

# THE EFFECTIVENESS OF A PERFORMANCE MANAGEMENT SYSTEM AT A SOUTH AFRICAN PUBLIC HOSPITAL IN CAPE TOWN

By

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In the faculty of Business and Management Sciences
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# **DECLARATION**

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Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University
of Technology.

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#### **ABSTRACT**

The study was initiated to examine the effectiveness of a performance management system (PMS) used at Tygerberg hospital in Cape Town, South Africa. The researcher was interested to know how the performance management system performs and how employees respond to this system at Tygerberg hospital. In pursuing the investigation, the researcher applied qualitative research method in the study. The researcher applied a non-probability sampling method to select the respondents. The study used semi-structured interviews to collect unstructured data, and the respondents were asked open-ended questions in the interviews.

The respondents presented comparable issues and challenges that they experienced at Tygerberg hospital throughout the processes of performance management system. The researcher established various issues that affected the effectiveness of the system which were stated by respondents. The researcher after intensive analysis determined that the performance management system used at Tygerberg hospital is ineffective to enhance performance of the employees. The findings of the study will help the reader to understand important matters related to the processes of implementing performance management system well, identifying the causes of its effectiveness and improving on the manner in which it works.

The researcher made recommendations as informed by the findings of this study. Thus, the researcher made the recommendations based on findings yielded by responses to the research questions and research objectives. The intention of the recommendations of this study is to help the management of Tygerberg hospital to see and address issues that need to be rectified, and assist in solving the concerns and disputes that were presented by the participants during data collection. Ultimately, the recommendations will help the management of the hospital to restore and maintain the effectiveness of a PMS in the future.

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# **DEDICATION**

I would like to dedicate this thesis to my beautiful wife Yonela Tyokwe. I do by all means not to disappoint her. She often goes an extra mile to ensure that my desires are met. She is always encouraging and influencing me to do better. In reality, she made me something out of nothing. I am very delighted that I managed to make her proud. This thesis is an inspiration for her and to our children to strive for success. Education is the key.

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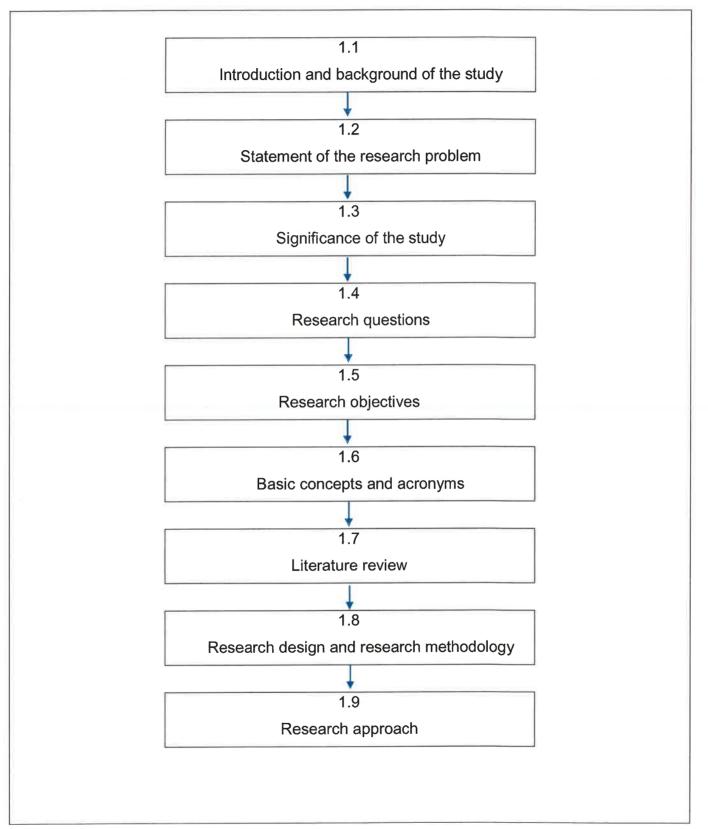
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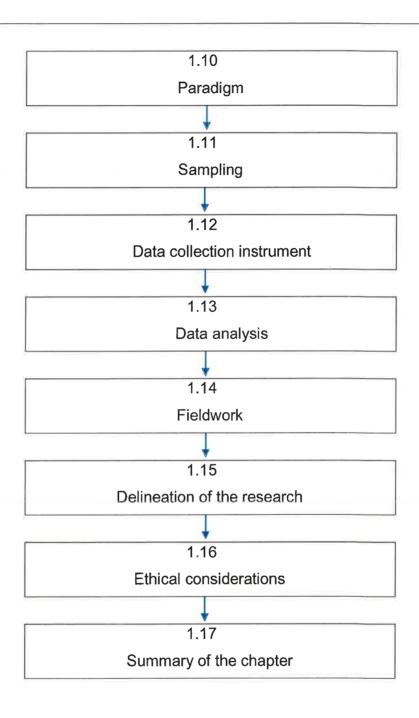
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# CHAPTER ONE INTRODUCTION





# 1.1 INTRODUCTION AND BACKGROUND OF THE STUDY

In 1994, South Africa, instituted the Public Service Act of 1994 which presumably applicable and must be adhered to by all public health institutions including Tygerberg hospital which is the research site for this study. Since the adoption of the Public Service Law, all employees employed in the Western Cape Government (WCG) are obligated to participate in the PMS. The PMS in the Western Cape Department of Health is popular known as Staff Performance Management System (SPMS) among employees as well as authorities (South Africa. Department of Health, 2002).

The Performance Management System is legislative and supported by the constitution and laws of South Africa. The system was initially established on the 1st of April 2002 in South Africa to be executed by the Department of Health. It became a critical tool in the Western Cape where extreme division of employees were categorised because of pre-democracy policies that put other racial groups below others. To level the field in this area, it became imperative to implement the SPMS in the workplace. The system started to function on the 1st of April 2003. The cycle of the SPMS is twelve (12) months. The SPMS runs simultaneously with the financial year, commencing from 1st April of each year to 31st March of the following year. The performance reviews of employees are done quarterly, four times per cycle (South Africa. Department of Health, 2002). The primary purpose for the SPMS in the Department of Health was to scrutinize and improve daily performance of employees. The SPMS is regarded as a technique that determines a clear relationship between the main objectives of the department and those of employees. The SPMS was designed strategically and firmly for effective human resource management and development of employees (South Africa. Department of Health, 2002).

This study has its focus on the performance management system affecting employees in Tygerberg hospital and the effectiveness of the said system (performance management). The system appears to be a great tool designed to measure the employees' effectiveness. However, its implementation seems to suggest a need for a thorough investigation on its efficiency since the results and findings of the previous studies produced contradicting outcomes. Thus, positive factors suggesting that the performance works well will be discussed and in a case where it is not working well, factors leading to that will also be discussed. And the researcher's views will be provided.

Similar studies pertaining to performance management systems have been conducted by few individuals in various institutions in South Africa and elsewhere. The similar studies served as a point of reference

to this study where it was applicable. For instance, one of the similar studies was conducted in Ireland by Farrell (2013) at an Irish Consumer Services Company. Here in South Africa the same subject was investigated by Hendricks (2015) at Rural Development and Land Reform in the Western Cape Province. Although these studies occurred in different countries on either sides of the world, they however have significant similarities which will be more evident as review literature selected for this study. The researcher selected Tygerberg hospital as a site for this study because to the best of the researcher's knowledge it has never been conducted there before. The researcher thought that the results and findings that were determined in the previous researches could be true and affecting employees at Tygerberg hospital, as well. Hence, there was a need to conduct this investigation. The researcher was interested to know how the SPMS performs and how employees respond to this system at Tygerberg hospital. He was determined to make a contribution in this area since performance management system is a broad issue and an important issue which is worth investigating for the benefit of the workplace, its employer and the employees. The researcher believed that previous researchers as such as Khauoe (2015) who conducted the similar study left a gap to explore. The gap to explore is still available since there are various institutions that are using the PMS and a research was never conducted in all those institutions to determine whether the said system is effective or ineffective for them, and that is why the researcher was keen to proceed with the study.

The next section discusses the problem statement of the research to outline the problems that will be covered by the study.

#### 1.2 STATEMENT OF THE RESEARCH PROBLEM

Prior to 1994, there was no clear policy where workplace was concerned particularly one that would address effective performance of employees and relevant incentives for outstanding performance. In 1996, the new Constitution of the Republic of South Africa was adopted. The Constitution of the Republic of South Africa, 1996, states that "public administration must be governed by democratic values and principles, amongst others to promote and maintain high standards of professional ethics, efficient, economic and effective utilisation of resources, and the cultivation of good human resource management and career development practices to maximise human potential" (South Africa, 1996). A lot had to be done to be where South Africa's workplace is today which includes implementation of PMS as a way to incentive employees based on their performance at work. In 2001, the Public Service Regulations were amended to cover performance management at national and provincial level (South Africa. Department

of Public Service and Administration, 2001). However, studies suggest that PMS is unfair, where incentives and promotions depend on the personal relationships of employees with their direct supervisors (Khauoe, 2015). Unfairness appeared as a problem for PMS, hence the researcher embarked on the study to examine the effectiveness of the said system.

The following section discusses and provides clarity about the significance of the research.

#### 1.3 SIGNIFICANCE OF THE STUDY

The significance of this study was to scrutinize the processes of SPMS at Tygerberg hospital to identify its effectiveness. The researcher's intention was to ascertain whether employees in Tygerberg Hospital were satisfied with the manner in which SPMS is implemented. The researcher intended to find out enablers where it was working well and disablers or barriers where it was less effective. Of uttermost significance, was through the findings of this study, to make recommendations that contribute to improving the implementation of SPMS. Also, through the study, offer guidance where necessary guided by the findings of this study. The researcher hopes that this study will make a sound contribution to organisations and institutions to either change processes of SPMS that are not working or sustain what is not working and improve certain areas that might not be working well.

The next section indicates the main questions of the study.

## 1.4 RESEARCH QUESTIONS

The research questions of this study are theoretical grounded and mainly influenced by classical management theory and expectancy theory which are broadly discussed in chapter three. The following questions are fundamental to attain findings of the study.

- What is the impact of SPMS in improving normal performance of the employees?
- What are the procedures that must be performed or adhered to during SPMS processes?
- What are the views and experiences that employees have regarding SPMS?

The section below indicates the objectives of the study.

#### 1.5 RESEARCH OBJECTIVES

The objectives of this study are to:

- Identify the effectiveness of SPMS in improving normal performance of the employees
- Identify procedures and policies that used when implementing SPMS
- Offer guidance where necessary to improve what is not working well and sustain what is working
  well in order to offer best quality execution of the SPMS at Tygerberg hospital

The following section presents classification of basic concepts and acronyms that are crucial in the study.

# 1.6 BASIC CONCEPTS AND ACRONYMS

The basic concepts and acronyms are presented below in the table 2.

Table 1: Basic concepts and acronyms

Concepts and Acronyms	Definitions
Effectiveness	The word effectiveness refers to greatness and intensity that an individual applies when performing a task which lead success or accomplishment desired results. This word is constantly linked with success, usefulness, fruitfulness and constructiveness (Cambridge, n.d).
Appraisal	This phrase can be defined as an assessment or a review of assignment which was carried out by person of group of people in a particular time (Boateng, 2011).
SPMS	Staff Performance Management System
PMS	Performance Management System
KPA	Key Performance Areas

The following section presents the reviewed literature informing this study. A literature review is necessary as it provides background and history of the PMS.

#### 1.7 LITERATURE REVIEW

The researcher compiled a literature review to ensure that the study is aligned with other previous related studies and theoretical frameworks that are applicable to the PMS. The researcher at this stage is just highlighting what is available in the body of knowledge which is relevant to the field of study. This section focuses merely on the preliminary literature review to create context for the study. The researcher in chapter two gave broad discussion on the theoretical literature review where the literature is structured around subheadings and themes.

According to Matunge (2013) PMS was firstly recorded in 1800s by Robert Owen in New Lanark, Scotland. Initially, Robert Owen created the system merely to assess daily performance of his employees. After successfully implementation, Robert was impressed with the results of the system. The employees were also excited and their behaviours were improving daily. The system was performing well and Robert decided to expand the application of the system into other aspects in the workplace and that is where he decided to review salaries of the employees based on the performance of each employee. In the 1950s the system became well-known globally. The United States in the 1950s started to link the system strategically with a vision and objectives of organisations. The system was also used for motivation and development of employees. As cited by Matunge (2013) this process definitely assisted in improving employees' passion for their work especially the inclusion of an incentive as a way to encourage those working hard to work harder and those that are not performing well to strive to do better.

Similarly, Furthermore, Bintu (2014) stated that the performance appraisal existed in the twentieth centuries to evaluate performance the employees but it was done secretively. The performance assessments of the employees was conducted behind closed doors, employees were not permitted to contribute in discussions, meaning that the system was not transparent enough. Bintu (2014) added that the processes the system only changed in the mid-1900s. The organisations discarded the closed doors system, employees started to be involved. After the implementation of the new idea of including employees in discussions, the system became more results oriented. Employees started to recognise the system as part of their work activities (Bintu, 2014). However, Farrell (2013) stated that nowadays performance management system is common in various organisations. Many organisations applied the system to evaluate performance and identify weaknesses of the employees in order to equip employees with necessary skills. Farrell (2013) furthermore stated that supervisors are responsible to give accurate

feedback and guide employees about how and where to improve low performances. Of importance, Farrell (2014) points out that the system motivates and educates employees about the importance of meeting stated targets on the given period.

In relation to meeting stated targets Bintu (2014) established that organisations up until present apply performance management system to evaluate regular performance of employees. The system is crucial in Human Resource Management (HRM). It is vital to assist the department of HRM in recruiting employees, salary selections and skills development of existing employees. The system helps management to strengthen the relationship between employees and managers to close the gap caused by misunderstanding that might exist between these two parties. The PMS reduces dissatisfaction and a high number of grievances logged by employees against the employers. This reduction in number of grievances according as stated by Nejati (2009) is through understanding the value of employees in that, organisations applied PMS to determine the value of employees. This means, during PMS processes managers obtain valuable information pertaining to the work done by each employee and the required areas of improvement. The collected information assists in decision making when management needs to recruit or reward employees. The managers store the information for future references and developments of the employees. This according to Nejati (2009) helps management to focus PMS largely on improving on acceptable performances and behaviours of the employees in the organizations and disproving unacceptable performance and behaviour at work.

Taking the notion of improving further, Matunge (2013) argues that performance appraisal assists in planning for the future. The system allows managers to understand the priorities and future plan of each employee in the organisation. The managers get to know to whom the organisation should invest more to. Matunge (2013) added that performance appraisal works as a tool to inform management about when to hire or who should be promoted or dismissed due to lack of performance. The system assists management to know how many employees need training. Paile (2012) concurred with the above scholars. He stated that the performance management system was indeed created to guide and support employees to carry out their specified duties more effectively and efficiently in order to achieve objectives and needs of the organisation. The performance appraisal is an instrument of sharing vision of the organisation among all employees. The appraisals helped employees to understand the importance of their contribution in the firm which lead them to work harder.

The following section presents a research design and research methodology. The researcher will now discuss the research methodology, research design, sampling method, data analysis and ethical considerations that were used in the study.

#### 1.8 RESEARCH DESIGN AND RESEARCH METHODOLOGY

This research employed qualitative research. Since it allows the researcher to collect data, observe, conduct asking questions on each and every step of the process interviews, analyse data and be able to describe views and feelings of participants accurately. Qualitative research helps us to do what Schultz (2017) says that researchers in the research methodology stage, plan and set up all the required steps and strategies about how the data will be collected and analysed. The research methodology includes data collection instrument, sampling method, data analysis and ethical considerations. This is achieved by reflecting on each stage and accounting about each utterance made through use of qualitative research.

#### 1.8.1 RESEARCH DESIGN

Flick (2011) states that there are two major categories of research designs, namely: exploratory and descriptive design. Flick (2011) explains that an exploratory research design is linked with qualitative research while a descriptive design is aligned with quantitative study. Further, he describes an exploratory design as a tool that provides extensive details, the insight and clear understanding of the phenomenon. In contrast, a descriptive research design quantifies the collected data and uses statistical analysis.

Consequently, this study employed an exploratory design since exploratory design gives the insight of the problem. Furthermore, Burns and Grove (2001) state that an exploratory research design enable researchers to acquire largely views, gain insights and learn new ideas. Therefore, an exploratory research design was relevant and suitable for this study.

#### 1.8.2 RESEARCH METHODOLOGY

This study applied a qualitative research method since this method allows researchers to analyse data and be able to describe views and feelings of participants accurately. Flick (2011) explains that a

qualitative research method focuses on analysis of a data through words, which is what the researcher of this study desired to do. In addition, Hendricks (2015) state that qualitative research method provides a researcher with an opportunity to connect personally with participants and enable a researcher to stand in participants' shoes and really understand the pain and struggle that participants feel when they deal with issues in the community or at work. The research approach will be discussed below.

#### 1.9 RESEARCH APPOACH

Bless, Higson-Smith & Sithole (2016) identify two research approaches such as inductive and deductive approach. However, deductive approach is commonly allied with quantitative research. So, although the study largely uses qualitative research, it will borrow aspects of quantitative research method to explain numbers in someone areas of this study. As already stated that this study applied a qualitative research, therefore an inductive approach was used for this research.

According to Bless et al (2016) an inductive approach is more interested in creation of new theory based on the collected data. This is where a researcher works with a specific idea where he or she collects a data, look for patterns and develops a new theory regarding the research subject. In addition, Bless et al (2016) mention that when researchers are applying inductive approach they should have an open mind with set of observations by looking at previous researched relevant phenomena from a different point of view as a researcher tries to create new theory. The researcher should attempt to not have preconceived thoughts of what could be found. When a data is studied completely then the researcher should scrutinize the existing theories so that he or she can position the newly developed theory within the discipline confidently.

#### 1.10 PARADIGM

Coupled with qualitative research, this study applied an interpretative paradigm technique since an interpretative paradigm aims to explore in order to understand the phenomena. An interpretative paradigm aims to produce an understanding of the context through data collected and analysed. According to Rocco, Bliss, Gallagher and Perez-Prado (2003) paradigm is a worldview and a set of assumptions which share the values and beliefs in a study as how the problem should be resolved. The above scholars added that paradigm is a shared understanding of the reality which the researcher attempted to show when conducting this study.

#### 1.11 SAMPLING

This study applied a non-probability method of sampling. The non-probability sampling was suitable and convenient for the population selected for the study. The non-probability sampling was also suitable for the researcher to alleviate costs and prevent time wasting because this sampling method allowed the researcher choose the population based on their knowledge and experience regarding the research matter.

Alvi (2016) explained that the non-probability sampling technique is also referred to as non-random sampling where a researcher is allowed to select suitable participants based on their knowledge, experience and field of specialisation. However, if the researcher applied this sampling method therefore the selected population should get equal opportunity to express their thoughts and emotions when conveying their views and experiences in an interview or questionnaire. A researcher has to provide a similar questionnaire to all participants. The participants should answer interview questions independently. The non-probability sampling is applicable to an extensive population and also in a smaller population. The data collection instrument will now discussed below.

### 1.12 DATA COLLECTION INSTRUMENT

In this study semi-structured interviews were used to collect unstructured data through open-ended questionnaires. Semi-structured interviews helped to allow open-ended responses to the questions since open-ended questions allowing in-depth probing to responses provided. Ryklief (2017) stated that semi-structured interviews are more convenient to explore experiences, opinions and views of individual on various matters. Ryklief (2017) added that interviews can demonstrate a real life of an interviewee and give a researcher exactly what he or she is looking for and therefore ask more questions which encourage the interviewee to give more information or to elaborate further on the discussions. The data analysis method will be further discussed in the relevant chapter.

#### 1.13 DATA ANALYSIS

This study employed a content analysis to interpret the unstructured data. The content analysis allowed the researcher to provide extensive details, an insight and a clear understanding of the subject. The researcher studied the data repeatedly. Subsequently, the unstructured data was analysed manually to

create valid outcomes. Hendricks (2015) posited that in a qualitative research, the researcher is obligated to read and analyse the received data in words, unlike in quantitative research where a data analysis is conducted through numbers. Another scholar Ryklief (2017) concurred with Hendricks (2015) by confirming that unstructured data for a qualitative research can be analyzed through performing content analysis. The fieldwork will be discussed below.

#### 1.14 FIELDWORK

Since the study was conducted at Tygerberg hospital, the researcher did not require any extra assistance. Therefore, the researcher can confirm that there was no recruitment for additional people to assist him. The researcher distributed questionnaires and conducted face to face interviews personally with the participants. The researcher explained beforehand to research participants all the ethical issues that were taken into consideration in the study such as consent, privacy and confidentiality before interviews take place. The delineation of the research will be discussed below.

#### 1.15 DELINEATION OF THE RESEARCH

The study is kept limited only at two departments of Tygerberg hospital which are: Stores and Assets management. The study only confined and focused on permanent employees which are consists of Senior Administrative Officers, Administrative Officers, Senior Administration Clerks and General Store Assistants.

The ethical considerations which be used in the in study will be discussed below.

# 1.16 ETHICAL CONSIDERATIONS

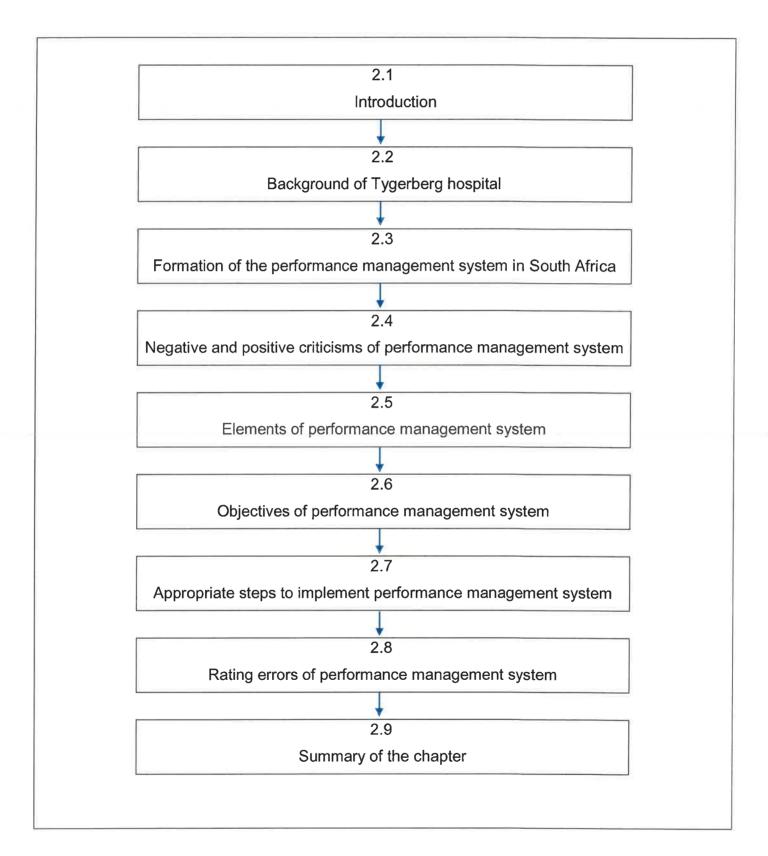
The researcher adhered to ethical considerations and maintained the highest standard of ethics to ensure that findings of the study are valid, legitimate and beneficial to others. Permission to conduct this research at Tygerberg hospital was granted by the Head of the institution, Dr G.G. Marinus, and Dr D. Erasmus. The participants were informed about ethical considerations and the purpose of the study. A consent letter was presented to all participants. The participants consented to participate and contribute in the study and allow the researcher to make use of their responses. Participation in this study was voluntarily, the participants were not forced. They were informed that they are allowed to withdraw

should they feel need to do so. The interviews were conducted in a comfortable and secure environment to ensure the privacy and comfort of the participants. The researcher ensured participants that their names will be kept and remain confidential. The analysis of the data is done accordingly without interfering and changing the data to assist the findings of the study. The dignity of the participants was considered and valued. The participants were informed that the copy of the completed research will safely be kept at Cape Peninsula University of Technology's libraries and they can access it from the libraries in a case where they need it.

#### 1.17 SUMMARY OF THE CHAPTER

In chapter one of this research, the researcher provided the outline of the study. The researcher informed readers about what the research entails and where the research will be conducted. The main questions of the study are included in this chapter. The objectives and significance of the study are clear and presented correctly. This chapter identified the research methodology including data collection instrument, sampling method, data analysis and ethical considerations that are used in the study. The next chapter will provide the in-depth literature review selected because of its relevance to the study.

# CHAPTER TWO LITERATURE REVIEW



#### 2.1 INTRODUCTION

This chapter discusses a literature relevant to the study. This chapter will discuss the following topics: the background of Tygerberg hospital, formation of the performance management system in South Africa, negative and positive comments of performance management system, elements of the performance management system, objectives of performance management system, effective processes of implementing performance management system, methods of performance management system, and performance rating errors.

The following section contained a background of the Tygerberg hospital where this research was conducted.

#### 2.2BACKGROUND OF TYGERBERG HOSPITAL

Tygerberg Hospital is a well-recognised hospital in South Africa with its exceptional reputation. The hospital is extremely proud and famous about making two penis transplant operations successfully in 2014. The hospital was the first hospital to perform such credible procedure in the entire world, followed by Massachusetts in 2017 (Stellenbosch University, n.d). Tygerberg hospital is situated in Parow valley in Cape Town, South Africa. The hospital was opened officially in 1976. Tygerberg hospital is the second largest hospital in South Africa. This hospital serves as a teaching hospital in combination with the University of Stellenbosch's Health Science Faculty. Tygerberg hospital has 1 384 beds to admit patients. Tygerberg hospital has a clear policy, stating that all patients to be admitted at Tygerberg hospital must be officially referred by a professional doctor or transferred by a secondary health care facility with all legitimate required documents. The hospital has been very useful to reduce high rate of unemployment in South Africa, particularly in the Western Cape Province. The hospital employed 4 441 personals. The number of employees includes 26 top management officials, 1938 nursing, 577 medicals, 315 health science therapists, 557 administrative officers and 1028 support services such as cleaning, transport, porter and food services (Western Cape Government, n.d).

For any institution as vast as this, there is a need to develop policy to legislate the performance management system and precepts that safeguard the plight of the employees. This is after the South African Health System has realised the need to encourage the performance of employees to ensure

efficiency in the workplace. Details regarding the performance management system will be discussed in full below.

#### 2.3 FORMATION OF THE PERFORMANCE MANAGEMENT SYSTEM IN SOUTH AFRICA

The performance management system in South Africa was implemented through various laws, policies and principles. The Constitution of the Republic of South Africa, Public Service Regulation, Skills Development Act and Public Service Act are the core regulations that constitute the performance management system in South Africa. However, the most important instrument in the formulation of this system is the Constitution of the Republic of South Africa as the highest law in the land. The Constitution of the Republic of South Africa is based on the values and principles of human dignity, the achievement of equity, and advancement of human rights and freedom. The Constitution of South Africa governs the whole country and condemns sexism, racialism and promotes humanity. This is the same for the workplace practices to ensure equal treatment and fairness in the workplace.

Furthermore, section 195 (b) of the Constitution of the Republic of South Africa stipulates that efficient, economic and effective use of human resources must be promoted. Section 195 (h) of the Constitution of the Republic of South Africa maintains that good human resource management and career development must be performed to maximise and cultivate human potential (South Africa, 1996).

The Public Service Act plays a big role in creation of performance management system in South Africa. For instance, Section 37 (2) of the Public Service Act (1994) requires that the salary of an employee for exceptional ability, or an employee in possession of a special qualification or who has delivered an admirable service may be specially advanced within the scale applicable to him or her. The specific employee must be paid a salary in accordance with a higher scale. In addition, this particular section also states that such employee must be granted a suitable reward for a creditable performance (South Africa, 1994).

Similarly, the Western Cape Department of Health is seemingly doing exactly what is advised by the Public Service Act, section 37 (2). South Africa. Department of Health (2002) stated that an employee who performed fully effective receives an incentive of extra 1% notch which will be added on the basic salary. However, an employee who performed exceptionally above expectations receives a cash bonus and an addition of 2% extra notches to the basic salary.

South Africa (1998) provides an institutional framework to guide and implement strategies in National, Provincial and Local government as well as in Private sector to develop and improve the skills of South African employees. The Skills Development Act advises that developmental strategies to be integrated with the National Qualifications Framework through South African Qualifications Authority Act, 1995. The purpose of the Skills Development Act is to improve the skills of employees which get translated to employees' quality in the workplace and at home. This will then also contribute to the improvement of performance and productivity in the workplace as well as competitiveness within the institution and among other institutions (South Africa, 1998).

According to Public Service Regulation, a Head of the Department should establish a system which will manage the performance and development of employees (South Africa. Department of Public Service and Administration, 2001). Consequently, SPMS was established in 2002 by the Western Cape Department of Health. The performance system management shall exclude members of the Senior Management Service (SMS). Effective performance management system and development of employees involve what should be achieved in the public interest and as such build an inclusive discussion and understanding to promote coordinated thinking and action. Performance management system must involve learning and on-going development of the capacity to understand and serve the public interest (South Africa. Department of Public Service and Administration, 2001).

The performance management system establishes a link between the overall objectives of the organisation and those of the individual employees. The performance management system allocates framework strategies for the effectiveness of human resource management so that the values, objectives and mission of the organisation are practised and achieved. The system ensures that employees benefit through clarifications of expectations, recognitions of their efforts, feedback on their performance, improved trainings and development. The basic requirement of the performance management is that all employees in the institution are expected to do what is expected from them which based on initially discussions and agreement with their respective supervisors. The employer must pay the employee the salary for performing his or her responsibilities on an acceptable level. When employees perform above the standard, then the employer shall compensate an employee with rewards or incentives for work that is qualitatively and quantitatively above normal standards of performance levels (South Africa. Department of Health, 2002).

The following section below discusses information gathered through studying processes of performance management system which were identified whether positive or negative with regards to the effectiveness of performance management system. The researcher outlined the negative and positive comments that are related to this research. This section makes awareness that the selected respondents at Tygerberg hospital could be negative or positive about the execution of the performance management system because previous studies also established different views given by respondents on the subject. The importance of this section is to show the reader that performance management system has two sides, a negative and positive side. Even in this study there are respondents who were sceptical about the execution and effectiveness of the performance management system at Tygerberg hospital. Therefore those respondents who were doubtful and unsatisfied with the implementation and execution of the system at Tygerberg hospital seem to be to be in agreement with the negative literature which will be presented below. The same applies with the respondents who liked and supported the system they appear to be in agreement with the positive literature presented below.

## 2.4 NEGATIVE AND POSITIVE CRITICISMS OF PERFORMANCE MANAGEMENT SYSTEM

This section is useful to determine if the respondents were relevant with the previous studies which are similar to this one. The following sub-section shows that performance management system does not function well in some organisations. A lot of work to improve its effectiveness still needs to be done. The researcher preferred to start with negative criticisms which will now be discussed below.

## 2.4.1 Negative criticisms

As cited by Khauoe (2015) PMS is biased towards the majority of the employees. The incentives of the performance management systems as such as performance bonuses and promotions depend on the personal relationships that employees have with their direct supervisors. In addition, Khauoe (2015) explained that employees merely concentrate on the rewards of the performance management systems rather than the system, as should be. The employees changed the main purpose of the system to focus on accomplishing their own personal interest. Khauoe (2015) also identified inconsistence of performance ratings that are applied by supervisors when scoring performance of employees.

Similarly, Grobler, Warnich, Carrel, Elbert & Hatfield (2011) stated that unfairness rating is a common problem of the PMS that occur during performance assessments due to the fear and lack of knowledge

on the supervisors' side. Grobler et al. (2011) stated that managers have a tendency of compromising policies and procedures that guide processes of the performance management system and execute the system as they wish. Grobler et al. (2011) added that managers have a common problem of giving employees an average score or just give high scores only to those employees who are difficult to deal with, in order to keep them happy.

Similarly, Noe, Hollenbeck, Gerhart, and Wright (2008) stated that the performance management system is often clouded by issues of conflict among employees which lead to low energy and lack of cooperation in the entire workplace. Noe et al. (2008) further stated that managers don't really enjoy conducting performance management system but they do are obliged to carry out the process. On this, Noe et al. (2008) state that managers are uncomfortable and unwilling to inform employees about their poor performances, as that may lead to confrontation which they feel less equipped for and unnecessary.

Richards (2012) stated that managers and supervisors in various organisations have little knowledge about how to conduct performance assessments accurately. Supervisors always fail to give appropriate feedback to all subordinates. Matunge (2013) stated that employees perceive the performance appraisal as waste of time because the system does not influence them to improve their performances because it does not contribute to employees' career growth. Matunge (2013) added that the performance appraisal system is not realistic. The system does not take into account some relevant legal issues. Employees are not involved in the development of performance appraisal. Employees don't have any idea about how their performance is evaluated and measured. The only employees who are the beneficiaries of the incentives of performance appraisal are those who have a close and loyal relationship with the supervisors which imply favouritism. Since some employees get incentives without showing excellent performance at work as posited by research participants, the process becomes unworthy.

According to Redman and Wilkinson (2009) the PMS is an expensive, it involves a number of processes that cost organisations fortunes. The processes consume and waste lot of time which could be invested in the production for more revenue. The system is also causing conflicts amongst employees and supervisors. Work relationship between employees and supervisors become poor. As a result, the majority of employees do not recognise the system. Employees argued that the system is unfair, and only useful and favouring certain individuals in the organisation. Some employees who have a long service in the organisation have never received or enjoyed the fruits of the system, only few employees receive the incentives. The system discourages and eliminates high morale of the employees. They drop

their normal performance and level of commitment in the process. Employees feel neglected by their immediate supervisors. The application of the system is not clear. Ethical procedures are disregarded (Redman and Wilkinson, 2009).

Regarding this issue Grobler et al. (2011) states that since performance evaluations are done by human beings and errors are bound to occur. One of the errors is personal favouritism. Favouritism has an impact of changing the significance of the performance management system negatively. Grobler et al. (2011) added that performance evaluators and employees' supervisors are incompetent. The incompetence of supervisors and evaluators often affect the system badly. Supervisors fail to monitor and supervise the performance of employees accurately. They don't record crucial incidents executed by employees. Supervisors focus only on the production and ignore the performance. In the workplace, they always prefer to work with easy employees that become their soft targets. Supervisors always find themselves in a difficult situation to score some employees higher or lower than others. Supervisors always try to satisfy all the employees although some of the employees are lazy. Another problem that affects the performance appraisal system is the fact that supervisors are not familiar with the work of subordinates. Some supervisors don't have the actual experience of the work on the lower level because they never get exposure or maybe they are promoted from other segments of the organisation. The limited knowledge that the supervisors possess makes things more difficult and complicated to evaluate the performance of their subordinates accurately. Some supervisors lack administration skills and management skills to be able to take initiative and responsibilities to perform the processes accurately (Grobler et al., 2011).

Paile (2012) said that incompetence of managers destroys an effectiveness of performance management systems. Paile (2012) continued to say that managers should have expertise and vast experiences to be able perform fair assessments. Paile (2012) suggested that top management of organisations should decide on simple ways of evaluating and appraising effective performance of employees rather than complicated ones. Paile (2012) said that sometimes managers fail to clearly communicate the standard measures and to inform employees about what is expected from them. Paile (2012) also mentioned that rating errors of the performance occur due to personal preferences by supervisors, and rating errors have negative impact on the system as some employees become discouraged and resist participating on the system again because they are fearful of getting incorrect negative feedback and wrong ratings which are done purposely by supervisors.

Dechev (2010) stated that organisations should stop using performance management system because the system is complicated, expensive and time consuming. The system is increasing the dependency of employees on their supervisors. Supervisors end up responsible for irresponsible employees. Performance appraisal is a specific job that needs a particular expertise. Supervisors are not prepared enough to complete the performance appraisal successfully. Organisations fail to train supervisors properly. When the system is conducted by untrained people it becomes ineffective and useless. The performance evaluation and feedback of untrained managers become obstructed by many subjective issues. The feedback becomes incorrect and unreliable. Incorrect feedback leads to false results and wrong decisions (Dechev, 2010).

According to Rasch (2004) many employees have mixed feelings regarding the evaluation of their performances. Employees believed that the system involves the element of injustice. Employees feel that the system divides them. The system kills team work among colleagues. Boachie-Mensah and Seidu (2012) posit that employees have problems to embracing performance management system. Most of the employees are willing to participate fully in the processes of the system. However, the supervisors are not truly transparent when they conduct reviews. When supervisors are not transparent enough to the employees, employees feel uncomfortable and think that they are being robbed. And then, employees become uncertain about embracing the system. The officials in the organisations fail to recognise that all their employees are equal. Boachie-Mensah and Seidu (2012) stated that some employees are given limited opportunities to expose their capabilities.

Farrell (2013) mentioned that employees and supervisors do not like the system. Both, supervisors and employees perceive processes towards implementing the system are the most emotional exercise especially when the system comes to the rewarding stage. The system is challenging for employees and managers. In many cases supervisors hesitate to give honest feedback to the employees. Employees feel embarrassed, demotivated and sometimes annoyed when they receive negative feedback from the supervisors. The system leads some of employees to lose their confidence and self-esteem. Employees are unwilling to accept negative feedback even if the supervisor is honest. The next section below gives a perspective on positive comments of performance management system as identified by previous studies. The significance of the next section below is to show that the performance management system functions well in some organisations when the system is implemented and managed properly. The positive comments will now be discussed below to complete the entire section.

#### 2.4.2 Positive comments

The SPMS enables employees to reach optimum performance and job satisfaction through introduction of incentives. Performance management system rewards the outstanding performance of the employees. The department says that the performance management system offers proactive remedy for poor or unacceptable performance. The system improves the standards of service delivery in the institution (South Africa. Department of Health, 2002).

Leigh and Media (2013) argue that the performance management system is definitely crucial for any organisation, small or big. Leigh and Media (2013) explained that the effectiveness of performance management system depends on how well the processes are documented and communicated with employees. Leigh and Media (2013) stated that training of supervisors should take priority to achieve best results of performance management system. Leigh and Media (2013) further suggested that organisations should establish easy processes that can be understood by everyone in the organisation. The implementation of simple processes can help an organisation to reduce the resistance of employees towards the system. Simple processes will allow consistent participation of the employees and facilitate success of the system. Easy processes yield good returns for an organisation.

Dechev (2010) mentioned that managers should perform performance reviews regularly to discuss performance progress of the employees and identify areas of weakness of employees so that they can be further developed to enhance daily behaviours. Dechev (2010) added that managers and supervisors should consider and prioritise future of the employees. When supervisors meet with employees for performance reviews managers should open up about potential future opportunities that are available for the employees in the organisation based on skills, knowledge and behaviour demonstrated by employees. Managers should advise what employees must do to benefit from those available opportunities. On this same subject, Dechev (2010) stated that managers should clearly explain to all employees about how appraisal rewards are distributed so that everyone can take decisions of dropping or increase performance knowing what is at stake at the end of the cycle.

Arguably, the most valuable aspect of performance management system is a feedback of the performance that must go to the employees from the supervisors. Feedback provides continuous effective communication between supervisors and employees. However, the feedback has to be reliable and trustworthy. When employees receive honest feedback they turn to feel free towards a supervisor

and start to open up about discussing work related challenges (Leigh and Media, 2013). Dechev (2010) stated that a correct feedback directs employees to organisation's vision and mission. Dechev (2010) also added that the effectiveness of the feedback depends on the acceptance of the feedback by an employee. If employees perceive the feedback as accurate, truthful and credible, then employees become motivated. But on other side, if employees believe that the feedback is incorrect they always show negative reaction. An incorrect feedback leads employees to continuous absenteeism, lack of cooperation, lack of focus and to unhealthy competition among employees.

According to Abdulkadir, Isiaka and Adedoyin (2012) performance management is a vital tool for all organizations. Abdulkadir et al. (2012) stated that the commitment of employees depend on the satisfaction with the appraisal mechanism of the organization. The employees' satisfaction leads to success and competitiveness of the organization against its rivals. Lawler (2012) stated that an effectiveness of performance management system which is driven by strategies of the organisation which must be integrated with goals of the organisation to yield better results. The goals must be clear and accepted by the employees. When employees understand a vision of an organisation and satisfied with performance management system they can easily achieve objectives of the organisation.

Normally, what employees look for in the performance appraisal system is accuracy, fairness, good relations between them and supervisors. Performance rewards of the system must be relevant and contribute to employees' wellbeing (Boateng, 2011). Employees always like to embrace and contribute meaningfully in their workplace if the performance appraisal system demonstrates opportunities for personal growth (Boachie-Mensah & Seidu, 2012). In order to convince employees to improve their normal performance through performance management system they must first view and believe that the system is real. The system is real if all employees benefit from it equally. The processes employed by the system must employ confidentiality, provide clear guidance and provide a clear develop plan to guide each employee in the organisation. The system must comply with legal requirements (Irvine, 2003). Managers can make the system effective by involving employees in discussions from the beginning of the cycle. Involving employees will make things easier for the organisation because employees will be in same level of understanding with everyone. Employees will easily understand the system and its purpose only when management ensures that the process is inclusive from the onset. Involving employees is a best way to avoid tensions and conflict between managers and employees. Involvement of the employees leads to highly satisfied employees and increased participation. Increased participation

by employees subconsciously enforces good cooperation and a healthy working atmosphere (Rahman and Shah, 2012)

Boateng (2011) stated that the uniformity of processes relating to performance management is vital to ensure that all employees are evaluated in the same way to avoid grievances from other employees who could feel discriminated and unfairly evaluated. Boateng (2011) explained that the uniformity of performance management processes allow an organisation to compare the assessments of different employees against each other in same scale without being accused of being bias. Boateng (2011) added that the most successful performance appraisal system is the one that identifies critical behaviours of the employees. Behaviours of employees determine a certain performance of each employee.

Rahman and Shah (2012) stated that performance assessments are essential as to collect crucial information regarding performances, behaviours, and attitude of the employees towards their work to improve working conditions that will be conducive to all employees. Rahman and Shah (2012) added that good managers view and understand the performance appraisal system as a tool for managing rather than a tool of measuring performance for incentives. Good managers always try to avoid the emphasis on incentivising employees. Once employees start to imagine the incentives they turn to focus on the incentives rather than the required performance from them.

Having discussed the above, it becomes evident that outcomes of such a study can be quite diverse. This is an indication that the findings of this research could go either way maybe against the processes of the performance management system of the institution or in favour of the processes implemented within the institution. The outcomes of all researches depend on the views and perceptions of participants regarding the topic. The same applies to this research. Findings are deduced from data collected which included good and bad comments about the system at Tygerberg hospital. The information discussed above is in order for us to understand what could occur when performance management system is executed well and when the system is not executed well. This section is important for the study and it is very informative because the employer who is in position of implementing performance management system in his or her organisation after reading this study will be able to plan and avoid negative outcomes that are identified and discussed above.

Initially, when the researcher started this investigation he didn't know what kind of outcomes will be obtained but the researcher was keen and determined to find out what impact performance management system has towards improving daily performance of employees at Tygerberg hospital. The researcher continued with the research because he wanted to share with other researchers working on this subject to add value and contribute knowledge in the academic field which will help employers and employees in various organisations in future. The above literature was gathered before the researcher conducted interviews to collect the data which is striving to be relevant with the literature that will result to the findings and the entire research to be relevant with the previous researches.

The following section presents elements of performance management system. The significance of the next section is to show the most important components of performance management system that need to be taken into consideration when someone or an organisation wishes to implement and execute the system successfully. The elements of the performance management system are related and crucial to the study. For example, it was crucial for the researcher to understand by asking the participants which procedures should be followed during implementation processes of the performance management system. The researcher assumed that organisations that are currently using this system should have procedures and processes in place that are applied to implement the system for the success of the organisation. This means the researcher was expecting to hear the standard procedures and written processes that are similar to elements discussed below because rules and standard procedures are important for successful implementation of the performance management system. So the researcher approached the study having his own assumptions regarding effective implementation of performance management system. One of the things that the researcher expected was to gauge whether respondents were aware of the rules and procedures that are used and followed in the processes of implementation the system. The responses of the participants are presented in chapter five. The elements of performance management system will now be discussed below under emerging sub-headings.

# 2.5 ELEMENTS OF PERFORMANCE MANAGEMENT SYSTEM

There might be other elements and components that make performance management system but the researcher will focus only on five elements that are used in Western Cape Department of Health since the study is performed in one of the institutions of the department of health. South Africa. Department of Health (2002) established five elements that should be taken into consideration when an institution is implementing the performance management system, namely: Performance plan, Performance

agreement, Skills development plan, Performance reviews and Final appraisal which will now be discussed below under appropriate subheadings.

#### 2.5.1 Performance Plan

According to South Africa. Department of Health (2002) a performance plan is a first crucial aspect of a performance management system that an organization must start with when implementing the system. The department further explained that a performance plan contains a list of activities that must be performed by an employee throughout the performance evaluation cycle. For instance, supervisors are required to create a performance plan for each employee at the beginning of the financial year or immediately when a new appointee joins the department. Supervisors are also responsible to explain the duty and importance of each task assigned to the employees on the performance plan. Supervisors should also explain the desired outputs and measurement standards of the employer. Understanding desired outputs and measuring standards of the employees to be able to plan and prioritise their activities.

Furthermore, South Africa. Department of Health (2002), stated that performance plan contains Key Performance Areas (KPAs). KPAs refer to the main duties that an employee has to perform during the year. A performance plan involves performance outputs. Performance outputs refer to results that an employee should achieve based on responsibilities and duties that are given to an employee. Performance outputs only focus on the results and not inputs or activities. Another important aspect of a performance plan is the weight of the output. The weight of output identifies the value and importance of the output, meaning that some duties of the employees are not as critical as others but all the assigned duties must be performed as all the duties add value in the organization. Most crucial outputs contain high ratings.

A performance agreement is a second aspect of performance management system. Immediately after supervisors are done with performance plan they should start creating a performance agreement. A detailed explanation about performance agreement will be discussed below (South Africa. Department of Health, 2002).

## 2.5.2 Performance agreement

A performance agreement is a document that holds an employee accountable and responsible to perform certain activities that are listed on the performance plan. A supervisor is also responsible to ensure that the performance agreement is created at the beginning of each financial year (South Africa. Department of Health, 2002). The performance agreement can be reviewed and only changed by both a supervisor and an employee. A performance plan is signed by both an employee and a supervisor and authorised by the head of the institution. A new appointee employed by one of the government institutions shall enter into a performance agreement within three calendar months of employment. The regulation identifies that permanent employees must enter into a performance agreement within two months after beginning of each new financial year. The employees who failed to sign off their performance agreement within two months are disqualified from the system, meaning that they are not entitled to benefit from the incentives of the performance management system (South Africa, 2016).

Skills development plan is one of the most important aspects of the performance management system which benefits both the employer and employee. The details of skills development plan will now be discussed below.

## 2.5.3 Skills development plan

A skills development plan identifies internal and external occupational development of the employees which includes mentorship, attending relevant workshops and formal trainings for required skills in the workplace. The main purpose of skills development plan is to equip employees with skills and abilities to perform their duties well. When management implements skills development it requires employees to identify a number of trainings that they would like to attend during the financial year. The dates to attend the identified trainings must be indicated on the development plan and monitored regularly (South Africa. Department of Health, 2002).

Training and mentorship are the key aspects of the skills development plan. Furthermore, these aspects are very important and relevant to the objectives of the study. The researcher preferred to discuss them separately in order to give more clarity and explain how they are linked to the questions and objectives of the study. Therefore, the next section below will discuss training as a key aspect of employees' skills

development. The researcher will also discuss the importance of training when conducting the performance management system.

## **2.5.3.1** Training

The success of performance management system relies heavily on availability of training for employees (Nasurdin, Ahmad & Jan, 2015). Training has a power to influence and motivate employees to work harder as they will be more confident towards their work. In general, training is designed to provide employees with knowledge and capabilities. Training increases opportunities of growth within or outside the organization. If employees don't attend training in the workplace they will be unable to perform their duties efficiently and effectively. When employees continue to deliver unsatisfactory performance they are likely to lose their jobs due poor performance rules (Nasurdin et al, 2015).

The Constitution of the Republic of South Africa in Section 195 (h) promotes good human resource management and career development of employees to be maximised to cultivate human potential (South Africa, 1996). Therefore, all employees in workplace must have access to training as the constitution of South Africa instructed. That is why the researcher was interested to understand the perspective of participants on the role or contribution of the performance management system towards increasing opportunities of employment and skills development of employees. The researcher was interested to determine the impact and contribution of the system because currently in South Africa many employees are losing their jobs in various industries including public and private sector. In the private sector employees are retrenched and replaced by new technology, for example Standard bank announced to close 91 branches in order to restructure its Information Technology (IT) division (Enca. n.d). In the mining industry, companies are retrenching as well, Impala platinum mine has already retrenched over 2000 employees in 2017 while Lonmin mine is cutting 12600 jobs over a period of three years (Sabcnews, n.d). Similarly, in public enterprises employees are facing retrenchments as well, the South African Broadcasting Corporation (SABC) announced to retrench 600 employees (Sunday World, n.d). If the retrenched employees are not trained adequately, they will become unemployable as they will not have required skills. Consequently, poverty, crime and unemployment rate will continue to increase in South Africa. Therefore, the remaining unskilled employees in the organisations are not safe too and they will eventually get dismissed and become unemployable. Businesses and government institutions should use tools such as performance management system to identify lack of skills and send selected employees to attend necessary trainings. The point discussed above was raised to determine

whether or not Tygerberg hospital is doing enough to promote growth and employment of employees through performance management system. Training is very crucial in this research and related to the topic and objectives of the study. The literature below, relates to training, and continues to show significance impact training has on employees and performance management system in the workplace.

Stewart & Rigg (2011) stated that training programs and career development of employees are crucial to improve employees' performance and increase growth opportunities. In addition to that, the above scholars stated that employees' development is considered as valuable investments because it improves production and revenue of the firm. When an organization considers a development of employees, employees become more committed and delighted to work for the particular organization. Nasurdin et al, (2015) concurred with this when stating that training programs improve performance of employees by firstly, improving skills and abilities which ultimately influence greater work performance. Secondly, training improves career growth, morals and satisfaction of employees which lead to healthy working environment and great behaviors in the workplace.

Furthermore, Cloete & Payne (2012) said that managers must ensure a proper development of employees so that they can benefit on available opportunities within the organization in order for employees to feel wanted and valued. The above researchers explain that, in order for managers to ensure effective development of employees, managers must perform skills audit and create employee development plan based on individual needs of each employee. The regular performance evaluation of employees must be done daily by supervisors to identify the needs of under-performing employees and ensure that they attend designated employees training, mentoring or coaching programs. This goes the same for the impact of training, mentorship as they play a huge role in skills development of employees in the workplace. Employees gain knowledge and experience through mentorship. Mentorship will be discussed below in brief detail.

## 2.5.3.2 Mentorship

Mentorship is regarded as a relationship between two people for learning and development (Weinberg & Lankan, 2011). One person among the two people is a mentor with enough knowledge and experience in a particular field to guide the less knowledgeable person. According to Weinberg & Lankan (2011) there are two types of mentorship to develop employees. They are known as informal and formal mentoring.

The informal mentoring takes place within the structures of the organization. An informal mentoring happens in an unstructured manner whereby an immediate manager selects a senior employee who is well trained and experienced in the organization to assist and guide the identified employee who is inexperienced or new appointee (Weinberg & Lankan, 2011).

Formal mentoring occurs in a more structured form whereby an immediate manager appoints in writing a senior employee who is fully prepared, skilled and experienced to guide an inexperienced employee within specified period of time. A clear difference between formal and informal mentoring is the fact that formal mentoring has a time limit to end whereas informal mentoring does not have a specified time to end but a mentor stops mentoring the employee when the employee is ready to work independently (Weinberg & Lankan, 2011). The next section below discusses the processes of performance reviews.

#### 2.5.4 Performance reviews

According to Vigaro (2013) performance reviews refer to a periodical examination of a daily performance of employees in organisations which could be conducted 4 times a year. In addition, Vigaro (2013) stated that performance reviews are the cornerstone of performance management system whereby managers meet with employees to give the formal feedback of the performance. Performance reviews provide managers with the opportunity to motivate employees and to influence the performance of employees. The performance reviews measure the individual performance against performance standards that are set and recorded down in the performance plan. Furthermore, Vigaro (2013) also mentioned that managers during the performance reviews are required to provide appropriate feedback to employees. Feedback to employees should be given in a formal way in a close-doors office, one on one between an employee and a manager. The discussions that take place should be confidential, recorded and filed for future reference and to be used for promotions, bonuses or disciplinary actions (Vigaro, 2013).

The performance reviews refer to quarterly assessments which are performed to evaluate the performance of employees in the organization. A performance review is a stage where direct supervisors of employees are expected to evaluate the performance of the employees, give recorded feedback, review the performance agreement and provide assistance in cases where certain employees fail to achieve the desired results or meeting agreed standards (South Africa. Department of Health, 2002). The reviews are regarded as most valuable aspects of the performance management system as to identify unacceptable performance, performance that are not fully effective, fully effective, performance

that are significantly above expectations and outstanding performance (South Africa. Department of Health, 2002).

The quarterly reviews are meant to discuss challenges that employees experienced and achievements that they accomplished during the year. The quarterly reviews should take place through verbal discussions but advisable that the new changes should be added into the existing performance plan. In cases where an employee is unsatisfied or feels forced or disadvantaged by a supervisor during the review meeting he or she has a right to lodge a grievance against the supervisor. All the employees in the performance review meeting should be given an opportunity and enough time to explain their side of the story because some of the employees deliver poor performance to due to unfavorable work conditions (South Africa. Department of Health, 2002). The last element of performance management system is annual appraisal. This takes place at the end of the performance management cycle when all appraisals are completed then the supervisors should meet with employees to conclude the entire process. Annual appraisal and its processes will now be presented below.

# 2.5.5 Annual appraisal

An annual appraisal is the final stage of performance assessment. It is the last phase of the performance management system where performance of the employees is judged or rated and granted scores in percentages (South Africa. Department of Health, 2002). The overall performance of an employee is given certain scores based on the target achieved by the employee based on the performance agreement. The score of a performance determines the type of incentive or compensation that an employee will get. In the final appraisal meeting, a supervisor must inform an employee about how well or bad the employee has performed and rate the performance accordingly. On the final appraisal, if an employee performed fully effective he or she gets a pay progression. On the other hand, if an employee demonstrated commendable or outstanding performance he or she will receive a cash bonus and a pay progression. However, if an employee is rated borderline or unacceptable performance he or she will not get any incentive but such employee will be sent for training to advance his or her performance for the next cycle. If there is no improvement after several interventions of coaching and trainings as remedial, then the employee is set to face dismissal for poor performance (South Africa. Department of Health, 2002).

An Incapacity Code and Procedures for the Public Service states that an employee of the government institution who does not improve performance within the period of twelve (12) months after corrective actions and disciplinary procedures have taken he or she can be dismissed based on unfitness or incapacity to carry out his or her duties (South Africa. Department of Public Service and Administration, 2004).

The elements of performance management system are important and related to this study. The exclusion the above elements could have a negative impact in the study. If the elements of performance managements were excluded the reader would not understand the actual processes and features of the system. These elements represent the structure of the system and show the components that made the entire system. The researcher also used these elements to understand and enable to interpret the comments of the respondents that were related to processes of the system as the respondents were asked about the processes and procedures of the system.

The next section will discuss objectives of the performance management system in the workplace. The performance management system was created for a purpose as already established in chapter one, which is to conduct performance assessments. This means the system was not implemented to determine the need for employment and cash rewards. These were not attached to the system but later as time changed the system improved and lot of new objectives were attached to it. The objectives of the performance management system are included in the study to show the reader the significance of the system and what the system is supposed to achieve in the organizations. The objectives of the performance management system will now be discussed below.

### 2.6 OBJECTIVES OF PERFORMANCE MANAGEMENT SYSTEM

Organisations around the world improved the original performance management system and linked more objectives to it compared to what Robert Owen created the system for in 1800s. In these days the system is more extensive. In previous studies the following objectives for management system were identified, namely: achieving good productivity, development of employees, provide feedback, recruitments, compensate employees, and motivation.

The objectives of performance management system are related and crucial in this study. The researcher aligned the research questions and objectives of the study to the objectives of the performance

management system in order to see if the system is really accomplishing its own purpose at Tygerberg hospital. The researcher would not be able to make a suitable findings and conclusion if the objectives of the system were not established and discussed in this research. Therefore, the objectives of performance management are included and discussed in this research to help and enable the researcher to determine the findings of the study. The researcher also used the objectives of the system to analyse and determine the effectives of the system at Tygerberg hospital based on what was said by the respondents.

Underneath, the researcher discussed various forms of objectives that are pursued by organisations when implementing the system in their organisations.

# 2.6.1 Achieving productivity

According to Grobler et al. (2011) organisations apply performance management system to achieve good productivity. When performance management system is implemented properly employees work harder. This is because employees become encouraged and motivated when the process of performance management system is inclusive and used to give them constructive feedback on their work performance. So, it becomes a reflection to mirror their ways of doing with an incentive in return that is agreed upon by both parties. Grobler et al. (2011) added that performance management system enables organisations to achieve high returns. The system inspires and provides contentment on the employees. When employees are satisfied they provide good services which lead to the success of the organisation. The performance management system assists organisations to move towards results orientated culture in order to achieve good production. A results orientated culture is a principle whereby the outcomes are more important than the actions implemented to achieve those results. In the result oriented culture, performance assessments are based on the outputs achieved by an employee more than processes that are in place. The culture of result oriented performance does not concentrate on how the results are achieved (Grobler et al., 2011).

The second objective of the performance management system is development of employees and will be discussed below to show the importance of employees' development in the workplace.

## 2.6.2 Development of employees

In South Africa, Skills Development Act encourages development of employees in all organisations. The Law states that performance management system must involve learning and continuous development to increase competences and understanding of employees. The system must promote coordinated thinking and actions (South Africa. Department of Public Service and Administration, 2001). South Africa is currently experiencing high rate of unemployment and shortage of skills. If performance management system can be implemented correctly where employees are sent to relevant training programmes the system could be effective and assist South Africa to eliminate high rate of unemployment and shortage of skills. In that the performance management system when fully processed and unpacked in full detail, it exposes vacancies that are still open to employees and managers so that more people can be employed.

Development of employees is a future oriented plan for organisations. Organisations create development programs for their employees. A development program includes training programmes in the form of work related courses and short assignments which attempts to improve competency so that employees can be able to manage future challenges easier. Training programs are meant to maintain and enhance work performance of employees by empowering them with knowledge and skills for current positions to improve their performance. Training helps employees to qualify and obtain future employment opportunities in the workplace. Skills developments of employees enable them to operate new modernised machineries and equipment in the workplace (Engetou, 2017).

Giving feedback to the employees is a third objective of the performance management system and will be discussed in details below to show the significance of giving feedback to the employees.

#### 2.6.3 Feedback provision

According to Khan (2013) the performance management system provides management with opportunity to give feedback to all the employees in the organisation. The system increases ways of communication and engaging with employees and management. Performance management system is the mechanism to assist organisations in communicating and reinforcing the values, norms, and objectives of the institution. Regular communication and reinforcement of the values allow employees to be consistent in their performance to accomplish the desired results that are agreed up on. Feedback is given through

all the stages of performance reviews. During feedback time, supervisors give each employee a feedback regarding previous performance of the employee. In addition, Khan (2013) stated feedback could be negative or positive depending on the performance demonstrated by an employee throughout the period. Feedback helps employees to understand the level of their performance. Feedback given should be genuine. Genuine feedback helps to realise existing problems and to discuss possible solutions to reach consensus. Managers are encouraged to give honest feedback with a positive attitude to encourage better results and avoid further problems (Khan, 2013).

Paile (2012) stated that the continuous communication between supervisors and employees allow both parties to share information about performance progress and difficulties that employees experience in the workplace which could be affecting their performance in the institution. Paile (2012) added that communication helps supervisors to understand employees' needs. Performance management system provides a suitable platform for both employees and supervisors to talk about finding suitable ways of working as a team to prevent poor performance and any other unnecessary problems that could occur in the future.

Performance management system is also used for the purpose of recruitment. Recruitment is a fourth objective of the performance management system and will be discussed below.

#### 2.6.4 Recruitment

Performance management system is a good tool for recruitment. Asha (2007) stated that information collected from performance reviews helps to examine the necessity of recruitment and promotion of employees within the organisation. Managers during performance reviews can easily identify if the existing employees in the organisation are still adequate to do the job successfully or not. The decision of adding extra employees can be determined from the quality of work presented by the employees. Performance management system enables managers to identify shortage of skills in the organisation. Performance management system is crucial to improve labour and success of human resource management. Khan (2013) concurred with this saying the performance management system plays a major role in developing the growth of employees. Through the processes of the performance management system managers can identify when employees are unfit for the position. Managers can also identify the willingness of employees. Furthermore, Khan (2013) established that when managers and employees go through the process, they begin to see areas of lack of skills that might hinder

employees in becoming the best in their work performance. Managers can recognise if employees are ready and able to handle huge responsibilities and handle tough situations at the workplace. Performance management system is suitable and valuable to expose weaknesses and strengths of the employees. Above all, it helps to identify areas that need development, improvement and the level of compensation matching their commitment to work as informed by ticks alongside the KPA (Asha, 2007).

Compensation of employees is a next objective of the performance management system which will be discussed in full details below.

# 2.6.5 Compensation

The performance management system is also used for compensation to reward employees who continuously performed excellently. The reimbursement of employees for good performance complies with the laws of South Africa pertaining to performance system management. Public Service Act of 1994, Section 37 states that an employee who presented an exceptional performance his or her salary should be advanced to the next applicable scale. This Act also states that employees should be rewarded for good performance. The Western Cape Department of Health is complying with this Act. Employees are rewarded at Tygerberg hospital for their good performance (South Africa, 1994).

According to Khan (2013) the performance management system assists in making decisions regarding salary increase and bonuses as to decide which employee among others who should receive salary increase or not. The system also enables management to compensate employees with bonuses based on the performance appraisals results. Lunenburg (2012) also confirmed that performance management system was designed to assist human resource management in the process of deciding and effecting salaries or wages increase, promotions, contract termination and development of employees.

Paile (2012) states that employees who displayed satisfactory performance deserve to get pay increase because tangible incentives such as salary increase and cash bonuses encourage employees to keep on working very hard for their recognition and own benefits. In addition, Khauoe (2015) concurs when saying that if an outstanding performance is rewarded with extra bonuses, employees can get the job completed effectively. Organisations should continue to provide sufficient rewards that are valued by employees to encourage quality execution of tasks we signed up for on our work contracts.

Although Khauoe (2015) supports salary increase and bonuses for exceptional performance but he also argues that salary increases and bonuses as rewards should be intelligently linked with objectives of organisations precisely. Linking the system with the objectives of the organisation helps the organisation to achieve its vision efficiently and grow quicker. Khauoe (2015) identified that most organisations do not plan and associate the objectives and incentives properly. Organisations just give performance bonuses, salary increase to make employees happy. According to Khauoe (2015) the performance incentives should not become the main priority for rewarding employees since managers and employees can become overwhelmed, greedy and eventually concentrate on the incentives.

The performance management system is also used for encouragement. Motivation is a last objective of the performance management to be discussed below.

#### 2.6.6 Motivation

According to Asha (2007) performance management system has great impact on keeping employees motivated and their satisfaction increased. Compensation and recognition that employees receive for their contribution and extra effort in the workplace motivate them to do more. Performance management system makes employees feel a sense of worth and belonging in the organisation. Khan (2013) added that performance incentives add positive pressure on the employees. Employees get inspired when they receive performance bonuses. Employees get excited and motivated to work harder. Performance management system encourages employees to achieve their targets faster. Employees become more determined to take more responsibilities at work as they will be compensated. Cooperation among employees increases. Managers should promote and continue with performance appraisal processes to keep employees motivated (Khan, 2013).

Vigaro (2013) agrees with the above statements as he cited that most employees are likely to be motivated and improve their regular performance if performance rewards are solely based on individual great performance without preferential treatment against other employees. Vigaro (2013) further states that it is essential for organisations to reward high performers so that employees can stay motivated and maintain their good behaviours and great attitude towards their tasks. Vigaro (2013) stated that organisations can be successful only if employees are happy. Managers should conduct performance management system properly to keep employees motivated and inspired to ensure that an organisation achieve its objectives and maintain its reputation.

Vigaro (2013) discussed two types of behaviours which occur through motivation, namely: intrinsically and extrinsically motivational behaviour. He said that an intrinsically motivational behaviour, occurs when someone gets motivated through performing a task. This normally happens when an individual has been longing and looking forward to perform a particular task or when an employee is passionate with his or her work. On other hand, Vigaro (2013) explained that the extrinsically motivational behaviour occurs when an individual carries out a task for the sake of receiving a reward or just avoiding getting punishments which can happen if an employee failed or refused to perform a particular task. Therefore, a source of motivation on the extrinsically motivational behaviour is the actual reward that someone gets for performing a job, although source of motivation on intrinsically motivational behaviour is willingness and determination of an employee to participate and contribute in the success of the organisation.

The above objectives of the performance management system influenced and guided the researcher when making the conclusion and recommendations of the study. The objectives of the performance management on one hand showed the researcher what the system is supposed to achieve and on the other hand showed the impact of the system when the it is implemented correctly. The system is designed to be effective and inspirational to the employees. Therefore, when an organization decides to implement performance management system at the workplace, their objectives should be related and linked to objectives discussed above.

The next section presents appropriate stages that should be followed when someone or an organisation develops or applies performance management system.

# 2.7 APPROPRIATE STEPS TO IMPLEMENT PERFORMANCE MANAGEMENT SYSTEM

The researcher already stated that this research is intended to educate and to add valuable knowledge to assist organisations and employees in the workplace towards implementation of the performance management system. Therefore, the researcher discussed the following steps and processes here to give the reader a structure and guild to present what should be done when someone implements the system. This section provides clear directions for an effective and successful performance management system. They are four steps that should be followed when an organisation desired to develop and employ performance management system effectively. The four stages are as follows: Determine requirements of the system, select suitable method for the system, train supervisors and discuss selected methods with employees. These steps will be discussed below under the appropriate subheadings.

A first step that should be taken into consideration when implementing performance management system is to determine the requirements which will be used to implement the system. The requirements to implement the performance management system will now be presented below.

## 2.7.1 Determine requirements of the system

According to Grobler et al. (2011) a management of an organisation should first determine the requirements for a practical and suitable method of performance management system that will be appropriate for the organisations. This step involves setting of goals which needs to be achieved by the system. According to the above authors, the most important tool to execute performance management system successful is knowledge. An organisation should acquire all the necessary information before applying the system. Pre research about the system is essential and compulsory to all the necessary requirements for the system. When all the tools and necessities are acquired, then the management can look on the activities that will be performed by employees. The organisation must determine the desired objectives that an organisation wants to achieve through implementation of the performance management system. The management must establish measurements to evaluate and rate the employee's performance. Management is responsible to determine the location of performance where the employees will be positioned within the organisation.

The next step after collecting all the necessary information is to select available and suitable type of performance management system among others which will fit the objectives and strategies of the organisation. The available types of performance management system will now be discussed below.

## 2.7.2 Select suitable method of performance management system

An organisation must choose a suitable type of performance management system. Organisations are diverse based on their strategies and objectives. Therefore not all available types of performance management system are suitable to fit all different organisations. An organisation must make its own research in order to choose best suitable type. A suitable method must correspond with the strategies and objectives of the organisation. Big organisations with different departments are allowed to use more than one type of the performance management system within the organisation.

There are many various types of performance management system that are available to choose from such as checklist, essay, critical incidents, management by objective, psychological appraisal, and 360 Degree feedback. These different types of performance management system will be discussed below under appropriate subheadings to show the reader that organisations should not just select and implement the system but there are lot considerations that must done first. Each type of performance management system serves different purpose from each other, which is why big organisations are permitted to apply more than one type within the business. Organisations can achieve different results depending which type of performance management system is employed and depending on what the organisation wants to achieve by applying a particular type. All these different types of performance management system are important and relevant to be discussed here in this research because will assist the reader to select an appropriate type of performance management system. In Chapter two the researcher compared the performance management system employed at Tygerberg hospital with these available types in order to determine which particular type is used by Tygerberg hospital. If the study is really meant to educate therefore the reader must be aware of available types of performance management system. For instance, employees can blame the management by saying that the performance management system employed in their organisation is useless or even the management can identify that the system doesn't serve the primary purpose or doesn't help the organisation to achieve the objectives which is intended to achieve. For help, an organisation can access this research to find out if the organisation didn't implement an incorrect type of performance management system. Therefore, readers and organisations should be learned about the available type of performance management system so that they can be able to make good decision for their organisations.

The first available type of performance management system is "checklist method" and will now be presented below.

#### 2.7.2.1 Checklist method

The checklist method is relevant with the system employed at Tygerberg hospital where supervisors are required to write performance reports of the employees. However the reader should be aware that the system used at Tygerberg hospital is not specified and it is not selected from these types but the researcher identified that the institution combined different types of performance management system in order to come up with the suitable one for them.

Singh (2015) stated that the checklist method contains list of activities which are performed the employees. The checklist method takes behavioural aspect of the employee into consideration. The list of activities and behavioural aspect of the employees should be listed in the checklist for a certain period of the performance management. The checklist method manages and evaluates the performance of employees based on clear written reports on the checklist which are provided by immediate supervisors of the employees. The written reports should contain facts about the performance of the employees as observed by the immediate supervisor. The reports should also include morals and different behaviours that are presented by the employees in the workplace. The performance evaluation and performance ratings in this method are conducted by the department of human resource management in order make the system fair for everyone. Remember that the officials in the human resource management don't work very close with the employees and they don't know the employees to the personal level and therefore favouritism will be limited. The human resource management only focuses on what is written in the report. The performance scores are granted based on what is written on the checklist.

The essay method is a second available type of performance management system and will now be presented below.

## 2.7.2.2 Essay method

The essay method is also known as a free method. The essay method is similar to the checklist method which is discussed above since this method also involves written reports. But be aware that this method doesn't involve checklists and it doesn't only focus on the behavioural aspects that describe the employee. This method is comprehensive than checklist. Essay method involves written reports that describe performance of the employees. The reports should be accompanied by piece of evidence that proves the particular task has been performed by the employee to the certain extent. Essay method also contains regular feedbacks that must be given to the employees about their daily performance. Managers in this method must be able to identify weakness and straights of the employees. Managers should advise about how the weaknesses of the employees can be improved going forward. The success of the essay method relies deeply on the written skills of the manager because managers must be able to identify and write down everything influencing the performance of the employees (Singh, 2015).

Next, the available type of performance management system is "critical incidents" and will now be presented below.

#### 2.7.2.3 Critical incidents method

The critical incidents method requires managers to collect evidence for critical incidents that are performed by employees. Critical incidents method only concentrates on the collected evidence to rate an employee. Critical incidents method doesn't look at behavioural aspects and morals of employees but only focus on what is stated by the evidence meaning that the performance of employees is evaluated based on the evidence. Singh (2015) stated that critical incidents method requires a very close supervision because managers have to identify specific incidents where employees performed exceptionally or incompetently because all the important incidents will be used for evaluation at the end of the performance cycle. Managers have to record incidents continuously as they occur. Keeping records of critical incidents helps managers to provide reference when they give feedback to employees. Most importantly recording of critical incidents helps to reduce complains and favouritisms. Lunenburg (2012) stated that managers in this method are allowed to select one good incident as an example to motivate or to correct poor performances and that helps employees to maintain their good performance.

The next available performance management type is management by objectives and will now be presented below.

# 2.7.2.4 Management by objectives method

This method focuses only on what the organisation wants to achieve by implementing the performance management system. Management by objective method places more emphasis on the objectives of the organisation. This method allows an organisation to observe and examine the contribution of each employee towards achieving its objectives. Khanna & Sharma (2014) stated that managers in this method are required to inform employees about the duties that employees will be required to perform during a specified period. Managers are responsible to create clear measurements for each task given to the employees. The measurements are applied to calculate the progress and outcomes of the performance. Management by objective method merely focuses on the results achieved.

The next available type of performance management system is psychological method and will now be presented below.

# 2.7.2.5 Psychological appraisal method

The psychological appraisal method concentrates on psychological aspects of the employees. The psychological appraisal method is normally implemented to evaluate employees for future investment in the organisation. This method examines future benefit and future potential from employees. Psychological appraisal method examines emotions, intelligent capacity and motivational aspects of the employees which altogether influence the overall performance of the employee. The examination of emotions and intelligence of employees assists in analysing future potentials for an organisation. This method is crucial and sensitive and therefore it must be done by an evaluator who is a professional Psychologist. The evaluation is done through psychological tests, interviews, and discussions with employees. This method is useful to bring young brilliant candidates into organisations (Khanna & Sharma, 2014).

Last but not least, one of the types of performance management system which was identified in previous studies is 360 Degree method and will now be presented below.

## 2.7.2.6 360 degree method

The 360 degree method is a very broad method of performance management system. 360-degree method examines all aspects and behaviours employees in the organisation. 360-degree method contains various names such as full-cycle appraisal, multi-rater feedback, multi-source feedback, all-round feedback and peer appraisal (Kanaslan, 2016) stated that the term 360 degree was created by Professor Mark Edwards, the Navy pilot of United States (US). Kaur (2013) stated that the 360-degree method allows the evaluators of the system to collect feedback from clients, colleagues and management about the performance and actions the employees. This system does not only concentrate on one attribute. This method requires each and every employee to be on point, to concentrate and to participate fully in all elements of work from the point of arrival. Punctuality of employees, customer services and team work are crucial and included in this method.

Khanna & Sharma (2014) added that 360-degree method is very useful in terms of self-development, measuring inter-personal skills, customer satisfaction and building healthy working environment. Kaur (2013) stated that 360 Degree method creates awareness and improves morals in the workplace and allows employees to compete with each other fairly in good spirit of teamwork towards achieving common goals. The 360 Degree method is very influential in helping individuals to know themselves better through other people as individuals receive different feedbacks from participants whom do not really know individuals personally but giving their views based on what they see in the workplace. In this method a feedback is always considered and viewed as accurate. The 360 Degree method helps organisations to improve customer services and increase number of customers. Kaur (2013) added that 360 Degree method helps workers to overcome their weaknesses, create strong leadership skills, improves willingness of employees to work voluntarily and create consistency. This method also increases the level of trust between colleagues.

All the different types of performance management system that were discussed above are important and serves different purposes depending on what the organisation want to achieve. However, none these types can be implemented successfully without training managers and supervisors who will be responsible for execution. Training of managers and supervisors is a following step of implementing a performance management system after selecting an appropriate type of performance management system.

The next section below will continue to discuss the appropriate step of implementing the system and training of managers and supervisors will now be discussed.

## 2.7.3 Training of managers and supervisors

According to Grobler et al. (2011) organisations must train managers and supervisors before the implementing the system. Training of managers and supervisors increases the chances of the system to be successful since managers and supervisors work very close with the employees. Supervisors need to be well-informed with the processes of the system to avoid failure and complaints. It is a duty of supervisors to manage the application of the system on the ground. Supervisors are responsible to communicate the system to all the employees in organisation. Supervisors are also responsible for evaluation of the performance of the employees (Grobler et al., 2011). Therefore training of supervisors is a crucial step for the implementation of the system and should happen continuously even after the

system is implemented so that supervisors can stay updated. During training, supervisors should learn about managing poor performance and how to provide couching to employees. The regular trainings should be done very close to the dates of performance reviews so that the supervisors can remember the teachings and necessary procedures to be followed. Paile (2012) added that a success of performance management system depends on the effectiveness of supervisors. Training of supervisors eliminates negative critics and bad perceptions that people have about performance management system.

Furthermore, Paile (2012) stated that supervisors do not have self-confidence in conducting the performance appraisals. The reason being for supervisors to lack self-confident is due to lack of knowledge and experience. Training of supervisors can provide supervisors with knowledge and capabilities to handle performance appraisal effectively. Therefore, supervisors should be given enough time to attend trainings. Attending relevant trainings will allow supervisors to apply the system freely and independently.

Communicating the selected type of performance management system with employees is the last step of implementation and will now be discussed below

# 2.7.4 Communicate the selected type of performance management system with employees

According to Grobler et al. (2011) one of the most important things that organisations should do is to engage with employees before implementing performance appraisal system in the organisation. Primary discussions are always crucial for employees to make them to understand and commit to the new initiative. Grobler et al. (2011) explained that in the open meeting, the management of the organisation should give broad details about what the system is all about, clarify the purpose the system and explain how employees are going to benefit from the system. An evaluation method which will be used to measure a performance of employees must be clear in the discussions. In the same meeting, employees should be allowed to ask questions and to make suggestions. The suggestions of employees should be taken into consideration going forward. In addition, Grobler et al. (2011) stated that when all the procedures and processes are clear to all the important stakeholders then a preferable or a selected appraisal method can be implemented. An organisation before starting new performance cycle should set new performance targets for all employees. The new performance targets for employees provide

directions for the new performance period about where employees should focus, and that enable employees plan

The following section discusses errors that are regularly found in the performance management system. These errors were identified in previous researches but still today they are relevant and they continue to happen. Errors of performance management system are discussed in this study because the respondents during data collection addressed many complains and faults that are similar to these errors. Some previous studies referred to these errors as rating errors because normally occurs during evaluation and scoring time. Rating errors will now be discussed below.

#### 2.8 RATING ERRORS OF PERFORMANCE MANAGEMENT SYSTEM

One of the questions that were asked to the respondents was much related to this section. For instance, the researcher asked respondents the following question. How do you perceive or feel about the measurement methods that are used to evaluate and score your performance at Tygerberg hospital? The comments and responses from the respondents were similar to these rating errors. The reader will find comments of the participants in chapter five.

They are four popular rating errors which were identified in similar studies, namely: strictness and leniency, central tendency, halo effect and recency error. All these errors will be discussed below under appropriate headings.

#### 2.8.1 Strictness and leniency

The strictness rating error occurs whereby a manager consistently rates employee's performance very low purposely (Lunenburg, 2012). The performance results of the employee do not show or represent the actual performance that an employee has presented. Managers use strictness error purposely to punish employees. Managers punish employees by rating them very low while an employee has shown an exceptional performance throughout the year. Strictness error involves discrimination and intolerance (Lunenburg, 2012). On other hand, leniency error refers to kindness and humanity of the manager. In leniency error managers are sympathising and reward all employees with high performance scoring. Even though leniency error looks good but it is bad too. Leniency error discourages other employees who always work hard, who doesn't favours from the managers (Lunenburg, 2012).

The central tendency will now be discussed below as a second performance management error.

# 2.8.2 Central tendency

Lunenburg (2012) stated that central tendency is the opposite of strictness and leniency errors. He added that on the central tendency managers are unwilling and hesitate to score employees very low or very high. Managers score all employees around one figure. The researcher want to believe that the central tendency error is unfair and totally wrong because not all employees can perform around the average. Some employees will perform very well and some of employees will perform poorly due to different level of knowledge, experience and skills that employees acquired. Lunenburg (2012) explained that the idea of rating all employees around the average is because managers want to be fair towards everyone to satisfy all the employees. Managers do this error under impression that all employees will be happy if they are scored around average. However, the reality is that central tendency error is wrong, unfair and disadvantaging other employees who give outstanding performance regularly and needs to be praised and appreciated for their efforts.

Halo effect is another common error and will now be discussed below.

#### 2.8.3 Halo effects error

The halo effects error is almost the same with the central tendency. However in the halo error, managers rate all employees evenly or equally. Managers in this error ignore the real performance of the employee. Managers look at one side of the employee. Halo effects error allows a single strength of an employee to be advantageous for instant if an employee is a good team player or humble managers will consider that particular good element and score the employee above others. Halo effects error normally goes with favouritism (Lunenburg, 2012).

Recency error is last common error of the performance management system and will now be discussed below.

## 2.8.4 Recency error

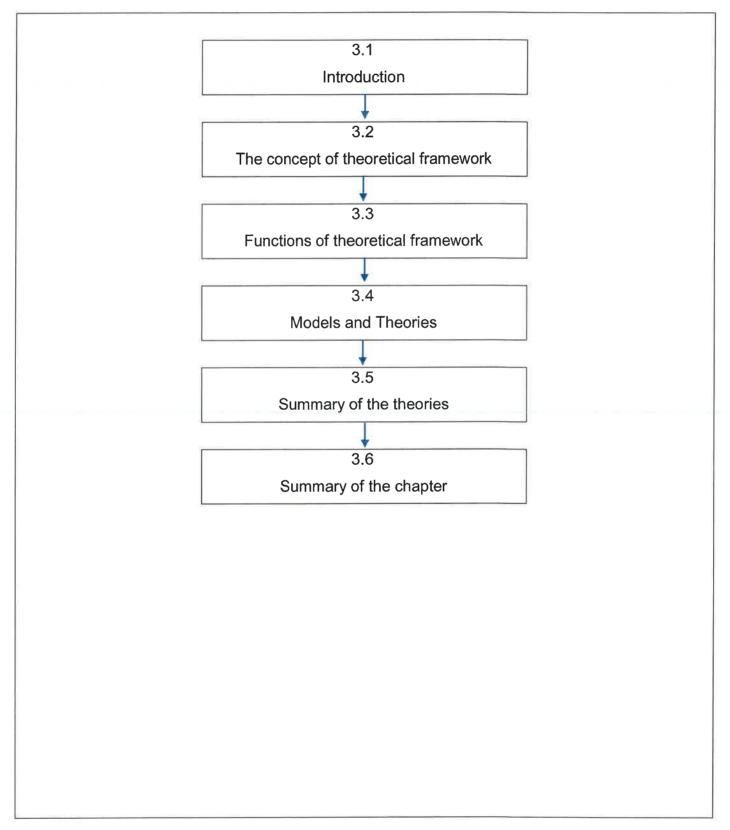
A recency error concentrates on recent incidents. Recency error occurs where managers only consider a newly happened incident either poor or good, it doesn't matter but the manger will use such incident to score the employee. It becomes unfortunately if an employee made bad incident close to performance evaluation because will be used against him or her. The good example to understand recency error is when an employee who normally arrive at work early but just a day before performance reviews he or she arrived late then the manager uses such incident to score the employee lower than what employees really deserve (Lunenburg, 2012)

#### 2.9 SUMMARY OF THE CHAPTER

This chapter contained various topics that are related to the researched subject. The topics that are discussed in this chapter are really essential to the study and will make the reader to understand the entire research. The researcher in this chapter discussed good and bad side of PMS in order to reveal all the possibilities that can happen throughout the implementation processes of the PMS. Based on the literature presented in this chapter the searcher can easily say that the success and effectiveness of the system depends on how the system is executed in each organisation. Steps and processes to be followed when someone wants to implement the system are presented in this chapter to help readers to be able to implement a successful PMS in their organisations. From the existing literature, the researcher learned that PMS is effective but it has challenges. However, the challenges can be reduced by equipping managers and supervisors with all the necessary skills to avoid conflicts and performance rating errors that are stated above. Based on the existing knowledge, the researcher would advise that supervisors must be open and honest to the employees. Similarly, employees must be involved in discussions and implementation of the PMS to eliminate problems.

The next chapter discusses the theoretical frameworks to ensure that the study is relevant and informed by existing theories.

# CHAPTER THREE THEORETICAL FRAMEWORKS



## 3.1 INTRODUCTION

This section of the literature review discusses the theoretical models that have emerged from the body of knowledge and were thus referenced to construct the proposed conceptual model of this study. The appearance of theoretical framework is essential for researches to affirm that a study is grounded and informed by existing theories. This chapter comprises of concepts of theoretical frameworks, functions of theoretical frameworks, summary of the theories and summary of the chapter. The section below discusses the concepts of theoretical frameworks.

#### 3.2 THE CONCEPT OF THEORETICAL FRAMEWORKS

The term "theoretical frameworks" is a comprehensive concept which maybe complex for other individuals to understand. Therefore, it is necessary for the researcher to simplify it and give definitions before heading to the following section of the chapter. The researcher identified that the term "theoretical frameworks" involves two phrases which are; theory and frameworks. The word theory comes from the Greek word "theoria" that means contemplation and speculation (Van Der Waldt, 2016). Van Der Waldt (2016) defines the concept as a systematic and formal expression of previous observations. In addition, Christopher, Collins & Stockton (2018) describe the term theory as "a set of interrelated constructs, definitions, and propositions that present a systematic view of phenomena by specifying relations among variables with the purpose of explaining and predicting phenomena". Christopher et al. (2018) also define the term framework as a group of philosophies that are used when making decisions and judgements.

Kivunja (2018) explained that assertions and observations in order to qualify as a theory must fulfil the following characteristics but not limited to:

- must be logical and coherent
- provide clear definitions of terms or variables
- must define relationships between variables
- must make specific predictions
- must be comprises of concepts, themes, principles and constructs

- must be created on practical and realistic data
- must be tested and verified, and
- must be generic to be applied in several contexts (Kivunja, 2018).

In the study, the researcher applied verified theories that were applied in various studies which helped the researcher to make great examination and judgement of the collected data. The following section discusses the functions of theoretical frameworks as applied in the research study.

## 3.3 FUNCTIONS OF THEORETICAL FRAMEWORKS

According to Van Der Waldt (2016) the functions of theoretical frameworks are to explain, predict and control phenomena in a variety of contexts. Christopher et al. (2018) stated that a theoretical frameworks are employed to make assertions and predictions that are grounded based on verified knowledge which helps to guide researchers to ask proper questions. A theoretical framework is used to explain results of the research (Kivunja, 2018). Imenda (2014) added that researchers apply theoretical frameworks for reasoning and supporting their findings. Van Der Waldt (2016) added that theoretical frameworks help researchers to achieve credibility of qualitative data, and also improve the dependability of the findings in qualitative data.

According to various scholars as such as Reeves, Albert, Kuper, Hodges (2008) agreed that theoretical frameworks perform the following functions:

- to connect researchers to the existing literature
- provide ideas that guide a researcher throughout the study
- assist researchers to formulate suitable questions for investigations
- help researchers to choose appropriate research design, and
- enable researchers to make appropriate predictions of the outcomes and analyse the results based on the existing and verified literature.

The functions of the theoretical frameworks as discussed above assisted the researcher to develop suitable research questions which were based on the previous published knowledge, assertions, concepts and theories. Consequently, this research is relevant to the existing and tested knowledge.

The next section discusses the available models and theories that are used in the qualitative research in various fields.

#### 3.4 MODELS AND THEORIES

The various models and theories that are discussed below are qualified to be applied in a qualitative research, however, can be applied in the various fields of study. Nevertheless, the researcher also distinguished and discussed those that are closely related to the study.

Oyedele (2015) cited two theories that applicable to the public administration field such as modern and postmodern theories. Modern theory is a set of valuable concepts that are grounded on social and behavioral sciences. The modern theory is results-oriented, focuses on clients, outputs and outcomes (Oyedele, 2015). The postmodern theory is based on ambiguous beliefs that based on philosophical and cultural reactions. The postmodern theory understands reality as what individuals or social groups believed on. (Oyedele, 2015). Furthermore, Reeves et al. (2008) discussed a critical theory and stated critical theory focuses on evaluating people and changing the society. It aims on developing assumptions that will allow people to understand how the world works. The importance and purpose of including these theories is to show how organisations operate and why people interact in certain way, since this study involves people and organisation.

In addition, Grinnell (1993), and O'Leary (2013), agreed that the following theories such as substantive theory, formal theory, grand theory and worldview theory must be recognised when a researcher undertakes a qualitative research study. These theories are briefly discussed below:

- Substantive theory, is a set of suggestions that provide details for a particular context, and only applicable for specific context of an inquiry.
- Formal theory, is a group of suggestions, assumptions and rules that give explanations for conceptual area of study. A formal theory is normally employed to understand different behaviours.
- Grand theory, involves set of theories that go above limitations of disciplines to explain relationships between phenomena. A grand theory is used to explain human behaviour.
- Worldview theory, refers to an accepted knowledge that influences mind-set and perceiving of human beings. A worldview theory includes values, assumptions, ideology and philosophies.

The key theories that are acknowledged and closely related to the performance management and give a strong theoretical support to the study are as follows: classical management theory, goal setting theory, expectancy theory, control theory and social cognitive theory.

## 3.4.1 Classical management theory

The classical management theory was developed in the 19th century mainly to increase the productivity of the workers. It focuses on the concepts and ideas that were developed in 1900's (Smit, Cronje, Brevis, & Vrba, 2007). According to Smit et al. (2007) the classical management theory is primarily based on the economic benefits for employees. This theory is convenient for organisations, it increases the productivity and efficiency of the workers. It also helps to create better working conditions and creates bonds among managers and workers. Based on this theory employees are influenced by only economic incentives that they can consider as an opportunity for the greatest economic again (Smit et al., 2007).

This theory is relevant to the study and helped the researcher to understand why employees are compensated by cash or position advancements. Certainly, this theory explains why employees are rewarded by economic incentives. Which is why the researcher asked this question "how do the performance rewards such as cash bonus and pay progression motivate you in your daily performance." This question was based on existing theories and it was asked in order to add valuable knowledge to the existing body of knowledge and academic. Contribution of knowledge to the existing theories and concepts is one of the main objective of the study.

## 3.4.2 Goal setting theory

The goal setting theory was developed by Dr. Edwin Locke and Dr. Gary Latham in the 1960s for the purpose of producing great productivity in the organisations (Locke & Latham, 2002). It was used to motivate employees to achieve challenging and attainable goals. This theory was formulated on assertions and concepts that employees are motivated by individual goals that are set by them (Salaman, Storey & Billsberry, 2005). In addition, Salaman et al. (2005) indicated that when employees allowed to set their own targets that enable them to deliver a superior performance. This theory is considered because in most proven cases employees keep following their specific goals. When employees fail to achieve their specific goals that set by them they adjust easily either by improving their normal performance or modify the goals. The benefit for the organisation, when they improve their

performance they achieve the main purpose of performance management system without being force or detecting it (Salaman et al, 2005). This theory implies that employees are influenced by individually and specific goals. Similarly, this study determined that most of the respondents are not influenced by incentives but they are motivated by their responsibilities and personal goals. Based on this theory employees should be allowed to set their own targets in order to achieve best performance. The goals must be clear and achievable.

## 3.4.3 Expectancy theory

The expectancy theory was developed by Victor Vroom in 1964 to motivate employees based on their needs (Bandura, 1994). In addition, Bandura (1994) stated that this theory is created based on the belief that hard-working leads to achieve a desired results. However, this theory is not applicable to everyone, it is only applicable to employees who wishes to achieve maximum satisfaction of the performance. It is suitable for employees who believes in rewards and incentives. Those employees are easily influenced to worker harder. Similarly, Salaman et al. (2005) added that the expectancy theory is based on the philosophy that employees adjust their behaviour easily when expecting to be compensated and rewarded. The expectancy theory motivates the concept of performance management. The theory confirms that the performance is easily influenced by expectations of the employees (Salaman et al., 2005). This theory inspired the questioning the researcher but the majority of respondents affirms that they are encouraged by incentives.

## 3.4.4 Control theory

The control theory is developed on the basis that employees require feedback for their performance. Feedback is what controls employees' performance to produce quality outputs (Carver & Scheier, 1981). Similarly, Buchner (2007) added that the control theory refers to concept of controlling the feedback of the employees pertaining to their performance as an organisation should have system in place to control the feedback. A control theory is regarded as self-regulation and it provides best ways of evaluating and managing the feedback. Control theory reduces inconsistency and detect the effects of the impractical behaviour. Furthermore, Carver & Scheier (1981) added that in the control theory great performance of the employees is controlled by rewards and recognition which an employee achieves when the performance meets the required standards of the organization. Managers must give specific

goals and direct feedback to the employees in order to increase their performance. Without clear feedback, employees will not be able to rectify their errors and shortcomings.

A feedback and incentives are the key aspects of performance management system. Thus, the control theory is closely related with the study as the study discussed various theories regarding feedback and incentives. The published theories affirms that feedback provides continuous communication between supervisors and employees. The study also discovered why the feedback must be reliable and trustworthy.

# 3.4.5 Social cognitive theory

The social cognitive theory is based on assumptions that employees can learn from each other by observing. A social cognitive theory is influenced by interaction of the three elements such as workplace, mind-set of employees and the actual performance of the employees. This theory to be implemented successfully employees must have appropriate skills such as good communication skills and self-esteem since they learn by interaction with colleagues (Buchner, 2007). The available literature illustrate that employees can learn from each other by observing. Similarly, Imenda (2014) stated that employees gain knowledge and experience through mentorship. Mentorship is defined as a relationship between two people where one individual is learning from other person by observing and coaching (Imenda, 2014). The researcher asked the participants the role and contribution of the performance management system towards skills development of employees because based the available theories interaction and coaching form part the system and this theory emphasizes that employees learn each other through interaction and mentorship.

This study is informed and established based on theoretical and conceptual frameworks. The emerged knowledge showed that this research is relevant with other researches that are in the similar field of study. The published studies disclosed that performance management system is a concept in the field of human resource management. Studies revealed that the performance management system is a continuous process of identifying, measuring and developing the performance of employees and aligning performance with the strategic goals of the organization (Agarwal, 2011). The above statements from Agarwal (2011) complements and agreed with the literature illustrated in chapter one and two of the study.

The theories confirm that performance management allows employees to understand how they can contribute to the success of the organisation (Buchner, 2007). The performance management systems focus on the effective management of employees in relation with the organizational goals and objectives to enhance performance of the employees. It allows employees to perform their duties to the best of their abilities in the interest of the organisation (Buchner, 2007).

The theoretical frameworks support the concept of performance management. Salaman et al. (2005) stated that performance management system must work in relation with the organizational culture. Salaman et al. (2005) added that motivation is a crucial aspect of the performance management system and is influential to the creation of a high performance.

In addition, Agarwal (2011) described the performance management concept in the form of cycle. The cycle involves five elements of the performance management systems. These elements suggest how performance management systems should be implemented in the organization. The suggested elements of the system are listed below:

- Setting of objectives
- Measuring the performance
- Feedback of performance results
- Reward system based on performance outcomes
- Amendments to objectives and activities (Agarwal, 2011)

Similarly, there are relations with the theories that were indicated by Agarwal (2011) with those that are indicated by Rusu, Avasilcai & Hutu (2016). Rusu et al. (2016) stated that the concept of performance appraisal is designed to increase performance of the employees by stressing out the importance of accuracy. The literature indicates that performance appraisal systems should apply performance standards that are created based on specific position of the employees. According to Rusu et al. (2016) the performance standards of the performance appraisal system should include the following standards:

- Measurement, which is where the management assesses the performance and employees' behavior according to the agreed standards.
- Feedback, implies that employees should be informed about their performance and achieved results. Managers should give constructive criticism on what needs be improved.

 Agreement, managers and employees must reach common agreement about what needs to be improved and sustained on the performance (Rusu et al., 2016).

The quoted theories above summarize the origin of the study. Similarly, the identified theories and concepts assisted the researcher to connect with the existing knowledge and to make suitable structure of the thesis. Most importantly, the theoretical frameworks applied on this research introduced the researcher to the academic information which is related to the study. Theories and concepts help the researcher to formulate appropriate questions and enable the researcher to analysis the data by choosing a suitable literature that fits to the study. Through the application of theories the researcher managed to discuss findings and linked findings with the existing knowledge. The following section discusses the summary of the theories.

#### 3.5 SUMMARY OF THE THEORIES

The table below illustrate the summary of the theories applied in the performance management system. The theories are positioned with their related advantages and disadvantages.

Table 2: Summary of the theories

Theory	Author	Advantages and Disadvantages
Classical theory	(Smit, Cronje,	Advantages:
,	Brevis, & Vrba,	It increases productivity and efficiency of the workers
	2007)	It helps to create convenient working conditions in the organisation
		• It builds relationships between employees and
		managers
		Disadvantages:
		The theory is famous about creating pressure on the
		employees
		It only concentrate on the individuals
		It breaks creativity and teamwork among employees

Goal setting theory	(Locke &	Advantages:
	Latham, 2002)	The theory create commitments
		It allows employees to plan
		Disadvantage:
		It puts employees under pressure to perform better
Expectancy theory	(Bandura, 1994)	Advantages:
Expodulity (i.edi)		It is based on self-interest
		It emphasizes on rewards and recognition
		The implications of the wards and recognition
		Disadvantage:
		The expectancy theory breaks down if employees do
		not believe in rewards
Control theory	(Comion 9	Advantages:
Control theory	(Carver &	
	Scheier, 1981)	It is easy to implement the theory
		Disadventeges
		Disadvantages:
		The theory focuses to the past experience.
		It gives less focus on motivations
Social cognitive	(Bandura, 1994)	Advantages:
theory		The theory focuses on social behaviours
		It flexible
		It focuses on philosophies and concepts
		Disadvantages:
		The theory is not a fully arranged, it is loosely organized

The researcher applied the classical management and expectancy theory in the study. The classical management and expectancy theory are closely related to the performance management system. Both theories serve similar purpose with the performance management system. For instance, the classical theory increases the efficiency of the employees and the productivity of the organisation. And also, it considers economic incentives to influence employees. On other hand, expectancy theory believes that

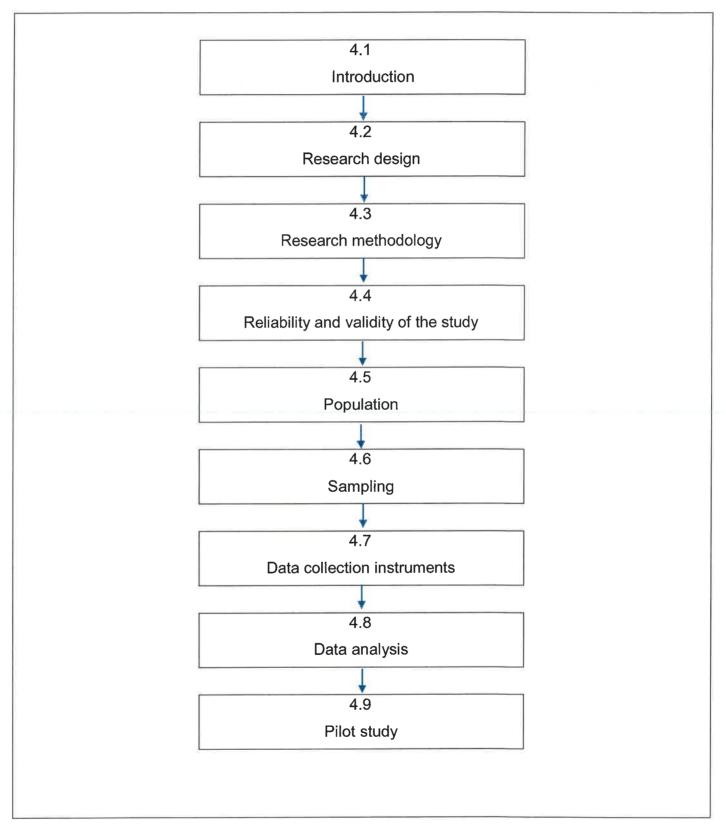
incentives can lead employees to the maximum performance. Similarly, organisations apply performance management systems to achieve great productivity. Incentives are linked to these theories, Asha (2007) affirms that compensations contribute to the extra efforts that employees give. Lastly, the classical management and expectancy theory assisted the researcher to develop appropriate questions and to analysis the data in order to achieve suitable results for the study. The following section discusses the summary of the chapter.

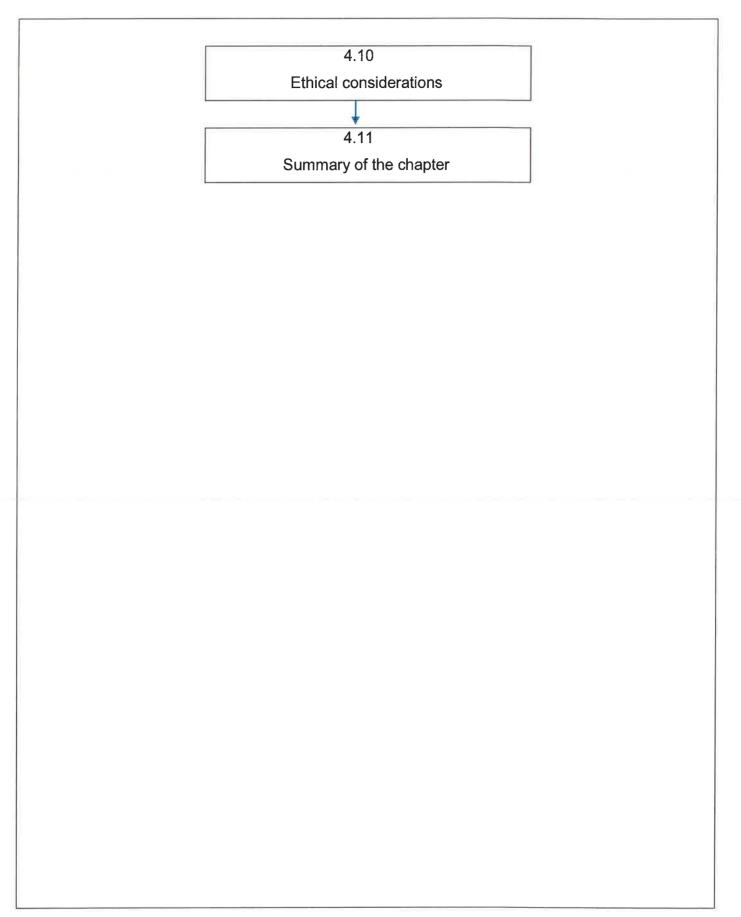
# 3.6 Summary of the chapter

This chapter discussed the theoretical frameworks to affirm that the study is grounded and informed by existing theories. This chapter discussed various concepts and theories to provide different point of view. The discussed theories connect the researchers to the existing literature, and also helped the researcher to analysis the research problem in order to make suitable findings.

The following chapter discusses a research design and research methodology of the study.

# CHAPTER FOUR RESEARCH DESIGN AND METHODOLOGY





#### 4.1 INTRODUCTION

This chapter will discuss the research design and research methodology that are applied in the study. This chapter covered research population, sampling methods, data collection instruments, data analysis and ethical considerations. The research design will now be discussed below

#### **4.2 RESEARCH DESIGN**

Flick (2011) explains that the application of the term research design signifies the planning of the study. Research design defines how the data will be collected and analysed so that a researcher can be able to take reactions and reply on the research questions. There are two major types of research designs. Flick (2011) identifies and discusses there two types as follows:

## 4.2.1 Exploratory research design

The exploratory research investigates conditions that exist currently for future studies. An exploratory research design is an optimal option to collect preliminary information which can help researchers to identify the existing phenomenon and create hypotheses or resolve the problem. An exploratory research design allows researchers to discover valuable details about a phenomenon. An exploratory research permits researchers to use open-ended questions where researchers can ask questions of "what" or "how" which allow respondents to answer openly and full details (Flick, 2011).

## 4.2.2 Descriptive research design

A descriptive research design describes attitudes, behaviors or characteristics of phenomenon. This method does not give full details or unique insights of the subject because it acquires statistically information since researchers use multiple choice questions. A descriptive research is appropriate to measure the impact of the phenomenon at work or in the society based on the results presented by the population. A descriptive research does not allow participants to make assumptions and give suggestions (Flick, 2011).

Consequently, the researcher applied exploratory research design since exploratory research design enables researchers to acquire largely views, gain insights and learn new ideas. Pilot, Beck & Hungler

(2001) also explain that researchers embark on explorative study when investigating new subject. An exploratory research occurs when qualitative researchers have little knowledge about the matter of interest. An exploratory research method permits researchers to investigate and discover fully details of the phenomenon including the influential factors to the situation. The exploratory research design was suitable for the study. The research methodology is discussed below.

## 4.3 RESEARCH METHODOLOGY

Bless et al (2016) identify three types of research methodologies, namely: quantitative, qualitative and mixed research methodology. According to the above authors, a decision to choose between the three mentioned research methods depends on the nature and kind of the investigation that a researcher embarked on. The availability of knowledge regarding the problem also plays a huge role. The researcher should be clear on what he or she wants to achieve in the study. Therefore, a researcher has to be well informed about the phenomenon to be able to apply correct research method since they are various factors influencing decision making. Below the researcher discussed all three research methodologies (Bless et al 2016). These methodologies are discussed to identify the available methodologies which could be used in the study.

## 4.3.1 Mixed research methodology

Bless et al. (2016) define mixed-methods as a combination of quantitative and qualitative research methods. According to Bless et al. (2016) researchers apply mixed-methods on their studies to avoid disadvantages of each method. When researchers applied mixed-methods they benefit from the advantages of both methods, automatically. Thus, a researcher who applied a mixed-methods can use content analysis with assistance of figures and statistics.

## 4.3.2 Quantitative and qualitative research methods

The table below presented differences between quantitative and qualitative research methods. The comparison between quantitative and qualitative research method is done to differentiate between the two methods, provide clarity and distinguish the suitable method for the study.

Table 3: Difference between quantitative and qualitative methodology

According to Flick (2011) and Bless et al. (2016) the difference between quantitative and qualitative is as illustrated below in the table:

Quantitative methodology	Qualitative methodology
Researchers in quantitative study use	Qualitative researchers are required to use content
figures, measurements and statistics when	analysis when analysing data. Caption
analysing data.	
The benefit of using figures a researcher can	Content analysis is suitable to describe human
easily use a coding system to analyse data.	experience.
Quantitative method provides limited set of	Participants in a qualitative research methodology are
answers when collecting data.	asked open-ended questions and that permits
	participants to provide their responses openly in
	writing. An open-ended kind of questions provide
	participants with an opportunity to describe their
	experiences in details without restrictions
Quantitative method is crucial in acquiring	Qualitative method is suitable for few participants to
brief responses from many participants but	give more detailed information. Qualitative method
provides standardized data.	portrays real life into a picture.

Ultimately, this study applied a qualitative methodology. As explained above a qualitative methodology explores the views and perceptions of the people regarding the topic. The researcher wanted to give participants an opportunity to give their views and experiences about the topic without limitations. This method permits participants to express themselves freely and independently without restrictions. A qualitative research method was suitable for this study as the study scrutinizes the issue separately from existing theories and it does not predict.

According to Hendricks (2015) qualitative research method provides a researcher an opportunity to connect personally with participants and enable a researcher to stand in participants' shoes and really feel the pain and struggle that the participants feel when they are confronted with issues at home or at work. He also stated that this research method allows researchers to analyse a data comfortable and

describe views and feelings of participants accurately through valuable data acquired from open-ended question.

Furthermore, Flick (2011) agreed with above authors that qualitative research method uses interpretation of unstructured data through words, unlike in a quantitative research where a researcher is bounded to use numbers. An interpretation for qualitative research involves analysing interviews, observations, reading documents that are captured on the field and audio-visual materials in creating arguments. A qualitative research method produces full details of the case as participants contribute to data openly. What is good about using a qualitative method is that it develops new theories through description (Flick, 2011).

Denzin & Lincoln (2005) stated that a qualitative research methodology is a tool that creates knowledge and understanding from existing theories and experiences which participants live under at work or in the community. A qualitative approach places a researcher in the world. A qualitative research attempts to understand phenomena through settings of real life, meaning that this method applies naturalistic approach. Researchers who are applying qualitative approach do not try to influence outcomes of the research problem because of their personal interests. The qualitative research obtains findings through naturalistic approach as the investigation allowed to unfold naturally unlike quantitative approach which acquires findings through statistical approach.

Patton (2001) concurs with scholars and he stated that qualitative research involves open-ended unstructured questions, direct observation and documents interpretation to create better understanding and improve insight into human condition. The researchers for qualitative research have to go to the field and spend quality time with the participants to study the anticipated problem and environment through observation and communications. He argues that qualitative research does not have data collection instruments such as surveys since the researcher has to go to the field to ask questions instead of relying on surveys to gather a data. Therefore, the researcher acts as a data collection instrument. The qualitative research should be set on inductive nature where the research speaks by itself without relying on judgement of existing theories. The final outcomes of qualitative research are more interpretive and involve direct quotations of the participants (Patton, 2001). The following section discusses reliability and validity of the study.

# 4.4 RELIABILITY AND VALIDITY OF THE STUDY

The quality of this study is achieved and evaluated through trustworthiness, objectivity and validity of the study which are discussed below.

## 4.4.1 Trustworthiness

According to Bless et al (2016) the concept of trustworthiness in a qualitative research is used to determine the level of trust that can be given to the findings of the study since qualitative study tries to understand a particular phenomenon within its natural settings or contexts. The researcher was open and honest to the participants and assures those involved with this study that research ethics have been considered and adhered to.

# 4.4.2 Objectivity

Hendricks (2015) discussed that independent findings in the qualitative study occurs when a phenomenon was investigated by various researchers using a similar research methodology and the findings of the researchers turn out to be similar. Hendricks (2015) mentioned that objectivity in a qualitative research is used to prove independency of the study. The findings of this study appear to be similar with those of Khauoe (2015) or parallel to the findings of his study. The only difference is brought by the context, the kind of people observed and interviewed and issues surrounding the environment of the workplace investigated.

## 4.4.3 Validity

According to Golafshani (2003) the term validity in the research study is applied to determine if the study is in fact investigating what the research was intended to. Validity measures the correctness of the outcomes in the research. Flick (2011) states that validity is used for assessment of research designs and to measure effectiveness of the instruments. Validity mostly focuses on evaluation of the results.

Flick (2011) identifies two forms of validity such as internal and external validity. An internal validity describes an extent to which the outcomes of research can be accurately and clearly analysed. The accomplishment of internal validity of the research findings can be evaluated in the laboratory for

experimental research. On the other hand, external validity mainly concentrates on the transferability of research findings related to other situations which are beyond the current research situation. The outcomes of external validity can be achieved when findings of the study are generalised and used to evaluate the capacity of research instruments. The next section presents the research population.

## 4.5 POPULATION

Bintu (2014) defined the phrase population as a collection of people whom the researcher is intended to interview or to focus on when pursuing an investigation. In line with this (Bintu 2014), Ryklief (2017) state that qualitative researchers to ensure quality research, they normally collect data from smaller population. The researcher interviewed a maximum of thirty participants to ensure efficiency, effectiveness and quality of the study and outcomes. The population of thirty participants includes Senior Administrative Officer, Administration Officers, Senior Administration Clerks and General Assistants. The population was consists of males and females.

The population was chosen strategically. The population had to meet the necessary requirements. The participants had to be permanently employed at Tygerberg hospital so that they are people with vast workplace experiences. So participants had knowledge and experience of the SPMS. The researcher was aware that the effectiveness of this research depends on the experience and knowledge of the identified population. The population interviewed became the main role players in the processes of the SPMS. Indeed, participants met the researcher's required criteria as explained in few paragraphs above. The following section discusses the sampling methods.

# 4.6 SAMPLING

Alvi (2016) defines sampling as a technique used in selecting a targeted and suitable population to participate in a research study. The sampling methods are categorised into two types as such as probability and non-probability sampling methods.

# 4.6.1 Probability sampling

The probability sampling method refers to random sampling and representative sampling. The participants in random sampling don't get any indication if either will be involved in sampling or not. This

technique selects participants randomly as long as an individual is willing and interested to be interviewed at the time. The probabilities are transferred objectively and independently to every member of the identified population (Alvi, 2016).

# 4.6.2 Non-probability sampling

The non-probability sampling technique refers to non-random sampling where a researcher chooses participants based on their knowledge, experience and field of specialisation. The researchers using a non-probability sampling method are permitted to make a decision and choose suitable individuals to participate in the study. However, the selected population should get equal opportunity to express their thoughts and emotions when conveying their views and experiences in an interview. A researcher has to provide a similar questionnaire to all who participates. The participants should answer interview questions independently. The non-probability sampling is applicable to a large population and also to a smaller one (Alvi, 2016).

The researcher after considering the above information decided to apply a non-random sampling. Non-random sampling was suitable for this study because this research requires participants to have certain knowledge and experience of performance management system to be able to provide relevant information which becomes useful data for valid information so that the study can add valuable knowledge.

According to Flick (2011) non-random sampling is divided into three forms such as Haphazard, Purposive and Quota sampling.

## 4.6.2.1 Haphazard sampling

The haphazard sampling occurs where a researcher selects participants haphazardly, accidental, and unplanned (Flick, 2011). The good example for haphazard sampling is where a researcher goes to the premises of an organisation and start to interview employees randomly regardless of employment status or job level but as long an individual is willing and ready to be interviewed. This is executed unplanned by the researcher.

# 4.6.2.2 Purposive sampling

The purposive sampling involves participants who meet the certain criteria and expectation of the researcher (Flick, 2011). Criteria for purposive sampling based on the principles of being involved in the issue of study, must make sure that participants meet the requirements in terms the knowledge and must suit the purpose of the research.

# 4.6.2.3 Quota sampling

The quota sampling uses a technique for selecting participants based on particular features such as gender, age or group. The application of this sampling in selection of participants is based on characterised features. The selected sample should have great influence on accomplishing the main purpose of the study (Flick, 2011).

Among all available types of non-random sampling which are discussed above, purposive sampling was the best suitable option for this study and it was applied.

The following section discusses data collection instruments that were applied to collect the data.

## **4.7 DATA COLLECTION INSTRUMENTS**

The study conducted individual semi-structured interviews by means of semi-structured questionnaires in order to collect qualitative data. Ryklief (2017) stated that semi-structured interviews are more convenient to explore experiences, opinions and individual views on various matters. A discussion in the interview demonstrates a real life of the interviewee and gives the researcher exactly what he or she is looking for as a researcher can encourage an interviewee to give more information or to elaborate further on discussions. According to Hendricks (2015) interviews are divided into three categories as such as unstructured, semi structured and structured interviews.

## 4.7.1 Unstructured interview

An unstructured interview is informal and open-ended where a researcher does not have set of prearranged questions. An unstructured interview takes place exactly like an everyday conversation between friends or colleagues (Hendricks, 2015).

## 4.7.2 Semi-structured interview

A semi-structured interview is regarded as a qualitative method of questioning where the researcher provides a planned set of open questions for respondents. However, a semi-structured interview is not only limited to pre-arranged questions but also allows open discussions between a researcher and interviewee where the interviewee can reveal or raise issues that a researcher did not take into consideration (Hendricks, 2015). Ryklief (2017) added that a semi-structured interview creates themes, provides flexibility and allows an interviewee to feel free to discuss questions in more details.

## 4.7.3 Structured interview

Hendricks (2015) stated that a structured interview is regarded as a standardized interview where a researcher prepares and bring fixed questions for all participants.

The study employed the semi-structured interview to explore views and experiences of the participants. The participants were asked to participate voluntary. The researcher asked permission from each participant to record the conversations during the interview. The researcher also took notes while the participant was responding. The researcher prepared open-ended questions that addressed the topic to acquire the relevant information in order to accomplish the objectives and aims of the study. The meetings for interviews were scheduled with the participants according to dates suiting their availability. The participants were requested to answer open-ended questions. All the participants were given enough time to answer the questions. The researcher offered an explanation and clarity where there were misunderstandings.

## 4.8 DATA ANALYSIS

The researcher analyzed the unstructured data through content analysis. Therefore, data was interpreted through text discussion, and not statistics. The researcher developed meanings of data by analyzing participants' responses in words to interpret useful content. The researcher believed that those who come across this study can relate to workplace experiences of participants through understanding the context of respondents.

# 4.8.1 Content analysis

Maguire & Delahunt (2017) explained that when a researcher is using content analysis he or she should divide large quantity of unstructured data manually into small chunks to be able to manage and examine it for interpretation to obtain acceptable findings and to make informative recommendations. During splitting of a data the researcher should also find important words and statements that are applied more often by the participants, and put those phrases into content. Likewise, Schultz (2017) stated that for qualitative research to provide good content analysis must determine the appearance of common or certain words and concepts within texts. Maguire & Delahunt (2017) defined splitting of data as a process of creating themes and coding. Themes are the patterns that capture the most interesting and useful phrases in the data to address the investigated issue of research. There is no rule about what makes a theme but themes identify and consider the significance of a statement or phrase. Themes reduce large amounts of unstructured data into small portions and meaningful terms. In a qualitative research coding of data can be determined by the research questions (Maguire & Delahunt 2017).

# **4.9 PILOT STUDY**

The researcher conducted a pre-testing of data collection instrument for ambiguities. The researcher interviewed few relevant employees in order to identify potential problem that could occur during the interviews. The prearranged questions for interviews were also sent to all willing and potential participants for testing. The participants were asked if the questions were relevant to the subject. The main purpose of sending prearranged questions was to enable the participants to become familiar with the questions and understand the process. Ultimately, all participants were satisfied with the questions and the researcher gained clear vision of the questions. The interview questions were examined and

approved by the Head of Department of Business and Information Administration at the Cape Peninsula University of Technology to ensure quality. The following section below discusses ethical considerations.

## 4.10 ETHICAL CONSIDERATIONS

According to Akaranga & Makau (2016) ethical considerations refer to a code of conduct and behaviour of researchers that should apply when conducting an investigation. Ethics apply to all participants who provide data towards the study. Ethics maintain and provide guidance to all researchers to ensure legitimacy and success of the study. Flick (2011) mentions that research ethics addresses moral issues and protect participants in the research. Bless et al (2016) argue—that ethical considerations promote better treatment of participants in the research. The respondents should be prevented from any act of abuse, physically or psychologically. Ethics help investigators to know their role and responsibilities when conducting research to ensure that the research ethics were applied. Ethics maintain privacy of the participants where researchers are permitted to investigate an issue for the purpose of truth and knowledge. The investigation should not be done in the expense the participants.

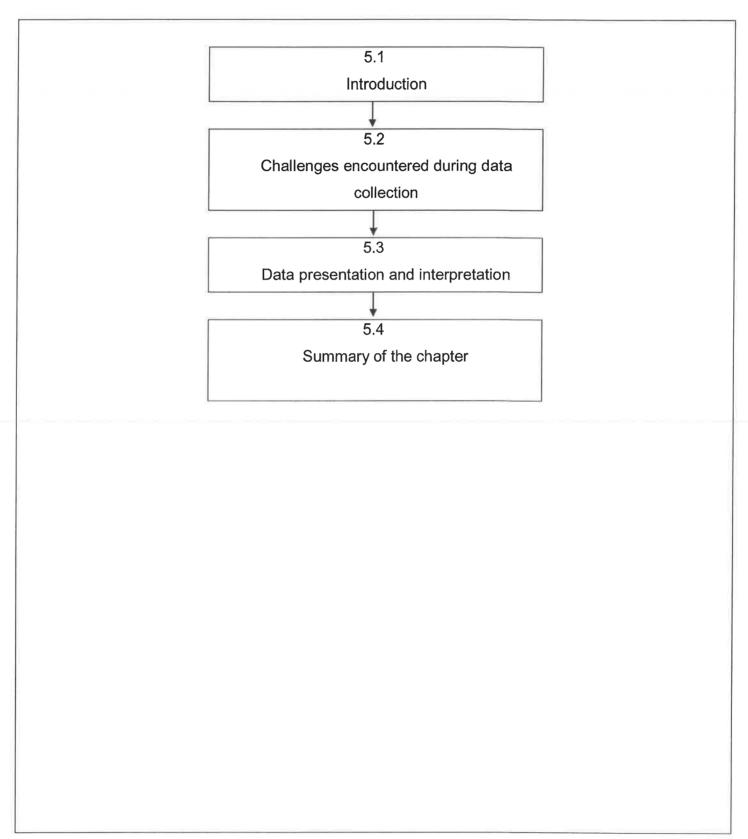
Taking into consideration the above information, the researcher of this study adhered to all ethical considerations and maintained the highest standard of ethics to ensure that the findings of the study are valid, legitimate and beneficial to others. A permission to conduct this research at Tygerberg hospital was granted from Dr G.G. Marinus and Dr D. Erasmus. The participants were informed about ethical considerations and purpose of the study. A consent letter was presented to all the participants. The participants also gave their own approval to contribute in the study and allow the researcher make use of their responses. A participation in this study was voluntary, the participants were not coerced. Participants were informed that they are permitted to withdraw should they feel so. The interviews were conducted in a comfortable and secure place for protection and privacy of the participants where the researcher was reading questions from a prepared semi-structured questionnaire. The researcher ensured participants that their names will be kept and remain confidential forever. The analysis of the data is done accordingly without interfering and changing the data to assist the outcomes of the study. The dignity of the participants was considered and valued. The participants were informed that the copy of the completed research will safely be kept at Cape Peninsula University of Technology's library. Although this does not hide it but it means it will not be shared with anyone but with those interested in conducting future research or using it as a point of reference for their workplaces.

# 4.11 SUMMARY OF THE CHAPTER

The researcher in this chapter discussed the research design and research methodology which were used in the study. This research applied a qualitative methodology and exploratory research design. The thirty respondents were selected non-randomly. The semi-structured interviews were applied with open-ended questions. The collected data was interpreted through content analysis. The ethical considerations were prioritized.

The next chapter discusses the research data which was collected from the participants. The researcher will also give a broad analysis of the data simultaneously.

# CHAPTER FIVE DATA PRESENTATION AND INTERPRETATION



# 5.1 INTRODUCTION

The researcher in this chapter revealed challenges that were encountered during the process of data collection. The researcher presented the collected data and analyzed data manually. The data is arranged and classified into segments according to questions which were asked to the respondents. The researcher provided an explanation for each question to clarify why the question was asked. The researcher analyzed data without changing meanings of the participants, without exaggerating or imposing own expectations and assumptions into the original data. The meaning and own personal perspectives of the respondents about the research phenomenon remain unchanged.

The challenges that were encountered during data collection stage will be presented below to give background and show how the data was collected.

## 5.2 CHALLENGES ENCOUNTERED DURING DATA COLLECTION

The researcher encountered few challenges during data collection stage. The majority of the employees at Tygerberg hospital in Stores and Assets management that were invited to participate in the study were willing and excited to participate. The majority of employees had a great interest in the topic, saying that SPMS is an issue that really needs to be investigated. However, a greater portion of employees were too concerned about issues of confidentiality, fearing that their names will be exposed to the management which could lead to unhappiness at work. The majority of employees stated that, they would like to participate but their names must be kept confidential if they take part in the study. The solution to their concern was that the researcher presented a confidential form (Appendix D) to the employees before they take part in the research. Then the researcher requested all the willing employees to sign the consent form for confidentiality in order to participate freely without fear. The exercise of signing a consent forms was done voluntary and independently without any pressure or influence or persuasion from the researcher. As a result, the names of participants will be kept anonymous for readers.

Furthermore, due to the issue of trust and confidentiality twenty-two participants requested that the researcher to not record them during the interviews. The researcher agreed to that request of the respondents. Alternatively, the researcher decided to take minutes during the interviews as a recording tool. Another challenge that the researcher came across was that employees were very busy. As a

result, some of the participants were interrupted during interviews. They were called by their managers to attend queries and other work related matters that were urgent. The researcher had to understand and adapt to the situation because indeed the hospitals provide primary care to the patients. Due to busy schedule of employees, some participants requested to reply on the pre-arranged questionnaires during their spare time and the researcher went back to collect the pre-arranged questionnaires.

The following section presents the collected unstructured data.

## 5.3 DATA PRESENTATION AND INTERPRETATION

The data is presented in the table below. The table is divided into two segments. One side of the table contains the questions that were asked to the respondents, and other side contains the responses of the participants and interpretation of the researcher. The researcher collected the data from thirty participants. The participants were asked ten questions in total and therefore, the left side of the table contains ten questions. The researcher gave an explanation for each question to clarify why the question was asked. Data presentation and interpretation is executed concurrently for all the questions. The researcher provided direct quotations from the participants to ensure that the meanings and views of the respondents are unchanged. The researcher gave respondents pretentious names such as Respondent A, B, and C etc. The real names of the respondents are hidden for confidentiality and to comply with ethical considerations.

**Table 4: Data Presentation and Interpretation** 

Questions	Responses and Interpretation
What are the views and	This question was asked to give participants freedom and fair chance to
experiences that employees	pour out their hearts to say anything that they think or observed or
have regarding SPMS?	experienced during execution of the SPMS at Tygerberg hospital.
	Responses:
	Respondent A stated that "I feel that the SPMS processes are not
	applied correctly because people working in the administration
	departments which include Finance, Procurement, and Stores are

Table 4: Data Presentation and Interpretation

grouped together in the same pool when it comes to SPMS while they do different jobs. I believe that people may be on the same salary level but the one who has a job that requires handling of a high sense of responsibility should not be in the same group with people who only do computer work in terms of performance evaluations. In administration some people also do much more of hard labour work but then how could they be compared with people who do capturing and filing only."

Respondent B said that "SPMS in the past years used to motivates lot of staff members to work harder but now it's all about money and creates animosity and anger between employees."

Respondent B added that "the amount of people that deserve or qualify for SPMS cash bonus always exceed the allocated budget. Seeing that everyone that qualify for cash bonus and yet cannot get it I feel like it should be taken away or rather give [a] certain amount of money to everyone equally."

Respondent C stated that "SPMS is imbalanced simply because some people that really work hard do not get the rewards of cash bonus at the end of the performance cycle."

Respondent D said that "my opinion towards SPMS is that I think they [management] must stop it or give certain cash bonus to everyone at Tygerberg hospital as we all work hard."

Respondent E stated that "SPMS would work effectively if all employees were receiving a certain portion of cash and if the fairness was a priority to the management."

**Table 4: Data Presentation and Interpretation** 

Respondent F stated that "SPMS must be shared to all employees because I have experienced that it normal goes to favourite people that are very close to the managers."

Respondent G stated that "for me there is no need for the SPMS because they are people that perform extra ordinary work but they don't get the money."

Respondent H stated that "Western Cape government (WCG) should get rid of this system because it causes tension amongst employees."

Respondent I stated that "I think the management should look a bit closer into this system."

Respondent J stated that "it must be removed because it goes [to] same people every year."

Respondent K stated that "not all staff members are treated equally when it comes to [the] bonuses, only favourites that get SPMS cash bonus every year."

Respondent L stated that "SPMS is applied incorrectly by the officials and because of the way it is conducted employees view it as an incorrect system."

Respondent N stated that "internal arrangements in the workplace or in our departments are against the policies of the SPMS which leads to unfairness."

Respondent T stated that "SPMS is not effective because it is discriminating against people who work hard."

**Table 4: Data Presentation and Interpretation** 

Respondent U stated that "when I started here I was told about the SPMS but as time goes by I could see that it is only certain people who get it every year."

Respondent X stated that "I feel like it is not fair because you can get a good mark from the supervisor after submitting incidents but the SPMS board can change the marks and then you fallout. It is very disappointing. The disappointment makes you feel not to do anything more but only to focus on your job description."

Eleven respondents which include Respondent M, O, P, Q, R, S, V, W, Y, Z and Z1 corresponded with the above responses since they repeated same comments as such as that the SPMS is unfair and should be stopped or if not, the money should be divided among the employees so that employees can benefit equally.

However, they are other three respondents such as Respondent Z2, Z3 and Z4 that had different views from the above respondents regarding the system.

Respondent Z2 stated that "I believe it is a good system for staff motivation. Yet again working environment is not pushing you to your limits then money cannot be a motivation."

Respondent Z3 stated that "it is something good and helps to grow in character to go extra mile but unfortunately I never received it."

Respondent Z4 stated that "SPMS is a great initiate and it motivates the staff members."

**Table 4: Data Presentation and Interpretation** 

# Interpretation

A total of 90% of the respondents showed dissatisfaction and presented bad experiences regarding implementation and execution of SPMS at Tygerberg hospital particularly in the selected departments. Only 10% of the respondents who showed satisfaction with the execution of the performance management system in the institution. The respondents revealed that the execution of the system is done inappropriately and only few employees enjoying the incentives of the system due to unfairness and favouritism. SPMS incentives are enjoyed by few employees who are represented by merely 10% of the respondents in the study. 90% of the respondents were unhappy hence they suggested that the system to be terminated or the cash shouls be shared equally among the employees. It is clear that the participants appeal for intervention and implementation of new changes. Therefore, management should intervene in order to resolve the disputes that were addressed by the respondents as presented above.

The above data showed that SPMS is implicated with challenges. Some of the issues that were addressed by the respondents are equally with those that were identified by Kauoe (2015) such as favouritism. Kauoe (2015) stated that performance management system is biased. However, the biasness which was identified by Kauoe (2015) and unfairness that the participants complained about is not what the system was created for but the people in charge of the execution apply the system incorrectly. One can say people are bound to make mistakes because they are human beings and due to pressure that they get from employees, the workplace environment itself and also the lack of knowledge. Richards (2012) also identified that managers lack knowledge and experience to perform the system accurately which could be the same problem that occurs at Tygerberg hospital.

Table 4: Data Presentation and Interpretation

Although the participants at Tygerberg hospital complained about unfairness but the Western Cape Government condemns unfairness in all processes of the SPMS. One of the principles of SPMS according to South Africa. Department of Health (2002) is fairness. The department advised that employees and supervisors must join discussions and reach a mutual consensus through transparency. The department also mentioned that SPMS is a consultative support and non-discriminatory process. Therefore, if the claims of the participants are true that means the management and supervisors are not complying with the policies and practices.

With the stated issue of insufficient funds, the Western Cape Government requires that all the institutions of the Western Cape Government to keep funds available for recognition of good performance by means of financial incentives such as cash bonuses. The SPMS is all about ensuring equal pay for equal effort but for the participants that does not seem so. The employees who performed and rated above average are entitled to receive financial or non-financial rewards to encourage and further the good performance. The SPMS Moderating Committee in each institution of the Western Cape Government is responsible to ensure fair distribution of funds in rewarding all qualified employees (South Africa. Department of Health, 2002). Therefore, the SPMS Moderation Committee at Tygerberg hospital is accountable if there is an unfair distribution of funds.

How do you feel about the way the SPMS is conducted at Tygerberg hospital?

This question is similar to the above question but the researcher wanted to get a different view by only looking at how the system is conducted. This question enables the participants to be specific about how do they feel about execution of the system at Tygerberg hospital particularly in their working stations. Possibly, some of employees that work at Tygerberg hospital maybe they came from other government institutions where the same system is conducted and will mean that

**Table 4: Data Presentation and Interpretation** 

they have different experience. Maybe some of the employees have more knowledge about how the system should be conducted which can give a different view from the manner in which the system is actually conducted at Tygerberg hospital. The researcher believes that a proper execution is very crucial for the success of the SPMS. Thus, if the majority of employees support the way the system is conducted, the system will be effective since employees can influence each other as they admire the system. Similarly, if most of employees are against the system because of the way the system is conducted, the system will not be able to achieve its objectives and therefore, the system will be ineffective.

This question was asked because the researcher was of the opinion that this question could yield better outcomes for the study and unfortunately it did not.

# Responses:

Respondent A stated that "I don't feel that it is done correctly according to the job complexity."

Respondent D stated that "it must be stopped or give everyone a certain amount of cash bonus."

Respondent G stated that "for me even if they can stop it I will be fine because it creates tension among colleagues."

Respondent I stated that "I don't think it is working."

Respondent J stated that "[the system is] not fair or not done in a proper way."

**Table 4: Data Presentation and Interpretation** 

Respondent L stated that "I feel discouraged because supervisors are not honest with us [employees] when it comes to bonuses."

Respondent L added that "I think SPMS at Tygerberg hospital is conducted poorly and unprofessionally. Supervisors are not honestly enough with us and they not scoring the actually performance of the employees during the reviews but I think they just give what is in their minds."

Respondent N stated that "it is unfair and mostly based on favouritism."

Respondent O stated that "I would like to know the procedure that they are using."

Respondent Q stated that "even when you are scored more than 150% you still don't get pay progression."

Respondent R stated that "I am very unhappy because supervisors do not say what is expected from us [employees]. They don't advise or inform us about our shortcomings."

Respondent S stated that "I don't think the scores that are given by the supervisors are working. I think management ignore them or change them behind closed doors to suit their wishes."

Respondent T stated that "it is conducted unfairly. The supervisors are inexperienced."

Respondent U stated that "I think supervisors perform the system incorrectly because people who work hard they get less marks but those who don't perform get high marks and qualify for SPMS."

Table 4: Data Presentation and Interpretation

Respondents V said that "I feel unhappy because our supervisors copy their performance reports from their colleagues, they all write same thing on the employees' performance reports as such as 'full effective performance' but there still is no rewards for everyone."

Respondent W stated that "I'm not satisfied because there is no proper communicate between us and supervisors. Supervisors just complete the review forms for by writing 'effective performance' for everyone."

Respondent X stated that "it is conducted total unfair. I think supervisors must sit with all of us and explain procedures and tell us exactly what we need to do in order to get cash bonus. Supervisors must not just go up there to the SPMS board members and allow the board to decide for their staff. Respondent X added that "supervisors must give us feedback before pay-out is done to tell us exactly who is going get the money and who is not and explain why because when payments are done nothing you can do, they just tell you to submit a grievance and that take another year."

Respondent Z1 stated that "I'm not happy because SPMS does not meet needs of the majority of the employees."

Respondent Z3 stated that "SPMS is conducted very poorly because when you are not doing well in one part of your work, just because of that one lacking aspect you cannot be rewarded."

Five respondents which consist of Respondent E, F, K, Y and Z also agreed that the SPMS is conducted inappropriate and unfairly.

Nevertheless, six respondents which include Respondent B, C, H, M, Z2 and Z4 stated that they are satisfied with the system is conducted in their departments. For instance, Respondent B stated that "I think the

**Table 4: Data Presentation and Interpretation** 

majority is done fairly." Respondent C stated that "SPMS is okay but can be improved."

# Interpretation

The data presented above showed that 80% of the respondents are disappointed and unsatisfied with the way SPMS is conducted in their departments. Only 20% of the respondents who are satisfied with the execution of the SPMS. 80% of the participants are frustrated with execution of the SPMS at Tygerberg hospital. The participants complained about unfairness, duplication of the performance reports and lack of communication from the supervisors.

The lack of communication and inequality appeared as a common problem in the processes of the performance management system. For instance, Dechev (2010) identified that untrained supervisors always struggle to give proper feedback, their feedback is always obstructed by dishonesty. However, the Western Cape Department of Health tried to put measures in place to prevent lack of communication and favouritism. For instance, South Africa. Department of Health (2002) encouraged the transparent and effective communication between a supervisor and an employee regarding the SPMS assessment results. The department stated that supervisors should inform employees about the outcomes of their performance. A supervisor must be able to provide reasons if the performance of the employee is found to be poor.

How reasonable or unfair are the top management of Tygerberg hospital in rewarding all hardworking employees equally? The aim of this question was to afford participants an opportunity to give a clear independent judgement towards distribution of the SPMS cash bonus at Tygerberg hospital. This question was specific to identify equality in distribution of the rewards. The researcher wanted to know what employees think about fairness towards top management at Tygerberg hospital regarding the distribution of rewards since the top

**Table 4: Data Presentation and Interpretation** 

management is in control of the budget and form part of SPMS committees. The researcher assumed that employees should know the all-time high performing employees in their departments and therefore they should be able to provide relevant evidence towards the question.

# **Responses:**

Respondent A stated that "I feel that it is done unfairly and not enough recognition is given to hard working employees."

Respondent C stated that "not so sure about the fairness because in my experience not all dedicated workers get equal rewards."

Respondent D stated that "they are extremely unfair as they keep on giving same people every year as if others are not working hard."

Respondent E stated that "they are not reasonable at all and sometimes it depends who you are."

Respondents F and P corresponded that "SPMS is for friends and family members."

Respondent G stated that "it is a difficult issue because not everyone is going to be happy."

Respondent H stated that "the system can be manipulated and anyone in high [higher] level can influence the results of the system."

Respondent I and K concurred and simple stated that "the top management is unfair."

**Table 4: Data Presentation and Interpretation** 

Respondent J stated that "only those that [who] are favoured get SPMS cash bonus, so [therefore] it is unfair to other employees who always go [an] extra mile for their work but not being recognized."

Respondent L stated that "top management do not monitor the execution and processes of SPMS regularly to ensure that the system is implemented properly and fairly."

Respondent M stated that "sometimes it is unfair as [for] two people [individuals] work equally hard but only one of them can receive the incentives."

Respondent N stated that "it [the system] is very unfair at Tygerberg hospital because it is same people that [who] get reward [rewarded]."

Respondent O stated that "SPMS is an unfair system which should be removed at the end of the day because favourites always get into it. I do not see any good on it."

Respondent Q stated that "not really fair [the management is unfair]. Some employees get rewards although some of them don't go the required extra mile."

Respondents R and Z1 corresponded that supervisors are invisible in the sites. Respondent R mentioned that "supervisors sit in their offices, they do not come regularly to their allocated work stations to supervise employees' performance."

Respondent Z1 added "that supervisors are invisible in their designated work stations and employees work independently without supervision of the supervisors although supervisors have to write employees' performance reports."

Table 4: Data Presentation and Interpretation

Respondent S stated that "they are unfair, for instance how do you trust supervisors that give same performance report for all his employees."

Respondent T stated that "management is very unfair. There lazier you are, there more chances of getting the SPMS."

Respondent U stated that "unfair, there is a little bit of favouritism because other year I gave all my incidents to my previous manager and he wrote all the necessary reports for me and I was supposed to get the money but I didn't get it. It failed and I was never informed why I didn't get [it]."

Respondent V stated that "the entire management is unfair. All employees here receive same feedback but not all of us receive the cash bonus, how does that happen. I think clarity is needed for all employees here."

Respondent W stated that "supervisors don't take SPMS seriously because they give all employees exactly same comments but scores will be differently."

Respondent X stated that "I don't think management is reasonable enough. I think if management want to keep all employees happy and get that satisfaction out of the employees they must implement another system or divide the money equal between the employees."

Respondent Y stated that "I have realised [that] the top management does not care if employees are happy or not regarding the distribution of SPMS bonuses."

**Table 4: Data Presentation and Interpretation** 

Respondent Z stated that "I believe that management performs SPMS incorrectly because they choose individuals to receive the money it is not about hard working."

Respondent Z2 stated that "I want to believe that it is unfair. There are people who work [harder] more than others but they never received any SPMS."

Respondent Z3 stated that "you just never know if you meet the expectations or requirements but you put in the efforts but you don't get recognition for it."

Out of thirty respondents who participated in the study, only two respondents were in favour of the management in term of SPMS incentives distribution. For instance, Respondent B stated that "management try their best by taking one bonus to two people and give both people an accelerated pay progression." Respondent Z4 stated that "they score you accordingly.

# Interpretation

Based on the above responses 93% of the respondents are not pleased with the distribution of the performance rewards. Only 7% of the respondents that are satisfied with the distribution of rewards. Part of the 93% of the participants hugely blamed the top management for all the injustice that they experienced. These participants accused the management for unfairness, favouritism and lack of communication. Supervisors are implicated as well for unfairness, are blamed for duplication of performance reports and invisibility in the work stations.

Although the respondents accused management and supervisors of unfairness but South Africa, Department of Health (2002) stated that

**Table 4: Data Presentation and Interpretation** 

supervisors are responsible for effectiveness and efficiency of the SPMS which means supervisors somehow didn't do their job correctly. The task of supervising employees allows supervisors to assess the regular performance employees. The supervisors are responsible to provide leadership and manage the employees that are assigned to them. Supervisors should give regular feedback which is structured to employees and ensure that employees understand the standards and what is expected from them.

However, it is understandable for employees to accuse everyone for their dissatisfaction and frustration because supervisors and managers are in charge of leadership and policy implementations. The only interest for employees is their desires to be met. It is true that if supervisors are not visible enough in the work stations they cannot be able to write correct reports and to give accurate feedbacks about employees' performance. It is a duty of managers to manage the supervisors therefore managers should ensure that supervisors visit work stations regularly in order to identify difficulties and unacceptable performance and make all the necessary recommendations. The SPMS Moderation Committee should scrutinize all the reports from supervisors to avoid submissions of old reports and duplications of reports.

How do you perceive the measurements that are used to score performance at Tygerberg hospital?

This question was specific enquiring about the way the performance of employees is measured and scored. The purpose was to determine if all employees are satisfied with the applied method of performance rating which is used to rate their performance.

# Responses:

Respondent A stated that "I don't feel that performance ratings at Tygerberg hospital are done fairly because people that [who] work in an

**Table 4: Data Presentation and Interpretation** 

office and do paperwork or computer work cannot be evaluated against people working in a storeroom that does physical work."

Respondent D stated that "management is failing us workers because there is no specific method used to score employees' performance besides submitting evidence for extra incidents."

Respondent E stated that "the method is imbalanced. The scores are very low and sometimes employees are given low scores though they deserve higher scores."

Respondent F stated that "supervisors score us minimum and score those close to them higher."

Respondent H stated that "not all departments in Tygerberg hospital use the same criteria for performance assessments."

Respondent I stated that "I feel that the measurement method is bit unfair as someone who doesn't deserve to get the cash bonus but you will be shocked to hear that he/she received it."

Respondent J stated that "like I said before that SPMS is given to the favoured employees, they get high scores to be able to benefit."

Respondents L, R and Z1 stated that "measurements are unreasonable because you can get high score but still you will not get the cash bonus."

Respondent N stated that "it is unfair, most of the employees are doing much more than what is expected of them but they are taken for granted."

Respondent P stated that "the scoring is too title."

Table 4: Data Presentation and Interpretation

Respondent Q stated that "in my view it is not being done right."

Respondent S stated that "SPMS ratings would be fair if they were solely granted based on the actual performance of the employees which excludes evidence of extra incidents.

Respondent U stated that "not fair at all, supervisors maybe they should first ask my colleagues which I work with every day such as my Clerk. Or maybe they should first check the security book where I register all the work that I distributed out to the different wards each and every day so that they can see the actual performance before making scoring."

Respondent V stated that "to be honest to you scaring of performance is unfair here. Scoring is influenced by collection of extra incidents to prove your hard working. Supervisors don't rate the actual performance of the employee."

Respondent X stated that "the scoring is wrong, supervisors should come around more often in order to see the performance of the person and decide if the person deserve that mark."

Respondent W stated that "I feel discouraged and disappointed since our supervisors don't score the performance but they just count the quantity of collected incidents and score you based on the quantity [of incidents]."

Respondent Y stated that "performance is measured against collected evidence to prove extra performance in order to obtain high score."

Respondent Y added that "the problem is that our colleagues submit old evidence from previous years but management never picked that. And, most of the times employees ask their friends to write fake evidence for

**Table 4: Data Presentation and Interpretation** 

them but yet management never questions that. So, for me our performance is measured wrong and unfairly."

Respondent Z stated that "I feel very awful because the scoring is not solely based on hard working and commitment of the employees. Employees must also collect evidence for extra ordinal incidents that they performed and get measured against those incidents."

Respondent Z2 stated that "I wish I knew their measurements step by step so that I can give strong response to this question."

Respondent Z3 stated that "favouritism. The question is why should I collect the incident? I'm just here to perform the task at hand."

Four respondents which include Respondent C, K, O and T corresponded and repeated same criticism that performance measurements are unfair due collection of evidence.

Nevertheless, they are other four respondents who are satisfied with ratings of the system. The four respondents include Respondent B, G, M and Z4.

Respondent B stated that "I think measurements are adequate."

Respondent G stated that "no, they are okay because you can see everything which your supervisor is scoring you."

Respondent M stated that "feel neutral as the hospital does not decide the measurements."

Respondent Z4 stated that "scoring is fair."

**Table 4: Data Presentation and Interpretation** 

## Interpretation

Based on the data presented above, 87% of the respondents are dissatisfied with the measurement tools that are used to rate the performance of the employees at Tygerberg hospital. Only 10% of the respondents who are satisfied with the way their performance is measured. While 3% of the respondents were neutral. The 87% of the respondents proved that the performance rating method which is used at Tygerberg hospital is not genuine and as the respondents were not pleased.

The huge complaint from the 87% of the respondents is about the collection of evidence which is used to add value on their ratings. The participants have a big problem with collection of evidence. According to the respondents performance scoring should be based solely on accomplishment of the core duties that are set on the performance plan. The respondents believed that supervisors should evaluate and assess how good or bad the outcomes have been achieved and then provide a suitable score without counting the quantity of the evidence.

Although the respondents above complained about the collection of the evidence but the Department of Health encourages the collection of evidence but the department did not specify where the evidence should or should not be collected. The department advised that the good evidence should be appraised and the evidence should come from completed critical incidents. The collected evidence builds the information base to determine how the results got achieved by employees. The recorded evidence assists supervisors to determine the outstanding performance and irregularities that occur during working hours. The recorded evidence helps supervisors to be informed about completed tasks. If the supervisor during the supervision and process of evaluation found negative deviation, then the supervisor must provide

**Table 4: Data Presentation and Interpretation** 

remedy before worse consequences occurs. The participants argued that there is high possibility of irregularities that can occur from the evidence collected from other departments. The fear of the participants is that some colleagues can create false evidence as there is no investigation on the evidence.

The advice for the management of Tygerberg hospital is to scrutinize the evidence. The management must be clear about the kind of evidence to be submitted, and they should also inform employees about where the evidence can be collected and who should collect the evidence.

The participants advised that if supervisors were more involved in operations and also stayed in one office with subordinates then the scoring could be done fairly but at the moment supervisors score the performance based on assumptions because they don't supervise the performance accurately.

The issue of incorrect application of performance ratings was also identified in previous studies. For instance, Kauoe (2015) stated that the effectiveness of the system is damaged and destroyed by inconsistency in performance ratings. On the other hand Grobler et al. (2011) stated that the unfair performance rating is a common problem that ruins the importance and effectiveness of performance management system in various organisations. Therefore, what the participants complained about at Tygerberg hospital is not a new issue or just the problem of Tygerberg hospital but it is a general problem. However, the supervisors need to be informed and learned about how to rate the performance correctly. The problem that leads to incorrect scoring could be lack of knowledge and experience that is why supervisors need to be equipped.

**Table 4: Data Presentation and Interpretation** 

What is the impact of the SPMS in improving normal performance of the performance?

One of the objectives of the performance management system is to influence and enhance the regular performance of employees. The researcher asked this question to determine the level of influence that SPMS has towards improving regular performance of employees.

# Responses:

Respondent A stated that "SPMS plays an important role but it can easily have a negative effect."

Respondent B stated that "SPMS does not impact my normal performance because performance reviews are only done quarterly and appraisal once a year."

Respondent D stated that "people are fighting over and asking questions about who get it and why that person."

Respondent G stated that "there is no better impact that I can talk about because it just makes people angry."

Respondent K stated that "it creates lot of unpleasantness among colleagues."

Respondent L stated that "people only work hard close to the reviews to impress managers."

Respondent M stated that "it creates bad completion between colleagues."

Respondent R stated that "SPMS does not motivate me and I'm sure it does not motivate lot of employees here because it kills friendships and team spirit between employees."

**Table 4: Data Presentation and Interpretation** 

Respondent S stated that "my performance doesn't get influenced by SPMS I just give normal perform every day."

Respondent T stated that "SPMS doesn't improve work performance but instead it demotivates."

Respondent U stated that "it discourages when you are a hard worker and find out that the people who always give poor performance received the money."

Respondent W stated that "SPMS does not add any value and does not influence me to assist other guys because I was never appreciated with my efforts."

Respondent X stated that "no, it does not have any influence. The disappointment forces you to stick on your job description."

Respondent Y stated that "SPMS does have impact in my performance and it does not influence me to work harder. SPMS destroys teamwork between the employees. Employees refuse to help each other especially after SPMS bonuses are issued out."

Respondent Z3 stated that "for me personally there is no impact due to the fact that I'm not rewarded yet."

Twelve respondents which involves Respondent C, E, F, H, J, N, O, P, V, Z, Z1 and Z2 also stated that the system does not influence their performance.

The following three respondents below are influenced by the system to work harder:

**Table 4: Data Presentation and Interpretation** 

Respondent I stated that "it motivates me to go the extra mile."

Respondent Q stated that "always trying to go the extra mile."

Respondent Z4 stated that "makes me try to do more than what is required."

# Interpretation

90% of the respondents confirmed that SPMS does not influence their work performance while 10% of the respondents confirmed that they are influenced by the system to work harder. The participants that are not happy they argued that SPMS creates tension and bad competition among employees. The respondents affirmed that the system ruins friendships, cooperation among employees and creates unnecessary tension. The participants are no longer assisting each other due to high disappointments and frustrations of SPMS rewards which are not received equally by all employees. Based on the information presented in this question the researcher can confirm that SPMS does not encourage or improve regular performance of employees.

However, South Africa. Department of Health (2002) stated that the performance management system was designed to appreciate highly effective performance by giving reasonable rewards and recognitions towards employees who continuously display excellent performance. The system ensures that employees benefit through recognitions of their efforts, feedback on their performance, training and development. In addition, Asha (2007) identified that performance management system has a greater impact on motivational and satisfaction of employees. The system provides employees with recognition for their performance efforts. The system makes employees feel sense of worth

**Table 4: Data Presentation and Interpretation** 

and belonging in the organization as they perceive performance incentives as an inspiration.

However, the participants contradicted the above statements and denied the influential impact that the SPMS was intended for. They argued that SPMS reduces and destroys the momentum and create tension and competition among employees. If the claims of the participants are true, definitely the department and top management of the institution will be disappointed because that will mean the system does not serve its purpose. Therefore, the management will have to intervene and try to implement new measures in order to change the negative view and bad experience of the respondents. If the system does not motivate or impact employees it means there is something done incorrectly. Employees receive feedback through SPMS during the quarterly reviews. Generally, reasonable people in any field, be it in a school, in sport or at work they get impressed and motivated when they received good results or good feedback about their performance of the particular assignment. Likewise, the employees should get motivated when they received feedback from the supervisors. Good or bad feedback is important because it enables a person to know the weaknesses and strengths. Feedback makes it possible for a person to know his or her failures. The good thing is that about knowing the failures, going forward the person knows where to adjust to become more effective.

Nonetheless, Redman and Wilkinson (2009) found that performance management system does not have a positive impact on everyone. The above scholars stated that the system leads to lack of morals when all employees do not benefit equally from the system. Maybe what was found by Redman and Wilkinson is the same thing that happens at Tygerberg hospital.

**Table 4: Data Presentation and Interpretation** 

How do the performance rewards such as cash bonus and pay progression motivate you in your daily performance?

This question was asked to determine if there are no employees that could be only influenced by the incentives instead of the system since Khauoe (2015) stated that employees merely concentrate on the rewards of the performance management systems rather than the system.

## Responses:

Respondent A stated that "it is a great motivation if it was implemented fairly."

Respondent B stated that "in a way it motivates me to do more but when you do more and you do not get the recognition for hard working, then I get discouraged."

Respondent E stated that "not motivated because of the way that it is conducted by management."

Six respondents which involve Respondent F, H, N, V, X and Z1 clearly stated that they are not motivated by SPMS."

Respondent G stated that "look here I'm here to do my job and I do it with 100% effort without looking for incentives."

Respondent L stated that "thinking about incentives is a last thing in my mind because I cannot afford to go all over around the hospital looking for incidents letters."

Respondent K stated that "it can motivate personnel if everybody who works hard can get SPMS."

**Table 4: Data Presentation and Interpretation** 

Respondent O stated that "it does not motivate me I just do my work and what is required of me."

Respondent Q stated that "when I can get the pay progression I can answer this question better."

Respondent R stated that "it does not motivate me since the system is implicated with favouritism."

Respondent S stated that "SPMS pay progression or the cash bonus, both do not motivate me because they are both meant for certain people."

Respondent T stated that "I don't get it so it does not change anything."

Respondent U stated that "when you know that you work hard and you don't receive the money it feels sad and you feel sadder when you see people who don't deserve it but they get it before you."

Respondent W stated that "no one is motivated by SPMS here because it is very difficult and rare to get it."

Respondent Y stated that "I worked many years for Tygerberg hospital but I have never received SPMS cash bonus so for me SPMS is not working."

Respondent Z stated that "it is good to get pay progression because [it] increases my salary but it does not motivate me because I deserve to get a cash bonus but I never received it."

Respondent Z2 stated that "the fact that I'm getting paid at end of the month motivates me enough, I do not care about SPMS cash bonus."

**Table 4: Data Presentation and Interpretation** 

In this question they are seven respondents which include Respondent C, I, J, M, P, Z3 and Z4 that are influenced by incentives.

Respondent C stated that "it make you feel valued and make you work smarter."

Respondent I stated that "it motivates me to go extra mile."

Respondent J stated that "I get motivated because I know that I will be recognised at a certain stage."

Respondent M stated that "it makes you want to outperform your colleagues but it can make you despondent."

Respondent P stated that "pay progression helps to increase your notch."

Respondent Z3 stated that "for me at beginning I felt bit discouraged in the way the scoring process is being done."

Respondent Z4 stated that "it is a great way to keep us as employees motivated."

## Interpretation

According to the responses of the respondents 77% do not mix-up SPMS with its incentives. In many cases money motivates and influences people to do better in any activity that they perform but in this case the 77% showed that they are not influenced by money as the incentives of SPMS normally come as a form of money. These respondents are not interested and do not have faith in the system

**Table 4: Data Presentation and Interpretation** 

anymore. Only 23% of respondents stated that they were influenced by SPMS incentives.

In previous studies which are similar to this one, researchers such as Paile (2012) identified that tangible incentives such as salary increase and cash bonuses encourage employees to keep on working very hard for their own benefits. Khauoe (2015) also identified that when organisations compensate great performance with extra bonuses the employees often get the job completed effectively within time limit. He recommended that organisations should continue to provide sufficient rewards that are valued by employees to encourage quality work performance.

However, the participants clearly stated that they are not influenced by incentives of SPMS to change or increase their normal standard of performance. They believed that SPMS incentives at Tygerberg hospital are for certain individuals. Looking at responses of the participants it will be very difficult for Western Cape Government to achieve its objectives at Tygerberg hospital through SPMS until the department puts a close eye on implementation and processes of the SPMS.

What role or contribution does SPMS play in terms of skills development and employment promotions?

The Skills Development Act promotes skills development of employees. Therefore, government institutions should link skills development with performance management systems. Consequently, this question was asked in order to determine the contribution of SPMS towards career growth and success of the employees in the workplace, if employees recognise the contribution.

**Table 4: Data Presentation and Interpretation** 

## Responses:

Respondent A stated that "SPMS is not a requirement for promotions." Seven respondents comprising of Respondent B, H, K, O, P, T and Z2 stated that "SPMS doesn't play any role in their career development."

Respondent C stated that "not too much because we still lack in skills development and some courses are still being cancelled."

Respondent D stated that it promotes the notches for those who didn't get cash bonuses."

Respondent E stated that "no role at all. Promotions hardly happen."

Respondent F stated that "it doesn't contribute to skills development or employment promotions but you just get increase on your notch.

Respondent J stated that "I personal [personally] think that it does not play a big role because those that [who] got the SPMS I never heard that one or two of them will be promoted."

Three respondents such as Respondent R, V and Y stated exactly same issue. They said that Tygerberg hospital does not offer formal trainings for Syspro system which is used in daily bases for capturing and enquires. The newly appointees and interns are trained by other staff members.

Respondent L stated that "training opportunities are very scarce here. It is very rare to hear that people went to attend trainings."

Respondent N stated that "it only apply for certain employees in the workplace."

**Table 4: Data Presentation and Interpretation** 

Respondent U stated that "I don't worry about any course anymore because you can attend a training but when you come back from the course with the knowledge the management cannot place you in position where you can build up your experience based on the knowledge which you received from the course."

Respondent Z1 stated that "SPMS doesn't contribute to employment growth. Just recently, I was denied the opportunity to attend computer training because of the rank. Management said that I don't work with computers."

Respondent Z3 stated that "I hear lot of negative comments about SPMS and for me it puts a bit off character."

Respondent S stated that "management considers interns more than us. Interns always attend all the computer courses."

Respondent W stated that "I'm more than eleven years here in the same position so I'm the evidence that there is no growth."

Respondent X stated that "the courses that are listed in the performance plan in the beginning of the year are not offered to us attend during the year."

Respondent Z stated that "it makes people work harder close to bonus time but I don't see any role or contribution towards promotions.

The following five respondents confirmed the contribution of the SPMS towards their career development.

Respondent G stated that "it makes people to work harder."

Table 4: Data Presentation and Interpretation

Respondent I stated that "it help me to empower myself."

Respondent M stated that "it gives you indication of where an official is lacking or needs to improve."

Respondent Q stated that "people go for skills development and courses during the year."

Respondent Z4 stated that "learning new skills."

## Interpretation

83% of the respondents disagreed that the SPMS contributes to their career growth. They unanimously stated that the SPMS does not contribute to their growth in the workplace. It only increases their salary notches. Some of the respondents from 83% stated that trainings are limited and only available for few employees such as interns. According to some of the above responses every year at the beginning of each financial year employees are requested to list a number of courses that they would like to attend during the year. However, the financial year would normally come to an end without attending any of the identified trainings. Only 17% of the respondents that agreed to play a role and contribution of SPMS towards their growth and skills development.

Therefore, based on the feedback presented above the researcher can confirm that SPMS does not contribute to skills development of employees and Tygerberg hospital provides inadequate trainings for employees.

In terms of Skills Development Act the purpose of trainings is to provide opportunities and competency and to equip employees with needed skills to be able to meet requirements to perform more effectively. The

**Table 4: Data Presentation and Interpretation** 

development plan contains list of the future trainings for employees and therefore it provides hope for career growth as trainings offer employees essential skills.

On other hand, South Africa. Department of Health (2002) stated that employees' development plan should be reviewed in six months' bases, twice a year, to determine the training progress for employees. The six months review of development plan allows supervisors to match the performance of the employee with the required standards of the job and to see if an employee really needs to attend the training.

If the employees' development plan was reviewed every six months as prescribed, Tygerberg hospital could not have employees who are still complaining about few training opportunities. If indeed there are few training opportunities as the participants claimed therefore the immediate supervisors of the participants, the management and the entire Human development management component at Tygerberg hospital do not do their jobs properly. It is quiet disturbing to hear that low level employees in some cases are not allowed to attend computer trainings. Attending computer courses would allow these particular employees to gain crucial skills and that could help them to grow much quicker than expected. If these complaints would be allowed to attend computer courses that would mean that they can stand in and act effectively on the positions of their seniors on the absence of the seniors. The Skills Development Act encourages all employers to allow employees to participate in training programs to ensure skills development of workers.

A development plan is a good tool to clearly state the training needs of employees that are required in the workplace for competency and career growth purposes. The management should also play a role in monitoring the development plan of the employees to facilitate proper

Table 4: Data Presentation and Interpretation

	implementation and continuous development of employees as required
	by Skills Development Act. If the management can intervene the above
	complains will be avoided for the benefit of the institution.
What are the procedures	The SPMS is established under certain rules, and definitely the
that must be performed or	implementation of the system involves certain processes and practises
adhered to during SPMS	that must be followed. This question was mainly about the application
processes?	of existing policies of the SPMS. The researcher wanted to know how
	accurate the supervisors and management are in applying the available
	policies. It was also important for the researcher to determine how the
	employees are prepared for the SPMS implementation.
	Responses:
	Respondent A stated that "incidental proof must be given for the marks
	that you obtained or you believe you should obtain."
	Respondent D stated that "you must present incidents of the work that
	was your extra mile."
	Respondent E stated that "compile notes, evidence and reports before
	submitting to the supervisor."
	Submitting to the supervisor.
	Despendent Li stated that "the oxidence should be should by
	Respondent H stated that "the evidence should be checked by
	independent auditors."
	Respondent I stated that "one need to provide evidence of work that has
	been done."
	Respondent L stated that "employees are required to collect evidence
	from other departments for the work that they performed there in order
	to boost scorings."

**Table 4: Data Presentation and Interpretation** 

Respondent M stated that "quarterly reviews must be conducted where officials are offered the opportunity to provide evidence of work done and completed."

Respondent N stated that "you need to submit an evidence report and your supervisor must also write a report stating that you qualify or not."

Respondent R stated that "the collection of evidence is essential but the question is why employees must collect evidence but they meet their targets."

Respondents T stated that "supervisors should come regularly to check what is done by staff members to be able to write [a] correct performance report. Currently, colleagues are asked [to] bring incidents from nurses but I believe that nurses just ask assistance from Stores' employees because they [nurses] are [mostly] females and for me that doesn't mean the person assisted is working hard."

Respondent U simple stated that "employees must collect evidence."

Respondent V stated that "we must collect evidence to prove our extra efforts for better scoring."

Respondent W stated that "employees are asked [required] to submit evidence of their work performance otherwise if someone [they] did not [do not] submit the evidence he or she [they] will get 3 points which is translated to fully effective performance."

Respondent X stated that "supervisors call for quarterly reviews and expect employees to bring evidence from nurses. You must provide evidence in order to get a good mark. However, I personally think that supervisors [are] supposed to know what are we [we are] doing in our

Table 4: Data Presentation and Interpretation

work stations. Therefore, supervisors should be able to write performance report on our behalf. Supervisors shouldn't be asking us to bring evidence they are the one [ones] who should provide evidence."

Respondent Y stated that "employees provide evidence during quarterly reviews but believe me the most submitted evidence is wrong because employees submit old evidence and some of the evidence is collected from friends and colleagues."

Respondent Z stated that "employees are required to collect evidence but I'm with the opinion that supervisors should provide evidence, not us because supervisors give us work to perform."

Respondent Z1 stated that "employees collect evidence from supervisors of other sections to show where the employee assisted in other sections."

Respondent Z4 stated that "you need to submit evidence and evidence needs to be valid."

All the above respondents in this question mentioned collection of evidence as a procedure that must be followed during SPMS processes.

The following three respondents which consist of Respondent B, J and S managed to mention other processes that took place during SPMS implementation. For instance, Respondent B stated that "four quarterly reviews, evaluations must be done and appraisal must be fair." Respondent J stated that "performance reports should be created for each employee in each term." Respondent S mentioned that "employees must complete a performance plan, a development plan and a new job description every year. SPMS reviews are performed four times a year."

**Table 4: Data Presentation and Interpretation** 

The following nine respondents such as Respondent C, F, G, K, O, P, Q, Z2 and Z3 failed to mentioned exact procedures that must be followed during SPMS processes but instead they made comments and suggestions that should done. For instance, according to Respondent K there is no procedure or criteria applied during SPMS processes." Respondent Z2 does not know of any procedures that are applicable during SPMS processes.

## Interpretation

This question produced various responses. 60% of the respondents identified collection of evidence as the most common procedure that must be followed during SPMS executions. These respondents confirmed that they are requested to submit proof of work that they performed externally, outside their normal work stations. Some respondents of the 60% argued that the requirement of submitting incidents is unreasonable and irrational. The respondents are convinced that proof of incidents should collected by the supervisors since supervisors are responsible for supervision. 10% of the respondents identified other processes such as completion of performance plans. reviews that must take place quarterly and performance reports that written by supervisors. 30% of the respondents denied and failed to provide relevant procedures that are applicable to the processes of the SPMS. Some of the respondents from the 30% confirmed that they are not informed of any applicable procedures. Based on the responses that are provided in this question the researcher identified lack of knowledge from the respondents. Possibly, some of the respondents do not consider or take other processes seriously or maybe other processes do not really bother them.

The researcher would like to mention this, even though the respondents are unsatisfied about collection of evidence as presented above but this

**Table 4: Data Presentation and Interpretation** 

exercise is documented by Western Cape Department of Health. The department encourages the collection of extra incidents as an evidence of working extra mile. The collection of incidents is in writing and is legitimate but the department referred critical incidents. South Africa. Department of Health (2002) stated that critical incidents must be recorded to determine how an employee achieved the results. The record of accident assists supervisors to remember the incident during appraisal stage for rating purpose. However, the evidence must be clear, specific and accurate based on provable facts. A supervisor should agree with an employee about what kind of incidents is important that should be recorded for performance rating. The department clearly stated that the collected evidence must be relevant to the exact work performed by an employee to pursuit the agreed performance standard on the performance plan.

With the above statement from the Western Cape Government, one would say that the participants have little knowledge regarding the collection of evidence. There is also an element of lack of communication between employees and supervisors. It is clear that there is no clear communication or agreement between employees and supervisors about the purpose of collecting incidents, the kind of evidence that can be recorded and where the evidence can be collected from.

What are the difficulties that you come across during the SPMS reviews?

The researcher posed this question to determine available challenges that could prevent the success of the system at Tygerberg hospital.

## Responses:

Respondent C stated that "administration issues that need to be done make things difficult for employees. On [the] other hand supervisors are blind to see what employees do for passion."

**Table 4: Data Presentation and Interpretation** 

Respondent E stated that "SPMS is given to the same staff members yearly and those who deserve it they don't receive it."

Respondent H stated that "it is a problem when I'm scored without my input."

Respondent K stated that "when supervisors don't acknowledge your ability."

Respondent L said that "it is difficult to collect incidents because some of supervisors in various sections they refuse to register incidents and always complain about being busy."

Respondent N stated that "I submit my work or the evidence but then my supervisor is not transparent in terms of giving feedback and scoring."

Respondent R stated that "collection of incidents is not too difficult for me because I work hard and people can give the evidence but what discourages me is the fact that my supervisor like to reject my evidence with no reason."

Respondent T stated that "supervisors are reluctant to adhere to the policies whereby they have to check on us."

Respondent U stated that "I don't concern myself anymore about SPMS I just sign where I have to sign during the performance reviews."

Respondent X stated "I have difficulties with the allocation of marks because my supervisor likes to score me only 3 points for administration work although I'm the only one who is doing admin work in our storeroom. I think I should get 5 points for this particular job."

**Table 4: Data Presentation and Interpretation** 

Respondent Z stated that "collecting evidence is very difficult and that is why I understand [know] some of the employees keep old evidence and resubmit it again and again."

Respondent Z3 stated that "why should I write the incident."

Respondent Z4 stated that "it is difficult to score an individual if working in a team."

Ten respondents which include Respondent D, F, I, P, Q, S, V, W, Y and Z1 corresponded, they only identified collection evidence as main challenge that they encountered during execution of the SPMS.

Four respondents comprising of Respondent G, J, O and Z2 confirmed that they don't experience any challenges during SPMS processes which means the implementation of the system is easy for them.

They are three respondents such as Respondent A, B and M blamed employees for not supplying enough evidence while they want high scores. For instance, Respondent A stated that "people don't supply evidence but expect high marks. Respondent B stated that "people don't have evidence but expects supervisors to give them a good score." Respondent M stated that "officials not having sufficient evidence."

### Interpretation

77% of the respondents identified collection of evidence as a barrier. The collection of evidence is a core problem of the SPMS in Stores and Asset management at Tygerberg hospital based on the collected data. Therefore, collection of the evidence has high potential of eliminating the effectiveness of the SPMS. Only 13% of the respondents who confirmed that they do not experience challenges during SPMS

Table 4: Data Presentation and Interpretation

Table 4: Data Presentation and Interpretation	
	implementation. 10% of the respondents accused employees for
	claiming high scores without submitting evidence.
	It is clear that the main challenge for respondents is the collection of
	evidence. A possible solution to the matter of collection evidence, the
	management should come forward to explain and educate employees
	about why employees have to collect proof of incidents. The
	management must inform employees about the importance of incidents.
	Definitely, it is important for employees to understand how the incidents
	fit in into the SPMS and how the incidents contribute to their score.
How easy or difficult it is to	The researcher wanted to determine how comfortable employees are
apply SPMS processes and	in terms of applying the processes and policies of the SPMS.
policies accurately?	
	Responses:
	Respondent A stated that "it is not easy because people's perspective
	of how it should be done differs too much."
	Respondent C stated that "it is very difficult, lot of reports that need to
	be written and also collection of evidence."
	Respondent D stated that "it is not easy at all because not everyone can
	write or receive the extra incidents."
	Respondent E stated that "if the evidence is collected in time and reports
	are written honestly and the scoring is given truthfully, then I think it
	could be easy and motivating."
	Journal of Sady and motivating.
	Respondent F stated that "it is not easy because our managers they
	don't score us right."
	don t score us right.

**Table 4: Data Presentation and Interpretation** 

Respondent I stated that "it is very difficult because the scoring system [measurements]."

Respondent M stated that "it is very difficult when you have people to apply the process to."

Respondent T stated that "it is not easy or difficult because management already know who is going to get the money."

Respondent U stated that "it is not too difficult to get evidence from nurses and to give it to the supervisor but the problem is, why should people [employees should] hunt for evidence, what is [the] use for it [submitting evidence] because everything depends to the management."

Respondent X stated that "I think it is difficult for management because they have other work to do, they cannot do reviews and evaluation every quarter but [still, there is] nothing stops them from being fair to everyone."

Respondent Z3 stated that "it could be easy if you cut out favouritism."

Twelve respondents such as Respondent G, K, L, Q, R, S, V, W, Y, Z, Z1 and Z4 stated that it is very difficult to apply processes and policies of the SPMS. Similarly, all these twelve respondents blamed collection of evidence as a challenge.

Seven respondents confirmed that it is easy to apply processes and policies of the SPMS. The seven respondents consisted of Respondent B, H, J, N, O, P and Z2.

Table 4: Data Presentation and Interpretation

### Interpretation

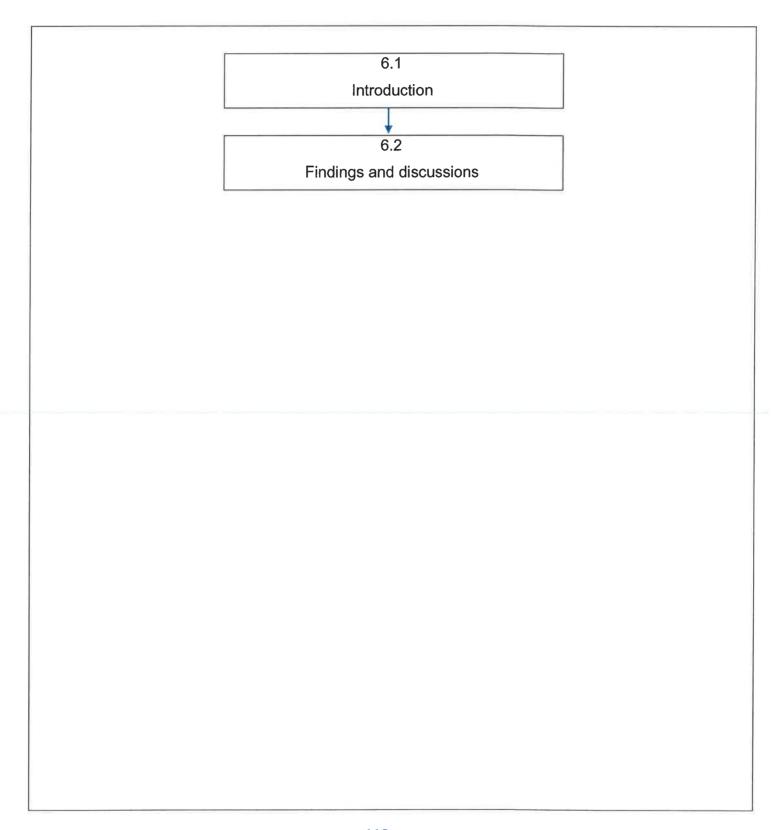
77% respondents find difficulties to apply processes and policies of SPMS and they put so much emphasis on the issue of collecting the evidence. These respondents didn't identify any specific policy or process that makes things complicated for them beside the collection of extra incidents in order to improve their scores. Based on the data presented in this question the researcher can say, the respondents accept and tolerate all other processes but they find it difficult to collect evidence especially outside their departments. According to the above responses of the respondents the application of SPMS processes could be easy if there was no collection of incidents. Only 23% of the respondents who stated that they are fine with the application of the processes of the SPMS, based on the responses provided for this question. 23% is very minimal and therefore management of Tygerberg should be worried because it is going be difficult for the institution to achieve objectives of the SPMS while 77% of the respondents find difficulties to apply the system. The collection of proof for extra incidents is an obstacle for employees at Tygerberg hospital to be able to benefit the fruits of SPMS. For future purposes the management should intervene and advise accordingly to this matter. Otherwise this issue will continue to prevent the success of the SPMS.

## 5.4Summary of the chapter

The researcher in this chapter discussed a number of challenges that were encountered during data collection. The researcher presented the collected data and made interpretation of data. The respondents indicated that they are not happy with the system and should be terminated or the money should be shared equally among employees. However, the researcher will present the findings in chapter six.

The next chapter discusses the findings of the study.

# CHAPTER SIX FINDINGS AND DISCUSSIONS



### **6.1 INTRODUCTION**

The study was intended to examine the effectiveness of the performance management system at Tygerberg hospital. The main focus of the study was on the execution of the system and satisfaction of the employees with the benefits that they should receive from the system once conducted. The researcher wanted to know if the performance management system has impact in the employees' performance. The findings of this study is influenced and concluded precisely from responses of the participants. However, the findings of this study don't present the entire Tygerberg hospital. The research was conducted only in Stores and Asset management departments. The researcher identified a number of findings. The findings and discussions will be presented below.

### **6.2 FINDINGS AND DISCUSSIONS**

The following findings are linked and concluded based on the objectives of the study. The findings will be presented below and discussed under appropriate headings and sub-headings.

### 6.2.1 Ineffectiveness of the SPMS

The researcher, through this study found that the performance management system is ineffective to achieve the intended workplace objectives. For instance, the Public Service Act (1994) requires all government institutions to implement a performance management system which will be consultative and non-discriminatory to all employees to improve effectiveness and efficiency of the workplace. However, data collected by interviewing respondents is presented and discussed in chapter five showed that the system is ineffective because it fails to improve effectiveness and efficiency in the Stores and Asset management departments of Tygerberg hospital. The respondents viewed SPMS as unfair system towards the majority of the employees.

In chapter two of the study the researcher cited that the performance management system is meant to establish a clear links between the overall objectives of the institution and those of the individual employees. The performance management system should allocate framework strategies for effectiveness of human resource management so that the values and objectives of the institution can be practised and achieved. South Africa. Department of Health (2002) also stated that for institution to achieve effectiveness and efficiency of the SPMS supervisors should ensure that every employee has

a clear insight regarding operational plans of the workplace to be able to measure the SPMS. Employees should know what is expected from them and how they can contribute in accomplishing the objectives of the institution. During performance appraisals employees should be informed about the required standards and how their performance will be measured and remunerated. Employees should be equipped with knowledge and competencies to perform their work effectively and efficiently for the benefit of the institution. However, based on qualitative data presented in chapter five employees at Tygerberg hospital are not equipped sufficiently with the necessary competencies.

Although procedures are clear to the management and supervisors about what should be done during SPMS executions but still the respondents managed to identify a number of disputes and irregularities that seem to reduce the success of the system from achieving its main objectives.

Linking research questions to the literature review, findings and discussions, the researcher selected the following two questions which are reinstated below. The two questions extracted from the total of ten questions which were asked to the respondents and these two questions produced the above finding since the respondents gave straight answers. The two questions were asked as follows:

- What is the impact of the SPMS in improving normal performance of the employees?
- What are the views and experiences that employees have regarding the SPMS?

The above questions allowed the respondents to express their views and different experiences regarding the execution of the performance management system at Tygerberg hospital. The respondents confirmed that the performance management system doesn't improve their performance. They even suggested that the system must be terminated because they did not see its purpose and they don't enjoy the incentives of the system equally. The respondents indicated that the system is implicated with favouritism and unfairness. And, this is similar to what Matunge's study of 2013 identified that the performance appraisal system is ineffective and unrealistic. The system does not consider legal issues relevant to the purpose of its formation initially as purported by legislation and execution in the workplace.

## 6.2.2 Lack of skills development programmes and inadequate training for employees

The skills development of employees is one of the main objectives of the performance management system. Section 195 (b) of the Constitution of the Republic of South Africa requires that efficient,

economic and effective use of human resources to be promoted. Furthermore, section 195 (h) of the Constitution of the Republic of South Africa affirms that good human resource management and career development must be performed to maximise and cultivate human potential (South Africa, 1996). Correspondingly, South Africa. Department of Health (2002) stated that supervisors are supposed to identify training and development needs of the employees at the beginning of the performance management system cycle. Employees should get opportunities to improve their competences through training programmes and short courses. The acquired competences should help employees to be able to progress to the next higher available position in the organization. Therefore, performance management system should help employees in their career development towards upward mobility. However, the responses of the respondents showed opposite results where skills development and training programmes for employees in Stores and Assets management are inadequate.

Linking research questions to the literature review, finding and discussion, the researcher selected the following question below from the ten questions. Since this research wanted to identify the effectiveness of the performance management system the respondents were asked the following question:

• What role or contribution does SPMS play in terms of skills development and employment promotions?

As presented in chapter five, 83% of the respondents affirmed that performance management system doesn't contribute to their career progression and also to their skills development. They stated that there are limited training programs at Tygerberg hospital. Employees find difficulties even to attend a formal training for the computer system that they use in daily bases, although the new appointees and interns should be able to use the computerized system they are trained by senior employees and colleagues. What is stated by the respondents in this research is not new because previous similar studies determined that the performance management system always fails to develop skills of employees. For instance, Matunge (2013) identified that the performance appraisal does not contribute to employees' career growth due to lack of available training programmes.

Based on the purpose of the performance management system skills development of employees should be prioritized. The researcher in chapter two cited that the Skills Development Act (1998) informs the South African institutions to promote skills developmental of the employees. The regulation explained that the performance management system must involve learning and continuous development of the employees to improve the capacity to understand. In previous studies Stewart & Rigg (2011) stated that

training programs for employees are crucial to improve employees' performance and increase growth opportunities. However, when the researcher looked at the responses of the participants the SPMS in Stores and Asset management does not improve the competencies of the employees. The respondents also confirmed that the system does not improve career or employment opportunities for employees due to lack of skills development programmes and inadequate training for employees.

### 6.2.3 Unfair and imbalanced distribution of incentives

The respondents as presented in chapter five claimed that SPMS incentives are received by same and few employees in every financial year. The participants blamed favoritism of supervisors, insufficient funds, and incorrect procedures that are applied to rate their performance. The performance of employees is rated based on the quantity of evidence collected by each employee. What makes things worse for employees is the collection of evidence in separate departments outside their work stations.

The researcher found that the distribution of incentives is irrational. The collection of evidence from other departments compromises the credibility and high potential of effectiveness of the SPMS. The participants are doubtful about the correctness of the evidence collected from other sources other than their direct supervisors and that discourages them to work harder. The collection of evidence does not form or appeared in the performance plan of employees. A performance plan contains KPAs, performance outputs, performance measures, generic factors, and weight of KPAs that give a total of 100% weight excluding weight of evidence. If the evidence is crucial in the SPMS processes, then a weight should be allocated so that all employees can be aware. Some of the participants are office based and they do not work hand in hand with other departments and that make things very difficult and impossible for them to be able collect sufficient quantity of evidence in order to qualify for cash incentives. The valuable and reliable proof of crucial incidents in each unit can be only provided by immediate supervisors of employees.

Linking research questions to the literature review, above finding and discussion the following three questions were outstanding to produce the above information which is presented under this particular finding. The three questions asked were as follows:

- What are the procedures that must be performed or adhered to during SPMS processes?
- How do you perceive the measurements that are used to score your performance at Tygerberg hospital?

 How reasonable or unfair are the top management of Tygerberg hospital in rewarding all hardworking employees equally?

When the researcher asked the above questions the respondents gave responses that showed an imbalanced distribution of incentives of the performance management system. The respondents blamed the supervisors and management for imbalance distributions cash bonuses for outstanding performances. The respondents identified unfair procedures that are used to acquire high performance scoring in order to qualify for the cash bonus.

The researcher in chapter two presented that performance management system is implicated by favouritism which lead to negative impact of the system (Grobler et al., 2011). In addition, Khauoe (2015) determined that the incentives of the performance management system depend on the personal relationships that employees have with their direct supervisors. Khauoe (2015) also identified managers are inconsistence when scoring the performance of employees. The above citations show that an imbalanced distribution of incentives is common in the performance management system and could happen at Tygerberg hospital as well. Therefore the responses of the participants cannot be disregarded in this situation.

### 6.2.4 Lack of motivation

Although Asha (2007) found that performance management system has great impact in motivating employees but the respondents of this study discard Asha's findings. The researcher determined lack of motivation in the performance management system in Stores and Asset management at Tygerberg hospital because the respondents don't recommend and appreciate the existence of the system.

Linking research questions to the literature review, above finding and discussion, the researcher extracted the following two questions below which produced the above finding. The two questions were asked as follows:

- What is the impact of the SPMS in improving normal performance of the employees?
- How do the performance rewards such as cash bonus and pay progression motivates you in your daily performance?

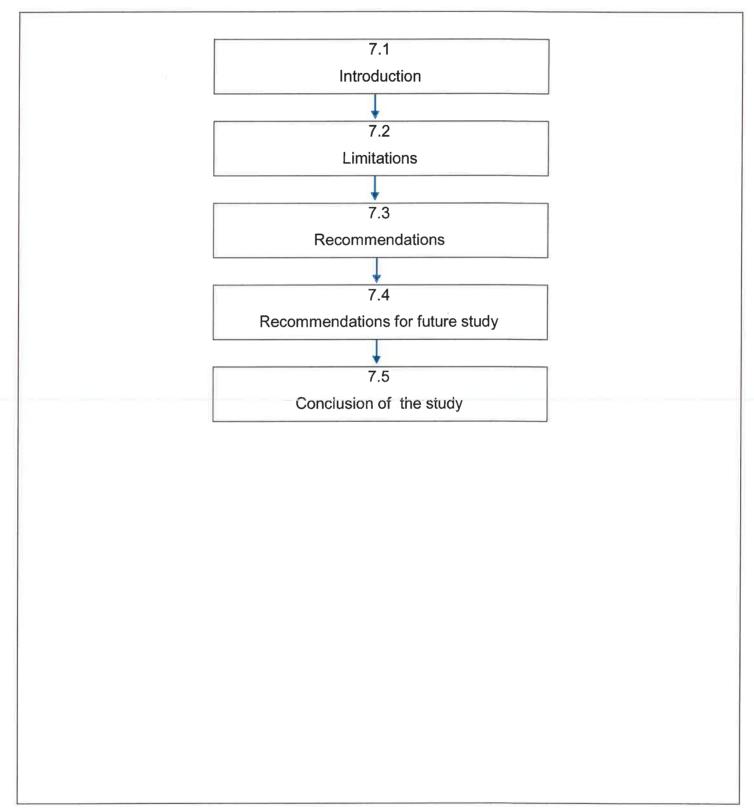
The respondents affirmed that SPMS does not motivate them to improve their normal performance. The performance management system instead of motivating it creates tension between employees. The respondents stated that the system destroys morals and teamwork among colleagues. The respondents stated that what motivate them are their salaries that they receive at end of every month.

One of the objectives for SPMS is to motivate employees through skills development programs and incentives to improve excellence to ensure that employees stay motivated and well prepared to give their best. For instance, Department of Health (2002) stated that rewarding employees who performed above average is the best way to motivate employees to ensure regular outstanding performance. Even though the Western Cape Department of Health recognizes SPMS as a good inspiration but the department is also aware that the same SPMS can be a de-motivator when management and supervisors do not adhere to good management and ethical practices. Precisely, the findings of this study proved SPMS as a de-motivator. 90% of the participants denied the influence that SPMS supposed to have on them. Possibly, the management and supervisors do not adhere to good management and ethical practices as they should, hence the participants complained about limited trainings and incorrectly allocation of incentives.

The researcher in chapter two presented that when the system is conducted by untrained people it becomes ineffective and useless. The performance evaluation and feedback of untrained managers become obstructed by many subjective issues such as favouritism. The feedback becomes incorrect and unreliable (Dechev, 2010). Farrell (2013) stated that supervisors always hesitate to give honest feedback to the employees. Supervisors fail to monitor and supervise the performance of employees accordingly. This is because of the limited knowledge supervisors have make things more difficult and complicated to evaluate the performance of subordinates in accordance to their work performance. Some supervisors lack administration skills and management skills to perform the processes accurately (Grobler et al., 2011). The above citations show the evidence that influences lack of motivation in the performance management system.

The following chapter below presents the recommendations and conclusion of the research.

# CHAPTER SEVEN RECOMMENDATIONS AND CONCLUSION



#### 7.1 INTRODUCTION

This chapter is a last part of the study and it concludes the entire research study. As indicated in previous chapters, this research examined the effectiveness of the performance management system at Tygerberg hospital in Stores and Asset management. This study achieved its objectives. The findings are presented above in chapter five. This chapter concludes the study by discussing the limitations of the study, research commendations and recommendations that could be adopted and adapted by the institution where research was conducted and other workplaces in future.

The researcher established three supporting objectives for this study in order to accomplish the main objective. The researcher prepared three main questions for the study. However, the main questions were accompanied by other seven questions. All the questions were outlined and aligned to the topic of research to assist the researcher to achieve the objectives of the study. The main questions for this study were as follows:

- What is the impact of SPMS in improving normal performance of the employees?
- What are the procedures that must be performed or adhered to during SPMS processes?
- What are the views and experiences that employees have regarding SPMS?

## The objectives of this study were to:

- Identify the effectiveness of SPMS in improving normal performance of the employees
- Identify procedures and policies that used when implementing SPMS
- Offer guidance where necessary to improve what is not working well and sustain what is working well in order to offer best quality execution of the SPMS at Tygerberg hospital

The above questions were addressed during data collection stage at Tygerberg hospital. The respondents responded to these questions very well where they provided their views and experiences about execution of performance management system. The responses offered by the respondents assisted the researcher to achieve the objectives of the study.

This study contained seven chapters in total. The researcher will now provide few details of each chapter underneath:

- Chapter one is an introduction to this research. This chapter stated the significance of the study.
   This chapter outlined the problem statement of the study, and the main research questions and objectives of the study.
- Chapter two discussed legislations that control the performance management system. This
  chapter addressed the literature of previous research carried out in South Africa and elsewhere
  and discussed various subjects related to the study such as negative and positive criticisms of
  performance management system, elements of performance management system, objectives of
  performance management system, appropriate steps to implement performance management
  system, and rating errors of performance management system.
- Chapter three discussed the theoretical frameworks that appeared from the body of knowledge
  to ensure that the study is grounded and informed by existing theories that are relevant to the
  study. This chapter contained the concepts of theoretical frameworks and functions of theoretical
  frameworks.
- Chapter four discussed research design and methodology. This chapter offered a detailed discussion regarding the research methodology applied in the study. It included clarification of the data collection instrument and data analysis and ethical considerations of the study.
- Chapter five unveiled the challenges that were encountered during the data collection. Furthermore, this chapter presented the unstructured data and analysis.
- Chapter six presented the findings of the study, which is where the researcher revealed the ultimate outcomes of the study.
- Chapter seven provided and discussed recommendations for future research.

The limitations of the study will now be discussed on the next page.

#### 7.2 LIMITATIONS

While the study was limited to two departments at Tygerberg Hospital and to thirty research participants what was clear was that there were not enough scholarly literature for such a study. Added to the challenges mentioned above where challenges were logistically. However, the researcher did not allow these challenges to restrict the objectives and intentions of this study. All these limitations that challenged the researcher will be discussed below under appropriate sub-headings.

## 7.2.1 Limited funding

The researcher did not have any budget for the study. The researcher funded all the costs required for the study such as editing, printing including study fees and purchasing of the required resources. The researcher couldn't secure any funding. However, the study is highly required and commendable for the benefit of other workplaces.

## 7.2.2 Unavailability of the respondents

Since the study was conducted in the hospital environment where all matters require prompt and urgent attention, the researcher found the environment to be very hectic to conduct interviews. All the respondents were very busy and it was awkward for them to attend the research meetings although the interviews were scheduled well in advance with them. Some of the respondents were interrupted during the interviews where they were asked to attend crucial matters immediately. This shows that there is still a space for intentional research so that the institution can reflect and grow. Some of the respondents refused to be recorded during the interviews but the researcher took minutes for some of the issues that emerged outside the recorded and that were not recorded. Since the respondents were very busy, some of the respondents requested to answer the pre-arranged open-ended questionnaires during their spare time. And, this appeared to be a research tool working for those who were not available for these interviews and these helped to bring this research.

## 7.2.3 Analyzing large amount of unstructured data manually

The researcher encountered some constraints when analyzing the large quantities of the unstructured data which was collected through semi-structured interviews and open-ended questionnaires. The study

applied a content analysis to interpret the unstructured data. However, during interpretation of the unstructured data the researcher noticed and realized that analyzing large amount of unstructured data manually consume lot of time. The researcher also noticed that when analyzing unstructured data manually it becomes easy to make grammatical and spelling errors.

### 7.2.4 Restricted schedule

The researcher is a permanent employee and studying part-time. The researcher encountered limitations at work which affected the study. For instance, the researcher collected the data within two days. The two days were not enough considering a busy schedule of the respondents at Tygerberg hospital. The researcher failed to extend and reschedule the interviews with the respondents and to extend or acquire another study leave at work due to work operations. The employer offered only eight days study leave for post graduate students which were not enough for the entire study. The study leave is granted under certain conditions which were very difficult for the researcher to meet. As a result, the researcher utilized the normal annual leave days to ensure that the study could be completed. Because of work or employment operations some of the leave requests were denied.

The recommendations of the study will now be discussed below.

## 7.3 RECOMMENDATIONS

The researcher made recommendations as informed by the findings of this study. The findings of the study help us to understand important matters related to the process of implementing SPMS well, identifying the causes of its effectiveness and improving on the manner in which it works. So, the researcher made these recommendations based on findings yielded by responses to research questions and research objectives. The intention of the following recommendations is to help management to see and address issues that need to be rectified and assist in solving the concerns and disputes that were presented by the participants during interviews regarding SPMS. The recommendations will help the management of Tygerberg hospital to restore and maintain the effectiveness of the SPMS in the future. Also, recommendations will assist the hospital to perform the system in a constructive manner in the future to avoid possible complaints and disagreements that may arise. Detailed and suitable recommendations will be discussed below under appropriate sub-headings.

## 7.3.1 Provision of trainings and relevant workshops

The implementation of regular training activities and relevant workshops will improve the effectiveness of SPMS since the management will obtain required expertise to perform SPMS effectively and efficiently. From Paile's (2012) article we see that proper implementation and success of performance management systems depend on the availability of relevant trainings. This is made clear by Richards (2012) when he stated that managers and supervisors who don't have enough knowledge about conducting the performance management system perform the system incorrectly. The researcher proposed provision of training and workshops because in a relevant training or workshop, managers and supervisors should acquire all the necessary skills to execute the system with accuracy. In some relevant workshop, employees will be able to raise their questions without feeling that their authority will be jeopardised and they will be informed about what is expected from them. When the system is implemented and executed correctly most of the employees will be happy and be able to achieve the objectives of the system and therefore the system will be successful.

The performance management system is not only about the institution it involves employees as well. Thus, management can use workshops to educate employees about the importance and the purpose of the system. Employees will be happy to know what they can benefit from the system. At the moment there is a high possibility that the majority of employees at Tygerberg hospital do not know the SPMS, its processes and what it is meant for. Since knowledge is power, the researcher believes that the knowledge that employees can acquire from the workshops will encourage them to do better. This means, there is a greater need for an information workshop on SPMS to adequately introduce it to the employees, so that they can have a deeper understanding of SPMS by asking probing questions that are necessary.

## 7.3.2 Promoting skills development of employees

The performance management system should create opportunities for employees' development. During the course of this study the researcher realised that the development of employees is minimal at Tygerberg hospital in Stores and Asset management department. This is an issue that the management should look at to ensure growth within the workplace and upward mobility of employees should higher positions arise. Performance management system should provide employees with necessary competencies in order for employees to progress to higher positions. Section 195 (b) of the Constitution

of the Republic of South Africa specifies that efficient, economic and effective use of human resources must be promoted. Furthermore, section 195 (h) of the Constitution of the Republic of South Africa requires that good human resource management and career development must be performed to maximise and cultivate human potential (South Africa, 1996). Nevertheless, the study identified a lack development. Hence the researcher recommended and encouraged development of employees. Development of employees can be achieved by providing sufficient bursaries and allow employees to attend various courses that are not limited to what employees do at work. Promoting development of employees through attending necessary courses will promote effective use of human resources to support human potential and enhance career development of the employees as the Constitution of the Republic of South Africa advised.

The skills development of employees can play a vital role in the success of the performance management system. When employees and supervisors acquire all the necessary skills, they should be able to deliver or obtain the desired outcomes of the SPMS and increases productivity. Farrell (2013) mentioned that the significance of performance management system is to allow development of employees to expand continuously, for the benefit of organisations and employees. Tygerberg hospital should organize training programmes and short courses that are in high demand in the workplace. The managers should identify training gaps and provide necessary coaching. All employees should be allowed to attend available training programmes and courses to develop themselves and improve their work performance, regardless of their employment positions. The institution should equip all employees with necessary knowledge, abilities and competencies to ensure that all employees, particularly those in management positions who are responsible for the implementation of performance management system, can handle demanding situations and handle tough responsibilities. The development of employees can keep them happy, motivated and highly productive.

### 7.3.3 Improve fairness

Through the findings of this study the researcher has concerns about the unfairness of the system which results to imbalances where distribution of incentives is concerned. The Public Service Act (1994) requires all government institutions to implement a performance management system which will be consultative and non-discriminatory to all employees to improve effectiveness and efficiency of the workplace. If the management can monitor the processes of performance management to instill fairness across all aspects of the system, the imbalanced distribution of incentives can be eliminated. This could

be done by constant evaluation, review of the current process towards the performance management system and monitoring those involved and the processes they undertake to ensure fairness. Those responsible for SPMS implementation should be accountable for each and every step constituted throughout the process and that will strive to level the field of fairness. The management should ensure that the system is realistic in terms of applying rules and correct processes. Realistic in this case means that the collection of crucial evidence should be clarified. The moderation and evaluation of the required documents such as performance reports of employees from supervisors must be accurate and consistent. Supervisors should be effective and consistent with their supervision to avoid all the unnecessary criticism towards them. The feedback to employees should be regular and honest. Fairness can be achieved when the management is consistent in applying correct processes. The application of fairness towards all employees will increase the success of the SPMS. It also appeared that there is a need to train those involved with the process of implementing SPMS to strengthen their knowledge and understanding. That will help them to account for ratings that they pass on staff, be transparent about their feedback, honest about the rating and use the process as a development tool for employees instead of judgment. That will decrease levels of misunderstanding that might yield towards conflict, mistrust. dishonesty and to a large extent, favouritism.

Tygerberg hospital should provide sufficient budget which will be enough to compensate all qualified employees. When the hospital experiences shortage of budget the employees should be informed. Another option is that when the budget is insufficient then it should be utilized for something else which will be valued by all employees. For instance, the available money can be used for team building activities or used in the year-end functions.

The following section contained the recommendations for future study.

### 7.4 RECOMMENDATIONS FOR FUTURE STUDY

This study identified the ineffectiveness of the performance management system at Tygerberg hospital particularly in the Stores and Asset management where the study was conducted. This ineffectiveness can be curbed by having discussions pertaining to the manner in which SPMS is conducted and monitor its implementation. This would assist in ensuring fairness towards employees and efficiency in its implementation thereby increasing the moral of the employees. However, there is still a lot of work to be done and a big gap to close how the performance management system is employed in Tygerberg

Hospital. It appears to favour a certain few in the area which this research focused. Hence, there is a need to put monitoring systems in place to safeguard its manipulation and ensure an equal and fair process towards all employees, irrespective of background. Although there is hope for improvement, future research needs to be extended to other departments of the hospital in order to determine the effectiveness or ineffectiveness of the system for the entire hospital. Tygerberg hospital is a big institution which consists of many departments. The researcher would be unfair to judge the performance management system for the entire hospital while the study was only conducted in two departments. Hence the researcher recommends that a future study to be conducted in the whole hospital. The process could involve many different researchers taking selected areas of the hospital and undertaking different topics on this subject to get results that could speak to improving the entire institution. This could be a collective project investigating different issues that feed to the each and every department of the hospital, share results with management and publicise them through research papers for debate. This could help provide a clear guidance on conducting fair, effective and unbiased processes of implementing the SPMS across the institution. Furthermore it would help to have a clear process of rising 'unhappiness' with results yielded by processes involved.

The effectiveness of the performance management system is a crucial topic to investigate. The study of similar findings can help organisations and employees to fully implement the system as it appear beneficial to both parties. Therefore, the researcher would like to recommend that a similar study be carried out and extended to other organisations.

The next section contained the conclusion of the study.

### 7.5 CONCLUSION OF THE STUDY

In conclusion, the effectiveness of the performance management system at Tygerberg hospital was investigated. The researcher collected literature relevant to the study to support the investigation to ensure that the study is relevant with other previous studies and paves a way for future research. Some of the literature revealed negative criticisms while other literature revealed good side of the performance management system. It is fair to say that the negative side is dominant, based on the responses of the respondents. The study was conducted through qualitative research method. The semi-structured interviews enabled the researcher to get a deeper perspective of the performance management system on the two departments selected for the study. The thirty participants interviewed in Stores and Asset

management at Tygerberg hospital assisted the researcher to get the required information which made this study possible.

The researcher found through this study that the performance management system is ineffective in the selected departments because it does not achieve the intended objectives. Evidence collected during interviews showed that employees are not benefiting from the processes of the system instead are getting hurt by the processes since the system favours few individuals. The performance management system is intended to be a continuous process to ensure that employees know exactly what is expected of them and are properly trained or equipped to be able to do what is expected of them. Although the bad side of the performance management system is dominant but some of the literature presented in this research showed that the performance management system should encourage and strengthen the usual everyday performance of employees where they could reach an optimal performance. One of the principles of the performance management system is fairness. However, the information collected from the participants of this research showed that performance management system is unfair and it doesn't improve the regular performance of employees to greater levels of commitment.

The study contained a number of criticisms that spoil the effectiveness of the performance management system in the selected departments. The majority of research participants are against the system. The respondents indicated that the employees do not benefit equally with other colleagues in their departments. The views and experiences of the majority of the participants are unpleasant regarding execution of the performance management system in their departments. Participants also indicated that the performance management system has no impact on employees' performance. The feedback of supervisors is subjective and untrustworthy. The employees are required to collect evidence to prove their performance to obtain better scoring. Skill development of employees is minimal.

Although the findings of the study show some level of negativity in the two departments investigated, the researcher was somewhat not surprised by the findings because the system is conducted by people and human error occurs. For instance, the researcher in chapter two presented the negative literature in relation to the performance management system. A number of researchers identified various issues pertaining to performance management system where employees are skeptical about the effectiveness of the system. Some of these doubts have been highlighted by the researcher in chapter two where common errors of the performance management system are presented that occur in the processes of the performance management system.

The management of Tygerberg hospital should take the findings of the study as a lesson to rectify what is happening inappropriately, and improve what needs to be improved. Since these findings indicate that SPMS is implicated with many problems and does not serve its main purposes, lot of amendments in the implementation of SPMS is a matter of urgency. Since the intentions of this study were not to be a response to matters related to the implementation of the SPMS but to highlight some of the challenges related to its implementation, the researcher hopes that management will take recommendations and apply them where necessary. The researcher also hopes that this study will definitely contribute and assist the top management of Tygerberg hospital to resolve the issues as presented in chapter five and chapter five. The management should strive to work towards ensuring that SPMS stay relevant and effective in the workplace. The researcher is confident and convinced that the study adds valuable knowledge to workplace management and its well-being in terms of SPMS implementation. However, concerning further research, there is still a gap demanding future researchers to expand on this study at Tygerberg hospital since the researcher did not cover the entire hospital.

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### APPENDIX A: APPLICATION FOR CONSENT



Prof Visvanathan Naicker [PhD]

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Saturday, October 27, 2018

RE: Baxolele Tyokwe (student number 208100601) Data collection

To Whom it may concern.

Dear Madam/Sir,

The above student is registered at the Cape Peninsula University of Technology and is in the process of data collection for his Master's Thesis.

We kindly request that you allow the student to conduct his research at the Tygerberg Hospital. Furthermore, all CPUT's ethical considerations will be strictly adhered to by the student.

We trust this is in order and if any further information is required, please contact me on the details provided above.

Regards

Prof Visvanathan Naickex

#### APPENDIX B: CONSENT LETTER



TYGERBERG HOSPITAL

REFERENCE:

**Research Projects ENQUIRIES: Dr GG** 

Marinus

TELEPHONE:021 938 5752

Ethics Reference: 208100601

TITLE:

THE EFFECTIVENESS OF PERFORMANCE MANAGEMENT SYSTEM AT

TYGERBERG HOSPITAL IN CAPE TOWN

Dear Baxolele Tyokwe

### PERMISSION TO CONDUCT YOUR RESEARCH AT TYGERBERG HOSPITAL.

- 1. In accordance with the Provincial Research Policy and Tygerberg Hospital Notice No. 40/2009, permission is hereby granted for you to conduct the above-mentioned research here at Tygerberg Hospital.
- 2. Researchers, in accessing Provincial health facilities, are expressing consent to provide the Department with an electronic copy of the final feedback within six months of completion of research. This can be submitted to the Provincial Research Co-Ordinator (Health.Research@westerncape.gov.za).

CIAL ADMINISTRATION OF CAPE OF GOOD HOPE

HOSPITAL / HOSPITAAL

DR GG MARINUS

**MANAGER: MEDICAL SERVICES** 

DR D ERASMUS

CHIEF EXECUTIVE OFFICER

1 3 DEC 2018 Date: 30 October 2018 13 Doc

Administration Building, Francie van VIII Avenue, PAROWALSED tel: +27 21 938-6267

fax: +27 21 938 4890 MANAGEMENT BESTUURDER Private Bag X3, Tygerberg, 7505 www.capegateway.go.v.za

Ethics Reference: 208100601

TITLE:

THE EFFECTIVENESS OF PERFORMANCE MANAGEMENT SYSTEM AT

TYGERBERG HOSPITAL IN CAPE TOWN

ع ا	
authorized re	presentative of Tygerberg Hospital

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## APPENDIX C: ETHICAL APPROVAL



P.O. Box 1906 • Bellville 7535 South Africa •Tel: +27 21 4603291 • Email: fbmsethics@cput.ac.za Symphony Road Bellville 7535

Office of the Chairperson Research Ethics Committee

Faculty:

**BUSINESS AND MANAGEMENT SCIENCES** 

At a meeting of the Faculty's Research Ethics Committee on 16 October 2018, Ethics Approval was granted to Baxolele Tyokwe (2081 00601) for research activities of Master of Business and Information Administration at Cape Peninsula University of Technology.

Title of dissertation/thesis/project:

THE EFFECTIVENESS OF PERFORMANCE
MANAGEMENT SYSTEM AT TYGERBERG HOSPITAL
IN CAPE TOWN

Lead Researcher/Supervisor: Prof V Naicker

21 January 2019

Comments:

**Decision: Approved** 

Signed: Chairperson: Research Ethics Committee

Date

# APPENDIX D: CONSENT FORM FOR PARTICIPANTS

l,	give permission to us	se my response	es to the survey for scholarly research
purposes. I ui	nderstand that those involved in this	research projec	ct are intending to share their views and
experiences i	egarding performance managemen	nt system for the	e purpose of scholarly publications and
conference p	resentations.		
l also underst	and that:		
<ul> <li>Wheth</li> </ul>	er or not to give this permission is a	personal decisi	ion, and it is entirely voluntary.
<ul><li>I have</li></ul>	the right to withdraw my permission	at a later stage	so long as it is prior to any publication
and the	e researcher then refrain from includ	ding my story in	their research.
• The res	searcher will use data for the purpos	se of this study	only and not for any other purpose.
<ul><li>My ide protect</li></ul>		r academic dep	partment, faculty and institution will be
• I hereb	y grant permission to use my intervi	iew data in the v	ways prescribed above.
Signed at	on this date	year	Signature

# **APPENDIX E: PRE-ARRANGED QUESTIONS**

- 1. What are the views and experiences that employees have regarding SPMS?
- 2. How do you feel about the way the SPMS is conducted at Tygerberg hospital?
- 3. How reasonable or unfair are the top management of Tygerberg hospital in rewarding all hardworking employees equally?
- 4. How do you perceive the measurements that are used to score performance at Tygerberg hospital?
- 5. What is the impact of the SPMS in improving normal performance of the employees?
- 6. How do the performance rewards such as cash bonus and pay progression motivates you in your daily performance?
- 7. What role or contribution does SPMS play in terms of skills development and employment promotions?
- 8. What are the procedures that must be performed or adhered to during SPMS processes?
- 9. What are the difficulties that you come across during the SPMS reviews?
- 10. How easy or difficult it is to apply SPMS processes and policies accurately?