

**IMPLEMENTATION
OF A PERFORMANCE MANAGEMENT SYSTEM
IN THE OFFICE OF THE PREMIER EASTERN
CAPE PROVINCE: PERCEPTION OF MANAGERS
AND EMPLOYEES.**

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Submitted in partial fulfillment of the
requirements for the Degree

MASTER of PUBLIC ADMINISTRATION
University of Fort Hare
Together in Excellence

In the Faculty of Management and Commerce

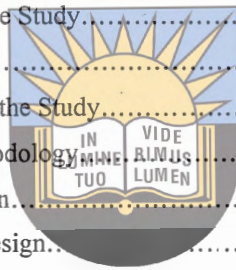
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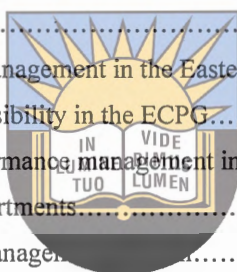
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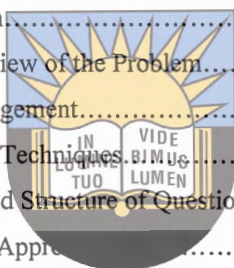
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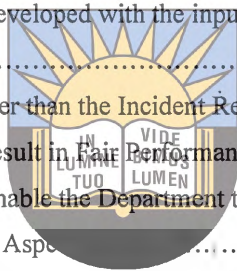
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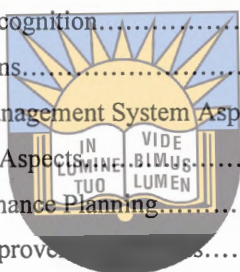
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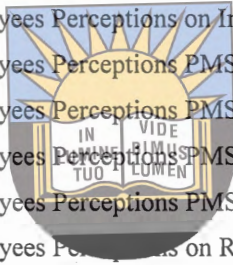
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Declaration

I the undersigned, Vuyokazi Nakani hereby declare that this dissertation is my original work and that it has not been submitted, and will not be presented to any other university for a similar or any other degree ward.

Vuyokazi Nakani

Signature




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ABSTRACT

The purpose of the study was to examine the implementation of the performance management system (PMS) in the Office of the Premier, Eastern Cape Province and to identify both barriers to its success and enabling factors. The study was conducted in 2005 after the implementation of performance management system. The objectives of the study were to identify attitudes and perceptions of managers and employees regarding the implementation of the system. The method and procedure used to collect data for employees at salary levels 4-16 was a survey, using structured questionnaires and focus group interviews for employees at salary levels 1-3.

The study is descriptive, explorative and contextual in nature and was conducted in the Office of the Premier (OTP) Eastern Cape Province. The OTP has an overall co-ordination role in the implementation, management, monitoring and evaluation of PMS in the Eastern Cape Province. The study will therefore be useful in equipping managers of the OTP with greater insight and knowledge to improve the implementation of the Performance Management and Development System (PMDS).

The logo of the University of Fort Hare, featuring a shield with a sunburst at the top, an open book in the center, and the motto 'IN VIDE LUMINE BIMUS SUB TEGE' written across the book. The shield is set against a blue background with a sunburst pattern.
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The key results of data collected from the questionnaires and focus group interviews indicate that:

- There is poor communication and lack of involvement of staff in the development of PMS.
- Senior management does not seem to be committed to the successful implementation of PMS.
- There is poor performance planning and poor management of performance as evidenced by lack of performance expectations that are set between employee and supervisor and lack of mechanisms to improve performance.

The recommendations made by the researcher relate to communication, implementation aspects, performance improvement aspects of performance management. The recommendations would contribute to more effective and efficient implementation of a performance management system.



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CHAPTER ONE

1.1 INTRODUCTION

With the advent of a democratic South Africa in 1994, national public administration has effected reforms to improve government performance and service delivery. Many changes have taken place in the public sector thus far, including within the Performance Management System (PMS).

Performance Management is the systematic process by which an agency involves its employees, as individuals and members of a group, in improving organisational effectiveness in the accomplishment of the organisational mission and goals (Grobler *et al* 2003).

Provincially the system is intended to detect underperformance. A development component has been added to the PMS framework which is now subsequently called the Performance Management and Development System (PMDS). The objectives of PMDS according to van Dijk & Thornhill (2003) are to establish a performance culture that would reward and recognise effective performance; be used as a vehicle for implementing organisational goals and priorities; facilitate continuous performance improvement and organisational development; and identify development needs during the performance assessment process.

As measures for administrative re- engineering, these reforms have been aimed at improving the performance of the public sector, especially the civil service, as a means to accelerate good governance.

1.2 Background

The South African democratic government intends to bring about a massive improvement in the delivery of public services for all South Africans. It therefore is engaged in extending services to historically neglected communities and to reconstructing the economy towards equity and growth.

In every aspect of government, these challenges demand the development of a new ethos of client-focussed service. To achieve these goals, public servants must improve their performance.

The need for an effective system to manage and monitor the performance of employees within the context of the public service is evident, in order to accelerate socio-economic development. The effective monitoring of performance will provide valuable information on institutional successes or failures and draw attention to areas where urgent intervention is required.

The Minister of Public Service and Administration, Honourable Fraser- Moleketi made it clear in her 2004 budget speech, that a new public service would be established during her term of office. The public service has to improve whatever it does, in a cost –effective way. This implies that the public service needs to achieve better results with the same resources and the same people.



To achieve better results requires a change of mindset that focuses on effectiveness across the entire public sector. In order to accelerate socio economic development for the betterment of all, systems of monitoring and evaluation as well as performance management have been implemented.

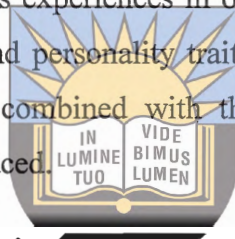
Performance management has emerged as a key fundamental and comprehensive tool for developing and managing the public sector. As a means of getting better results from the organisation, teams and individuals, performance management facilitates an integrated system of human resource management within an agreed framework of planned goals, objectives and standards (Simeka 2003).

Modern practice in performance management has moved towards linking performance appraisal with the achievement of predetermined institutional objectives.

Performance management in such cases becomes a systematic process through which institutions involve their employees as individuals in improving organisational effectiveness.

The public service has been through a series of implementing and discarding systems in the process of trying to find new effective systems that will lead to valid and sustainable performance improvement.

This has often been a useful process of learning about what was not effective. According to Pratt (1991), various appraisal systems that were used in the past were based on standards set to measure workers performance. In the simplest system, those standards were established through direct observations by the manager. In a more elaborate system, detailed standards were developed in advance without the involvement of the employee. The standards were very subjective in nature, and were based on the supervisor's assessment a lot from the previous experiences in order to prevent repeating some of the same mistakes of the character and personality traits seen in subordinates. The character and personality assessment was combined with the supervisor's overall evaluation of quality and quantity of work produced.



Pratt (1991) writes further and maintains that among the personality and character traits assessed were such ambiguous elements as loyalty, honesty, attitude, initiative, cooperation, and ambition. Also covered in the appraisal system were elements like attendance, punctuality, compliance with job instruction and acceptance of responsibility.

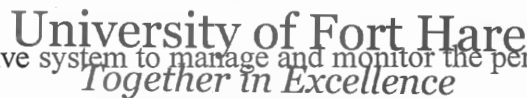
Thus previous performance measurement was often highly subjective and allowed those officials responsible for rating too much personal latitude. When faced with worker complaints and appeals against their performance rating, supervisors had difficulty explaining their evaluation decision subjectivity.

On the same note, Pillay (1998) asserts that supervisors who make assessments appear to lack the training and ability necessary to fulfil the important task of identifying the future top level talents. In addition few supervisors keep a record of performance incidents resulting in a host of potentially biasing influences. Management needed a better way to appraise employee performance so that it would emphasise more job relatedness and more measurable elements with core factors being quality and quantity.

The performance management and development guide (2003) for the Public Service and Administration revealed problems with traditional modes of performance management; notably with mechanism for allocating rewards and incentives, and for dealing with inadequate performance. It went further to reveal that the systems for the allocation of rewards, such as merit increases or rank and leg promotions were not seen to reward staff for actual achievement. In practice the system rewarded long service and formal qualifications, irrespective of the work quality and performance.

The need to improve service delivery was underpinned by the government's acceptance of the challenge to improve service delivery. As stated in the White Paper on Transforming Service Delivery (1997) a transformed public service will be judged by one criterion above all, namely its effectiveness in delivering services that meet the needs of all.

Almost all public service transformations have recognised the difficulty of making the changes required for effective performance management and development and also to recognise that organisational change needs to be treated as a process rather than an event.



The need for an effective system to manage and monitor the performance of employees and managers within the context of public service transformation is self-evident. According to Sangweni (2003) managers have a crucial role to play with regard to the achievement of institutional objectives, therefore effective monitoring of their performance and competency levels should be accorded a very high priority.

The Public Service Regulations (2001) part V111 requires Executive Authorities, in consultation with their departments, to determine a system that links individual performance to the organisational goals, through a coherent organisational and management framework. The system should have been fully implemented by all departments with effect from 1 April 2001.

The increasing awareness of tax payers as clients of the government and their increasing demands for good quality services added impetus for the public service as an organisation to introduce a performance management system that could enable the public service to be more focused on results, client needs and client satisfaction.

The new Public Service Regulations, the White Paper on Transformation of Service Delivery (Batho Pele) and the White Paper on Human Resource Management are the policy framework for transforming the public service. In their totality, they represent a new approach to performance management and development.

In 2001 the Eastern Cape Provincial Government (ECPG) began the design and development of the PMDS to be implemented across the entire Provincial Administration and applicable to all employees, in order to manage and improve their performance.

As mentioned, in 2003 a development component was added to the PMDS framework, which was then called the Performance Management and Development System (PMDS). The philosophy behind PMDS is to create an environment in which all the individuals are developed, motivated and inspired to deliver quality performance.

According to part V111 section 4 and section 5 of the Public Service Regulations, 2001, departments shall manage performance in a consultative, supportive and non discriminatory manner in order to enhance organizational efficiency and effectiveness, accountability for the use of resources and achievement of results. Section (B4) states that the employee's supervisor shall monitor the employee's performance on a continuous basis and give the employee feed-back on her or his performance. Performance management is aimed at optimizing the potential and current employee output in terms of quality and quantity, thereby increasing overall organizational performance.

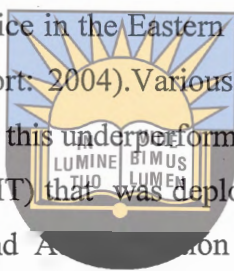
A series of workshops were conducted by the ECPG to create awareness among the managers and employees about PMDS.

The provincial performance management policy was developed to provide practical guidelines and policy measures; to guide managers in the implementation of performance management; and to ensure that there is linkage between individual performance and the goals of the department.

Efforts to develop and implement an effective performance management system in the public service have been difficult and have even on some occasion produced more problems. One of the most problematic consequences has been increasing cynicism about the possibilities of effective change. The Office of the Premier has an overall co-ordination role in the implementation, management, monitoring and evaluation of the PMDS in the Eastern Cape Province. However, the research undertaken during this study will focus on the implementation of the system in the Office of the Premier due to limited funds and time.

1.3 The Statement of the Problem.

The functioning of the public service in the Eastern Cape has been plagued with problems (Interim Management Team Report: 2004). Various interventions have been made in an attempt to diagnose the reasons for this underperformance. The most recent intervention is an Interim Management Team (IMT) that was deployed in the province from the national Department of Public Service and Administration at the request of the –then Premier Honourable Reverend Stofile.



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According to Ndlangisa (2004) the interim management team report revealed that managers were not taking responsibility for service delivery and there is a lack of accountability in the Province. The report went further to say that managers remained unwilling to take responsibility for and to adequately manage performance and discipline. There was evidence of being overly reliant on the support of consultants to assist with managerial functions. Without managerial support and co-operation, it is unlikely that employees can experience fairness in the organizational Human Resources (HR) system.

Procedural justice principles require the HR decisions to be governed by a set of procedures that safeguard accuracy, consistency, freedom from bias and employees input (Taylor et al: 1988).

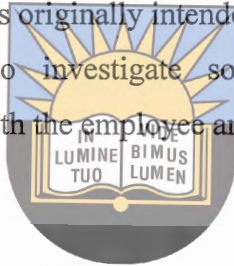
Participant observation, discussions held with a few managers from two different directorates in Office of the Premier (OTP) and staff from the human resource directorate revealed that problems regarding the implementation of the PMDS in OTP may be a contributory factor in this regard.

In particular, barriers to implementation of the PMDS that were mentioned include:

- Failure by supervisor to clarify requirements and expectations
- Failure to provide adequate encouragement, guidance, support or information.
- Inconsistent application of the system.
- No follow up action taken to address or correct performance deficiencies.
- Negative or unco-operative attitude by employees.

It is therefore clear that the functioning of PMDS in the OTP needs to be examined in more detail. Once barriers to implementation are identified, strategies to overcome these can be devised so that the PMDS can be used to improve employee performance and hence overall organisational performance, as was originally intended.

The study therefore intends to investigate some of the major barriers to the implementation of PMDS from both the employee and manager perspective.



1.4 AIM OF THE STUDY

The aim of the study is to examine the implementation of the performance management system in the Office of the Premier, Eastern Cape Province and to identify both barriers to its success and enabling factors.

1.4.1 Objectives of the study

- To identify attitudes and perceptions of managers and employees regarding the implementation of the performance management system in the OTP.
- To determine if the employees working in the OTP understand the system and what is expected of them.
- To examine enabling conditions that can improve the quality of performance.
- To identify barriers to successful implementation.

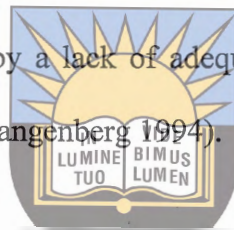
1.5 Variables

De Vos (1998) defines a variable as anything that can change or anything that is liable to vary or characteristics that take different values.

The following are variables that have an impact on employee performance:

Management commitment to managing performance

- If performance management is to be effective there needs to be a continuing agenda through regular meetings to ensure that progress is made towards realising the stated objectives.
- Poor performance is caused by a lack of adequate managerial support and guidance towards their subordinates (Spangenberg 1994).



Goal Setting

- It has been found consistently that a direct relationship exists between goal difficulty and performance. Challenging or difficult goals lead to a higher level of performance than vague goals.
- Assigning goals in a supportive manner and providing a rationale for them is more effective in enhancing performance than assigning goals authoritatively.
- Commitment to difficult goals is higher when self- set than when imposed (Spangenberg 1994).

Resource Allocation

- Organisational effectiveness will be realised if resources are allocated across the entire organisation.

- If different functions in the organisation are not allocated resources in relation to effectiveness of their contribution to the process, performance will be compromised (Spangenberg 1994).

Rewards

- People will withhold their best effort if they are not extrinsically rewarded. The theory proposed that actions which are reinforced are more likely to be repeated than those which are not.
- If people are not rewarded they will feel unappreciated and become de-motivated (Williams 2002).



1.6 Significance of the Study

- The study should be useful in equipping managers of the OTP with greater insight and knowledge to improve the process of implementation of PMDS and to manage this more effectively. University's service delivery should be enhanced.
- The research also examines achievement of policy objectives.

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1.7 RESEARCH METHODOLOGY

The method and procedure that will be used in this research to collect data from employees at salary levels 4-16 is a survey, using a structured questionnaire.

For employees at salary levels 1-3 focus group discussions will be utilised due to the low levels of literacy of individuals in this group.

1.7.1 Research Design

In this study a triangulation strategy will be employed.

The rationale for this is that no method alone can adequately treat all problems of discovery and testing, since each method has some restrictions (Creswell1994).

By combining qualitative and quantitative approaches in the same study the restrictions of one tool are often the strengths of another (Brink 1996).

In this study the use of a quantitative design that is descriptive, explorative and contextual will be employed to share participant knowledge of the implementation of PMDS. In order to gather information regarding perceptions and attitude of general assistants (the lowest employee rank) regarding the implementation of PMDS, focus group interviews will be conducted.

1.7.1.1 Quantitative design

The study has a quantitative design component which utilises the survey method for data collection. According to Brink (1996) in a quantitative research study phenomena are explored, explained and described according to the relationship between variables. It is very useful in generating knowledge in a variety of situations where it would be difficult to employ an experimental approach.



1.7.1.2 Descriptive Design

A descriptive design is undertaken in research for accurate information about the characteristics of particular subjects, groups or situations (Brink 1996). In this research study, the search for information about the attitudes of managers regarding the implementation of performance management system and the perception and attitudes of the employees will be examined.

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1.7.1.3 Explorative Design

The purpose of an explorative design is to gain an understanding of how the phenomena interact with each other (Polit & Hungler 1991).

In this study the perceptions and attitudes of the employees regarding the implementation of the performance management system will be explored.

1.7.1.4 Contextual Design


The research will be undertaken in the Office of the Premier, Eastern Cape Province, Bhisho.

1.7.2 Research Population and Sampling

The target population of the proposed study will be managers and employees of the Office of the Premier, Eastern Cape Province.

Table 1: Target Population

Post	Salary Level
Top and senior managers	13-16
Managers	11-12
Assistant managers	9-10
Officers	6-8
Administrative Clerks	4-5
General Assistants	1-3



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The size of the target population of the study in this paper was 354 comprising of senior managers, middle managers and officials. All ranks will be included in the sample.

1.7.2.1 Sampling procedure

A list of all the managers and employees falling within the category of the targeted population will be drawn-up with the assistance of the Chief Directorate: Human Resource Management. Stratified simple random sampling will be used in the study.

All subjects will be selected according to a particular interval of five (5) subjects to the list of employees and three (3) subjects to the list of managers until 15% of total population is reached.

1.7.3 Data Collection

A structured questionnaire will be utilised which involves directly asking the respondent about the study variables.

To increase the response rate the researcher will distribute questionnaires to respondents personally and instructions will be given as to how to complete the questionnaire. Focus group discussions will be utilised to the employees in level 1-3 to obtain their perceptions and their opinion regarding the implementation of PMDS. Focus group discussions will be relevant to this group due to low levels of literacy and because they will not be able to understand some of the terminology used in the questionnaire.

1.7.4 Data Presentation and Analysis procedures

The data from completed coded questionnaires will be recorded electronically according to the variable being investigated. The service of a statistician will be utilised.

Simple descriptive statistics in a form of percentage will be employed in order to compare results from different groups such as a comparison of managers compared with those of employees regarding the implementation of PMDS. Graphic displays have been generated in order to provide a visual picture when demonstrating comparison between categories or trends.

1.8 Pilot Study

De Vos (1998) defines a pilot study as a process whereby the research design for a prospective survey is tested. The pilot study will be done to establish the face validity of the instrument, namely the questionnaire in order to improve format, flow and formulation of questions. The instrument will be tested on 5 respondents and the comments will be incorporated into the final version of the research instrument.

1.9 VALIDITY AND RELIABILITY

1.9.1 Validity:

According to Creswell (1994), validity means the degree to which an instrument measures what it is intended to measure.

In this study, a pilot study will be done to test the questions for the presence of flaws and ambiguity.

1.9.2 Reliability:

According to Creswell (1994:121) “reliability is the degree of consistency or dependability with which an instrument measures the attribute it is designed to measure. Reliability is the extent to which a test or procedure produces similar results under constant conditions or all occasions when administering the test some time after the first, or where equivalent versions of the same item are given and results correlated.” To ensure reliability of results, a pilot study will be done to see whether the respondents understand the questions clearly. Errors of calculation are not uncommon in processing data. Thorough checks will therefore be among the strategies utilised to reduce such errors.

1.10 Ethical consideration

The ethical issues to be considered pertaining to this study are voluntary informed consent, no harm to the participants, anonymity, confidentiality, and not deceiving subjects.

1.10.1 Informed Consent

The respondents will be informed regarding their selection and reasons for their selection. They will be told about the duration of the study, how the results will be used and published. Adequate information regarding the aim of the investigation, the procedures that will be followed during the investigation, the possible advantages of the study or participation will be made known to the respondents.

The respondents will also be informed that the research forms part of the researcher's Masters Degree in Public Administration. This should enable potential respondents to decide whether or not they wish to participate. The consent of the Accounting Officer Office of Premier Eastern Cape will be sought, as well as the consent of individual respondents.

1.10.2 No Harm to Respondents

The respondents will be protected from any physical and or emotional harm and will be thoroughly informed beforehand about the investigation (Babbie & Mouton 2003).



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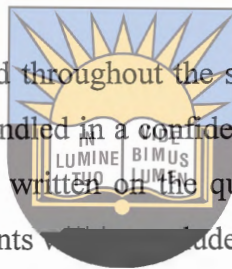
If a respondent became upset during the focus group or while completing the questionnaire the interview will be terminated. Anonymity and confidentiality, as discussed below, will ensure no repercussions in the future for participants.

1.10.3 Anonymity

Anonymity of respondents will be protected in the study by ensuring that it will not be possible to link information to a specific person. To ensure that the researcher cannot link the information to a particular respondent, no names of the respondents or identification numbers were written on the questionnaires (Babbie & Mouton 2003).

1.10.4 Confidentiality

Confidentiality will be maintained throughout the study. The respondents will be assured that all the information will be handled in a confidential manner. To ensure confidentiality names and addresses will not be written on the questionnaires. All information that can identify these individual respondents will be excluded (Babbie & Mouton 2003).



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1.10.5 Deception of Subjects *Together in Excellence*

Deception of subjects means deliberately misrepresenting in order to make another person believe what is not true, thus violating the respect which every person is entitled to (Babbie & Mouton 2003). The researcher will maintain integrity throughout the research and will not deceive managers and employees in the Office of the Premier.

1.11 Delimitation of the Study

Initially this study will confine itself to questionnaires and focus groups. Due to limited funds and time the study will only be in the Office of the Premier. Other provincial government departments will not be included.

1.12 Definition of Terms

Certain terms are used throughout the study and definitions are given below of the way they are used to allow the reader to gain a deeper understanding.

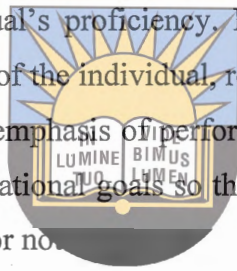
1.12.1 Productivity

Casio (1991) defines productivity as a measure of the outputs of goods and services relative to the inputs of labour, capital, material, and equipment, or as a measure of how well resources are combined and utilized to produce a result desired by management.

Improving productivity, therefore, does not mean increasing production through the addition of resources such as time money material or people. It is doing better with what you have.

1.12.2 Performance

Williams (2002) describes performance as something that people actually do and can be scaled in terms of each individual's proficiency. Performance consists of goal directed actions that are under the control of the individual, regardless of whether they are cognitive and motor or interpersonal. The emphasis of performance is linking it to outcomes which will in turn link up to the organisational goals so that assessment can be made on whether an individual is performing well or not.



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1.12.3 Performance Management *Together in Excellence*

Performance Management is a business process that links what individuals and teams do on a daily basis with the larger goals, values and cultural practices of the organisation and needs of its customers. It is a process for establishing a shared understanding about what is to be achieved and how it is achieved, and is an approach to managing people in an organisation (Sacht 2002).

1.12.4 Performance Management System

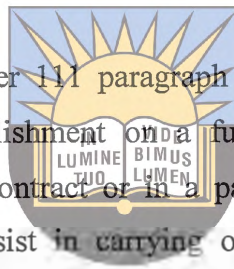
Armstrong (2000) defines a Performance Management System as a tool that is implemented by management to manage performance of individuals and teams, identifying goals to be achieved, conducting regular formal reviews on progress towards the goals and using reviews to identify training and development and rewarding outstanding performance.

1.12.5 Performance Management and Development

Simeka (2003) defines performance management and development as all processes and systems designed to manage and develop performance of individuals, teams and organisations by identifying outputs relating to training and development needs, and determining the content of the training and development initiatives to which employees should be exposed. The link between performance management and training and development is crucial, because if performance management is not implemented correctly, it will not influence the management of skills or identify competence gaps.

1.12.6 Employees

Public Service Act (1994) chapter 111 paragraph (8) defines employees as individuals holding posts on a fixed establishment on a full time basis or who are employed temporarily or under a special contract or in a part time capacity. Employees are any persons who in any manner assist in carrying out or conducting the business of an employer.



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1.12.7 Manager

De Villiers (in Thornhill & Hannekom, 1995) is of the opinion that a manager refers to any individual in a leadership post performing the actions of managing. This would therefore include all management personnel from the first line supervisor to the chief executive officer of the organisation. Collin (1997) further defines a manager as any member of an organisation whose job includes supervising others. In this respect, a distinction is made between various types of managers namely:

- Top manager who is responsible for the overall success of the organisation;
- Middle manager who is responsible for interpreting and overseeing the execution of organisational policies within a specific section or division of the organisation, and
- Supervisory manager who is responsible for the final implementation of policies by operational staff.

In the public sector, officials in salary level 13-16 are referred to as senior managers and officials in salary level 11- 12 referred to as middle managers.

1.13 Structure

The documentation of this research project will cover five chapters, as set out below.

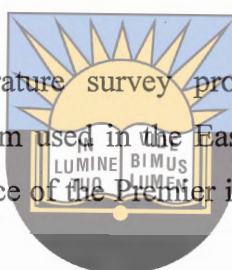
1.13.1 Chapter One

This chapter gives an introduction and overview of the study with reference to performance management. The methodology for the research is briefly introduced and key terms defined.

1.13.2 Chapter Two

This chapter contains the literature survey providing an overview of performance management, including the system used in the Eastern Cape Provincial Government and the co-ordination role of the Office of the Premier in monitoring the implementation of the system.

The literature dealing with performance management and performance of employees is discussed in full, inclusive of theoretical explanations.



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1.13.3 Chapter Three

This chapter describes the research design and methodology, including the population, sampling procedure and resultant sample size. The research instrument used and data collection procedures are also discussed.

1.13.4 Chapter Four

The chapter describes, organises and analyses the data collected from the participants. Themes extracted from results are discussed and linked to objectives of the research.

1.13.5 Chapter Five

This part of the research project addresses four main sections: limitations; summary; conclusion and recommendations.

1.14 Chapter Summary

In this chapter the problem statement was discussed, the aim and objectives of the study as well as the research methodology were indicated. The concept of performance management was also introduced as a pointer to the performance problem in the OTP.



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CHAPTER TWO

2. LITERATURE REVIEW

2.1. INTRODUCTION

In this chapter a detailed presentation of a literature review on performance management, theoretical concepts of performance management and motivation, as well as studies conducted regarding performance management will be discussed. An overview of performance management and areas of responsibility in the Eastern Cape Provincial Government (ECPG) will be explored before discussing the theoretical concepts.

2.2 PERFORMANCE MANAGEMENT IN THE EASTERN CAPE

2.2.1 Areas of responsibility in the ECPG

In line with the Public Service Act of 1994, public service regulations, and bargaining council agreements, the Province of the Eastern Cape has determined the following areas of responsibility for the implementation, monitoring, maintenance and development of the performance management system:

- The political head of the province has the responsibility to establish provincial policy and requires the implementation of PMDS that links individual performance with the organisational goals.
- The Executive Authorities, in consultation with their departments, are required to implement the PMDS, within their departments, in line with the provincial policy of having a single system in the province.
- The Director General, in conjunction with the heads of departments, is responsible for operationalisation of the PMDS across all departments.
- The office of the Director General and the secretariat of the Office of the Premier, hold transversal responsibility for ensuring the promotion of compliance by all provincial departments.
- The Regional office of the Public Service Commission, in its monitoring capacity, is charged with overseeing the implementation of PMDS within the province.

- Immediate supervisors are responsible for contracting over performance and review of the performance of their subordinates (Provincial Performance Management Policy and System Eastern Cape 2002).

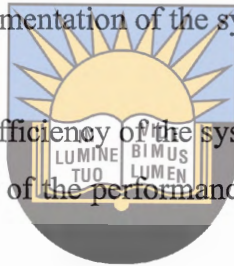
2.2.2 Overview of performance management in the Eastern Cape Provincial Government.

Below is a brief outline of performance management in the Eastern Cape Province.

The Office of the Premier has an overall co-ordinating role in the implementation, management, monitoring and evaluation of the PMDS in the province.

Specifically, with reference to the oversight function, the Office of the Premier has a responsibility to monitor the implementation of the system; namely

- Audit the effectiveness and efficiency of the system.
- Ensure alignment and review of the performance management system with provincial priorities.
- Provide a policy framework or guidance with regard to managing the outcomes of performance in the province.



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2.2.3 Provincial departments

Each department is responsible for managing organisational and individual performance. To ensure the objectivity and non-biased management and implementation of the system in departments, each department should establish an internal performance management committee. The committee shall play an oversight role in the department, by monitoring the implementation of the system and attending to disputes with regards to performance disagreements (Provincial Performance Management Policy and System Eastern Cape 2002).

2.3 PERFORMANCE MANAGEMENT SYSTEMS

Performance management systems are increasingly seen as the way to manage employee performance rather than relying on performance appraisal alone.

When performance management systems are tied into the objectives of the organisation the resulting performance is more likely to meet organisational needs, and also represent a more holistic view of performance (Nel et al 2002). In order for performance management to be effective, it must be line function-driven rather than personnel department-driven. The development of a PMDS should be a joint effort between line managers and human resources managers. This will offer line managers ownership of the system and ensure stronger commitment.

Armstrong (2000) explains a performance management system as exhibiting the following features:

- It has a shared vision of its objectives, or a mission statement, which it communicates to all employees.
- It sets individual performance objectives and targets, which are related both to operating-unit and wider organizational objectives.
- It conducts regular, formal reviews of progress towards these targets.
- It uses the review process to identify training and development and to reward outcomes.
- It evaluates the effectiveness of the whole process and its contribution to overall performance to allow changes and improvements to be made.

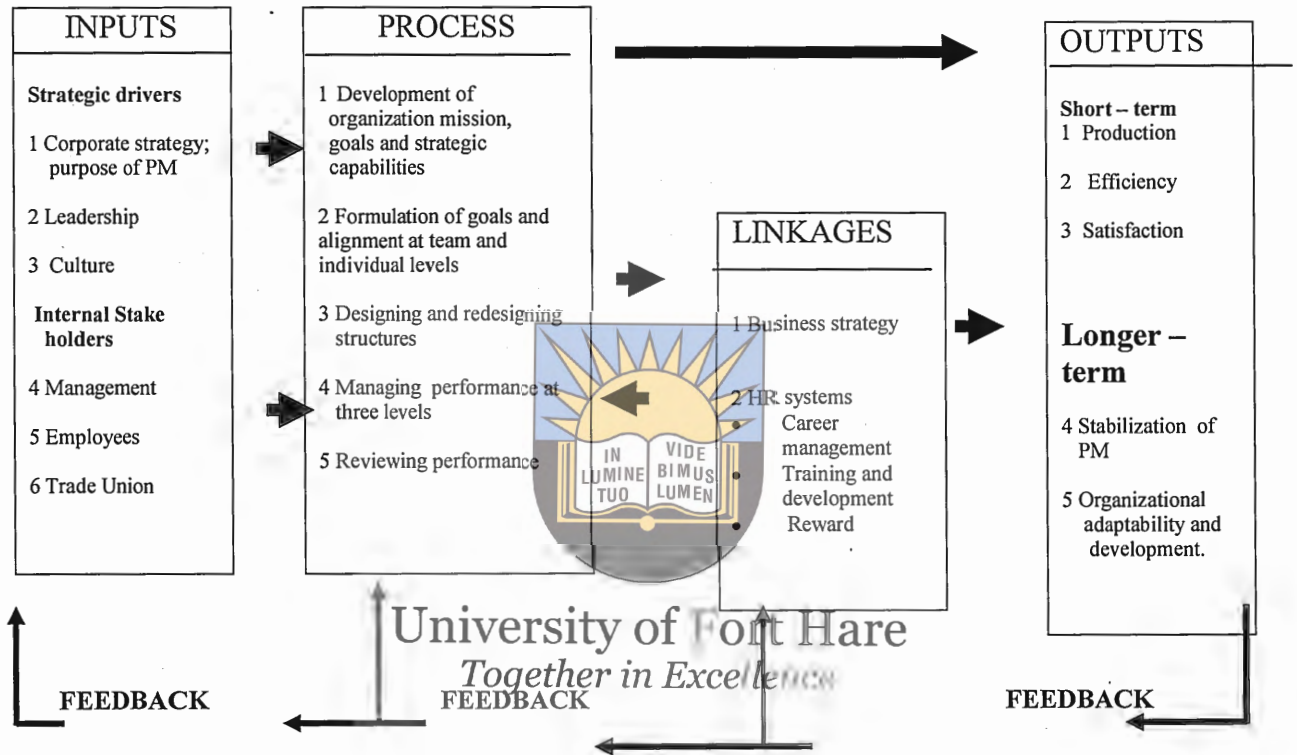
Within the performance management system paradigms are various concepts that help in clarifying these concepts. Concepts like productivity, performance, effectiveness, efficiency are all usually aligned to PMDS. A literature review surrounding these concepts will be discussed briefly below, providing a deeper understanding of performance management.

2.3.1. Theoretical Framework of Performance Management System

To conceptualise the implementation of a Performance Management System, (PMS) system theory, as originally advocated by Katz and Kahn (1966) is useful in describing performance management as a total system.

The system view is quite comprehensive because it shows the relationship between various elements and system alignment to other major systems. The relationship between various elements of the system is depicted in the figure 1 below

Figure 1



Source: Spangenberg (1994): System model of Performance Management.

Kreitner and Kinicki (1998) affirm the above system model by stating that system theory is a framework for seeing interrelationships among elements. They write further to say, that performance is a result of a sequential process of transforming inputs into desired outputs. Managers help transform inputs into desired output by using performance monitoring, feedback, support and coaching. Performance monitoring is used to keep track of performance results which are then used to conduct feedback and coaching sessions. According to Spangenberg (1994) the purpose of the system model is to serve as a conceptual framework for understanding the performance management process and its complexities.

It could further serve as a framework for testing whether the inputs, processes, and outputs are indeed taken care of during implementation and whether crucial linkages of performance management with other human resource and organizational systems are in place.

The system theory is the main theory used in the study to explain the impact of a PMDS on organisational performance. According to Arumugam (2001) organisations are still struggling with the implementation of an effective performance management system. He maintains that the reason for this failure lies not so much in the technologies being applied, but as a consequence of the human factors in the performance management process. He identifies the following problems as contributory factors in the implementation of a performance management system:

- PM is not understood by management as a core management activity which is central to effective organisational performance.
- Managers do not integrate performance issues into other management decisions.
- Manager shows resistance to conducting performance appraisals.
- Managers are losing confidence in their ability to manage performance.
- There is difficulty in achieving strategic alignment and performance.

He writes further and identifies the interventions necessary for resolving the above issues, namely; that management needs to create a shared understanding of performance management amongst all managers and staff through systematic, outcome-based performance management training programmes. It is also essential to establish a corporate communication strategy that effectively informs and influences a culture of high performance.

Lastly senior managers need to engage in a strategic business process, which integrates the performance management system and practices with the overall business strategy.

From the above discussion, it is clear that an organisation will only achieve its goals and objectives if employees have workplace goals and objectives that are aligned with those of the organisation. Performance management at the individual level is an integral part of performance management at the organisational level.

2.4 PERFORMANCE

Williams (2002) defines performance as the record of outcomes produced on a specified job function or activity during a specified time period.

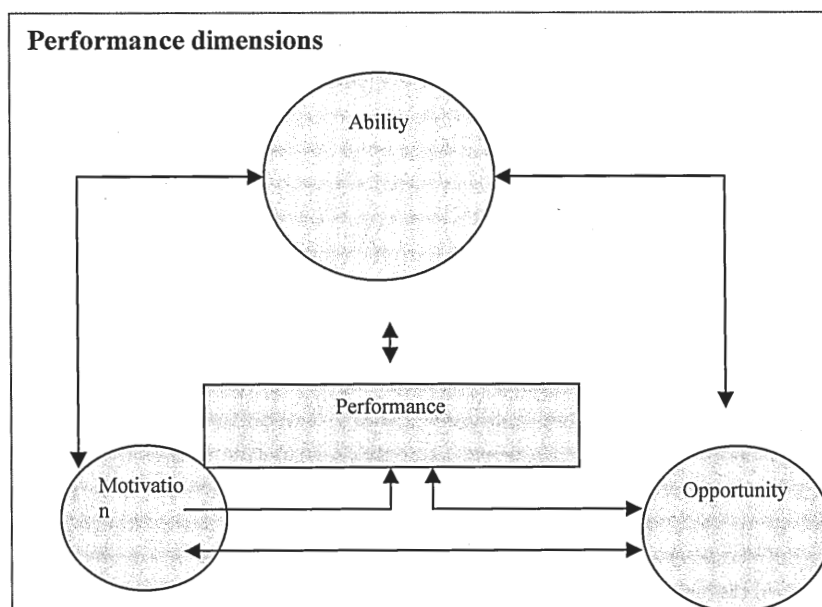
Performance on the job as a whole would be equal to the sum (or average) of performance on the critical or essential job functions. Hence the emphasis of performance here is on linking it to outcomes which will in turn link up to the organisational goals, and thus assessment can be made on whether an individual is performing well or not.

This study will therefore look at various theories surrounding performance. Robbins *et al* (2004) are of the opinion that employee performance is a function of the interaction of ability and motivation, that is represented by this formula $=f(A \times M)$. They write further to say “if either is inadequate, performance will be negatively affected” (ibid: 141).

Other aspects that need to be considered in this equation are abilities and intelligence in addition to motivation so as to accurately predict employees performance. However, a piece of the puzzle that is still missing, is the opportunity to perform aspect, which is added as follows to the performance equation $(M \times O)$. Sometimes though an individual may be willing and able, there may be obstacles that constrain performance.

This is shown in Figure 2 below

Figure 2



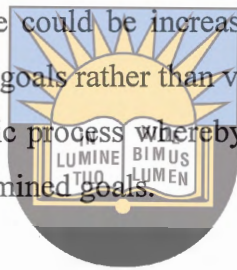
Source: Adapted from M. Blumberg and C.D. Pringle.

It is therefore advisable that when managers diagnose reasons for poor performance, they need to also look at the following: tools, equipment and materials, working conditions, action of co-workers, leader behaviour, organisational policies rules and procedures which can contribute to performance. Deducing from the above discussion, a manager's task in enhancing performance is to make it possible for team members who have the required skills, abilities and resources to be able to perform.

Performance can also be defined by setting goals based on the theory of Management by Objectives (MBO) by Druker (1954) which remains a widely used management technique that fosters employee participation in goal setting, decision-making and feedback.

He showed that job performance could be increased through goal setting. This is when individuals are given measurable goals rather than vague performance standards.

Goal setting involves a systematic process whereby the manager and subordinates discuss and agree on the priority of determined goals.



According to Robbins et al (2004) the appeal of MBO lies in its emphasis on converting overall organisational objectives into specific objectives for organisational units and individual members. MBO operationalises the concept of objectives by devising a process by which objectives are cascaded down through the organisation. The organisation's overall objectives are translated into specific objectives for each succeeding level (that is, divisional, departmental, and individual) in the organisation.

At the individual goal setting levels, goals are set mutually by the employee and his/her line manager. MBO replaces imposed goals with participatively determined goals. The manager and employee jointly choose the goals and agree on how they will be measured.

Each objective has a specific period in which it is to be completed and reviewed.

The final ingredient in an MBO programme is feedback on performance. MBO seeks to give continuous feedback on progress towards goals. Ideally, this is accomplished by giving ongoing feedback to individuals so as to monitor and correct their own actions.

This is supplemented by periodic managerial evaluation, when progress is reviewed, which can be done annually, quarterly or even monthly depending on the nature of the organisation. The aspect of participation in goal setting is one of MBO's major strengths as there is general agreement that participation in decision making strengthens employee motivation and commitment (Robbins *et al* 2004).

A motivated person is always aware of the fact that he or she is working towards specific goals and continuously directs his/ her efforts as achieving that goal, even in the face of adversity. The goal setting approach to motivation is based on the work of Edwin Locke.

During field research Locke (1968) compared three levels of subordinates' participation. In the first group the subordinates were totally involved in goal setting; in the second group there was limited involvement with subordinates restricted to some suggestions about the goals; whilst in the third group there was no involvement.

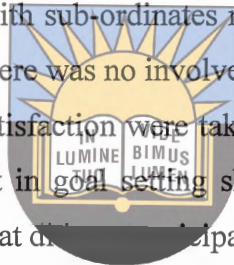
Measures of performance and satisfaction were taken over a 12 month period. The groups with full or limited involvement in goal setting showed significantly better performance and satisfaction than the group that did not participate in goal setting.

Research has also found that specific goals lead to higher output than vague goals (Ivancevich & Matteson 1996).

However, neither goal setting nor any other technique can be used to correct every problem. Robbins *et al* (2004) state that there are documented cases where MBO has been implemented but failed to meet management's expectations and the following problems were revealed:

- Unrealistic expectations regarding results.
- Lack of top -management commitment.
- Unwillingness by management to allocate rewards based on goal accomplishment.

In looking at goal setting as a means of enhancing performance, there is also a need for commitment from the respective parties, namely management and employees.



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According to Locke & Latham (1990), key aspects are the job holder's attachment to goal; its significance or importance in the eyes of the job holder; its perceived achievability (including controllability by the individual and difficulty); the individual's determination and perseverance in achieving the goal, especially when faced with obstructions and setbacks. Motivation is necessary to ensure that job-holders know that their goals are achievable.

However, even when goals are set some employees may encounter difficulties in delivering and this can be explained by Vroom's expectancy - valence theory. In this theory expectancy is closely related to self-expectancy which is a belief that one can successfully perform the behaviour required to produce their designated set goals (Robbins et al 2002) Self efficacy is perceptual in that the individual has a perception of their ability to do the task. According to Locke & Latham (1990) it is not enough to perceive that they can do the job; they need the ability as well because once an individual reaches his/her performance limit, actual performance is more likely to decline or level off. Therefore performance management needs to assess the goal success with regard to individual ability.

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To ensure that employees are committed to the organisational goals, managers in the public sector must explain how each individual's goals relate to and support the organisational goals. This will facilitate acceptance so that employees live within the organisational value system. This can be done by managers asserting their accepted authority; providing useful information; showing that the goals provide opportunities for self improvement; challenging subordinates to show that they believe they can do it; and being physically present where work is conducted. Lastly managers must be knowledgeable about the job and the tasks that need to be done by subordinates as well as being a role model for the behaviour they desire in subordinates (Coetsee 1996).

In conclusion, performance is multidimensional and for managers to manage it successfully there is a need to take into cognizance all factors that may affect it.

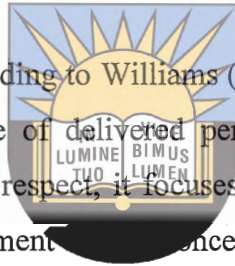
2.5 PERFORMANCE MANAGEMENT

Armstrong (2000) defines performance management as an integrated process that delivers sustained success to organisations by improving the performance of the people who work in them and by developing the capabilities of individual contributors and teams.

Performance management is strategic in the sense that it is concerned with the broader issues facing a business if that business is to function effectively in its environment, and with the general direction in which the business intends to go to achieve its objectives.

It is a shared process between managers and the individuals and teams they manage. It is based on agreement of objective knowledge, skills and competency requirements and work and development plans.

Performance management, according to Williams (2002), can be looked at as a process for measuring outputs in the shape of delivered performance compared with expectations expressed as objectives. In this respect, it focuses on targets, standards and performance measures. Performance management is concerned with inputs: knowledge, skills and competence required to produce the expected results. Supervisors, by defining input requirements and assessing the extent to which the expected level of performance has been achieved using skills and competencies effectively, are able to identify developmental needs. Performance management is aimed at optimising the potential and current employee output in terms of quality and quantity, thereby increasing the total organisational performance (Simeka 2000). Thus, performance management and development policy not only links the importance of human resource training and development with individual development but also with improving organisational performance.



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2.5.1 Performance Management Cycle

Armstrong (2000) describes PM as a continuous self-renewing cycle with the following activities:

- **Role Definition** clarifies the key results and capabilities requirements. Role definition sets out the purpose of the job holder by clarifying role expectation and provides the foundation for performance agreement.

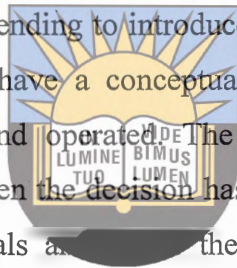
Key results areas of the role provide headings against which objectives and performance standard are agreed. Key capabilities specify behaviours required to perform the role effectively which in turn provides the basis for drawing up personal development plans and for assessing the input aspects of performance (Armstrong 2000).

- **Performance Agreements** define expectations, work to be done, the results to be attained and attributes (skills, knowledge and expertise) and competencies required to achieve the results. These also identify measures to monitor, review and assess performance. The performance agreement may also refer to the core values of the organisation for quality, customer service, team working and employee development that the job holder is expected to uphold in carrying out the work. Business units should be based on the strategic objectives of the department, should identify goals for the year and identify objectives and work plans that will ensure the goals are achieved. Each employee in the business unit, in turn is then responsible to contribute to set objectives by way of her/his work output, according to her/his defined role in the business unit (Armstrong 2000).

- **Managing Performance** is the stage in which action is taken to implement the performance agreement and personal development plan, as employees carry on with their day-to-day work and their planned activities. It includes a continuous process of providing feedback on performance, conducting informal progress reviews, updating objectives and where necessary, attending to performance problems. Performance management should not be imposed on managers as something special they have to do; it should be treated as a natural process that all good managers follow. PM has to fit process-based and flexible organisations. It has to replace the type of appraisal system that only fits a hierarchical and bureaucratic organisation (Armstrong 2000).
- **Performance Reviews** are the formal evaluation stage when a review of performance over a period takes place, covering achievements, progress and

problems, as the basis for revised performance agreements and personal development plans. The purpose of performance and development reviews is to enable the immediate supervisor and subordinate to get together so that they can engage in a dialogue about the employee's performance and development and the support provided by the supervisor which is an essential part of PM (Armstrong 2000). A performance and development review should be regarded as a conversation with a purpose, which is to reach a firm and agreed conclusion about the employee's development, and if applicable, any areas for improvement and how such improvements will be achieved.

Although every organisation intending to introduce PM should develop its own version to suit its needs, it is useful to have a conceptual framework within which appropriate processes can be developed and operated. The framework will help in deciding the approach to be adapted and, when the decision has been made, it will provide guidance to managers, as well as individuals and teams they manage with regard to performance management activities expected to be carried out.



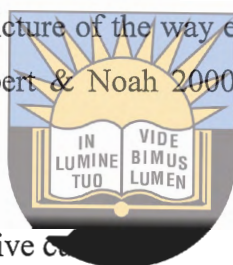
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Various barriers have been cited as obstacles for successfully implementing performance management. These barriers in the development and promotion of performance management are varied and multi-dimensional. According to Ammons (1992) common barriers in the public sector can be grouped into three clusters, namely environmental barriers; organisational barriers, and personnel barriers. In the environment cluster, some of the barriers include: absence of market pressure, lack of political appeal, short time horizon of politicians and managers and subordination of economy, efficiency and effectiveness to secondary status. These obstacles are regarded as a part of the public sector environment. Barriers in the organisational cluster include: bureaucratic socialisation process, lack of accountability, union resistance, ambiguous objectives, absence of cost accounting systems, inadequate performance information, inadequate research and experimentation, and bureaucratic, rigid and fragmented authority.

These obstacles are of varying magnitude and vary from one institution to another. Examples of barriers in the personnel cluster include: inadequate control of time /work day, risk avoidance and conceptual confusion.

The development and promotion of a performance management system in the content of information technology includes barriers such as: quality of computer literacy, ignorance by computer system specialists, hardware and software incompatibility and reluctance to accept technology gains (Swain & White 1992).

Despite enthusiasm regarding PM in various organisations, a comprehensive survey of nine leading South African organisations undertaken by the University of Stellenbosch Business School revealed a rather bleak picture of the way employee's performance is managed and rewarded in South Africa (Joubert & Noah 2000). Major problems that were identified during the survey included:



- The existence of a rather negative culture.
- Changes in corporate strategy did not result in corresponding behaviour changes.
- There was generally insufficient management support for performance management.
- Lack of follow up of performance reviews.
- Overemphasis on the appraisal aspect at the expense of development.
- Inadequate performance management information and objectivity.

According to Sangweni (2003), this situation is not different in the public service particularly in the performance management of senior managers. A study conducted in 2002 by the Public Service Commission (PSC) on the management of performance agreements of senior managers revealed that a number of senior managers had not signed performance agreements and that performance reviews are not conducted regularly as required. The study revealed that 12% of the respondents were not informed by their departments as to how the system of performance agreements worked in practice.

Deducing from the above, it is clear therefore that non-compliance with signing of performance agreements denies heads of department the opportunity to continually monitor progress on the achievement of departmental objectives. This will invariably impact negatively on the outcomes that the government expects to achieve.

It is also evident that PM is concerned with interrelated process of work, management and personal development and at the bottom end, performance reward. This approach provides a powerful integration force which should ensure that these processes are linked. Therefore, PM should be regarded as a series of managerial activities that focus on input, processing, intervention and measurement of the eventual output and outcome.

2.6 PRODUCTIVITY

Bussin (1991) states that productivity is a measure of the ability to combine and convert inputs of labour, capital and material into goods and services of an acceptable quality. It involves the better and more efficient utilisation by management of all production resources to ensure maximum output at minimum cost.

A widely accepted formula of productivity according to Bussin (1991) is:

$$\text{Productivity} = \frac{\text{Product (i.e. output) Quality}}{\text{Resources (i.e. input) Quality}}$$

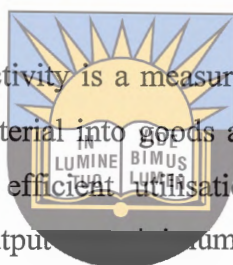
Productivity is thus a result of effectiveness and efficiency.

Ivancevich & Matteson (1996) define productivity as a relationship between inputs and real outputs, or the measure of how well resources are combined and utilized to produce a result desired by management. Productivity is a component of performance. The more productive an organization the better its competitive position because its unit costs are lower.

Coetsee (1996) asserts that levels of productivity in South Africa are lower than that of many developed countries. He writes further that South African organisations are not nearly competitive enough. Coupled with productivity problems, South Africa is experiencing a sharp rise in unit cost of labour caused mainly by escalating salaries.

This places pressure on the employers to recover the cost of higher salaries and wages from increased prices. The result is vicious cycle of low productivity and inflation.

Coetsee is of the opinion that the answer to this problem is to focus on productivity improvement by supervisors and managers.



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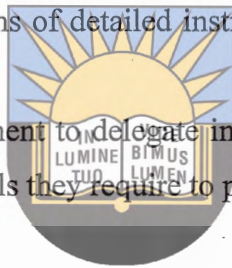
Strategies that managers can employ are to unlock and utilise employees' potential by creating a motivating climate in the organisation.

Improving productivity therefore does not mean increasing production through the addition of resources such as time, money, material or people, but doing better with what you have.

2.6.1 Obstacles to Productivity Improvements in the Public Sector

The President's Council Committee for Economic Affairs (1990) identified factors that mitigate against the achievement of productivity in the public sector such as:

- Limitation of decision-making abilities by the framework of regulations and procedures which are aimed at responsible and predictable decisions.
- Financial control by means of detailed instructions that do not make provision for spontaneous originality.
- Inabilities of the government to delegate in such a way that public sector officials feel that they have the tools they require to perform their jobs effectively.



Hilliard (1995) also identified the following hindrances to increased productivity in the public sector:

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- Scarcity of performance measures,
- Unclear performance indicators,
- Closed organisational model which is usually not conducive to innovation and creativity due to its rigidity and formality,
- Evasive concept of output,
- Subordinates and supervisors are reluctant to change,
- Aggressive and militant trade unions who may assert that productivity improvement could lead to job losses.

From the above discussion it can be concluded that productivity improvement is the greatest challenge facing public sector managers, due to the numerous qualitative, quantitative and political constraints within which the public sector operates.

2.6.2 Theoretical Framework of productivity

The Hawthorne studies, in enhancing productivity, have had a great impact on organisations and the way in which management interacts with workers. According to Smit & Cronje` (2002) Hawthorne studies were carried out to study employees at the Western Electric Hawthorne plant at Cicero. The Hawthorne studies investigated the relationship between the level of lighting in the workplace and worker productivity. The original hypothesis was that lighting would increase productivity but the results were confusing after the study was concluded. As lighting improved, so did productivity. Surprisingly as lighting conditions were made dimmer there was still a tendency for productivity to improve. Much to researchers' surprise, productivity seemed to be unaffected by the level of illumination. The workers' output increased whether light was decreased, increased or held constant.

It was obvious that something besides lighting influenced workers productivity. Researchers learned that factors other than purely technical ones (for example, illumination) do influence productivity. One of the major findings was a phenomenon called the Hawthorne effect: the workers' job performance began to improve following the start of the researchers' intervention and continued to improve because of the novel treatment that the employees were receiving from the researchers (Smit & Cronje` 2002). Eventually, however, the novelty began to wear off, and productivity returned to the previous level.

Researcher Mayo and his associate decided that a complex chain of circumstances had sparked off the productivity increase that was observed. Management's concern for wellbeing and sympathetic supervision enhanced workers performance. Therefore productivity increased as a result of human factors not environmental factors. These studies concluded that many factors contributed to influence worker productivity (Smit & Cronje` 2002).

Therefore in enhancing productivity and improving service delivery it is important to consider the human factor too as it greatly impacts on performance and productivity.

2.7 LEADERSHIP AND PERFORMANCE MANAGEMENT

The performance of any organisation is directly related to the quality of its leadership. The task of leadership according to Smit & Cronje (2002) is directing and managing the activities and performance of the people so that objectives of the organisation can be attained. These authors are of the opinion that leadership entails activities such as transmitting information to subordinates; formulating the organisation's mission objectives and plans and explaining these to subordinates; supervising the work of subordinates; taking steps to improve the performance of the subordinates; motivating subordinates and communicating the goals of the organisation.

Leadership plays a central part in understanding group behaviour, for it is the leader who usually provides the direction towards goal attainment.

Robbins et al (2004) are of the opinion that more accurate predictive capabilities should be valuable in improving group performance. They write further that transformational leadership is appropriate in dynamic contexts, such as the South African environment.

The transformation of South African organisations calls for transformational leadership who can bring the necessary change that will enable them to compete successfully.

Robbins et al (2004) identify the following qualities of transformational leadership:

- Charisma: Provides vision and sense of mission, instils pride, gains respect and trust.
- Inspiration: Communication of high expectations uses symbols to focus efforts, and express important purposes.
- Intellectual stimulation: Promotes intelligence, rationality and careful problem solving.
- Individualised consideration: Gives personal attention, treats each employee individually, coaches and advises.

A study was conducted in 2001 by the University of South Africa (UNISA) and the Centre for Work Performance at Rand Afrikaans University (RAU) to determine attributes, behaviour and practices that would significantly add value to organisations.

Leadership was measured using the Multifactor Leadership Questionnaire (MLQ) developed by Dr Bass in 1985 and subsequently modified by Dr Bass and Prof Avolio.

Work performance was measured as outcomes of organisational leadership with permission from Gallup Organisation in the USA. The study revealed that the more transformational and contingent leadership was used, the greater the leadership outcomes were, the more engaged the work-force became, with leadership being viewed as more trusting (Maritz 2002). These findings according to Maritz (2002) corroborate existing studies that confirm the role that transformational leadership and leadership generally plays in building strong corporate cultures which then translate into a more engaged work-force.

It is imperative therefore that, to improve the public service leadership, the public service should begin programmes to identify leadership potential at an early career stage and implement training and development to nurture and promote such leadership in the organisation. This has implications for the public sector to understand that the development of traditional control management approaches does not add significant value to engaging employees which, in turn, would improve organisational performance.


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2.7.1 The Leader's Role in Managing Performance

Smit & Cronje` (2002) view the central purpose of a manager's job as the achievement of the organisation's objectives and to continuously improve organisational performance.

Spangenberg (1994) categorises the role of a manager in performance management as either a task or a relations role. A discussion of a leader's role in managing performance is as follows:

Task Roles

The tasks role involves two elements: Clarifying and Giving Direction

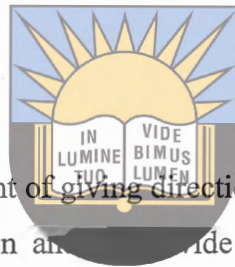
- Clarifying Role

The clarifying role starts with ensuring that work planning is done and goals, objectives and performance standards are set and communicated on an ongoing basis.

This implies that managers thoroughly understand the subordinate's work, which includes customer's needs, products or services and work processes.

Managers are expected to explain the mission and the goals of the work unit, the purpose of the existence of the unit and how it should work. Lastly managers are expected to explain to subordinates how the unit is aligned with the aims of the organisation as a whole (Spangeberg 1994).

Coetsee (1996) concurs with Spangeberg's views by stating that a leader should instil fundamental philosophical principles of responsibility and ethical behaviours in employees. He writes further that the role of a leader is to communicate the objectives of the organisation and to promote understanding of the department's role and purpose among all personnel.



- Giving Direction

Regarding the second element of giving direction, a manager's role in PM is to develop a vision for the organisation and to provide long term goals and instil a sense of purpose in subordinates.

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- Relation Roles

Spangenberg (1994) states that the relations role covers a wide spectrum of activities ranging from sharing of the vision, personal development and feedback. A discussion of the relation role in managing performance is as follows:

- Sharing Vision

It is important that managers must communicate the mission and vision of the organisation to all employees. In this process of sharing the vision, buy in from employees must be obtained so that everyone will strive for its achievement.

- Developing Subordinates

Managers must provide employees with skills to do the job effectively through training on the job, education and improvement of methods needed to make decisions and to solve problems. Managers must have the ability and desire to work with subordinates as coaches in order to improve their performance. Pfeffer & Vegan (1999) affirm

Spangenberg's views by stating that knowledge and skills are critical in providing a motivated work force that has the capability to perform the requisite tasks.

Training is an essential component of high performance work systems because organisations rely on front –line employees' skill and initiative to identify and resolve problems.

- **Providing Feedback**

Armstrong (2000) states that feedback is a system that is utilised to transmit information on performance from one part of a system to an earlier part of the system in order to generate corrective action. The aim of feedback is to promote understanding between the supervisors and subordinates so that appropriate action can be taken, where the feedback has revealed that something has gone wrong. Feedback enables employees to take an active role in managing their own performance and ensuring that their performance meets the expectations of their managers. Good one to one feedback procedures, according to Spangenberg, are characterised by the following attributes;

Timeous Managers must give feedback soon after an activity has been performed in order to improve performance. Day to day feedback is highly desirable. The only exception noted by the author is in complex learning where individuals need time to reflect on what they have learned.

Directed at Controllable Activities: as stated earlier, work objectives should only be set in areas over which employee has reasonable control. Feedback should be directed only towards activities that the employee can control.

Descriptive and Comprehensive: feedback should be presented as a description of what has happened. Performance description enables employees to compare the information they receive with their own perceptions about their own performance.

Specific: Feedback must be specific, be provided on actual results and be backed up by evidence. Feedback must refer to events, critical incidence and significant behaviours that have affected performance in specific ways (Armstrong 2000).

Support: During feedback the supervisor must be constructive and positive and unconditional acceptance must prevail. Research conducted by Wexley (1983) indicates

that the more positive interactional technique such as praising the employee for task well done, treating the employee as an equal and with respect, the more open and trusting the employee will be in supplying valid information to the manager.

2.8 THE PURPOSE OF PERFORMANCE MANAGEMENT SYSTEM

The purpose of performance management is to get better results from organisations, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements.

PMDS provides a framework for assessment, identification of good and poor performance and to act appropriately through development and recognition of good performance (Simeka 2003).



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Performance management is a process for establishing a shared understanding about what is to be done or achieved and an approach to managing and developing people in a way that increases the probability that development will be achieved in the short and longer term. It is owned and driven by line managers.

One of the greatest challenges facing the ECPG is to transform the public service so that public servants address the changing needs of the community.

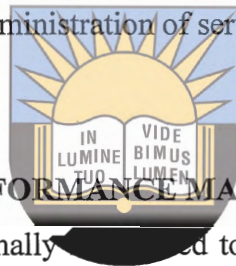
At the core is the need to ensure that services are accessible to the people of the province. Linked to Batho Pele (White Paper on Transforming Public Service), the PMDS is designed to monitor, manage and improve performance at all levels; that is departmental, directorate and unit /team to ensure that service delivery is improved.

PM is part of an integrated framework of systems and processes for aligning strategic intentions, decisions and activities across and within the public service that link day to day

activities and strategic goals. PM is a means of getting better results from a whole organisation, or teams and individuals within it, by understanding and managing performance within an agreed framework of planned goals, standard and competence requirements.

It is a process for establishing a performance culture that would reward and recognise effective performance. It is to be used as a vehicle for implementing organisational goals and priorities, to facilitate continuous performance improvement and organisational development. It clearly defines areas of responsibility and determines success indicators against which performance can be measure (Simeka 2000).

The performance management system is designed to monitor and improve performance and to re-engineer the ECPG so that the changing needs of the people are catered for and to ensure that government and the administration of service delivery are accessible to the people of the province.



2.9 IMPLEMENTING A PERFORMANCE MANAGEMENT SYSTEM (PMDS)

Performance management is normally used to bring about change or to contribute to service delivery to ensure that government services are accessible to the people. Bringing about change however is not a single unilateral process and needs to be managed carefully.

Arumugam (2001) is of the opinion that, in transforming performance management processes it is essential that a complementary approach is used which is firmly rooted in the principles of participation. It is essential that top management is committed to performance management and should adopt a participatory approach to the design and implementation of performance management. The top team members need to understand their role as change leaders and must be prepared to model the change.

Since managing change falls in the realm of Organisation Development (OD) it suggested that the implementation process adheres to OD philosophy, principles, and procedures. OD has been defined by Nel et al (2002) as a system wide application of behavioural science knowledge to planned development and reinforcement of organisational strategies, structures and process for improving an organisation's effectiveness.

2.9.1 Theoretical Framework for Performance Management Implementation

The model that seems useful for performance management implementation according to Spangenberg (1994) is the integrative model of planned change developed by Bullock & Battern (1985). The model describes planned change in terms of two major dimensions: change phase i.e. organisational states and change processes; and organisational development (OD) techniques used to move an organisation from one state to another.

OD is a discipline that contributes greatly to understanding the management of change.

Since it is wide in scope, it influences performance management in many ways for example diagnosing organisational readiness; designing organisational elements to achieve the desired strategy; creating a supportive whilst at same time improvement oriented culture.

The four change phases and respective change processes are discussed as follows:

- **Explorative Phase**

In this phase an organisation needs to anticipate the need for a change and must commit the resources to the planning effort. It is also necessary to investigate the current PM system to enquire into its effectiveness and accept the change processes within this phase begin with the organisational members gaining awareness of the problem or the need to change. This leads to searching for resources and assistance and subsequently to contracting for them. The search process typically involves organisational members making a judgment about a consultant's skills and competence and the consultant assessing whether the client is ready for change and has the necessary commitment and resources. It is also important to contract for internal consultants or facilitators who are going to manage the change process when the consultants are not on the scene (Spangenberg 1994).

When PMDS was to be introduced in the ECPG, a project team was set up, composed of ten people representing every level and function. The project team received change management training and assisted the department with the implementation of performance management. It is also important to obtain top and senior management commitment from the very beginning. Top managers need to understand their role, as change agent leaders and they must be prepared to model and live the new behaviours when they are in place.

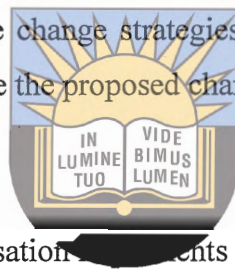
If top executives do not use the system with their own subordinates and model desired behaviour, implementation will not get off the ground (Spangenberg 1994).

- **Planning Phase**

The second phase begins once resources for OD are committed.

It involves the understanding of problems facing the organisation and planning the changes needed to resolve problems.

Change processes start with diagnosing the organisation to discover the source of problems. The purpose of the diagnostic phase is to specify the nature of the exact problems requiring solution, to identify the underlying causal forces and to provide the bases for selecting effective change strategies and techniques. This phase ends when key decision makers approve the proposed changes (Spangenberg 1994).



- **Action Phase**

In the next phase the organisation implements the changes derived from planning which will lead to a series of interventions, activities or programmes aimed at resolving problems and increasing organisational effectiveness. The changes are aimed at transforming the organisation from its current state to a desired future state. The two main activities of the action phase are implementation and evaluation. The implementation of performance management according to Spangenberg (1994) requires the presence of certain organisational conditions and process issues. Organisational conditions which have the most profound impact on the implementation of performance management are top management commitment, and ownership by line managers and employees.

Top management shows support to performance management by allocating resources and approving policies pertaining to the implementation of the system. Ownership by managers and employees should be a line management priority along with business planning, controlling the budget, and management of job processes (Spangenberg 1994).

Process issues related to the implementation phase are communication and training. Guinn & Corona (1991) in Spangenberg (1994) proposed that the performance management process, its implementation and its evaluation be actively communicated. Honesty and openness should prevail in order to build trust. Top management should design a strategy for disseminating information about the goals of the PMDS.

Training is the most important step in the implementation. When introducing PMDS at the Office of the Premier Eastern Cape Province, a two day training course was conducted which assisted with the design and the implementation of the new PMDS.

Training started with senior managers, who were briefed about the process and about how to enhance their skills in coaching. The project team also received two days training.

2.10 PMDS IN THE EASTERN CAPE

2.10.1 Principles of Performance Management

The principles of PM adopted by the Department are derived from the Principles of PM set out in the White Paper on Human Resource Management (1997). These principles are stated as follows:

- PMDS is uniformly implemented across all departments and applies to all employees of the Eastern Cape Province.
- PMDS is fundamentally developmental in nature. It does not punish poor performance and as such is used as a mechanism to improve performance. PMDS should be developmental rather than punitive.
- PMDS allows each member of staff to align his/her deliveries and or activities with the departmental and provincial goals and strategies.

The tools allow for transparency, accountability, fairness and equity and realignment of departmental, team and individual plans to provincial goals.

Therefore the emphasis of the PMDS in the ECPG is to improve service delivery through enhanced management of performance and building of human capital (Simeka 20003).

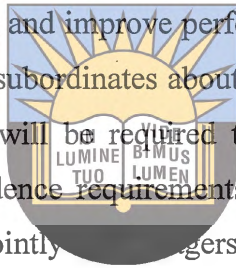


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2.11 Performance Planning in the ECPG

The performance planning part of the performance management sequence is primarily a joint exploration of what individuals are expected to do and know, and how they are expected to behave to meet the requirements of their role. The performance aspect of planning obtains agreement on what has to be done to achieve objectives, raise standards and improve performance. Agreement is also reached on the basis upon which performance will be measured and levels of competence (Armstrong 2000). All employees are expected to prepare a personal development plan.

The plan provides a learning action, for which they are responsible with the support of their managers. The performance aspects of the plan obtain agreement on what has to be done to achieve objectives, raise standards and improve performance. Also at this stage agreement is reached between supervisors and subordinates about the aspects of performance that will be measured and the evidence that will be required to establish levels of competence. It is important that measures and evidence requirements should be identified and fully agreed early, because they will be used jointly by managers and employees to monitor progress and demonstrate achievements.



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The PMDS in the Eastern Cape government and departments utilises individual performance management agreements as the tool in the process of performance management. These agreements must be drawn up and signed each year, and the listing of outputs and activities should be done annually and weighted for each year. The individual agreements should be linked to the development of departmental and directorate business plans (Simeka 2003).

There are three different tools that are used to manage the performance of employees at different levels in the Office of the Premier which are;

- i. The Performance Agreement
- ii. The Work plan Agreement
- iii. The Standard Framework Agreement

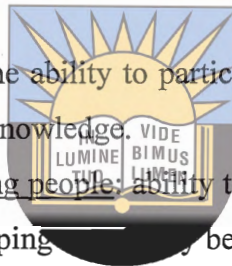
These are discussed below:

2.11.1 The Performance Agreement

All personnel at level 13-16 plus certain personnel at level 12 and below, who are responsible for the management of budgets and staff must sign a performance agreement.

A key aspect of the performance agreement is that performance is assessed in terms of outputs/ deliverables and not activities. In addition managers from level 13-16 are assessed according to the following competencies which are critical in carrying out their functional roles:

- Project management: the ability to identify needs, develop a project plan, organise and co-ordinate human, financial and physical resources to achieve objectives.
- Creative problem solving; the ability to be analytical and identify innovative solutions to address the needs.
- Effective communication: the ability to participate in ensuring the unimpeded flow of information and sharing of knowledge.
- Developing and co-ordinating people: ability to build relationships with colleagues in a manner conducive to developing a beneficial working environment.
- Diversity management: ability to promote and reflect behaviour sensitivity to a diverse range of factors within the work place.
- Adaptability to change: ability to engage in an open and productive manner.
- Financial management: ability to display knowledge and skills required to manage financial resources.
- Leadership: ability to provide vision and clearly demonstrate commitment towards achievement of goals.
- Programme management: ability to identify macro needs, co-ordinate project plans.
- Strategy and purpose: ability to identify strategic and organisational needs, undertake organisational planning and review (Simeka 2003).



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2.11.2 Work plan agreement

The work plan agreement is comprised of two parts: the work plan agreement and performance plan.

The work plan agreement is applicable to personnel at levels 6-12, which includes managers and assistant managers and all personnel who perform project related tasks.

The key aspect of the work plan agreement is that performance is assessed in terms of actions required to complete the set tasks. The work plan agreement focuses on actions and activities which are based on strategic goals (Simeka 2003). In addition managers from level 6-12 are assessed according to the following generic competencies which are critical in carrying their functional roles critically are;

- Problem solving.
- Work place relations.
- Self organisation.
- Information utilisation.
- Effective communication.
- Continuous self development (Simeka 2003).



2.11.3 Standard Framework Agreement

The standard framework agreement must be signed by all personnel who are included primarily in specific and repetitive tasks, while some categories of professional staff may require a standard framework agreement. The standard framework agreement is applicable to all personnel in salary levels 1-5. The key aspect of the standard framework agreement is that performance is assessed against general performance standards and critical competency. It does not include a performance plan.

2.12 Performance Monitoring

According to William (2002) performance monitoring includes gathering information about activities and checking on the progress and quality of work, amongst other activities.

The frequency with which a manager monitors a subordinate's performance may help to shape a subordinate's beliefs about the relative importance of his /her various work activities.

Monitoring individual or team performance is crucial to ensure that employees work towards the set and desired objectives. Within the ECPG, performance monitoring is conducted through progress reviews, which are a continuous process of monitoring and assessing individual and/ or team performance based on agreed upon objectives and related outputs or outcomes. There are three components to progress reviews: self assessments, peer/managerial reviews and customer reviews. During self –assessment, employees review their own performance before meeting with their supervisor/manager (Simeka 2003).

2.12.1 Performance Reviews

According to Armstrong (2000) performance review discussions enable a perspective to be obtained on past performance as the basis for making plans for the future.

An overall view is taken of progress made. Performance and development reviews provide those involved with the opportunity to reflect on past performance as the basis for crafting a self development improvement plan. In the ECPG performance reviews are conducted quarterly based on performance agreements, work plans and /or standard framework agreements. Based on best practise, the performance review is conducted between the manager or supervisor and the employee or a member of a project team before the performance cycle is completed (Simeka 2003).

Performance is also assessed based on the competency profiles that have been developed for each level as stated earlier.

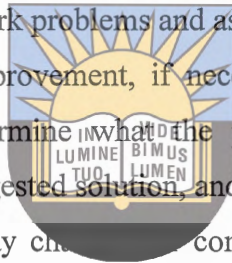
2.12.2 Purpose of Performance Reviews

Progress reviews are conducted to provide a formal opportunity to discuss overall performance results. Progress review meetings allow the manager to summarise informal feedback and are vital to managing performance.

The overall purpose of a progress review is to:

- Assess progress towards goals and objectives established in the performance development plan.

- Assess performance on a continuous basis in order to provide feedback and to clarify expectations thus empowering employees, encouraging them to take control over their own performance.
- Identify skills gap which are hampering performance and to provide the basis for the development of capabilities relevant to the current role that the employee may have the potential to carry.
- Discuss needed changes, revisions or additions to the performance and development plans.
- Identify problems or barriers which are currently making it difficult for staff. Serve as a two –way channel for communication about roles, expectations, relationships and work problems and aspirations.
- Make plans for improvement, if necessary. If progress is insufficient, the manager must determine what the problems are, solicit the employee's perspective and suggested solution, and utilise appropriate coaching skills.
- Serve as a two –way channel for communication about roles, expectations, relationships and work problems and aspirations (William 2002).



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2.12.3 Performance Rating

In the ECPG model, performance evaluation takes place once a year and consists of two components:

- Rating the performance agreement, work plan or standard framework agreement.
- Rating the competency profile.

The rating of the performance agreement, work plan or standard framework agreement will be weighted 90% of the overall evaluation. The competency profile will be used for developmental purposes and therefore carries a 10% weighting.

The rating is based on 1-5 point's scale: 1 stands for unsatisfactory performance and 5 stands for outstanding performance.

2.13 Rewarding Performance

Linking pay with performance is a most critical element in the Performance Management chain.

Research conducted on performance management by the Institute of Personnel and Development established that, less than half (43%) of respondents agreed that there is a relationship that exists between performance and pay (Armstrong 2000).

Research from a survey conducted on compensation trends by Horwitz & Frost (1992) involving 150 South Africa companies which are members of the Institute of Personnel Management identified the following findings;

- That there is little evidence that exists that organisations are using performance appraisal in determining pay decisions.
- Rewards that are given to employees are not proportionate to the efforts involved, for example rewards are not linked to value added by achievement of objectives to the extent that the manager experiences perception of fairness.
- Employees do not seem to be involved in the design of the rewards system. Secondly, there appears to be resistance to decreasing the role of basic salary and replacing it with flexible performance-based schemes.

From these two surveys it can be deduced that in spite of increased competitiveness and a need for effective performance and productivity, rewarding performance effectively is complex and difficult to achieve. The motivational potential of rewards is not being utilised to the fullest.

2.14 Objectives of a Rewards System

The ideal reward system should be effective in retaining the most valuable employees so that employees stay with the company. In addition achievement-oriented individuals will be attracted since they believe the organisation will reward their performance. The ideal reward system should be very effective at retaining the most valuable employees. This will be achieved by providing competitive rewards and performance based rewards to employees. Employees are motivated to develop their skills in order to perform effectively when employees see a connection between learning skills and valued financial rewards.

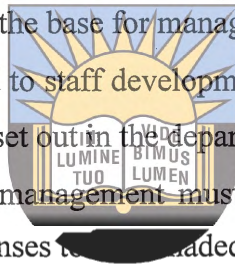
The reward system will influence organisational structure in determining the status hierarchy through job evaluation. Job evaluation facilitates co-operation by allocating the same pay structure to groups of workers on the same salary level.

A reward system can influence the organisational culture, by determining whether organisational culture is perceived as people –oriented, hierarchical or participative. Involving employees in decisions relating to rewards can produce a participative culture in which employees can influence organisational decisions. Pay for performance systems can be designed during the implementation of strategy that will facilitate motivating the right kind of performance and attracting the right kind of people to the organisation (Spangenberg 1994).

2.15 Guiding Principles Managing Performance Outcomes

Simeka (2003) identifies the following guiding principles on performance management which form the base for managing performance outcomes:

- Performance must be linked to staff development and must align decision-making and activity with the objectives set out in the department's strategic plan.
- The focus of performance management must be developmental, while allowing for effective and relevant responses to inadequate and outstanding performance.
- Performance must be managed in a consultative, supportive and non-discriminatory manner in order to enhance **togetherness, effectiveness** and accountability.
- Elements of PM should not be viewed in isolation but its outcome must be fed back to people involved with strategic planning.



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2.16 CONCLUSION

Looking at the above literature the success of implementing an effective PMDS in an organisation is greatly influenced by the extent to which HRM practices support the programme and by the commitment displayed by top management.

The major contribution of PM is its focus on achieving results through useful products and services to customers inside and out of the organisation. PM redirects employee's efforts away from busyness toward effectiveness.

The greatest challenge facing the ECPG is to transform the public service so that public servants address the changing needs of the community. At the core there is a need to ensure that services are accessible to the people and are of good quality.

From the literature reviewed it emerged that organisations intending to introduce PM should develop their own conceptual framework within which appropriate processes can be designed and implemented. The framework will provide guidance to managers as well as the individuals and teams they manage, on what performance activities they will be expected to carry out. A number of factors which formed the conceptual framework for implementation of PMDS and policies were discussed and evaluated in order to understand better the hindrances towards PMDS implementation, including resistance to change by both subordinates and supervisors, lack of top management support and commitment and failure to conform to policies and procedures.

The literature consulted for comparative study purposes also stressed the importance of correct policy implementation for the improvement of performance among the workers. The above theoretical requirements regarding performance management provide the basis on which to consider a number of significant factors relevant to this study namely;

What are the perceptions of employees and managers of the Office of the Premier regarding the implementation of a performance management system?

What are the problems that the managers are experiencing whilst implementing performance management system?

To what extent are supervisors committed to the implementation of PMDS?

2.17 CHAPTER SUMMARY

In this chapter, key concepts were defined and their inter-relatedness unpacked.

Relevant aspects of the PMDS introduced in the ECPG were considered.

This literature review comprises the basis for identifying issues to be included in the research questionnaire, for exploration and further analysis.



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CHAPTER THREE

3 RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

The study was undertaken to investigate the attitudes and perceptions of managers and employees of the Office of the Premier, Eastern Cape regarding the implementation of a performance management system in the department. Permission to conduct the study was obtained from the Accounting Officer of the Office of the Premier.

The methods and the procedures used in the research for collecting and analysing the data is the survey method and focus group discussion. A focus group is a carefully planned series of discussions designed to obtain perceptions on a defined area of interest in a permissive non threatening environment (De Vos: 1998). It is a useful tool to use with participants with low literacy levels.

A detailed presentation of the research methodology employed in the study, as well as the research populations from which the samples were drawn will be described in this chapter. The objectives, the research instruments, data gathering techniques and statistical method will also be discussed.

3.2 RESEARCH DESIGN

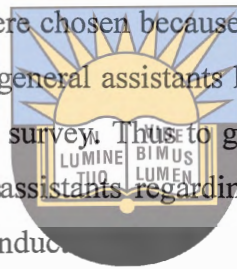
According to Thyer (1993) a research design is a blue print indicating the overall approach to a study. It is composed of a number of steps. A research design is a plan by which researchers obtain research participants and collect information from them. The objectives of the study, determined during the early stages of the research, are included in the design technique, as well as the sampling methodology of the schedule and the cost of the research. According to Kerlinger (1986) the research design is a plan and structure of investigation conceived so as to obtain answers to research questions.

The plan is the overall scheme or program for research. It includes an outline of what is done from formulating the hypothesis to the final analysis of the data. The research designs are invented to enable the researchers to answer research questions as objectively, accurately and validly as possible.

The study has a quantitative research design which utilises the survey method, and a qualitative research design which utilises focus group interviews to collect data from employees at different levels.

In this study the use of quantitative design that is descriptive, explorative and explanatory was employed to share participant knowledge of the implementation of PMDS in the department.

The different methods were chosen because the low literacy levels of employees in lower job levels such as general assistants hindered easy completion of the written questionnaire used in the survey. Thus to gather information regarding perceptions and attitudes of general assistants regarding the implementation of PMDS, focus group interviews were conducted.



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3.2.1 Operational review of the problem *Together in Excellence*

In chapter one, an outline of the problem was given together with variables focusing on the management of performance. The main problem was to investigate barriers to the implementation of PMDS.

The aim of the study was to address the following research objectives (RO);

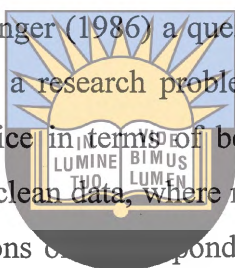
- RO 1** To identify attitudes and perceptions of managers and employees regarding the implementation of PMDS in the OTP.
- RO 2** To determine if the employees working in the OTP understand the system and what is expected of them.
- RO 3** To examine enabling conditions that can improve the quality of performance.
- RO 4** To identify barriers to successful implementation of PMDS.

3.3 LOGISTICAL ARRANGEMENT

The process of the survey started when the Director General (DG) of the Eastern Cape Province Administration and Accounting Officer of the OTP was contacted for permission to conduct the research among employees and managers of the OTP. Permission to conduct the study was granted by the DG.

3.4 DATA COLLECTION TECHNIQUES

Two research methodologies for collecting data were used, namely the questionnaire and focus group interviews. The research instrument is the technique used to collect data. For the purpose of this study a structured questionnaire was used. According to Kerlinger (1986) a questionnaire is a more economical method that supplies answers to a research problem. It is the most frequently used data collection gathering device in terms of behavioural research in organisations. A questionnaire also gives clean data, where responses are in uniform format, making comparison easy. Opinions of respondents are readily expressed in numerical format, making analysis more straightforward.



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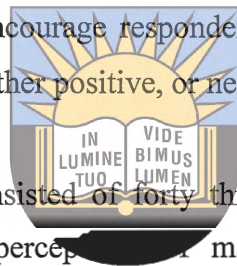
The focus group interview, according to DeVos (1998), is a purposive discussion of a specific topic taking place between eight to ten individuals with similar background and common interest. The group interaction will consist of verbal and non verbal communication and interplay of perceptions and opinions that will stimulate discussion without necessarily modifying or changing the ideas and opinions of the participants. Focus group interviews could be used to satisfy a wide variety of research needs ranging from exploration to confirmation. It is against this backdrop that a focus group interview was conducted with the general assistants to get their perceptions and opinions on PMDS.

3.4.1 Development and structure of questionnaire

The research instrument that was used as a primary tool for data collection was a structured questionnaire which was developed by the researcher. The Likert Scale was used in formulating the questionnaire.

Babbie (1998) states that the Likert Scale is a formalised procedure, through which the respondents are asked to strongly agree, agree, disagree, or strongly disagree, approve or indicate if they are undecided. In this study ratings were limited to a four points Likert Scale namely; strongly agree, agree, disagree and strongly disagree because of the small number of respondents.

A middle category was not included to ensure that respondents indicated a definite preference. This was also to encourage respondents to apply their minds to the issue at hand, and express an opinion, either positive, or negative.



Questionnaire A (attached) consisted of forty three (43) items which were designed to determine the attitudes and perceptions of managers and employees regarding the implementation of PMDS. Closed questions were used. With closed questions, the responses provided are usually exhaustive. An additional open-ended category was included for respondents to air their opinion by providing three ideas as to how the implementation of performance management and development can be improved. The staff survey questionnaire (Questionnaire A) was grouped into six (6) categories of measurement (Q) which addressed managers' and employees' attitudes and perceptions:

- | | |
|---|---------|
| ▪ Performance Management System Aspects | Q 1 -11 |
| ▪ Implementation Aspects | Q 12-14 |
| ▪ Performance Planning Aspects | Q 15-19 |
| ▪ Performance Improvements Aspects | Q 20-24 |
| ▪ Periodic Reviews Aspects | Q 25-32 |
| ▪ Annual Reviews Aspects | Q 33-37 |
| ▪ Rewards and Recognition | Q 38-43 |

The secondary research tool that was used to collect data from General Assistants was focus group discussions that utilised a structured guide.

Open ended questions were used to allow respondents to describe their views on the implementation of the PMDS. The interview guide addressed the following issues:

- Performance Management System
- Performance Planning
- Performance Improvement Aspects
- Performance Review Aspects
- Rewards and Recognition

3.5 Data gathering approach

Two research methodologies for collection of data were used, namely the questionnaire and focus group interviews as discussed above.

3.5.1 Questionnaire A: Staff survey

Regarding the questionnaire (Questionnaire A) for managers and employees, the researcher distributed and collected the questionnaire herself from all targeted managers and employees. A covering letter, explaining the purpose and the importance of the study was attached to each copy of the questionnaire. In order to minimise time delays, the researcher made a follow up by telephone to remind the respondents about the questionnaire.

3.5.2 Interview guide for General Assistants

A period of two days was set aside for data collection where prior arrangements were made with the person in charge of general assistants. Permission had been previously granted by the accounting officer of the Office of the Premier, to allow the researcher to interview respondents. In collecting information the researcher created a permissive environment in the focus group that encouraged participants to share perceptions and points of view without pressurising the participants to vote or reach consensus. This was done through informal interaction before discussions began. An introduction was given during which the researcher highlighted the purpose of the research. Role clarification was undertaken where the researcher explained the presence of a reporter who was capturing the data.

The researcher used an assistant who captured data while the researcher facilitated the group discussion. A tape recorder was carried during the session but due to participants' attitude towards its use it had to be switched off at all times. Therefore the reporter was tasked with capturing data as accurately as possible, including the actual comments of the respondents.

The focus group discussions took from 45 minutes to an hour. The data was collected during working hours after the General Assistants were finished cleaning the offices, so as to have as little disruption as possible.

3.6 PILOT STUDY

Aldedridge & Levine (2001) define a pilot study as a small preliminary investigation of the same general character as a major study, which is designed to acquaint the researcher with problems that can be corrected in preparation for a larger research project. It is done to provide the researcher with the opportunity to detect errors and flaws in the instrument to be used for gathering of data. With this in mind, a pilot study was conducted to detect problems that needed to be eradicated before the major study was attempted and to establish the face validity of the instrument, and also to refine the instrument. The instrument was tested on five (5) respondents.

When examining the results of the pilot study the researcher found that some subjects did not meet the criteria for the sample; the subjects did not understand certain items; a given question did not elicitate the desired information and important items had been omitted.

Reformulation of items was done and comments were incorporated into the final instrument version.

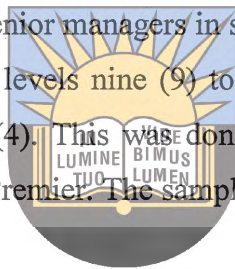
3.7 TARGET POPULATION

According to Brink (1996) a research population is the entire group of persons that is of interest to the researcher and to which the researcher would generalise the results of the study. A target population is a group of persons that meets the criteria of the research population and is the group the researcher is interested in and to which the researcher can generalise the results of the study.

The size of the target population in the research study was 354. The researcher identified two population groups: Group A consisted of all employees in the office of the Premier from salary levels four (4) to sixteen (16). Group B consisted of employees in salary levels from one (1) to three (3), which are the lower levels where general assistants are located.

3.7.1 Sampling Frame Method for Staff Survey

According to Babbie (1998) a sampling frame is a list of elements from which the probability sample is selected. A list of all managers falling within the category of the target population was drawn-up with the assistance of the Directorate: Human Resource Management. Simple random sampling was conducted to accommodate two different levels of management namely senior managers in salary levels thirteen (13) to sixteen (16) and middle managers in salary levels nine (9) to twelve (12) and also all employees in salary levels eight (8) to four (4). This was done to sample one hundred and ten (110) employees in the Office of the Premier. The sample constituted thirty one percent (31%) of the target population.



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3.7.2 Distribution according to the salary level

Table 3.7.2.1

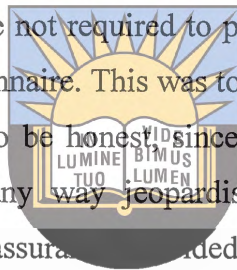
Management Level	Salary level	Sample size
Senior Management	13-16	15
Middle Management	9-12	45
Other Officials	8-4	50
Total		110

3.7.3 Sampling Frame Method for Focus Group Interviews

The size of the target population was forty five (45). A total sample of thirty two (32) was selected, using a convenience sampling method, which involves choosing the readily available research subjects for the study (Brink1986). In this study, the sample was chosen from all general assistants who were present on duty. Four focus groups were held with eight participants in each group bringing the total number of participants to thirty two (32).

3.8 ETHICAL CONSIDERATIONS

The respondents were assured that confidentiality would be maintained throughout the study period. Respondents were not required to provide their names nor the directorate in which they work, in the questionnaire. This was to encourage respondents to feel free when answering the questions, and to be honest since the data gathered was purely for study purposes and would not in any way jeopardise their employment positions in their organisation whatsoever. This assurance provided to the respondents is in line with ethical considerations presented in chapter one.



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3.9 SUMMARY

The research methodology used to collect data from the population selected for the study has been outlined and described in this chapter. The data collected from the questionnaires and interviews was subjected to statistical analysis. The data is presented in the form of tables and graphs in chapter four.

CHAPTER FOUR

4. DATA ANALYSIS AND RESULTS

4.1 INTRODUCTION

In chapter Three the research design, methodology, research objectives, research instruments, and data gathering approach was described. In this chapter a discussion will be given of the data that was analysed by measuring numerical values and converting these to percentages. Data analysis will be considered against the literature reviewed in chapter Two of this research.

The data from completed questionnaires was coded and recorded electronically according to the variable being investigated. Microsoft Excel statistics functions were used to calculate the totals and produce tables, graphs and pie charts. Tabulation and graphical representations were used for easy interpretation of the statistics. According to Kerlinger (1986) tabulation is the recording of the number of the types of responses in the appropriate categories. Kerlinger (ibid) further defines data analysis as the categorisation, ordering, making, and summarising of the data so as to obtain solutions to the research questions. In addition, the purpose of data analysis is to condense the data to an intelligent and interpretable form so that solutions can be obtained and that relations of the research problems can be studied and tested.

The primary research instrument that was used to collect the data was a self-administered questionnaire that was given to the employees from salary levels 4-16. The secondary research tool that was used to collect data from General Assistants was a focus group discussion that utilised structured open-ended questions to allow respondents to describe their views on the implementation of PMDS. The results from the above instruments will be analysed separately.

4.1.1 STAFF SURVEY: QUESTIONNAIRE (A)

In questionnaire (A) the perceptions of employees were gathered by requesting a total of one hundred and ten (110) respondents to complete questionnaires. The total response rate was high with 84 (76 %) respondents completing the questionnaire.

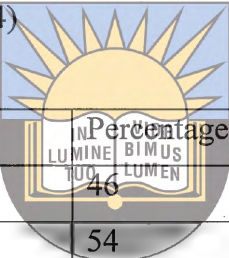
The questionnaire sought information on gender, age group, educational qualifications, present rank in the organisation and number of years in the service, and then presented forty three (43) questions about the PMDS.

The statements allowed the respondents a choice on a four-point scale, as to the level to which the respondents agreed or disagreed with the statement. The questionnaire is attached as Annexure A.

4.1.1.1 Gender

Respondents were asked to indicate their gender. This is indicated on table 4.1 below.

Table 4.1: Gender of Respondents (N=84)



Sex	No	Percentage
Male	39	46
Female	45	54
Total	84	100

From the above table 4.1, the sample reflected a fairly even gender balance; with thirty nine (46%) females and forty five (54%) males, It is important to identify the gender of the respondents in order to know how representative the sample was, in terms of gender, and to determine whether male and female respondents held different views about PMDS. It is clear from the above results that the Office of the Premier is gender sensitive.

4.1.1.2 Age of Respondents

Respondents were asked to indicate their ages. Ages of respondents are indicated in figure 4.1 below:

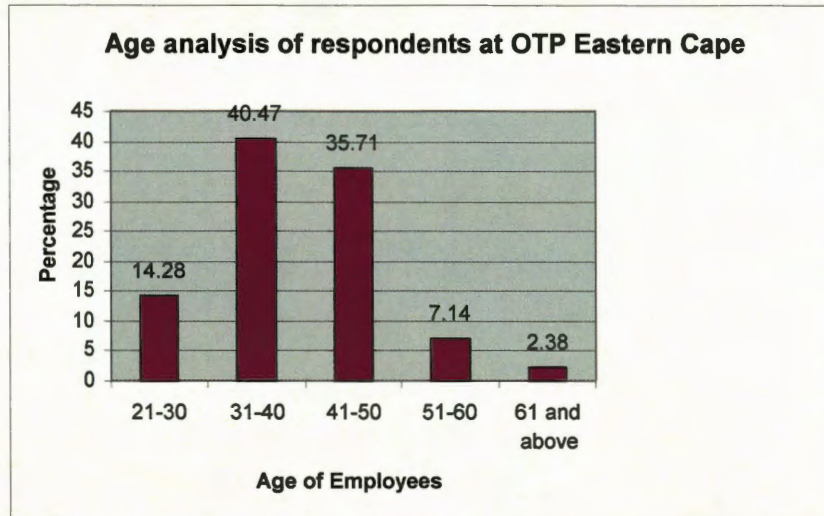


Figure 4.1: Age of Respondents (N=84)

Figure 4.1 above shows that the largest group (40%) of respondents were between 31-40 years of age followed by respondents aged between 41-50 years (36%). Fifteen percent (15%) were relatively young (21-30 years old) and thus newer in the public service. The age group between 51-60 years (7%) are about to reach their retirement age, whilst the remaining 2% have reached their retirement age.

This was positive because the majority of the respondents between 21 and 41 of age have the option of choosing to continue to work in the public service, and the PMDS, if correctly utilised, can contribute to the OTP's retention strategy.

4.1.1.3 Educational status of respondents

Respondents were also asked to indicate their highest qualification. The categories of qualification are indicated in figure 4.2 below.

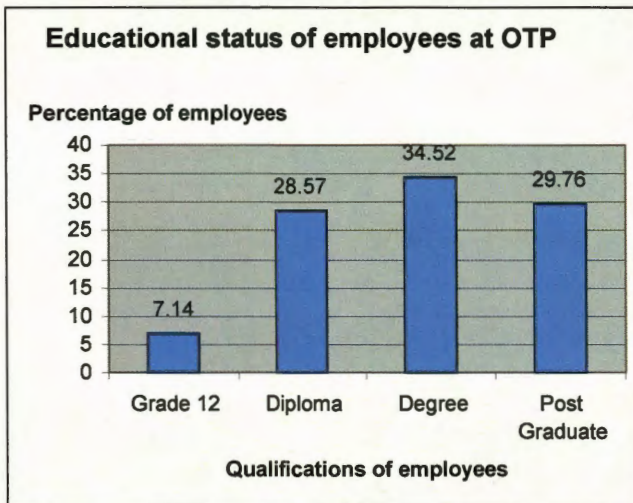
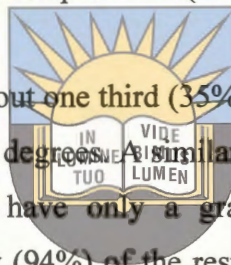


Figure 4.2 Educational Status of Respondents (N=84)

The data in figure 4.2 illustrates that about one third (35%) have basic degrees, while an additional thirty percent (30%) have post graduate degrees. A similar percentage (29%) of respondents have a diploma. Less than one tenth (7%) have only a grade 12 educational level. The tertiary qualification of the significant majority (94%) of the respondents suggests an ability to interpret, and implement policies as well as monitoring and evaluation of such policies.



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4.1.1.4 Position held by respondents

The respondents were also requested to indicate the position they hold in the department.

Figure 4.3 below shows the responses.

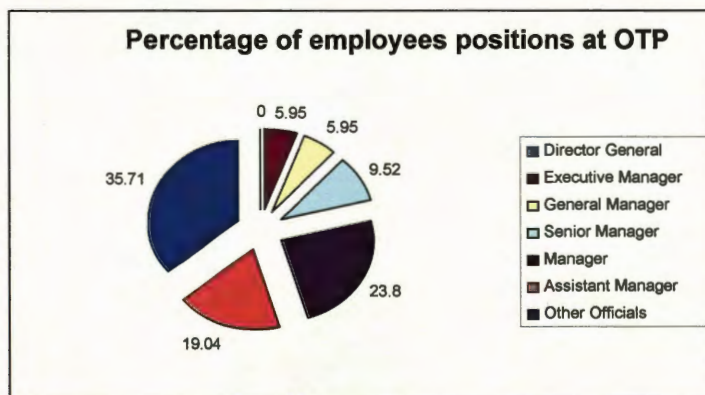


Figure 4.3 Position Held by Respondents (N=84)

Figure 4.3 shows that a quarter (24%) of respondents are managers who are supervising assistant directors and other officials. Approximately one third of the respondents (36%) are other officials who are at operational levels without supervision responsibilities. Senior management constitute about one fifth (22%) of the respondents According to Simeka (2003) immediate supervisors are responsible for contracting and reviewing the performance of their subordinates. Thus the respondents should have appropriate experience for reliably critiquing the implementation of PMDS

4.1.1.5 Number of years in the public service

The respondents were asked the number of years they have been employed in the public service. Figure 4.4 reflects the responses.

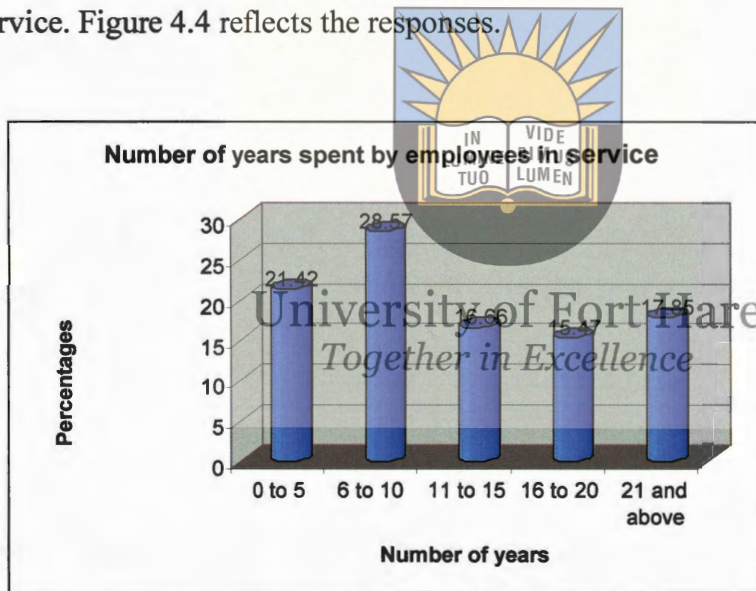


Figure 4.4 Number of Years in the Public Service (N=84)

Half (50%) of the respondents have more than 10 years of experience in the public service. The data thus reflects a very experienced group of respondents who should be able to interpret government statutes and should also be able to implement them appropriately.

4.2 ANALYSIS OF SECTION TWO: STAFF SURVEY

The questionnaire for this section consisted of seven aspects of performance management namely: performance management system aspects, implementation aspects, planning aspects, improvement aspects, periodic review aspects, annual review aspects and reward and recognition aspects.

The statements allowed the respondents a choice on a four point scale, as to the extent to which the respondents agreed or disagreed with the statements (refer to Annexure A). Forty three categories of measurement were identified with each statement relating to a particular factor. A descriptive analysis was followed to measure the degree of positivity or negativity towards these 43 categories of measurement.

4.2.1. Performance Management System Aspects.

Items 1-11 in the questionnaire elicited information on perceptions of respondents regarding PMDS aspects.



Figure 4.5 below reflects responses of respondents
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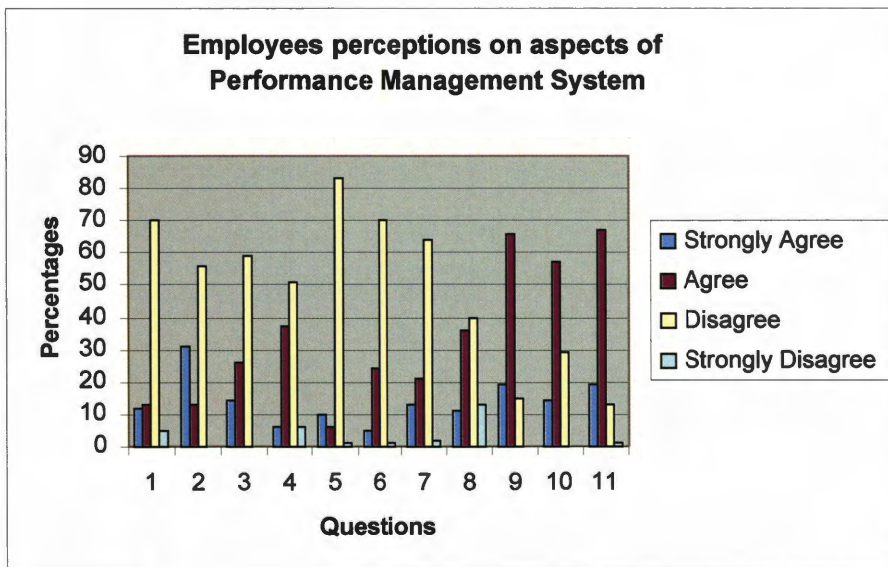


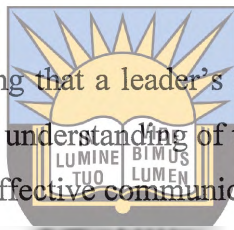
Figure 4.5 Employees Perceptions on Aspects of PMDS

4.2.1.1 Purpose of PMDS effectively communicated to all employees.

The findings of question one in figure 4.5 reveal that ten (12%) respondents are of the opinion that the purpose of PMDS is effectively communicated to all employees. Eleven (13%) agreed that the purpose of PMDS is communicated. The majority (75%) of the respondents stated that the purpose of PMDS is not effectively communicated to all employees.

According to Armstrong (2000) a successful PMDS depends on a shared vision of objectives or a mission statement which is communicated to all employees. This implies that if there is no effective communication of the purpose of PMDS, the implementation process will not be effective.

Coetsee (1996) agrees, by stating that a leader's role is to communicate the objectives of the organisation and to promote understanding of the department's role and purpose among all personnel. Thus the lack of effective communication found in the study has the ability to impact negatively on the success of the department.



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4.2.1.2 Senior management accountable for implementation of PMDS.

The data on question two above reflected that more than half (56%) respondents, mostly in salary levels 11-9 and to a lesser extent in salary levels 8-4, were of the opinion that senior management is not accountable for the successful implementation of PMDS. Spangenberg (1994) states that for effective implementation of PMS, proactive upfront leadership is required.

This particularly comprises commitment to the program and accountability, the latter being an absolute requirement for effectiveness. He writes further and says that senior management has to provide leadership to the entire organisation and ensure that the culture, systems and structures of the organisation are aligned with the environment that they are dealing with. Simeka (2000) agrees, stating that the Director General, in conjunction with the heads of departments are responsible for operationalisation of the PMS across all departments.

4.2.1.3 Goals, with appropriate performance standards are in place at three levels, namely: organisational, team and individual.

The data analysis on question three reveals that three quarters (74%) of the respondents agreed with the statement, that goals with appropriate performance standards are in place at the three levels, namely organisational, team and individual.

Robbins *et al* (2004) point out that performance can be defined by setting goals based on the theory of Management By Objectives which is a widely used management technique that fosters employee participation in goal setting, decision-making and feedback.

The study showed that the organisation's overall objectives are translated into specific objectives for each team and individual. This suggests good internal organisational coherence, which should translate into the achievement of organisational goals.

4.2.1.4 Formal communication processes are in place to ensure that Employees understand the department business plan.

The data analysis on question four reveals that close to three fifths of respondents (57%) disagreed with the above statement.

Spangenberg (1994) proposed that the performance management process, its implementation and its evaluation be actively communicated. Key to this should be effective communication of the business plan.

Top management should design a strategy for disseminating information about the departmental business plan and how this correlates with the goals of the PMDS.

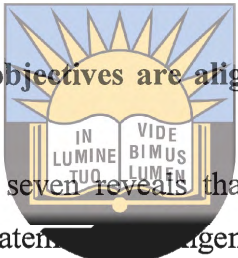
4.2.1.5 The department's performance system supports the objectives of the department business plan.

The data analysis on question five reveals that eight out of ten (84%) respondents disagreed with the above statement, namely that the departmental performance system supports the objectives of the department's business plan. Spangenberg (1994) points out that there is a need to facilitate the development of a sense of mission in order to align the purpose of the organisation with the strategy and values. Simeka (2000) agree, stating that PM is part of an integrated framework of systems and processes for aligning strategic intentions, decisions and activities across and within the public service that link day to day activities and strategic goals.

4.2.1.6 The PMDS is viewed by employees as a valuable tool for managing how work gets done and how effectively each individual is performing.

The data analysis on question six reveals that almost three quarters (71%) of respondents disagreed with the above statement. Simeka (2000) refers to the purpose of performance management as a process for establishing a shared understanding about what is to be done or achieved, as well as an approach to manage and develop people in a way that increases the probability that development will be achieved. Findings imply that the majority of employees view PMDS negatively and as a result the successful implementation of PMDS will be negatively affected.

4.2.1.7 Team and individual objectives are aligned with the mission and strategy of the department.



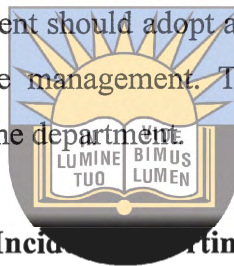
The data analysis on question seven reveals that two thirds (66%) of the respondents disagreed with the above statement. Engenbergs (1994) states that performance management is about formulating goals and creating alignment at team and individual levels. Robbins et al (2004) state that job performance could be increased through goal setting. This is when individuals are given measurable goals rather than vague performance standards. Goal setting involves a systematic process whereby the manager and subordinates discuss and agree on the priority of determined goals. Further overall objectives are converted into specific objectives for organisational units and individual members. A process is necessary whereby objectives are cascaded down through the organisation by translating the organisation's overall objectives into specific objectives for each succeeding level (that is, divisional, departmental, and individual) in the organisation. Research has also found that specific goals lead to higher output than vague goals (Ivancevich & Matteson 1996). This implies goals and objectives that are not understood and not accepted by employees will impact on commitment to achieve these goals. From the above it is clear that it is not only setting goals that is important, but also the process that is applied when setting goals as this has a major influence on employees embracing and accepting goals and committing to achieving these.

The effect of teams and individuals pursuing goals that are not aligned to broader organizational strategy is that this strategy is likely not to be achieved, as employees are devoting time to other activities outside of the strategy.

4.2.1.8 The PMDS was developed with the inputs from staff throughout the department.

The data analysis on question eight reveals that slightly more than half (53%) of respondents did not feel that staff were involved in the development of the PMDS, as compared with those (47%) who felt involved. Arumugam (2001) states that bringing about change is not a single unilateral process and needs to be managed carefully.

It is essential that top management should adopt a participatory approach to the design and implementation of performance management. The results suggest uneven participation across the staff compliment of the department.



4.2.1.9 The PMDS is better than the Incident Reporting System that the Department has been previously implementing.

The data analysis on question nine reveals that the majority (85%) of respondents agreed with statement. The Performance Management and Development Guide (2003) for the Public Service and Administration revealed that the mechanism for allocating rewards, incentives, and dealing with inadequate performance were problematic in traditional modes of performance management. It went further to reveal that the systems for the allocation of rewards, such as merit increase or rank and leg promotions are not seen to reward staff for actual performance-related achievement. In practice the system rewarded long service and formal qualifications irrespective of the work quality and performance. Thus an important shift towards a more modern and comprehensive system focused on actual performance has been introduced in government and this is appreciated by employees.

4.2.1.10 The PMDS will result in Fair Performance Appraisal.

The data analysis on question ten reveals that nine out of ten (87%) respondents are in agreement that PMDS will result in fair performance appraisal of staff members.

Williams (2002) points out that performance should be assessed on a continuous basis in order to provide feedback and to clarify expectations thus empowering employees and encouraging them to take control over their own performance.

4.2.1.11 The PMDS will enable the Department to Identify Underperformers.

The data analysis on question eleven again reveals that almost all (86%) respondents agree that the PMDS will pinpoint underperformance. Simeka (2003) also confirms the intention of the PMDS as the providing framework for assessment, identification of good and poor performance and to act appropriately through development and recognition of good performance.

4.3 Implementation Aspects.

Questions 12-14 from the questionnaire elicited information on the implementation of the PMDS. Figure 4.6 below reflects responses of respondents

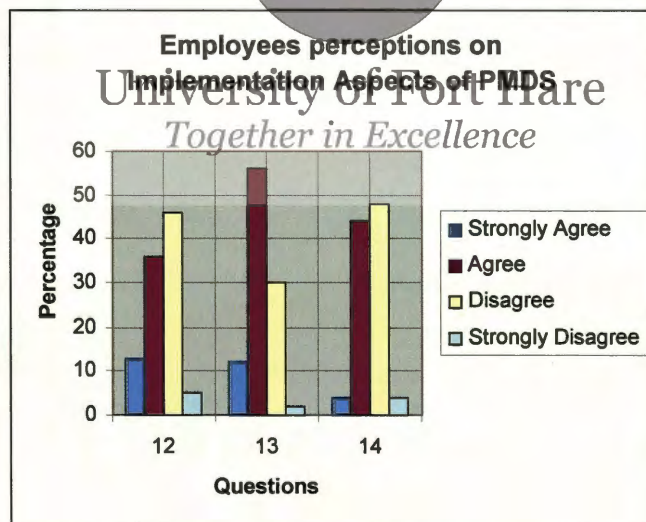


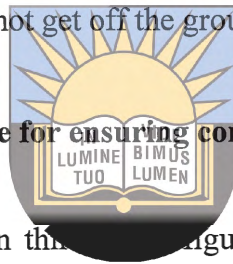
Figure 4.6 Responses of respondents (N=84)

4.3.1 Senior Management is committed to successful implementation of PMDS

The data analysis on Question twelve in figure 4.6 above reveals an even split of opinion, with fifty one percent (51%) of respondents disagreeing with the above statement while forty nine percent (49%) agreed that senior management is committed to the successful implementation of PMDS.

Further analysis of the data revealed that 38% of respondents who agreed were from senior levels. Spangenberg (1994) states that the organisational conditions which have the most profound impact on the implementation of performance management are top management commitment, and ownership by line managers and employees. Top management shows support for performance management by allocating resources and approving policies pertaining to the implementation of the system. He writes further and says it is also important to obtain top and senior management commitment from the very beginning. Top managers need to understand their role as change agent leaders and must be prepared to model and live the new behaviours when these are in place.

If top executives do not use the system with their own subordinates and model desired behaviour, implementation will not get off the ground.



4.3.2 Supervisors are held accountable for ensuring completion of each step of PMDS.

The findings regarding question thirteen in figure 4.6 reveal that more than two thirds (68%) of respondents agreed that supervisors are held accountable for ensuring completion of each step. The leadership role in performance management according to Smit & Cronje' (2002), is directing and managing the activities and performance of the people so that the objectives of the organisation can be attained. These authors are of the opinion that leadership entails activities such as transmitting information to subordinates; formulating the organisation's mission objectives and plans and explaining these to subordinates; supervising the work of subordinates; taking steps to improve the performance of the subordinates; motivating subordinates and communicating the goals of the organisation. Thus the results suggest that the majority of respondents agree that supervisors are playing a meaningful role in the facilitating step-by step implementation of the PMDS.

4.3.3 All employees are committed to the successful implementation of PMDS.

Analysis of question fourteen responses reveals an even spread of agreement (48%) versus disagreement (52%) concerning employee commitment.

Almost half (45%) of 52% of respondents who disagreed have more than ten years service in the public service which suggests possible resistance to change. Armstrong (2000) points out that each employee in the business unit, in turn is responsible to contribute to set objectives by way of her/his work output, according to her/his defined role in the business unit.

4.4 Performance Planning Aspects.

Items 15- 19 from the questionnaire elicited information on respondents perceptions regarding the performance planning aspects PMDS. Figure 4.7 below reflects responses of respondents.

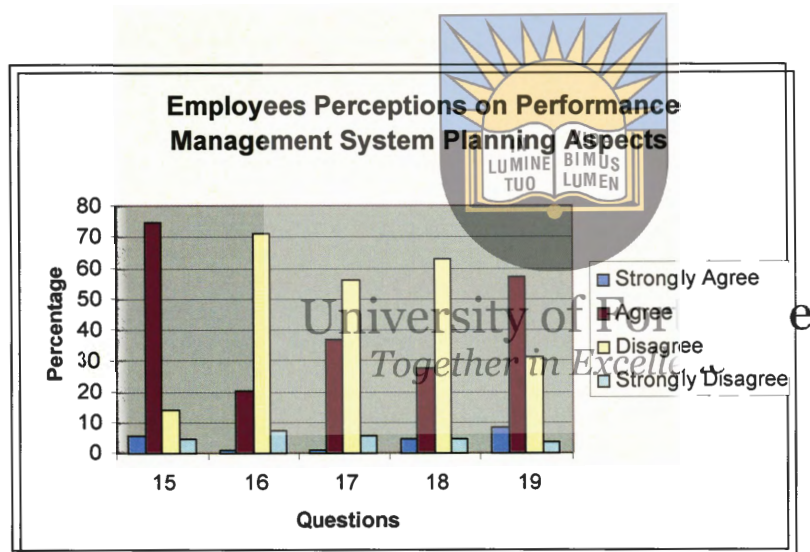


Figure 4.7 Employee Perceptions on PMDS Planning Aspects (N=84)

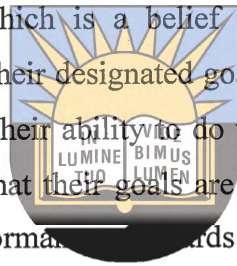
4.4.1. Performance goals are mutually developed and have specific time frames.

The data analysis of question fifteen in figure 4.7 reveals that the majority of respondents (81%) agreed with the above statement. Robbins *et al* 2004 state that the appeal of management by objectives (MBO) lies in its emphasis on converting overall objectives into specific objectives for organisational units and individual members. They write further and say that at individual levels, goals should be set mutually by the employee and his/her line manager and that each objective should have a specific period in which it is to be completed and reviewed.

The aspect of participation in goal setting is one of MBO's major strengths as there is general agreement that participation in decision making strengthens employee motivation and commitment. The mutual developing of goals demonstrated in the study suggests a greater likelihood of employees being motivated to achieve these goals.

4.4.2 Employees consider performance standards are attainable.

The findings of question sixteen in figure 4.7 reveal that less than a quarter (22%) of respondents agreed with the above statement. Locke & Latham (1990) state that when goals are set, some employees may encounter difficulties in delivering and this can be explained by Vroom's expectancy -valence theory. In this theory expectancy is closely related to self -expectancy which is a belief that one can successfully perform the behaviour required to produce their designated goals. Self efficacy is perceptual in that the individual has a perception of their ability to do the task. Motivation is also necessary to ensure that job-holders know that their goals are achievable. It is of concern that so few respondents regarded the performance standards as attainable, as this would impact on actual achievability, and more so because in the previous question- (15), the majority of respondents had developed performance objectives together with their respective supervisor.



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4.4.3 Personal development objectives, negotiated with the supervisor, are in place.

The data analysis findings of question seventeen in figure 4.7 reveal that while two fifths (38%) of respondents agreed with the above statement, three fifths (62%) disagreed with the statement. Armstrong (2000) states that all employees are expected to prepare and negotiate agreement of a personal development plan (PDP) with their supervisors, which enhances individual competency and skills. The performance aspects of the plan obtain agreement on what has to be done to achieve objectives, raise standards and improve performance. Personal development objectives are a core component of a performance management system, and are key to enhancing competence to achieve performance goals. The findings are thus of concern, given the centrality of a PDP to the successful achievement of the intention of PMDS.

4.4.4 Relevant performance expectations are set between supervisor and employee.

The findings of question eighteen in figure 4.7 reveal that only one third (32%) of respondents agreed with the above statement, while two thirds (68%) disagreed with the statement.

Simeka (2000) states that it is important that measures and evidence requirements should be identified and fully agreed early, because these will be used jointly by managers and employees to monitor progress and demonstrate achievements.

Smit & Cronje` (2003) also point out that during the setting of performance standards the objectives and goals should be specified in order to facilitate the assessment of actual performance.



4.4.5 Employees are clear about how their performance is to be measured.

Data analysis findings of question nineteen in figure 4.7 reveal that two thirds (65%) of respondents agreed with the above statement. This is encouraging in the light of

Armstrong's (2000) view that agreement should be reached between supervisors and subordinates about the aspects of performance that will be measured and the evidence that will be required to establish levels of competence. It is important that measures and evidence requirements should be identified and fully agreed at the beginning of the PMDS process because these will be used jointly by managers and employees to monitor progress and demonstrate achievements.

4.5 Performance Improvement Aspects.

Questions 20-24 from the questionnaire elicited information on perceptions of performance improvement aspects of PMDS.

Figure 4.8 below reflects responses of respondents:

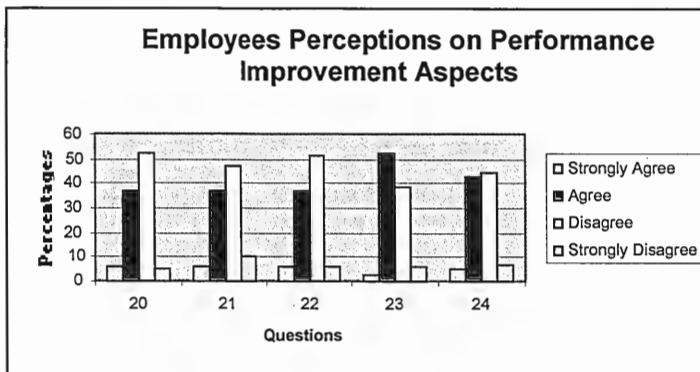


Figure 4.8 Employee Perceptions on PMDS Improvement Aspects (N=84)

4.5.1 Supervisors concentrate on managing performance rather than controlling performance.

Findings of question twenty in figure 4.8 reveal that almost three fifths (57%) of respondents disagreed with the above statement. The task of leadership, as articulated by Smit & Cronje' (2002) is directing and managing the activities and performance of the people so that the objectives of the organisation can be attained.

Maritz (2002) discusses the findings of a study which revealed that the more transformational and contingent leadership was used, the greater the leadership outcomes were, and the more engaged the workforce became with leadership being viewed as more trusting. This has implications for the public sector to understand that the utilisation of traditional control management approaches does not add significant value to engaging employees, which is the basis for improving organisational performance.

4.5.2 Mechanisms exist to continuously improve performance.

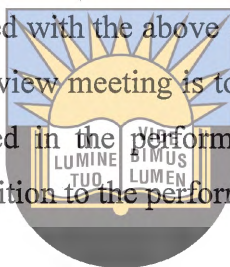
Analysis of findings from question twenty one in figure 4.8 reveal that (43%) of respondents agreed with the above statement, while (57%) disagreed with the statement. The results show a relatively bleak picture of the way employees' performance is managed, including limited opportunity to acquire skills and competencies. This will invariably impact negatively on the service delivery outcomes that the government expects to achieve.

4.5.3 Sufficient information about PMDS is communicated to all employees to enable them to execute their responsibilities in the best interest of the department.

The findings regarding question twenty two in figure 4.8 reveal that only approximately two fifths (43%) of respondents agreed with the above statement Spangenberg (1994) states that top management should design a strategy for disseminating information about the goals of the PMDS. The findings show that such a strategy is needed in the O.T.P.

4.5.4 Supervisors identify development needs to assist subordinates to grow.

Data analysis of findings from question twenty three on figure 4.8 reveal that more than half (55%) of respondents agreed with the above statement. Williams (2002) states that the role of a manager during the review meeting is to assess progress towards achievement of goals and objectives established in the performance development plans and to discuss needed changes, revision or addition to the performance and developmental plan.



4.5.5 Supervisors effectively design opportunities for subordinates to develop.

The findings of question twenty four in figure 4.8 reveal similar numbers of respondents agreed (48%) as disagreed (52%) with the statement. Williams (2002) states that the role of a manager during the progress review meeting is to make plans for improvement, if necessary.

If progress is insufficient, the manager must determine what the problems are, solicit the employee's perspective and suggest solutions and utilise appropriate coaching skills to ensure performance improvement. Thus the aspects of developing subordinates by supervisors need to be strengthened as the results show weakness in this regard.

4.6 Periodic Review Aspects.

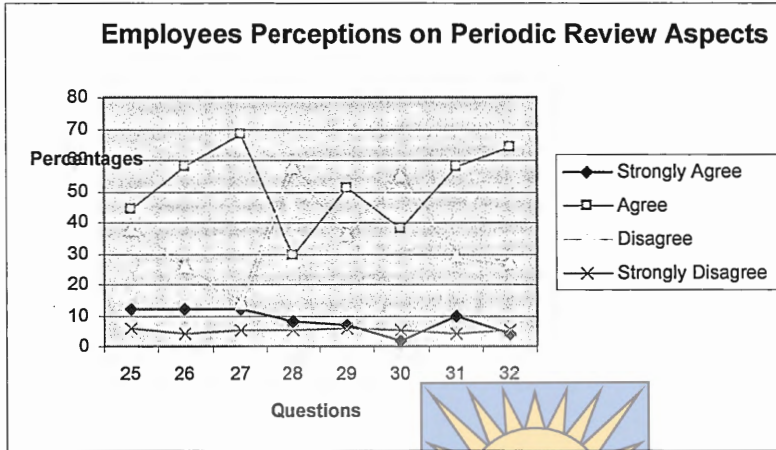
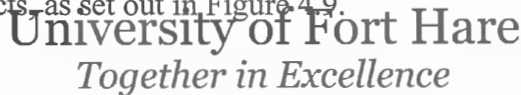


Figure 4.9 Employee Perceptions on PMDS Periodic Review Aspects (N=84)

Items 25-32 from the questionnaire provide information on respondents' perceptions of periodic review aspects, as set out in Figure 4.9.



4.6.1 Senior Management demonstrates that they take performance reviews seriously.

Analysis of findings relative to question twenty five (see figure 4.9) reveal that more respondents (56%) agreed with the above statement, than disagreed (44%) with it, which is encouraging. Armstrong (2000) states that the purpose of performance and development reviews is to enable the immediate supervisor and subordinate to get together so that they can engage in a dialogue about the employee's performance and development. Support provided by the supervisor is an essential part of performance management. Williams (2002) concurs with the above by stating that progress review meetings allow the manager to assess progress towards goals and objectives established in performance and development plans. This implies that managers are taking positive steps in monitoring performances. The findings demonstrate the level of functionality in the PMDS, which should enable employees to achieve results-oriented performance.

4.6.2 Prior to review, supervisor and subordinate reach agreement about factors against which performance would be measured.

Findings from question twenty six (see figure 4.9) reveal that the majority (70%) of respondents agreed with the above statement. Simeka (2003) states that the purpose of performance and development reviews is to enable the immediate supervisor and subordinate to get together so that agreement is reached between supervisors and subordinates about the aspects of performance that will be measured and the evidence that will be required to establish levels of competence. This is an aspect of the PMDS that is working well in the O.T.P.

4.6.3 Performance is measured against the factors previously agreed upon.

The findings of question twenty seven, (see figure 4.9) reveal that four out of five (80%) of respondents agreed with the above statement, while only twenty (20%) disagreed.

Simeka (2003) states that during performance planning there should be agreement reached and a shared view held of the aspects of performance that will be measured and level of competencies needed to achieve performance standards. The study found that managers and supervisors are performing well in this aspect.

4.6.4 Supervisors use a supportive approach in the performance review.

Analysis of the findings of question twenty eight (see figure 4.9) reveals that only about one third (37%) of respondents agreed that supervisors display a supportive approach. Armstrong (2000) is of the opinion that during feedback, the supervisor must be constructive and positive and unconditional acceptance must prevail. Research conducted by Wexley (1986) indicates that the more positive interactional techniques utilised, such as praising the employee for tasks well done, and treating the employee as an equal and with respect, the more open and trusting the employee will be in supplying valid information to the manager. This is an aspect that could be strengthened.

4.6.5 Effective personal recognition is provided during review meetings.

Findings on question twenty nine (see figure 4.9) reveal that about three fifths (58%) of respondents agreed with the above statement. Simeka (2003) is of the opinion that PMDS provides a framework for assessment, identification of good and poor performance and to act appropriately through development and recognition of good performance. Further that praise and appreciation for some specific achievement should be given at the beginning of the review meeting because it facilitates relaxation.

4.6.6 Feedback is given as soon as possible after the activity is performed.

Figure 4.9 above reflects the findings regarding question 30 whereby two fifths (40%) of respondents agreed with the above statement, while three fifths (60%) disagreed with the statement. Spangenberg (1994) states that managers must give feedback soon after an activity has been performed in order to improve performance. Day to day feedback is highly desirable.

Coetsee (1996) concurs stating that recognition should be given as soon as possible after performance, or else it loses its motivational value and behaviour leading to performance is not strengthened. This finding may suggest that supervisors delay providing feedback until review sessions, which take place too long after the activity has been performed.

4.6.7 Feedback is provided within the context of performance plan so that employee behaviour is linked to individual's performance plan.

The findings reveal that sixty eight percent (68%) of respondents agreed with the above statement. Spangenberg (1994) states that performance feedback must establish specific follow up procedures to assist employees in accomplishing their stated objectives in the personal performance plan.

William (2002) concurs by stating that the aim of performance reviews is to assess progress towards goals and objectives established in the performance development plan so that corrective measures can be instituted.

4.6.8 Feedback is directed towards activities and resources the individual can control.

Data analysis of findings of question 32 in figure 4.9 reveal that fewer respondents (37%) agreed with the above statement, while the majority (63%) disagreed. Spangenberg (1994) states that objectives should only be set in areas over which employee has reasonable control. Feedback should be directed only towards activities that the employee can control.

4.7 Annual Review Aspects

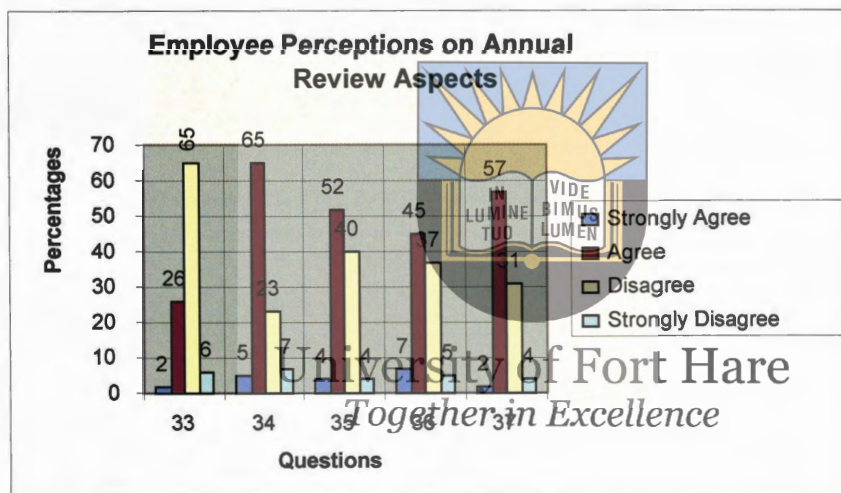


Figure 4.10 Employee Perceptions on PMDS Annual Review Aspects (N=84)

Items 33-37 from the questionnaire elicited information on respondents' perceptions of annual review aspects regarding PMDS. Figure 4.10 above reflects the views of respondents.

4.7.1 Sufficient information for appraising staff member's performance is available.

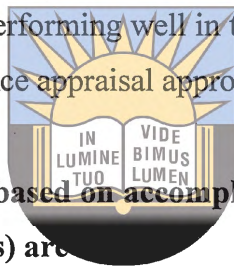
Data analysis of question 33 (figure 4.9) reflects that almost three quarters (72%) of respondents disagreed with the statement. Armstrong (2000) is of the opinion that feedback must be specific, be provided on actual results and be backed up by evidence. Feedback must refer to events, critical incidents and significant behaviours that have affected performance in specific ways.

The finding suggests that it may be useful for employees to compile a portfolio of evidence reflecting work undertaken and demonstrating performance in this regard. This would provide more concrete information against which to appraise a staff member's actual performance.

4.7.2 Objectivity is maintained.

The findings of question 34 (figure 4.10) reveal that the majority (70%) of respondents agreed that objectivity is maintained.

Simeka (2000) states that performance must be managed in a consultative, supportive and non-discriminatory manner in order to enhance efficiency, effectiveness and accountability. Managers and supervisors are performing well in this regard, and have clearly moved away from more subjective performance appraisal approaches.



4.7.3 Descriptive assessments based on accomplishment and behaviours demonstrated (rather than numerical ratings) are

Data analysis of question 35 (figure 4.10) reflects that 56% of respondents agreed with the above statement while 44% disagreed with the statement. Spangenberg (1994) states that, feedback should be presented as a narration of actual accomplishment. Performance description enables employees to compare the information received with her/ his perceptions about their own performance.

4.7.4 Immediate supervisors do not have time to monitor the performance of their staff.

Data analysis of findings of question 36 (figure 4.10) reveal a relatively even distribution of perceptions with 52% of respondents agreeing with the above statement, whilst 48% disagreed.

Armstrong (2000) is of the opinion that the purpose of performance and development reviews is to enable the immediate supervisor and subordinate to get together so that they can engage in a dialogue about the employee's performance and development and provide support which is an essential part of PM.

Arumugam (2001) identifies the following problems as contributory factors in the implementation of a performance management system: managers do not integrate performance issues into other management decisions, managers show resistance to conducting performance appraisals, and are losing confidence in their ability to manage performance

4.7.5 Outcomes of performance review are fed directly into other human resources systems.

Data analysis of question 37 (figure 4.10) reflects that almost three fifths (59%) of respondents agreed with the above statement. Spangenberg (1994) states that the outcomes of the performance review must be fed directly into three major human resources system, namely rewards, training and development and career management. This implies that elements of PM should not be viewed in isolation, but that its outcomes should be fed back to people involved in strategic planning. Simeka (2000) concurs, by stating that performance must be linked to staff development and must align decision-making and activity with the objectives set out in the department's strategic plan. The findings suggest that the PMDS system has credibility as a result of this alignment.

4.8. Rewards and Recognition.

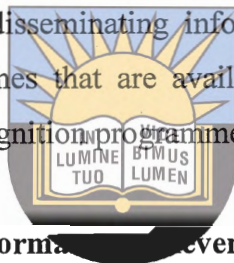


Figure 4.11 Employee Perceptions on PMDS Rewards and Recognition Aspects (N=84).

Items 38-43 from the questionnaire elicited information on perceptions of rewards and recognition aspects of PM. Figure 4.11 above reflects the responses recorded.

4.8.1 Communication processes are in place to ensure that employees are familiar with the department's recognition programme.

The findings of question 38 in figure 4.11 reveal an even distribution (50%) of views among respondents. Spangenberg (1994) proposed that the performance management process, its implementation and its evaluation be actively communicated. Honesty and openness should prevail in order to build trust. The finding suggests that top management should design a strategy for disseminating information about the goals of PMDS and rewards and recognition schemes that are available in the organisation, so that more employees know about the recognition programme.



4.8.2 Pay decisions are linked to performance improvements.

Data analysis of question 39 (figure 4.11) reflects approximately one quarter (28%) of respondents agreed with the above statement. Research from a survey conducted on compensation trends by Horwitz & Frost (1992) involving 150 South Africa companies which are members of Institute of Personnel Management identified the following findings; That there is little evidence that exists that organisations are using performance appraisal in determining pay decisions. Rewards that are given to employees are not proportionate to the efforts involved. For example rewards are not generally tailored towards the needs of employees. Coetsee (1996) states that rewards and recognition must satisfy employees' preferences, realistic expectations and must be significant in order to have a high valence.

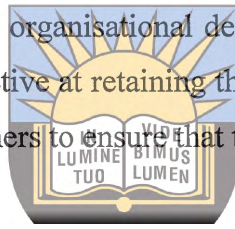
4.8.3 The reward system facilitates implementation of strategy by motivating desired levels of performance.

The findings of question 40 (figure 4.11) reveal that the majority (70%) of respondents disagreed with the statement. Spangenberg (1994) states that a pay for performance system will motivate the right kind of performance and attract the right kind of employees.

The OTP needs to re-look at this, as it has the potential to impact an employee motivation as well as organisational performance.

4.8.4 The reward system facilitates the implementation of strategy by attracting and retaining the right kind of people.

Data analysis of question 41 (figure 4.11) reflects an even split of views among respondents (49% agreed; 51% disagreed). Spangenberg (1994) is of the opinion that a reward system can influence the organisational culture, by determining whether organisational culture is perceived as people –oriented, hierarchical or participative. Involving employees in decisions relating to rewards can produce a participative culture in which employees can influence organisational decisions. He writes further and states that the ideal reward should be effective at retaining the most valuable employees. The strategy should satisfy the better performers to ensure that they stay with the organisation.



4.8.5 Positive and negative financial and non-financial consequences of performance

(e.g. salary adjustment, recognition) are utilised effectively.

The findings of question 42 (figure 4.11) revealed that as many respondents agreed (50%) with this statement as disagreed (50%). Spangenberg (1994) states that a recognition and reward system that is aimed at reducing the emphasis on base salary increase must be developed. A set of rewards and types of recognition including: base salary merit increase; bonuses, verbal recognition and praise or appreciation awards could be implemented. Such a recognition and reward system will motivate employees in addition and some of the non cash rewards can be cost effective.

4.8.6 Performance Management System establishes a clear connection between performance and rewards.

Data analysis of question 43 (figure 4.11) reflects that the majority (70%) of respondents agreed with the above statement.

Spangenberg (1994) is of the opinion that managers must measure performance if they want to manage it effectively because employees want clear performance goals which are tied to their pay. Armstrong (2000) states that a participative performance review process helps ensure that appropriate performance is rewarded.

The challenge is to develop a comprehensive but creative equitable reward system that satisfies the needs of employees and facilitates organisational performance.

4.9 Give three inputs as to how the Implementation of Performance Management and Development System could be improved.

Two fifths (39%) of respondents did not give any input as to how to improve the implementation of the Performance Management and Development system.

Three fifths (60%) of the respondents who provided ideas for improving the PMDS said that accountability should be instilled and that PM should be included in the Senior Management Services (SMS) performance agreement so that senior management take it seriously.



70% of these respondents said that training should be conducted for employees on how to complete a work plan agreement. A template could be developed to assist the officials in this regard.

60% of these respondents expressed the view that supervisors should mentor subordinates and provide proper guidance.

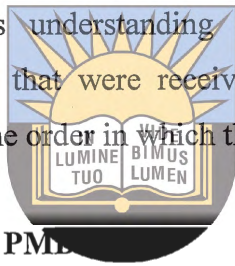
30% of these respondents felt there should be sufficient budget to pay for performance bonuses.

56% said that communication should be improved between manager and employee especially during performance reviews.

10% were of the view that the PMDS should be reviewed yearly so that it is user friendly. These are useful suggestions and underscore aspects of the findings from the closed questions component of the questionnaire, notably those that relate to need for improved communication and stronger commitment to PMDS responsibilities by senior management.

4.10 DATA ANALYSIS RESULTS FOR THE FOCUS GROUP INTERVIEWS

This section presents an analysis of the data that was collected by means of focus group interviews. Thirty two general assistants were interviewed in groups of eight to gain their perceptions regarding the implementation of the PMDS. Two types of questions were asked, namely open- ended and closed questions. The questions in the discussion guide sought to explore participants' understanding of performance management and its implementation. The responses that were received are presented and discussed in the following section according to the order in which the research questions were asked.



4.10.1 What is your understanding of PMDS?

In their response, the respondents said that PMDS was the way their performance was going to be managed, reviewed and rewarded. They further said that there was going to be a change in how things are done.

4.10.2 When and how PMDS was implemented

PMDS was implemented in 2002 and a work shop was conducted by Human Resource Management to inform them about PMDS.

4.10.3 Where you consulted when PMDS was implemented

There was no consultation as such except for a workshop that was held for information sharing.

4.10.4 Have you signed performance standard agreement?

Yes

4.10.5 Explain the assistance that was given to you when drawing up a performance contract.

There was no direct assistance given to us when drawing up a performance contract but a template was drawn up and given to us so that we could complete it. There was no training given, if we were experiencing problems we consulted other employees.

4.10.6 Are you empowered to implement the agreed plan?

Not really, but we have been doing our type of work for quite some time, most of us have been working in this office more than ten years.

4.10.7 Does your supervisor provide the support that you require whilst implementing the agreed plan?

Yes, sometimes.



4.10.8 How often within the course of the year is your performance reviewed by your supervisor?

Quarterly and there is one annual review which is done at the end of a financial year. But we last received performance reviews in 1999.

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4.10.9 During the performance review are there any developmental plans made?

No, but some of us were sent to King Williams Town to be taught dress making. There was nothing pertaining to the work that we are doing.

4.11 ANALYSIS OF FOCUS GROUP INTERVIEWS

Analysis of the focus group interviews revealed the following weaknesses:

- The general assistants do not have a deeper knowledge of performance management because they view PM as a change only in the manner that performance is managed, reviewed and rewarded.
- Limited consultation was done before implementation of the system other than a workshop that was held for information sharing.
- No training has been given on how to complete the standard framework agreement.
- General assistants view performance reviews as a method of generating information for pay decisions.
- No developmental plans made are aligned with work related performance objectives in the standard framework agreement.



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4.12 SUMMARY

The data was gathered with the aim of answering three research questions: Firstly, perceptions of employees and managers in the Office of the Premier regarding the implementation of a performance management system; secondly, problems experienced whilst implementing the performance management system; and thirdly the extent of commitment by supervisors to the implementation of the PMDS. Analysis of the data from both the questionnaire, and focus group interviews revealed positive and negative findings to the research questions.

The following are positive findings:

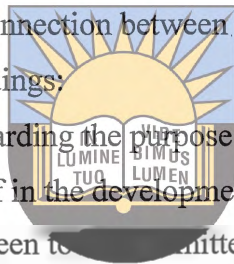
- Goals with appropriate performance standards are in place.
- PMDS is better than the incident reporting system that the department was previously implementing.

- PMDS will enable the department to identify underperformers.
- Supervisors are held accountable for ensuring completion of each step of the PMDS.
- Performance goals are mutually developed and have time frames.
- Employees are clear about how their performance is to be measured.
- Supervisors identify development needs in order to assist subordinates to grow.
- Senior management demonstrate that they take performance reviews seriously.
- Performance is measured against the factors previously agreed upon.
- Effective personal recognition is provided during review meetings.
- Outcomes of performance review are fed directly into other human resource management systems.
- PMDS establishes a clear connection between performance and rewards.

The following are negative findings:

- Lack of communication regarding the purpose of the PMDS.
- Lack of involvement of staff in the development of the PMDS.
- Senior management is not seen to be committed to the successful implementation of the PMDS.
- Poor performance planning.
- Supervisors are reluctant to conduct reviews and give feedback timeously.
- Employees consider performance standards not attainable.
- Personal development objectives are not negotiated with the supervisor.
- Performance expectations are not set between supervisor and employee.
- Lack of knowledge regarding the purpose of performance reviews.

These aspects should be taken into consideration to strengthen and improve the implementation of PMDS in the Office of the Premier.



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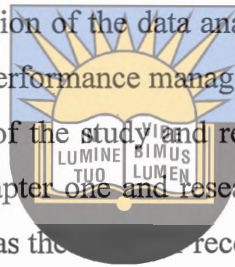
CHAPTER FIVE

LIMITATIONS, FINDINGS AND RECOMMENDATIONS

5.1 INTRODUCTION

Although much momentum has been gained with the implementation of the performance management system in OTP there are critical issues that relate *inter alia* to: communication aspects of performance management; implementation aspects; conducting performance reviews; managing performance and performance reward linkages, that need to be addressed by management.

In chapter four detailed discussion of the data analysis was presented and the implications for the implementation of the performance management system were outlined. This chapter will focus on the conclusions of the study and recommendations. Conclusions relating to the objectives as set out in chapter one and research questions in chapter two will be set out. Conclusions are then used as the basis for recommendations.



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5.2 RESEARCH OBJECTIVES *Together in Excellence*

As indicated in chapter one the following were the objectives of the study:

- RO1** To identify attitudes and perceptions of managers and employees regarding the implementation of PMDS in the OTP.

- RO 2** To determine if the employees working in the OTP understand the system and know what is expected of them.

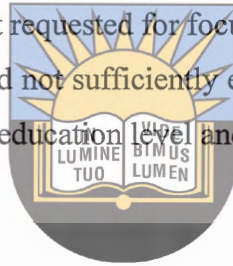
- RO 3** To examine enabling conditions that can improve the quality of performance.

- RO 4** To identify barriers to the successful implementation of PMDS.

5.3 LIMITATIONS OF THE STUDY

The limitations in this study were:

- The area of research was limited to the Office of the Premier. Other Provincial Departments were not included in the study.
- The findings concerning perceptions of respondents were limited to data gathered using a questionnaire and semi-structured focus group interview.
- Gender and educational background of respondents were not considered for the interview guide during the focus group.
- The years of service was not requested for focus group participants.
- The statistical techniques did not sufficiently explore linkages between perceptions and factors such as age, gender, education level and years of service.



5.4 FINDINGS

Informed by a literature review, the study obtained data from two research tools: questionnaires and focus group interviews. The analysis undertaken by the researcher identified the gaps in the implementation of performance management system in the Office of the Premier.

The findings arising from the data collected through a staff survey utilising Questionnaire A: revealed the following:

5.4.1 Performance Management System Aspects

- PMDS is viewed positively as compared to the incident reporting system which was previously implemented by the department.
- The purpose of the performance management system (PMDS) is not effectively communicated to all employees.

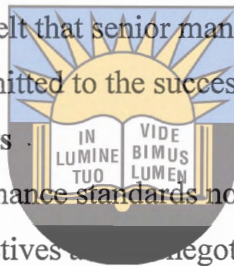
- Senior management is viewed as not accountable for the successful implementation of PMDS.
- Although goals with appropriate performance standards are in place at organisational team and individual level, the related objectives are not necessary aligned with the mission and strategy of the department.
- PMDS was developed without sufficient inputs from the staff.

5.4.2 Implementation Aspects

- There was almost an even split of results with slightly more respondents disagreeing that senior management is committed to successful implementation of PMDS whilst slightly fewer respondents felt that senior management is committed.
- Not all employees are committed to the successful implementation of PMDS.

5.4.3 Performance Planning Aspects

- Employees consider performance standards not attainable.
- Personal development objectives are not negotiated with the supervisor.
- Performance expectations are not set between supervisors and employees.



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5.4.4 Performance Improvement Aspects

- Although the majority of respondents agreed that feedback is provided within the context of performance plan so that employee behaviour is aligned with performance plan, feedback is not given soon after performance of an activity.
- There is insufficient information for appraising staff during a given year.
- An even spread of views was noted with similar numbers of respondents agreeing that immediate supervisors did not allocate sufficient time to monitor performance of their staff compared with those who felt that sufficient time was indeed allocated.

5.4.5 Annual Review Aspects

- Supervisors are controlling performance rather than managing it.
- No mechanisms are in place to improve performance.
- Supervisors do identify developmental needs to assist subordinates to grow, but not all supervisors translate this intention into development plans.

5.4.6 Rewards and Recognition

- A clear link exists between performance management and development and the reward system.
- An even split of opinion among respondents was noted regarding whether or not the reward system facilitates the implementation of strategy by attracting and retaining the right kind of staff.

5.5 RECOMMENDATIONS

The results of the study into the perceptions of managers and employees concerning the implementation of performance management system stimulated the following recommendations:

5.5.1 Performance Management System Aspects

- Communication processes

Top management needs to ensure that there is continuous communication to all managers and employees about the system and application of the system as well as the functioning of the system. Information should also be provided about how the system relates to the vision, mission and goals of the organisation. This will create a shared understanding of performance management among all managers and employees and greater commitment will be instilled.

- A lot of attention needs to be given to aligning team and individual objectives with the mission and strategy in order to achieve a shared understanding of performance requirements throughout the organisation, thus providing the opportunity for every employee to make an appropriate contribution to the attainment of team, departmental and organisational goals.

Alignment will be achieved by ensuring that employees are aware of corporate and functional goals and that individual objectives are consistent with the organisational goals. Managers should explain how each individual's goals relate to and support the organisation's goals.



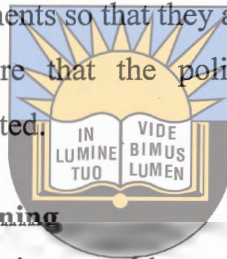
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- Involvement of staff

Managers must devise a strategy to involve all employees in the implementation of the system; a forum should be created to obtain continuous inputs about the system. This will facilitate ownership and acceptance of the system.

5.5.2 Implementation Aspects

- The commitment of management and that of employees to the system must be tightened by ensuring that all employees understand how the system is related to the organisation's vision and value system, and how it supports the vision and value system. Managing performance of subordinates should be included as key performance areas in senior managers' performance agreements so that they are evaluated on this aspect.
- Top management must ensure that the policy for performance management and development is fully implemented.



5.5.3 Improve Performance Planning

- Performance planning could be improved by ensuring that managers and supervisors are trained in facilitating goal setting sessions with subordinates to ensure that subordinates develop their own objectives and action plans that are aligned with the mission and strategy of the department.

It is also important to involve subordinates in goal setting sessions so that they participate in giving inputs about the creation and description of goals. Managers must ensure that performance targets set with the subordinates are understood and agreed.

5.5.4 Performance Improvement Aspect

- Feedback enables subordinates to know where they stand in terms of present performance and longer term career prospects. It is therefore critical that supervisors and managers provide this timeously. Emphasis should be placed on giving day to day feedback rather than annual or semi- annual appraisal since regular feedback brings closer agreement over performance standards.
- The commitment of the management team to managing the performance of their staff requires attention.

It is very critical that the managers of the department spend adequate time with their staff and conduct short, small group meeting with employees on a regular basis to review performance information. Managers must conduct annual formal reviews and interim formal progress reviews quarterly. This will ensure two-way communication about roles expectations, capability, requirements and work problems. Results of the study revealed that there is weakness in this regard.

- Managers must ensure that employees receive positive and negative feedback because both are critical in improving employee performance. Without feedback, good performance can deteriorate and poor performance may continue.

5.5.5 Annual Reviews

Performance improvement and developmental opportunities for subordinates can be best addressed by means of the following

- Setting clear performance standards
- Ensuring that subordinates have skills, abilities, experience and resources to perform their work effectively
- Managers must provide support and encouragement during the reviews.
- Providing opportunities for growth and development through empowerment coaching and mentoring so that subordinates are confident in performing their duties.



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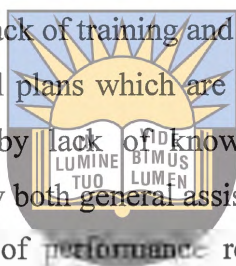
5.5.6 Rewards and Recognition

Top management must design a reward system that has competitive reward levels and performance based pay. This will improve attraction and retention of talent.

5.6 FINDINGS OF FOCUS GROUP INTERVIEWS

The analysis of focus group interviews revealed the following gaps and deficiencies in the implementation of performance management system among lower level employees:

- The general assistants' lack of understanding of the concept of performance management may originate from a lack of training to familiarise them with the system. Although a workshop was held it was not effective enough to make them fully understand the concept.
- There was not enough communication and involvement about the proposed changes, yet change management principles require full participation of all stake holders.
- The lack of knowledge and competency on how to complete the standard framework agreement may stem from a lack of training and coaching in this regard.
- An absence of developmental plans which are aligned with work related performance objectives may be caused by lack of knowledge of the development aspect of performance management by both general assistants and their supervisors.
- The purpose and the value of performance reviews were not explained effectively hence general assistants regard performance reviews as the method of generating information for pay decisions.



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5.7 RECOMMENDATIONS

The results of the focus groups into the perceptions of general assistants concerning the performance management system stimulated the following recommendations:

5.7.1 Performance Management System

A briefing session must be conducted with general assistants explaining the concept of performance management, objectives, the method of operation of the system and the benefits that the system is expected to provide for the organisation and to employees.

A document written in simple language must be developed and given to general assistants so that they have better insight into performance management. Industrial theatre may be explored as an alternative educational methodology due to the lower literacy levels.

5.7.2 Preparation of Performance Agreement

The human resource division must give guidance and training in the preparation of performance agreements so that general assistants are comfortable with the preparation of performance agreements.

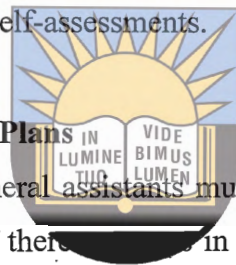
5.7.3 Performance Reviews

The human resource division must conduct training sessions with general assistants and their supervisors.

These sessions must include the reason why performance reviews are conducted, objectives of performance reviews, what will be reviewed, how often performance reviews will be conducted and how to conduct self-assessments.

5.7.4 Personal Development Plans

The managers in charge of general assistants must scrutinise all performance agreements for this category to establish if there are any gaps in the personal development plans as these relate to workplace performance. A meeting should be scheduled with the supervisors of general assistants so that developmental plans are prepared to ensure enhancement of individual potential. The managers must conduct an audit of the developmental plans to ensure that development is taking place as agreed.



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5.8 RECOMMENDATIONS REGARDING FURTHER RESEARCH

The following recommendations are made for further research purposes:

- A qualitative research study into the perceptions of employees and managers concerning the implementation of the performance management system. The study will explore feelings and opinions of employees of the Office of the Premier.
- An investigation to establish the role of supervisors in enhancing performance.

- The study will give more insight into factors that affect performance such as the role played by supervisors in motivating subordinates and communicating the goals of the organisation.
- A further study on the impact of performance management on line managers and employees, in order to shed more light on reactions to performance management and attitudes towards performance management.



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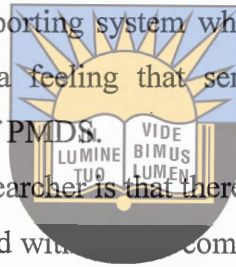
5.9 IN CONCLUSION

The findings of the research have shed light on the perceptions of managers and employees of the Office of the Premier regarding the implementation of PMDS and also saw the accomplishment of the objectives of the study. On the basis of the foregoing conclusions, the objectives of the study were met because:

- Barriers to successful implementation of PMDS were identified
- Insight into enabling condition that can improve the quality of performance has been gained
- Knowledge and understanding of PMDS by employees has been established.

This research has demonstrated that employees in OTP view PMDS positively as compared to the incident reporting system which was previously implemented by the department. There is also a feeling that senior management is not committed to successful implementation of PMDS.

Conclusion drawn by the researcher is that there was a lack of communication regarding the purpose of PMDS coupled with a lack of commitment by senior management has been definitely impacted on the implementation of the PMDS in the Office of the Premier.



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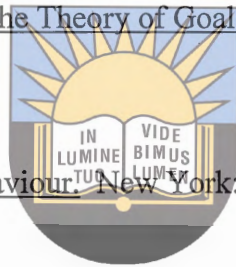
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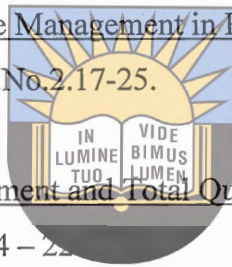
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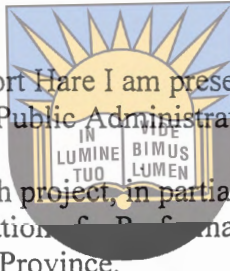
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6, December 2004.

• in principle - supporting
• To inform us of the time
intended to take in
respect of the project

The Director General
Office of Premier
Private Bag X0047
Bisho

07/12/04

REQUEST TO CONDUCT RESEARCH



I am a student at the University of Fort Hare I am presently pursuing a two year programme of a Master's Degree in Public Administration.

I am expected to undertake a research project, in partial fulfillment of this programme. The title of my thesis is: Implementation of Performance Management System in the Office of the Premier: Eastern Cape Province.

University of Fort Hare
Together in Excellence

I hereby request permission to conduct research in the Office of the Premier. The objective of the study is to assess the attitude and perceptions of managers and employees regarding the implementation of a performance management system in the Office of the premier.

Thanking you in anticipation.
V.M.Nakani.



IPHONDO
LEMPUMAKOLONI

Province Of The Eastern Cape

OOS-KAAP
PROVINSIE

nosipho.mangena@otp.ecprov.gov.za

OFFICE OF THE PREMIER
PRIVATE BAG X0047, BISHO. 5605, SOUTH
AFRICA

Fax: 040 – 639 1419

Ref: 1/16/5

Enq: Nolitha Nkomana

☎ 040 – 609 6381

08 December 2004

VM Nakani
2239 NU 11A
Mdantsane
5219



Sir/Madam

REQUEST TO CONDUCT RESEARCH

University of Fort Hare
Together in Excellence

Receipt of your letter dated 06 December 2004 to the Director-General is acknowledged with thanks.

The Director-General is supporting your request in principle. She is however, requesting that you inform the office of the time you intend taking in respect of the project.

Yours sincerely

Nolitha Nkomana

Personal Assistant to the Director-General

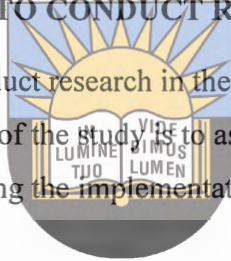
"We shall not abandon the poor"
Serving with Humility, Honesty & Integrity

2239 NU 11
Mdantsane
5 October 2005

The Director General
Office of the Premier
Private Bag X0047
Bhisho

REQUEST TO CONDUCT RESEARCH

I hereby request, permission to conduct research in the Office of the Premier in October and November 2005. The objective of the study is to assess the attitude and perceptions of managers and employees regarding the implementation of a performance management system in the Office of the Premier.



University of Fort Hare

I am a student at the University of Fort Hare in ~~Esikhaleni~~ pursuing a two year programme of a Master's Degree in Public Administration. The research will contribute towards fulfillment of this programme.

Thanking you in anticipation

V.M. Nakani
.....

V.M.Nakani

2239 NU11
Mdantsane
5 October 2005

Dear Colleague

I am a student at the University of Fort Hare I am presently pursuing Master's Degree in Public Administration, undertaking a start on the implementation of Performance Management and Development System (PMDS) in the Office of the Premier.

The purpose of the study is to determine the attitudes and perceptions of managers and employees regarding the implementation of Performance Management and Development System in the Eastern Cape Province.

I hereby request your permission to participate in this research, which will be conducted from the above mentioned date. Kindly spare me between thirty five and forty five minutes of your time.


University of Fort Hare

Your co-operation in this regard will be of great importance, because, the findings of the study will assist the Office of the Premier in improving the process of implementation of PMDS and manage it more effectively.

Yours faithfully



V.M. Nakani

QUESTIONNAIRE A: STAFF SURVEY

RESEARCH TOPIC: IMPLEMENTATION OF A PERFORMANCE MANAGEMENT SYSTEM IN THE OFFICE OF THE PREMIER EASTERN CAPE PROVINCE: PERCEPTIONS OF MANAGERS AND EMPLOYEES.

Thank you for participating in this process of examining the perceptions of managers and employees of the Office of the Premier regarding the implementation of the performance management system. The researcher is undertaking this study to determine if the employees working in the Office of the Premier understand the system and what is expected of them. The research will contribute towards the researcher's fulfilment of the Masters Degree in Public Administration. Your answers will be strictly confidential and will only be used for academic purposes.

SECTION 1**BIOGRAPHICAL DATA**1.1. **GENDER**Male Female 1.2. **AGE GROUP**21-30 31-40 41-50 51-60 +61 1.3. **EDUCATIONAL STATUS**Grade 12 Diploma Bachelor Postgraduate Other (Please Indicate) University of Fort Hare
*Together in Excellence*1.4. **WHAT POSITION DO YOU HOLD?**Director-General Executive Manager General Manager Senior Manager Manager Ass Manager Other Officials General Ass. 1.5. **NUMBER OF YEARS IN THE SERVICE**0-5 6-10 11-15 16-20 21 and above

SECTION 2

INSTRUCTIONS


Please place a cross (X) in the column which most closely reflects your view about the statement.

Please answer each statement:-

NO	STATEMENT	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE
PERFORMANCE MANAGEMENT SYSTEM ASPECTS					
1.	Clearly defined purpose of Performance Management System (PMS) is communicated effectively to all employees.				
2.	Senior Management is accountable for effective implementation of PMS.				
3.	Goals, with appropriate performance standards are in place at three levels, namely organisational, team and individual.				
4.	Formal communication processes are in place to ensure that employees understand the department's business plan.				
5.	The department's performance system supports the objectives of the department's business plan.				
6.	The performance management system is viewed by employees as a valuable tool in managing how work gets done and how effective each individual is performing.				
7.	Team and individual objectives are aligned with the mission and strategy of the department.				
8.	The PMS was developed with inputs from the staff throughout the department.				
9.	The PMS is better than the incident reporting system that the department had been previously implementing.				
10.	The PMS will result in fair performance appraisal of staff members.				
11.	The PMS will enable the department to identify underperformers.				
IMPLEMENTATION ASPECTS					
12.	Senior Management is committed to successful implementation of PMS.				
13.	Supervisors are held accountable for ensuring completion of each step of PMS.				
14.	All employees are committed to the successful implementation of PMS.				



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No.	STATEMENT	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE
PERFORMANCE PLANNING ASPECTS					
15.	Performance goals are mutually developed and have specific time frames.				
16.	Employees consider performance standards attainable.				
17.	Personal development objectives, negotiated with the supervisor, are in place.				
18.	Relevant performance expectations are set between supervisor and employee.				
19.	Employees are clear about how their performance is to be measured.				
PERFORMANCE IMPROVEMENT ASPECTS					
20.	Supervisors concentrate on managing of performance rather than controlling performance.				
21.	Mechanisms exist to continuously improve performance.				
22.	Sufficient information about PMS is communicated to all employees to enable them to execute their responsibilities in the best interest of the department.				
23.	Supervisors identify development needs to assist subordinates to grow.				
24.	Supervisors effectively design opportunities for subordinates to develop.				
 <p>University of Fort Hare Together in Excellence</p>					
PERIODIC REVIEWS ASPECTS					
25.	Senior Management demonstrates that they take performance reviews seriously.				
26.	Prior to review, Supervisor and subordinate reach agreement about factors against which performance would be measured.				
27.	Performance is measured against the factors previously agreed upon.				
28.	Supervisors use a supportive approach in the performance review.				
29.	Effective personal recognition is provided during review meetings.				
30.	Feedback is given as soon as possible after the activity is performed.				
31.	Feedback is provided within the context of the performance plan so that employee behaviour is linked to the individual's performance plan.				
32.	Feedback is directed towards activities and resources the individual can control.				

	STATEMENT	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE
ANNUAL REVIEW ASPECTS					
33.	Sufficient information for appraising staff members' performance is available (e.g. critical behaviours recorded during the year).				
34.	Objectivity is maintained.				
35.	Descriptive assessment based on actual accomplishment and behaviours demonstrated (rather than numerical ratings) are used.				
36.	Immediate supervisors do not have time to monitor the performance of their staff.				
37.	Outcomes of performance review are fed directly into other human resources systems, (e.g. reward, training and development).				
REWARDS AND RECOGNITION					
38.	Communication processes are in place to ensure that employees are familiar with the department's recognition program.				
39.	Pay decisions are linked to performance achievements.				
40.	The reward system facilitates implementation of strategy by motivating desired levels of performance.				
41.	The reward system facilitates the implementation of strategy by attracting and retaining the right kind of people.				
42.	Positive and negative financial and non-financial consequences of performance (e.g. salary adjustments, recognition) are utilised effectively.				
43.	PMS establishes a clear connection between performance and rewards.				



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Please give (3) three ideas as to how the implementation of the performance management and development system could be improved.

1. _____

2. _____

3. _____

QUESTIONNAIRE A: STAFF SURVEY

RESEARCH TOPIC: IMPLEMENTATION OF A PERFORMANCE MANAGEMENT SYSTEM IN THE OFFICE OF THE PREMIER EASTERN CAPE PROVINCE: PERCEPTIONS OF MANAGERS AND EMPLOYEES.

Thank you for participating in this process of examining the perceptions of managers and employees of the Office of the Premier regarding the implementation of the performance management system. The researcher is undertaking this study to determine if the employees working in the Office of the Premier understand the system and what is expected of them. The research will contribute towards the researcher's fulfilment of the Masters Degree in Public Administration. Your answers will be strictly confidential and will only be used for academic purposes.

SECTION 1**BIOGRAPHICAL DATA**1.1. **GENDER**Male Female 1.2. **AGE GROUP**21-30 31-40 41-50 +61 1.3. **EDUCATIONAL STATUS**Grade 12 Diploma *Together in Excellence*
Bachelor's Degree Other (Please Indicate)

University of Fort Hare

1.4. **WHAT POSITION DO YOU HOLD?**Director-General Executive Manager General Manager Senior Manager Manager Ass Manager Other Officials General Ass. 1.5. **NUMBER OF YEARS IN THE SERVICE**0-5 6-10 11-15 16-20 21 and above

INTERVIEW GUIDE FOR GENERAL ASSISTANTS: RE IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT SYSTEM.

Thank you for participating in this process of examining the perceptions of managers and employees of the Office of the Premier regarding the implementation of the performance management system. The researcher is undertaking this study to determine if the employees working in the Office of the Premier understand the system and what is expected of them.

The research will contribute towards the researcher's fulfilment of the Masters Degree in Public Administration. Your answers will be strictly confidential and will only be used for academic purposes.

This interview should take 30-45 minutes. Are there any questions before we begin?

1 PERFORMANCE MANAGEMENT SYSTEM (PMS)

- What is your understanding of PMS?
- When and how PMS was implemented?

2 PERFORMANCE PLANNING

- Have you signed your performance agreement?
- Where you given any assistance when drawing performance contracts?
- Are you empowered to implement the agreed plan?

3 PERFORMANCE IMPROVEMENT ASPECTS

- Does your supervisor provide support that you require whilst implementing the agreed plan?
-

4 PERFORMANCE REVIEW ASPECTS

- How often within the course of the year is your performance reviewed by your supervisor?
- During the performance review are there any developmental plans made?

6 Conclusions

- Are there any other areas you would like to clarify?
- Is there anything that we missed out in our discussion?

Thank you, once again for your time without which this research would not have been possible.



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