



**THE PERFORMANCE MANAGEMENT SYSTEM OF THE
DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
(WESTERN CAPE)**

by

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Thesis submitted in fulfilment of the requirements for the degree

Magister Technologiae: Public Management

in the Faculty of Business

at the

Cape Peninsula University of Technology

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Cape Town

September 2013

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ABSTRACT

Service delivery is one of the key aspects of public and private organisations. It is therefore important for organisations to have a Performance Management System in place to monitor and evaluate the efficiency of its employees. A good Performance Management System sets a standard that determines whether an employee's performance is of merit or has shortcomings. Furthermore it will aid the employee in being proficient in his\her work environment.

This research project examined the effectiveness of the Performance Management System used within the Department of Economic Development and Tourism in the Western Cape, South Africa. Problems encountered by employees were identified by the researcher and recommendations were forwarded to the employees on how to improve the Department's Performance Management System.

The researcher undertook a quantitative research approach by administering a closed-ended questionnaire which was analysed by a registered statistician. The study found that most of the participants understood the Performance Management System used by the Department of Economic Development and Tourism. Furthermore the majority of participants understood their role within the Department and how they could meet the Department's strategic objectives as set out in the Department's annual performance plans.

ACKNOWLEDGEMENTS

I wish to thank:

- God Almighty for giving me the strength, wisdom and perseverance to complete this thesis.
- My supervisor, Dr Rozenda Hendrickse, for her valuable guidance and support during this my study.
- The employees in the Western Cape Department of Economic Development and Tourism who participated in the study and contributed to the completion of my thesis.
- My husband, Bengier Colli, for his constant interest, encouragement and support throughout my studies.
- Allison Abdile, my sister, for her invaluable insight and professional comments that enabled me to succeed.
- My brother, Bevan Conning, family and friends for their words of encouragement during this challenging period of my life.
- Mrs Corrie Uys, CPUT's in-house statistician, who assisted me with developing and analysing the study's statistical data.
- Prof. Elizabeth van Aswegen, who assisted me with the editing of my thesis.
- My colleagues at the Western Cape Office of the Consumer Protector for their unconditional support during my studies.

DEDICATION

This thesis is dedicated to a very special lady, my mother, Anne Conning. Thank you, mommy, for your spiritual and moral support and for always encouraging me to succeed.

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CHAPTER 1

CONTEXUALISATION OF THE STUDY

1.1. INTRODUCTION AND BACKGROUND

Performance management encompasses all those aspects of human resource management that are designed to improve the efficiency and effectiveness of both the individual and the organisation, for instance, the relationship between employee and employer. It is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities. Performance management is a complete work system that begins when a job is defined as needed, after which expectations are clearly communicated to the employee; it ends when the employee leaves the organisation (Heathfield, 2010).

The success of the Public Service in delivering its operational and developmental goals depends primarily on the efficiency and efficacy with which public servants carry out their duties. Managing performance is therefore a key human resource management tool to ensure that employees know what is expected of them. Managers should know whether the employees' performance is delivering the required objectives. Poor performance is identified and improved and good performance is acknowledged and rewarded (South Africa Department of Public Service and Administration, 1997).

Performance management is a systematic process for improving organisational performance by developing the performance of individuals and teams. It can therefore be seen as a means of getting better results from the organisation, teams and individuals, by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements (Armstrong, 2006). (Costello, 1994:3) contends that performance management supports a

company or organisation's overall business goals by linking the work of each individual employee or manager to the overall mission of the work unit.

Individual performance management requires that people know both what is expected from them and how well they are doing. What constitutes performance will vary from job to job, but will be assessed in terms of the following:

- **Priorities:** are they doing the right things?
- **Quantity:** are they doing enough?
- **Quality:** are they doing it well?
- **Time:** are they doing it at the right time? (Du Toit, Knipe, Van Niekerk, Van der Waldt & Doyle, 2002:193).

On 10 May 2001, the Cabinet of the Western Cape Provincial Government approved a Staff Performance Management System (SPMS). The aim of the SPMS is to manage, develop and reward performance in a participatory and consultative manner. This is achieved by aligning performance management with the *Constitution of the Republic of South Africa Act (Act No. 108 of 1996)*, the *Skills Development Act (Act 42 of 1998)*, the *Labour Relations Act (Act 42 of 1996)* and the *Employment Equity Act (Act 55 of 1998)*, (Bartman, 2002:113).

The SPMS is therefore characterised by the following:

- Managers/supervisors should provide leadership and integrate performance with other aspects of their work by accepting primary responsibility to manage the people entrusted to him/her.
- Employees understand that their performance directly contributes to the on-going success of the organisation.
- Individual employees have a full understanding of their work responsibilities and the standards of work expected of them.
- Individual employees receive regular and structured feedback on their performance.

- Valued performance is recognised and rewarded (Western Cape Provincial Government, 2005:8).

This study will focus on the benefits of having a performance management system and establish clear links between the strategic objectives of the Department of Economic Development and Tourism and the key performance areas and indicators of the individual employees as contained in their specific job descriptions by comparing various models and measures of performance management.

1.2. PROBLEM STATEMENT

Employees are “paid to perform”; therefore they are expected to do a certain amount of work to a certain standard order to be paid at the end of each month. The paradox is, however, that without the correct performance management systems in place, how will their performance be measured? In order to manage employee performance, both the employer and employee would have to know and understand the position’s purpose. When looking at an employees’ job description, the key performance areas (KPAs) and indicators (KPIs) establish a set of standards by which the employees’ performance should be measured.

This can only be achieved by managing people, which entails planning employee performance, facilitating the achievement of work-related goals, and reviewing performance as a way of motivating employees to achieve their full potential in line with the organisation’s objectives (Van Reenen, 2009).

Although the Western Cape Department of Economic Development and Tourism (WCDEDAT) has had a compliance rate of 100 percent, various challenges still exist in terms of managing employees’ performance, specifically related to the following:

- The alignments of DEDAT's Departmental strategic objectives with employees' work objectives.
- The setting of quarterly individual performance measures/standards that are not clear and/or specific.
- The lack of employee support by management after the performance assessments.

1.3. RESEARCH OBJECTIVES

The primary objective of this study is to:

- study the current performance management system utilised by the Western Cape Department of Economic Development and Tourism;

The secondary objectives of the study are to:

- find the strengths and weaknesses of the practised performance management system by evaluating the goals, expectations, and reinforcement measures set during the performance management cycle;
- carry out a comparative analysis between the practised and theoretical aspects of performance management; and
- establish whether a link exists between the Western Cape Department of Economic Development and Tourism strategic objectives and individual key performance areas and indicators.

By determining the above, the following questions will be answered:

- What are the standards set by the Department for employees in order to achieve the strategic objectives?
- What are the gaps in the current performance management system preventing the Department from growing or achieving its strategic objectives?

- Are employees aware of what their job functions and purpose entail and how they contribute to DEDAT as a whole in the achievement of the strategic objectives?

1.4. SIGNIFICANCE OF THE STUDY

This study should assist the Department of Economic Development and Tourism to:

- realise the importance of setting quarterly objectives, targets and performance indicators for individual employees in order to achieve its annual strategic objectives;
- assist in the process of planning, monitoring, measuring and improving the performance of individual employees;
- advise on the possible pitfalls and benefits of having an efficient and effective performance management system; and
- advise on possible day-to-day techniques that would improve employee competency and raise employee enthusiasm to meet individual performance expectations.

A further contribution the researcher envisages is possible solutions and interventions to address the challenges faced by both management and employees within the performance management system in terms of achieving the Department's strategic objectives. This will improve employee performance, as well as establish the link between the Western Cape Department of Economic Development and Tourism's strategic objectives and individual employee objectives.

1.5. DEFINITION OF TERMS

1.5.1. Performance

Performance refers to accomplishments, outcomes, and results that individuals, groups and organisations achieve (Rothwell, Hohne & King, 2000:35). Bagraim, Jaga and Meyer (2010:199) adopted Brumback's (1998) definition of performance which encompasses both behaviours and results ... not only the instruments for achieving results, but behaviours are also outcomes in their own right.

1.5.2. Performance Management

Performance management is the on-going process of evaluating and managing both behaviour and outcomes in the workplace. Organisations use various terms to describe this process. *Performance review, annual appraisal, performance evaluation, employee evaluation and merit evaluation* are some of the terms used (Carrell, Elbert, Hatfield, Grobler, Marx, Van der Schyff, 1998:258).

Similarly, performance management can be seen as a process that facilitates the management of performance of employees through planning, regular reviews and feedback as a way of motivating them to attain their full potential in line with a Department's objectives. This process enables the employer to deal effectively with inadequate performance and equally permits recognition of outstanding performance (Western Cape Provincial Government, 2005:3).

1.5.3. Performance Cycle

The Public Service Regulation (2001) prescribes the following cycle which needs to be adhered to and completed each year within all the Provincial Departments:

- A performance agreement between a designated supervisor and an employee which links the employee's work plans to the goals of the operating unit/section and ultimately that of the organisation at the start of the cycle.
- A continuous process of review with four progress review meetings between supervisor and employee during the course of a year to review achievements, training and development needs and agreements, and to give feedback.
- A performance appraisal at which achievement is formally appraised in terms of agreements made in the course of the cycle and which lays the basis of the next cycle.

1.5.4. Job Description

The Staff Performance Management System (SPMS) Provincial Guide (Western Cape Provincial Government, 2005:2) describes a job description as a written statement that describes the main features of a job, as well as the activities required to perform the job effectively. It simultaneously focuses on the objectives and the job outputs and competencies (skills/knowledge) required in performing the activities successfully at a specific post level. Therefore a job description is a profile of a job and its essential functions, reporting relationships, level of authority, hours and required credentials (Luecke & Hall, 2006:6).

1.5.5. Key Performance Areas

A Key Performance Area (KPA) can be described as a job domain/function that is crucial in terms of making an effective contribution to the achievement of organisational goals. Key performance areas are those areas on which the majority of time and effort should be spent (Western Cape Provincial Government, 2005:2).

1.5.6. Performance Standards

A standard is “a measure which must be met” or “a measure which is used to assess the quality of work”; therefore performance standards are mutually agreed criteria used to describe how well work must be done. They may be used to clarify the key performance areas of a job by describing what doing them will mean (Western Cape Provincial Government, 2005:2).

1.5.7. Objectives

“What you are trying to reach or do; an aim” (Concise Oxford English dictionary, 2004).

1.5.8. Operational Worker/Employees

Operational workers are those people who carry the primary responsibility to deliver, supply or produce the products, services and information to the key receivers (Western Cape Provincial Government, 2005:2). For the purpose of this study, it refers to government employers from the lowest level up to the level of deputy-director.

1.6. RESEARCH METHODOLOGY AND DESIGN

Research is a process that involves obtaining scientific knowledge by means of various objective methods and procedures. There are various methods and techniques available, and in general, the aim of a specific research project will determine which of these methods are the most appropriate. Therefore research methodology considers and explains the logic behind research methods and techniques. It has a much wider scope than research methods which, in turn, have a wider scope than research techniques (Welman, Kruger & Mitchell, 2005:2).

Accordingly, the researcher will utilise case study design that is defined by Yin (1994:13) as “an empirical inquiry that investigates a contemporary phenomenon with its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple source of evidence are used”. The purpose of using the case study design is that it allows for an in-depth understanding of a specific phenomenon within a bounded system, which is in this instance the Western Cape Department of Economic Development and Tourism.

Case studies can either be quantitative or qualitative in nature. For the purpose of this study the researcher has selected a quantitative research approach. Mouton (1983:128) as cited in Brynard and Hanekom (2006:37), describes quantitative research as a methodology which is associated with analytical research, and its purpose is to arrive at a universal statement. In quantitative methodology, the researcher assigns numbers to observations. By counting and measuring “things” or “objects”, data is produced.

In order to better achieve its annual strategic objectives, the Western Cape Department of Economic Development and Tourism is structured into seven programmes:

- Programme 1:** Administration
- Programme 2:** Integrated Economic Development Services
- Programme 3:** Trade and Sector Development
- Programme 4:** Business Regulation and Governance
- Programme 5:** Economic Planning
- Programme 6:** Tourism, Arts and Entertainment
- Programme 7:** Skills Development and Innovation

These programmes encompass 161 permanent employees who have signed performance agreements for the financial year 1 April 2012 – 31 March 2013. For the purpose of this study, the research participants are the 161 employees who are

employed on salary levels 1 – 12. These are the employees who are reviewed and managed under the Western Cape’s Performance Management Information System (PERMIS).

Data for this study was collected by handing questionnaires to each of the research participants on levels 1 – 12 in their respective programmes.

Secondary sources of information were perused in order to obtain a broader understanding of performance management systems: these included books, reviews, documents on file and the legislative frameworks of performance management systems. They were analysed, and a comparison can therefore be drawn between theory and actual practice.

1.7. ETHICAL CONSIDERATIONS AND DISSEMINATION OF INFORMATION

The researcher will observe good ethical principles when doing this study. Brynard and Hanekom (2006:4) state that a researcher should at all times and under all circumstances report the truth, and should never present the truth in a biased manner.

The letter of permission attached as Annexure A was obtained from the HoD of the Department of Economic Development and Tourism, Mr Solly Fourie. The universal principles and concerns of “research ethics”, such as honesty and respect for the rights of individuals, will apply during the research process (Welman et al., 2005:181).

1.8. CHAPTER OUTLINE

Chapter 1 – INTRODUCTION AND BACKGROUND: This chapter introduces the reader to the background, research objectives, significance and methodologies of the study.

Chapter 2 – A THEORETICAL OVERVIEW OF PERFORMANCE MANAGEMENT:

This chapter is a comprehensive study of the various articles, books and publications which deal with performance management systems. It looks at the objectives of performance management systems as well as the advantages and disadvantages.

Chapter 3 – RESEARCH METHODOLOGY: This chapter outlines the different methods/tools the researcher will use to collect data.

Chapter 4 – DATA ANALYSIS AND RESULTS: This chapter's focus will be to analyse the information collected by the researcher.

Chapter 5 – DISCUSSIONS, RECOMMENDATIONS AND CONCLUSION: Chapter 5 will discuss the researcher's findings and propose changes to be made to the current performance plan.

CHAPTER 2

A THEORETICAL OVERVIEW OF PERFORMANCE MANAGEMENT

2.1. INTRODUCTION

Performance measurement is the “heart and soul” of the performance-based management process. Flowing from the organisational mission and the strategic planning process, it provides the data that will be collected, analysed, reported and ultimately used to make sound business decisions. It directs the business function by justifying budgetary expenditure, documenting progress towards established objectives, identifying areas of both strength and weakness, providing an ongoing assessment of the current organisational climate, and driving business improvement (Artley & Stroh, 2001:1).

This chapter provides a theoretical overview of the global perspective of performance management systems in general. The legislative framework which governs the performance of public employees in South Africa is also foregrounded. It examines the historical context of performance management, and defines performance management and performance management systems. This is followed by a discussion of the various performance management techniques/methods, as well as the process, cycle and methods. The researcher will compare the theoretical versus the practical applications of performance management systems within the Western Cape Department of Economic Development and Tourism.

2.2. REGULATIVE AND LEGISLATIVE FRAMEWORK GOVERNING THE PERFORMANCE OF PUBLIC EMPLOYEES

The following sections will name and discuss a few of the regulations and legislative frameworks that act as a baseline in guiding Departments in implementing a performance management system.

Table 2.1 - Regulative and Legislative Framework

<p>Acts of Parliament</p>	<p><i>Constitution of the Republic of the South Africa Act, No. 108 of 1996</i></p> <p><i>Public Service Act, as amended, 1994, No. 103 of 1994</i></p> <p><i>Skills Development Act, as amended, 1998, No. 97 of 1998</i></p> <p><i>Basic Conditions of Employment Act, as amended, 1997, No. 75 of 1997</i></p> <p><i>Employment Equity Act, No. 55 of 1998</i></p> <p><i>Labour Relations Act, as amended, 1995, No. 66 of 1995</i></p>
<p>White Papers</p>	<p><i>Human Resource Management, 1997</i></p> <p><i>Transforming Public Service Delivery, 1997 (Batho Pele Principles)</i></p> <p><i>Transformation of the Public Service, 1995</i></p> <p><i>Affirmative Action in the Public Service, 1998</i></p>
<p>Regulations</p>	<p><i>Public Service Regulations, 2001</i></p> <p><i>Treasury Regulations, 2000</i></p>
<p>Collective Agreements</p>	<p>PSCBC Resolution 13 of 1998 (performance agreements)</p> <p>PSCBC Resolution 3 of 1999 (financial rewards and incentives)</p> <p>PSCBC Resolution 7 of 2001 (rank/leg promotion and pay progression system)</p>

Source: DPSA (1997:5-8)

The foundation for a new performance management system in the public sector is entrenched in *Constitution of the Republic of South Africa Act, No. 108 of 1996*. The

Constitution entitles people to a basic set of services and expects the bureaucracy to treat people with dignity and respect.

The *White Paper on the New Employment Policy in the Public Service, 2nd Draft*, October 1997, laid the foundation for the framework for managing performance in the Public Service. Section 5.12 of the *White Paper* points out that the success of the Public Service in delivering its operational and development goals depends primarily on the efficiency and effectiveness with which public servants carry out their duties. Managing performance is therefore a key human resource tool to ensure that:

- employees know what is expected of them;
- managers know whether the employee's performance is delivering the required objectives;
- poor performance is identified and improved; and
- good performance is recognised and rewarded.

The *Employment Equity Act, No. 55 of 1998* (Chapter 2, Section 5) stipulates that every employer should take steps to promote equal opportunity in the workplace by eliminating unfair discrimination in any employment policy or practice. The only way to ensure that an organisation complies with current labour law and is fair is through a structured approach of managing the performance of the employees.

The following sections in *The Public Service Act, No.103 of 1994* (as amended), relates to the management of performance in the Public Service:

Section 3(5): Assigns powers and duties concerning the internal organisations of a Department to its Executing Authority. This includes the career incidents of employees other than HoDs, such as performance management and discipline in a Department.

The *Public Service Regulations, 2001* (as amended), Chapter 1, Regulation viii, serve as a primary guide to the public sector in developing and implementing a Departmental performance management system. In Chapter 1 of Regulation viii, Section A, the principles of managing performance are described as: “Departments shall manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results... The primary orientation of performance management shall be developmental but shall allow for effective response to consistent inadequate performance and for recognising outstanding performance. Performance management procedures should minimise the administrative burden on supervisors while maintaining transparency and administrative justice.”

Section B - D gives departments powers to determine systems for managing performance that are consistent with the aforementioned principles. They also set out various requirements in terms of those systems, which include, but are not limited to, compelling supervisors to monitor and assess employee performance.

The aforementioned Regulations are only guidelines that can assist Departments in implementing a performance management system that is consultative, supportive and non-discriminatory. One of the main objectives of a performance management system is to enhance the organisation’s efficiency, effectiveness, accountability and achievement of results.

2.3. THE HISTORICAL CONTEXT OF PERFORMANCE MANAGEMENT

Performance management has a long history based on comparative judgements of human worth. As in earlier times organisations were loosely defined, the performance management focus was on individuals performing tasks as part of a group (Furnham, 2004).

Performance management dates back to the ancient Egyptians, who compelled their slaves to build the great pyramids – and, unwittingly, utilised performance management systems to do so. Their system revolved around whipping those workers who did not perform as required, to achieve their goals. This worked effectively for them as evidenced by the splendid pyramids that they built (Furnham, 2004).

Performance management theory and practice in the United States started with the Industrial Revolution in the late 18th century. The earliest performance appraisal programmes during the Industrial Revolution were relatively crude and simple. Workers were evaluated and paid primarily on the basis of quantity output – the number of “pieces” they satisfactorily turned out. Frequently, management provided bonuses and other tangible rewards to recognise employee contributions to the company (Pratt, 1991). Through the centuries, our knowledge and understanding of human nature and the environment in which we exist have constantly changed. The importance of aligning individual goals to the organisation’s vision/goals became a vital part in an organisation’s success. The need for an effective and efficient holistic performance measurement and appraisal system became apparent.

In the 1970s in America and from the 1980s to 1990s in Britain, it was government legislation concerning such things as equal opportunity, civil rights, and so on, which compelled organisations to adopt some sort of system. Performance management systems were used in the 1980s and 1990s as powerful tools for change to try to bring about change in public sector culture and ethos (Furnham, 2004).

In the 1990s, individual performance management was reshaped by two key trends. The first was the increase in popularity of self-assessment of performance, sometimes followed by feedback sessions with line managers. The increase in performance self-assessment was natural, as economies were dominated by knowledge workers, who were more independent with regard to decision making and management of work processes (Drucker, 1999). The second key trend in recent

years was the integration of strategic performance management and individual performance management, facilitated by the introduction of tools such as the balanced score card. Organisational goals became reflected in individual goals and individual measures became aligned with organisational performance measures, in an effort to increase the accountability of all employees towards the execution of the organisational strategy.

Having discussed the historical background of performance management, the following section defines performance management, as cited by various authors such as Armstrong (2000), Armstrong and Baron (2005) and Smith and Goddard (2002).

2.4. DEFINING PERFORMANCE MANAGEMENT

Various authors describe performance management in different ways. The following paragraphs interrogate these definitions in order to determine several commonalities. Before defining performance management, the researcher will define performance.

2.4.1. Performance

A number of authors, including Guerra-López (2008:25) and Rothwell et al. (2000:35) agree that performance is an accomplishment of behaviour rather than the behaviour itself. It refers to outcomes and results that individuals, groups and organisations achieve. Fox, Bayat & Ferreira (2006:93) define performance as a factor of motivation and ability, that is, the person has to have a certain degree of willingness to the job, have a clear understanding of what to do and how to do it, and should possess the necessary skills for the completion of the task.

According to Schultz, Bagraim, Potgieter, Viedge & Werner (2003:74), performance is what people say and do. When companies employ people, they pay them either

for the physical work they do or for what they say. Performance starts with a thought and performance management shapes what people think, say and do to comply with the needs of the organisation.

Bevan and Thomas, as cited in Du Toit et al. (2002:193), identify six methods for expressing performance requirements. These are:

- **Clear and measurable accountabilities:** setting targets linked to outcomes for which the holder is answerable.
- **Broader responsibilities and roles:** including descriptions of the key elements of jobs expressed as obligations.
- **Objectives/targets:** reflecting the aims of the job and the outputs expected of a competent performer.
- **Main job activities and tasks:** describing the main components of jobs in terms of activities and tasks.
- **Written job descriptions:** explaining core responsibilities and lines of accountability.
- **Lists of competencies:** statements of performance outcomes, often expressed in behavioural and output terms.

2.4.2. Performance management

Performance management emphasises organisational control within an established set of objectives; it can thus be characterised as an integrated set of planning and reviewing procedures which cascade down through the organisation to provide a link between individual and the overall strategy of the organisation (Smith & Goddard, 2002:212). Armstrong (2002:373) describes performance management as a means of getting better results from the organisation, teams and individuals. It is about the agreement of objectives, knowledge, skills and competence requirements, work and personal development. It seeks to emphasise the link between the individual's efforts and those of the organisational goals and objectives. Houldsworth and Jirasinghe

(2006:70) refer to it as a shared process for establishing a shared understanding of what is to be achieved, and how it is to be achieved: an approach to managing people which increases the probability of achieving job-related success.

Verweire and Van den Berghe (2004:7) state that performance management can be seen as a process that helps organisations formulate, implement, and change their strategies in order to satisfy their stakeholders. Radnor and Barnes (2007:103) argue that it is more concerned with effectiveness and a broader, more holistic, even qualitative view of operations and the organisation. Schultz et al. (2003:74) are of the view that performance management is a process that directs the energy of the people in the organisation towards achieving strategic goals. It is the day-to-day management of people, unlike performance appraisals which most organisations perform once a year to evaluate employee performance. Good performance management means that each person will have goals and measures that are linked directly to the organisation's strategy.

Performance management is a systematic process for improving organisational performance by developing the performance of individuals and teams. It can therefore be seen as a means of getting better results from the organisation, teams and individuals, by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements (Armstrong 2006). In order to clarify the concept of performance management, Armstrong and Baron (2005:2) describe it as a natural process of management which contributes to the effective management of individuals and teams to achieve high levels of organisational performance. It is a means of achieving better results from individuals within an agreed framework of planned objectives and standards.

According to Costello (1994:3), performance management involves the following:

- Analysing the objectives and goals for your Department or work unit and ensuring that the staff relate to the overall goals of your company or organisation.
- Analysing your employees' skills and assignments as they relate to company, Department or unit goals.
- Clearly communicating performance goals and expectations to each employee and arriving at an agreement in respect of those goals and expectations.
- Recognising and acknowledging the good performance of employees.
- Recognising where performance needs to be improved and providing employees with the necessary support to improve it.

The purpose of performance management is to achieve organisational effectiveness and “to get better results”. The important aspects of performance management are setting performance goals, developing strategies, and translating them into concrete guidelines for action. Performance management is also about creating commitment and motivation to realise the proposed goals (Verweire & Van den Berghe, 2004:7). Performance management is defined by Vitez (2012) as a management tool used to measure, employee performance and extend rewards to employees who achieve company objectives. Many companies/organisations implement a performance management system to set standards and expectations for employees at all levels in the organisation.

Performance management is also an ongoing communication process, undertaken in partnership between an employee and his or her immediate supervisor that involves establishing clear expectations and understanding about the jobs to be done. It is a system with a number of components, all of which need to be included in the performance management system to add value to the organisation, managers and staff (Bascal, 1999:4).

Effective performance management improves overall organisational performance by encouraging a high level of involvement and motivation and increased staff participation in the planning and delivery of work by:

- establishing up-front performance expectation and accountability through mutual understanding between staff member and first reporting officer on work goals to be accomplished;
- promoting communication and ongoing feedback between staff members and managers on the work programme;
- encouraging teamwork by integrating individual work plans; and
- promoting staff members' own professional development goals (Unknown, 2009:1).

The Western Cape Provincial Administration Staff Performance Management System (2001:4) is described as the process by which the manager can determine whether a staff member has achieved the work objectives set for a certain period (e.g. one year), and if not, to identify the reasons why not and to set new objectives. It is a systematic process of:

- planning work and setting expectations;
- continually monitoring performance;
- developing the capacity to perform;
- periodically appraising/rating performance in a summary fashion;
- rewarding good performance; and
- managing unsatisfactory performance.

The Western Cape Provincial Government Guide (2005:3) describes performance management and development as all those processes and systems designed to manage and develop performance at the level of the public service, specific organisations, components, teams and individuals. In its most narrow definition, it is

used to refer to specific systems for managing and developing individual performance, especially performance appraisal systems.

2.5. PERFORMANCE MANAGEMENT SYSTEM

A performance management system is based on agreements between managers and individuals on objectives, standards of performance and improvement plans. Performance is then managed and reviewed against these objectives. This system can help to cascade corporate objectives and values throughout the organisation, so that consistency is achieved at all levels (Armstrong, 1995:104). A performance management system is a systematic process that formally documents the goals and objectives of each employee, with a built-in review process.

Bagraim, Jaga & Meyer (2010:200) contend that the characteristics of a performance management system should include the following:

- Top-down link between business objectives and individual objectives.
- Line manager driven and owned.
- A living document where performance and development plans, support and ongoing review are documented as work progresses, and prior to annual review.
- Performance is rewarded and reinforced.

Performance management systems emphasise the importance of outcomes which the individual influences, as well as immediate outputs. They analyse inputs and processes to determine development and training needs and provide the basis for performance improvement plans (Armstrong, 1995:17). They talk directly to the competency profiling process which is part of the business performance review process and individual development plans that would identify any competency gaps to enable a person to handle their current job successfully (Nel, 2009:88).

The performance management system identifies, develops and utilises an organisation's human resources. A comprehensive performance management system includes competency models, leadership development, performance plans, goal setting, performance appraisals, recognition and coaching (Rollo, 2009:1).

A performance management system, according to Vitez (2012), takes the subjectivity out of individual employee reviews and performance rewards conducted by managers. Performance management systems also create a broad sense of equality, since any employee can achieve the performance rewards by following the expectations and goals identified by the company.

An effective performance management system should serve as the cornerstone and driving force behind all organisational decisions, work efforts and resource allocation (Costello, 1994:3). Grobler, Wärmich, Carrell, Elbert. & Hatfield (2002:263) believe that an effective performance management system is owned by line managers and driven from the top of the organisation. The whole process is transparent and can be openly challenged and defended. There should be no other management process in place that conflicts with the performance management process. The effectiveness of the performance management system is formally evaluated at least once a year and appropriate improvements are made for the next cycle.

Performance management describes the process by which managers improve the performance of their employees by utilising their power to reward, develop or discipline as appropriate. A performance management system documents these processes as company policy and may form a legally binding contract between the company and one or more employees (Kaur, 2008).

According to Rollo (2009:4), a performance management system creates:

- clear performance expectations for employees;
- opportunities for skills development;

- lines for communication between an employee and supervisor;
- performance measurement techniques;
- leadership development assignments;
- alignment of individual goals with those of the organisation;
- recognition of accomplishments;
- career direction; and
- motivation to excel in performance.

The purpose of performance management systems, according to the Western Cape Provincial Government (2007:7), is to assist the province to move towards a result-oriented culture. It should assist in communicating and reinforcing the organisation's strategies, values and norms to integrate individual and corporate objectives. A performance culture should be established where results (and not efforts) are rewarded. This can only be accomplished once employees have clarity about what is expected of them, since this enables supervisors and employees to measure performance against pre-agreed standards. As a result, managers will be able to identify and manage employees' training and developmental needs. This will ensure that all employees are evaluated in terms of a system that is fair, objective and transparent, and which provides equitable rewards and recognition.

The organisation plays a significant role in ensuring the linkage between people, strategy and performance. The performance management system ensures accountability on the basis of a simple and effective management tool for the Western Cape Provincial Department. The performance management system should assist the Departmental heads in meeting the Department's goals and objectives.

A performance management system should provide employees with these four basic benefits:

- A clear understanding of job expectations
- Regular feedback about performance

- Advice and steps for improving performance
- Rewards for good performance (Western Cape Provincial Government, 2007:7).

The goal of a performance management system is to help boost employee performance and, ultimately, the productivity of the organisation.

2.6. TECHNIQUES APPLICABLE TO PERFORMANCE MANAGEMENT SYSTEMS

The following section provides an insight into the various techniques that can be utilised by an organisation when deciding on a performance management system.

2.6.1. Key performance indicators (KPIs)

Key performance indicators (KPIs) are measures which help to monitor the process towards an objective or goal. They define the outcomes which need to be met if the overall objective is to be achieved (Leech, 2007:42). As early as the 1960s, it was suggested that critical success factors could be identified and then specified in the form of key performance indicators or key numbers (Olve & Sjöstrand 2006:84).

KPIs are defined by Bauer (2004) as quantifiable metrics which reflect the performance of an organisation in achieving its goals and objectives. They reflect strategic value drivers rather than just measuring non-critical business activities and processes. KPIs enable organisations to set targets, identify trends, look at potential issues and opportunities, and plan for future activities to help increase profits. KPIs are developed to help drive performance and to give an indication of whether a target that is critical to the success of the organisation is met (Wise, 2010).

Parmenter (2007:3) argues that KPIs represent a set of measures focusing on those aspects of organisational performance that are the most critical for the current and future success of the organisation. He further defines seven KPI characteristics:

- It should have non-financial measures;
- It should be measured frequently;
- Acted on by the CEO and senior management team;
- Ties responsibility to the individual team;
- It should have a significant impact; and
- Have a positive impact.

Bauer (2004) further contends that KPIs should emanate from the vision level and cascade through the organisation as shown in Figure 2.1.

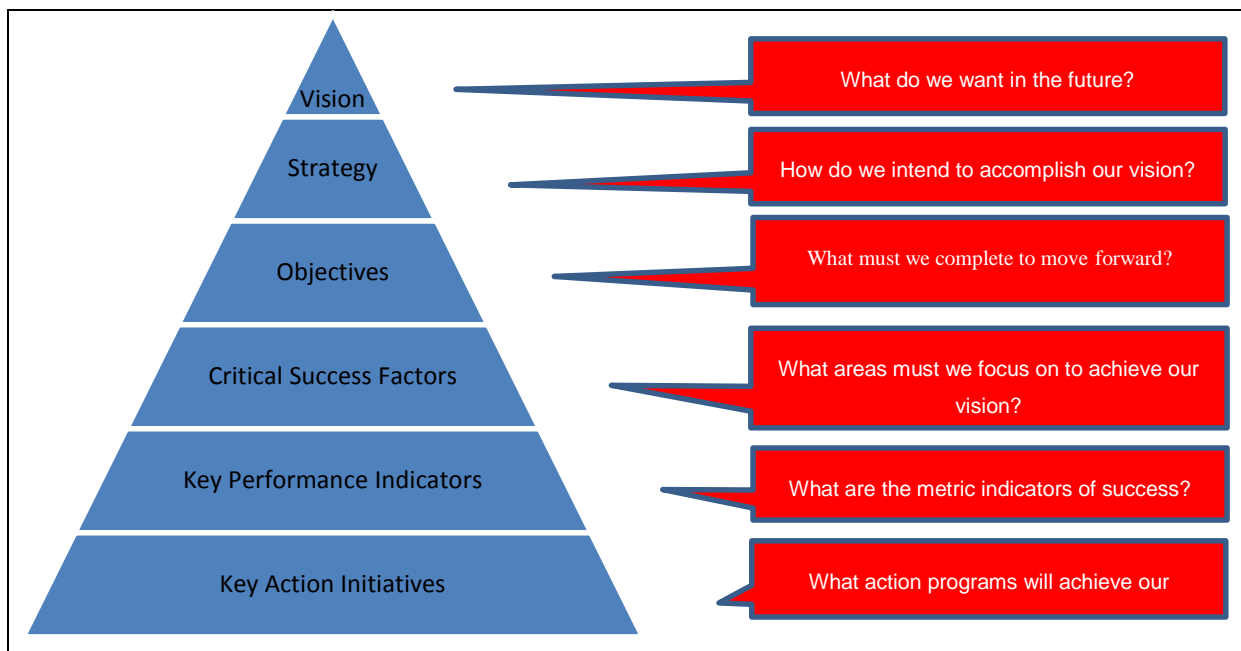


Figure 2.61 - The Strategic Alignment Pyramid

In Figure 2.1 we can see that the strategic alignments of the pyramid translate the organisation's vision into KPIs and key action initiatives which require several intermediary steps, namely, creating strategies, objectives and critical success factors.

Key performance indicators are measurements designed to visualise, access and manage the performance of specific operations within organisations. As a result, if people are to be held accountable for their work, there should be some form of measures, targets or KPIs set in order to measure their progress against (Leech, 2007:42). Some examples of measures are:

- Sales targets
- Calls answered
- Problems solved in set times
- Accuracy rates
- Income targets
- Length of calls.

Holman (2009:1) is of the view that a good KPI reflects the strategic value drives which are defined by the executives. It then cascades throughout the organisation and is based on the organisational standards and valid data. The KPIs must also be relevant and easy to comprehend. Thresholds, targets and benchmarks should be provided that will lead to positive actions and empower employees.

2.6.2. Management by Objectives (MBO)

Management by Objectives (MBO) specifies the performance goals that an individual and manager identify together. Each manager sets objectives derived from the overall goals and objectives of the organisation. It should not be a disguised means for a superior to dictate the objectives of individual managers or employees (Mathis & Jackson 2009:345).

Raia (1974:11) agrees with Druker (1954), who is generally credited with providing the first definitive statement of the MBO philosophy and process. They are of the view that it is a philosophy which reflects a “proactive” rather than a “reactive” way of managing. The emphasis is on trying to predict and influence the future, rather than

on responding and reacting to it. It is the job of management to balance a variety of needs and goals in every area where performance and results directly and vitally affect the survival and prosperity of the business.

According to Odiome, as cited in Akrani (2010:2), MBO is a process whereby superior and subordinate managers of an organisation jointly define its common goals, define each individual's major areas of responsibility in terms of the results expected of him or her, and use these measures as guides for operation of the unit and assessing the contribution of each of its members. Humble, cited in the same article, defines MBO as a dynamic system which seeks to integrate the company's need to clarify and achieve its profits and growth goals with the manager's need to contribute and develop it.

MBO is described by Raia (1974:11) as a philosophy of management and as a process consisting of a series of interdependent and interrelated steps, namely:

- The formulation of clear, concise statements of objectives.
- The development of realistic action plans for their attainment.
- The systematic monitoring and measuring of performance and achievements.
- The taking of the corrective actions necessary to achieve the planned results.

The key elements in the process are goal setting, action planning, self-control and periodic progress reviews. Hence, MBO can be seen as a system of management designed to facilitate planning and organisational control, organising and assigning tasks, problem-solving and decision-making, and motivation and self-control, as well as other important management functions and activities (Raia, 1974:12).

Brewster, Carey, Dowling, Grobler, Holland, and Wörnich (2003:86) are of the view that an MBO approach determines the performance capability of an individual and assessment centres determine the potential. MBO is more focused on measurement of results, which are often beyond the control of the individual whose performance is

appraised; hence a good performance management system should attempt to measure a combination of process/task performance and personal development (Oakland, 2001:227).



Figure 2.62 - Steps in Management by Objectives Planning

Many authors, such as Drucker, 1954, Raia, 1974; Marthis and Jackson, 2009; and Akrani, 2010, are of the view that the steps in Figure 2.2 can be measured as follows:

- **Goal setting:** The first phase in the MBO process is to define the organisational objectives. These are determined by the top management and usually in consultation with other managers. Once these goals are established, they should be made known to all the members. In setting objectives, it is necessary to identify "Key-Result Areas" (KRAs).
- **Manager-Subordinate involvement:** After the organisational goals have been defined, the subordinates work with the managers to determine their individual goals. In this way, everyone gets involved in the goal setting.

- **Matching goals and resources:** Management should ensure that the subordinates are provided with the necessary tools and materials to achieve these goals. Allocation of resources should also be done in consultation with the subordinates.
- **Implementation of plan:** After objectives are established and resources are allocated, the subordinates can implement the plan. If any guidance or clarification is required, they can contact their superiors.
- **Review and appraisal of performance:** This step involves periodic review of progress between manager and subordinates. Such reviews will determine if the progress is satisfactory or whether the subordinate is encountering some problems. Performance appraisal at these reviews should be conducted based on fair and measurable standards.

2.6.3. Balanced scorecard

A balanced scorecard is defined by Olve and Sjöstrand (2006:78) as a strategic, measure-based management system, originally proposed by Kaplan and Norton (1992), which provides a method of aligning business activities to strategy, and monitoring performance of strategic goals over time. Originally a balanced scorecard was a format for communication about activities that consisted of four perspectives, each of which included a small number of important metrics. These were linked through the business logic inherent in the strategy.

The balanced scorecard as a framework introduced by Kaplan and Norton (1992), offers a methodology to develop a set of measures that gives top managers a fast but comprehensive view of the business. It helps managers translate the company's mission, goals and strategies into measures. It complements the financial measures with operational measures on customer satisfaction, internal processes and the organisation's innovation, learning and improvement activities. The balanced

scorecard provides a framework to describe, communicate and manage the strategy in a consistent and explicit way (Verweire & Van den Berghe, 2004:37).

Olve and Sjöstrand (2006:2-5) describe a balanced scorecard as a format for describing the activities of an organisation through a number of measures for each of the four perspectives. The balance of a scorecard and the linkages between measures and perspectives need to be modified to a specific situation. Scorecards are used to customise communication tools within a management control system.

They provide a process that allows firms to evaluate strategies from four perspectives: financial perspective, customer knowledge perspective, internal business perspective, and learning and growth. The balanced scorecard analysis requires that firms seek answers and utilise that information in conjunction with financial measures, to adequately and more effectively evaluate strategies being implemented (David, 2004:320).

Verweire and Van den Berghe (2004:39) agree with Kaplan and Norton (1992) that the four main balanced scorecard measures can be distinguish as:

- The *financial performance measures* which are defined as the long-term objectives of the business unit.
- The *customer perspective*, whereby managers identify the customer and market segments in which the business unit competes and the measures of the business unit's performance in these target segments.
- The *internal business process perspective*, where managers identify the critical internal processes in which the organisation must excel. These internal process should deliver the value propositions for the customer and this should be done in the most efficient and effective way.
- *Learning and growth* is the fourth balanced scorecard dimension and identifies the infrastructure that the organisation must build to create a long-term growth

improvement. The organisational learning growth comes from three principal resources: people, systems and procedures.

Kaplan and Norton (1992) further argue that adherence to quarterly financial returns and the bottom line alone will not provide the organisation with an overall strategic view.

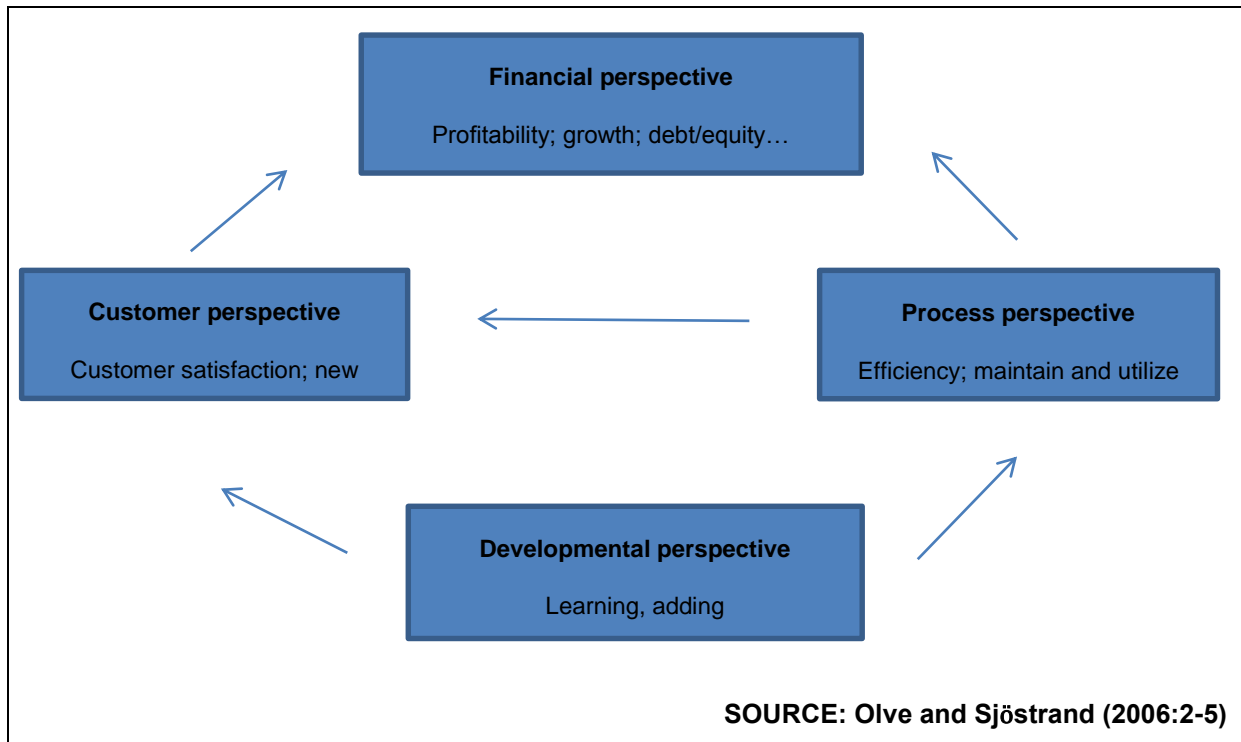


Figure 2.63 - A basic scorecard, with examples of typical contents for each of the four perspectives

In Figure 2.3, Olve and Sjöstrand (2006:2-6) employ the same four perspectives with some business activities by using a small number of measures for each. Scorecards may be used in different dialogues about any kind of activity. As a result, the introduction of balanced scorecards means designing a customised management control system whereby scorecards are used to align business activities with the vision and strategies of an organisation. It means monitoring performance in the dimensions used in the scorecards, and it means taking appropriate action. Strategic goals, critical success factors, measures and actions plans should also be identified for each perspective.

Niven (2002:12) describes the balanced scorecard as a carefully selected set of measures derived from an organisation's strategy. The measures selected for the scorecard represent a tool for leaders to use in communicating to employees and external stakeholders the outcomes and performance drivers by which the organisation will achieve its mission and strategic objectives. The balanced scorecard allows the organisation to translate its vision and strategies by providing a new framework, one that tells the story of the organisation's strategy through the objectives and measures chosen.

Olve and Sjöstrand (2006:24) contend that if a balanced scorecard is to play a natural part in an organisation's strategic discussion and learning process, it has to be continually updated with current and operationally relevant information. Above all, a balanced scorecard strategic feedback system should communicate strategic-level information to senior executives.

Armstrong and Baron (2005:84) are of the view that the balanced scorecard is one of the best-known methods that attempts to value the people dimension through a number element. It is also one of the most well-used models for the measurement of the people contribution. They further contend that one of the major achievements of the balanced scorecard is that it has reinforced the need for better measures of human capital contribution and recognised the contribution of various stakeholders as essentials in business success. It also links human capital to other business measures.

2.6.4. A brief comparison of three techniques

All three systems, namely; KPIs, MBOs and balanced scorecard can be applied at both the organisational and individual level. All three recommend the cascading down of objectives from the organisation to the individual. All three require goal-setting (the theory of which forms part of the theory of motivation), top management buy-in, and focus on the importance of developing indicators that measure the right

things in the first place. They all use rating systems as part of their evaluation method during performance appraisal and each utilises the same generic components of an effective performance management system. They differ primarily in the type of objectives that are set, and the way of measuring performance against those objectives.

2.7. PERFORMANCE MANAGEMENT PROCESS

The philosophy of performance management is strongly influenced by the belief that it is a natural process of management and not a human resource technique or tool. Various authors have developed performance management models which can be followed in successfully implementing performance management within an organisation.

Strategic performance management is the configuration of the mission, vision, objectives, and strategy of an organisation which cascades to quantifiable critical success factors and key performance indicators of an organisation. Through its quantitative attributes, it can help the organisation to quickly track the performance gaps and accordingly initiate the corrective action. The process consists of various sub-processes which, inter alia, encompass performance planning, budgeting, performance target assignment, measurement, and compensation decisions. When these sub-processes are integrated it leads to performance-driven employee behaviours that contribute to organisational excellence (Bhattacharyya, 2011:134).

Performance management needs to be seen first and foremost as a management process (Armstrong & Baron, 2005:53). It is a process for measuring outputs in the shape of delivered performance compared with expectations expressed as objectives. It focuses on targets, standards and performance measures or indicators, as well as the knowledge, skills and competencies required to produce the expected results (Armstrong, 2000:220).

Du Toit et al. (2002:188) are of the view that performance management should be regarded as an ongoing communication process that involves both the performance manager and the employee in:

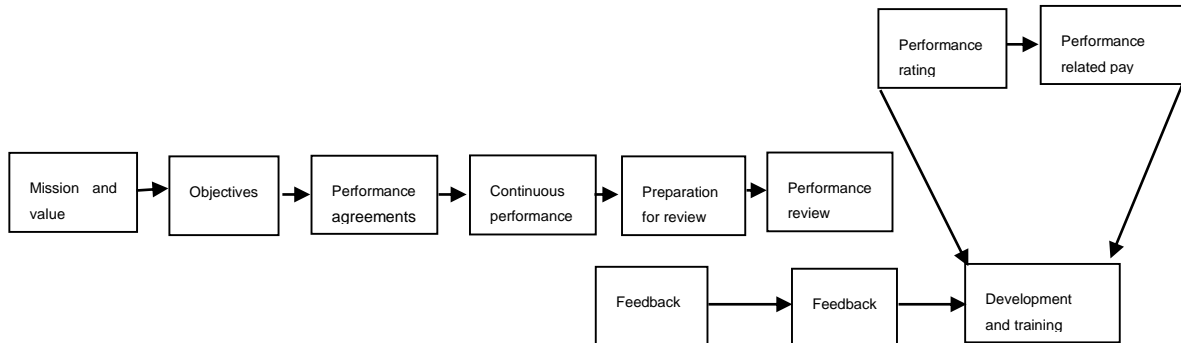
- identifying and describing essential job functions, and relating them to the mission and goals of the institution
- developing realistic and appropriate performance standards
- giving and receiving feedback about performance
- writing and communicating constructive performance appraisals
- planning education and development opportunities to sustain, improve or build on employee work performance.

The performance management process provides an opportunity for the employee and performance manager to discuss development goals jointly to create a plan for achieving those goals. Development plans should contribute to organisational goals and the professional growth of the employee. Similarly, Armstrong (2000:220) identifies performance management as a process for measuring outputs in the shape of delivered performance compared with expectations expressed as objectives. It focuses on targets, standards and performance measures or indicators. It is also concerned with inputs such as knowledge, skills and competencies required to produce the expected results.

Armstrong as cited in Grobler et al. (2002:260), identifies the following model in Figure 2.4 on the performance management process, which provides guidance to managers on how to manage individuals and/or the teams they manage. It also focuses on the activities they are expected to carry out. Armstrong and Baron (2005:56) further contend that there are four ethical principles that should be built into the performance management process, namely:

- Respect for the individual
- Mutual respect
- Procedural fairness

- Transparency of decisions.



Activities

Corporate strategies and objectives

1. Preparation of mission and value statements linked to business strategy.
2. Definition of corporate and functional or Departmental objectives.

Performance agreement and plans

3. Agreement of accountabilities, tasks, objectives, knowledge, skill and competence requirements and performance measures – the performance agreement or contract.
4. Agreement of work plans and personal development and performance improvement action plans (these form part of a performance agreement).

Continuous management of performance throughout the year

5. Regular feedback.
6. Interim progress reviews.

Formal performance reviews

7. Preparation by the manager and the individual for the formal review.
8. The annual performance review, which leads to a new performance agreement.

Development and training

9. Formal development and training programmes prompted by the performance review.
10. Less formal development throughout the year will be taking place in the shape of coaching, counselling, on-the-job training and self-development activities.

Ratings

11. Rating or ranking performance – although usual, this is not an inevitable performance management activity.

Performance-related pay

12. Performance-related pay (PRP), again, is not always associated with performance management but

because an increasing number of organisations are introducing it, the link between performance as measured by a performance management process and pay is becoming more common. However, decisions on PRP may be made at a separate time from the performance review so as not to prejudice the essential developmental nature of the performance management process.

SOURCE: Grobler et al.(2002)

Figure 2.4 - The Performance Management Process

Kaur (2008), on the other hand, describes the essential components of a performance management system as follows:

- A performance plan is negotiated between a manager and employee for a given period (usually one year).
- During the year the manager gives employees feedback.
- Performance is appraised at the year end.
- Decisions are made to reward, discipline or develop employees.
- The cycle is completed with a new performance plan.

A performance management process sets the platform for rewarding excellence by aligning individual employee accomplishments with the organisation's mission and objectives and making the employee and the organisation understand the importance of a specific job in realising outcomes (University of California, 2008).

Axson (2010:25) is of the view that the performance management process comprises the following sub-processes:

Strategic Planning

Strategic planning is the process of developing approaches to reach a defined objective. It seeks to define an organisation's purpose and also includes the definition of milestones or targets that track the organisation's progress towards its goals and objectives. These targets serve as the primary input to the tactical planning process.

Tactical Planning

Tactical planning is the process of defining the tactics, initiatives and allocations of resources required to meet agreed-on targets and overall business objectives and strategies that have been defined during the strategic planning and target-setting processes. Tactical planning begins after management has completed their strategic planning process and established near-term performance targets to guide more detailed planning.

Financial Planning

Financial planning is the process of establishing financial plans and targets that describe the expected financial results. These plans and targets are executed on the agreed portfolio of tactics that are designed to meet the agreed performance targets and overall business objectives and strategies.

Management Reporting

Management reporting comprises all activities associated with the reporting of performance measures, events, analysis, news and other information to support decision making. The information reported to management comprises financial and non-financial, internal and external, predictive and historic data. Reporting requirements are a function of the roles and responsibilities of the recipient, the decisions to be made, the goals and plans of the organisation and the actual results achieved in executing those plans.

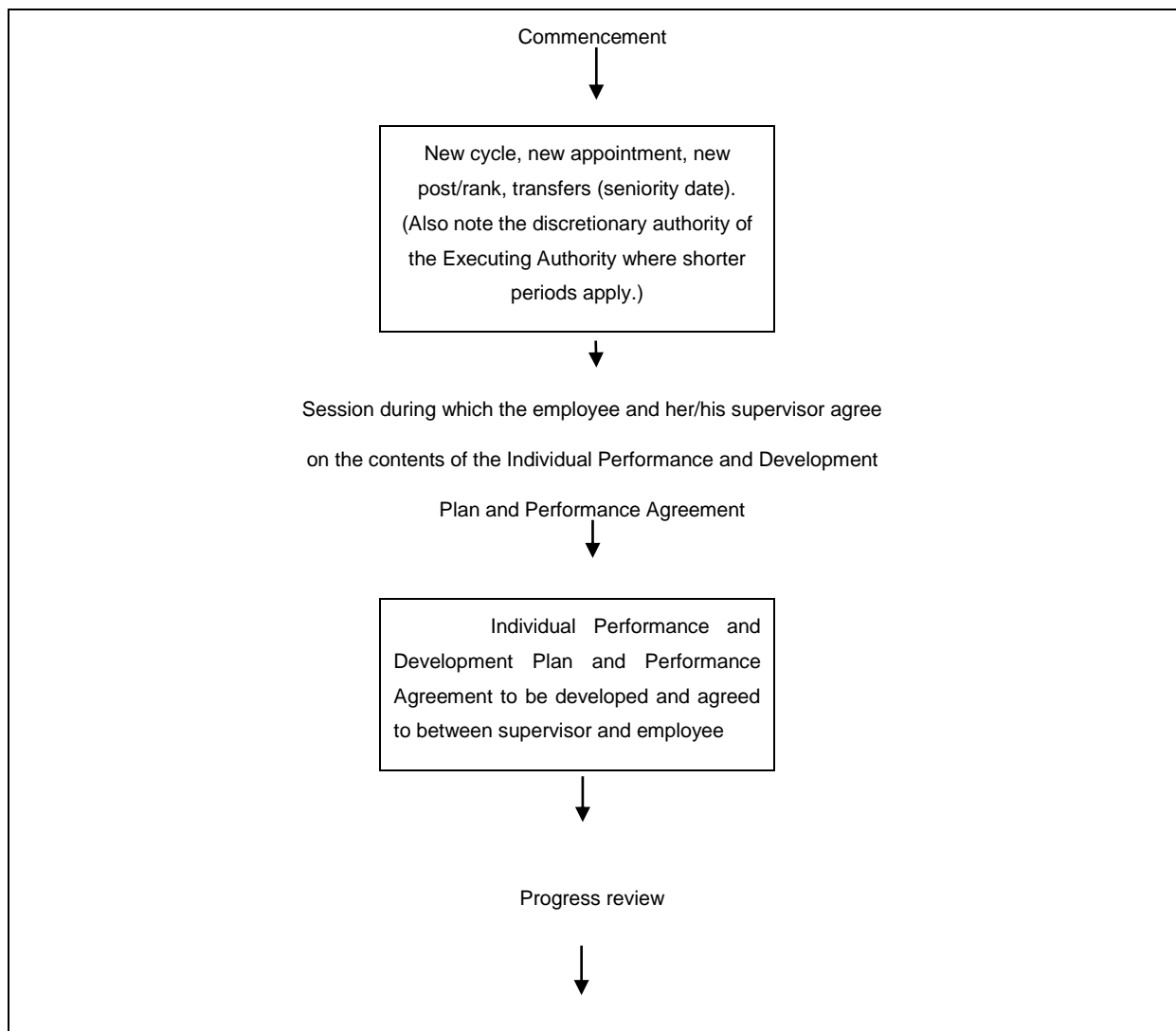
Forecasting

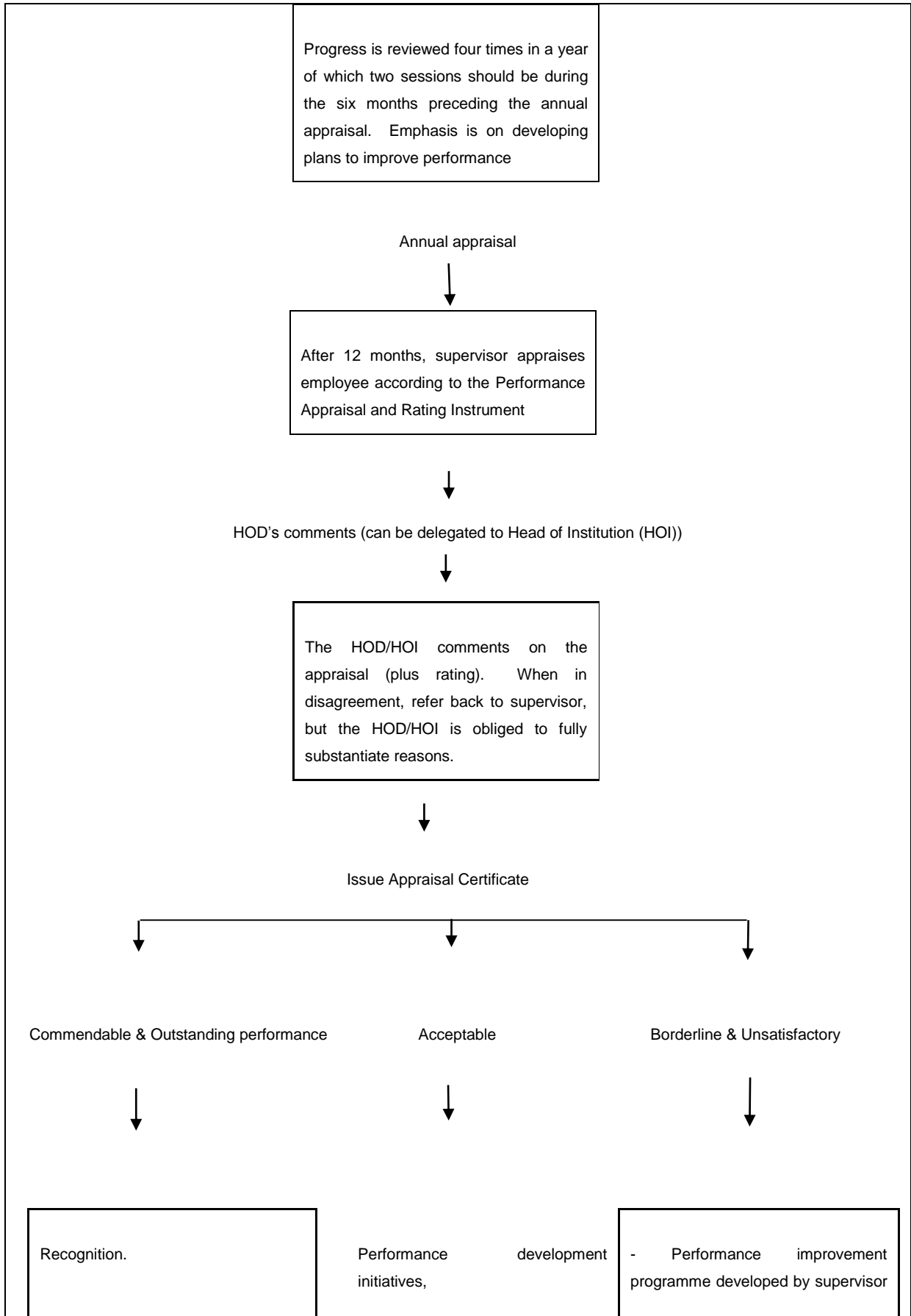
Forecasting is the process of periodically updating the current to the future business performance so that it reflects new or changing information. Forecasting includes the preparation and consolidation of interim forecasts of various dimensions of performance, typically including external market factors such as market size and market share, sales, capital, spending, production, operating expenses and other key business measures.

Risk Management

Risk management is the process of identifying, measuring, and assessing the potential impact on business performance of different risks and then developing strategies to manage risks effectively.

The Western Cape Department of Economic Development and Tourism has been using the flow chart below (Figure 2.5) since September 2008 as part of its performance management process (Western Cape Provincial Government, 2007:11).





<p>Incentives are matters of mutual interest and are subject to collective bargaining at central or sectorial level.</p>	<p>e.g. ongoing support, guidance and mentorship should be considered to enable the employee to develop fully and optimally.</p>	<p>in consultation with HR (new performance agreement/IPDP to be developed)</p> <ul style="list-style-type: none"> - Alternative placement - Termination of services
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Figure 2.5 - Provincial Government Performance Management process

This process should ensure that individual employees contribute effectively to the organisational goals. It should also enable the organisation to ensure that the necessary conditions exist for effective and ongoing development of employees. The process should ensure that the system is transparent, fair, supportive and administratively just by involving both supervisor and employee in:

- Agreeing on the employee’s specific job priorities/key performance areas/job standards, and how they will contribute to the achievement of organisational goals.
- Agreeing in advance on the basis on which performance will be appraised.
- Reviewing achievements, analysing any problems and difficulties at least quarterly, and making any necessary amendments to the performance agreement (Western Cape Provincial Government, 2007:11).

2.8. COMPONENTS OF AN EFFECTIVE PERFORMANCE MANAGEMENT SYSTEM

The performance management system is an integrated set of processes that supports the efficient utilisation and development of an organisation’s human resources at all organisational levels. The systematic nature of the performance management requires integrating each component of the system with organisational goals and values (Rollo, 2009:2). A performance manager should consider the annual goals and strategic initiatives for which an employee has responsibility when describing the position, setting standards of work performance, giving feedback

about performance, doing the annual performance evaluation and planning for employee education, training and development (Du Toit et al., 2002:193).

Figure 2.6 below forwards a diagrammatic presentation of the performance management cycle.

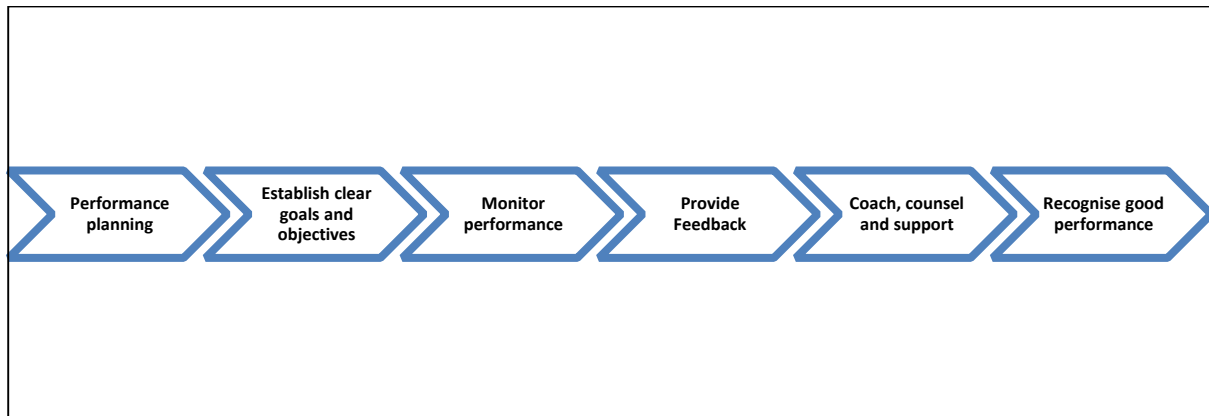


Figure 2.6 - Performance management cycle

The following paragraphs map the most important steps in the performance management cycle.

2.8.1. Performance planning

Performance planning is the first crucial component of any performance management process which forms the basis of performance appraisal. Performance planning is jointly done by the appraiser and also the reviewer in the beginning of a performance session. During this period, the employee decides upon the targets and the key performance areas which can be performed over a year within the performance budget which is finalised after a mutual agreement between the reporting officer and the employee (University of California, San Diego, 2008).

Armstrong and Baron (2005:24) agree that performance planning is concerned with setting the direction, concluding performance agreements and agreeing on personal development plans. It covers what has to be done, how it is to be done and what is to be achieved. It is forward looking, focusing on what people have to do to achieve their potential, and stretching them to discover what they are capable of. It also motivates people by giving them the opportunity to perform and develop, and by recognising their achievements.

Performance planning, according to Costello (1994:29), gives managers the opportunity to discuss the following issues with each employee:

- The manager's expectations of the employee's performance.
- How the employee's specific performance objectives tie into the Department's business plans and organisational goals.

The planning phase is referred to by Hendrickse (2009:181) as the most important phase on which all the other phases depend to succeed. The planning phase is used to plan the outcomes of each of the other phases. During this phase the organisation should make sure that the goals of individual employees coincide with the goals of the institution. Standards can also be set on the quantity and quality of the work to be done.

The Western Cape Provincial Government (2007:7) contends that the planning phase means setting performance expectations and goals for groups and individuals to channel their efforts towards achieving organisational objectives. Involving employees in the planning process will help them understand the goals of the organisation, what needs to be done, why it needs to be done, and how well it should be done. Performance elements and standards should be measurable, understandable, verifiable, equitable and achievable. Through critical elements, employees are held accountable as individuals for work assignments or responsibilities. Employee performance plans should be flexible so that they can be adjusted for changing programme objectives and work requirements. When used

effectively, these plans can be beneficial working documents that are dynamic and constantly reviewed, and not only seen during formal appraisal meetings

2.8.2. Establishing clear goals and objectives

Performance management is largely about managing expectations. These are defined and agreed on in the form of role profiles which set out what are, in effect, ongoing objectives in the shape of definitions of what is required in each major aspect of the role (Armstrong & Baron, 2005:25).

Schneier, Beatty and Baird (1987:92) are of the view that desired results or performance expectations are limited only by the imagination of the people involved and the environment in which they work. They can range from tangible products to intangible feelings and attitudes, from dollar amounts to group cohesiveness and morale. They further elaborate that when we think of performance results we usually focus on quantifiable outcomes and overlook such intangibles as feelings and attitudes. Thus we ignore important results that build the foundation for the future and thereby deny ourselves opportunities for taking constructive action.

The basis for managing expectations is an agreement between a manager and the individual, the latter's objectives, and how achieving these expectations will be measured. This informs performance planning, the management of performance throughout the year, and the performance review. Objectives can be quantitative, achievement based or qualitative. Objectives can be work-related, referring to the achievement of role requirements. They can also be personal, taking the form of developmental or learning objectives which are concerned with what individuals should do to enhance their knowledge, skill and potential, and to improve their performance or change their behaviour in specified areas (Armstrong & Baron, 2005:26).

Objectives provide direction at all levels of organisations. They are statements of what needs to be achieved. They can cover a variety of timescales. For example,

strategic objectives for an organisation could be for three to five years; individual or work objectives may be for the next month. Generally the shorter term the objective, the more precise it is (Leech, 2007:36).

It is important that both the employer and employee agree on goals and objectives which they are committed to carry out. Costello (1994:39) recommends the following responsibilities for both the manager and employee when setting goals and objectives.

The manager's responsibilities:

- Develop general objectives for each employee based on the organisation's goal, the Department's business plan and the manager's performance plan.
- Schedule a performance and development planning discussion with each employee.
- Assist all employees in determining priorities and/or identifying critical objectives for their areas of responsibility.
- Review each subordinate's draft performance plan.
- Assist employees in determining development areas and activities.
- Maintain an up-to-date file on each employee's objectives.
- Develop monitoring methods to use with employees to ensure continuous progress.
- If the business plan changes significantly, work with each employee to alter the employee's objectives to reflect these changes.

The employee's responsibilities:

- Familiarise yourself with organisational and departmental goals and objectives, where possible.
- Develop preliminary objectives that are SMART, with clear performance standards and completion deadlines.
- Prepare supporting data for each objective.
- List questions and potential problems for discussion with manager.

- Assess current skill level requirements to meet the performance plan objectives, and consider what skills or abilities need to be developed.
- Develop preliminary development activities to assist in accomplishing objectives.
- Discuss draft plan with manager.
- Renegotiate objectives with manager if major changes occur.

2.8.3. Monitoring performance

Performance appraisal is the phase during which the observation or evaluation of the performance takes place. During this phase the importance of the planning stage becomes evident. If no goals, objectives and standards are set during the planning stage, there will be nothing to measure the actual output of the employees or project teams. A method of appraisal should be chosen that will most effectively measure the actual outputs of the employees against the set goals, objectives and standards (Hendrickse, 2009:181).

The appraisals are normally performed twice a year in an organisation in the form of mid-year reviews and annual reviews which are held at the end of the financial year. In this process the appraisee first offers the self-completed ratings in the self-appraisal form and also describes his/her achievements over a period of time in quantifiable terms. After the self-appraisal, the final ratings are provided by the appraiser for the quantifiable and measurable achievement of the employee being appraised. The entire process of review seeks active participation of both the employee and the appraiser in analysing the causes of loopholes in the performance and how they can be overcome (University of California, San Diego, 2008).

The performance appraisal phase, according to the Western Cape Provincial Government (2007:7), is where achievements are formally appraised in terms of agreements reached in the course of the performance cycle which lays the basis for the next cycle. At the review meeting, a “stocktaking” assessment of progress and achievements is identified, as well as where actions are required to develop

performance as a basis for completing the cycle by moving into the next planning stage. It is useful to summarise employee performance from time to time. This helps in comparing performance over time or across a set of employees. Formal performance appraisal involves the assessment of employee or group performance against the elements and standards in an employee's performance plan and assigning a summary assessment result. It is based on work performed during an entire appraisal period. The assessment result has a bearing on various other personnel actions, such as the granting of an additional notch or notches and merit awards.

2.8.4. Provide feedback

Feedback is the primary means of recognising good performance and for redirecting behaviour that needs to be improved. Feedback helps individuals to keep their behaviour on target and achieve their goals (Costello, 1994:50). Costello (1994:50) further contends that whether you are giving positive or negative feedback, it is important to keep the following guidelines in mind:

- Feedback should be descriptive rather than evaluative.
- Feedback should be specific rather than general.
- Feedback should be directed towards behaviour that can be addressed.
- Feedback should be well-timed.
- Feedback should be checked to ensure clear communication.
- Feedback should be "owned" by the giver.
- Feedback should be based on observed behaviour.
- Feedback should be balanced.

While a performance management cycle calls for continuous feedback, a formal feedback session should be held subsequent to the appraisal. Here managers should provide a rationale for their evaluation and allow employees to participate in the discussion. In providing feedback, employees should distinguish between inference or conclusions about behaviour and behaviour itself. The most useful

feedback contains facts about behaviour, not conclusions or inference. Relying on inference leads to defensiveness, and energy is wasted in denying allegations and arguing about judgements, as opposed to solving performance problems. Feedback also should be specific and should not overemphasise the negative (Schneier et al. 1987:19).

Performance management as a continuing process, as well as when carried out by means of formal or semi-formal reviews, is about recognition. Individuals can be informed through feedback of how well they are performing by reference to achievements and behaviours. They can be thanked, formally and informally, for what they have done. They can be helped to understand how they can do even better by taking action to make the best use of the opportunities the feedback has revealed (Armstrong & Baron, 2005:104).

Performance feedback ensures that employees know what their performance shortcomings are, and therefore they can pay attention to those areas in which they need to improve their performance. Knowing that management recognises those areas where the employee is performing well or excelling can motivate the employee to perform even better.

2.8.5. Coach, counsel and support

Performance development is the final phase in the performance management process and also leads to the planning of new goals, objectives and standards for the next cycle. Performance can mainly be developed through training and development. The idea is not to get rid of an employee who is under-performing but rather to train and develop such an employee to be able to reach the set goals, objectives and standards in the future (Hendrickse, 2009:181).

In this stage, fresh set of goals are established for an employee and new deadlines are provided for accomplishing those objectives. The employee is clearly apprised of the areas in which he/she is expected to improve and a stipulated deadline is also

assigned within which the employee must show this improvement. This plan is jointly developed by the appraisee and the appraiser and is mutually approved

Baron and Kreps (1999) as cited by Du Toit et al. (2002:192) state that to ensure a well-capacitated and skilled workforce, employee developmental needs should be developed and addressed. Developing, in this instance, refers to increasing the capacity to perform through training or retraining, assigning new responsibilities that introduce new skills or higher levels of responsibility, improving work processes, or other methods. Carrying out the processes of performance management provides an excellent opportunity for supervisors and employees to identify developmental needs. While planning and monitoring work, deficiencies, in performance become evident and should be addressed. Areas for improving good performance also stand out, and action can be taken to help successful employees improve even further (Du Toit et al., 2002:192).

Performance management can provide a basis for motivating people by enabling them to develop their skills. Performance development plans are a more formal means of doing this; however informal interactions between managers and individuals provide opportunities for skills development by coaching and guidance. People are said to learn best by doing, and it is more effective if there is an agreed framework for coaching and support to enhance learning (Armstrong & Baron, 2005:104).

2.8.6. Recognition of good performance

Being recognised by other people for our efforts and achievements tends to make us feel good about ourselves, and this is a basic human need. Receiving recognition or praise for what we do from other people is very important in meeting that need (Leech, 2007:93). Recognition comes in many forms, including oral and written praise, awards and rewards plaques, pins, T-shirts, public acknowledgement in front of co-workers, or a simple thank-you (Gerson & Gerson, 2006:107).

The recognition aspect of performance management can create a workplace that encourages employees to excel. When a supervisor or the organisation recognises individual or team accomplishment, employees feel appreciated. Research into human behaviour has shown that behaviours that are acknowledged are repeated. When recognition is used sincerely and frequently, it creates a culture of success and mutual appreciation (Rollo, 2009:133).

According to Armstrong and Baron (2005:106), contingent pay, which is paying for performance, competence or contribution is regarded by many organisations as desirable for three reasons:

- It is fair and equitable to reward people differentially according to their performance, competence and contribution.
- It delivers the message that performance and competence are important.
- It motivates people to perform better or develop their skills and competencies.

2.8.7. Deal with unsatisfactory performance

Poor performance has to be acknowledged and dealt with. It often involves some form of challenging behaviour which can come in a whole range of guises (Leech, 2007:103). Even if you follow all the “good practice” suggested so far, there are people who:

- **Won't perform** – owing to low motivation or problems with their attitude.
- **Can't perform** – owing to lack of skills, knowledge, experience, confidence, personal circumstance or even lack of resources.

Individuals may perform badly because of a lack of ability or insufficient motivation. Poor performance may not be their fault. It could arise from a defective system of work, inadequate leadership or guidance, the allocation of inappropriate tasks, placement in jobs that are beyond their capabilities or insufficient training (Armstrong & Baron, 2005:135). Armstrong and Baron (2005:136) further contend that when

dealing with poor performance, it is necessary to establish that there is a problem, diagnose its cause, and decide on what needs to be done by the manager or individual to overcome the problem.

Schneier et al. (1987:119) view job performance as the culmination of three elements working together: skill, effort and the nature of external conditions. Managers often assume that a performance problem stems from some characteristic of the employee, when in fact it is frequently due to conditions that are beyond the employee's control. Managers often assume that poor performance is due to an individual's lack of effort, when actually the employee may not have the proper skills to do the job well.

2.9.CRITICAL SUCCESS FACTORS OF PERFORMANCE MANAGEMENT SYSTEMS

Critical success factor (CSF) is the term for an element that is necessary for an organisation or project to achieve its mission. It is a critical factor or activity required for ensuring the success of a company or an organisation. These critical success factors are those few things that must go well to ensure success for a manager or an organisation. Therefore, they represent those managerial or enterprise areas that must be given special and continual attention to bring about high performance.

The three major uses of critical success factors, according to Forster and Rockart (1989:33) are as follows:

- To help an individual manager determine his/her information needs, by focusing on business issues then moving to information systems in a series of steps that culminates in the definition of data elements.
- To aid an organisation in strategic and annual planning by using industry CSFs to determine corporate strategy, or corporate CSFs as input to short-term planning.

- To aid an organisation in its information system planning.

Joubert and Noah (2000:16-20) are of the view that the following factors are critical in sustaining the success of a performance management system:

Focus – the core service mission, vision, strategic objectives and values of the organisation must be sound and understood by every employee. The employee's role in the mission and objectives should be discernible, in other words, every worker must know what she or he must contribute to ensure that the strategic intent is realised. Every job should have a clear mission and set of objectives, targets and measures.

Balance – performance must be planned and measured to ensure balance performance. Focus should be on internal and external results as well as financial and non-financial results. The client portfolio and satisfaction are key considerations in performance planning and measurement.

Stretch – easy goals and targets are sure to close the individual energy taps sooner than intended. It is critical to induce individuals to set demanding objectives and targets that require more than ordinary effort.

Mobilisation – people are mobilised through challenges, as found in objectives, targets and standards. Momentum is sustained by continuously reviewing personal results to be achieved. Using a single set of factors that apply to all induces stagnation and the death of performance management.

Latitude – space for self-direction and prioritisation in the context of the overall mission of the business is essential, as more value will be realised by the individual.

Contracting – individuals should enter into contracts with their supervisors to access resources and compensation.

Motivation – people need a continuous stream of recognition and support to stay inspired and contented with the job.

Measurement – a popular saying based on the business wisdom encapsulated in, “What gets measured gets done,” holds true no matter at what level or in which job an employee has to perform. The more specific and accurate the targets and measures, the better the value contributions are.

Appraisal – it is essential to put a score or value on the achievement of the individual and to be sure that it is contextually ranked and objective. Latest indications are that a four-point scale has the most impact on behaviour and performance results.

Feedback – is the oxygen of excellent performance. Feedback induces behaviour change irrespective of whether it is positive or negative feedback. Embargoes must be placed on personal attacks that hurt the ego or self-concept of individuals – emotional disengagement is guaranteed if not done.

Money – is in the final analysis the tangible proof that the individual’s contribution was appreciated. Make sure that incentives for performance are differentiated from basic remuneration. Paying for performance is the hallmark of excellence.

Caring – is the invisible compensation for loyalty and commitment. These factors are critical but neglected in the tempo and compensation structures of business. Caring is shown through birthday cards, flowers, kindness and small gestures towards the family of the employee. A random appraisal of performance management systems

currently used in terms of these criteria, provides decision-makers with food for thought (Joubert & Noah, 2000:16-20).

The Western Cape Provincial Government (2007:8) proposed the following principles for a successful performance management system:

- **Fairness, objectivity and transparency**

The system requires joint discussion and mutual agreement of performance agreements and encourages discussions between employee and supervisor.

- **Result oriented**

Performance is assessed on the basis of an agreement/plan covering a specific period, where clear responsibilities and objectives are set. Objectives are expressed in terms of outputs to be delivered within a given time-scale and include personal development as well as operational activities.

- **Active participation of supervisor and employee**

At the start of each new reporting year or job, each employee will jointly develop an individual performance and development plan and enter into a performance agreement with his/her supervisor. Both the plan and agreement are sets of objectives and standards mutually agreed upon between the employee and his/her supervisor and serve to clarify roles and expectations.

- **Employee development**

The SPMS will identify strengths and weaknesses of the employee in terms of skills and competencies required for meeting mutually agreed performance objectives. Appropriate training will facilitate the skilling and capacitating of the employee to improve the quality of performance. Emphasis may also be placed on the extent to which the supervisor contributes to the development of his/her staff.

- **Incentivising**

Through rewarding, recognition of individual as well as team performance. Performance below par will be identified timeously and employees given the opportunity and means to improve poor performance through appropriate programmes.

In the light of the above, performance management is perceived as a dynamic process that integrates strategic planning, business planning, budgeting, and an appraisal of the performance of people, in terms of a range of factors. Performance management should induce desired human behaviour, otherwise it has failed as a system (Joubert & Noah, 2000:16-20).

2.10. THE BENEFITS OF PERFORMANCE MANAGEMENT SYSTEMS

A good performance management system works towards the improvement of the overall organisational performance by managing the performance of teams and individuals for ensuring the achievement of the overall organisational ambitions and goals. An effective performance management system can play a crucial role in managing the performance in an organisation by:

- ensuring that the employees understand the importance of their contributions to the organisational goals and objectives;
- ensuring each employee understands what is expected from him/her and equally ascertaining whether the employees possess the required skills and support for fulfilling such expectations;
- ensuring proper aligning or linking of objectives and facilitating effective communication throughout the organisation; and
- facilitating a cordial and a harmonious relationship between an Individual employee and the line manager, based on trust and empowerment (University of California, San Diego, 2008).

An effectively implemented performance management system can benefit the organisation, managers and employees in several ways as depicted below:

- **Organisation's Benefits:** Improved organisational performance, employee retention and loyalty, improved productivity, overcoming the barriers to communication, clear accountability, and cost advantages.

- **Manager's Benefits:** Save time and reduce conflict, ensure efficiency and consistency in performance.
- **Employee's Benefits:** Clarify expectations of the employees; self-assessment opportunities clarify the job accountability and contribute to improved performance; clearly define career paths and promote job satisfaction (University of California, San Diego, 2008).

The benefits of using a structured approach for enhancing employee performance are as follows (GreatBizTools, 2013):

- **Improved business profits**
The bottom line of an organisation improves significantly by increasing employee productivity and quality of work.
- **Increased employee responsibility**
Communicating realistic but challenging job expectations and making employees accountable for their decisions and actions result in noticeable improvements in employee tardiness, absences, and organisational commitment.
- **Equitable treatment of employees**
All employees are treated fairly by implementing standardised procedures that promote consistency throughout an organisation.
- **Enhanced quality of work life**
Employees experience greater job satisfaction because they become more successful. In addition, employee conflict is kept to a minimum.

The United Nations (2009:2) advances the following benefits for staff members, supervisors, managers and the organisation.

2.10.1. Benefits for staff members

By participating in the performance management process, staff members:

- gain greater clarity about goals and expectations for their work unit and their own work;
- have increased opportunities to discuss and work with their first reporting officer on their ongoing development, including learning and career development;
- gain a fuller picture of their performance through the use of the organisation's competencies (a combination of skills, attributes and behaviour that is directly related to successful performance on the job);
- keep track of their accomplishments and potential for their future assignments and development needs; and
- gain feedback and participate in discussions to contribute to their own career development.

2.10.2. Benefits for supervisors and managers

For supervisors and managers, the performance management process:

- gives an opportunity to clarify performance expectations, results expected and competencies to be demonstrated by individual staff members;
- provides a means to motivate staff members by clarifying how their individual performance contributes to overall work unit goals;
- promotes a discussion of the organisation's competencies (the skills, behaviours and attitudes) that contribute to successful performance in the organisation; and
- provides a structured means to address performance gaps early on so that both the first reporting officer and the staff member are clear on what must be done to bring performance up to the agreed-upon standard.

2.10.3. Benefits for the organisation

For the organisation, the performance management process will:

- promote a culture of high performance and continuous learning;

- encourage a high level of staff participation in planning, delivery and evaluation of work;
- recognise successful performance and provide a means to address underperformance in a fair, equitable manner; and
- give managers the responsibility and accountability for managing and motivating their staff.

2.11. CHAPTER SUMMARY

In conclusion, this chapter consists of a theoretical overview of performance management systems. It covered various topics such as: defining performance, performance management, performance management systems, performance management processes and activities, and the critical success factors of a performance management system within the Western Cape Department of Economic Development and Tourism. This chapter assisted the researcher to acquire a theoretical perspective of performance management systems.

Furthermore, this chapter provided the reader with the legislative frameworks and regulations for implementing a performance management system. Performance management is a vital component of the process of managing human resources with the aim of achieving employee and organisational goals, and will remain a key concern of HR practitioners and managers similarly (Bascal, 1999:199).

CHAPTER 3

RESEARCH METHODOLOGY

3.1. INTRODUCTION

Chapter 2 comprised a theoretical overview of performance management in general, which allowed the learning of various lessons of experience.

This chapter foregrounds the research methodology employed in the study. It focuses on the process followed by the researcher in order to obtain the objectives of the study. It also provides clarity as to why the researcher undertook a quantitative research approach instead of a qualitative approach.

The chapter also discusses the participants of the research, the sample group, the instrument used to collect the data and the analysis thereof.

3.2. RESEARCH

Research is defined in the Longman compact English dictionary (1985:504) as a scientific or scholarly inquiry. It is a study or experiment aimed at the discovery, interpretation, reinterpretation or application of (new) facts, theories or laws.

Welman et al. (2005:2) describe research as a process that involves obtaining scientific knowledge by means of various objective methods and procedures. Similarly, Brynard and Hanekom (2006:36) consider research essentially a thought process surrounding accumulated facts and data which seeks to determine what the facts “say” and what the data means.

Research is defined by Lapan and Quartaroli (2009:23) as disciplined inquiry, that is, an organised and systematic study conducted in a certain field using the field’s accepted procedures and rules. According to the *Cambridge Dictionary* (2009) as cited by Polonsky and Waller (2011:3), research is “a detailed study of a subject,

especially in order to discover (new) information or reach (new) understanding". Polonsky and Waller (2011:3) further contend that research is the process of thoroughly examining and analysing the situational factors surrounding a given problem in order to seek out a solution or alternative solutions.

From the above definitions it can be deduced that research is a method of action used as a means by which people solve problems in an endeavour to extend the boundaries of knowledge. Hence, research encompasses the interpretation of data which is used to draw conclusions.

3.3. RESEARCH METHODOLOGY

Research methodology considers and explains the logic behind research methods and techniques. It has a much wider scope than research methods which, in turn, have a wider scope than research techniques (Welman et al., 2005:2). Brynard and Hanekom (2006:36) reinforce the above statement by saying that research is a methodological and systematic enquiry, that is, the application of methods and techniques in pursuit of valid knowledge.

Mouton (2001:56) is of the opinion that research methodology should focus on the research process and the kind of tools and procedures to be used. As a point of departure it should focus on the specific tasks at hand and individual steps in the research process. These steps should be employed in the most objective and unbiased manner.

The research methodology of collecting data necessitates reflection on the planning, structuring and execution of the research in order to comply with the demands of truth, objectivity and validity.

The researcher will now look at the two predominant paradigms in respect of data collection and analysis, which are the qualitative and quantitative approaches.

3.3.1. Qualitative research methodology

Qualitative: relating to or measured by quality. Describing the quality of something in size, appearance, etc. (*Concise Oxford English Dictionary*, 2004:1174).

Welman et al. (2005:188) define qualitative research is an “umbrella” phrase “covering an array of interpretative techniques which seek to describe, decode, translate, and otherwise come to terms with the meaning of naturally occurring phenomena in the social world”.

Qualitative research can be seen as a paradigm that allows the researcher to get an “insider perspective on social action”. It can be further described as a research approach of describing and then understanding, as opposed to merely explaining social action (Leonard, 2005:125).

Patton (1985:1) describes qualitative research as:

...an effort to understand situations in their uniqueness as part of a particular context and the interactions there. This understanding is an end to itself, so that it is not attempting to predict what may happen in the future necessarily, but what their lives are like, what is going on for them, what their meanings are, what the world looks like in that particular setting – and in the analysis to be able to communicate that faithfully to others who are interested in that setting...the analysis strives for depth of understanding.

Qualitative research entails discovering novel or unanticipated findings and the possibility of altering research plans in response to these accidental discoveries (Brynard & Hanekom, 2006:37). The aim of the qualitative researcher is to gain the insight into people’s attitudes, behaviours, value systems, concerns, motivations,

aspirations, culture or lifestyles. The information gathered can be used in making business decisions, in policy formulation, communication and research.

3.3.2. Quantitative research methodology

Quantity: is defined as how much there is of something; how many things there are of one sort (Hawkins, 1994:466) therefore,

Quantitative: is involving the measurement of quantity or amount (*Longman Compact English Dictionary*, 1985:482).

Quantitative research is defined by Johnson and Christensen (2000:17) as research relying primary on the collection of quantitative data (i.e., numerical data). Quantitative research focuses on the deductive component of the scientific method and is therefore said to be “confirmatory” because researchers test or attempt to confirm their hypotheses.

Quantitative research is underpinned by a distinctive theory as to what should pass as warrantable knowledge. It requires methods such as experiments and surveys to describe and explain phenomena. The methods could include techniques such as observation, preliminary investigations, qualitative analysis and questionnaires (Brynard & Hanekom, 2006:37).

Denzin and Lincoln (1994) as cited by Welman et.al (2005:8) are of the opinion that quantitative research methods do not involve the investigation of processes but emphasise the measurement and analysis of casual relationships between variables within a value-free context. Quantitative research methods are techniques involving the analysis of data from relatively large numbers of respondents from which information can be projected to the wider population (Polonsky & Waller, 2011:135).

Craig (2009:8) is of the view that quantitative research typically consists of a systematic examination of specific factors and includes numerical information as data. Mertler (2012:8) argues that quantitative research methodologies utilise a deductive approach to reasoning when attempting to find answers to research questions.

The main objective of this study was to determine whether the current performance management system assists management in achieving individual goals as well as the Department's strategic objectives. With this in mind, a questionnaire based on the theory of performance management systems in Chapter 2 was developed and circulated within the Western Cape's Department of Economic Development and Tourism. For the purpose of this study, the researcher will apply the quantitative research approach, in order to:

- establish whether there is a link between the Western Cape Department of Economic Development and Tourism's strategic objectives and individual employee objectives; and
- determine if the current performance management system assists management in achieving its Departmental and individual goals.

3.4. THE EMPIRICAL STUDY

For the purpose of this empirical study, a questionnaire was constructed and administered to the research participants of the study. A questionnaire was developed and served as the measuring instrument in this study. The results of the questionnaire were subsequently statistically analysed by the researcher. The participants, the questionnaire, and the research responses are discussed below.

3.4.1. Participants

The research participants in this study were the 161 currently employed staff members on salary levels 1 to 12 working within the Western Cape Department of

Economic Development and Tourism. According to the Department's monthly EE status at the end of March 2013, the permanent posts filled comprised the following salary level post groups:

Table 3.1 - Permanent post levels

Post salary level group	Permanent posts filled
1 to 5	34
6 to 8	49
9 to 12	82

3.4.2. Data collection

Data is defined as pieces of information (Hawkins, 1994:150). Data is based on facts and can be classified into two types of data, namely, quantitative and qualitative data. Brynard and Hanekom (2006:36) define data as factual evidence that is collected through scientific investigation. As a result, research data should be processed and utilised in order to extract the truth from it. Therefore, data comprises sets of information collected during inquiry and may consist of sets of numerical information (Craig, 2009:2).

Quantitative data collection techniques are described by Mertler (2012:132) as anything that can be quantified, which includes surveys, questionnaires, checklists and rating scales. He further posits that quantitative data collection techniques are more efficient, in that one collects data from numerous individuals simultaneously.

Birley and Moreland (1998:40) are of the view that data collection is not just a process of collection but also a process of creation – of using information in a unique way related to the purpose of the study.

With this in mind, and given that the study was aimed at determining the link between the individual goals of staff and strategic objectives of the Department, as well as whether the current performance management system was assisting management in achieving these objectives, questionnaires were administered to employees on salary levels 1 – 12 as a means of collecting the data.

3.4.2.1. Questionnaires

Asking questions is an obvious method of collecting information from people. Using a questionnaire enables one to organise the questions and receive replies without actually having to talk to every respondent (Walliman, 2001:236). Walliman (2001:236) state further that as a method of data collection, the questionnaire is a very flexible tool, but must be used carefully in order to fulfil the requirements of a particular piece of research.

Questionnaires are defined by Brynard and Hanekom (2006:46) as a set of written questions and/or statements to which the research respondents are asked to respond. They are provided with relevant information in respect of the topic being researched. It is therefore important to supply the respondents with standardised instructions on how to complete the questionnaire.

Oakshott (2001:17) is of the view that a questionnaire's design is more of an art than a science and that there is no universal design that would be suitable for all situations. He further argues that the design will depend on factors such as the:

- type of respondents/participants (for example, business, consumers, children)
- method of data collection (postal, telephone or face-to-face)

- resources available.

Johnson and Christensen (2000:127) are of the opinion that a questionnaire is a self-report data collection instrument that each research participant fills out as part of a research study. They further contend that a researcher uses questionnaires to obtain information about the thoughts, feelings, attitudes, beliefs, values, perceptions, personalities and behavioural intentions of research participants.

The questionnaire devised by Whittington-Jones (2005) was adapted for the current research. The questionnaire was designed with the intention of establishing the opinions, views, perceptions and experiences of employees towards the performance management system used within the Western Cape Department of Economic Development and Tourism. During this study, the researcher used a closed-ended questionnaire.

3.4.2.2. Closed-ended questions and statements

Closed-ended questions require participants to choose from a limited number of responses predetermined by the researcher which primarily provide quantitative data (Johnson & Christensen, 2000:131). Closed-ended questions also give participants a choice of answers and are generally considered much easier to answer and analyse (Oakshott, 2001:18).

A closed-ended question is one which offers the participants a range of answers to choose from, either orally or from a show card. A range of answers is set out in the questionnaire and the respondent is asked to tick the appropriate box (Welman et al., 2005:175). Jackson (2009:93) contends that closed-ended questions are easy to analyse statistically; however they seriously limit the range of participants' responses.

3.4.2.3. Likert scale

The Likert rating scale is a type of numerical rating scale developed by Rensis Likert in 1932 (Jackson, 2009:93).

Researchers often obtain data from research participants by providing them with questions or statements and rating scales with instructions to make judgements about each item stem using a rating scale that is provided (Johnson & Christensen, 2000:133). They further assert that rating scales produce numerical data (quantitative data) rather than nominal-level data (qualitative data).

Mertler (2012:134) points out that rating scales can be used very effectively to measure a participant's attitudes, perceptions or behaviours. He also notes that there are two main types of scales that appear in items on a rating scale: Likert and Likert-type scales. For the purpose of this study, the researcher applied the Likert scale which begins with a statement and then asks individuals to respond to an agree/disagree continuum. The Likert scale typically ranges from "strongly agree" to "strongly disagree".

3.4.3. Validity and reliability of the study

Gaiser and Schreiner (2009:69) state that when researchers speak about the ability of their questionnaire to measure a particular social phenomenon, they are referring to the validity of the questionnaire. Validity refers to the issue of whether or not an indicator (or a set of indicators) that is devised to gauge a concept, really measures the concept (Bryman & Bell, 2011:159).

Similarly, researchers speak about the reliability of their research instrument. What they are referring to here is that the reliability of the research instrument will provide the same result each time it is administered to the same population (Gaiser &

Schreiner, 2009:70). Reliability is defined by Bryman and Bell (2011:158) as the consistency of the measure of a concept.

Reliability is a term mainly used in connection with measurements which are repeatedly used and that obtain the same results on different occasions. Thus we can say that validity is a partner of reliability, expressing the extent to which a test is actually measured with what it is supposed to measure.

3.4.4. Ethics and confidentiality

Ethical behaviour is as important in research, as in any other field of human behaviour. It is concerned with matters such as plagiarism, and honesty in reporting results, and pertains to all research (Welman et al., 2005:181). Mouton (2001:238) considers that the ethics of science is concerned with what is wrong and what is right in the conduct of research. During the study, a letter detailing the purpose of the study and also assuring the confidentiality of participants participating in the study was attached to the questionnaire. The research also informed participants that their participation in the study would be on a strictly voluntary basis as no one was forced to participate in the study. Participants were also informed that the results of the study were available should they wish to peruse them. Furthermore ethical clearance was obtained from the Faculty of Business Ethics Committee (see Appendix E) and the Western Cape Department of Economic Development and Tourism (see Appendix C).

3.4.5. Data analysis

There are at least two ways that researchers can draw conclusions from qualitative data according to Birley and Moreland (1998:61). Firstly, the data may be used to describe the situation using descriptive statistics. This might involve using pie charts, tables or graphs. Secondly, the researcher may wish to infer something about a much wider population of the sample that was drawn (Birley & Moreland, 1998:61).

Mertler (2012:134) is of the view that in traditional quantitative research studies, data analysis typically occurs following the completion of all data collection. He further suggests that quantitative data may be analysed through the use of either descriptive statistics or inferential statistics. The aim of the analysis is to understand the various constitutive elements of one's data through an impaction of the relationship between concepts, constructs or variables, and to see whether there are any patterns or trends that can be identified or isolated, or to establish themes in the data (Mouton, 2001:108). For the purpose of this study, the researcher analysed the data collected with the help of Ms Corrie Uys, a statistician at the Cape Peninsula University of Technology.

3.5. CHAPTER SUMMARY

The aim of this chapter was to discuss the research methodologies used during the study of the performance management system of the Western Cape Department of Economic Development and Tourism. The research undertaken by the researcher was to determine the effectiveness and efficiency of the Department's performance management system.

The next chapter will focus on analysing and interpreting the information collected by the researcher. It is aimed at obtaining a better understanding of the challenges faced by both management and employees in terms of achieving the Department's strategic goals.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION OF FINDINGS

4.1. INTRODUCTION

The previous chapter discussed the research methodology used by the researcher during this study. It formed the theoretical basis of the study and assisted the researcher with the formulation of the questionnaire used to collect the data.

The objective of this chapter is to establish the opinions, perceptions and experiences of employees towards the performance management system used by the Western Cape Department of Economic Development and Tourism.

The data collected was done by means of distributing 161 questionnaires to the 161 participants employed on salary levels 1 – 12 in the Western Cape Department of Economic Development and Tourism.

The questionnaires were hand delivered to each participant, and participants were reminded about its completion over a two-week period. In the end, only 104 participants voluntarily answered the questionnaire, which represents a response rate of 64.6%. CPUT's in-house statistician confirmed that the response rate was satisfactory (Uys, 2013).

This chapter presents and discussed the responses of the participants. The tables below discuss and analyse the research findings of this study.

4.2. ANALYSIS OF QUESTIONNAIRE

Section A of the questionnaire required participants to complete various questions pertaining to their positions and where they fit in within the Department. Section B of the questionnaire is an analysis of the performance management system used by the Western Cape Department of Economic Development and Tourism.

4.2.1. Section A: The Departmental case study

4.2.1.1. Departmental programmes

The Western Cape Department of Economic Development and Tourism is divided into seven programmes. The table below describes each programme and the total number of permanently employed employees in the various programmes as per the statistical report of 31 March 2013 which is also the end of the financial year 2012/13.

Question 1: In which directorate or programmes are you employed?

Table 4.1 - Directorates/Programmes

Programmes		Frequency	Valid Percentage	Cumulative Percentage
Valid	Administration	26	25.0	25.0
	Integrated Economic Development Services	16	15.4	40.4
	Trade and Sector Development	16	15.4	55.8
	Business Regulation and Governance	13	12.5	68.3
	Economic Planning	8	7.7	76.0
	Tourism, Arts and Entertainment	21	20.2	96.2
	Skills Development and Innovation	4	3.8	100.0
	Total	104	100.0	

An analysis of Table 4.1 reflects the following:

- 25% of the participants are employed in the Administration programme,
- 15.4% in the Integrated Economic Development Services programme,
- 15.4% in the Trade and Sector Development programme,
- 12.5% in the Business Regulations and Governance programme,
- 7.7% in the Economic Planning programme,
- 20.2% in the Tourism, Arts and Entertainment programme and
- 3.8% of the participants represent the Skills Development and Innovations programme.

The percentages above present the responses received from participants across the seven programmes of the Department of Economic Development and Tourism. This response rate can be seen as fair when comparing it to the number of employees within the Department as per the Department’s statistical report (see Appendix F).

4.2.1.2. Salary levels

The salary levels of employees employed in the Department range from salary levels 1 – 15, with 1 being the lowest and 15 being the highest. For the purpose of this study, the researcher only administered questionnaires amongst employees on salary levels 1 – 12. These employees are the operational workers who carry out the primary responsibility to deliver, supply or produce the products, services and information in the Department. The operational workers consist of those employed on the lowest salary level up and including those on the level of deputy-director. This question established whether the participant formed part of the operational staff or management.

Question 2: Which salary level are you on?

Table 4.2 - Salary Levels

	Salary Levels	Frequency	Valid Percentage	Cumulative Percentage
Valid	3	2	2.0	2.0
	5	25	24.5	26.5
	6	2	2.0	28.4
	7	3	2.9	31.4
	8	31	30.4	61.8
	9	23	22.5	84.3
	10	5	4.9	89.2
	11	4	3.9	93.1
	12	7	6.9	100.0
	Total	102	100.0	
Missing	System	2		
	Total	104	100	

Table 4.2 shows that out of the 104 participants, 15.30% formed part of management, which are levels 10 – 12, 82.60% formed part of the operational staff, which are levels 3 – 9, and 1.9% did not complete the question.

4.2.1.3. Number of years employed in the Department

The following question determines the number of years participants have been employed in the Western Cape Department of Economic Development and Tourism.

Question 3: How many years have you been employed at the Department?

Table 4.3 - Number of years employed in Department

Years of employment		Frequency	Valid Percentage	Cumulative Percentage
Valid	0 to under 5 years	50	49.0	49.0
	5 to under 10 years	45	44.1	93.1
	10 years or more	7	6.9	100.0
	Total	102	100.0	
Missing	System	2		
Total		104	100.0	

An analysis of Table 4.3 reflects the following:

- 49% of the participants have been employed in the Department for less than five years.
- 44.1% of the participants have been employed in the Department between five and ten years.
- 6.9% of the participants have been employed for more than ten years.
- 1.9% of the participants did not complete this question.

The above results indicate that while 48.1% of participants have been in the Department for less than 5 years, the Department has been able to retain 50% of the participants for longer than five years.

4.2.1.4. Number of years employed in present position

Question 4 establishes the number of years participants have been employed in their present position.

Question 4: How long have you been in employed in your present position?

Table 4.4 - Number of years employed in present position

Years employed in present position		Frequency	Valid Percentage	Cumulative Percentage
Valid	0 to under 5 years	72	69.9	69.9
	5 to under 10 years	31	30.1	100.0
	Total	103	100.0	
Missing	System	1		
Total		104	100	

Table 4.4 reflects the number of years the participants have been employed at the Department in their current position.

- 69.2% of the participants have been in their current position for less than five years.
- 30.1% of the participants have been in their current position for more than five years.
- 1 of the participants did not complete this question.

The study reflects that a majority of the participants have been in their current position for less than five years.

4.2.1.5. Number of performance reviews

Reviews in the Western Cape Department of Economic Development and Tourism take place bi-annually. In Question 5 participants were asked to indicate the number of performance reviews in which they have participated.

Question 5: How many performance reviews have you had in this Department?

Table 4.5 - Number of performance reviews

Number of performance reviews		Frequency	Valid Percentage	Cumulative Percentage
Valid	1	9	8.8	8.8
	2	14	13.7	22.5
	3 or more	79	77.5	100.0
	Total	102	100.0	
Missing	System	2		
Total		104	100	

Table 4.5 indicates the number of reviews participants had in the Department.

- 77.5% of the participants have been exposed to more than three reviews.
- 22.5% of the participants have been exposed to fewer than three reviews.
- 1.9% of the participants did not complete this question.

The study reflects that a majority of the participants have been exposed to more than three reviews.

4.2.2. Performance management analysis

Section B of the questionnaire is an analysis of the performance management system used by the Western Cape Department of Economic Development and Tourism. The questions posed in this part of the questionnaire established each

participant's perception towards the performance management system. Participants were asked to indicate with an "X" whether they strongly agree, agree, are undecided, disagree or strongly disagree with the statements posed in the tables below. The main questions guiding this analysis are:

- Performance management strategies
- Goals and performance measures
- Performance management process
- Performance management review and feedback
- Development and training
- Rewards

4.2.2.1. Performance management strategies

Strategic management can be defined as the art and science of formulating, implementing and evaluating cross-functional decisions that enable an organisation to achieve its objective (David, 2004:5). Therefore the main purpose of performance management is to contribute to the achievement of high performance by the organisation and its employees. As a result, it is important for the Department as a whole from the highest level to lowest level of employee to know exactly what the end results needed to be achieved are. Top management is thus responsible for developing these innovative strategies to achieve the end results. Once the strategic objectives are set for the Department, they need to be filtered down into the various units of the Department.

The purpose of this section is to determine the degree of knowledge participants have of the Department's vision, strategic objectives and how they are linked to their individual goals and objectives.

Question 1: I am aware of what my Department's strategic objectives

Table 4.6 - I am aware of what my Department's strategic objectives

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	36	34.6	34.6
	Agree	60	57.7	92.3
	Undecided	5	4.8	97.1
	Disagree	2	1.9	99.0
	Strongly disagree	1	1.0	100.0
	Total	104	100.0	

An analysis of Table 4.6 indicates the following:

- 92.3% of the participants strongly agree or agree on know the strategic objectives of the Department.
- 4.8% are undecided.
- 2.9% strongly disagree or disagree on knowing the Department's strategic objectives.

From the responses analysed in Table 4.6, the findings are as follows:

- The analysis of Table 4.6 reveals that the majority (92.3%) of the participants in the study are fully aware of what the Department's strategic objectives are. This high level of agreement is in line with Dhar's (2008) view that every strategy requires supporting structures, well-designed tasks and workflows, and the right people.
- Dhar (2008) further contends that the organisations strategic objectives should be enthusiastically supported by leaders who are capable of motivating everyone, building individual performance commitments and utilising teams and teamwork to their best advantage. The above analysis is a fair indication that employees are aware of what needs to be achieved in order for the Department to operate in an efficient and effective manner.

Question 2: The performance management system in the Department assists employees to meet the Department’s strategic objectives.

Table 4.7 - The performance management system in the Department assists employees to meet the Department’s strategic objectives

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	12	11.7	11.7
	Agree	45	43.7	55.3
	Undecided	30	29.1	84.5
	Disagree	13	12.6	97.1
	Strongly disagree	3	2.9	100.0
	Total	103	100.0	
Missing	System	1		
Total		104	100.0	

An analysis of Table 4.7 indicates the following:

- 54.8% of the participants strongly agree and agree.
- 28.8% are undecided.
- 15.4% who strongly disagree and disagreed.

From the responses analysed in Table 4.7, the findings are as follows:

- From Table 4.7 it is clear that 54.8% of participants strongly agree/agree that the Department’s performance management system assists them in achieving the Department’s strategic objectives. Of note is the fact that 28.8% of the participants are undecided and 15.4% strongly disagree/disagree. As far as Armstrong (2000) is concerned, a performance management system emphasises the importance of outcomes which the individual influences, as well as the immediate outputs. The performance management system should analyse inputs and processes to determine development and training needs and provide the basis for performance improvement plans.

- It is important that the performance management system assists the Department heads with meeting the Department's goals and objectives. The above analysis therefore indicates that a narrow majority of participants are in line with what Armstrong (2006) contends.

Question 3: I am clear about my role in the Department and how it fits into the Department's annual performance plan.

Table 4.8 - I am clear about my role in the Department and how it fits into the Department's annual performance plan

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	22	21.2	21.2
	Agree	58	55.8	76.9
	Undecided	16	15.4	92.3
	Disagree	5	4.8	97.1
	Strongly disagree	3	2.9	100.0
	Total	104	100.0	

An analysis of Table 4.8 indicates the following:

- 77% of the participants strongly agree or agree.
- 15.4% are undecided.
- 7.7% strongly disagree and disagree with knowing their role in the Department and how they fit into the Department's annual performance plan.

From the responses analysed in Table 4.8, the findings are as follows:

- Performance management, according to Armstrong and Baron (2005), is largely about managing expectations. These are defined and agreed to in the form of role profiles which set out what are, in effect, ongoing objectives in the shape of definitions of what is required in each major aspect of the role. In

response to the above question, 77% of participants in this study indicated that they know what their role in the Department is and they fit into the Department's annual performance plan.

- Therefore, the above analysis indicates that the majority of participants are in line with Armstrong and Baron's (2005) contentions. Hence, it is crucial that employees are cognitively aware of their roles so that they are able to perform their daily tasks more efficiently. This also enables employees to stay within the boundaries of the Department's annual performance plan objectives.

Question 4: I am aware that the current performance management system is used as a tool to achieve individual goals.

Table 4.9 - I am aware that the current performance management system is used as a tool to achieve individual goals

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	14	13.6	13.6
	Agree	52	50.5	64.1
	Undecided	28	27.2	91.3
	Disagree	7	6.8	98.1
	Strongly disagree	2	1.9	100.0
	Total	103		
Missing	System	1		
Total		104	100.0	

An analysis of Table 4.9 indicates the following:

- 63.5% of the participants strongly agree or agree.
- It is noteworthy that 26.9% of participants are undecided.
- 8.7% strongly disagree or disagree.

From the responses analysed in Table 4.9, the findings are as follows:

- In terms of the current performance management system used as a tool to assist employees in achieving their individual objectives, the majority of 63.5% of participants strongly agree/agree that the performance management system has assisted them. However it is noteworthy that 26.6% of participants in this study are undecided and another 8.7% disagree. The finding of 63.5% of participants who agreed with the performance system being used as a tool correlates with Vitez's (2012) finding that many organisations implement a performance management system in order to set standards and expectations for employees at all levels in the organisation, so that not only individual, but also organisational objectives are met.

Question 5: In our Department job descriptions do not exist and are not useful.

Table 4.10 - In our Department job descriptions do not exist and are not useful

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	4	3.9	3.9
	Agree	6	5.8	9.7
	Undecided	19	18.4	28.2
	Disagree	43	41.7	69.9
	Strongly disagree	31	30.1	100.0
	Total	103	100.0	
Missing	System	1		
Total		104	100	

An analysis of Table 4.10 indicates the following:

- 9.6% of the participants strongly agree and agree.
- 18.3% are undecided.
- 71.1% of the participants strongly disagree and disagree with this statement.

From the responses analysed in Table 4.10, the findings are as follows:

- Table 4.10 shows that 71.1% of participants strongly disagree/disagree, while 18.3% are undecided and 9.6% strongly agree/agree with the statement that job descriptions do not exist and are not useful in their department. From the above analysis it can be deduced that the majority of participants indicated that they were, in fact, aware that they had been given job descriptions. This is in line with the Staff Performance Management System (SPMS) Provincial Guide (Western Cape Provincial Government, 2005:2), which describes a job description as a written statement that outlines the main features of a job, as well as the activities required to perform the job effectively. It simultaneously focuses on the objectives and the job outputs and competencies (skills/knowledge) required in performing the activities successfully at a specific post level.
- One of the most fundamental purposes of performance management is to align individual and organisational objectives. This means that everything people do at work leads to outcomes that further the achievement of the organisation (Armstrong, 2006:498). It is evident from the above tables that most of the participants agree to understand the performance management strategies of the Department and how they are aligned to the Western Cape Department of Economic Development and Tourism's annual performance plan. Individuals are also aware that the performance management system used by the Department is a tool to achieve the organisation's strategic goals and objectives.

4.2.2.2. Goals and performance measures

Good performance management means that each person will have goals and measures that are linked directly to the organisation's strategy. Therefore, the process of developing individual measures starts by taking the strategy of the organisation and cascading the strategic objectives down through the different Departments (Bagraim et al., 2007:106).

Performance goals, according to Costello (1994:13), are statements of general direction or intent. They describe conditions that will exist on a continuing basis when the manager, Department or other division is fulfilling its mission. They are therefore broad, timeless and unconcerned with particular achievement within a specific time period.

Thorpe and Holloway (2008:28) re-iterate that performance measurement is designed to assist with the management of business strategy. It specifies the key factors that the organisation must attend to in order to be successful. Hence the performance measurements have to be concerned with outcomes or results, and the means by which such results have been achieved.

This section of the questionnaire was aimed at establishing whether clear work standards have been set and if participants are aware of the performance measures set by management.

Question 1: I have a clear understanding of what my duties and responsibilities are.

Table 4.11 - I have a clear understanding of what my duties and responsibilities are

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	54	52.4	52.4
	Agree	47	45.6	98.1
	Undecided	2	1.9	100.0
	Total	103	100.0	
Missing	System	1		
Total		104	100	

An analysis of Table 4.11 indicates the following:

- 98.1% of the participants strongly agree and agree.
- 1.9% are undecided.
- 1.0% did not complete this question.

From the responses analysed in Table 4.11, the findings are as follows:

- Table 4.11 shows that the majority (98.1%) of participants in this survey are clear on what their duties and responsibilities are. The finding of 98.1% indicates that nearly all of the participants agreed with the above statement which is supported by Levy and Associates (1994) who state that every job usually consists of a number of different tasks or activities, all of which have to be correctly carried out by the employee if he/she is to perform his job successfully.
- Furthermore, by setting standards, the supervisor is informing each subordinate as to exactly what the tasks are which he/she must perform and the level at which they should must be done (Levy & Associates, 1994:45).

Question 2: There are clear work standards set by management to measure my performance.

Table 4.12 - There are clear work standards set by management to measure my performance

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	15	14.4	14.4
	Agree	53	51.0	65.4
	Undecided	19	18.3	83.7
	Disagree	13	12.5	96.2
	Strongly disagree	4	3.8	100.0
	Total	104	100.0	

An analysis of Table 4.12 indicates the following:

- 65.4% of the participants strongly agree and agree.
- 18.3% are undecided.
- 16.3% strongly disagree and disagree.

From the responses analysed in Table 4.12, the findings are as follows:

- The use of performance standards, according to Levy & Associates (1994), is a basic management and supervisory tool. The analysis in Table 4.12 indicates that 64.4% of participants are of the view that there are clear work standards set by management to measure their performance. Despite 64.4% being the majority, 18.3% are undecided and 16.3% disagree. This further corroborates Levy & Associates' (1994) argument that supervisors and managers bear the responsibility for ensuring that their departments or divisions operate effectively and produce what is required.

Question 3: In my directorate work standards are unrealistic and unattainable.

Table 4.13 - In my directorate work standards are unrealistic and unattainable

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	2	1.9	1.9
	Agree	9	8.7	10.6
	Undecided	26	25.0	35.6
	Disagree	45	43.3	78.8
	Strongly disagree	22	21.2	100.0
	Total	104	100.0	

An analysis of Table 4.13 indicates the following:

- 10.6% of the participants strongly agree and agree.
- 25% are undecided.
- 64.5% strongly disagree and disagree.

From the responses analysed in Table 4.13, the findings are as follows:

- 64.5% of the participants disagreed with the statement made in Table 4.13. This is a clear indication that the majority of participants agree that the work

standards set in their directorate are realistic and attainable. This is in line with Levy & Associates (1994), who are of the view that when one sets performance standards it is important to understand that you are setting them for ordinary people and not for super-humans. As such, a work standard should describe the required level of performance for a specific task/activity.

- Furthermore, a performance standard, according to Du Toit et al. (2002), provides a benchmark against which to evaluate work performance. While the job description describes the essential functions of the task to be done, the performance standard defines how well each function or task must be performed in order to meet the exceed expectations.
- Thus it is vital to note that when setting performance standards they should be set a level which is considered to be standard. They should also be set at a level that can be achieved by an employee with the average skills and capacity to do the job, working at an average pace, and under normal working conditions.

Question 4: I understand that I am held accountable for achieving results.

Table 4.14 - I understand that I am held accountable for achieving results

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	21	20.4	20.4
	Agree	68	66.0	86.4
	Undecided	12	11.7	98.1
	Disagree	1	1.0	99.0
	Strongly disagree	1	1.0	100.0
	Total	103	100.0	
Missing	System	1		
Total		104		

An analysis of Table 4.14 indicates the following:

- 85.6% of the participants strongly agree and agree.
- 12% are undecided.
- 2% strongly disagree and disagree.
- 1% of the participants did not complete this question.

From the responses analysed in Table 4.14, the findings are as follows:

- Table 4.14 reflects that an overwhelming majority (85.6%) of participants indicated that they are aware of the accountability with regard to achieving the goals and objectives of the organisation.

Question 5: I participate in setting deadlines for achievement of my goals.

Table 4.15 - I participate in setting deadlines for the achievement of my goals

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	20	19.2	19.2
	Agree	51	49.0	68.3
	Undecided	18	17.3	85.6
	Disagree	8	7.7	93.3
	Strongly disagree	7	6.7	100.0
	Total	104	100.0	

An analysis of Table 4.15 indicates the following:

- 68.2% of the participants strongly agree and agree.
- 17.3% are undecided.
- 14.4% strongly disagree and disagree.

From the responses analysed in Table 4.15, the findings are as follows:

- The above analysis in Table 4.15 reflects that only 68.2% of participants are actively involved in participating in the setting of deadlines for the achievement of their goals, while 17.3% are undecided and the remaining percentage is not involved at all. These findings correlate with Dhar's (2008) view that goal setting is a road map to aspired results. A goal is a statement of intent, describing a situation or condition that will be achieved within specific timeframes. It describes something that is to be accomplished (Dhar, 2008:25).
- Furthermore, Henderson, as cited by Schneier et al. (1987) contends that the goal-setting process starts with the formulation of long-range objectives and moves down the organisational hierarchy to where these objectives are redefined in concepts and terms appropriate to the involved level or functional area of the organisation.

Question 6: The goals set for myself support the Department's strategic objectives.

Table 4.16 - The goals set for myself support the Department's strategic objectives

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	10	9.7	9.7
	Agree	62	60.2	69.9
	Undecided	21	20.4	90.3
	Disagree	6	5.8	96.1
	Strongly disagree	4	3.9	100.0
	Total	103	100.0	
Missing	System	1		
Total		104		

An analysis of Table 4.16 indicates the following:

- 69.2% of the participants strongly agree and agree.
- 20.2% are undecided.
- 9.6% strongly disagree and disagree.
- 1% of the participants did not complete this question.

From the responses analysed in Table 4.16, the findings are as follows:

- Table 4.16 shows that only 69.2% of the participants have indicated that the goals set for themselves support the Department's strategic objectives, while 20.2% are undecided and the remaining percentages either disagreed or did not complete the question. These findings seem to confirm Dhar's (2008) argument that a strategic objective of a business/organisation is to achieve a competitive advantage by raising standards of customer service above those of its rivals. Individual and team objectives will therefore specifically encourage higher level of service, such as increasing the response to customer queries. Dhar (2008) further contends that before the process of goal setting begins, individual goals need to be linked with the organisation's goals.

Question 7: I do not participate in the setting of my performance goals.

Table 4.17 - I do not participate in the setting of my performance goals

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	2	1.9	1.9
	Agree	12	11.5	13.5
	Undecided	20	19.2	32.7
	Disagree	48	46.2	78.8
	Strongly disagree	22	21.2	100.0
	Total	104	100.0	

An analysis of Table 4.17 indicates the following:

- 13.5% of the participants strongly agree and agree.
- 19.2% are undecided.
- 67.4% strongly disagree and disagree.

From the responses analysed in Table 4.17, the findings are as follows:

- The above analysis has indicated that 67.4% of participants disagree that they do not participate in the setting of their performance goals, while 19.2% are undecided and the remaining percentage agree. The majority of participants are thus in agreement with Bagraim et al. (2007), that once managers of Departments have set their goals and objectives, each person in the Department should be assisted by means of a joint goal-setting session to set his or her goals and the associated measures.

It is evident from the above analysis that individuals are happy with the way in which their performance is evaluated and measured. They are also aware of the fact that they are held accountable for achieving results. Clear work standards have been set by management which are communicated to employees on a regular basis. As a result, employees see performance management as a normal process routinely undertaken by management.

4.2.2.3. Performance management process

The performance management process provides an opportunity for the employee and performance manager to discuss developmental goals and jointly create a plan for achieving those goals. Developmental plans should contribute to organisational goals and the professional growth of the employee (Du Toit et al., 2001:188). The Public Service Regulation (2001) specifies that participation in the performance management process is required to ensure that performance

criteria/outputs are agreed, understood and appropriate (Western Cape Provincial Government, 2007:14).

As a result, an employee’s evaluation serves a very important purpose; when set up and performed properly it is a key element of the way an organisation or institution accomplishes its goals.

Question 1: I understand that the performance management system contributes positively to improving my productivity.

Table 4.18 - I understand that the performance management system contributes positively to improving my productivity

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	16	15.7	15.7
	Agree	49	48.0	63.7
	Undecided	18	17.6	81.4
	Disagree	17	16.7	98.0
	Strongly disagree	2	2.0	100.0
	Total	102	100.0	
Missing	System	2		
Total		104		

An analysis of Table 4.18 indicates the following:

- 63.7% of the participants strongly agree and agree.
- 17.6% are undecided.
- 18.7% strongly disagree and disagree.
- 1.9% of the participants did not complete this question.

From the responses analysed in Table 4.18, the findings are as follows:

- Even though 63.7% of the participants in this study agreed that the Department’s performance management system contributes positively to

improving their productivity, there are still 17.6% of participants who are undecided and 18.7% who disagreed. Two (1.9%) of the participants did not complete this question. These findings confirm Armstrong and Baron's (2005) view that a performance management system relates to what individuals do about monitoring and improving their own performance, measuring performance and documenting the outcomes of performance management plans and reviews.

Question 2: Performance agreements are entered into after being discussed with my manager.

Table 4.19 - Performance agreements are entered into after being discussed with my manager

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	16	15.4	15.4
	Agree	57	54.8	70.2
	Undecided	15	14.4	84.6
	Disagree	12	11.5	96.2
	Strongly disagree	4	3.8	100.0
	Total	104	100.0	

An analysis of Table 4.19 indicates the following:

- 70.2% of the participants strongly agree and agree.
- 14.4% are undecided.
- 15.3% strongly disagree and disagree.

From the responses analysed in Table 4.19, the findings are as follows:

- Table 4.2.19 indicates that a majority of 70.2% of the participants have indicated that performance agreements have been entered into after being

discussed with their manager, while 14.4% are undecided and 15.3% disagree.

- The above results relate to Armstrong’s (2006) statement that performance agreements form the basis for development, assessment and feedback in the performance management process. They define expectations in the form of a role profile that sets out role requirement in terms of key result areas and the competencies required for effective management.

Question 3: My manager has the right skills to manage my performance.

Table 4.20 - My manager has the right skills to manage my performance

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	35	33.7	33.7
	Agree	43	41.3	75.0
	Undecided	19	18.3	93.3
	Disagree	3	2.9	96.2
	Strongly disagree	4	3.8	100.0
	Total	104	100.0	

An analysis of Table 4.20 indicates the following:

- 75% of the participants strongly agree and agree.
- 18.3% are undecided.
- 6.7% strongly disagree and disagree.

From the responses analysed in Table 4.20, the findings are as follows:

- The analysis of Table 4.20 clearly indicates the majority, 75% of the participants, do in fact consider their managers as having the right skills to manage their performance, while only 6.7% disagreed and the remaining percentage was undecided. These findings are in line with Armstrong’s (2006) argument that one of the most important concepts of performance

management is that it is a continuous process that reflects normal good management practices of setting direction, monitoring and measuring performance, and taking action accordingly. It should therefore not be imposed on managers as something “special” they have to do but instead be treated as a natural function that all good managers carry out.

- Likewise Adams (2007) suggests that organisations should be restructured to enable the training of managers so that they understand the value of empowerment in the workforce without feeling threatened; so that they are able to adequately give advice, counselling and distribute accurate, timely information; and are able to learn transformational leadership styles.

Question 4: In my Directorate generic standards are set instead of individual work standards.

Table 4.21 - In my Directorate generic work standards are set instead of individual work standards

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	14	13.5	13.5
	Agree	39	37.5	51.0
	Undecided	22	21.2	72.1
	Disagree	23	22.1	94.2
	Strongly disagree	6	5.8	100.0
	Total	104	100.0	

An analysis of Table 4.21 indicates the following:

- 51% of the participants strongly agree and agree.
- 21.2% are undecided.
- 27.9% strongly disagree and disagree.

From the responses analysed in Table 4.21, the findings are as follows:

- Table 4.21 shows that a mere 51% of participants in this study agreed that generic work standards are set instead of individual work standards. It is noteworthy that 21.2% are undecided and 27.9% disagree. The majority of the results above are in line with the Provincial Guidelines compiled by the Western Cape Provincial Government (2007) that make provision that a group of employees with similar jobs, or employees sharing responsibility for a specific objective, may request the development of collective key performance areas and objectives/outputs. These key performance areas still need to be agreed upon with each employee individually.

Question 5: The performance management process does not form part of the Department's employee induction programme.

Table 4.22 - The performance management process does not form part of the Department's employee induction programme

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	9	8.9	8.9
	Agree	24	23.8	32.7
	Undecided	37	36.6	69.3
	Disagree	21	20.8	90.1
	Strongly disagree	10	9.9	100.0
	Total	101	100.0	
Missing	System	3		
Total		104		

An analysis of Table 4.22 indicates the following:

- 32.7% of the participants strongly agree and agree.
- 36.6% are undecided.
- 29.8% strongly disagree and disagree.
- 2.9% of the participants did not complete this question.

From the responses analysed in Table 4.22, the findings are as follows:

- The above table reflects that the majority, 36.6% of participants were undecided whether the performance management process formed part of the employee induction programme, while only 32% agreed. Furthermore 29.8% disagreed and the remaining 2.9% did not complete this question. The results seem to reflect an uncertainty among participants.
- This is why induction, according Du Toit et al. (2002), is an important process which seeks to integrate new members of staff into the organisation in such way that they quickly become active, co-operative and productive members of the workforce. Hence the findings indicate that participants were generally uncertain of whether the performance management process formed part of the Department's employee induction programme, which is in contrast to what is theoretically advised by Du Toit et al. (2002).

4.2.2.4. Performance review and feedback

An important objective of a performance review is to provide positive feedback, recognition, praise and opportunities to individual employees. It is to clarify expectations and to empower employees by encouraging them to take control of their own performance and development (Armstrong & Baron, 2005:32).

Feedback is an important performance management process. It provides an opportunity to recognise achievements or indicate areas for improvement or development. Feedback is always based on evidence: it refers to results, events, critical incidents and significant behaviours that have affected performance in a specific way (Armstrong & Baron, 2005:34).

The aim of this section is to establish whether performance reviews and feedback contribute to improving employee performance positively.

Question 1: My performance is measured against the agreed measurements set out in my performance agreement.

Table 4.23 - My performance is measured against the agreed measurements set out in my performance agreement

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	31	30.1	30.1
	Agree	52	50.5	80.6
	Undecided	12	11.7	92.2
	Disagree	5	4.9	97.1
	Strongly disagree	3	2.9	100.0
	Total	103	100.0	
Missing	System	1		
Total		104		

An analysis of Table 4.23 indicates the following:

- 80.6% of the participants strongly agree and agree.
- 11.7% are undecided.
- 7.8% strongly disagree and disagree.
- 1% of the participants did not complete this question.

From the responses analysed in Table 4.23, the findings are as follows:

- Performance management is an ongoing process of evaluating and managing both the behaviour and outcomes in the workplace (Grobler et al., 2002:260). It is evident in the above analysis of Table 4.23 that the majority (80.6%) of the participants feel that their performance is measured according to their performance agreement. These findings correlate with the definition of Grobler et al. (2002) of what performance management is, as stated above.

Question 2: I have the necessary skills and competencies to perform my job.

Table 4.24 - I have the necessary skills and competencies to perform my job

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	47	45.2	45.2	45.2
	Agree	46	44.2	44.2	89.4
	Undecided	10	9.6	9.6	99.0
	Disagree	1	1.0	1.0	100.0
	Total	104	100.0	100.0	

An analysis of Table 4.24 indicates the following:

- 86.4% of the participants strongly agree and agree.
- 9.6% are undecided.
- 1% strongly disagrees and disagrees.

From the responses analysed in Table 4.24, the findings are as follows:

- It can be deduced from Table 4.24 that the greater majority (86.4%) of the participants have indicated that they have the necessary skills and competencies to perform their jobs; however 9.6% were undecided and 1% did not answer the question. This correlates with Adams (2007) who suggests that when employees are able to learn new skills and become comfortable in a variety of roles, they are more likely to become confident, productive and satisfied at work.
- Adams (2007) further contends that by encouraging a person to be comfortable in pushing his or her boundaries and to learn new skills, he or she is likely to become more comfortable with new roles and show fewer psychological and physiological responses to the strain of adaptation to new responsibilities and environments.

Question 3: My manager and I work together to achieving my performance goals.

Table 4.25 - My manager and I work together in achieving my performance goals

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	13	12.5	12.5
	Agree	41	39.4	51.9
	Undecided	29	27.9	79.8
	Disagree	11	10.6	90.4
	Strongly disagree	10	9.6	100.0
	Total	104	100.0	

An analysis of Table 4.25 indicates the following:

- 51.9% of the participants strongly agree and agree.
- 27.9% are undecided.
- 20.2% strongly disagree and disagree.

From the responses analysed in Table 4.25, the findings are as follows:

- The above table reflects that only 51.9% of the participants felt that their managers worked with them to achieve their performance goals. A further 27.9% were undecided and 20.2% disagreed with the statement. Robertson et al. (1992) as cited in Armstrong (2006:261) point out that goals inform individuals to achieve particular levels of performance, in order for them to direct and evaluate their actions; while performance feedback allows the individual to track how well he or she has been doing in relation to the goal, so that, if necessary, adjustments in effort, direction or possible task strategies can be made.
- The findings above indicate that only a narrow majority of 51.9% of participants are in line with what Robertson et al. (1992) as cited in Armstrong (2006:261) contend as stated above, while the remaining percentages either disagree or are undecided.

Question 4: My manager and I have regular meetings to discuss my performance progress.

Table 4.26 - My manager and I have regular meetings to discuss my performance progress

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	8	7.7	7.7
	Agree	41	39.4	47.1
	Undecided	19	18.3	65.4
	Disagree	26	25.0	90.4
	Strongly disagree	10	9.6	100.0
	Total	104	100.0	

An analysis of Table 4.26 indicates the following:

- 47.1% of the participants strongly agree and agree.
- 18.3% are undecided.
- 34.6% strongly disagree and disagree.

From the responses analysed in Table 4.26, the findings are as follows:

- Table 4.26 shows that 47.1% of the participants agreed to have regular meetings with their managers to discuss their performance progress. Noteworthy is the fact that 34.6% of participants disagree and 18.3% are undecided about the above statement. This large number of “disagreed” and “undecided” answers might mean that the only time participants discuss their performance progress is during their performance review. Isaac and his colleagues, as cited by Adams (2007), emphasise the importance of having regular meetings where a manager provides clear definitions of an employee’s role, goals and projects, so that he or she can better understand the importance of his or her work of the project at hand and to the organisation.

- These findings indicate that the combined majority of the participants have either disagreed or were undecided about meeting regularly with their managers to discuss their performance progress. This is contrary to what Isaac and his colleagues as cited by Adams (2007) have contended as stated above.

Question 5: My manager provides me with constructive criticism during my review.

Table 4.27 - My manager provides me with constructive criticism during my review

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	12	11.5	11.5
	Agree	51	49.0	60.6
	Undecided	20	19.2	79.8
	Disagree	17	16.3	96.2
	Strongly disagree	4	3.8	100.0
	Total	104	100.0	

An analysis of Table 4.27 indicates the following:

- 60.6% of the participants strongly agree and agree.
- 19.2% are undecided.
- 20.1% strongly disagree and disagree.

From the responses analysed in Table 4.27, the findings are as follows:

- In Table 4.27, the majority (60.6%) of participants agreed that their manager provides them with constructive criticism during their review while only 20.1% of participants disagreed. This high percentage of 60.6% correlates with Costello's (1994) view that when an employee's performance has slipped, one should communicate what expectation has not been met, its impact and one's expectations for future performance.

Question 6: My performance appraisal is a fair reflection of my performance.

Table 4.28 - My performance appraisal is a fair reflection of my performance

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	13	12.5	12.5
	Agree	44	42.3	54.8
	Undecided	24	23.1	77.9
	Disagree	17	16.3	94.2
	Strongly disagree	6	5.8	100.0
	Total	104	100.0	

An analysis of Table 4.28 indicates the following:

- 54.8% of the participants strongly agree and agree.
- 23.1% are undecided.
- 22.1% strongly disagree and disagree.

From the responses analysed in Table 4.28, the findings are as follows:

- Performance appraisal, according to Du Toit, et al (2002:190), is a platform for performance management by establishing targets and making a range of decisions aimed at improving the performance of employees in an institution. Du Toit, et.al further contend that appraisal is the process of reviewing and making decisions about past performance with the performer prior to planning for the future.
- The above findings indicate that only a narrow majority (54.8%) of the participants agreed that their performance appraisal is a fair reflection of their performance, which correlates with what Du Toit, et.al. contend. However, it is important to note that 23.1% of participants were undecided and 22.1% disagreed that their performance appraisal is a fair reflection of their performance.

Question 7: I received oral and written feedback on positive aspects of my performance.

Table 4.29 - I received oral and written feedback on positive aspects of my performance

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	14	13.5	13.5
	Agree	42	40.4	53.8
	Undecided	17	16.3	70.2
	Disagree	23	22.1	92.3
	Strongly disagree	8	7.7	100.0
	Total	104	100.0	

An analysis of Table 4.29 indicates the following:

- 53.9% of the participants strongly agree and agree.
- 16.3% are undecided.
- 29.8% strongly disagree and disagree.

From the responses analysed in Table 4.29, the findings are as follows:

- The analysis of Table 4.29 reflects that a mere 53.9% of the participants strongly agree and agree that they received verbal and written feedback on positive aspects of the performance. However, 29.8% of the participants disagreed and 16.3% were undecided about the above statement. Despite the high percentage of participants who disagreed, most of the results corroborate Costello's (1994) view that feedback is the primary means of recognising good performance and redirecting behaviour that needs to be improved.
- She further argues that praise is an essential ingredient for any good performance management. Far too often employees and managers, alike, do not receive the praise they deserve (Costello, 1994). Likewise, Tosi, Rizzo, and Carroll (1994) state that both formal and informal performance

feedback provides individuals or groups with information about how their performance compares with some previous developed standard.

Question 8: Poor performance is confronted immediately.

Table 4.30 - Poor performance is confronted immediately

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	14	13.5	13.5
	Agree	41	39.4	52.9
	Undecided	26	25.0	77.9
	Disagree	12	11.5	89.4
	Strongly disagree	11	10.6	100.0
	Total	104	100.0	

An analysis of Table 4.30 indicates the following:

- 52.9% of the participants strongly agree and agree.
- 25% are undecided.
- 22.1% strongly disagree and disagree.

From the responses analysed in Table 4.30, the findings are as follows:

- 52.9% of the participants agreed that poor performance is confronted immediately, while 25% of participants were undecided and the remaining 21.2% disagreed. The Western Cape Provincial Government (2005) guide on staff performance management provides a means of early identification and resolution of non-optimal performance. It further states that employees should be informed of any shortcomings in writing and given the opportunity and means to improve/overcome poor performance through appropriate development and training programmes.
- The findings of this study indicated that only a narrow majority of participants are in agreement with the Western Cape Provincial

Government (2005), while the remaining percentages either disagreed or were undecided.

Question 9: The management of poor performance is conducted in a constructive manner.

Table 4.31 - The management of poor performance is conducted in a constructive manner

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	12	11.8	11.8
	Agree	34	33.3	45.1
	Undecided	34	33.3	78.4
	Disagree	21	20.6	99.0
	Strongly disagree	1	1.0	100.0
	Total	102	100.0	
Missing	System	2		
Total		104		

An analysis of Table 4.31 indicates the following:

- 45.1% of the participants strongly agree and agree.
- 33.3% are undecided.
- 21.6% strongly disagree and disagree.
- 1.9% of the participants did not complete this question.

From the responses analysed in Table 4.31, the findings are as follows:

- The above table reflects that 45.1% of the participants agreed that the management of poor performance is conducted in a constructive manner, while 33.3% were undecided. Furthermore 21.6% disagreed and the remaining 1.9% did not complete this question. The results seem to reflect an uncertainty among participants. The staff performance management systems guide recommends that in the case of poor/non-optional

performance, the employer will provide remedial and systematic support (through a performance improvement programme) to assist the employee to improve his/her performance. Such a training and development programme should be agreed upon between the employee and his/her supervisor (Western Cape Provincial Administration, 2001).

- Hence the findings indicate that the combined participants who are undecided and disagree make up the majority of participants who are in conflict with the guidelines provided by the Western Cape Provincial Administration (2001).

Question 10: Management provides constructive suggestions to improve my performance.

Table 4.32 - Management provides constructive suggestions to improve my performance

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	14	13.5	13.5
	Agree	42	40.4	53.8
	Undecided	23	22.1	76.0
	Disagree	16	15.4	91.3
	Strongly disagree	9	8.7	100.0
	Total	104	100.0	

An analysis of Table 4.32 indicates the following:

- 53.8% of the participants strongly agree and agree.
- 22.1% are undecided.
- 24.1% strongly disagree and disagree.

From the responses analysed in Table 4.32, the findings are as follows:

- Table 4.32 shows that the majority (53.8%) of the participants agreed, that management provide constructive suggestions to improve their

performance. It is interesting to note that 22.1% of the participants are undecided, while 24.1% disagreed. The majority of results correlate with Adams's (2007) point of view that a manager should assume a coaching role in order to give feedback to enhance and encourage a person's self-esteem and confidence: if an employee believes he or she is capable, success is more likely.

Question 11: I believe that the performance management system has assisted me in achieving my goals.

Table 4.33 - I believe that the performance management system has assisted me in achieving my goals

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	8	7.7	7.7
	Agree	36	34.6	42.3
	Undecided	30	28.8	71.2
	Disagree	20	19.2	90.4
	Strongly disagree	10	9.6	100.0
	Total	104	100.0	

An analysis of Table 4.33 indicates the following:

- 42.3% of the participants strongly agree and agree.
- 28.8% are undecided.
- 28.8% strongly disagree and disagree.

From the responses analysed in Table 4.33, the findings are as follows:

- Table 4.33 indicates that a majority (42.3%) of the participants believe that the performance management system has assisted them in achieving their goals, while 28.8% are undecided and 28.8% disagree. The above results relate to Evered and Selman as cited in Shaw, Schneier, Beatty and Baird

(1995), that one of the most effectiveness of management, flows from the level of partnership that is created between managers and the people with whom, through whom and by whom the job gets done and the results are generated.

Question 12: I am afraid of speaking my mind during my review because of the negative consequences.

Table 4.34 - I am afraid of speaking my mind during my review because of the negative consequences

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	9	8.7	8.7
	Agree	10	9.6	18.3
	Undecided	17	16.3	34.6
	Disagree	42	40.4	75.0
	Strongly disagree	26	25.0	100.0
	Total	104	100.0	

An analysis of Table 4.34 indicates the following:

- 18.3% of the participants strongly agree and agree.
- 16.3% are undecided.
- 65.4% strongly disagree and disagree.

From the responses analysed in Table 4.34, the findings are as follows:

- Table 4.34 shows that a large majority of 65.4% of the participants strongly disagreed and disagreed with the above statement. Furthermore, 18.3% of participants agreed and 16.3% were undecided about speaking their mind during their review because of negative consequences. This is in line with Adams's (2007) view that a manager should display sensitivity, ingenuity and judgement and attempt to establish working conditions that encourage

the highest probability of self-motivation in his or her followers. Adams (2007) further contends that self-motivation can be encouraged through establishing meaningful discussion to determine an employee's training needs, to negotiate work assignments, and to determine pathways for development.

Question 13: I do not receive feedback on how well I am performing my duties.

Table 4.35 - I do not receive regular feedback on how well I am performing my duties

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	8	7.7	7.7
	Agree	29	27.9	35.6
	Undecided	17	16.3	51.9
	Disagree	34	32.7	84.6
	Strongly disagree	16	15.4	100.0
	Total	104	100.0	

An analysis of Table 4.35 indicates the following:

- 35.6% of the participants strongly agree and agree.
- 16.3% are undecided.
- 48.1% strongly disagree and disagree.

From the responses analysed in Table 4.35, the findings are as follows:

- Feedback, according to Armstrong and Baron (2005:34), should be based on fact, not opinion, and should be presented in way that enables individuals to recognise and accept its factual nature. Hence feedback should be provided on actual results or observed behaviour which should be backed up by evidence.

- The results from Table 4.35 indicate that the majority (48.1%) of participants disagree with the above statement, while 35.6% agree to not receiving any feedback on how well they have performed.

McGregor, cited in Shaw et al. (1995:179), mentions that the essential task of management is to arrange organisational conditions and methods of operation so that people can achieve their own goals best by directing their own efforts towards organisational objectives. From the analysis it is evident that employees don't see management as using their performance reviews to criticise their performance; however they are seen as methods to help improve their performance.

It is evident from the above analysis that most of the respondents find their performance review and feedback to be a clear reflection of their performance and that their managers provide them with constructive suggestions for improving poor performance. Contrary to this, there are a fair number of individuals who feel that poor or non-performance is not address immediately or dealt with constructively.

4.2.2.5. Development and training

Development planning, according to Costello (1994:31), provides a means of helping an employee maintain or enhance the knowledge, skill and abilities needed to do his or her current job. Therefore, as the job changes, it the manager's responsibility to help the employee identify and obtain new skills and knowledge.

The Public Service Staff Code highlights the importance of training and development. It specifies that the training of public servants and prospective public servants should be geared to achieve an efficient, effective, non-partisan, career-oriented public service which is broadly representative of the South African community (Du Toit et al., 2002:181).

The purpose of this section of the questionnaire was to establish whether employees received regular training in order to enhance their performance within their current position.

Question 1: I receive regular training in order to perform my duties.

Table 4.36 - I receive regular training in order to perform my duties

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	9	8.7	8.7
	Agree	31	29.8	38.5
	Undecided	27	26.0	64.4
	Disagree	30	28.8	93.3
	Strongly disagree	7	6.7	100.0
	Total	104	100.0	

An analysis of Table 4.36 indicates the following:

- 38.5% of the participants strongly agree and agree.
- 26% are undecided.
- 35.5% strongly disagree and disagree.

From the responses analysed in Table 4.36, the findings are as follows:

- The analysis of Table 4.36 reflects that 38.5% of the participants agreed that they had received regular training in order to perform their duties. An alarming number of 35.5% of the participants disagreed and 26% were undecided. This might be seen as a concern, as Adams (2007) emphasises the importance of organisations investing in extensive training for their employees to help them perform their jobs more effectively. Training should be focused both on job-specific tasks and on more general skills such as communication and interpersonal interaction.

Question 2: The training received in my directorate does not form part of my personal development plan.

Table 4.37 - The training received in my directorate does not form part of my personal development plan

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	5	4.8	4.8
	Agree	7	6.7	11.5
	Undecided	34	32.7	44.2
	Disagree	40	38.5	82.7
	Strongly disagree	18	17.3	100.0
	Total	104	100.0	

An analysis of Table 4.37 indicates the following:

- 11.5% of participants strongly agree and agree.
- 32.7% are undecided.
- 55.8% strongly disagree and disagree.

From the responses analysed in Table 4.37, the findings are as follows:

- Table 4.37 indicates a majority of participants disagreed with the above statement while 32.7% of participants were undecided and 11.5% agreed that their training did not form part of their personal development plan. Many authors, such as Yamnill and MacLean (2001), as cited by Adams (2007:286), have recommended that in order to increase employee motivation, employee need to interpret the training as having fulfilled his or her job or career advancement. Thus training should be participatory rather than performance based.
- Hence the majority of participants can relate to what Yamnill and MacLean (2001), as cited by Adams (2007:286), recommend.

Question 3: There are sufficient development and training opportunities available to me within my Department.

Table 4.38 - There are sufficient training and development opportunities available to me in my department

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	15	14.4	14.4
	Agree	34	32.7	47.1
	Undecided	25	24.0	71.2
	Disagree	22	21.2	92.3
	Strongly disagree	8	7.7	100.0
	Total	104	100.0	

An analysis of Table 4.38 indicates the following:

- 47.1% of the participants strongly agree and agree.
- 24% are undecided.
- 28.9% strongly disagree and disagree.

From the responses analysed in Table 4.38, the findings are as follows:

- Although Table 4.38 indicates that 47.1% of the participants agreed that there were sufficient training and development opportunities available in the Department of Economic Development and Tourism, 28.9% of participants disagreed and 24% were undecided. When looking at the disagreed and undecided results, it shows that more than 50% of participants are not aware of the opportunities in their department. Once employees are aware of the available opportunities, they would corroborate Adams's (2007) view that the more empowered employees feel, the greater their level of organisational commitment would be.

Question 4: The training and development offered in my directorate does not develop me for the next level

Table 4.39 - The training and development offered in my directorate does not develop me for the next level

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	12	11.5	11.5
	Agree	22	21.2	32.7
	Undecided	27	26.0	58.7
	Disagree	29	27.9	86.5
	Strongly disagree	14	13.5	100.0
	Total	104	100.0	

An analysis of Table 4.39 indicates the following:

- 32.7% of the participants strongly agree and agree.
- 26% are undecided.
- 41.4% strongly disagree and disagree.

From the responses analysed in Table 4.39, the findings are as follows:

- Table 4.39 shows that 41.4% of the participants disagreed with the statement that the training and development offered in their directorate did not develop them for the next level. 32.7% of the participants agreed and 26% were undecided. It is interesting to note that even though the majority of participants disagreed with this statement, there is a large percentage who agreed and who were undecided.
- The ideal results would have had a greater percentage of participants that have correlated with Adams (2007), view of individual performance enhancement in the workplace being the primary goal of any employer. After all, motivated, capable, interested and creative workers are the best assets a company can have, especially when they are devoted to achieving organisational goals.

Question 5: Training initiatives are not useful in a regulated environment.

Table 4.40 - Training initiatives are not useful in a regulated environment

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	1	1.0	1.0
	Agree	11	10.7	11.7
	Undecided	33	32.0	43.7
	Disagree	43	41.7	85.4
	Strongly disagree	15	14.6	100.0
	Total	103	100.0	
Missing	System	1		
Total		104		

An analysis of Table 4.40 indicates the following:

- 13.5% of the participants strongly agree and agree.
- 19.2% are undecided.
- 67.4% strongly disagree and disagree.
- 1% of the participants did not complete this question.

From the responses analysed in Table 4.40, the findings are as follows:

- It can be deduced from Table 4.40 that the majority (67.4%) of the participants disagreed with the statement that training initiatives are not useful in a regulated environment; however 13.5% of the participants agreed, 19.2% were undecided and 1% did not answer the question. The majority response is in line with Adams (2007), that employees should be encouraged to develop skills in their interests outside of the workplace that can have a positive spill-over effect into their working lives.

Question 6: Personal development plans are developed generically and not individually

Table 4.41 - Personal development plans are developed generically and not individually

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	15	14.4	14.4
	Agree	29	27.9	42.3
	Undecided	26	25.0	67.3
	Disagree	26	25.0	92.3
	Strongly disagree	8	7.7	100.0
	Total	104	100.0	

An analysis of Table 4.41 indicates the following:

- 42.3% of the participants strongly agree and agree.
- 25% are undecided.
- 32.7% strongly disagree and disagree.

From the responses analysed in Table 4.41, the findings are as follows:

- Table 4.41 shows that the majority (42.3%) of the participants agreed to their personal development plans being developed generically and not individually, while 32.7% of the participants disagreed and 25% were undecided. According to the literature, providing public employees with training and developmental opportunities encourages good performance, strengthens job-related skills and competencies, and helps employees keep up with changes in the workplace, such as the introduction of new technology and restructuring exercises (Du Toit et al., 2002:192).
- Furthermore, Armstrong and Baron (2005) contend that development and training needs should be identified in performance management processes by individuals on their own or working in conjunction with their managers. This includes reviewing performance against agreed plans and assessing

competence requirements and the capacity of people to achieve them. The analysis is thus based on an understanding of what people do, what they have achieved, what knowledge and skills they have, and what knowledge and skills they need. This analysis is always related to work and the capacity to carry it out effectively. Hence the findings indicate that the majority of the participants are unable to relate to the above literature.

4.2.2.6. Rewards

Grobler et al. (2002:14) are of the view that the objectives of reward systems include the attraction, motivation and retention of employee's at all organisational levels. In the context of performance management, rewarding means recognising employees for their performance and acknowledging their contributions to the institution's objectives. Rewards can take a range of forms, such as cash, time off and many non-monetary items (Du Toit et al., 2002:192).

Question 1: Employees are fairly rewarded for their performance

Table 4.42 - Employees are fairly rewarded for their performance

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	6	5.8	5.8
	Agree	22	21.2	26.9
	Undecided	32	30.8	57.7
	Disagree	28	26.9	84.6
	Strongly disagree	16	15.4	100.0
	Total	104	100.0	

An analysis of Table 4.42 indicates the following:

- 26.9% of the participants strongly agree and agree.
- 30.8% are undecided.
- 42.3% strongly disagree and disagree.

From the responses analysed in Table 4.42, the findings are as follows:

- Table 4.42 reflects that 42.3% of the participants disagreed that they were fairly rewarded for their performance, while 30.8% of the participants were undecided and 26.9% agreed. From the above analysis it is clear that the majority of the participants indicated that they are not rewarded fairly for their performance and contributions to the departmental goals. It is imperative that any organisation and/or department reward those employees who perform over and above their agreed key performance areas. This will boost employee morale and motivate them to continue performing.

Question 2: I am never praised for doing a good job

Table 4.43 - I am never praised for doing a good job

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	6	5.8	5.8
	Agree	16	15.5	21.4
	Undecided	16	15.5	36.9
	Disagree	41	39.8	76.7
	Strongly disagree	24	23.3	100.0
	Total	103	100.0	
Missing	System	1		
Total		104		

An analysis of Table 4.43 indicates the following:

- 21.4% of the participants strongly agree and agree.
- 15.5% are undecided.
- 62.5% strongly disagree and disagree.
- 1% of the participants did not complete this question.

From the responses analysed in Table 4.43, the findings are as follows:

- The analysis in Table 4.43 indicates that the majority (62.1%) disagreed with never being praised for doing a good job. Furthermore, 21.4% of participants agreed, 15.5% were undecided and 1% did not complete this question. The finding may be indicative of what Milne (2007) refers to as recognition. According to Milne (2007), recognition is an important management tool that is usually a non-financial award given to employees selectively, in appreciation of a high level of behaviour or accomplishment that is not dependent on achievement against a given target. Milne (2007), further contends that recognition can be as simple as giving someone feedback on what they have done right or just saying “thank-you”. It is about acknowledging effort, commitment and learning, even if the outcomes were not as planned, and it is also about celebrating success.

Question 3: In my directorate/sub-directorate awards depend on how well employees get along with their managers.

Table 4.44 - In my directorate/sub-directorate awards depend on how well employees get along with their managers

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	9	8.7	8.7
	Agree	16	15.5	24.3
	Undecided	23	22.3	46.6
	Disagree	37	35.9	82.5
	Strongly disagree	18	17.5	100.0
	Total	103	100.0	
Missing	System	1		
Total		104		

An analysis of Table 4.44 indicates the following:

- 24.3% of the participants strongly agree and agree.
- 22.3% are undecided.
- 52.9% strongly disagree and disagree.

From the responses analysed in Table 4.44, the findings are as follows:

- Although 52.9% of the participants strongly disagree and disagree with the above statement, it is noteworthy that 22.1% are undecided and 24.1% strongly agree and agree that awards depend on how well employees get along with their managers. The majority results in this statement corroborate those of Rollo (2009), who states that when a supervisor or the organisation recognises individual or team accomplishment, employees feel appreciated. Research into human behaviour has shown that behaviours that are recognised are repeated. When recognition is used sincerely and frequently, it creates a culture of success and mutual appreciation.

Question 4: In my directorate performance bonuses are rotated amongst employees.

Table 4.45 - In my directorate performance bonuses are rotated amongst employees

		Frequency	Valid Percentage	Cumulative Percentage
Valid	Strongly agree	1	1.0	1.0
	Agree	8	7.7	8.7
	Undecided	27	26.0	34.6
	Disagree	36	34.6	69.2
	Strongly disagree	32	30.8	100.0
	Total	104	100.0	

An analysis of Table 4.45 indicates the following:

- 8.7% of the participants strongly agree and agree.
- 26% are undecided.
- 65.2% strongly disagree and disagree

From the responses analysed in Table 4.45, the findings are as follows:

- Table 4.45 shows that 65.2% of the participants disagreed with performance bonuses being rotated amongst employees, while 26% of the participants were undecided and 8.7% agreed.

4.3.CHAPTER SUMMARY

This chapter presented the findings and analysis of the opinions, perceptions and experiences of employees towards the performance management system used by the Western Cape Department of Economic Development and Tourism. The data obtained through the research questionnaire were analysed and interpreted. A comparison between the findings and Chapter 2 has been presented. This study found that the majority of the participants are in favour of the performance management system used by the Department and the manner in which they are managed.

The next chapter will conclude the study and provide recommendations based on the abovementioned findings.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1.INTRODUCTION

The preceding chapter presented, analysed and discussed the findings of the study with the aim of meeting the research objectives which were:

- Study the current performance management system utilised by the Western Cape Department of Economic Development and Tourism.
- Find the strengths and weaknesses of the practised performance management system by evaluating the goals, expectations, reinforcements and performance measures set during the performance management cycle.
- Carry out a comparative analysis between practice and the theoretical aspects of performance management.
- Establish whether a link exists between the Western Cape Department of Economic Development and Tourism strategic objectives and individual key performance areas and indicators.

Chapter 1 presented the argument for undertaking the study which was to determine the benefits of having a performance management system. It was further interrogated in Chapter 1 whether there are clear links between the strategic objectives of the Western Cape Department of Economic Development and Tourism and the key performance areas and indicators of individual employees as contained in their specific job description.

In the theoretical Chapter 2, an overview of the performance management system was discussed as well as the critical success factors of having a performance management system within the Western Cape Department of Economic Development and Tourism. The researcher discussed the research methodology in Chapter 3 and the reasons for applying the quantitative research approach. The data collection tool used in this study was a closed-end questionnaire that was administered to all employees on salary levels 1 – 12. Chapter 4 discussed the findings of the study.

This chapter concludes the study and proposes recommendations in relation to the problems investigated.

5.2. CONCLUSION

The literature reviewed in this study clearly indicates that performance management is an on-going process between management and subordinates. As such, the key role players in the performance management process are managers and their subordinates. Therefore the main purpose of performance management is to contribute to the achievement of high performance by the organisation and its employees. It is important for the Department as a whole from the highest to lowest level of employees to know exactly what the end results to be achieved are. Top management is thus responsible for developing these innovative strategies to achieve the end results. Once the strategic objectives are set for the Department, they need to be filtered down to the various units of the Department.

The aim of performance management is planning, managing and improving an employee's performance. It is important that management start the performance management process by setting clear work standards from the onset with employees individually. Employees should all times have clarity about what they are expected to achieve so that they will be more comfortable in their positions.

This can only be achieved if the lines of communication between a manager and his/her subordinates are open.

A performance management system can only become an effective tool once a manager and his/her subordinates develop a mutual trust and respect for one another. Thus a performance management system can be used as tool to set clear performance expectations, individual goals and how they are to be achieved. This system should also be able to identify employees with outstanding performance that would be entitled to a reward, as well as the needs of those employees who are under performing and their required training needs. A performance management system can be a very effective motivator when used optimally, as it can also assist both the employees and the organisation in reaching their goals.

Another key aspect of the successful implementation of a performance management system is that managers, as well as employees, should be trained on the system. They should be trained on the mechanics of the system such as problem solving and conflict resolution. This will assist in their managing the system more effectively.

It is evident in this study that most of the participants agreed to understand the performance management strategies of the Department and how they are aligned to the Western Cape Department of Economic Development and Tourism's annual performance plan. Individuals are also aware that the performance management system used by the Department is a tool to achieve the organisation's strategic goals and objectives.

5.3.RECOMMENDATIONS

Based on the findings of this study the following recommendations are made:

- Firstly, it is recommended that at the beginning of each financial year, an information session be held by senior management with operational staff to discuss the Department's strategic objectives as set out in the annual performance plan. This will ensure that employees understand what the Department's goals are and how they need to assist achieving them. It will also set the baseline for determining individual performance goals and objectives. Once employees have the end results in sight, they will be able to perform their duties in a more efficient and effective manner.
- Secondly, it is recommended that at the beginning of each performance management cycle, managers have one-on-one planning sessions with their subordinates. During this planning session individual goals should be set with measurable objectives for the financial year ahead. These objectives should be specific and include who, what, where, when and how. Thus the work standards set for individual employees should be realistic and attainable, and set at a level that can be achieved by an average employee working under normal working conditions. The goals and objectives set must be agreed upon by both the manager and his/her subordinate before the signing of the annual performance agreements.
- Thirdly, it is imperative that management attend training on how to manage their subordinates' performance. They should also have a clear understanding of the performance management system used within the Department and how it works, before setting any performance standards, individual goals and objectives with their subordinates. Managers should have monthly meetings with their subordinates to discuss their progress and not wait for the appraisal review. This would alleviate any small issues that might arise during an employee's daily routine.
- Fourthly, it is recommended that management ensures that the lines of communication are open – not just from the top down but from the bottom up as well. For example quarterly open forum meeting in which employees can

discuss and/or share their concerns and accomplishments of the past quarter. This will create an environment of mutual respect and support. Managers should provide negative feedback to an employee in a constructive manner and not in a manner that might demoralise an employee. Managers should focus on the problem at hand and not personalise it. Managers and employees should work together in trying to resolve any issues that might hinder an employee's performance.

- Fifthly, managers should empower their employees namely; admin officers, personal assistance, receptionist, assistance directors and etc. by sending them at least twice a year on training that is appropriate to their current positions. This training can include minute taking skills, customer service skills, report writing and recording keeping skills. This will not only improve employees' working skills but develop them for the next level in their careers. Employees should participate in selecting these training programmes so that they can take ownership in completing their training.
- Lastly, as indicated in the findings, the majority of participants were of the view that they are not fairly rewarded for their performance. This coincides with Maslow's theory that once human beings have satisfied their basic needs, they strive for self-actualisation. As discussed in the literature on reward, many authors are in agreement with Maslow's theory that rewarding an employee does not always have to be in monetary terms. For example, a simple appreciative email to an employee for a job well done will dramatically increase the employee's motivation as it fulfils the need for recognition that exists within all human beings, as contended by Maslow. Furthermore, management should focus more on boosting employees' morale and creating a happier work environment. Contented employees are likely to be more productive than disgruntled ones.

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ABBREVIATIONS AND ACRONYMS

CEO	39
CPUT	83
CSF	64
DEDAT	17, 18, 147
DPSA	26
<i>HoD</i>	27
HOD	53
HOI.....	53
IPDP.....	54
KPA	16, 20
KPI	16, 39, 40, 46, 143, 145
KPIs.....	38, 39, 40, 141
KPIS	38
MBO	40, 41, 42, 46
OED	21
PERMIS.....	23
PRP	49
PSCBC.....	26
SMART.....	58
SPMS	15, 20, 21, 67, 95, 148
WCDEDAT	16

APPENDIX: A - QUESTIONNAIRE

AN EVALUATION OF THE PERFORMANCE MANAGEMENT SYSTEM OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM (WESTERN CAPE)

QUESTIONNAIRE

The purpose of this survey is to evaluate the effectiveness of the Performance Management System within the Western Cape, Department of Economic Development and Tourism.

This questionnaire will enable the researcher to complete her Master's Degree in Technology (Public Management). Please complete this questionnaire as honestly and fully as possible, as your input will contribute towards the assessment of the student and provide an opportunity for the student to develop an increased understanding of, and basic skills in research.

Please read each question carefully. Record your response as prompted by the questionnaire. All responses will be treated as confidential and will be used for assessment and academic purposes only. Your participation is voluntary and will be highly appreciated.

SECTION A: BIOGRAPHICAL DATA

Please provide the following information regarding your position in the Department, by placing an "X" in the appropriate block.

1. In which directorate are you employed?

1.1	Programme 1: Administration	
1.2	Programme 2: Integrated Economic Development Services	
1.3	Programme 3: Trade and Sector Development	
1.4	Programme 4: Business Regulation and Governance	
1.5	Programme 5: Economic Planning	
1.6	Programme 6: Tourism, Arts and Entertainment	
1.7	Programme 7: Skills Development and Innovation	

2. Which salary level are you on?

Salary levels	1	2	3	4	5	6	7	8	9	10	11	12
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3. How many years have you been employed at the Department?

3.1	0 to under 5 years	
3.2	5 to under 10 years	

4. How long have you been employed in your present position?

4.1	0 to under 5 years	
4.2	5 to under 10 years	

5. How many performance reviews have you had in this Department?

5.1	1	
5.2	2	
5.3	3 and more	

SECTION B: PERFORMANCE MANAGEMENT ANALYSIS

After reading each of the statements below, please indicate with a "X" the extent to which you agree with each:

1: Strongly agree 2: Agree 3: Undecided 4: Disagree 5: Strongly disagree

No.	STATEMENT	Strongly agree	Agree	Undecided	Disagree	Strongly disagree
1.	I am aware of what my Department's strategic objectives.					
2.	I have a clear understanding of what my duties and responsibilities.					
3.	My manager has the right skills to manage my performance.					
4.	My performance is measured against the agreed measurements set out in my performance agreement.					
5.	The management of poor performance is conducted in a constructive manner.					
6.	I do not receive regular feedback on how well I am performing my duties.					
7.	I receive regular training in order to perform my duties.					
8.	There are clear work standards set by management to measure my performance.					
9.	Personal development plans are developed generically and not individually.					
10.	The performance management system in					

	the Department assists employees to meet the Department's strategic objectives.					
11.	I have the necessary skills and competencies to perform my job.					
12.	Employees are fairly rewarded for their performance.					
13.	In my directorate generic work standards are set instead of individual work standards.					
14.	In my directorate performance bonuses are rotated amongst employees.					
15.	My manager and I work together in achieving my performance goals.					
16.	The training and development offered in my directorate does not develop me for the next level.					
17.	In our Department job descriptions do not exist and are not useful.					
18.	In our Department work standards are unrealistic and unattainable.					
19.	There are sufficient training and development opportunities available to me in my Department.					
20.	I am clear about my role in the Department and how it fits into the Department annual performance plan.					
21.	Management provides constructive					

	suggestions to improve my performance.					
22.	I understand that I am held accountable for achieving results.					
23.	Poor performance is immediately confronted.					
24.	I participate in setting deadlines for the achievement of my goals.					
25.	My manager and I have regular meetings to discuss my performance progress.					
26.	I am afraid of speaking my mind during my review because of the negative consequences.					
27.	Performance agreements are entered into after being discussed with my manager.					
28.	My manager provides me with constructive criticism during my review.					
29.	I am never praised for doing a good job.					
30.	I am aware that the current performance management system is used as a tool to achieve individual goals.					
31.	My performance appraisal is a fair reflection of my performance.					
32.	I believe that the performance management system has assisted me in achieving my goals.					
33.	I do not participate in the setting of my performance goals.					

34.	The performance management process does not form part of the Departments employee induction programme.					
35.	In my directorate/sub-directorate awards depend on how well employees get along with their managers.					
36.	The goals set for myself support the Department's strategic objectives.					
37.	Training initiatives are not useful in a regulated environment.					
38.	I understand that the performance management system contributes positively to improving my productivity.					
39.	I received verbal and written feedback on positive aspects of my performance.					
40.	My training receive does not form part of my personal development plan.					

APPENDIX: B – LETTER TO EMPLOYER REQUESTING TO UNDERTAKE THE STUDY

8 March 2011

Mr. S Fourie
Head of Department
Department of Economic Development and Tourism
CAPE TOWN
8000

Dear Mr. Fourie

RE: Permission to undertake research

My name is **Liesel Colli** and I am currently a Master's student at the Cape Peninsula University of Technology (CPUT) and I am in the process of doing research for my dissertation.

The topic of my thesis is “**An evaluation of the Performance Management System of the Department of Economic Development and Tourism (Western Cape)**”. I would like to request your permission to do my research within the Department.

This study will focus on the benefits of having a performance management system and establish clear links between the strategic objectives of the Department of Economic Development and Tourism and the key performance areas and indicators of the individual employees as contained in their specific job description. This will be done by comparing various models and measures of performance management.

Data for this case study will be collected by using multiple sources and techniques. The primary source of data would be observing participants during the quarterly performance cycle by observing individual employees daily routine and comparing it with their specific key performance areas and indicators. A total of 20 unstructured questionnaires will be administered amongst the employees from the lowest to highest level in the DEDAT. Face to face interviews will be conducted by using a pre-determined set of questions with both employee and management in order to ascertain what their understanding of.

the performance management system is. These interviews will be recorded after obtaining permission from the interviewee and explaining the purpose of the research.

I currently hold a degree in Public Management and have been working for the Office of the Consumer Protector for the past 2 years as a consumer advisor. I trust that this provides some clarity on my intentions as well as my research.

If these arrangements meet your approval, please sign this letter where indicated below. Thank you very much.

Yours sincerely,



Liesel Colli

Consumer Advisor

Complaints Management

Office of the Consumer Protector

tel: 021- 483-2624

fax: 021-4837432/5872

e-mail: lcolli@pgwc.gov.za Liesel Colli

**PERMISSION GRANTED FOR THE
USE REQUESTED ABOVE:**

Department of Economic Development and Tourism

By: SW FOURIE

Title: HOD

Date: 22/3/2011

Subject to conditions in letter attached

Fourie 22/3/2011

APPENDIX: C – LETTER FROM EMPLOYER GIVING PERMISSION TO UNDERTAKE THE STUDY



DEPARTMENT of
ECONOMIC DEVELOPMENT
and TOURISM
Provincial Government of the Western Cape

OFFICE OF THE HEAD OF DEPARTMENT
sfourie@pgwc.gov.za
tel: +27 21 483 3840; +27 21 483 7165
80 St Georges Mall, Cape Town, 8001
www.capegateway.gov.za

REFERENCE:
ENQUIRIES: Cheryl Julies

INTERNAL MEMORANDUM

TO: Ms. L Colli
Cc: Mr. Ashley Searle
Ms. Cheryl Julies

FROM: Mr. S Fourie

PERMISSION TO UNDERTAKE RESEARCH

I refer to your letter dated 8 March 2011.

Please note my conditional approval is subject to you conducting your research in a manner that does not infringe negatively on the Department's ability to deliver on its mandate. You are therefore requested to ensure that the research is done within times that do not cause any interruption for either yourself or for those individuals that you are intending to interview.

You are also requested to obtain the necessary permission from Mr. Searle to ensure that all departmental protocols are observed.

S W FOURIE
Head of Department
22 March 2011

APPENDIX: D – LETTER FROM FACULTY



16 August 2010

TO WHOM IT MAY CONCERN

Dear Sir/Madam

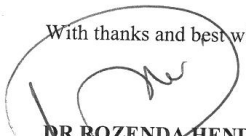
Re: Liesel A Colli

The above student is registered for a Masters degree in Technology (Public Management) at the above institution.

The title of her research is: **An evaluation of the Performance Management System of the Department of Economic Development and Tourism (Western Cape).**

As her research supervisor, I kindly request that you please assist her with information she may require to conclude her studies successfully. Feel free to contact me should any further information be required.

With thanks and best wishes,


DR ROZENDA HENDRICKSE
SENIOR LECTURER
DEPARTMENT OF PUBLIC MANAGEMENT
TEL: 021 – 460 3929
EMAIL: hendrickser@cput.ac.za



APPENDIX: E – ETHICAL CLEARANCE CERTIFICATE



P.O. Box 1906 • Bellville 7535 South Africa • Tel: +27 21 442 6162 • Fax +27 21 447 2963
Symphony Road Bellville 7535

Office of the Chairperson Research Ethics Committee	Faculty: BUSINESS
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At a meeting of the Research Ethics Committee on 15 June 2011, ethics approval was granted to COLLI, Liesel (206160348) for research activities related to the MTech/DTech: MTech: Public Management at the Cape Peninsula University of Technology.

Title of dissertation/thesis:	An evaluation of the Performance Management Systems of the Department of Economic Development and Tourism (Western Cape) Supervisor: Dr R Hendrickse
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Comments (Add any further comments deemed necessary)
Research activities are restricted to those detailed in the research proposal.

<hr style="border: 0; border-top: 1px solid black;"/> Signed: Chairperson: Research Ethics Committee	15 June 2011 <hr style="border: 0; border-top: 1px solid black;"/> Date
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<hr style="border: 0; border-top: 1px solid black;"/> Signed: Chairperson: Faculty Research Committee	<hr style="border: 0; border-top: 1px solid black;"/> Date
---	--

Clearance Certificate No | FBREC0012

APPENDIX: G – DECLARATION FROM LANGUAGE EDITOR

E S van Aswegen

BA (Bibl), BA (Hons), MA, DLitt, FSAILIS

Language and bibliographic consultant

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ACADEMIC WRITING

Linguistic proofreading and editing of:

**Research proposals
Conference and journal papers
Theses, dissertations, technical reports**

**Bibliographies
Bibliographic citation
Literature searching**

The MTech thesis by Ms L Colli

has been proofread and edited, and the candidate has been advised to make the recommended changes.

**ES van Aswegen
23 August 2013**