **3.4 Summary**

This chapter aimed to outline the research methodology applicable to this research topic. This included an overview of the research method, research design and research strategy. The research measuring instrument pertaining to the population and sample of the research were also discussed in detail. The data collection- and capturing process were explained by means of a six- step procedure. Various statistical terminologies were explained that will be used in the statistical analysis, including reliability and coefficient of correlation results. The researcher highlighted ethical considerations which were followed and enforced. Once the research methodology was discussed, the researcher aimed to present and interpret the empirical results which culminated from the questionnaire.

The descriptive statistics pertaining to the respondents that participated in the research were discussed. The biographical information was analyzed and illustrated by using bar charts. The internal reliability, by using the Cronbach's Alpha coefficient, was tested for all the vertical trust dimensions of which the results indicated excellent reliability in all instances. The next part revolved around a detailed discussion of Section B – F of the questionnaire and how the respondents responded to the various statements. This also included a synopsis of those statements which had a high frequency of responses, based on the five- point Likert scale. This was followed by an interpretation of the Cohen effect size index in order to determine how various groups, derived from the biographical information in Section A, responded to the various statements throughout Section B to F. The penultimate phase was based on a discussion relating to the existence of a linear relationship between the five vertical trust dimensions. The researcher interpreted the data by using the Pearson correlation coefficient. All the dimensions had both a positive and statistically significant linear relationship amongst each other. The last part revolved around the eight open-ended questions where the respondents were asked to give their views of trust and how their experience it within the Category B municipality. The next chapter will conclude this research and will identify recommendations and limitations relevant to the research

## CHAPTER 4: SUMMARY AND RECOMMENDATIONS

### 4.1 Introduction

This chapter will mainly provide a summary of the research conducted. Taking cognizance of the transformational changes within the South African government, the local government, within its three categories, inherited growing responsibility for basic service delivery. This was primarily because the democratic South Africa has inherited a public sector marred by fragmented and gross inequalities at all levels of government. These deficiencies led to an array of service delivery protests throughout South Africa. With the foundation of the local government structure being laid, the transformation of local government was aimed at removing the racial basis of government and making it a mechanism for the integration of society and the redistribution of municipal services from the rich to the poor. Municipalities, as part of local government, were given the mandate to execute on these objectives. In order for such municipal services to be delivered, requires a combined effort from all stakeholders within the local government sphere. The interpersonal dynamics is key in order to enable municipalities to deliver on those basic services, as enshrined in the Constitution of South Africa.

For the purpose of this research, the emphasis focused on a Category B municipality in the Western Cape which received a vast number of accolades from national government relating to their actual performance, underpinned by the municipality's financial management (Auditor General of South Africa, 2012). These achievements kindled a desire within the researcher to ascertain whether the vertical trust relationship between the municipal employees and managers contributed to such an achievement. The primary objective of this research was to examine the vertical trust relationship, based on various dimensions which may instill such trust. This examination would assist the researcher to ascertain whether the vertical trust relationship was a contributing factor for effective and efficient service delivery within the fraternity of the Category B municipality.



The first step in achieving this objective was to conduct a literature study which would explain the transformational change and mandate within local government. This was followed by a theoretical perspective of the concept of vertical trust relationship. The next step was an empirical analysis based on a survey conducted at the Category B municipality. The key objective was to ascertain what employees' opinion is of vertical trust between them and their managers by indicating how they perceived the five dimensions. Taking this into consideration, the next part will provide a brief overview of all the preceding chapters and how the objectives of this research were accomplished.

## **4.2 Main research findings**

The first chapter aimed in providing the introductory aspects of the research and therefore introduced the concepts that will be discussed in the research. The chapter contained a discussion of a general background pertaining to the research. The literature review and the research methodology were discussed and provided a brief framework of the research problem, the scope of the research and research objectives. Further, the chapter aimed to provide an insight into the limitations of the research and concluded with an explanation pertaining to the structure and design of the research.

The second chapter explained the conceptual basis of local government in South Africa and how trust can influence the delivery of effective and efficient basic services. The chapter aimed to establish a link between municipal employees' trust in their management structure, and what influence that trust relationship, as a contributing factor, have on effectively delivering basic services to communities. The chapter provided a discussion of local government and its related structures. Taking cognizance of the manner in which local government mechanisms and its related structures are administered, the research then aimed to establish how important the vertical trust relationship between municipal employees and managers is, as a contributing factor for effective service delivery to its communities.

The third chapter explained the various research methodologies which were adopted for this research. The research methodology described the research strategy, research design, research method, geographical area where the research was conducted and the population and sample. The empirical instrument used to collect the data was described, which included methods implemented to maintain reliability of the instrument. The ethical considerations pertaining to this research were also mentioned. An explanation of how the data was collected and captured will be illustrated in a figure. The chapter also discussed the statistical techniques which were used in the research in an attempt to analyze and test the collected data. This chapter also served as an explanation of the data presentation and analysis. The empirical findings and discussions of the research were given, which stemmed from the data which were collected and analyzed from the respondents' questionnaires. These empirical findings were accomplished by using statistical models in order to identify the response rate, internal reliability, correlations and standardized differences (Cohen's *d*). The conclusions with regards to these empirical findings and assessments will be discussed in the next section.

#### 4.2.1 Conclusion of the empirical findings

The conclusions of the empirical findings will be discussed in the following order:

- A holistic assessment of how the respondents perceived the five dimensions;
- The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions;
- The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management;
- The internal reliability of the five dimensions;
- The open-ended questions.

The following section will provide a holistic assessment of how respondents perceived the five dimensions after interpreting all statements in the questionnaire and will be discussed in relation to each dimension below.

#### *4.2.1.1. Job satisfaction*

This dimension was assessed according to how the respondents interpreted the statements in the questionnaire. The interpretation of the sample mean of 3.07 indicated that the respondents were not able to express their opinion on the statements. However, the statistical analysis indicated that the respondents disagreed with six of the statements. From the analysis of these six statements, it is clear that the respondents do not consider the Category B municipality as a preferred employer and would not recommend employment at the Category B municipality to anyone. The respondents felt that management does not have their personal interest at heart whenever respondents are required to do their job. The respondents identified a fundamental problem where their perceptions revealed that management is not actively involved in their career path at the Category B municipality. This implied that respondents revealed a sense of vulnerability as they felt that their jobs are not guaranteed. Stinglhamber and Vandenberghe (2003) implied that supervisory support may be a key indicator of the quality of relationships between employees and managers. Management would need to express concern for their employees' well-being and assist them in career development. Despite these disagreements, there was an acknowledgement from respondents that their type of work adds value to the core objective of delivering basic services to the community. Dessler (2005) implied in chapter two that job satisfaction usually result in better job performance and that management must find ways in nurturing opportunities for employees to be stimulated by the way they conduct their daily job responsibilities.

#### *4.2.1.2 Employee empowerment*

The statistical analysis implicated that respondents, in general, disagreed with the statements of employee empowerment. Although some respondents were not scared to raise their opinions at work, there was a large constituency which felt management does not do enough to involve them in decision making processes. The perception was that employees do not feel worthy as management refrains from instilling confidence where an environment is created in which employees can effectively do their job. Findikli et al. (2010) explained that empowerment will ignite a sense of urgency where employees may start to play their part in doing their jobs. This will allow them to concentrate more on their roles within the organization where transparent communication is important. Porumbescu et al. (2013) also implied that empowerment will allow employees to understand exactly what are expected of them whereby the correct information is transferred from managers. This is important because employees who feel greater levels of empowerment are likely to feel that the manager values their contribution, which in turn instills employees with a feeling that they are valued by the manager (Findikli et al., 2010).

#### *4.2.1.3 Communication*

This dimension had the lowest perceptions and implied that communication within the Category B municipality is lacking. Respondents were adamant that transparency from management causes a breakdown in trust, as indicated in the open-ended question section. Although 52.3 valid percent believed that management has trust in them, the exact opposite was perceived when fairness from management was assessed. The respondents indicated that management's actions and behaviours are inconsistent and is further exacerbated by the perception that management does not deliver on their promises. This perceived lack of communication may contribute to employees feeling

unappreciated. The researcher wants to note that the research exposed the notion that there is trust between managers and employees, with the majority of respondents implying the contrary. The majority of the respondents further indicated that no conducive platform is created by management in order to honestly interact with employees. The lack of communication is highlighted where key strategic objectives are not communicated because most of the respondents were not aware of such strategic objectives. Respondents also indicated that they do not participate in any strategic vision for the Category B municipality. The concerns mentioned above was explained by Porumbescu et al. (2013) where lack of communication result in potential misunderstandings on the part of the employee which cannot be clarified immediately. This may be a consequence of employees not being given any opportunity to discuss questions they may have regarding their organizational practices and goals, which are generally ambiguous in the public sector.

#### *4.2.1.4 Management reporting*

The statistical analysis implied that the majority of the respondents disagreed with all the statements, which may be a consequence of respondents' perceptions that communication in the Category B municipality is non-existent. Respondents felt that management lacks in setting realistic goals and offering their assistance in achieving it. The respondents once again responded by implying that trust lacks between management and employees. The respondents further disagreed with the statement that management has the ability to align employees in a manner that would lead to achieving a common goal. The majority of the respondents perceived management in a way in which they lack professionalism when it comes to work related issues. Lastly, the respondents were unable to express a concise opinion of whether management has the acumen to implement strategies that would successfully lead to better service delivery. Kargar (2009) explained in chapter two that frequent meetings between the affected parties in order to assess the employees ability to make the right decisions pertaining to their work, which may result in a successful organization.

#### *4.2.1.5 Performance management*

The respondents were very critical pertaining to the statements of performance management and disagreed with the majority of the statements. Performance feedback from management was not regularly forthcoming in order to make employees aware of where they may improve in terms of their job performance. They also perceived performance reviews as being unfair and inaccurate, although a large part of the respondents understood their performance agreement with the Category B municipality. The majority of the respondents indicated that they believe that they would get a good performance rating if they delivered on their job responsibilities. Respondents also acknowledged that good performers are treated differently than non-performers. Lastly, the statistical analysis indicated that there is no commitment from management pertaining to employees' career and personal development, with a large percentage indicating that they were not allowed to enroll for any form of training. Chapter two referred to performance management problems as identified by Fryer et al. (2009). This involved the predominantly softer issues and the employees' lack of involvement in the performance management system. For trust to be nurtured, the performance management system would need to be perceived as fair and include employees' involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback and having influence over personal career development (Farndale & Hope-Haily, 2010).

The analysis conducted in 4.2.1 is supported by a summary of those responses to statements which had a high frequency percentage of 30 percent and more. This will be provided in Appendix D of the research.

#### 4.2.2 The categorization of biographical variables into groups in order to compare how those groups perceived the five dimensions

The research considered biographical information like gender, age, years of employment, department in which employed, salary level, level of education, whether the respondents are managers and whether their job expects them to be in the office or out of the office as indicators of how employees within these categories perceived the five dimensions of vertical trust relationship between the municipal employees and managers. In order to achieve these comparisons of groups within each biographical cluster, Cohen's effect size indices ( $d$ ) were used to illustrate whether there may be significant differences within each biographical cluster.

##### 4.2.2.1 Gender

The statistical analysis indicated that 55.4 percent of the responses were female and 44.6 percent was male. The Cohen's  $d$  illustrated there is no significant difference between genders in how they perceived and responded to the five dimensions. Generally, the analysis indicated that both genders disagreed with the majority of the statements which explained the five dimensions.

##### 4.2.2.2 Age

The age categories in the questionnaire were reduced from five groups to three groups in order to test for Cohen's  $d$ . The three age groups were categorized as <30 years, between 31 – 40 years and those respondents older than 40 years. Cohen's  $d$  illustrated no significant difference in how the various groups perceived and responded to the five dimensions. The analysis indicated that the age group between 31 – 40 years was more negative towards the statements as opposed to the other two age groups. A

holistic view of the analysis indicated however that all three groups disagreed with the statements within the five dimensions.

#### *4.2.2.3 Years employed*

The years employed categories in the questionnaire were reduced from five groups to four groups in order to test for Cohen's *d*. These groups were categorized as those employed <3 years, between 4 – 6 years, between 7 – 10 years and longer than 10 years. The Cohen *d* revealed that there were no significant differences in how these groups perceived and responded to the five dimensions. Although the effect size differences were not that significant, the researcher discovered that the respondents employed between 7 – 10 years were more negative than all the other groups. Cohen's *d* also confirmed that the respondents employed between 7 – 10 years perceived and responded more negatively than the group employed longer than 10 years. The group employed for <3 years were more positive than the other three groups, although all groups tended to disagree with most of the statements within the five dimensions.

#### *4.2.2.4 Departments in which respondents are employed*

The researcher identified 10 departments in which the respondents are employed. A holistic view of the results indicated that most of the departments disagreed with how they perceived and responded to the statements within the five dimensions. Of significance is that Community Safety Department perceived these statements more positive compared to the other departments whereas the Local Economic Development Department was extremely negative towards the five dimensions as the respondents within this department strongly disagreed.



#### *4.2.2.5 Salary levels*

For purposes of the Cohen  $d$ , the researcher reduced the categories of the salary levels to four groups. From the analysis, it is obvious that the lowest salary level perceived and responded negatively towards the five dimensions. Respondents within the group of the second highest salary levels responded more favourably. Generally, all groups disagreed with the statements within the five dimensions, with the exception of the group which were categorized into salary level T 14 – 18.

#### *4.2.2.6 Level of education*

The levels of education were categorized into three groups, namely those with <Grade 12, a diploma or certificate and those respondents with a degree and more. There was no significant difference in how these groups perceived and responded to the five dimensions. The researcher would like to highlight the negative sentiment of the group <Grade 12 as this group was more negative than the other two groups. However, all the groups disagreed with most of the statements relating to the five dimensions.

#### *4.2.2.7 Effect differences between managers and employees*

The Cohen  $d$  illustrated a significant difference in how managers perceived and responded to the statements, as opposed to employees. Managers seemed to be more positive in their responses, especially when they had to respond to statements pertaining to employee empowerment and management reporting. Generally, managers were more positive than employees.

#### *4.2.2.8 Most time spent out of the office versus time in the office*

The statistical analysis indicated that there was no significant difference between these two groups. Holistically, both groups disagreed on most of the statements within the various dimensions.

A summary of this section revealed that most of the respondents, as analyzed from a socioeconomic perspective, disagreed with most of the statements. Of significance was how negative the younger age group and lower salary level perceived the majority of the statements. The researcher would also like to allude to the negative perception of those employees that has been in the Category B municipality's employment for between 7 – 10 years. The research also confirmed that those employees with the least level of education were more negative than the more educated respondents.

#### 4.2.3 The relationship between job satisfaction, employee empowerment, communication, management reporting and performance management

This section relates to test whether there was any significant relationship between the five vertical trust dimensions. The analysis was done by testing for a linear relationship and using the Pearson correlation coefficient. From Table 3.10 in Chapter 3, the results indicated that there is a positive linear relationship between job satisfaction, employee empowerment, communication, and management reporting and performance management. The table further illustrates a statistically significant relationship amongst these dimensions. An explanation for these strong relationships amongst these dimensions may be that the dimensions are testing employee attitudes, which are likely to be highly correlated with each other (Kampen et al., 2006). It is therefore evident that a change in attitude towards one of the dimensions will influence the other dimension in the same direction. The assumption can thus be made that any positive influence in attitude towards either of the dimensions would positively impact on the vertical trust relationship.

#### 4.2.4 The internal reliability of the five dimensions

The internal reliability was measured by using the Cronbach Alpha reliability scores. Table 3.3 in Chapter 3 illustrated an excellent internal reliability as all the dimensions' reliability scores were in excess of 0.90. The significance of these results indicated that all the statements within each dimension yielded consistent results and can therefore acknowledge that those dimensions are reliable measurements of the vertical trust relationship between municipal employees and managers. Figure 4.1 below indicates the results of the internal reliability.

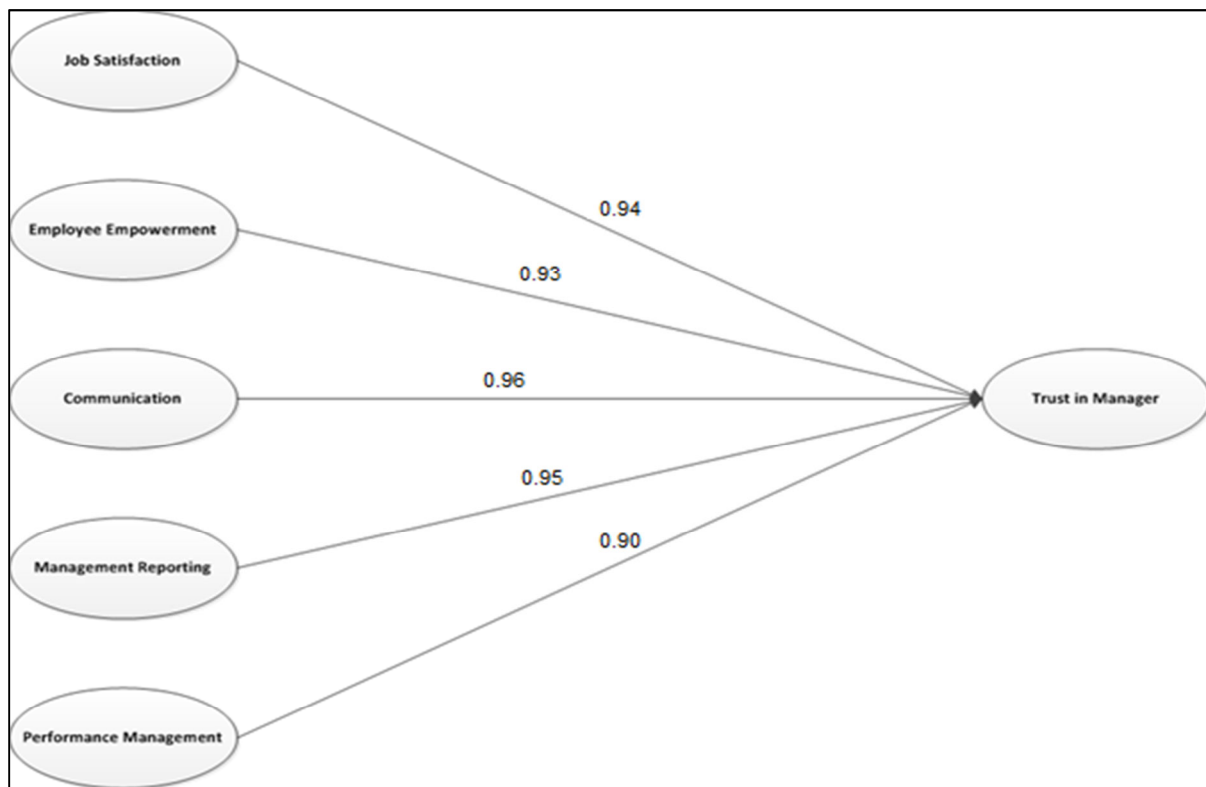


Figure 4.1: Results for internal reliability, (Source: Own Compilation amended from Porumbescu et al., 2013)

#### 4.2.5 The open-ended questions

The eight open-ended questions in Section G of the questionnaire were examined and the researcher found the following to be of relevance.

Many respondents indicated that trust is non-existent and could be improved by means of building a solid relationship built on companionship, communication and humility. Respondents felt that trust is where you are able to effectively work as a team and have a good interpersonal understanding of each other. Some of the opinions stated that trust is a relationship where parties will commit to their respective undertaking, and being able to deliver on those undertakings. These relationships would only be possible through constant engagement and a sense of loyalty between parties, built through open and honest communication. A few respondents made a statement which implied that managers are not keen to transfer a sense of empowerment to employees because managers tend to constantly follow-up on the progress as if the employees will not be able to deliver on the tasks given. Some respondents were blunt in saying that their managers could not be trusted and showed huge amounts of doubt as management was inconsistent in decision-making.

Respondents noted that mutual respect, dignity and honest communication are the backbone of the trust relationship between employees and managers. Respondents also indicated that there can only be trust if managers entrust responsibilities to employees without doubting their capabilities when managers are not around to supervise. Some respondents' opinions related to a lack of cooperation between affected parties because there are no alignment and cohesion between managers and employees, when work is expected to be done. Respondents felt that management tends to burden employees with more work than they are able to accommodate.

No platforms are created for employees to raise concerns or best practices in how best to serve the community. Some respondents go so far in saying that victimization is rife due to the political environment in which they do their daily work. Some respondents

indicated that there is no transparency, hence it becomes very difficult to put trust in others.

Respondents noted that a lack of training hinders them from effectively doing their job. They noted that the lack of communication deprives them of knowing exactly what is expected of them. Respondents highlighted the notion that political interferences play a significant part which sometimes results in victimization. Respondents noted that they are not given the much needed working exposure to find ways of improving their service delivery to the communities. Lastly, there was a notion that the municipality lacks certain key leadership skills as qualified and skilled people are not often appointed.

In essence, the following was confirmed as alluded to in Chapter 2:

- Management needs to create a culture in which relationships are important and in which showing care and concern for the other person's needs is valued (relationship-oriented culture);
- Management must manage through normative control rather than bureaucratic control, because acting appropriately is the goal in normative control;
- Communication must be in terms of explicit socialization to make employees understand the values and principles of the organization and how things are done in the organization.

#### **4.3 Recommendations to the Category B municipality**

After an in-depth analysis of the empirical findings, the researcher identified numerous recommendations relating to the Category B municipality. Based on the internal consistency of the five dimensions, the results of the research were of concern as a significant part of the respondents portrayed some sort of animosity towards how they perceived and responded to the statements. The municipality's continuous and improved financial performance and non-existent service delivery protests, as compared to other municipalities within the geographical area of the Western Cape, is a consequence of various factors and needs to be commended

One factor may be the vertical trust relationship between manager/ employee and the environment in which the municipality operates and conducts its key objectives. This research highlighted that, although the attitudes towards most of the statements were negatively experienced by the respondents, the Category B municipality still managed to get accolades for continuous and improved financial performance and non-existent service delivery protests. This poses a concern as to the proposition of this research in terms of how significant the role of such trust between affected parties play within the dynamics of the Category B municipality. The primary reason for this observation relates to the researcher's view that it has become critical for management to get personally involved in managing the emotional part of its employees, in order to ignite a sense of belonging to the municipality where employees will put renewed emphasis on the trust towards all levels of the organizational hierarchy (Coetsee, 2002).

The findings of this research suggested that there is a substantial breakdown of communication between the affected parties. The research suggests that managers need to implement a participative communication strategy to nurture some sort of trust between managers and employees. The research revealed that this lack of communication was felt throughout all the departments.

The open-ended questions revealed that there is a lack of opportunities whereby employees can use innovative ways in order to effectively do their job. This is on the back of concerns raised in the open-ended questions that managers tend to be autocratic when it comes to allocating job task and the manner in which it should be completed. Employee empowerment is key for a prosperous vertical trust relationship and can start by investing in employees' capabilities to effectively do their job.

Frequent improvement in skill levels by implementing specific training programs may be a conduit of growing employees' personal impact, professionalism and the manner in which they contribute the Category B municipality's key objective. This may instill some trust into employees as they may feel that managers are committed to their personal and career development.

Management need to ensure that they understand the value of employee participation, especially where the Category B municipality's strategies are of importance. A collective effort from both parties needs to be embraced and acknowledged that the success of the Category B municipality can only be achieved by aligning common goals. Mutual participation in the key deliverables of the Category B municipality will also result in a higher level of trust.

Respondents were very negative about the manner in which management reports important issues. From the analysis it seemed that these reporting lines were non – existent at times. A lack of transparency in this regard was an important issue that was raised. Although employees felt that they add value to the Category B municipality's objective of delivering basic services to the community, they still had the view that their contributions are not appropriately acknowledged. This acknowledgement could start by implementing a plan where performance feedback is frequently given in order to make employees aware of where they may have shortcomings. This would also assist where a good working environment is created and a culture of teamwork is embraced.

Performance management must be based on the creation of an environment of responsiveness, high performance and clear accountability. Rewards and remuneration must be linked to performance. An organizational culture to establish a people centered culture of service delivery and customer care should be developed. Being a municipal employee should be about serving the community and not about entitlement and power. Encouraging and rewarding innovation and initiatives that improve service delivery should be promoted.

Based on the categorization of the biographical information in Chapter 3, Cohen's *d* analysis reiterated that all the groups disagreed with most of the statements posted in the questionnaire. Although there was no significant difference in attitude amongst both genders, there was a specific age group and salary level that was more negative than any of the other groups within the specified categories. The researcher also noted that respondents in a specific department were extremely negative and would suggest that this needs to be addressed in order to improve attitudes within the aforementioned groups. Holistically, it is imperative for management to acknowledge that human

resource practices need to be implemented where this function plays a critical role in exerting an influence on the vertical trust relationship between the affected parties of which this research alludes to.

#### **4.4 Recommendations for future research**

The research indicated that the performance of the category B municipality is largely accomplished by a mainly negative workforce and low trust relationship between employees and their managers. The empirical findings suggested that the majority of the respondents throughout the Category B municipality disagree with the statements which tested the dimensions of vertical trust relationship. With no significant difference in perceptions when the biographical information were categorized into various groups and compared, the researcher suggests that employees' current perceptions may be addressed by possibly conducting a similar research to ascertain what gives rise to their negativity and establishing what would motivate employees, that may lead to effective and efficient basic service delivery.

#### **4.5 Limitations of this research**

The findings of this study are clearly limited due to a moderate response rate, but nevertheless make an initial contribution to the understanding of the nature of the relationships between the various instrument variables.

The dominant language at the Category B municipality is Afrikaans although the questionnaire was in English. The researcher alleviated this situation by translating the open-ended questions into Afrikaans for a more proper and adequate response. Although this assisted in some way, there were a lot of statements pertaining to the five dimensions that was not completed. Time and financial constraints also prohibited the researcher from having in- depth interviews with the respondents.



The researcher struggled to source latest literature on this specific topic and had to make use of some literature studies dating back to 2000. Not many published research papers were evident within the local government of the South African political landscape at the time of initiating the empirical research. This research makes a useful exploratory contribution to a key area in the field of people management.

The extent to which the instrument measures echo the concept of vertical trust needed to be noted. A mitigating factor was that an undergraduate student at the municipality, currently busy with similar research, provided personal explanations to respondents, on any vagueness which the questionnaire may have brought about.

The researcher would like to state that this research only provides a picture of a situational analysis within a particular sample population. It would thus be appropriate to engage in similar studies at the Category B municipality with a bigger response rate and endeavour similar comparative research at other local Category B municipalities.

The approval by the executive management of the Category B municipality was on the conditioned that the research be classified. All information collected needed to be on the basis of anonymity and the municipality's name should not appear in any of the research. To accommodate this request, the researcher referred to this municipality as a "Category B municipality" throughout the research.

## **4.6 Evaluation of the research study**

This section will discuss the primary and secondary objectives of the research respectively and whether these objectives were achieved.

### **4.6.1 Primary objective**

The questionnaire aimed to establish the vertical trust relationship between the municipal employees and their managers and how this relationship contributes to effective and efficient basic service delivery which the Category B municipality provides

to the community. The questionnaire revealed that, on aggregate, the employees disagreed with the majority of the statements within the various sections.

Those respondents which participated indicated that their perceptions of the level of job satisfaction within the Category B municipality were not decisive as they were unwilling to take a stance on whether they agree or disagree with the various statements. Contrary to the perceptions pertaining to job satisfaction within the Category B municipality, respondents disagreed with the statements which related to employee empowerment, communication and management reporting and performance management. These perceptions by the respondents were also confirmed where various respondents were categorized in groups and compared amongst themselves.

Based on the revelations of the respondents, the researcher found that there is a peculiar situation within the Category B municipality where the Category B municipality continuously received various accolades for financial management and their efforts in delivering basic services to the community the last three years. The research found however that these accolades were obtained without the trust relationship between the municipal employees and managers playing a significant role. This revelation is contradictory to the notion that vertical trust within high organizations contribute to better management and better collaboration at all levels of the organization.

The questionnaire revealed that the affected parties of this research lack a strong sense of shared purpose to succeed in fulfilling the Category B municipality's core objective of basic service delivery. The nurturing of a working environment in which tolerance and cooperation are valued is neglected and this was mentioned by respondents in the open-ended questions of the questionnaire. The disagreement which stemmed from the statements and open-ended questions within the various sections highlighted the importance of managers' need to re-assess their position and begin to act as coaches as opposed to just managing the employees. Furthermore, the questionnaire exposed a situation where communication and employee empowerment is non-existent which

curbs an ideal working environment, based on a sense of belonging and where people collectively participate in making decisions.

The revelations from the respondents highlight a sense of effective and efficient performance by the category B municipality with a mainly negative workforce.

#### 4.6.2 Secondary objective

The sole secondary objective was to ascertain how managers within the Category B municipality perceived the municipal employees' perceptions regarding the level of job satisfaction, employee empowerment, communication and management reporting and performance management. For this evaluation to take place, the researcher acknowledges that 27 managers, between the salary levels T14 – 20, took part in this survey. This constitutes 13.3 percent of those participants which responded in general. Holistically, as the statistically significant effect size analysis indicated, the managers responded more positively to the statements as opposed to the employees. On aggregate, managers were not decisive in whether they agree or disagreed with the various statements and chose to be impartial. This revelation is of concern because managers at the Category B municipality may be under the illusion that the vertical trust relationship between the affected parties is in order, but contradicts the perceptions of how employees actually feel.

With the internal reliability of the five measures being consistent with a Cronbach's Alpha coefficient in excess of 0.9, the research found that those five dimensions were significant determinants of vertical trust in management. For this reason, it is imperative for management within the Category B municipality to acknowledge that these dimensions are an indication of how to ensure a better trust relationship within the organization. The open-ended questions revealed that, despite managers' positive perceptions, there are distinct differences between the affected parties which could dampen improvement in future deliverables of the key objectives of basic service delivery. The open-ended questions also indicated that the employees' perceptions towards managers are that of managers finding it difficult to embrace a top-down model

of management that adheres to the perception that authority creates trust. Managers need to understand that in reality, trust creates authority (Hitch, 2012).

#### **4.7 Conclusion**

The research questioned whether there is some sort of vertical trust relationship between the municipal employees and managers. This was tested by employing five dimensions of vertical trust. The results indicated that there is a significant lack of trust between managers and employees and indicated that there exists a sense of effective and efficient performance within the category B municipality, but with a mainly negative workforce. The in- depth analysis concluded that for such a relationship to be built, there must be a clear sense of transparent communication employed where employees can feel trusted. Accountability needs to be nurtured where employees are entrusted with job tasks without feeling victimized or unworthy of not being able to accomplish this.

In conclusion, the concept of vertical trust relationship can be nurtured by employing a working environment based on mutual respect, dignity, cooperation and honest communication.

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## APPENDICES

### Appendix A: Questionnaire to test vertical trust in a Category B municipality

**Dear Employee**

We would like to invite you to participate in a research study, evaluating your perception of trust toward your management and its effect on your job performance to improve basic service delivery.

The questionnaire attempts to identify the influence of the employee's trust in management and its effect on performance within the Municipality. In other words, does this organizational trust influence employees' performances in effective service delivery?

The questionnaire will take approximately fifteen (15) minutes to complete, and we appreciate your valuable contribution towards a better understanding of your perception, and ensuring that the Municipality provides effective service delivery to the town/ city and surrounding areas.

*Please note that all information shared in this questionnaire and all future interactions will be treated confidentially and will be used only for research purposes. No confidential- and personal identifiable information will be shared with any third party.*

Kindly complete each section and answer all the questions.

Thank you for your cooperation in this regard.

#### Section A

Please indicate by means of a cross (X) the option that applies to you:

**1) Gender:**

|      |   |        |   |
|------|---|--------|---|
| Male | 1 | Female | 2 |
|------|---|--------|---|

**2) Age:**

|                      |   |              |   |              |   |               |   |                    |   |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|
| 20 years and younger | 1 | 21– 30 years | 2 | 31- 40 years | 3 | 41 – 60 years | 4 | 61 years and older | 5 |
|----------------------|---|--------------|---|--------------|---|---------------|---|--------------------|---|

**3) Months/ Years of employment at the Municipality:**

|                |   |                |   |                |   |                 |   |              |   |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|
| 0-12<br>Months | 1 | 1 – 3<br>years | 2 | 4 – 6<br>years | 3 | 7 – 10<br>years | 4 | 11+<br>years | 5 |
|----------------|---|----------------|---|----------------|---|-----------------|---|--------------|---|

**4) Please indicate the Directorate/ Department you work for:**

|                                      |                      |  |  |   |                           |                               |  |   |
|--------------------------------------|----------------------|--|--|---|---------------------------|-------------------------------|--|---|
| Civil<br>Engineeri<br>ng<br>Services | Commun<br>ity Safety | Corporate<br>and Social<br>Developm<br>ent | Corpora<br>te<br>Service<br>s<br>(includi<br>ng the<br>office of<br>the<br>Municip<br>al<br>Manage<br>r) | Electro-<br>Techni<br>cal<br>Service<br>s | Environme<br>ntal Affairs | Financi<br>al<br>Servic<br>es | Local<br>Economic<br>Developm<br>ent<br>Services | Planning<br>and<br>Human<br>Settlemen<br>ts |
| 1                                    | 2                    | 3  | 4  | 5   | 6                         | 7                             | 8  | 9   |
| Other: Please<br>Specify             |                      | 10   |  |   |                           |                               |  |   |

**5) Please indicate your job category:**

|                       |   |            |   |          |   |           |   |              |   |                |   |
|-----------------------|---|------------|---|----------|---|-----------|---|--------------|---|----------------|---|
| T1 – T3               | 1 | T4 –<br>T8 | 2 | T9 – T13 | 3 | T14 – T18 | 4 | T19 –<br>T20 | 5 | Do not<br>know | 6 |
| Other: Please specify |   |            | 7 |          |   |           |   |              |   |                |   |

**6) I have the following qualification:**

|                       |                         |        |                   |                    |                     |
|-----------------------|-------------------------|--------|-------------------|--------------------|---------------------|
| Grade 12 and<br>less  | Diploma/<br>Certificate | Degree | Honours<br>Degree | Master's<br>Degree | Doctorate<br>Degree |
| 1                     | 2                       | 3      | 4                 | 5                  | 6                   |
| Other: Please specify |                         | 7      |                   |                    |                     |

**7) Are you a manager?**

|     |   |    |   |
|-----|---|----|---|
| Yes | 1 | No | 2 |
|-----|---|----|---|

**8) Your work expects you to spend most of your time at work:**

|               |   |                   |   |
|---------------|---|-------------------|---|
| In the office | 1 | Out of the office | 2 |
|---------------|---|-------------------|---|

The following five (5) sections relate to your job satisfaction, employee empowerment, communication and management reporting.

| 1                        | 2               | 3                                 | 4            | 5                     |
|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| <b>Strongly Disagree</b> | <b>Disagree</b> | <b>Neither agree nor disagree</b> | <b>Agree</b> | <b>Strongly Agree</b> |

Think about Management to whom you report to at the Municipality. For each statement, mark a (X) that best describes how much you agree or disagree with each statement, using the above scale:

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| <b>Section B: Job Satisfaction</b>  |                        |               |                                 |            |                     |
| 2.1 It is a pleasure coming to work daily.  |                        |               |                                 |            |                     |
| 2.2 I take pleasure in doing my work.   |                        |               |                                 |            |                     |
| 2.3 I have no intention of leaving my job.  |                        |               |                                 |            |                     |
| 2.4 The work I do adds value in delivering the basic services in town / city and the surrounding communities. |                        |               |                                 |            |                     |
| 2.5 The municipality is a great organisation to work for.   |                        |               |                                 |            |                     |
| 2.6 I would recommend anyone to work for the municipality.  |                        |               |                                 |            |                     |
| 2.7 My personal skills and capabilities are testimony of the good job I'm doing.                              |                        |               |                                 |            |                     |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| 2.8 Management has my personal interest at heart whenever I am required to do my job.           |                        |               |                                 |            |                     |
| 2.9 Working conditions at the municipality allows me to effectively do my job.                  |                        |               |                                 |            |                     |
| 2.10 Management is actively involved and supports me in my career path within the municipality. |                        |               |                                 |            |                     |
| 2.11 I am assured that I won't lose my job.   |                        |               |                                 |            |                     |

| <b>Section C: Employee Empowerment</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 3.1 When I am at work, I am not scared to raise an opinion involving my work.                             |  |  |  |  |  |
| 3.2 Management involves me in decisions that affect my work.  |  |  |  |  |  |
| 3.3 Management installs confidence in me for the work I need to do.                                       |  |  |  |  |  |
| 3.4 Management allows me to do my job the way I see it best, as long as my work is effectively concluded. |  |  |  |  |  |
| 3.5 Management creates an environment in which successes are celebrated.                                  |  |  |  |  |  |
| 3.6 Management encourages innovative ways to effectively deliver basic services to the community.         |  |  |  |  |  |
| 3.7 Management empowers me to make decisions that will positively influence my work.                      |  |  |  |  |  |

|  | 1<br>Strongly<br>disagree | 2<br>Disagree | 3<br>Neither<br>agree<br>nor<br>disagree | 4<br>Agree | 5<br>Strongly<br>agree |
|--|---------------------------|---------------|--|------------|------------------------|
| <b>Section D: Communication</b>  |                           |               |  |            |                        |
| 4.1 A sense of transparency is evident in the way Management conduct their work.   |                           |               |  |            |                        |
| 4.2 Management trusts me to effectively do my job  |                           |               |  |            |                        |
| 4.3 Management communicates and displays a sense of fairness towards employees.  |                           |               |  |            |                        |
| 4.4 Management's actions and behaviour are very consistent.  |                           |               |  |            |                        |
| 4.5 Management delivers on their promises to employees.  |                           |               |  |            |                        |
| 4.6 Management is always willing to discuss my personal wellbeing with immense compassion.   |                           |               |  |            |                        |
| 4.7 Management makes me feel appreciated in how they communicate tasks to me.  |                           |               |  |            |                        |
| 4.8 I believe there is trust between management and employees.   |                           |               |  |            |                        |
| 4.9 Management creates an environment where they communicate honestly with employees.  |                           |               |  |            |                        |
| 4.10 Management sufficiently communicate the municipality's strategic objectives to employees.                                       |                           |               |  |            |                        |
| 4.11 I know and understand the municipality's key strategic objectives for effective service delivery over the next three (3) years. |                           |               |  |            |                        |
| 4.12 As an employee, I participated in   |                           |               |  |            |                        |

|   | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|---|------------------------|---------------|---------------------------------|------------|---------------------|
| the formulation of the municipality's strategic vision. |                        |               |                                 |            |                     |

| <b>Section E: Management reporting</b>  |  |  |  |  |  |
|---|--|--|--|--|--|
| 5.1 Management is good in setting realistic goals and assists me in achieving it.   |  |  |  |  |  |
| 5.2 My opinion on work related issues is important to management.   |  |  |  |  |  |
| 5.3 Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality.                |  |  |  |  |  |
| 5.4 I know that I can trust management.   |  |  |  |  |  |
| 5.5 Management has the ability to align employees in order to work towards a common goal.   |  |  |  |  |  |
| 5.6 Management conduct themselves in a polite and professional manner when addressing work related issues to employees.                             |  |  |  |  |  |
| 5.7 I feel that management is capable of implementing strategies that will successfully lead to better delivery of basic services to the community. |  |  |  |  |  |

With regards to the key performance evaluation criteria at the Municipality, please answer the following questions:

| <b>Section F: Performance management</b>                            |  |  |  |  |  |
|---|--|--|--|--|--|
| 6.1 Performance feedback is regularly provided on how I do my work. |  |  |  |  |  |



|  | 1<br>Strongly disagree | 2<br>Disagree | 3<br>Neither agree nor disagree | 4<br>Agree | 5<br>Strongly agree |
|--|------------------------|---------------|---------------------------------|------------|---------------------|
| 6.2 I believe that my performance reviews are fair and accurate.   |                        |               |                                 |            |                     |
| 6.3 I know and understand my performance agreement with the municipality.  |                        |               |                                 |            |                     |
| 6.4 I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality. |                        |               |                                 |            |                     |
| 6.5 I sense that management has a tendency of treating good performers differently than non-performers.  |                        |               |                                 |            |                     |
| 6.6 Management is committed to manage my performance and assist in my career and personal development.   |                        |               |                                 |            |                     |
| 6.7 I was allowed by management to enrol for training programmes over the last year.   |                        |               |                                 |            |                     |

| <b>Section G: Personal view of trust between management and employees</b>  |  |
|--|--|
| 7.1 How would you define trust in your working environment? Hoe sal u vertroue omskryf in u werksomgewing?                             |  |
| 7.2 What is your understanding of trust between management and employee? Wat is u seining rondom vertroue tussen bestuur en amptenare? |  |
|  |  |

|  |
|--|
|  |
| 7.3 Will the employee's trust in management result in improved service delivery? / Sal amptenare se vertrouwe in die bestuur lei tot die verbetering in dienslewering? |
|  |
| 7.4 How do you experience the trust between you and management? / Hoe ondervind u die vertrouensverhouding tussen uself en die bestuur?                                |
|  |
| 7.5 What is the biggest factor that enables you to effectively do your job? / Wat is die grootste faktor wat u instaat stel om u werk effektief te verrig?             |
|  |
| 7.6 What prohibits you from effectively doing your job? / Wat verhoed u om werk effektief te verrig?   |
|  |

|   |
|---|
|   |
| 7.7 What is the biggest reason, according to you, why the municipality received a clean audit from the Auditor General over the past number of years? / Wat is die vernaamste rede, volgens u, waarom die munisipaliteit die afgelope paar jaar 'n skoon oudit vanaf die Ouditeur Generaal ontvang het? |
|   |
| 7.8 Any suggestions/ other comments in this regard? / Enige ander voorstelle/ kommentaar in hierdie verband?  |
|   |

**THANK YOU AND WE APPRECIATE YOUR TIME AND EFFORT**  
**The Researcher**

## Appendix B: Details of internal consistency of each dimension specific scale

### Dimension 1: Job Satisfaction

| Statements of Job Satisfaction | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|--------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section B Statement 1          | 2.93 | 1.322          | 187 | .802                             | .927                             |
| Section B Statement 2          | 3.53 | 1.280          | 187 | .783                             | .928                             |
| Section B Statement 3          | 3.09 | 1.406          | 187 | .715                             | .931                             |
| Section B Statement 4          | 3.73 | 1.389          | 187 | .734                             | .930                             |
| Section B Statement 5          | 3.06 | 1.288          | 187 | .786                             | .928                             |
| Section B Statement 6          | 2.84 | 1.279          | 187 | .733                             | .930                             |
| Section B Statement 7          | 3.58 | 1.277          | 187 | .690                             | .932                             |
| Section B Statement 8          | 2.57 | 1.336          | 187 | .764                             | .929                             |
| Section B Statement 9          | 2.57 | 1.261          | 187 | .693                             | .932                             |
| Section B Statement 10         | 2.38 | 1.257          | 187 | .715                             | .931                             |
| Section B Statement 11         | 2.88 | 1.230          | 187 | .619                             | .935                             |

## Dimension 2: Employee Empowerment

| Statements of Employee Empowerment | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section C Statement 1              | 3.14 | 1.419          | 188 | .662                             | .931                             |
| Section C Statement 2              | 2.39 | 1.256          | 188 | .772                             | .920                             |
| Section C Statement 3              | 2.71 | 1.333          | 188 | .818                             | .915                             |
| Section C Statement 4              | 2.97 | 1.389          | 188 | .785                             | .918                             |
| Section C Statement 5              | 2.45 | 1.242          | 188 | .808                             | .916                             |
| Section C Statement 6              | 2.74 | 1.316          | 188 | .813                             | .915                             |
| Section C Statement 7              | 2.58 | 1.160          | 188 | .798                             | .918                             |

#### Dimension 4: Management Reporting

| Statements of Management Reporting | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section E Statement 1              | 2.52 | 1.234          | 196 | .860                             | .941                             |
| Section E Statement 2              | 2.58 | 1.244          | 196 | .826                             | .944                             |
| Section E Statement 3              | 2.40 | 1.226          | 196 | .832                             | .944                             |
| Section E Statement 4              | 2.35 | 1.187          | 196 | .857                             | .942                             |
| Section E Statement 5              | 2.50 | 1.251          | 196 | .867                             | .941                             |
| Section E Statement 6              | 2.68 | 1.318          | 196 | .855                             | .942                             |
| Section E Statement 7              | 3.00 | 1.198          | 196 | .742                             | .951                             |

## Dimension 5: Performance Management

| Statement of Performance Management | Mean | Std. Deviation | N   | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|-------------------------------------|------|----------------|-----|----------------------------------|----------------------------------|
| Section F Statement 1               | 2.22 | 1.199          | 186 | .684                             | .888                             |
| Section F Statement 2               | 2.89 | 1.327          | 186 | .749                             | .881                             |
| Section F Statement 3               | 3.08 | 1.311          | 186 | .732                             | .883                             |
| Section F Statement 4               | 2.96 | 1.347          | 186 | .750                             | .880                             |
| Section F Statement 5               | 2.70 | 1.279          | 186 | .689                             | .888                             |
| Section F Statement 6               | 2.35 | 1.164          | 186 | .779                             | .879                             |
| Section F Statement 7               | 2.46 | 1.340          | 186 | .581                             | .900                             |

**Appendix C: Frequencies and means of responses for statements posted in Section B to Section F**

**Section B: Job satisfaction**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 43        | 21.0    | 21.2          | 21.2               |
|             | Disagree                   | 30        | 14.6    | 14.8          | 36.0               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.7          | 54.7               |
|             | Agree                      | 71        | 34.6    | 35.0          | 89.7               |
|             | Strongly agree             | 21        | 10.2    | 10.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 27        | 13.2    | 13.3          | 13.3               |
|             | Disagree                   | 17        | 8.3     | 8.4           | 21.7               |
|             | Neither agree nor disagree | 15        | 7.3     | 7.4           | 29.1               |
|             | Agree                      | 99        | 48.3    | 48.8          | 77.8               |
|             | Strongly agree             | 45        | 22.0    | 22.2          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |



| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 40               | 19.5           | 20.1                 | 20.1                      |
|                    | Disagree                   | 24               | 11.7           | 12.1                 | 32.2                      |
|                    | Neither agree nor disagree | 45               | 22.0           | 22.6                 | 54.8                      |
|                    | Agree                      | 50               | 24.4           | 25.1                 | 79.9                      |
|                    | Strongly agree             | 40               | 19.5           | 20.1                 | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 28               | 13.7           | 14.0                 | 14.0                      |
|                    | Disagree                   | 14               | 6.8            | 7.0                  | 21.0                      |
|                    | Neither agree nor disagree | 7                | 3.4            | 3.5                  | 24.5                      |
|                    | Agree                      | 77               | 37.6           | 38.5                 | 63.0                      |
|                    | Strongly agree             | 74               | 36.1           | 37.0                 | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 34        | 16.6    | 16.7          | 16.7               |
|             | Disagree                   | 27        | 13.2    | 13.3          | 30.0               |
|             | Neither agree nor disagree | 49        | 23.9    | 24.1          | 54.2               |
|             | Agree                      | 64        | 31.2    | 31.5          | 85.7               |
|             | Strongly agree             | 29        | 14.1    | 14.3          | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.3          | 20.3               |
|             | Disagree                   | 32        | 15.6    | 15.8          | 36.1               |
|             | Neither agree nor disagree | 52        | 25.4    | 25.7          | 61.9               |
|             | Agree                      | 55        | 26.8    | 27.2          | 89.1               |
|             | Strongly agree             | 22        | 10.7    | 10.9          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 24        | 11.7    | 11.8          | 11.8               |
|             | Disagree                   | 18        | 8.8     | 8.8           | 20.6               |
|             | Neither agree nor disagree | 22        | 10.7    | 10.8          | 31.4               |
|             | Agree                      | 90        | 43.9    | 44.1          | 75.5               |
|             | Strongly agree             | 50        | 24.4    | 24.5          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 59        | 28.8    | 29.5          | 29.5               |
|             | Disagree                   | 44        | 21.5    | 22.0          | 51.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.0          | 70.5               |
|             | Agree                      | 41        | 20.0    | 20.5          | 91.0               |
|             | Strongly agree             | 18        | 8.8     | 9.0           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 9 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 52        | 25.4    | 26.0          | 26.0               |
|             | Disagree                   | 46        | 22.4    | 23.0          | 49.0               |
|             | Neither agree nor disagree | 47        | 22.9    | 23.5          | 72.5               |
|             | Agree                      | 40        | 19.5    | 20.0          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 10 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 69        | 33.7    | 34.5          | 34.5               |
|              | Disagree                   | 46        | 22.4    | 23.0          | 57.5               |
|              | Neither agree nor disagree | 40        | 19.5    | 20.0          | 77.5               |
|              | Agree                      | 33        | 16.1    | 16.5          | 94.0               |
|              | Strongly agree             | 12        | 5.9     | 6.0           | 100.0              |
|              | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing      | System                     | 5         | 2.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 40        | 19.5    | 19.7          | 19.7               |
|              | Disagree                   | 26        | 12.7    | 12.8          | 32.5               |
|              | Neither agree nor disagree | 64        | 31.2    | 31.5          | 64.0               |
|              | Agree                      | 56        | 27.3    | 27.6          | 91.6               |
|              | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|              | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing      | System                     | 2         | 1.0     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

### Means

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.93 | 1.322          |
| 2         | 3.53 | 1.280          |
| 3         | 3.09 | 1.406          |
| 4         | 3.73 | 1.389          |
| 5         | 3.06 | 1.288          |
| 6         | 2.84 | 1.279          |
| 7         | 3.58 | 1.277          |
| 8         | 2.57 | 1.336          |
| 9         | 2.57 | 1.261          |
| 10        | 2.38 | 1.257          |
| 11        | 2.88 | 1.230          |

### Section C: Employee empowerment

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 19.6          | 19.6               |
|             | Disagree                   | 35        | 17.1    | 17.2          | 36.8               |
|             | Neither agree nor disagree | 20        | 9.8     | 9.8           | 46.6               |
|             | Agree                      | 77        | 37.6    | 37.7          | 84.3               |
|             | Strongly agree             | 32        | 15.6    | 15.7          | 100.0              |
|             | Total                      | 204       | 99.5    | 100.0         |                    |
| Missing     | System                     | 1         | .5      |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 31.0          | 31.0               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 60.1               |
|             | Neither agree nor disagree | 32        | 15.6    | 15.8          | 75.9               |
|             | Agree                      | 38        | 18.5    | 18.7          | 94.6               |
|             | Strongly agree             | 11        | 5.4     | 5.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 42        | 20.5    | 20.9          | 47.3               |
|             | Neither agree nor disagree | 35        | 17.1    | 17.4          | 64.7               |
|             | Agree                      | 56        | 27.3    | 27.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.3          | 23.3               |
|             | Disagree                   | 30        | 14.6    | 14.9          | 38.1               |
|             | Neither agree nor disagree | 34        | 16.6    | 16.8          | 55.0               |
|             | Agree                      | 68        | 33.2    | 33.7          | 88.6               |
|             | Strongly agree             | 23        | 11.2    | 11.4          | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.1          | 28.1               |
|             | Disagree                   | 59        | 28.8    | 29.1          | 57.1               |
|             | Neither agree nor disagree | 40        | 19.5    | 19.7          | 76.8               |
|             | Agree                      | 35        | 17.1    | 17.2          | 94.1               |
|             | Strongly agree             | 12        | 5.9     | 5.9           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 48        | 23.4    | 23.6          | 23.6               |
|             | Disagree                   | 42        | 20.5    | 20.7          | 44.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.7          | 65.0               |
|             | Agree                      | 54        | 26.3    | 26.6          | 91.6               |
|             | Strongly agree             | 17        | 8.3     | 8.4           | 100.0              |
|             | Total                      | 203       | 99.0    | 100.0         |                    |
| Missing     | System                     | 2         | 1.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |



| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 21.4          | 21.4               |
|             | Disagree                   | 53        | 25.9    | 27.6          | 49.0               |
|             | Neither agree nor disagree | 54        | 26.3    | 28.1          | 77.1               |
|             | Agree                      | 33        | 16.1    | 17.2          | 94.3               |
|             | Strongly agree             | 11        | 5.4     | 5.7           | 100.0              |
|             | Total                      | 192       | 93.7    | 100.0         |                    |
| Missing     | System                     | 13        | 6.3     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 3.14 | 1.419          |
| 2         | 2.39 | 1.256          |
| 3         | 2.71 | 1.333          |
| 4         | 2.97 | 1.389          |
| 5         | 2.45 | 1.242          |
| 6         | 2.74 | 1.316          |
| 7         | 2.58 | 1.160          |

## Section D: Communication

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.9          | 26.9               |
|             | Disagree                   | 52        | 25.4    | 26.4          | 53.3               |
|             | Neither agree nor disagree | 47        | 22.9    | 23.9          | 77.2               |
|             | Agree                      | 33        | 16.1    | 16.8          | 93.9               |
|             | Strongly agree             | 12        | 5.9     | 6.1           | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 29        | 14.1    | 14.7          | 14.7               |
|             | Disagree                   | 23        | 11.2    | 11.7          | 26.4               |
|             | Neither agree nor disagree | 42        | 20.5    | 21.3          | 47.7               |
|             | Agree                      | 77        | 37.6    | 39.1          | 86.8               |
|             | Strongly agree             | 26        | 12.7    | 13.2          | 100.0              |
|             | Total                      | 197       | 96.1    | 100.0         |                    |
| Missing     | System                     | 8         | 3.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 3 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 54        | 26.3    | 26.9          | 54.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 73.6               |
|             | Agree                      | 41        | 20.0    | 20.4          | 94.0               |
|             | Strongly agree             | 12        | 5.9     | 6.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 4 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 56        | 27.3    | 27.9          | 27.9               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 56.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 77.1               |
|             | Agree                      | 33        | 16.1    | 16.4          | 93.5               |
|             | Strongly agree             | 13        | 6.3     | 6.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 5</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 65               | 31.7           | 32.7                 | 32.7                      |
|                    | Disagree                   | 58               | 28.3           | 29.1                 | 61.8                      |
|                    | Neither agree nor disagree | 49               | 23.9           | 24.6                 | 86.4                      |
|                    | Agree                      | 16               | 7.8            | 8.0                  | 94.5                      |
|                    | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 6</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.3                 | 30.3                      |
|                    | Disagree                   | 56               | 27.3           | 28.3                 | 58.6                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.2                 | 77.8                      |
|                    | Agree                      | 33               | 16.1           | 16.7                 | 94.4                      |
|                    | Strongly agree             | 11               | 5.4            | 5.6                  | 100.0                     |
|                    | Total                      | 198              | 96.6           | 100.0                |                           |
| Missing            | System                     | 7                | 3.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 57        | 27.8    | 28.4          | 55.7               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.6               |
|             | Agree                      | 36        | 17.6    | 17.9          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 8 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 55        | 26.8    | 27.4          | 27.4               |
|             | Disagree                   | 64        | 31.2    | 31.8          | 59.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 80.1               |
|             | Agree                      | 24        | 11.7    | 11.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 9</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 60               | 29.3           | 30.0                 | 30.0                      |
|                    | Disagree                   | 61               | 29.8           | 30.5                 | 60.5                      |
|                    | Neither agree nor disagree | 39               | 19.0           | 19.5                 | 80.0                      |
|                    | Agree                      | 28               | 13.7           | 14.0                 | 94.0                      |
|                    | Strongly agree             | 12               | 5.9            | 6.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 10</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid               | Strongly disagree          | 46               | 22.4           | 23.0                 | 23.0                      |
|                     | Disagree                   | 52               | 25.4           | 26.0                 | 49.0                      |
|                     | Neither agree nor disagree | 57               | 27.8           | 28.5                 | 77.5                      |
|                     | Agree                      | 34               | 16.6           | 17.0                 | 94.5                      |
|                     | Strongly agree             | 11               | 5.4            | 5.5                  | 100.0                     |
|                     | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing             | System                     | 5                | 2.4            |                      |                           |
| Total               |                            | 205              | 100.0          |                      |                           |

| STATEMENT 11 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 42        | 20.5    | 21.0          | 21.0               |
|              | Disagree                   | 36        | 17.6    | 18.0          | 39.0               |
|              | Neither agree nor disagree | 54        | 26.3    | 27.0          | 66.0               |
|              | Agree                      | 57        | 27.8    | 28.5          | 94.5               |
|              | Strongly agree             | 11        | 5.4     | 5.5           | 100.0              |
|              | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing      | System                     | 5         | 2.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

| STATEMENT 12 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid        | Strongly disagree          | 50        | 24.4    | 25.3          | 25.3               |
|              | Disagree                   | 51        | 24.9    | 25.8          | 51.0               |
|              | Neither agree nor disagree | 41        | 20.0    | 20.7          | 71.7               |
|              | Agree                      | 47        | 22.9    | 23.7          | 95.5               |
|              | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|              | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing      | System                     | 7         | 3.4     |               |                    |
| Total        |                            | 205       | 100.0   |               |                    |

## Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.50 | 1.214          |
| 2         | 3.19 | 1.242          |
| 3         | 2.48 | 1.241          |
| 4         | 2.46 | 1.218          |
| 5         | 2.24 | 1.147          |
| 6         | 2.42 | 1.220          |
| 7         | 2.48 | 1.250          |
| 8         | 2.39 | 1.195          |
| 9         | 2.34 | 1.208          |
| 10        | 2.55 | 1.171          |
| 11        | 2.82 | 1.221          |
| 12        | 2.58 | 1.216          |



## Section E: Management reporting

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 47        | 22.9    | 23.5          | 23.5               |
|             | Disagree                   | 65        | 31.7    | 32.5          | 56.0               |
|             | Neither agree nor disagree | 39        | 19.0    | 19.5          | 75.5               |
|             | Agree                      | 34        | 16.6    | 17.0          | 92.5               |
|             | Strongly agree             | 15        | 7.3     | 7.5           | 100.0              |
|             | Total                      | 200       | 97.6    | 100.0         |                    |
| Missing     | System                     | 5         | 2.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 45        | 22.0    | 22.4          | 22.4               |
|             | Disagree                   | 60        | 29.3    | 29.9          | 52.2               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 73.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 92.0               |
|             | Strongly agree             | 16        | 7.8     | 8.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 56               | 27.3           | 28.1                 | 28.1                      |
|                    | Disagree                   | 60               | 29.3           | 30.2                 | 58.3                      |
|                    | Neither agree nor disagree | 43               | 21.0           | 21.6                 | 79.9                      |
|                    | Agree                      | 26               | 12.7           | 13.1                 | 93.0                      |
|                    | Strongly agree             | 14               | 6.8            | 7.0                  | 100.0                     |
|                    | Total                      | 199              | 97.1           | 100.0                |                           |
| Missing            | System                     | 6                | 2.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 62               | 30.2           | 31.0                 | 31.0                      |
|                    | Disagree                   | 50               | 24.4           | 25.0                 | 56.0                      |
|                    | Neither agree nor disagree | 52               | 25.4           | 26.0                 | 82.0                      |
|                    | Agree                      | 26               | 12.7           | 13.0                 | 95.0                      |
|                    | Strongly agree             | 10               | 4.9            | 5.0                  | 100.0                     |
|                    | Total                      | 200              | 97.6           | 100.0                |                           |
| Missing            | System                     | 5                | 2.4            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 58        | 28.3    | 28.9          | 55.2               |
|             | Neither agree nor disagree | 38        | 18.5    | 18.9          | 74.1               |
|             | Agree                      | 38        | 18.5    | 18.9          | 93.0               |
|             | Strongly agree             | 14        | 6.8     | 7.0           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 53        | 25.9    | 26.4          | 26.4               |
|             | Disagree                   | 40        | 19.5    | 19.9          | 46.3               |
|             | Neither agree nor disagree | 42        | 20.5    | 20.9          | 67.2               |
|             | Agree                      | 49        | 23.9    | 24.4          | 91.5               |
|             | Strongly agree             | 17        | 8.3     | 8.5           | 100.0              |
|             | Total                      | 201       | 98.0    | 100.0         |                    |
| Missing     | System                     | 4         | 2.0     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 28        | 13.7    | 13.9          | 13.9               |
|             | Disagree                   | 42        | 20.5    | 20.8          | 34.7               |
|             | Neither agree nor disagree | 56        | 27.3    | 27.7          | 62.4               |
|             | Agree                      | 56        | 27.3    | 27.7          | 90.1               |
|             | Strongly agree             | 20        | 9.8     | 9.9           | 100.0              |
|             | Total                      | 202       | 98.5    | 100.0         |                    |
| Missing     | System                     | 3         | 1.5     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.52 | 1.234          |
| 2         | 2.58 | 1.244          |
| 3         | 2.40 | 1.226          |
| 4         | 2.35 | 1.187          |
| 5         | 2.50 | 1.251          |
| 6         | 2.68 | 1.318          |
| 7         | 3.00 | 1.198          |

**Section F: Performance management**

| STATEMENT 1 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 69        | 33.7    | 35.2          | 35.2               |
|             | Disagree                   | 60        | 29.3    | 30.6          | 65.8               |
|             | Neither agree nor disagree | 27        | 13.2    | 13.8          | 79.6               |
|             | Agree                      | 32        | 15.6    | 16.3          | 95.9               |
|             | Strongly agree             | 8         | 3.9     | 4.1           | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 2 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 40        | 19.5    | 20.5          | 20.5               |
|             | Disagree                   | 37        | 18.0    | 19.0          | 39.5               |
|             | Neither agree nor disagree | 38        | 18.5    | 19.5          | 59.0               |
|             | Agree                      | 59        | 28.8    | 30.3          | 89.2               |
|             | Strongly agree             | 21        | 10.2    | 10.8          | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| <b>STATEMENT 3</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 33               | 16.1           | 16.9                 | 16.9                      |
|                    | Disagree                   | 30               | 14.6           | 15.4                 | 32.3                      |
|                    | Neither agree nor disagree | 38               | 18.5           | 19.5                 | 51.8                      |
|                    | Agree                      | 70               | 34.1           | 35.9                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| <b>STATEMENT 4</b> |                            | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|--------------------|----------------------------|------------------|----------------|----------------------|---------------------------|
| Valid              | Strongly disagree          | 38               | 18.5           | 19.5                 | 19.5                      |
|                    | Disagree                   | 35               | 17.1           | 17.9                 | 37.4                      |
|                    | Neither agree nor disagree | 36               | 17.6           | 18.5                 | 55.9                      |
|                    | Agree                      | 62               | 30.2           | 31.8                 | 87.7                      |
|                    | Strongly agree             | 24               | 11.7           | 12.3                 | 100.0                     |
|                    | Total                      | 195              | 95.1           | 100.0                |                           |
| Missing            | System                     | 10               | 4.9            |                      |                           |
| Total              |                            | 205              | 100.0          |                      |                           |

| STATEMENT 5 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 41        | 20.0    | 20.9          | 20.9               |
|             | Disagree                   | 47        | 22.9    | 24.0          | 44.9               |
|             | Neither agree nor disagree | 52        | 25.4    | 26.5          | 71.4               |
|             | Agree                      | 35        | 17.1    | 17.9          | 89.3               |
|             | Strongly agree             | 21        | 10.2    | 10.7          | 100.0              |
|             | Total                      | 196       | 95.6    | 100.0         |                    |
| Missing     | System                     | 9         | 4.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 6 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 57        | 27.8    | 28.8          | 28.8               |
|             | Disagree                   | 53        | 25.9    | 26.8          | 55.6               |
|             | Neither agree nor disagree | 50        | 24.4    | 25.3          | 80.8               |
|             | Agree                      | 29        | 14.1    | 14.6          | 95.5               |
|             | Strongly agree             | 9         | 4.4     | 4.5           | 100.0              |
|             | Total                      | 198       | 96.6    | 100.0         |                    |
| Missing     | System                     | 7         | 3.4     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

| STATEMENT 7 |                            | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|----------------------------|-----------|---------|---------------|--------------------|
| Valid       | Strongly disagree          | 63        | 30.7    | 32.3          | 32.3               |
|             | Disagree                   | 45        | 22.0    | 23.1          | 55.4               |
|             | Neither agree nor disagree | 25        | 12.2    | 12.8          | 68.2               |
|             | Agree                      | 47        | 22.9    | 24.1          | 92.3               |
|             | Strongly agree             | 15        | 7.3     | 7.7           | 100.0              |
|             | Total                      | 195       | 95.1    | 100.0         |                    |
| Missing     | System                     | 10        | 4.9     |               |                    |
| Total       |                            | 205       | 100.0   |               |                    |

### Mean

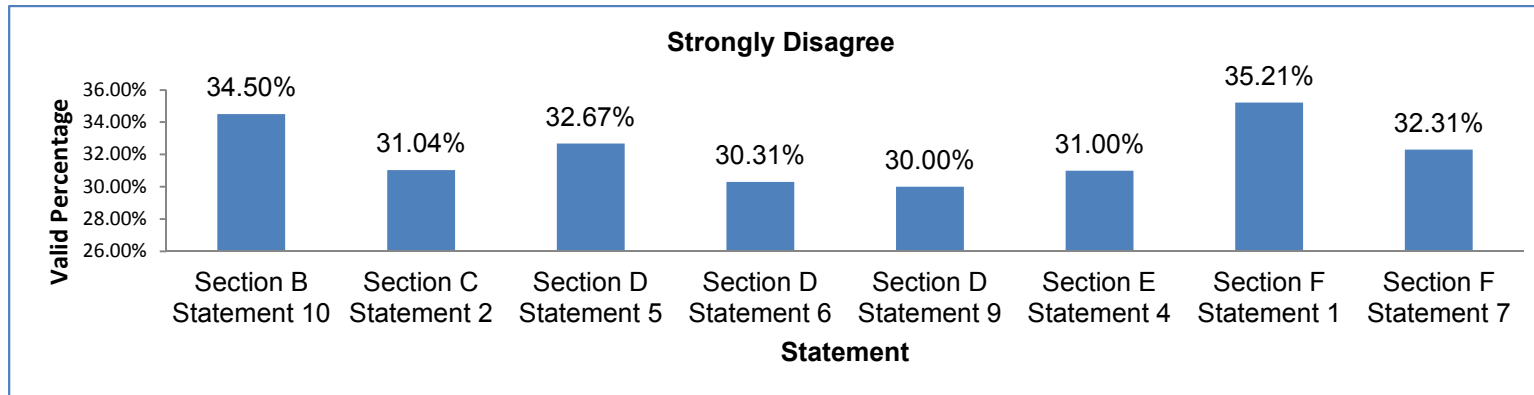
| STATEMENT | Mean | Std. Deviation |
|-----------|------|----------------|
| 1         | 2.22 | 1.199          |
| 2         | 2.89 | 1.327          |
| 3         | 3.08 | 1.311          |
| 4         | 2.96 | 1.347          |
| 5         | 2.70 | 1.279          |
| 6         | 2.35 | 1.164          |
| 7         | 2.46 | 1.340          |



## Appendix D – Statements with the most responses

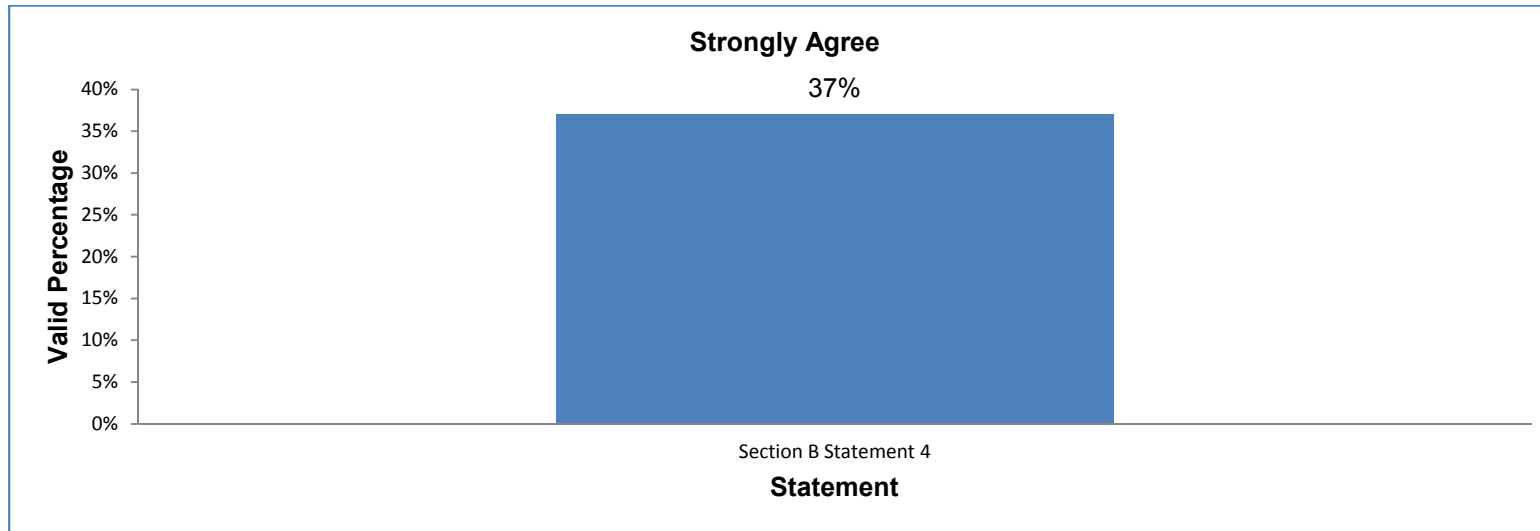
### Strongly disagree

| STATEMENT   | VALID PERCENTATGE |
|---|-------------------|
| Management is actively involved and supports me in my career path within the municipality (Section B Statement 10). | 34.5%             |
| Management involves me in decisions that affect my work (Section C Statement 2).                                    | 31.04%            |
| Management delivers on their promises to employees (Section D Statement 5).   | 32.67%            |
| Management is always willing to discuss my personal wellbeing with immense compassion (Section D Statement 6).      | 30.31%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).           | 30.00%            |
| I know that I can trust management (Section E Statement 4).   | 31.00%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).                             | 35.21%            |
| I was allowed by management to enroll for training programmes over the last year (Section F Statement 7).           | 32.31%            |



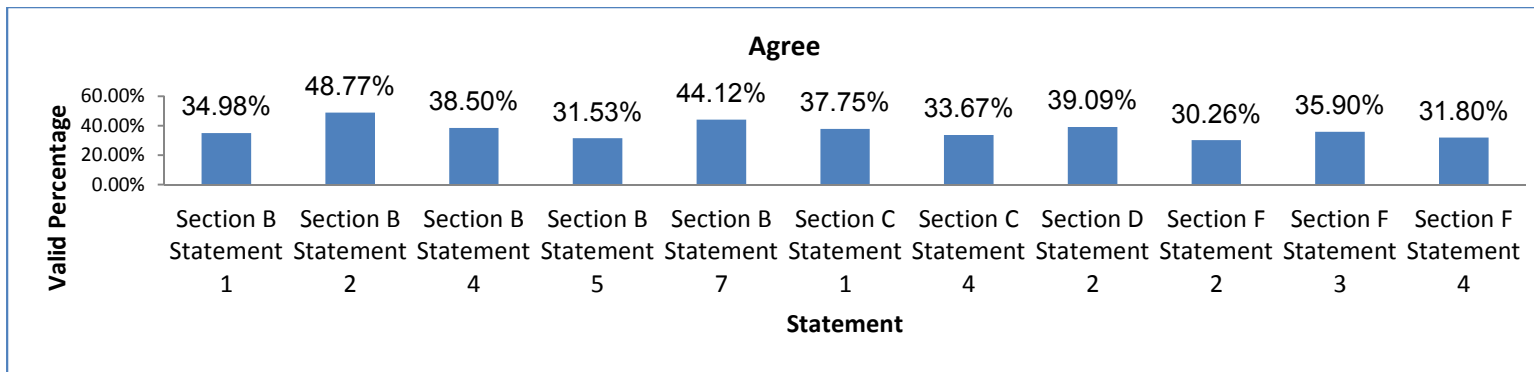
## Strongly agree

| STATEMENT   | VALID PERCENTAGE |
|---|------------------|
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4). | 37%              |



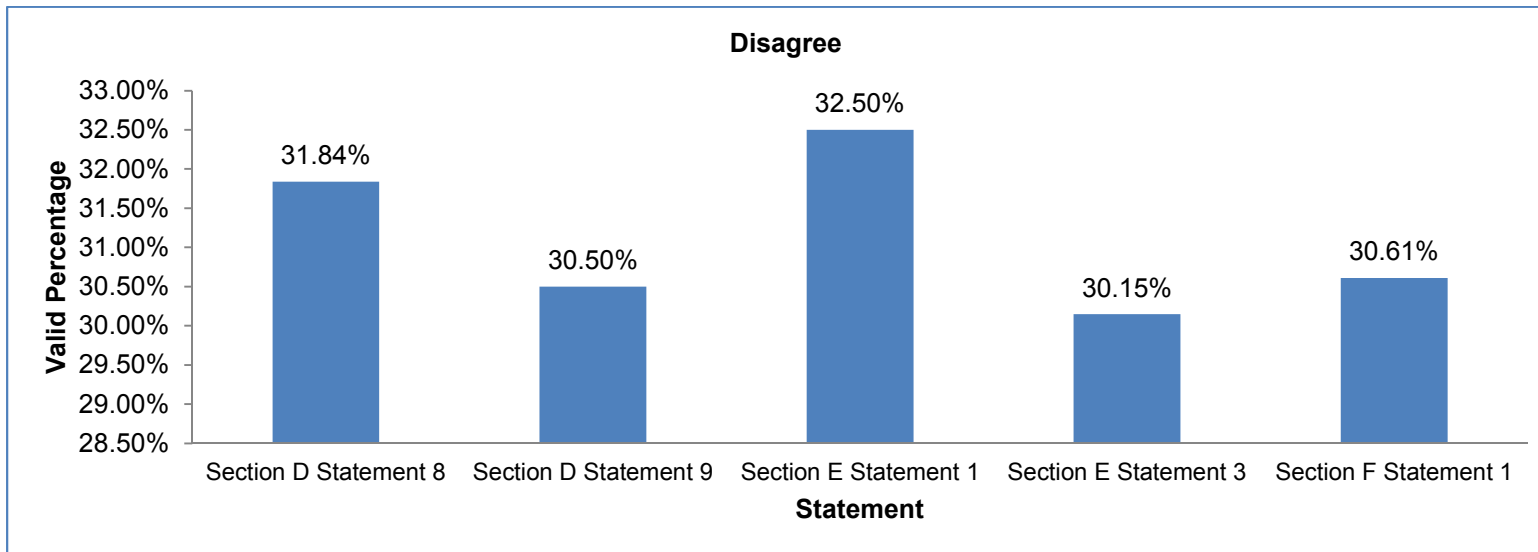
## Agree

| STATEMENT  | VALID PERCENTAGE |
|--|------------------|
| It is a pleasure coming to work daily (Section B Statement 1).   | 34.98%           |
| I take pleasure in doing my work (Section B Statement 2).  | 48.77%           |
| The work I do adds value in delivering the basic services in town / city and the surrounding communities (Section B Statement 4).                                    | 38.50%           |
| The municipality is a great organization to work for (Section B Statement 5).  | 31.53%           |
| My personal skills and capabilities are testimony of the good job I'm doing (Section B Statement 7).   | 44.12%           |
| When I am at work, I am not scared to raise an opinion involving my work (Section C Statement 1).  | 37.75%           |
| Management allows me to do my job the way I see it best, as long as my work is effectively concluded (Section C Statement 4).  | 33.67%           |
| Management trusts me to effectively do my job (Section D Statement 2).   | 39.09%           |
| I believe that my performance reviews are fair and accurate (Section F Statement 2).   | 30.26%           |
| I know and understand my performance agreement with the municipality (Section F Statement 3).  | 35.90%           |
| I will get a good performance rating if I deliver on my job responsibilities as indicated in my performance agreement with the municipality (Section F Statement 4). | 31.80%           |



## Disagree

| STATEMENT  | VALID PERCENTATGE |
|--|-------------------|
| I believe there is trust between management and employees (Section D Statement 8).   | 31.84%            |
| Management creates an environment where they communicate honestly with employees (Section D Statement 9).  | 30.50%            |
| Management is good in setting realistic goals and assists me in achieving it (Section E Statement 1).  | 32.50%            |
| Management is committed to get employees' views on how to make the right decisions that may result in a prosperous municipality (Section E Statement 3). | 30.15%            |
| Performance feedback is regularly provided on how I do my work (Section F Statement 1).  | 30.61%            |



**Appendix E - Effect sizes of how employees with various years of employment perceived the five dimensions**

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD  |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|-------|
| A:<3yr         | Job satisfaction       | 49 | 3.33 | 1.09           | 0.01 | 0.51 | 0.38 | 0.52 | 0.38 | -0.12 |
|                | Employee empowerment   | 49 | 3.00 | 1.05           | 0.12 | 0.55 | 0.36 | 0.44 | 0.24 | -0.19 |
|                | Communication          | 49 | 2.93 | 1.11           | 0.19 | 0.64 | 0.51 | 0.52 | 0.34 | -0.14 |
|                | Management reporting   | 49 | 2.95 | 1.22           | 0.19 | 0.60 | 0.37 | 0.50 | 0.21 | -0.28 |
|                | Performance management | 48 | 2.94 | 1.09           | 0.15 | 0.39 | 0.27 | 0.26 | 0.15 | -0.12 |
|                | Valid N (list wise)    | 48 |      |                |      |      |      |      |      |       |
| B:4-6yr        | Job satisfaction       | 46 | 3.32 | 0.83           |      |      |      |      |      |       |
|                | Employee empowerment   | 45 | 2.88 | 0.95           |      |      |      |      |      |       |
|                | Communication          | 44 | 2.72 | 0.94           |      |      |      |      |      |       |
|                | Management reporting   | 44 | 2.72 | 0.93           |      |      |      |      |      |       |
|                | Performance management | 41 | 2.78 | 0.96           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 40 |      |                |      |      |      |      |      |       |
| C:7-10yr       | Job satisfaction       | 57 | 2.78 | 1.04           |      |      |      |      |      |       |
|                | Employee empowerment   | 57 | 2.40 | 1.11           |      |      |      |      |      |       |
|                | Communication          | 57 | 2.23 | 0.96           |      |      |      |      |      |       |
|                | Management reporting   | 57 | 2.21 | 1.02           |      |      |      |      |      |       |
|                | Performance management | 57 | 2.51 | 1.05           |      |      |      |      |      |       |
|                | Valid N (list wise)    | 57 |      |                |      |      |      |      |      |       |
| D:>10yr        | Job satisfaction       | 51 | 2.92 | 1.07           |      |      |      |      |      |       |

| YEARS_EMPLOYED |                        | N  | Mean | Std. Deviation | d_AB | d_AC | d_AD | d_BC | d_BD | d_CD |
|----------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|                | Employee empowerment   | 51 | 2.61 | 1.11           |      |      |      |      |      |      |
|                | Communication          | 51 | 2.37 | 1.02           |      |      |      |      |      |      |
|                | Management reporting   | 51 | 2.50 | 1.04           |      |      |      |      |      |      |
|                | Performance management | 50 | 2.64 | 0.91           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 50 |      |                |      |      |      |      |      |      |
| Missing        | Job satisfaction       | 2  | 3.27 | 1.29           |      |      |      |      |      |      |
|                | Employee empowerment   | 2  | 3.07 | 1.52           |      |      |      |      |      |      |
|                | Communication          | 2  | 2.88 | 1.11           |      |      |      |      |      |      |
|                | Management reporting   | 2  | 3.00 | 1.82           |      |      |      |      |      |      |
|                | Performance management | 2  | 2.79 | 1.11           |      |      |      |      |      |      |
|                | Valid N (list wise)    | 2  |      |                |      |      |      |      |      |      |

### Appendix F - Effect sizes of how respondents in various departments perceived the five dimensions

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2        | d1_3        | d1_4        | d1_5        | d1_6        | d1_7         | d1_8         | d1_9         | d1_10 |
|-------------|------------------------|----|--------|----------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|-------|
| 1           | Job satisfaction       | 16 | 2.7864 | 1.00055        | -0.69       | 0.00        | -0.23       | -0.04       | -0.32       | -0.42        | 1.33         | -0.38        | -1.99 |
|             | Employee empowerment   | 16 | 2.2098 | 1.17743        | -0.90       | -0.22       | -0.56       | -0.25       | -0.48       | -0.48        | 0.72         | -0.61        | -1.76 |
|             | Communication          | 16 | 2.1250 | 1.02017        | -1.08       | -0.06       | -0.38       | -0.20       | -0.61       | -0.38        | 0.53         | -0.61        | -2.12 |
|             | Management reporting   | 16 | 2.2321 | 1.01402        | -0.63       | 0.13        | -0.46       | -0.16       | -0.53       | -0.35        | 0.60         | -0.51        | -1.25 |
|             | Performance management | 15 | 2.3714 | .90319         | -0.36       | 0.06        | -0.33       | -0.19       | -0.45       | -0.56        | 0.84         | -0.35        | -1.87 |
|             | Valid N (list wise)    | 15 |        |                | <b>d2_3</b> | <b>d2_4</b> | <b>d2_5</b> | <b>d2_6</b> | <b>d2_7</b> | <b>d2_8</b>  | <b>d2_9</b>  | <b>d2_10</b> |       |
| 2           | Job satisfaction       | 15 | 3.5909 | 1.16027        | 0.70        | 0.50        | 0.66        | 0.29        | 0.33        | 1.84         | 0.34         | -1.02        |       |
|             | Employee empowerment   | 14 | 3.2857 | 1.18996        | 0.68        | 0.35        | 0.66        | 0.43        | 0.43        | 1.62         | 0.31         | -0.84        |       |
|             | Communication          | 14 | 3.2798 | 1.06949        | 1.02        | 0.72        | 0.89        | 0.33        | 0.72        | 1.59         | 0.47         | -0.95        |       |
|             | Management reporting   | 13 | 3.0330 | 1.26592        | 0.74        | 0.23        | 0.50        | 0.04        | 0.35        | 1.12         | 0.20         | -0.68        |       |
|             | Performance management | 13 | 2.9121 | 1.48294        | 0.41        | 0.14        | 0.23        | -0.01       | 0.02        | 0.87         | 0.12         | -0.78        |       |
|             | Valid N (list wise)    | 13 |        |                | <b>d3_4</b> | <b>d3_5</b> | <b>d3_6</b> | <b>d3_7</b> | <b>d3_8</b> | <b>d3_9</b>  | <b>d3_10</b> |              |       |
| 3           | Job satisfaction       | 20 | 2.7818 | .88945         | -0.23       | -0.04       | -0.32       | -0.48       | 1.49        | -0.39        | -2.24        |              |       |
|             | Employee empowerment   | 20 | 2.4714 | 1.03350        | -0.38       | -0.03       | -0.28       | -0.29       | 1.08        | -0.40        | -1.76        |              |       |
|             | Communication          | 20 | 2.1860 | .78788         | -0.33       | -0.14       | -0.56       | -0.35       | 0.76        | -0.55        | -2.67        |              |       |
|             | Management reporting   | 20 | 2.1000 | .85727         | -0.58       | -0.28       | -0.63       | -0.50       | 0.56        | -0.63        | -1.34        |              |       |
|             | Performance management | 20 | 2.3083 | .99111         | -0.39       | -0.25       | -0.50       | -0.57       | 0.70        | -0.41        | -1.78        |              |       |
|             | Valid N (list wise)    | 20 |        |                | <b>d4_5</b> | <b>d4_6</b> | <b>d4_7</b> | <b>d4_8</b> | <b>d4_9</b> | <b>d4_10</b> |              |              |       |
| 4           | Job satisfaction       | 13 | 3.0147 | .99103         | 0.17        | -0.15       | -0.20       | 1.57        | -0.17       | -1.77        |              |              |       |
|             | Employee empowerment   | 13 | 2.8681 | 1.03421        | 0.33        | 0.09        | 0.09        | 1.46        | -0.05       | -1.37        |              |              |       |
|             | Communication          | 13 | 2.5140 | .98382         | 0.19        | -0.29       | 0.00        | 0.95        | -0.24       | -1.81        |              |              |       |
|             | Management reporting   | 13 | 2.7363 | 1.09862        | 0.30        | -0.17       | 0.14        | 1.02        | -0.04       | -0.89        |              |              |       |

| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2  | d1_3  | d1_4  | d1_5  | d1_6  | d1_7  | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|-------|-------|-------|-------|-------|-------|------|------|-------|
|             | Performance management | 13 | 2.6996 | .98104         | 0.13  | -0.18 | -0.18 | 1.11  | -0.04 | -1.40 |      |      |       |
|             | Valid N (list wise)    | 13 |        |                | d5_6  | d5_7  | d5_8  | d5_9  | d5_10 |       |      |      |       |
| 5           | Job satisfaction       | 20 | 2.8256 | 1.09270        | -0.29 | -0.35 | 1.25  | -0.34 | -1.78 |       |      |      |       |
|             | Employee empowerment   | 20 | 2.5060 | 1.08467        | -0.24 | -0.25 | 1.06  | -0.37 | -1.64 |       |      |      |       |
|             | Communication          | 19 | 2.3287 | .99428         | -0.44 | -0.19 | 0.75  | -0.42 | -1.97 |       |      |      |       |
|             | Management reporting   | 20 | 2.4036 | 1.09370        | -0.41 | -0.16 | 0.72  | -0.34 | -1.13 |       |      |      |       |
|             | Performance management | 18 | 2.5661 | 1.04199        | -0.29 | -0.30 | 0.91  | -0.16 | -1.44 |       |      |      |       |
|             | Valid N (list wise)    | 17 |        |                | d6_7  | d6_8  | d6_9  | d6_10 |       |       |      |      |       |
| 6           | Job satisfaction       | 20 | 3.2091 | 1.32894        | 0.00  | 1.32  | 0.01  | -1.18 |       |       |      |      |       |
|             | Employee empowerment   | 20 | 2.7738 | 1.09746        | 0.00  | 1.29  | -0.13 | -1.38 |       |       |      |      |       |
|             | Communication          | 20 | 2.8723 | 1.23308        | 0.29  | 1.05  | 0.08  | -1.15 |       |       |      |      |       |
|             | Management reporting   | 20 | 2.9786 | 1.40299        | 0.28  | 0.97  | 0.14  | -0.72 |       |       |      |      |       |
|             | Performance management | 19 | 2.9248 | 1.22740        | 0.04  | 1.07  | 0.15  | -0.93 |       |       |      |      |       |
|             | Valid N (list wise)    | 19 |        |                | d7_8  | d7_9  | d7_10 |       |       |       |      |      |       |
| 7           | Job satisfaction       | 65 | 3.2100 | .77664         | 2.26  | 0.02  | -2.01 |       |       |       |      |      |       |
|             | Employee empowerment   | 65 | 2.7736 | .93606         | 1.51  | -0.13 | -1.62 |       |       |       |      |      |       |
|             | Communication          | 65 | 2.5141 | .93590         | 0.99  | -0.24 | -1.90 |       |       |       |      |      |       |
|             | Management reporting   | 65 | 2.5839 | .95985         | 1.01  | -0.18 | -1.00 |       |       |       |      |      |       |
|             | Performance management | 64 | 2.8776 | .73887         | 1.71  | 0.13  | -1.31 |       |       |       |      |      |       |
|             | Valid N (list wise)    | 64 |        |                | d8_9  | d8_10 |       |       |       |       |      |      |       |
| 8           | Job satisfaction       | 6  | 1.4545 | .64025         | -1.63 | -5.18 |       |       |       |       |      |      |       |
|             | Employee empowerment   | 6  | 1.3571 | .35857         | -1.39 | -8.17 |       |       |       |       |      |      |       |
|             | Communication          | 6  | 1.5833 | .53489         | -1.11 | -5.06 |       |       |       |       |      |      |       |



| DEPARTMENTS |                        | N  | Mean   | Std. Deviation | d1_2         | d1_3  | d1_4 | d1_5 | d1_6 | d1_7 | d1_8 | d1_9 | d1_10 |
|-------------|------------------------|----|--------|----------------|--------------|-------|------|------|------|------|------|------|-------|
|             | Management reporting   | 6  | 1.6190 | .49211         | -1.07        | -1.68 |      |      |      |      |      |      |       |
|             | Performance management | 6  | 1.6151 | .70122         | -1.07        | -2.70 |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 6  |        |                | <b>d9_10</b> |       |      |      |      |      |      |      |       |
| 9           | Job satisfaction       | 28 | 3.1927 | 1.06402        | -1.48        |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 28 | 2.9226 | 1.12390        | -1.21        |       |      |      |      |      |      |      |       |
|             | Communication          | 28 | 2.7746 | 1.06933        | -1.42        |       |      |      |      |      |      |      |       |
|             | Management reporting   | 28 | 2.7806 | 1.08273        | -0.86        |       |      |      |      |      |      |      |       |
|             | performance management | 28 | 2.7398 | 1.05556        | -1.26        |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 28 |        |                |              |       |      |      |      |      |      |      |       |
| 10          | Job satisfaction       | 2  | 4.7727 | .06428         |              |       |      |      |      |      |      |      |       |
|             | Employee empowerment   | 2  | 4.2857 | .20203         |              |       |      |      |      |      |      |      |       |
|             | Communication          | 2  | 4.2917 | .41248         |              |       |      |      |      |      |      |      |       |
|             | Management reporting   | 2  | 4.0000 | 1.41421        |              |       |      |      |      |      |      |      |       |
|             | Performance management | 2  | 4.0714 | .90914         |              |       |      |      |      |      |      |      |       |
|             | Valid N (list wise)    | 2  |        |                |              |       |      |      |      |      |      |      |       |

**Appendix G - Effect sizes of how respondents in various salary levels perceived the five dimensions**

| SALARY LEVEL  |                        | N   | Mean | Std. Deviation | d_12  | d_13  | d_14  | d_23 | d_24 | d_34  |
|---------------|------------------------|-----|------|----------------|-------|-------|-------|------|------|-------|
| T1-8<br>(1)   | Job satisfaction       | 100 | 2.91 | 0.99           | -0.35 | -0.05 | -0.19 | 0.22 | 0.15 | -0.10 |
|               | Employee empowerment   | 100 | 2.47 | 1.03           | -0.86 | -0.20 | -0.31 | 0.50 | 0.52 | -0.06 |
|               | Communication          | 99  | 2.31 | 0.99           | -0.77 | -0.51 | -0.26 | 0.14 | 0.49 | 0.29  |
|               | Management reporting   | 100 | 2.34 | 1.02           | -0.91 | -0.42 | -0.20 | 0.34 | 0.68 | 0.25  |
|               | Performance management | 99  | 2.56 | 0.94           | -0.53 | -0.30 | -0.14 | 0.13 | 0.31 | 0.17  |
|               | Valid N (list wise)    | 98  |      |                |       |       |       |      |      |       |
| T14-18<br>(2) | Job satisfaction       | 21  | 3.26 | 0.98           |       |       |       |      |      |       |
|               | Employee empowerment   | 21  | 3.35 | 1.00           |       |       |       |      |      |       |
|               | Communication          | 21  | 3.08 | 0.85           |       |       |       |      |      |       |
|               | Management reporting   | 21  | 3.27 | 0.97           |       |       |       |      |      |       |
|               | Performance management | 20  | 3.06 | 0.89           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 20  |      |                |       |       |       |      |      |       |
| T19-20<br>(3) | Job satisfaction       | 3   | 2.97 | 1.32           |       |       |       |      |      |       |
|               | Employee empowerment   | 3   | 2.72 | 1.25           |       |       |       |      |      |       |
|               | Communication          | 3   | 2.92 | 1.18           |       |       |       |      |      |       |
|               | Management reporting   | 3   | 2.86 | 1.22           |       |       |       |      |      |       |
|               | Performance management | 3   | 2.90 | 1.15           |       |       |       |      |      |       |
|               | Valid N (list wise)    | 3   |      |                |       |       |       |      |      |       |
| T9-13<br>(4)  | Job satisfaction       | 62  | 3.10 | 1.04           |       |       |       |      |      |       |
|               | Employee empowerment   | 62  | 2.80 | 1.08           |       |       |       |      |      |       |
|               | Communication          | 62  | 2.58 | 1.03           |       |       |       |      |      |       |

| SALARY LEVEL |                        | N  | Mean | Std. Deviation | d_12 | d_13 | d_14 | d_23 | d_24 | d_34 |
|--------------|------------------------|----|------|----------------|------|------|------|------|------|------|
|              | Management reporting   | 61 | 2.55 | 1.06           |      |      |      |      |      |      |
|              | Performance management | 59 | 2.71 | 1.10           |      |      |      |      |      |      |
|              | Valid N (list wise)    | 59 |      |                |      |      |      |      |      |      |