CHAPTER 1

INTRODUCTION AND BACKGROUND TO THE STUDY

1.1. INTRODUCTION

The purpose of the Chapter is to give background to the study, explain the problem that the study wanted to investigate, the research methodology that was used in the investigation, and the tools that were used in the analysis of the collected information.

The Chapter is structured in the following manner: It starts by contextualising the concept of performance management in a broader context and identifies the research problem. It further gives the purpose and background of the study.

The focus of the study is to investigate the factors that impact on effective implementation of a performance management system at the South African Social Security Agency (SASSA) in the Eastern Cape Region, Nelson Mandela Metro District. It is said that an organisational success in service delivery largely depends on the efficiency and effectiveness of its employees in undertaking their functions, duties and responsibilities (Ntombela, Mpehle and Penciliah, 2010: 63).

According to Mweemba and Malan (2009: 361), performance management is defined as a management tool consisting of interlocking elements designed to achieve high performance. It is further mentioned that within the system performance management is applied through the process of planning, goal setting, monitoring, providing feedback, analysing and assessing performance, reviewing and dealing with under performance and coaching (Bagraim, Cunningham, Pieterse-Landman, Potgieter and Viedge, 2011: 117).
The objective of a performance management and development system is to optimise every employee’s output in terms of quality and quantity, thereby improving the department’s overall performance and service delivery (Department of Public Service and Administration, 2007: 10).

1.2. BACKGROUND TO THE STUDY

The negative published reports about the public service’s performance and the increased levels of community protests against poor quality or lack of services delivery give evidence that the public service is inundated with challenges in managing performance. The challenges in a performance management system are to ascertain what is preventing employees’ performance in the attainment of the government’s goals of delivering quality services to the communities. SASSA has been one of the recipients of negative publicity about the quality of services delivered to communities.

In addressing the problems created by poor performance the Department of Public Service and Administration (2007: 9) introduced the Employee Performance Management and Development System (EPMDS) to manage performance and enhance the development of employees at salary levels 1-12 in the public sector in South Africa (SA). Performance management is further divided into three main levels as reflected below. (Department of Public Service and Administration, 2007: 9).

1. **Organisational level**: Where the Executive Authority and the Head of Department (HOD) determine the strategic priorities and overall key result areas of each department.

2. **Functional Areas or Components within the department**: At this level the objectives of the priorities are identified and assigned to respective components.

3. **Employee level**: Employees enter into a performance agreement with their supervisor. The performance agreement reflect the goals that an employee’s performance aims to achieve, the targets, timeframes for reaching the targets as
well as the development areas or performance gaps that will prevent employees to achieve the set goals.

The emphasis on the implementation of the performance management and development system was also to strengthen the lowest level of the Agency. Also, to look into the capacity to deliver, this is the ability of public servants to undertake their assigned responsibilities. It is further explained that the public officials empowered with the necessary level of skill, knowledge, experience and commitment to serve perform to the best of their ability (Department of Public Service and Administration, 2008: 5).

1.3. RESEARCH PROBLEM STATEMENT

One more challenge is to improve the implementation of the performance management system at SASSA - Nelson Mandela Metro District to enhance individual performance, thereby contributing to the achievement of organisational goals.

Reports reflect that the public service is required to perform on a tight fiscal position. It is therefore important that performance management systems are effectively implemented to avoid the cost implications of underperformance (Department of Public Service and Administration, 2007: 10). In support of the statement, Minaar (2006: 177) states that the aim of performance monitoring is to detect deviations so that they can be treated before they have a devastating impact.

A study undertaken by University of Stellenbosch Business School on how the system of performance management and rewards is implemented in nine leading organisations in South Africa, revealed that despite the enthusiasm there were major problems that existed that hindered the effective implementation of performance management systems (Swanepoel, Botha and Mangonyane, 2014:11). A further study undertaken revealed that some organisations do not have formal performance review systems (Grobler, Warnich, Carrell, Elbert and Hatfield, 2011: 24).
The new public culture places the client at the centre of service delivery. There is also a strong need to demonstrate that public resources are spent in accordance with the legal mandate and that high quality services are delivered to clients and communities (Van der Waldt, 2006: 128). The statements above emphasises the importance of effective performance management at the lowest level of the value chain in the public service to ensure effective and efficient use of public resources.

The study sought to identify areas that may contribute to effective implementation of a performance management system at SASSA - Nelson Mandela Metro District. Mweemba and Malan (2009:362) state that performance management has been studied widely in recent years. However, the focus was on development of measurement systems. The study therefore investigated the lowest level of the performance management systems hierarchy, which focus on the implementation between supervisor and supervisee.

1.3.1. Main research problem

The main question of the study is as follows:

**What factors need to be improved to contribute to the effective implementation of a performance management system at SASSA - Nelson Mandela Metro District?**

1.3.2. Sub-problems

The studies conducted by other researchers reflect that there is a close link between performance of the public service employees and the quality of service delivery to communities. Reports also reflect that there are many variables that can be linked to performance management.
A study conducted by Cameron (2009:933), states that the lack of training and skills within the public service contribute to the challenges in performance management, which makes the achievement of the state goals unrealistic.

Sebashe and Mtapuri (2011:1335) state that lack of training is the lack of feedback to employees and the inadequate reward systems are the barriers to the effective implementation of performance management development systems in the public service.

It was reflected that another element of the problem is the inappropriate dimensions used to evaluate performance of the probationers, as they are scored low during their assessment (Baloyi and Crafford, 2006:15).

Sebashe and Mtapuri (2011: 1331) recommend that future studies can be conducted in investigating other barriers to implementation of performance management systems in organisations.

In analysing the main problem and literature review that is reflected above the following sub problems emerged:

- **Sub-problem 1**: What is the impact of a performance management system in the achievement of the strategic goals?

- **Sub-problem 2**: What other factors need to be strengthened in improving the implementation of a performance management system at SASSA?

- **Sub-problem 3**: What best practices from the literature can be used to aid the implementation of the performance management development system?

1.4. **RESEARCH OBJECTIVES**

1.4.1. **Primary objective**

Marr (2009: 189) states that performance management initiatives are implemented with an emphasis on increased efficiency and effectiveness of service delivery and improved
accountability to the public. The primary objective of the study is to improve the implementation of the performance management development system at SASSA - Nelson Mandela Metro District.

In addition to the primary objective the following objectives of the research study were identified:

- To provide literature review on performance management development systems
- To analyse the impact of management competency in managing performance.
- To analyse the role of communication in managing performance development system.
- To make recommendations based on the results of the study.

1.4.2. Secondary research objectives

The primary objectives of the study will be achieved through investigating the influence of the four independent variables: Leadership, Policy Awareness, Communication and Rewards and Recognition. It is envisaged that if results show a positive relationship between the independent variables and the problem statement, their improvement will thus result in the achievement of the research objective and the level of services rendered to the Agency’s clients.

The current study investigated and answered questions that were related to secondary objectives:

- What impact does the level of management competency have in managing performance?
- What is the level of employee awareness to the performance management policy?
- What is the role of communication in managing performance?
- Do rewards and recognition have an impact on implementing the performance management system?
1.4.3. Research assumptions

The following assumptions were applied to the study:

A performance management system at SASSA - Nelson Mandela Metro District has an impact on the level of services rendered to the public. In order to achieve high organisational performance, performance at individual level is essential.

Employees' reaction to performance management development systems depends on many independent variables that need to be addressed to achieve the desired performance results.

Management practices determine the application of the performance management development system and the performance results.

1.5. SIGNIFICANCE OF THE RESEARCH

The ineffectiveness and inefficiency of the implementation of a performance management development system is among the main causes of poor performance and low staff morale at SASSA Eastern Cape Region, Nelson Mandela Metro District.

It is likely that implementation of the strategies that will be recommended based on literature and empirical results would yield the following results.

- The attitude of employees to the system will change from negative to positive.
- Employees will become enthusiastic in managing their performance and development.
- The objectives of the system will be realised.
- Rewards will be awarded to deserving performing employees.
- Non-performance will be adequately addressed.
• The quality of services delivered to communities will improve thus achieving the Agency’s strategic objectives and minimising the level of negative publicity from the media.
• The principle of fairness will prevail in performance reviews and assessments.

1.6. DELIMITATIONS OF THE RESEARCH

The purpose of delimiting the study was to make it more focused and manageable from a research perspective, and does not imply that other aspects should not be pursued by other researchers.

The empirical study was conducted and limited to one hundred (100) permanent staff at salary level 5 – 12 in SASSA Eastern Cape Region, Nelson Mandela Metro District.

1.7. RESEARCH METHODOLOGY/ DESIGN

In resolving the research problem the researcher conducted a literature review on performance management concepts and research results conclusions made by other researchers on the concept. An empirical study was conducted through surveys targeting all officials from salary levels 5 to 12.

1.7.1. Research design

The study followed a quantitative approach and the positivism research paradigm in conducting the study was applied. The motivation for choosing the positivism research paradigm was based on the following rationale:

• The researcher intended to reflect an objective approach in the process of collecting and analysing data.
• The researcher was able to generalise concepts more widely in quantitative than qualitative research and will also be in a position to predict future results or investigate causal relationship between the variables (Sibanda, 2009:2).

1.7.2. The sample

The target population for the study was the SASSA employees in Eastern Cape Region, Nelson Mandela Metro District. The sample unit of analysis was a SASSA employee. The researcher made use of the probability sampling technique where employees of the target population at different levels had an equal chance of participating in the research.

The sample methodology was stratified random sampling. The chosen sample was grouped into three levels: middle management, junior management, and lower level employees.

Sample size: The intended sample comprised of one hundred (100) members chosen from seven (7) offices.

The sample frame was categorized as follows: Five (5) middle managers (salary level 9-12); fifteen (15) junior managers (salary level 7-8); and eighty (80) lower level employees (salary level 5).

1.7.3. The measuring instruments

Data collection process: Analytical survey methodology with structured questions was the tool used to collect data.

Scaling method: The Likert scaling method with a scale of 1-5 was used in constructing the questionnaire. The meaning of the scale was defined as follows, 1 = strongly disagree, 2 = disagree, 3 = not sure, 4 = agree and 5 = strongly agree with the questionnaire statements. The scaling method also included nominal scaling to test some of the variables.
1.8. OUTLINE OF THE STUDY

The study consists of six chapters with the first chapter paving the way and giving background to the study.

Chapter Two: Focuses on providing an overview of existing theories on the subject matter through literature review.

Chapter Three: In this chapter the research problem is defined, literature review on hypothesised chosen independent variables and the relationship between the dependent variable and the independent variables is tested.

Chapter Four: The research explains the process of the research methodology followed for this quantitative research study. Further details on the sampling, the empirical data collection and analysis methods and the ethical consideration are explained.

Chapter Five: The statistical research findings are presented. The data collection themes are compared with the literature review conducted in both Chapter Two and Chapter Three.

Chapter Six: The research findings, including the value of the research study and limitations that were encountered, are discussed; conclusions are drawn and recommendations made for further research on performance management systems within the public service context.
CHAPTER 2

LITERATURE REVIEW ON PERFORMANCE MANAGEMENT SYSTEM

2.1. INTRODUCTION

This Chapter describes the view of other authors with regard to the research topic. The Chapter is presented in six sections with the first section focusing on defining the concept performance management system. The second section explains the importance of a performance management system. The next sections; three and four, outline the benefits and challenges of a performance management system. Section five of the chapter discusses the processes involved within a performance management system. The last section of the Chapter gives a summary of the Chapter and a brief introduction of Chapter Three.

2.2. DEFINING PERFORMANCE MANAGEMENT SYSTEM

According to Van Dooren, Bouckaert and Halligan (2010: 2) a performance management system is defined as being associated with a range of actions from simple acts to complex acts. They further state that a performance management system is important in the organization, as it gives more intent in its application. The Table below gives four perspectives on how the view of performance can be better understood.
The concept of a performance management system has generally been a problem in the public service sector. This has been evident by the increasing number of community protests complaining about the level of service they receive from government entities. The challenge starts with the failure to manage performance at an individual level. The section will discuss definitions that other authors have assigned in explaining the concept. Jayam (2012: 1) describes a performance management system as an essential concept, which is about measuring, monitoring and enhancing the performance of staff. This means that performance management is used as a management tool in a pursuit to achieve the overall organisational goals. According to Verhulp, (2006: 22) a performance management system is a process for measuring outputs in the shape of actual performance against the expected objectives. The objective of a performance management system is to optimise every employee’s output in terms of quality and quantity, thereby increasing the department’s overall performance (Office of the Premier, 2010: 54).

The Department of Public Service and Administration (2007: 7) describes a performance management system as a process that is aimed at planning, managing and improving employee performance.
Bagraim, et al. (2011: 117) define a performance management system as a process consisting of interlocking elements of planning, goal setting, monitoring and assessing performance designed to achieve high performance.

The definitions discussed above seem to have a common element or meaning. Bagraim, et al. (2011: 117) further describes a definition from a different perspective as an ongoing communications process undertaken in partnership between an employee and his or her immediate supervisor.

The overall aim of a performance management system is to establish a high performance culture in which individuals and teams take responsibility for the continuous improvement of business processes and for their own skills. Its key purpose is to focus on people doing the right things by achieving goal clarity.

It is further described as a system implemented to enhance the development of individuals with competence and commitment, working towards the achievement of shared meaningful objectives within an organisation and which supports and encourages their achievement.

The following definitions have also been assigned to the concept:

- Performance management is a continuous and flexible process that involves managers and those whom they manage acting as partners within a framework that sets out how they can best work together to achieve the required results (Armstrong, 2009: 62).
- Performance management involves measuring not only whether jobs are done but how they are done (Armstrong and Baron, 2005: 36).
2.2.1. Evolution of the performance management system

Prior to 1994, poor performance management system influenced service delivery in the public sector domain. This is supported by various scientific researchers such as Wilson (2011 cited in Kwame, 2012: 52). The author further articulates that this resulted in the post-1994 government to develop and implement a performance management system that will seek to improve service delivery.

Minaar (2006: 177) states that the performance management system in South Africa, particularly in the public sector, has been comprehensive ever since the Presidential Review Commission’s Report was published by Department of Public Service and Administration.

The Department of Public Service and Administration has been extensively involved in formulating policies for implementation of a performance management system in the public service. The framework was titled Performance Management and Development System (PMDS), which is applicable to employees at level 1 to 12 (Van Dijk and Thornhill, 2003: 464). The concept is sometimes called a performance management system and is defined as a process of engaging a government entity with its consumers and end-users of its services (Malefane, 2010: 1).

The South African Social Security Agency in 2008 introduced a performance management system policy which sought to regulate the management of individual performance of employees and align it to the Agency’s overall objectives (South African Social Security Agency, 2008: 7).
2.2.2. The importance of a performance management system

The importance of a performance management system is defined as a control mechanism to save money and hold bureaucrats accountable, consistent with negative agency theory assumptions of bureaucrats (Moynihan, Pandey and Wright, 2012: 463).

It is mentioned that the purpose of the implementation of a revised performance management system was to provide guidelines for effective and efficient implementation of performance management between supervisees and supervisors (Department of Public Service and Administration, 2007: 11).

Armstrong and Baron (2005: 14) assert that organisations with effective performance management are in a position to establish a high performance culture in which individuals and teams take responsibility for continuous improvement of their performance. In addition to this it is believed that employees that understand their role in the organisation always strive for best performance results.

Armstrong (2006 cited in Miah and Hossan, 2012: 16) believes that if something cannot be measured it cannot be managed. This affirms the importance of implementing a system to enable measurement of performance progress towards achieving organisational goals.

The importance of a performance management system at the South African Social Security Agency is described as a management tool used to harness individual performance and team performance towards realisation of the strategic objectives in order to provide a world class security service (South African Social Security Agency, 2008: 5).

Tshukudu (2006: 16) describes the importance and purpose of a performance management system as a tool used, which is concerned about meeting the needs and expectations of shareholders, management, employees, customers, and the public in
general. This description emphasises all stakeholders who have a vested interest in an organisation.

2.3. **BENEFITS OF A PERFORMANCE MANAGEMENT SYSTEM**

Van Dijk and Thornhill (2003: 466) states that a performance management system ensures that employees’ performance is properly supervised and that they are properly placed in work areas that enable them to deliver their best. The writers further reflect that a performance system, if effectively implemented, enable an organisation to implement the best human resource practices to the advantage of the organisation and towards employee career development.

Solomons (2006: 25) asserts that an effective performance management system ensures a team of high performers who focus their attention on achieving the set goals and objectives. Vezile (2010: 45) affirms the advantage reflected above as she adds that a performance management system makes clear to employees what is expected of them and assures line managers and strategic planners that employee behaviour will be in line with the organisation’s goals.

2.4. **CHALLENGES OF A PERFORMANCE MANAGEMENT SYSTEM**

Many organisations are struggling with the implementation of effective performance management systems (Arumugam, 2001: 24). The writer further asserts that the reasons for failure are a consequence of human factors in managing performance.

Sloman (1997 cited in Schultz, 2004: 475) explains that for a performance management system to be effective certain conditions have to be met. The key conditions that he highlights are as follows:

Employees should be aware of the organisational vision and strategic priorities,
Individual targets should be aligned to the broader organisational objectives, and
Performance reviews, which are ongoing communication between employee and a supervisor, should be conducted.

Armstrong (2009: 2) asserts that one of the critiques of the performance management system is that it causes a general dissatisfaction among employees, as the rating system is not implemented consistently and fairly. The failure to the success factors in performance management would cause limitations in an effective performance management process.

The Chief Executive Office has identified in the Agency’s strategic priorities a need to create a conducive working environment which allows employees to perform at their optimal level (South African Social Security Agency, 2012: 6). This indicates that the state of a work environment contributes to either effective or ineffective performance management.

Research conducted by Wilkinson, Fouries, Strydom, Van der Westhuizen and Van Tonder (2004: 218) reveals that successful performance management models in institutions are achieved, because strategic goals are cascaded down to the level of the individual employee and manifest in workload agreements with staff. This reflects that failure of the system to cascade down, the strategic objectives will exacerbate the unfair and equal implementation of the system (Burney, Henle and Widener (2009 cited in Ngcamu, 2013: 316).
2.5. OVERVIEW AND PROCESSES OF PERFORMANCE MANAGEMENT

The performance management process is defined as an ongoing interactive process between an employee and his/her supervisor, focusing on the employee's performance (South African Social Security Agency, 2008: 5). Fox (2006 cited in Verhulp, 2006: 28) states that performance depends on motivation and individuals' ability and willingness to execute their responsibilities, have the knowledge and skills to perform them and be provided with feedback on their performance.

This definition paves the way to the discussion on the elements of the performance management process. A general process is said to entail four basic phases involved in performance management, which links individual goals and performance expectations to the organisational goals. It is important for an organisation striving for performance effectiveness and efficiency to strengthen the linkage and alignment of the four phases.

Figure 2.1 gives a graphic framework of a performance management process in an organisation with specific reference to the South African Social Security Agency. The focus of the study as mentioned in Chapter on is on Phase 4 of the process.
2.5.1. Objectives of a performance management process

The main objective of a performance management process is to align individual performance with the organisational performance. According to Selden and Sowa (2011: 252) the process should inform employees about the organisational goals, priorities and expectations and how they are contributing to them.

Smither and London (2009: 7) classify the purpose and objective of a performance management system process into serving six important roles:

- **Strategic**: focuses on linking organisational goals to individual goals.
- **Administrative**: serves as a source of useful information for making decisions in respect of human resource management practices, which include promotions, employee retentions and termination.
• **Developmental**: encourages feedback between employees and supervisors in improving performance.

• **Communication**: allows employees to be informed of their performance with specific reference to their strengths and developmental areas.

• **Organisational maintenance**: allows an organisation to have information required in evaluating human resources interventions and in planning for the future.

• **Documentation**: enables availability of information that can be used in administrative decision-making.

Miah and Hossan (2012: 14) explain that one of the key objectives of a performance management system is to promote high performance in order to achieve the organisation’s goals.

The other objectives of a performance management system highlighted by various writers are listed below:

• To achieve the performance objectives of an organisation.

• To raise the work performance of individuals to a higher level and to develop the capacity and ability to sustain performance.

• To hold individual accountable and responsible for their performance and development.

• To encourage an open communication environment between employees and supervisors.

• To address underperformance and reward good performance, and

• To establish a framework for career path development.
2.5.2. Performance management cycle

Performance management cycle is defined as a continuous process within a period of twelve (12) months which has four (4) key elements. The period of the cycle is linked to an organisational business planning cycle (South African Social Security Agency, 2008: 8). The cycle of the organisation under review, the South African Social Security Agency commences on 1 April and ends on 31 March of the next year. Boxall, Purcell and Wright (2007: 365) describe the cycle as having four (4) elements as reflected in Figure 2.2 below. The elements will be discussed in detail under sub-section 2.5.2.1 to 2.5.2.4.
Figure 2.2: The Performance Management Cycle (University of Antario Institute of Technology, n.d.).
2.5.2.1. Performance Planning

Performance planning is defined as a process that involves setting of measurable performance accountabilities. It emphasizes linking individual and departmental goals to the goals and objectives of the agency. Miah and Hossan (2012: 20) outline performance planning conducted at the beginning of a performance management cycle, where a supervisor together with an employee set targets to be achieved by the employee during the performance management cycle. Van Dyk, et al. (2001: 19) adds that individual goals need to be aligned to organisational strategic goals in order for the organisation to become successful.

According to the State of Oklahoma (2008: 6), the performance planning stage involves employees and supervisors working together to create a development plan that focuses on the needs and desires of employees as well as the department’s requirements.

Department of Public Service and Administration (2007: 11) outlines that during the goal setting session an employee and a supervisor enter into a performance agreement which is a document consisting of the components explained below:

- **Key results areas** (KRA’s): key areas of an employee’s performance broken into outputs and activities.
- **Generic Assessment Factors** (GAF’s): Elements used to describe and assess performance, taking into consideration individuals competencies and knowledge that enable him/her executing his/her performance expectations (South African Social Security Agency, 2008: 6).
- **Personal Development Plan** (PDP): This section focuses on employees’ developmental areas that may prevent employees from achieving and delivering what is expected of them.

Figure 2.2 reflects that the performance planning stage involves setting of individual goals, which is a cornerstone of an individual’s performance. Schultz and Bagraim
(2003: 77) recommend that a staff member should not have more than seven goals, as this could lead to unfocused performance.

2.5.2.2. **Performance Monitoring**

Performance monitoring involves the execution and implementation of agreed objectives and goals during the performance planning stage (South African Social Security Agency, 2008: 12). This stage is described as an ongoing process conducted between the employee and the supervisor, where the supervisor provides the necessary resources to enable the employees' performance to be of the expected standard (Bagaim, et al., 2011: 125). The writers further recommend that the best tool in managing performance is managing by wandering around approach, which involves a supervisor walking around from employee to employee to check their performance progress. The stage is also characterised by key elements, which include: training, coaching and mentoring, feedback sessions, support initiatives, and corrective measures where poor performance exists.

Liff (2011: 137) indicates that one of the expectations from managers is to constantly communicate with employees to get their perspectives on work processes.

In his study Mkovane (2005: 33) illustrates other ways that management may use in monitoring performance:

- One-on-one interviews to assess how they are finding the experience of performance management and identifying areas where they need support.
- Conduct employee attitude surveys and/or focus discussion groups, and
- Establish a task team to monitor the performance management process.
2.5.2.3. **Performance Evaluation**

The performance evaluation stage is when a supervisor conducts a formal meeting with an employee to evaluate performance. The process in many organisations takes place four times a year, but it depends on the organisational structure and can be defined as an event that takes place at intervals (Viedge, Schultz, Potgieter and Werner, 2003: 8).

The aim of the process is to identify strengths and weaknesses of an employee and on developing programme actions on improving the employee’s performance (South African Social Security Agency, 2008: 12). Performance evaluation also ensures that employees are rewarded for their performance (Tshukudu, 2006:46).

Enache (2013: 79) states that it is important that the performance evaluation meeting considers the agreed performance standards, how objectives are achieved and the behaviour of the employee. He further states that there must be a link between the goals of the process and the organisation’s business strategy. The process should also create a balance between the evaluation and employee development programmes implemented to improve performance.

Table 2.1 below reflects a scale rating method used by organisations in the public sector. The rating is on a scale of 1 - 6 with 1 - reflecting poor performance, 2 - being performance that need substantial improvement, 3 - reflecting an average performance that meets the expectations, performance that is slightly above the expectations is regarded as commendable and given a rating of a 4, 5 - represent highly commendable performance and 6 - reflects the highest level of exceptional performance (South African Social Security Agency, 2008: 14).
### Performance Rewarding Ratings

<table>
<thead>
<tr>
<th>Rating</th>
<th>Category</th>
<th>Percentage attached</th>
<th>Pay progression</th>
<th>Cash bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Poor performance</td>
<td>66% ≥</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>2</td>
<td>Need substantial improvement</td>
<td>67% - 99%</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>Satisfactory</td>
<td>100% - 129%</td>
<td>1 Notch</td>
<td>No</td>
</tr>
<tr>
<td>4</td>
<td>Commendable</td>
<td>130% - 137%</td>
<td>1 Notch</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>138% - 145%</td>
<td>1 Notch</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>146% - 153%</td>
<td>1 Notch</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>154% - 161%</td>
<td>1 Notch</td>
<td>13%</td>
</tr>
<tr>
<td>5</td>
<td>Highly commendable</td>
<td>162% - 169%</td>
<td>2 Notches</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>170% - 177%</td>
<td>2 Notches</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>178% - 185%</td>
<td>2 Notches</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>186% - 193%</td>
<td>2 Notches</td>
<td>17%</td>
</tr>
<tr>
<td>6</td>
<td>Exceptional</td>
<td>194% ≤</td>
<td>3 Notches</td>
<td>18%</td>
</tr>
</tbody>
</table>

Table 2.2: Performance Rewarding Ratings (South African Social Security Agency, 2008: 14-18).

#### 2.5.2.4. Performance Outcomes

The process of performance outcomes is a process where a supervisor informs the employee in writing of the outcome of the performance evaluation. The process is classified into two sections, which include rewarding good performance and taking corrective measures in addressing poor performance.
• **Satisfactory to excellent performance**

Sheffrin (2003 cited in Nyembezi, 2009:28) explains that incentives and incentive systems are crucial in developing capacity and improve performance to achieve the best results. Armstrong (2006:153) adds that performance rewards are important in order to motivate employees in the achievement of the organisation’s goals.

The reward incentives can be either financial or non-financial. Financial incentives are described as monetary gifts while non-financial rewards are viewed as incentives with a longer life span than the financial rewards and as the best tool in motivating and encouraging employee commitment. These non-financial rewards can take one or more form through feedback, creating an environment for career growth opportunities, development of skills by providing training or mentorship programmes and recognising good performance.

Armstrong (2006: 14) further argues that the purpose of performance management systems may be conflicting, as the focus on performance management is used as a decision tool in paying financial rewards. It is reflected that organisations have realised that in order to remain sustainable in business there is a need to link pay incentives to performance for employees to perform at their maximum capacity (Nyembezi, 2009: 28).

• **Poor performance**

The Office of the Premier (2010: 58) outlines that there are two steps that can be implemented in addressing the outcome of poor performance.

1. Provide systematic remedial or developmental support to assist the employee to improve her or his performance.
2. The second step would be to discharge an employee from his duties on the basis of incapacity to deliver performance, which did not improve even after interventions have been taken in addressing the problem.

Figure 2.3 below offers a summary view of the performance management cycle sequence (Armstrong, 2006: 23). He outlines that the activities described in the diagram should be coherent in the sense of contributing to an overall systematic approach in which all aspects of the performance management process are aligned. Armstrong (2006:23) emphasises the need for pronouncement of a plan stating why performance management is important, how it works and how people will be affected by it.

Figure 2.3: Performance Management Sequence (Armstrong, 2006: 23).
2.6 CHAPTER SUMMARY

This Chapter focused on the view of the performance management system concept as described by various authors. The chapter started by defining the performance management system, this was followed by explaining the importance of a performance management system. Benefits and challenges of a performance management system were also outlined. The last section explored the processes involved in a performance management system.

The literature reviewed in the Chapter indicates that effective and efficient performance management is fundamental in achieving organisational goals. It is of vital importance that good leadership and implementation of best human resources practices exist for performance management to be an easy and enjoyable process.

It is further revealed that there are various elements that pose a challenge in the effective implementation of performance management with the key element being human behaviour. The list of these factors is exhaustive; however, the researcher has chosen to focus on four variables: Leadership, Policy Awareness, Communication and Rewards and Recognition. These factors will be discussed in Chapter Three and their relationship with the main research question will to be tested.
CHAPTER 3

THEORITICAL CONCEPTUALISATION FOR THE HYPOTHEISED MODEL

3.1. INTRODUCTION

The focus of this Chapter is to discuss the variables that can be improved by the organisation in promoting effective implementation of a performance management system. The emphasis is on examining the relationship between the dependent and the independent variables.

3.2. CONCEPTUAL FRAMEWORK

In Chapter One it was indicated that studies conducted by other researchers reflect that there are many variables that can be linked to performance management in the public sector, which impacts on the quality of services delivery to communities.

The above statement advocates that implementation of a performance management system cannot be evaluated in isolation. Therefore, the impact of independent variables has to be investigated. In this study, the researcher has chosen four variables on which the investigation of the problem areas is going to focus, as reflected in Figure 3.1 below. It is worth noting that the model is based on the hypothesis of relationship between the chosen variables and the subject matter of the implementation of the performance management system.
Figure 3.1: Hypothesised Conceptual Framework (Collis and Hussey, 2009: 188).
3.2.1. Leadership

The basic approach of a performance management system is to promote the use of best management practices, define roles and performance standards to enable the annual monitoring of performance (Kanyane and Mabelane, 2009: 63). Leadership is defined as a way to stimulate and motivate subordinates to accomplish assigned tasks. It is further described as an important part in behavioural management (Kanyane and Mabelane, 2009: 59). The above definitions confirm that effective leadership is one of the important factors in the implementation of a performance management system; hence the impact of leadership is being tested.

Bagraim, et al. (2011: 353) defines leadership as the social process of influencing people to work voluntarily, enthusiastically and persistently towards a purposeful group of organisational goals. The focal point of the leadership definitions above is the ability of a leader to create an environment of effective performance management with employees delivering on what is expected of them towards attaining organisational goals.

DuBrin (2010: 4) gives a list of other definitions that are attributed to the concept of leadership:

- It involves the ability of imagining prospective environments, crafting an idea and execution of strategies to make an idea a reality.
- It is an interpersonal influence, directed through communication towards goal achievement.
- An act that causes others to act or respond in a shared direction.
- The principal dynamic that motivates and co-ordinates the organisation in the accomplishment of its objectives.
Solomons (2006: 55) has revealed that the competency levels and effective performance monitoring should be a priority in ensuring that organisational objectives are achieved. The definitions presented above all have performance and goal achievement as a common factor. A conclusion can then be made that the concept of leadership is about a leader creating organisational vision and goals, and realising the vision and goals through managing performance of others.

In assessing the best leadership and management practices, three aspects of leadership competencies will be investigated. It is important to assess the impact of the competencies in managing implementation of a performance management system. The competencies are discussed under section 3.2.1.1 to 3.2.1.3 below.

3.2.1.1. Interpersonal traits

Kanyane and Mabelane (2009: 59) consider that one of the key competencies that managers should possess is people skills. This leadership trait focuses on how the leader relates to people. Bratton, Grint and Nelson (2005: 11) describe this trait as a behaviour that comprises of a leader showing respect for and support of followers.

3.2.1.2. Strategy formulation

The principles of performance management entail that institutional resources are linked to the strategies and performance targets that resulted from the preceding strategic management intervention (Minaar, 2006: 189). In support of the statement by Minaar, authors such as Bruce, Hampel and Lamont (2011) state that leaders have a responsibility to ensure that the organisational vision is incorporated in their teams’ daily operational activities to ensure organisational success.

The trait further reveals the ability of a leader not only to create smart visions and goals, but the ability to create an environment where employees buy into this vision and these
goals. Understanding and executing the strategies towards achieving organisational goals is vital.

A study conducted by the Department of Public Service and Administration reflects that there is a lack of uniformity in strategies and plans, and that training expenditures are not properly monitored. It further reveals that if issues highlighted on the above statement are not corrected they would result in employees not knowing why things are done and the way they are done and what results would be achieved. Therefore, the concept of strategy formulation is tested in the implementation of a performance management system.

It is further highlighted that people become motivated when leadership creates a clear vision and goals and mobilise all the energy towards ensuring that they commit to the achievement of the goals (Hayes, 2010: 45).

According to Van Dijk and Thornhill (2003: 463), it is imperative that leadership set, define and communicate organisational strategies to all affected employees. Managers in the public service need to align the potential of their employees with organisational strategies and policies.

3.2.1.3. Informational competency

Informational competency is defined as a set of abilities requiring individuals and leaders to identify what information is needed, the timing when it is needed, the ability to find it, evaluate and effectively utilise it (Schreiner, 2010: 1). The competency is further described as the skills that are necessary to glean the acquired information. Donald, Sanjay and Bradley (2012: 464), state that dissemination of information is a mandatory part of performance management systems.
3.2.2 Policy Awareness

The Performance Management System Policy developed by the DPSA set guidelines for all public service entities to align their departmental policies to the generic policy. The policy gives guidance on how performance should be managed and defines the roles of all stakeholders involved. SASSA has put in place its performance management and development policy, which was approved in 2007. The policy is aligned to the DPSA's generic policy.

A policy is defined as a set of rules laid together for efficient operations, which provide an organisation with a unique competitive advantage towards achieving the organisational goals. Leadership and management have been entrusted with a responsibility of ensuring that the policies are cascaded down and that all employees understand the policies (Polivec, 2007: 5).

An observation through verbal interaction with employees is that they are not conversant of the performance policies or there is a gap in interpreting the policy between management and employees at lower levels. Another outcome of the interaction is that some are aware of the policy but that it has not been implemented correctly.

Polivec (2007: 5) has also revealed that environments where policy awareness has been created the results are reflected by high performance. The primary benefit is the compliance with the regulations and the contribution to a positive audit opinion.

3.2.3. Communication

(Kanyane and Mabelane, 2009: 65) define communication as a means to impart knowledge and exchange thoughts, ideas and feelings through gestures, verbal and writing methods.
Performance management is an ongoing interactive process between an employee and his/her manager about the employee’s performance (Office of the Premier, 2010). The above definition advocates the importance of communication in the implementation of a performance management system. Like the two variables discussed under section 3.2.1 and 3.2.2 above ineffective communication may hinder the objective of a performance management system.

For the purpose of the study the focus will be on the level of the employee involvement in the performance management process and the conversation between the manager and the employee. Bagraim, et al. (2011: 187) describes the process of communication as steps between the source of information and the receiver that result in the transmission and understanding of the intended message. Emphasis is also made that the heart of a performance management system is the performance conversation between supervisor and supervisee (Bagraim, et al., 2011: 187).

The involvement of employees in the three stages discussed below will also be considered:

- **Performance planning and target setting**: This is the most crucial stage in the implementation of the performance management system. A manager uses this stage to ensure that the employee understands the vision and goals of the organisation. The manager has further responsibility of making sure that the employee is able to align his/her responsibilities with the larger picture.

- **The evaluation criteria**: During this stage a supervisor gives feedback to employees on their performance progress. It is also during this stage that both parties discuss strategies on how performance can be improved.

- **The appraisal process**: As discussed under the performance cycle this is a stage after evaluation where an employee’s performance results are measured. It is important at this stage that both the supervisor and a supervisee show
willingness to complete a constructive and objective appraisal through open communication.

It was mentioned that one of the important personality traits of a leader is the ability to communicate effectively and show respect to others. It is therefore also important that during communication, management becomes good listeners to enable them to respond objectively to issues raised by employees. This is vital to ensure that emotions, which may lead to affecting the effective implementing of the system, should be ignored.

As much as there are various models of communication channels the study focuses on interpersonal communication.

3.2.4. Rewards and Recognition

In a performance management model, rewards are defined as consequences for good performance (Bagraim, et al., 2011: 127). It is further revealed that if managers want to keep their employees motivated and maintain the maximum level of performance they need to ensure that there are positive rewards in place.

The literature review reflects that various writers consider that there are various options of showing recognition and rewarding good performance that are available to management. A few examples of these options are as follows, which are applicable to the public service and SASSA: thanking the employee for his/her good performance, offer salary increment, prizes, cash bonus, and non-financial rewards.

Armstrong (1994 cited in Bagraim, et al., 2011: 135) points out four factors that should be considered in order for the reward system to work:

- The importance of alignment between performance, contribution and reward,
- Consistency in measuring tools and contribution,
- Alignment between reward value and employees’ expectation, and
• Value for money for the organisation, which emphasises that the organisational benefits should exceed the cost of implementing the reward system.

3.3. HYPOTHESIS TESTING

Wegner (2012: 188) defines hypothesis testing as an inferential statistics approach that is used to test whether the claim made about a true value of a parameter is valid based on sample evidence. In simple terms, the definitions test if there is a relationship between the dependent and independent variables.

The discussions under section 3.2 above were meant to pave the way for the testing of the relationship between a performance management system, the dependent variable and Leadership, Policy Awareness, Communication and Rewards and Recognition, the independent variables. The testing uses a hypothesis approach with a null hypothesis (H₀), assuming that there is a relationship between the variables and an alternative hypothesis (H₁), which states that the variables are independent of each other.

**Hypothesis 1: Leadership**

H₀: There is a positive relationship between a performance management system and leadership.
H₁: There is no positive relationship between a performance management system and leadership.

**Hypothesis 2: Policy awareness**

H₀: There is a positive relationship between performance management system and policy awareness.
H₁: There is no positive relationship between performance management system and policy awareness.

**Hypothesis 3: Communication**
H₀: There is a positive relationship between a performance management system and communication.
H₁: There is no positive relationship between a performance management system and communication.

**Hypothesis 4: Rewards and Recognition**

H₀: There is a positive relationship between a performance management system and rewards and recognition.
H₁: There is no positive relationship between a performance management system and rewards and recognition.

### 3.4. CHAPTER SUMMARY

The researcher has conducted a literature review of the four variables that are going to be tested with the implementation of a performance management system. The literature review has revealed that the chosen variables have an integral role in the implementation of the performance management system. In the next chapter the researcher discusses the research approach and methodology to be followed in conducting the study.
CHAPTER 4

RESEARCH APPROACH AND METHODOLOGY

4.1. INTRODUCTION

This Chapter describes the research approach and methods employed in this research study. The first section describes the problem statement. The second section describes the research aim of the study. The third section clarifies the relationship between the researcher, the agency where the research was conducted and the participants. The next section details the research methods used in this research study: the design, participants and sampling, data collection methods and data analysis measuring tools. The next section addresses the issues of trustworthiness in the quantitative research data and the statistical methods employed to enhance the trustworthiness of the study. The research also explains how the issues of ethical consideration were managed.

4.2. PROBLEM STATEMENT

The new public culture places the client at the centre of service delivery. Van der Waldt (2006: 128) adds that there is a strong need to demonstrate that public resources are spent in accordance with the legal mandate and that high quality services are rendered to clients and communities. The effective performance of public officials and the capacity of departments to deliver services are critical in all aspects of Government’s agenda for transformation and development. The statements above emphasises the importance of effective performance management systems at the lowest level of the value chain in the public service, and the importance of taking immediate corrective measures in addressing challenges before they have a drastic adverse impact.

The literature review gives an indication that the mitigating factors to the current challenges that exist in managing performance systems in the public service have not been fully exploited in studies conducted, hence the need for this study. Below is a snap
shot of challenges that exist with the current implementation of a performance management system.

It is sound to say that the risks involved, if the problem is not addressed, would relate and range from:

- The objectives of the system are not being realised.
- Employees’ performance level becomes idle for some time as the development areas may not be addressed effectively, and this hinders the employee’s development opportunities.
- The high turnover rate of knowledgeable and talented employees will prevail. These employees will leave the public sector for the private sector or seek employment opportunities in other countries.
- Employees are demotivated, and reflect a negative attitude when it comes to assessment reviews.
- Non-performing employees will be rewarded with incentives for good performance, and
- The poor performance will contribute to the high rate of protests as a result of lack or poor service delivery.

The challenge, therefore, was to direct an intervention that would mitigate the harmful effects of this particular working environment on the workers by promoting their performance management system. As a first step towards this goal, the implementation of this system, and what influenced it, needed to be established. This was what this research study proposed to do. Solomons (2006: 25) states that this will ensure high levels of job satisfaction for employees as they will know what is expected of them, which will ultimately result in better and more effective and efficient goods and service delivery.
4.3. RESEARCH AIM

This study is worth considering, because there is a growing trend in the demand for implementing a performance management system in the public sector. The researcher hopes to investigate this in order to improve and gain insight on the implementation of a performance management system, particularly in the Eastern Cape Region, Nelson Mandela Metro District at SASSA. The aim of the study was to explore and explain the factors impacting on the improvement of a performance management system at the respective site, and the capacity in the workplace specifically, focusing on the factors that affected their performance.

4.4. RELATIONSHIP BETWEEN RESEARCHER, ORGANISATION AND PARTICIPANTS

As the researcher is currently employed by the South African Social Security Agency (SASSA), her role there and her relationship with the participants in the study need to be clarified. The researcher has been employed by SASSA at Nelson Mandela Metro District Office from April 2008 as an Assistant Manager in the Finance Section. During this period her position has been to oversee all the administrative support service functions in the following units: Finance, Supply Chain Management, Facilities Management, Transport Management, and Auxiliary Services. The researcher therefore knows the staff members at the NMM district as her colleagues. This was one of the reasons why the researcher elected to carry out a more in-depth investigation involving the 100 staff members. The researcher assumed that the pre-existing relationship was invaluable since the participants would probably feel at ease and would be more likely to be open and more willing to discuss their perceptions on the implementation of a performance management system within the organisation.
4.5. RESEARCH METHODS AND DESIGNS

The literature review reflects that there are two main research paradigms that are used in developing a research design. According to Mittwede (2012: 23), research paradigms reflect how research is to be conceived and how the results thereof are to be perceived against the reality. Mittwede (2012: 23) further adds that the paradigms also translate what human beings know and the extent to which they can be sure of their knowledge. The researcher will discuss the two research methods and the combination thereof under section 4.5.1 to 4.5.3. The purpose is to illustrate and give a clear understanding of the differences on the application of the methods. The characteristics of the two research paradigms, based on the five key assumptions that differentiate the two paradigms, will also be explained. Table 4.1 below gives a summary of characteristics of the five assumptions which are used to differentiate the two paradigms.

<table>
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<tr>
<th>Methodological assumptions</th>
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<td><strong>Assumption</strong></td>
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<td>Ontological assumption</td>
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<td>Epistemological assumption</td>
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<td>Axiological assumption</td>
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<tr>
<td>Rhetorical assumption</td>
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<td>Methodological assumption</td>
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Table 4.1: Methodological assumptions (Morgan and Smircich (1980 cited in Collis and Hussey, 2009: 61)).

For the purpose of this study, a quantitative research approach was employed
4.5.1. Quantitative research

The literature review reflects that the quantitative research method applies the principles of a positivism paradigm, which originates from a positive philosophy of natural science based on an assumption that social realism is not affected by the results of the act of investigating it. Craig (1998, cited in Kim, 2003: 11) defines the positivism paradigm as a concept that emphasises the kinds of things that exist and what they are like and are independent of the researcher and the way in which researchers discover them.

In quantitative research, an investigator relies on numerical data to test the relationship between variables (Migiro and Magangi, 2011: 3757). The quantitative researcher tests the theories about reality, looks for cause and effect, and uses quantitative measures to gather data to test the hypotheses or questions. A descriptive study establishes only associations between variables, while an experiment establishes probable causality (Maree, 2007: 56). Quantitative research has a tendency to clarify where clarification is not appropriate, and involves an analysis of numerical data. Quantitative data is more efficient and able to test hypotheses.

4.5.1.1. Quantitative Methodological Assumptions

- **Ontological assumption**: The first assumption made under the paradigm is that positivists believe that what can be observed, known and measured in the world is a single objective reality (Henri-Paul, 2010: 2).

- **Epistemological assumption**: It is believed that positivists base their views on an assumption that what can be observed and measured can be considered as knowledge.

- **Axiological assumption**: Positivistic researchers stand apart from their research subjects and view them as independent phenomena.

- **Rhetorical assumption**: A formal writing style is necessity in a positivistic approach using a submissive tone of voice (Collis and Hussey, 2009: 60).
• **Methodological assumption:** The process of a positivism paradigm approach is deductive in nature with the focal point of explaining theories to realize societal phenomena. The positivism research paradigm is mostly aligned with the quantitative research design. Therefore, researchers conducting a positivism approach are concerned about the measurability of variables being investigated.

**4.5.2. Qualitative research**

In 1920, a new research paradigm was developed to respond to the criticisms that were raised with the positivism paradigm. Dash (2005) describes the paradigm as that which emphasises that social reality is viewed and interpreted by the individual according to his or her beliefs and principles. The paradigm is also described as anti-positivism or constructivism or interpretivism paradigm as it emphasises the ability of the researcher to construct meaning from the data collected during the research process (Mack, 2010).

Qualitative research is an inquiry process of understanding where the researcher develops a complex, holistic picture, analyses words, reports detailed views of informants, and conducts the study in a natural setting (Creswell, 2003: 152). In qualitative research, a researcher often approaches reality from a constructivist position, which allows for multiple meanings of individual experiences (Denzin and Lincoln, 2005: 27).

Struwig and Stead (2001: 93) view descriptive research as an attempt to provide a broad and correct description of a situation. Qualitative methodology, therefore, seems irrelevant for exploring the effect of a performance management system and work performance at the Nelson Mandela Metro District.
4.5.2.1. **Qualitative Methodological Assumptions**

- **Ontological assumption**: Interpretivists, unlike the positivists, are largely discretionary in their research. Interpretivists believe that there can be a variety of answers to research questions than believing on the notion that there is only one reality (Henri-Pal, 2010: 2).

- **Epistemological assumption**: In conducting the research interpretivists research can become involved in various examination processes.

- **Axiological assumption**: Interpretivist researchers acknowledge that the research is biased as a result of their involvement in the investigation process.

- **Rhetorical assumption**: Interpretivist researchers have the liberty of applying various informal writing styles and other forms of communication, such as personal voices through recording the interviews conducted.

- **Methodological assumption**: The method of conducting research using a phenomenological research paradigm is inductive. It is described as time consuming and the cost implications can be enormous due to the fact that the researcher has to observe, describe and understand the complex research problem to be addressed (Kim, 2003: 13).

4.5.3. **Explanatory mixed method**

The explanatory design is the most straightforward mixed methods design. The purpose of this design is to use the qualitative findings to help clarify the quantitative results. The rationale is that the quantitative results provide a general picture of the research problem while the qualitative results refine, explain or extend the general picture (Creswell, 2003: 151).
Creswell (2003: 151) further explains that a mixed method approach is commonly defined as a research method that combines elements of both qualitative and quantitative approaches, for in-depth understanding and verification. The mixed method approach is inclusive, pluralistic and complementary, and also encourages an assortment of approaches to the selection of methods of research (Johnson and Onwuegbuzie, 2004).

There are four main reasons for combining quantitative and qualitative methods within a study (Creswell, 2003: 151):

- Explain or elaborate on quantitative results with subsequent qualitative data.
- Use qualitative data to develop a new measurement instrument or theory that is subsequently tested.
- Compare quantitative and qualitative data sets to produce well validated conclusions.
- Enhance a study with a supplemental set, either quantitative or qualitative.

4.5.4. Participants and sampling

A research population is generally a large collection of individuals or objects that is the main focus of a scientific query, and is also known as a well-defined collection of individuals or objects known to have similar or common, binding characteristics or traits. A sample is simply a subset of the population. The sample must be representative of the population from which it is drawn, and must have a good size to warrant statistical analysis. It is usually impossible to include the entire population in a study; the two main reasons are the cost and time. The sample participants are only taken from SASSA employees at NMM District between salary levels 5 – 12 employees as it is explained in the first chapter. Convenient sampling is used for this research study. Convenient sampling is a form of non - probability sampling that is used in the following scenarios:
• Not much time is available – results are needed urgently,

• Not much money is available,

• The measuring instruments needs,

• Preliminary studies have to be done in the development stage of a survey, and

• The population is difficult to find (Maree, 2007: 54).

4.6. DATA COLLECTION

The researcher used documents as a data gathering technique for secondary data; focus was on all types of written communications that may shed light on the subject being investigated. Secondary data covered library research for relevant literature from all possible sources, including journal articles, books, theses, reports, newspaper articles, the internet, the expert contacts, and any document that may be connected with the investigation.

Primary data was collected through a questionnaire survey distributed to 100 SASSA, NMM District employees. In the next section the technique of survey questionnaires is discussed in detail giving emphasis on its definition and impact on the research study results.

4.6.1. Quantitative techniques: Questionnaire

The researcher conducted a quantitative research based on the grounded theory, and structured surveys were used as a means to collect primary data (see Annexure B). Strauss and Corbin (2007) define grounded theory as a theory that is inductively derived from the study of the phenomenon it represents. That is, it is discovered, developed and provisionally verified through systemic data collection and analysis of data pertaining to that phenomenon. In the structured interview, questions are detailed and developed in
advance. It is frequently used multiple case studies or larger sample groups to ensure consistency, but if they are overly structured they inhibit probing.

The contents of the questionnaire are communicated verbally, permitting instant exploration of an event. The advantages of implementing a questionnaire in this study are that this should provide the researcher with the opportunity to explain the research and participants will not be required to be literate (Strydom and Delport, 2002).

4.6.2. Quantitative research method

The researcher relates the variables to determine the magnitude and frequency of the relationships. Quantitative studies are either descriptive or experimental. A descriptive study establishes only associations between variables, while an experiment establishes probable causality (Maree, 2007: 56). Quantitative research has a tendency to clarify where clarification is not appropriate, and involves an analysis of predetermined response options. Quantitative data is more efficient and able to test hypothesis.

4.7. DATA ANALYSIS

Mayan (2001, cited in Netnou, 2012: 28) provides the following explanation of data analysis: It is the process, mainly, of observing patterns in the data, asking questions of those patterns, constructing conjectures, deliberately collecting data from specifically selected individuals on targeted topics, confirming or refuting those conjectures, then continuing analysis, asking additional questions, seeking more data, furthering the analysis by sorting questions, thinking, constructing and testing conjectures. The collected data was analysed and presented in the form of tables and percentages. The results were used to draw conclusions and formulate recommendations.

4.7.1. Quantitative data analysis method

A quantitative method approach was used in this research to permit a rational analysis. This process for analysing quantitative data collected is referred to as follows (Marr, 2009):
Step 1: Involves a series of analysis to test the integrity of the data. Validity checks of the data were conducted in order to identify:
   I. Inconsistencies in the data within each data collection instrument
   II. Unreasonable entries
   III. Impossible entries

Step 2: Involves conducting descriptive analyses for each question. Descriptive statistics described data in terms of measures of central tendency measures of dispersion.

Step 3: Involves cross tabulation and comparison of information within and between target groups where sufficient sample size existed.

Step 4: Involves testing the reliability of questions measuring the performance management system in the Eastern Cape area.

Step 5: Involves the determination of whether or not a relation existed between variables of interest (Maree, 2007: 56).

4.7.2. Ensuring the trustworthiness of quantitative research

Literature reveals that trustworthiness of the research is critical. Guba (1985, cited in Van Lingen, 2005: 119) describes that there are four strategies that may be employed to enhance the trustworthiness of the research study. He further illustrates the different strategies that are applicable to both the quantitative and qualitative research methods. A tabular illustration of the strategies is presented in Table 4.1 below and a brief overview of the quantitative strategies is also discussed.
The researcher conducted a validity and reliability analysis to determine the trustworthiness of the data. The two terms are measurements used to influence the degree to which meaningful conclusions can be drawn on the study. A series of statistical tests were used to measure the validity and the reliability of the data. The dependent variable was examined and then each factor of the questionnaire themes was examined. An overview of the two terms and their relevance to the study is presented below.

**Validity:** Measure of validity is the extent to which the instrument measures what it is supposed to measure. It further defines trustworthiness of research findings and can be enhanced by means of triangulation, which implies that there must be various data sources, several investigators or various research methods (Collis and Hussey, 2009: 204).

**Reliability:** The researcher used the Cronbach co-efficient alpha to determine the reliability of the measuring instrument. The internal consistency method of determining reliability was used to correlate items across the sample (Collis and Hussey, 2009: 204).

Cronbach’s co-efficient alpha is defined as the most used objective measure of reliability (Tavakol and Dennick (2011). According to Hair, Black, Babin and Anderson (2010) data is considered reliable if the Cronbach alpha is 0.70.
4.8. RESEARCH PROCEDURE

The researcher requested permission from SASSA’s Chief Executive Officer at Head Office to conduct research. The researcher engaged the District Manager of her intention to conduct the study and permission was granted for the researcher to proceed with the research. The questionnaires were distributed and submitted through the Office of the District Manager. The questionnaires did not require participants to give personal details. Therefore, anonymity was guaranteed, and it created a safe space for openness in completing the questionnaires.

4.9. ETHICAL CONSIDERATION

In conducting the study, ethical considerations were taken into consideration. The researcher obtained ethical clearance from the Business School – Research Faculty. Participants were given a full explanation of the research. They were further ensured of confidentiality and anonymity.

4.10. CHAPTER SUMMARY

This Chapter focused on the research approach and methodology that was used in the research study. The problem statement and research aim were discussed. The researcher further explained the different research methods and indicated that the quantitative method was the chosen method that the study followed. Trustworthiness and ethical issues were discussed. Method of data collection and analysis were explained. This Chapter now paves the way for a discussion of the research study findings, which will be discussed in Chapter Five.
CHAPTER 5

PRESENTATION AND DISCUSSION OF DESCRIPTIVE STATISTICAL RESULTS

5.1. INTRODUCTION

In the preceding chapters, a theoretical background to the study was provided. In Chapter Two the focus was on reviewing the literature on performance management systems. In Chapter Three the study evaluated the relationship between the dependent variable - performance management system and five independent variables: Leadership, Policy Awareness, Communication and Rewards and Recognition.

In Chapter Four, the methodological framework that was applied in conducting the study was discussed. The two research methods and the combination of the two methods were discussed. A questionnaire survey was utilised for the quantitative data. The anchoring scale of ordinal scaling was applied in analysing the data collected. Ordinal scaling is defined as the scaling method that indicates the order of greater or less but the distance between the scales cannot be measured. In the study under review the scaling indicates the order from strongly disagree to strongly agree, with the questionnaire statements. Semantic differential and intensity rating scales were applied. One advantage of applying the rating scale measuring method is that a number of different statements can be provided in the questionnaire list.

In Chapter Four, it was also indicated that questionnaires were issued to one hundred (100) employees at SASSA, Nelson Mandela Metro. The respondents completed and returned seventy-four (74) questionnaires to the researcher. Six (6) questionnaires were spoiled and could not be used in the data analysis. The questionnaires were either not fully completed or there were duplication in answers, which therefore led to them being taken out during the analysis of the results. The analysis was therefore based on sixty-eight (68) questionnaires.
5.2. PRESENTATION AND ANALYSIS OF DATA THEMES

The focus of this Chapter will be to outline and discuss the results of the study. Emphasis will be on reporting on several themes that emerged from the analysis. The themes that the analysis is based on are: demographics information; knowledge and understanding of the organisational vision, goals and management competencies; knowledge of performance management systems, understanding of the performance management cycle; supervisor/supervisee relation; assessment reviews and rewards; and key factors in performance management as per the questionnaire.

5.2.1. Demographics

The demographics section of the survey included five areas whose results are discussed below in Table 5.1. The results only focused on 68 questionnaires as discussed in the previous section.

<table>
<thead>
<tr>
<th>Responses according to demographics</th>
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<tr>
<td><strong>Gender</strong></td>
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<tr>
<td>Female</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
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</table>

| **Age** | **No.** | **%** |
| 21-30 years | 6 | 8.8 |
| 31-40 years | 33 | 48.5 |
| 41-50 years | 21 | 30.9 |
| 51+ years | 7 | 10.3 |
| Other | 1 | 1.5 |
| **Total** | **68** | **100** |

<p>| <strong>Salary level</strong> | <strong>No.</strong> | <strong>%</strong> |
| Salary level (9-12) | 4 | 6 |
| Salary level (7-8) | 15 | 22 |</p>
<table>
<thead>
<tr>
<th>Salary level (5)</th>
<th>49</th>
<th>72</th>
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<thead>
<tr>
<th>Years of service</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-5 years</td>
<td>11</td>
<td>16.2</td>
</tr>
<tr>
<td>6-10 years</td>
<td>43</td>
<td>63.2</td>
</tr>
<tr>
<td>More than 10</td>
<td>14</td>
<td>20.6</td>
</tr>
<tr>
<td></td>
<td>68</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No. of supervisees</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>52</td>
<td>76</td>
</tr>
<tr>
<td>1 to 5</td>
<td>9</td>
<td>13.2</td>
</tr>
<tr>
<td>6 to 10</td>
<td>2</td>
<td>2.9</td>
</tr>
<tr>
<td>11 to 20</td>
<td>3</td>
<td>4.4</td>
</tr>
<tr>
<td>21 +</td>
<td>2</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td>68</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 5.1: Responses according to demographics.

![Gender Pie Chart](image)

Figure 5.1: Gender.
The results show that 72% of the respondents were females and 28% men. Therefore, the majority of the respondents were females. Male respondents constituted one third of the total respondents.

![Age Distribution Pie Chart](image)

**Figure 5.2: Age.**

The results further show that the majority of the respondents were between the ages of 31-40 years representing 49 % of the total respondents. The second most represented age group was 41 and 50 years at 31%. The age group 21 to 30 was represented by 9%, while the age group 51 to 60 was represented by 10 %. It can be confirmed that all age groups were represented in the sample. There was one respondent that did not complete this section on the questionnaire and this is reflected as other in the results table.
In terms of position held, salary level 5, which is the entry level, was represented by 72% respondents. Supervisory levels 7 to 8 were represented by 22% and the management levels 9 to 12 by 6%.

---

**Figure 5.3: Position.**

---

Figure 5.4: Years of service.

<table>
<thead>
<tr>
<th>Years of service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-5 years</td>
<td>16.2%</td>
</tr>
<tr>
<td>6-10 years</td>
<td>63.2%</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>20.6%</td>
</tr>
</tbody>
</table>
The results show that the majority of respondents have been employed at SASSA for between 6 to 10 years of service, at 63%, while those who have years of service that exceed 10 years was represented by 21%. Sixteen percent (16%) of respondents had years of service between 0 to 5 years. It can be concluded that there was a fair spread of respondents across the different categories of years of service at SASSA.

![Number of supervisees](chart.png)

Figure 5.5: Number of supervisees.

The last theme investigated the number of supervisees under a respondent’s span of control. Respondents that do not have people reporting to them accounted for 76 % of the total sample. These results correlates with the results under the specific salary levels, as the majority of respondents were at entry level. There were respondents who have more than 20 people reporting to them at 3%. The last two groups were people between 1 to 5, 6 to 10 and 11 to 20, at 13%, 3% and 4.5 % respectively.
5.2.2. Organisational vision, goals and management competencies

The theme had four statements (1-4) relating to understanding of the organisational vision, goals and management competencies. The theme is linked to the leadership variable of the Hypothesis Model. The results for the statements are presented in Table 5.2 and 5.3 respectively. The standard deviation for the responses varied between 0.94 and 1.08 showing a spread around the neutral choice. The frequency responses also reflect a spread with the majority of responses for statements one to two leaning to the positive side revealing that the responded agreeing that: Statement one “I know the strategic goals of the organisation” at 69.2%; Statement two “I know my contribution in achieving the goals” at 77.9%. The responses for Statements three and four showed a wide spread from strongly disagreeing with the statements to strongly agreeing. Statement three “Managers implement best performance monitoring tools towards achievement of the strategic goals” reflected the following responses: 33.5%, 38.2% and 28% for combined disagree, neutral and agree respectively. The responses for Statement four “Are your goals, vision and management easily understood (can you access the information on a daily basis)?” were similar to those of Statement three reflecting a wide spread between combined disagree, neutral and agree, i.e. 30.9% for disagree, 32.4% neutral and 36.7%. It may appear to be conflicting that the responses for Statement one and four are reflecting contradictory, as they both request understanding of the organisational vision and goals. This may, however, not be the situation as Statement four had a question that may have contributed to the variation in responses.
<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Valid N</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I know the strategic goals of the organisation.</td>
<td>68</td>
<td>3.66</td>
<td>0.94</td>
</tr>
<tr>
<td>2</td>
<td>I know my contribution in achieving the goals.</td>
<td>68</td>
<td>3.90</td>
<td>0.95</td>
</tr>
<tr>
<td>3</td>
<td>Managers implement best performance monitoring tools towards achievement of the strategic goals.</td>
<td>68</td>
<td>2.81</td>
<td>1.04</td>
</tr>
<tr>
<td>4</td>
<td>Are your goals, vision and management easily understood (can you access the information on a daily basis)?</td>
<td>68</td>
<td>3.07</td>
<td>1.08</td>
</tr>
</tbody>
</table>

Table 5.2: Organisational vision, goals and management competencies - Mean and Standard deviation.
### Organisational vision, goals and management competencies - response frequency

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1</td>
<td>I know the strategic goals of the organisations.</td>
<td>4</td>
<td>5.9</td>
<td>2</td>
<td>2.9</td>
<td>15</td>
</tr>
<tr>
<td>2</td>
<td>I know my contribution in achieving the goals.</td>
<td>3</td>
<td>4.4</td>
<td>2</td>
<td>2.9</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>Managers implement best performance monitoring tools towards achievement of the strategic goals.</td>
<td>10</td>
<td>14.7</td>
<td>13</td>
<td>19.1</td>
<td>26</td>
</tr>
<tr>
<td>4</td>
<td>Are your goals, vision and management easily understood (can you access the information on a daily basis)?</td>
<td>5</td>
<td>7.4</td>
<td>16</td>
<td>23.5</td>
<td>22</td>
</tr>
</tbody>
</table>

Table 5.3: Organisational vision, goals and management competencies - response frequency.
I know the strategic goals of the organisations.

I know my contribution in achieving the goals.

Managers implement best performance monitoring tools towards achievement of the strategic goals.

Are your goals, vision and management easily understood (can you access the information on a daily basis)?

Figure 5.6: Organisational vision, goals and management competencies.

5.2.3. Knowledge of performance management system

The questionnaire had five statements (5, 6, 7, 8, and 9) relating to understanding of a performance management system. The researcher aligned the statements and the theme to the variable Policy Awareness in the Hypothesis Model. The measuring scale used was different, a Likert scale was used for Statements five and six, with responses ranging between strongly disagree to strongly agree. For Statement seven a nominal scale was used where respondents had to choose an option which they considered most appropriate on the mode of communication management use to create policy awareness. The Likert scale was also used for Statements eight and nine. However; the response options were five with 1 representing – very poor, 2- poor, 3- neutral, 4- good and 5- very good.
The mean and standard deviation responses and the responses frequency for all five statements are presented from Table 5.4 to Table 5.6 below.

### Knowledge of performance management system - Mean and Standard deviation

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Valid N</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>I understand the purpose and objective of the performance management system.</td>
<td>68</td>
<td>3.41</td>
<td>0.98</td>
</tr>
<tr>
<td>6</td>
<td>I am conversant of the performance management system policy.</td>
<td>68</td>
<td>3.22</td>
<td>0.84</td>
</tr>
</tbody>
</table>

Table 5.4: Knowledge of performance management system - Mean and Standard deviation.

### Knowledge of performance management system - response frequency

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>5</td>
<td>I understand the purpose and objective of the performance management system.</td>
<td>3</td>
<td>4</td>
<td>8</td>
<td>12</td>
<td>22</td>
</tr>
<tr>
<td>6</td>
<td>I am conversant of the performance management system policy.</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>13</td>
<td>32</td>
</tr>
</tbody>
</table>

Table 5.5: Knowledge of performance management system - response frequency.
Figure 5.7: Knowledge of performance management system.

The mean score for both statements as reflected in Table 5.4 is 3.41 and 3.22 and standard deviation of 0.98 and 0.84. The responses show a spread towards neutral and positive choices for both statements. The response frequency also presents different scenarios with Statement five ("I understand the purpose and objective of the performance management system") reflecting 51% for combined agree and Statement six ("I am conversant of the performance management system policy") reflecting 47% of responses being neutral.
Table 5.6: Communication methods.

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Email</td>
<td>56</td>
<td>82.4</td>
</tr>
<tr>
<td></td>
<td>Meeting</td>
<td>5</td>
<td>7.4</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>7</td>
<td>10.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>68</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The response for Statement seven (the primary method the company uses to communicate) reveals that 82.4% of the respondents consider emails as the primary communication method. The respondents further reflect that it’s only 7.4% times that the management use meetings as a mode of communication. This is somehow a discontent as interpersonal communication is important for creating policy awareness and effective implementation of the performance management system.
### Organisational communication - Mean and Standard deviation

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Valid N</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Using the scale provided, rate the effectiveness of the current method used to communicate with you. (1=very poor; 5=very good).</td>
<td>68</td>
<td>2.88</td>
<td>1.41</td>
</tr>
<tr>
<td>9</td>
<td>Does the agent have regular and visible communication?</td>
<td>68</td>
<td>2.71</td>
<td>1.15</td>
</tr>
</tbody>
</table>

Table 5.7: Organisational communication - Mean and Standard deviation.

### Organisational communication - response frequency

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Strongly Disagree / Very Poor</th>
<th>Disagree/ Poor</th>
<th>Neutral</th>
<th>Agree/ Good</th>
<th>Strongly Agree/ Very Good</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>8</td>
<td>Using the scale provided, rate the effectiveness of the current method used to communicate with you (1=very poor; 5=very good).</td>
<td>18</td>
<td>26.5</td>
<td>6</td>
<td>8.8</td>
<td>21</td>
</tr>
<tr>
<td>9</td>
<td>Does the Agency have regular and visible communication?</td>
<td>14</td>
<td>20.6</td>
<td>12.0</td>
<td>17.6</td>
<td>25</td>
</tr>
</tbody>
</table>

Table 5.8: Organisational communication- response frequency.
Using the scale provided, rate the effectiveness of the current method used to communicate with you (1=very poor; 5=very good).

Does the Agency have regular and visible communication?

Figure 5.9: Organisational communication.

The mean for Statements eight (the effectiveness of the current method used to communicate) and nine (regular and visible communication) varies between 2.88 and 2.71, while the standard deviation is between 1.41 and 1.15 respectively. The results show a spread around the neutral response choice for both statements and response measuring tools. The response frequency for Statement eight reflects a spread between very poor and very good response options. For Statement eight the scores range between 35.3%, 30.9% and 33.8% for combined poor, neutral and good responses. The responses for Statement nine are more spread between combined poor and neutral responses reflecting 38.25% and 36.8% respectively.
5.2.4. Performance cycle process

The fourth theme of the report had five statements (statements 10-14), which relate to the performance cycle and focus on setting of goals. The mean and standard deviation results are presented in Table 5.9, whereas the results for response frequency are presented in Table 5.10.

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Valid N</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>My supervisor set my performance goals with me.</td>
<td>68</td>
<td>3.07</td>
<td>1.47</td>
</tr>
<tr>
<td>11</td>
<td>I understand the KRA’s in my performance contract.</td>
<td>68</td>
<td>3.57</td>
<td>1.14</td>
</tr>
<tr>
<td>12</td>
<td>I understand the alignment of my performance goals to the strategic goals.</td>
<td>68</td>
<td>3.50</td>
<td>0.95</td>
</tr>
<tr>
<td>13</td>
<td>I am aware of the performance expectations from me.</td>
<td>68</td>
<td>3.75</td>
<td>0.97</td>
</tr>
<tr>
<td>14</td>
<td>My performances goals are SMART (smart, measurable, achievable, and realistic and have timeframe).</td>
<td>68</td>
<td>3.54</td>
<td>1.11</td>
</tr>
</tbody>
</table>

Table 5.9: Performance cycle process - Mean and Standard deviation.
<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>My supervisor set my performance goals with me.</td>
<td>16</td>
<td>23.5</td>
<td>10</td>
<td>14.7</td>
<td>7</td>
</tr>
<tr>
<td>11</td>
<td>I understand the KRA's in my performance contract.</td>
<td>3</td>
<td>4.4</td>
<td>11</td>
<td>16.2</td>
<td>13</td>
</tr>
<tr>
<td>12</td>
<td>I understand the alignment of my performance goals to the strategic goals.</td>
<td>1</td>
<td>1.5</td>
<td>11</td>
<td>16.2</td>
<td>17</td>
</tr>
<tr>
<td>13</td>
<td>I am aware of the performance expectations from me.</td>
<td>2</td>
<td>2.9</td>
<td>5</td>
<td>7.4</td>
<td>15</td>
</tr>
<tr>
<td>14</td>
<td>My performances goals are SMART (smart, measurable, achievable, and realistic and have a timeframe).</td>
<td>5</td>
<td>7.4</td>
<td>7</td>
<td>10.3</td>
<td>13</td>
</tr>
</tbody>
</table>

Table 5.10: Performance cycle process - response frequency.
The mean results as reflected in Table 5.9 range between the scores of 3.07 and 3.75, leaning more to the positive – agree responses. The standard deviation also showed a wide spread from 0.95 to 1.47, revealing a spread towards the agree responses. The response frequency results for all five statements showed high scores on combined agree responses. Statement ten ("My supervisor set my performance goals with me") had 51.4% ; Statement 11 ("I understand the KRA’s in my performance contract") had a score of 41.2%; Statement 12 ("I understand the alignment of my performance goals to the strategic goals") with a score of 42.8%; Statement 13 ("I am aware of the performance expectations from me") with 67 % and a score of 63.3% for Statement 14 ("My performances goals are SMART (smart, measurable, achievable, and realistic and have timeframe")). The issue of performance management and ability of the supervisor to create an environment of open communication with the supervisee is linked to leadership. Therefore, this theme has been identified as Leadership 2 and is linked to Leadership 1 and the Leadership variable of the hypothesised model.
5.2.5. Supervisor/supervisee performance conversation

The fifth theme of the report relates to the performance conversation between a supervisor and supervisee. The theme had five statements; from 15-19 and the results are presented in Table 5.11 for mean and standard deviation, and Table 5.12 for response frequency using the Likert scale.

![Table 5.11: Supervisor/supervisee performance conversation - Mean and Standard deviation.](image)
<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>15</td>
<td>I always have feedback sessions with my supervisor on my performance.</td>
<td>16</td>
<td>23.5</td>
<td>9</td>
<td>13.2</td>
<td>14</td>
</tr>
<tr>
<td>16</td>
<td>The sessions are a two way communication.</td>
<td>12</td>
<td>17.6</td>
<td>15</td>
<td>22.1</td>
<td>11</td>
</tr>
<tr>
<td>17</td>
<td>My supervisor allows me space to be innovative in my performance.</td>
<td>12</td>
<td>17.6</td>
<td>13</td>
<td>19.1</td>
<td>12</td>
</tr>
<tr>
<td>18</td>
<td>There are designed reporting templates to assist me with reporting.</td>
<td>11</td>
<td>16.2</td>
<td>12</td>
<td>17.6</td>
<td>9</td>
</tr>
<tr>
<td>19</td>
<td>During the sessions my development areas are addressed.</td>
<td>16</td>
<td>23.5</td>
<td>15</td>
<td>22.1</td>
<td>17</td>
</tr>
</tbody>
</table>

Table 5.12: Supervisor/supervisee performance conversation - response frequency.
Table 5.11 and Figure 5.11 illustrate the results of the mean for all five statements being centred on the neutral response option, with scores between 2.68 and 3.09. The standard deviation results varied between 1.24 and 1.39 reflecting a spread of responses towards the agree response choice. The response frequency results presented in Table 5.12 shows a spread of responses with Statements 15 to 18 showing a tendency towards combined agreed and strongly agreed responses.

Statement 15 (“I always have feedback sessions with my supervisor on my performance”) had a score of 42.6%.
Statement 16 (“The sessions are a two-way communication”) reflecting a score of 44.1%.
Statement 17 (“My supervisor allows me space to be innovative in my performance”) reflecting 45.6%.
Statement 18 (“There are designed reporting templates to assist me with reporting”) reflecting 53% of positive responses.
The results also reflect that for Statement 19 (“During the sessions my development areas are addressed”), the majority of the responses are towards the combined strongly disagree and disagree response choices with a score of 45.6%.

5.2.6. Reviews, assessments and rewards

This section of the questionnaire had five statements relating to the understanding of the review, assessment and rewards system. The results are presented in Table 5.13 and Table 5.14 for mean and standard deviation, and the response frequency respectively. The Likert scale was also used with score from 1 reflecting strongly disagree to 5 reflecting strongly agree.

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Valid N</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>I understand the rating system in performance management and development system.</td>
<td>68</td>
<td>2.90</td>
<td>1.09</td>
</tr>
<tr>
<td>21</td>
<td>Recognition of performance in the workplace is fair to all employees.</td>
<td>68</td>
<td>2.46</td>
<td>1.21</td>
</tr>
<tr>
<td>22</td>
<td>The rewards are the best motivator in a workplace.</td>
<td>68</td>
<td>2.78</td>
<td>1.45</td>
</tr>
<tr>
<td>23</td>
<td>No financial rewards.</td>
<td>68</td>
<td>2.38</td>
<td>1.26</td>
</tr>
<tr>
<td>24</td>
<td>South African Social Security Agency recognises employees.</td>
<td>68</td>
<td>2.25</td>
<td>1.25</td>
</tr>
</tbody>
</table>

Table 5.13: Reviews, assessments and rewards - Mean and Standard deviation.
<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>I understand the rating system in performance management and development system.</td>
<td>10 14.7</td>
<td>12 17.6</td>
<td>23 33.8</td>
<td>21 30.9</td>
<td>2 2.9</td>
</tr>
<tr>
<td>21</td>
<td>Recognition of performance in the workplace is fair to all employees.</td>
<td>20 29.4</td>
<td>14 20.6</td>
<td>21 30.9</td>
<td>9   13.2</td>
<td>4 5.9</td>
</tr>
<tr>
<td>22</td>
<td>The rewards are the best motivator in a workplace.</td>
<td>20 29.4</td>
<td>9   13.2</td>
<td>16 23.5</td>
<td>12   17.6</td>
<td>11 16.2</td>
</tr>
<tr>
<td>23</td>
<td>No financial rewards.</td>
<td>22 32.4</td>
<td>15 22.1</td>
<td>20 29.4</td>
<td>5    7.4</td>
<td>6 8.8</td>
</tr>
<tr>
<td>24</td>
<td>South African Social Security Agency recognises employees.</td>
<td>25 36.8</td>
<td>17 25.0</td>
<td>15 22.1</td>
<td>6    8.8</td>
<td>5 7.4</td>
</tr>
</tbody>
</table>

Table 5.14: Reviews, assessments and rewards - response frequency.
The results for the mean as presented in Table 5.13 shows a spread of scores between 2.25 and 2.9. These results reveal that the responses were more towards the neutral response choice. The Table also reflects a standard deviation between 1.09 and 1.45; the results show a spread towards neutral response choices. Figure 5.12 shows a graphic spread of responses for all five statements under the theme rewards and recognition. The results for Statement 20 (“I understand the rating system in performance management and development system”) had a tie of 33.8 % between neutral and the combined agree and strongly agree response. For Statement 21 to 24 the results show high scores on the combined strongly disagree and agree response choices:
Statement 21 (“Recognition of performance in the workplace is fair to all employees”) shows 50%.
Statement 22 (“The rewards are the best motivator in a workplace”) shows 42.6%.
Statement 23 (“No financial reward”) reveals that 54.5% of the respondents consider that there are no financial rewards awarded.
Statement 24 (“South African Social Security Agency recognises employees”), shows 61.8% of the respondents feeling that the Agency does not recognise employees.
5.2.7. Performance management system key factors

The last theme focused on the dependent variable performance management system. The questionnaire had five statements, which required respondents to rate using the Likert scales1 – 5 where 1 reflects strongly disagree, 2- disagree, 3- neutral, 4- agree, and 5 –strongly agree, factors that are important with regard to the performance management system. The results are presented in Table 5.15 and Table 5.16 for mean and standard deviation and the response frequency respectively.

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Valid N</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>Management style.</td>
<td>68</td>
<td>2.66</td>
<td>1.32</td>
</tr>
<tr>
<td>26</td>
<td>Communication between supervisor and supervisee.</td>
<td>68</td>
<td>3.21</td>
<td>1.33</td>
</tr>
<tr>
<td>27</td>
<td>Rewards.</td>
<td>68</td>
<td>2.41</td>
<td>1.35</td>
</tr>
<tr>
<td>28</td>
<td>Policy awareness.</td>
<td>68</td>
<td>2.79</td>
<td>1.32</td>
</tr>
<tr>
<td>29</td>
<td>Setting of individual goals.</td>
<td>68</td>
<td>2.75</td>
<td>1.31</td>
</tr>
</tbody>
</table>

Table 5.15: Performance management system key factors - Mean and Standard deviation.
### Performance management system key factors - response frequency

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>25</td>
<td>Management style</td>
<td>19</td>
<td>27.9</td>
<td>11</td>
<td>16.2</td>
<td>18</td>
</tr>
<tr>
<td>26</td>
<td>Communication between supervisor and supervisee</td>
<td>11</td>
<td>16.2</td>
<td>8</td>
<td>11.8</td>
<td>18</td>
</tr>
<tr>
<td>27</td>
<td>Rewards</td>
<td>25</td>
<td>36.8</td>
<td>12</td>
<td>17.6</td>
<td>15</td>
</tr>
<tr>
<td>28</td>
<td>Policy awareness</td>
<td>16</td>
<td>23.5</td>
<td>12</td>
<td>17.6</td>
<td>17</td>
</tr>
<tr>
<td>29</td>
<td>Setting of individual goals</td>
<td>18</td>
<td>26.5</td>
<td>9</td>
<td>13.2</td>
<td>18</td>
</tr>
</tbody>
</table>

Table 5.16: Performance management system key factors - response frequency
Figure 5.13: Performance management system- key factors.

The mean for all five statements is towards the neutral response as it varies from 2.41 and 3.12. The results of the standard deviation also spread towards the neutral response with scores between 1.31 and 1.35. The results for four Statements 25, 27, 28 and 29 show more responses on the combined strongly disagree and disagree response choices, whereas Statement 26 (“Communication between supervisor and supervisee”) shows more results on combined agreed and strongly agree response choices. The score reveals that 45.6% of the respondents consider communication between supervisor and supervisee as an important factor to a performance management system.

Statement 25 (“Management style”) 44.1% responded that they do not consider management style as an important factor to a performance management system. Statement 27 (“Rewards”) shows a score of 54.4% of respondents disagree that the rewards are a key factor to a performance management system.
Statement 28 ("Policy awareness") 41.1% of the respondents disagree that policy awareness is a key factor to performance management system. The last Statement 29 ("Setting of individual goals") shows a wide spread of responses, with the majority of responses, with a score of 39.7%, disagree that setting of individual goals is a key factor in a performance management system.

5.3. CORRELATION FACTOR ANALYSIS

The purpose of the following section is to discuss the validity and reliability of the data focusing on each theme or factor as discussed in the sections above. The section will be discussed under two subsections with the first section discussing the dependant variable and the second section presenting the relationship between the independent variables. Table 5.18 gives a tabular interpretation of the correlation between variables.

Statement seven of the questionnaire will be excluded in the analysis as nominal scaling was used. According to Collis and Hussey (2009:189-190), correlation analysis offers additional information about an association between two quantitative variables, meaning variables measured under nominal scaling are excluded.

<table>
<thead>
<tr>
<th>Correlation interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>r- value</strong></td>
</tr>
<tr>
<td>&lt;0.30</td>
</tr>
<tr>
<td>0.30- 0.49</td>
</tr>
<tr>
<td>0.50+</td>
</tr>
</tbody>
</table>

Table 5.17: Correlation interpretation (Wegner, 2012: 307).
### 5.3.1. Leadership 1: Organisational vision, goals and management competencies

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Itm-Totl Correl.</th>
<th>Alpha if Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I know the strategic goals of the organisation.</td>
<td>0.47</td>
<td>0.62</td>
</tr>
<tr>
<td>2</td>
<td>I know my contribution in achieving the goals.</td>
<td>0.49</td>
<td>0.61</td>
</tr>
<tr>
<td>3</td>
<td>Managers implement best performance monitoring tools towards achievement of the strategic goals.</td>
<td>0.43</td>
<td>0.65</td>
</tr>
<tr>
<td>4</td>
<td>Are your goals, vision and management easily understood (can you access the information on a daily basis)?</td>
<td>0.48</td>
<td>0.61</td>
</tr>
</tbody>
</table>

**Average inter-item correlation.**

0.39

**Cronbach alpha**

0.69

Table 5.18: Leadership 1: Organisational vision, goals and management competencies.

In this section four statements were used to measure leadership competencies towards the implementation of the performance management system. The results as presented in Table 5.18. The correlation co-efficient of all items was above 0.3 reflecting a moderate relationship between the items confirming validity of the data.

Cronbach alpha was 0.69, less than 0.70, which is the minimum level where data is considered to be strongly reliable. Arnolds and Boshoff (2001:40), however, state that in terms of reliability one can declare the data with an alpha between 0.60 and 0.70 as fairly reliable. A conclusion can therefore be drawn that the data for Leadership had moderately sufficient consistency.
5.3.2. Policy Awareness: Knowledge of performance management system

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Itm-Totl</th>
<th>Alpha Corr.</th>
<th>Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>I understand the purpose and objective of the performance management system.</td>
<td>0.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>I am conversant of the performance management system policy.</td>
<td>0.70</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average inter-item correl.

Cronbach alpha 0.82

Table 5.19: Policy Awareness: Knowledge of performance management system.

There were two items used to test this variable. The correlation co-efficient 0.7 for both items therefore reflects a strong relation. The measuring tool can therefore be recognised as valid for the study. The Cronbach alpha was 0.82 reflecting a reliable internal consistency between the items.
5.3.3. Communication 1: Organisational communication

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Itm-Totl</th>
<th>Alpha if Correl.</th>
<th>Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Using the scale provided, rate the effectiveness of the current method used to communicate with you (1=very poor; 5=very good).</td>
<td>0.37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Does the Agency have regular and visible communication?</td>
<td>0.37</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Average inter-item correl.</strong></td>
<td>0.37</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Cronbach alpha</strong></td>
<td>0.53</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.20: Communication 1: Organisational communication.

The correlation co-efficiency for both items is 0.37 reflecting a moderate relationship. The Cronbach alpha was below 0.70. A conclusion can therefore be drawn that the two items had insufficient internal consistency and are therefore not regarded as reliable measures.
5.3.4. Leadership 2: Performance cycle process

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Itm-Totl</th>
<th>Alpha if Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>My supervisor set my performance goals with me.</td>
<td>0.45</td>
<td>0.90</td>
</tr>
<tr>
<td>11</td>
<td>I understand the KRA’s in my performance contract.</td>
<td>0.69</td>
<td>0.81</td>
</tr>
<tr>
<td>12</td>
<td>I understand the alignment of my performance goals to the strategic goals.</td>
<td>0.85</td>
<td>0.78</td>
</tr>
<tr>
<td>13</td>
<td>I am aware of the performance expectations from me.</td>
<td>0.72</td>
<td>0.81</td>
</tr>
<tr>
<td>14</td>
<td>My performances goals are SMART (smart, measurable, achievable, and realistic and have a timeframe).</td>
<td>0.75</td>
<td>0.80</td>
</tr>
</tbody>
</table>

**Average inter-item correl.** 0.61

**Cronbach alpha** 0.85

Table 5.21: Leadership 2: performance cycle process.

This was the second element of the Leadership variable and had five items. The items show a strong correlation, except for the statement, “My supervisor set my performance goal with me”, which showed a moderate correlation. The Cronbach alpha was 0.85. It can be concluded that the items reflected a sufficient internal consistency.
5.3.5. Communication 2: Supervisor/supervisee performance conversation

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Itm-Totl Correl.</th>
<th>Alpha if Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>I always have feedback sessions with my supervisor on my performance.</td>
<td>0.75</td>
<td>0.89</td>
</tr>
<tr>
<td>16</td>
<td>The sessions are a two way communication.</td>
<td>0.78</td>
<td>0.88</td>
</tr>
<tr>
<td>17</td>
<td>My supervisor allows me space to be innovative in my performance.</td>
<td>0.85</td>
<td>0.87</td>
</tr>
<tr>
<td>18</td>
<td>There are designed reporting templates to assist me with reporting.</td>
<td>0.70</td>
<td>0.90</td>
</tr>
<tr>
<td>19</td>
<td>During the sessions my development areas are addressed.</td>
<td>0.77</td>
<td>0.89</td>
</tr>
</tbody>
</table>

Average inter-item correl. 0.67

Cronbach alpha 0.91

Table 5.22: Communication 2: Supervisor/supervisee performance conversation.

Table 5.22 presents the second element of the communication variable; the items under this focused on communication between supervisor and supervisee. All items reflected a strong relation and it can be concluded that the items are valid measures of the variable. In terms of reliability the Cronbach alpha was above 0.70 and shows the strongest sufficient internal consistency. The Cronbach alpha was 0.91.
5.3.6. Rewards and Recognition: Reviews, assessments and rewards

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Itm-Totl Correl.</th>
<th>Alpha if Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>I understand the rating system in performance management and development system.</td>
<td>0.41</td>
<td>0.57</td>
</tr>
<tr>
<td>21</td>
<td>Recognition of performance in the workplace is fair to all employees.</td>
<td>0.47</td>
<td>0.53</td>
</tr>
<tr>
<td>22</td>
<td>The rewards are the best motivator in a work place.</td>
<td>0.50</td>
<td>0.51</td>
</tr>
<tr>
<td>23</td>
<td>No financial rewards.</td>
<td>0.14</td>
<td>0.69</td>
</tr>
<tr>
<td>24</td>
<td>South African Social Security Agency recognises employees.</td>
<td>0.43</td>
<td>0.55</td>
</tr>
</tbody>
</table>

Average inter-item correl. 0.26

Cronbach alpha 0.63

Table 5.23: Rewards and Recognition: Reviews, assessments and rewards.

Five items were used to measure the last independent variable, Rewards and Recognition. The correlation co-efficiency between the items is presented in Table 5.23 above. The correlation co-efficiency for the four items were between 0.41 – 0.50 showing a moderate relationship. The fourth item showed a very weak correlation. The researcher took a decision to delete the item and not further use it in the analysis. The Cronbach alpha after the item “no financial rewards” was deleted became 0.69. A conclusion can therefore be drawn that the four remaining variable items had a moderate internal consistency.
5.3.7. Performance management system- key factors

<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Itm-Totl Correl.</th>
<th>Alpha if Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>Management style.</td>
<td>0.81</td>
<td>0.89</td>
</tr>
<tr>
<td>26</td>
<td>Communication between supervisor and supervisee.</td>
<td>0.60</td>
<td>0.94</td>
</tr>
<tr>
<td>27</td>
<td>Rewards.</td>
<td>0.84</td>
<td>0.89</td>
</tr>
<tr>
<td>28</td>
<td>Policy awareness.</td>
<td>0.80</td>
<td>0.89</td>
</tr>
<tr>
<td>29</td>
<td>Setting of individual goals.</td>
<td>0.90</td>
<td>0.87</td>
</tr>
</tbody>
</table>

**Average inter-item correl.**

0.71

**Cronbach alpha**

0.92

Table 5.24: Performance Management System - key factors.

The variable was measured using five items, which all had a correlation co-efficiency of above 0.5. The items can be regarded as a valid measure for the variable as they show a significant strong relationship between them. The overall Cronbach alpha was 0.92 confirming reliability of the items used to measure the variable. It can be concluded that all five items had a sufficient internal consistency.

5.4. HYPOTHESIS ANALYSIS

In this section the research will test whether the relationship existed between the dependent variable and the independent variables. This was to determine whether the hypothesised model should be accepted that the independent variables Leadership, Policy Awareness, Communication, and Reward’s and Recognition have a significant impact on the implementation of the Performance Management System. Table 5.25 below provides a statistical correlation results between the variables.
The results in the Table 5.25 reflect that there is a significant statistical correlation between the dependant variable, performance management system and the independent variables, Leadership, Communication and Rewards and Recognition. There is, however, an insignificant correlation between the variable Policy Awareness, and the implementation of the performance management system as the correlation coefficient is less than 0.3. It was also noted that there is somehow a moderate to a significant correlation between the independent variables except between Policy Awareness and Communication. The next section of the Chapter will interpret the correlation between the independent and dependent variables in more detail based on the research questions and the hypothesis made in Chapter Three.
5.5. ANALYSIS OF RESEARCH FINDINGS

5.5.1. Implementation of the Performance Management System

Main Question: What factors need to be improved to contribute to effective implementation of a Performance Management System at SASSA Eastern Cape Region - Nelson Mandela Metro District?

The literature review undertaken in Chapter Two revealed that the implementation of a performance management system has many dependent factors.

It was further highlighted that if the system is effectively implemented there are many benefits for the organisation.

Sloman (1997 cited in Schultz, 2004:475) also gave an indication of conditions that need to be met to enable effective implementation of the performance management system:

- Employee awareness of the organisational vision, goals and strategic priorities;
- Alignment of individual targets to organisational goals; and
- Continued communication between supervisor and supervisee.

Literature revealed that effective implementation of the performance management system enables improvement of an organisational performance and service delivery (Department of Public Service Administration, 2007: 11).

The statistical results provided evidence that the implementation of the performance management system is influenced by various factors.

The correlation analysis results were above 0.3 further confirming a positive relationship between the hypothesised independent variables: Leadership, Communication, and
Rewards and Recognition; and the implementation of the performance management system with the exception of Policy Awareness.

The Cronbach alpha on this dependant variable was found to be 0.92 confirming the reliability of the statements used to measure this variable.

5.5.2. Leadership

Sub question 1: What impact does the level of management competency have in managing performance?

The literature review conducted in Chapter Two defined leadership as one of the major factors in the implementation of the performance management system. This was affirmed by the literature review conducted in Chapter Three on what the concept leadership entails. Bagraim, et al. (2011: 352), define the role of leadership as the ability to create an environment of effective performance management with employees delivering on what is expected from them towards achievement of organisational goals.

The results of the empirical study reflected a positive and significant relationship between leadership and the implementation of the performance management system. The average mean results were 3.36 as reflected in Table 5.5 leading to a conclusion that the respondents recognise the efforts of leadership in creating an environment for effective implementation of the performance management system.

Based on the above results, it can be concluded that the null hypothesis be accepted, as there is a significant relationship between leadership and the implementation of the performance management system. The results further reflect that about 46% of the respondents disagreed with the statement that “Managers implement best performance monitoring tools towards achievement of the strategic goals”. It is therefore believed that if the leadership improves on this factor, the implementation of the system will improve.
The null hypothesis that “There is a strong relationship between Leadership and the implementation of a performance management system” should be accepted.

5.5.3. Policy Awareness

Sub-question 2: What is the level of employee awareness of the performance management system?

Literature revealed that a policy defines the master plan of the organisation as it explains steps to be followed in order for smooth running of the organisation. In relation to a performance management system it was highlighted that leadership has a responsibility to create an environment where policies are cascaded to the lowest level of the workforce. This will enable employees to understand what is expected of them and to know their role in the implementation of the policy (Polivec, 2007: 6).

The statistical results revealed that an aggregate mean of 3.32 and standard deviation of 0.91 on statements under this independent variable with average of 44% of respondents, agreeing that they do understand the organisational performance management policy. What was interesting is that the correlation co-efficient between this independent variable and the dependent variable was below 0.231, which is below the minimum 0.3 for a relationship to be recognised as significant. The results therefore could make one wonder of the impact of policy awareness in the implementation of the performance management systems.

The null hypothesis based on the results is rejected and an alternative hypothesis is accepted.

H1: There is a no relationship between performance management system and policy awareness should be accepted.
5.5.4. Communication

**Sub-question 3:** What is the role of communication in managing performance?

It was recognised during the literature review that communication and performance discussions are the cornerstones of operations in an organisation, more specifically the implementation of a performance management system (Bagraim, et al., 2011: 220). It was further highlighted that failure to communicate at all levels may hinder the chances of achieving the organisational goals. It was further revealed that failure to communicate may negatively affect employees’ performance. Therefore, their involvement in the implementation of the performance management system should be clearly communicated.

The statistical results reveal a spread of responses with an average of 36.7% of respondents disagreeing that there is effective communication between supervisors and supervisees whilst an average of 46% respondents agree that there is effective communication. Emails appeared to be the most used communication channel as indicated by 82.4% of the respondents.

The results have shown a moderate relationship between the dependent variable performance management system and the independent variable communication. A conclusion is therefore that a null hypothesis be accepted.

\[ H_0: \text{There is a positive relationship between performance management system and communication.} \]

5.5.5. Rewards and Recognition

**Sub-question 4:** Do rewards and recognition have an impact on the implementing of the performance management system?
Literature revealed that rewards and recognition systems also form an integral part of a performance management system. This is supported by the statement that for managers to influence good performance a fair reward system, which is linked to performance measures, should be in place (Bagraim, et al., 2011: 121).

The statistical results for the variable revealed that there is a strong relationship between this independent variable and the dependent variable reflected by the correlation co-efficiency of 0.70.

Results have shown that there is a strong correlation of 0.69 between a performance management system and rewards and recognition meaning that the null hypothesis should be accepted.

\[ H_0: \text{There is a positive relationship between performance management systems and rewards and recognition.} \]

5.6. **CHAPTER SUMMARY**

This Chapter focused on the analysis and interpretation of the results for the empirical data collected in conducting the study. The analysis looked at both the biographical information of the respondents – Section A of the questionnaire- and the responses received for research statements in Section B, which were in line with the research problem.

The Chapter paved a way for managerial discussions of the implications of the findings in line with the literature review that was discussed in Chapter Two. The discussion will also include the shortcomings of the study and the recommendations of strategies that can be implemented in improving the effective implementation of performance management systems.
CHAPTER 6

RECOMMENDATIONS, LIMITATIONS AND CONCLUSION

6.1. INTRODUCTION

The analysis of the results obtained from data collected through questionnaires as to assess the implementation of the performance management system at SASSA, Nelson Mandela Metro District (NMMD) reflect clearly that the hypothesised factors have a positive relationship with implementation. The results further reflect that improving the factors will make a positive contribution to the implementation of a performance management system. The focus of this Chapter is to consider the above conclusion and to present recommendations on what could be done at SASSA, NMMD to improve the implementation of the performance management system. The Chapter also presents the value and limitations of the study. Recommendations for future studies are also made.

6.2. LIMITATIONS TO THE STUDY

Regardless of the recommendations presented below for the implementation of a performance management system at SASSA, NMMD and possibly at SASSA nationally, it is also clear that limitations were encountered while conducting the study. The limitations encountered are discussed below.

**Lack of research experience:** The research had limitations, which were caused by the lack of experience of the researcher in conducting a research study. This, however, was not a major problem as the researcher strived to acquire all the necessary support and skill to enable her to complete the study.

**Lack of relevant available literature on the subject:** The research on performance management has been done extensively in both private sector organisations and government organisations. However, the focus was on the development of the
performance measurement systems and not the implementation of a performance management system. This led to the lack of availability of sufficient literature to make an appropriate comparison on factors affecting the implementation of a performance management system.

6.3. VALUE OF THE STUDY

The findings of this study will add value to the existing body of knowledge regarding implementation of a performance management system. The value has been classified into three elements towards which the study will contribute.

**Developmental areas:** Though the research study was conducted as SASSA, NMMD it was obvious that the implementation of a performance management system was affected by various factors studied, which management overlooked. The findings may be used in other organisation to identify factors that impact on effective implementation of a performance management system.

**Information resource:** It is envisaged that the findings of the study will add to the body of existing knowledge in relation to the implementation of a performance management system at SASSA and in other organisations.

**Intervention guide:** The findings of the research study also present the areas that management may need to develop strategies on how they are going to be improved.

6.4. RECOMMENDATIONS

Based on the results, the following recommendations are presented for management to consider in improving the implementation of a performance management system.

- There is a general perception that leadership is somehow not showing effective competencies in driving the performance management system. In order for things to improve in any organisation, leadership has to possess the necessary
competencies. This, therefore, advocates that continuous training interventions have to be implemented in empowering leaders with the right competencies.

- As much as the organisation is operating in a highly technological environment and the electronic communication channels are recognised as the most efficient, the organisation need not lose touch with its employees. It is therefore recommended that a strategy on improving the level of interpersonal communication with employees be developed.

- Motivated employees deliver exceptional results. Rewards and recognition should be used as one of the tools to create a motivated workforce. Leadership may start by improving the performance measuring tools and introducing employee performance awards. It is further recommended that team rewards and non-monetary rewards be considered, as they minimise the level of tension and demoralisation among employees, when compared with monetary rewards.

- It is also recommended that leadership should create a culture of learning. There should be time allocated for sessions to discuss policy issues with employees. Each employee may be given a section of the policy to present. This will encourage employees to familiarise themselves with the policy and not wait to be told by supervisors what the policy entails.

6.5. RECOMMENDATIONS FOR FUTURE RESEARCH STUDIES

The researcher strongly believes that the opportunity for further study exists. The recommendation is based on the gaps identified by other researchers in the literature review and the empirical results obtained.

The research study has provided an outlook and has contributed to the existing resource knowledge regarding the implementation of a performance management system.
The research study focused on SASSA, NMMD. However, there are other district offices where the study may be repeated to test if whether the same factors that are affecting the implementation of a performance management system are the same in other districts. Based on this explanation it is therefore recommended that the same study be conducted in other district offices.

The recommended research studies should consider examining further dependent variables that may have a positive impact on the implementation of the performance management system. The following questions may assist implementation:

- What can be done to improve the effective implementation of the performance management system?
- What strategies can be implemented to create some understanding of the performance management system between employees and manager?
- What are the gaps in the existing performance management policy?
- Does culture have an impact on performance management?

The literature review also revealed that there are gaps in the existing performance management systems, models and policies. A research study that will investigate the development of an effective performance management model/system that takes into consideration all the critical variables.

6.6. CHAPTER SUMMARY AND CONCLUSION

The Chapter on the research study began by presenting, based on the research findings, recommendations for improving the implementations of a performance management system at SASSA, Nelson Mandela Metro District. The next section focused on the value of the study, the limitations and challenges, which were encountered and the recommendations for future research studies. Regardless of the limitations and challenges, the findings of the research study were regarded as having
met the expectations and to have answered the main question of the research study. A conclusion can then be made that the study may make a sound contribution to furthering an employer’s knowledge regarding the implementation of a performance management system at not only SASSA, NMMD, but other organisations as well.
REFERENCES


THE QUESTIONNAIRE COVERING LETTER

Dear Respondent

I am a post-graduate student studying towards my Masters in Business Administration (MBA) at the Nelson Mandela Metropolitan University Business School. The topic of my research project involves an investigation of the factors that impact on effective implementation of performance management and development system at SASSA Eastern Cape Region-NMM District. We believe that this study would make a contribution to improve performance and service delivery whilst enhancing development of officials. The empirical results of the study will be made available to the participants on request.

We guarantee the confidentiality and anonymity of all participants.

You are part of our selected sample of respondents whose views we seek on the above-mentioned matter. We would therefore appreciate it if you could answer a few questions in this regard, which should not take more than twenty minutes of your time. Please return the completed questionnaire by the 15th September 2013. We thank you in advance for your highly appreciated contribution towards this study.

There are no correct or incorrect answers. Please answer the questions as accurately as possible. For each statement, tick the number which best describes your experience. Tick only one answer for each statement, but answer ALL QUESTIONS please.

Thank you very much.

Nabo V

To verify the authenticity of the study, please contact Prof J. Fox at: Wfox82@gmail.com
Annexure B

SECTION A: BIOGRAPHICAL INFORMATION

Please complete the section by marking the appropriate block with (X).

1. What is your gender?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Female</td>
</tr>
<tr>
<td>1.2</td>
<td>Male</td>
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</tbody>
</table>

2. What is your age?

<p>| | |</p>
<table>
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<tr>
<th></th>
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<tbody>
<tr>
<td>2.1</td>
<td>21-30</td>
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<tr>
<td>2.2</td>
<td>31-40</td>
</tr>
<tr>
<td>2.3</td>
<td>41-50</td>
</tr>
<tr>
<td>2.4</td>
<td>51-60+</td>
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</tbody>
</table>

3. What is your position?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>3.1</td>
<td>Salary level ( 9-12)</td>
</tr>
<tr>
<td>3.2</td>
<td>Salary level ( 7-8)</td>
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<tr>
<td>3.3</td>
<td>Salary level ( 5)</td>
</tr>
</tbody>
</table>

4. How many years have you been employed at SASSA?

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<tbody>
<tr>
<td>4.1</td>
<td>0-5 years</td>
</tr>
<tr>
<td>4.2</td>
<td>6- 10 years</td>
</tr>
<tr>
<td>4.3</td>
<td>More than 10 years</td>
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</tbody>
</table>

5. How many employees report directly to you?

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<tbody>
<tr>
<td>5.1</td>
<td>None</td>
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<tr>
<td>5.2</td>
<td>1 – 5</td>
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<tr>
<td>5.3</td>
<td>5 - 10</td>
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<tr>
<td>5.4</td>
<td>10- 20</td>
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<tr>
<td>5.5</td>
<td>20 +</td>
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</tbody>
</table>

Thank you, please proceed and complete section B of the questionnaire
SECTION B: PERFORMANCE MANAGEMENT ANALYSIS

After you have read the statement please indicate the degree to which the statement describes your situation and understanding using the following questioner scale.
1 = Strongly Disagree
2 = Disagree
3 = Not Sure
4 = Agree
5 = Strongly Agree

<table>
<thead>
<tr>
<th>No.</th>
<th>Question/ Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Organisational goals, visions and management competencies</td>
<td></td>
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</tr>
<tr>
<td>1.</td>
<td>I know the strategic goals of the organisations.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2.</td>
<td>I know my contribution in achieving the goals.</td>
<td></td>
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<tr>
<td>3.</td>
<td>Managers implement best performance monitoring tools towards achievement of the strategic goals.</td>
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<tr>
<td>4.</td>
<td>Are your goals, vision and management easily understood (can you access the information on a daily basis)?</td>
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<tr>
<td></td>
<td>Knowledge of the performance management system</td>
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<tr>
<td>5.</td>
<td>I understand the purpose and objective of the performance management system.</td>
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<td>6.</td>
<td>I am conversant of the performance management system policy</td>
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<tr>
<td>7.</td>
<td>What is the primary method the company uses to communicate with you?</td>
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<td></td>
<td>PLEASE TICK</td>
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<td></td>
<td>Notice board</td>
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<td></td>
<td>News Letter</td>
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<td></td>
<td>Email</td>
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<td></td>
<td>Meeting</td>
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<td>8.</td>
<td>Using the scale provided, rate the effectiveness of the current method used to communicate with you. (1=very poor; 5=very good).</td>
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<td>No.</td>
<td>Question/ Statement</td>
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<td>9.</td>
<td>Does the Agency have regular and visible communication?</td>
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<td></td>
<td><strong>Performance cycle process: Setting of goals</strong></td>
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<td>10.</td>
<td>My supervisor set my performance goals with me.</td>
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<tr>
<td>11.</td>
<td>I understand the KRA’s in my performance contract</td>
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<td>12.</td>
<td>I understand the alignment of my performance goals to the strategic goals.</td>
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<td>13.</td>
<td>I am aware of performance expectations from me</td>
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<tr>
<td>14.</td>
<td>My performances goals are SMART (simple, measurable, achievable, and realistic and have timeframe).</td>
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<td></td>
<td><strong>Supervisor/supervisee performance conversation</strong></td>
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<tr>
<td>15.</td>
<td>I always have feedback sessions with my supervisor on my performance.</td>
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<td>16.</td>
<td>The sessions are a two way communication.</td>
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<td>17.</td>
<td>My supervisor allows me space to be innovative in my performance.</td>
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<td>18.</td>
<td>There are designed reporting templates to assist me with reporting.</td>
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<td>19.</td>
<td>During the sessions my development areas are addressed.</td>
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<td></td>
<td><strong>Reviews, assessments and rewards</strong></td>
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<td>20.</td>
<td>I understand the rating system in performance management and development system (PMDS).</td>
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<tr>
<td>21.</td>
<td>Recognition of performance in the workplace is fair to all employees.</td>
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<tr>
<td>22.</td>
<td>The rewards are the best motivator in a workplace.</td>
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<tr>
<td>23.</td>
<td>No financial rewards</td>
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<tr>
<td>No.</td>
<td>Question/ Statement</td>
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</table>

**Factors that are key to performance management:**

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<th>No.</th>
<th>Question/ Statement</th>
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<th>2</th>
<th>3</th>
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<th>5</th>
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</thead>
<tbody>
<tr>
<td>25.</td>
<td>Management style</td>
<td></td>
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<tr>
<td>26.</td>
<td>Communication between supervisor and supervisee</td>
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<td>27.</td>
<td>Rewards</td>
<td></td>
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<td>28.</td>
<td>Policy awareness</td>
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<td>29.</td>
<td>Setting of individual goals</td>
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<tr>
<td>30.</td>
<td>Any other factors?</td>
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</tbody>
</table>

We sincerely thank you for taking time in completing the questionnaire please provides us with the last information which will be of assistance in making a sound analysis of the results.

Thank you!
Annexure C

ETHICS CLEARANCE FOR TREATISES/DISSERTATIONS/THESSES

Please type or complete in black ink

FACULTY: Business and Economic Sciences

SCHOOL/DEPARTMENT: Masters in Business Administration

I, (surname and initials of supervisor) Prof Williams

the supervisor for (surname and initials of candidate)
Vuyokazi Nabo

(student number) 198310600

a candidate for the degree of MBA

An investigation of the impact of the implementation of performance systems

considered the following ethics criteria (please tick the appropriate block):

<table>
<thead>
<tr>
<th>Question</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is there any risk of harm, embarrassment of offence, however slight or temporary, to the participant, third parties or to the communities at large?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>2. Is the study based on a research population defined as 'vulnerable' in terms of age, physical characteristics and/or disease status?</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>2.1 Are subjects/participants/respondents of your study: (a) Children under the age of 18?</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>
Please note that if ANY of the questions above have been answered in the affirmative (YES) the student will need to complete the full ethics clearance form (REC-H application and submit it with the relevant documentation to the Faculty REC-H (Ethics) representative.

I hereby certify that the student has given further research ethical consideration and full ethics approval as not required.

SUPERVISOR(S)  

DATE

HEAD OF DEPARTMENT  

DATE

STUDENT(S)  

DATE

Please ensure that the research methodology section from the proposal is attached to this form.
CERTIFICATE OF PROOFREADING      January 2015

This certifies that I, Carlien Jooste, have proofread Vuyokazi Nabo's thesis to the best of my abilities and knowledge. Please note that although the thesis was meticulously proofread, the acceptance and application of any grammatical, punctuation and consistency changes ultimately rests with the author of the thesis.

I am a professional language practitioner with seven years' experience in the field and hold a BA (Media, Communication and Culture) majoring in English and a Masters in Applied Media from Nelson Mandela Metropolitan University. I further have a Proofreading and Editing Certificate from Thomson Education Direct and the Australian College of Journalism.

Ms Carlien Jooste BA (MCC); MA (Applied Media).