AN ASSESSMENT OF THE IMPLEMENTATION OF PERFORMANCE AND DEVELOPMENT SYSTEMS: AMATHOLE DISTRICT MUNICIPALITY, PROVINCE OF THE EASTERN CAPE

BY

YOLANDA GANYAZA

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SUPERVISOR: PROF. E. DRAAI

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DECLARATION

NAME: Yolanda Ganyaza

STUDENT NUMBER: 214099946

QUALIFICATION: Masters Degree in Public Administration

TITLE OF PROJECT: An assessment of implementation of performance and development systems: Amathole District Municipality, Province of the Eastern Cape

In accordance with Rule G5.6.3, I hereby declare that the above-mentioned thesis is my own work and that it has not previously been submitted for assessment to another University or for another qualification.

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DATE:

11 September 2018
ABSTRACT

The study focuses on the assessment of the Implementation of Performance Management System at Amathole District Municipality in the Eastern Cape. Local government is the closest sphere of government to service users, therefore it is expected to be a forefront of efficient service delivery. Local government needs to demonstrate that performance is managed, measured and improved on a continuous basis. For this purpose it must develop a comprehensive performance management system. The development of such a system is, however, not without challenges and local government should identify crucial elements which should be incorporated in such a system (van de Waldt, 2006:128). The aim of this study is to explore the challenges faced by Amathole District Municipality to see how service delivery can be improved through the effective implementation of performance management systems.

The researcher has used a quantitative methodology in this study and has prepared questionnaires for the employee participants based at Amathole District Municipality. The total population of the employees is 1700 but the researcher uses a sample of between 20 and 30 employees within the Municipality.

The findings of the study reveals that Amathole District Municipality does comply with performance management system policy in order to have an efficient and effective service delivery more operational policies will help the municipality to overcome its financial challenges need to be developed, so that they can be a change in terms of the municipality’s spending.
ACKNOWLEDGEMENTS

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<tbody>
<tr>
<td>ADM</td>
<td>Amathole District Municipality</td>
</tr>
<tr>
<td>IDP</td>
<td>Integrated Development Plan</td>
</tr>
<tr>
<td>MFMA</td>
<td>Municipal Finance Management Act</td>
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<tr>
<td>MSA</td>
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<td>PMF</td>
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CHAPTER 1
INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

It is the responsibility of a municipality to provide service delivery to its communities. After the transition to democracy in South Africa, the initial emphasis on policy development was later overtaken by a concern to promote efficient, economical and effective implementation of policies (Venter, Van de Walt, Phutiagae, Khalo, Van Nierkerk and Nealer (2007:110). As the local sphere of government has developed, there has been increased emphasis on process monitoring and evaluation and, more specifically, a concern with performance management (Venter et al., 2007:110).

Amathole District Municipality complies with different legislations when it comes to the performance and development of areas falling under the district. For example, the Municipal Systems Act (2000) requires municipalities to establish a performance management system. The Municipal Finance Management Act 2003 (Act No.56 of 2003), on the other hand, requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored in terms of the performance of the budget against the integrated development plan through the Service Delivery and the Budget Implementation Plan. In terms of the Amathole District Municipality Framework (2015:1), Amathole District Municipality sees performance management and development as a process which measures the implementation of the organisation’s strategy.

At the local government level, performance management is important, with economic development, transformation, governance, and finance and service delivery being the critical elements in terms of local government strategy Amathole District Municipality (2015:2). Performance management provides the mechanism to measure whether targets set by the organisation and its employees to meet its strategic goals will be achieved. According to the Amathole District Municipality (2015:2), national government has also found it necessary to institutionalise and provide legislation regarding the performance management process for local government.
Craythorne (2006:120) states that performance management is most commonly thought of as a technique applied to the performance of staff. Performance management is also a powerful tool that can be applied to determine or assess the performance of an organisation. Venter et al. (2007:111) describe performance management as a multidimensional construct, the measurement of which varies depending on a variety of factors that comprise it. It also reflects the outcomes of work because it provides the strongest linkage to the strategic goals of the institution, customer satisfaction and economic contributions.

Good performance management helps identify what policies and processes work and why they work Mone (2017:12). The collection and management of information with regard to performance is critical for the effective operational planning, monitoring and evaluation required to enhance accountability. With an appropriate performance management system, information is generated that can help stakeholders to exert pressure for improvements in the service delivery processes Mone (2017:12).

Municipalities deliver services that are critical to the well-being and development of the local government sphere. In order to ensure that municipal service delivery is as effective, efficient and economical as possible, municipalities are required to formulate strategic plans, allocate resources through a municipal budget process and monitor and report on the results as required by applicable legislation (Conduct Performance Management in SA Municipality Study Guide, 2001:16). Performance information used in performance management is essential in order to focus the attention of stakeholders on the performance of individual municipalities against their IDP and SDBIPs. In the municipal context, a comprehensive and elaborative system of monitoring performance of municipalities has been legislated. The system is intended to continuously monitor the performance of municipalities in fulfilling their developmental mandate (Conduct Performance Management in SA Municipality, 2001:16).

The aim of this study is to assess the implementation of the performance and development system in Amathole District Municipality in the Eastern Cape, in order to establish whether its associated municipalities comply with policies of performance management and service delivery.
1.2 **RATIONALE FOR THE STUDY**

Amathole District Municipality is situated in the central part of the Eastern Cape, stretching along the Sunshine Coast from the Fish River Mouth, along the Eastern Seaboard to just south of the Hole in the Wall along the Wild Coast. It is bordered to the north by the Amathole Mountain Range. It comprises seven local municipalities: Mbhashe, Mnquma, Great Kei, Amahlati, Ngqushwa and Raymond Mhlaba Amathole District Municipality IDP Review (2016:20). The research area is the Amathole region and the seat of Amathole District Municipality is in East London in the Province of the Eastern Cape. Amathole District Municipality is an institution that mainly provides service delivery in the rural or previously disadvantaged areas falling under its jurisdiction Amathole District Municipality IDP Review (2016:20).

The researcher has chosen the study topic in order to find out the extent to which Amathole District Municipality succeeds, if at all, in its attempt to implement the performance and development system. One of the ways through which this is done is to firstly identify critical areas of performance management in the municipality. This has been done by examining the effectiveness of municipal strategies to enhance financial performance and thereby facilitate service delivery. Amathole District Municipality’s audit report states that “the excessive reliance by management on both the consultants and the audit process to achieve fair presentation did not create a sustainable platform for achieving clean administration and that the entity did not have adequate processes and assignments of responsibilities to ensure compliance with all applicable laws and regulations” (Amathole District Municipality Audit Report, 2017).

The following challenges in the municipality have been identified:

- Projects are not completed on time;
- Invoices from suppliers are not paid within the prescribed 30-day period;
- More development is needed in terms of training and equipping employees with skills in order to improve performance management; and
- There is a general lack of skills (Amathole District Municipality Audit Report, 2017)
This section identifies the location of the study or were Amathole District Municipality is situated and identifies the challenges the municipality is facing in implementation of performance management system.

1.3 SIGNIFICANCE OF RESEARCH

This study identifies critical areas of attention in the performance and development system of the chosen municipality and recommends measures to strengthen the process for the purposes of service delivery. The study aims to identify the areas that need improvement when the municipality is implementing its policies and assist the municipality in identifying the cause of its financial challenges and how they can improve in order to meet the municipality’s goals and targets. The study will help to give more knowledge of what is expected from the municipality when providing service delivery to the people or communities of Amathole District Municipality.

1.4 PRELIMINARY LITERATURE REVIEW

Section 152 of the Constitution of South Africa (1996) deals with the objectives of local government and paves the way for performance management with the requirements for an accountable government. The democratic values and principles in terms of Section 195(1) of the Constitution are also linked with the concept of performance management, especially in terms of the following principles:

- To promote efficient, economic and effective use of resources;
- To ensure accountable public administration;
- To be transparent by providing information;
- To be responsive to the needs of the community; and
- To facilitate a culture of public service and accountability amongst staff


The White Paper on Local Government of 1998 acknowledges that “involving communities in developing some municipal key performance indicators increases the accountability of the municipality”. Furthermore, The White Paper on Transforming Public Service Delivery (Batho Pele) of 1997 puts forward eight principles for good public service:
• Consultation:
  Communities should be consulted about the level and quality of public service they receive, and, where possible, should be given a choice about the services which are provided.

• Service standards:
  Communities should know what standard of service to expect.

• Access:
  All communities should have equal access to the services to which they are entitled.

• Courtesy:
  Communities should be treated with courtesy and consideration.

• Information:
  Communities should be given full and accurate information about the public services they are entitled to receive.

• Openness and transparency:
  Communities should know how departments are run, how resources are spent, and who is in charge of particular services.

• Redress:
  If the promised standard of service is not delivered, communities should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, communities should receive a sympathetic, positive response.

• Value-for-money:
  Public services should be provided economically and efficiently in order to give communities the best possible value-for-money.

Importantly, the Batho Pele White Paper of 1997 notes that the development of a service-oriented culture requires the active participation of the wider community. Municipalities need constant feedback from service-users if they are to improve their
operations. Local partners can also be mobilised to assist in building a service culture Batho Pele White Paper (1997). The Municipal Systems Act 32 of 2000 Section 38-46 enforces the idea of a local government performance management system and requires all municipalities to:

- Develop a performance management system;
- Set targets and monitor and review performance based on indicators linked to their IDP;
- Publish an annual report on performance for the councillors, staff, public and other spheres of government;
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
- Conduct an internal audit on performance before tabling the report; and
- Have their annual performance report audited by the Auditor-General.

Municipalities are also required to involve the community in setting indicators and targets and reviewing municipal performance (Municipal Systems Act 32 of 2000 Section 16 - 18). The Municipal Finance Management Act No. 56 of 2003, Section 72, states requirements for a municipality to include its annual municipal performance report with its financial statements and other requirements as part of its annual report. A municipality must comply with policies because every service done for the community will be reflected on their quarterly and annual report.

The Local Government Municipal Performance Regulations holds managers directly accountable to municipal managers and sets out how the performance of Section 57 staff will be uniformly directed, monitored and improved (Government Gazette No. 29089, 1 August 2006). Managers’ of a municipality have a big role in implementing performance management systems. The regulations address both the employment contract and performance agreement of municipal managers and managers directly accountable to municipal managers. They further provide a methodology for the performance management system as well as criteria for performance bonus payments.
Bagraim, Werner A (Editor), Cunningham, Potgietersrus, Viedge C (2016:121) state that performance management is the day-to-day management of employees in terms of the goals of the organisation. Good performance management means that each person will have goals and measures that are linked directly to the organisation’s strategy. The process of developing individual measures starts by taking the strategy of the organisation and cascading the strategic objectives down through the different departments Bagraim et al. (2016:121).

Performance management is, thus, a key tool of the governance model, for it dictates how councils set priorities, conduct their business and relate to the communities they serve Bagraim et al. (2016:121). There are two dimensions to performance management that are sometimes respectively referred to as organisational and employee performance management Municipal Systems Act, No. 32 of 2000 Section 38-49). Performance management is an iterative process of setting targets, monitoring performance against those targets and taking steps to improve performance (Municipal Systems Act, No. 32 of 2000 Section 38-49).

It can help municipalities to work more effectively towards meeting development challenges, because it allows and staff, and local communities to monitor whether they are receiving value for the money they have spent on various services (Municipal Systems Act, No. 32 of 2000 Section 38-49). However, performance management is not only about monitoring and measuring. It is also about organisational culture, and the attitudes and practices which inform how municipal staff work on a daily basis Municipal Systems Act, No. 32 of 2000).

Municipalities must promote a culture of performance management in their structures, political offices and administration. In other words, municipalities must encourage working practices which are economical, effective, efficient and accountable (Municipal Systems Act, No. 32 of 2000 Section 38-49). The South African Government has, since the 1994 democratic breakthrough, adopted performance management as a tool to achieve effective service delivery (Manyaka and Sebola, 2012:300). However, it is worth noting that even though there has been an adoption of the performance management system in order to speed up service delivery and transformation, performance management still remains a major challenge in the public service sector (Manyaka and Sebola, 2012:300). As a result,
this has had a negative impact on service delivery. The literature on performance management in the South African public service points to isolated areas of success, as well as a number of loopholes that are inherent in the public service’s performance management systems leading to poor service delivery (Manyaka and Sebola, 2012:300). The expected improvements in performance, accountability, transparency, quality of service and value for money have not yet materialised in the public sector Fryer, Antony, Ogden (2015:478). There are three classes of problems with performance management in the public sector technical, systems and involvement. Externally imposed restructurings and reorganisations restrict the successful implementation of performance management Fryer, Antony, Ogden (2015:478).

1.5 PROBLEM STATEMENT

The implementation and management of the performance management development at Amathole District Municipality has significant problems due to the level of comprehension by Amathole District Municipality staff. Management also displays a tendency to default by not submitting their performance plans on time. There is a lack of internal control linked to available skills in departmental sections which further results inefficiency. Furthermore, officials display a lack of understanding for the critical necessity of submitting the performance plan and key performance areas each quarter, which leads to failure by some Amathole District Municipality employees to submit quarterly performance reviews thereby rendering the process of performance management futile. Such faulty practices have a negative impact on performance feedback in terms of how employees may improve their performance after the performance reviews have been reviewed.

1.6 RESEARCH QUESTIONS

The study is guided by the following questions:

- Does Amathole District Municipality comply with statutory policy requirements in respect of Performance Management and Development Systems (PMDS)?
• What impact does the implementation of policies on performance have on the developmental mandate at Amathole District Municipality?
• What are the outcomes of having effective and efficient performance at Amathole District Municipality?

1.7 THE AIM OF THE RESEARCH

The aim of the study is to assess the implementation of performance management systems in identifying issues and challenges faced by municipalities when applying performance management systems.

1.8 HYPOTHESIS

The implementation of performance management policies plays a big role in development, effective and efficient services delivery and the growth and development of employees at Amathole District Municipality.

1.8.1 RESEARCH OBJECTIVES

The objectives of this study are to:

• investigate how performance management and developmental policies are implemented at Amathole District Municipality;
• explore and describe the processes involved in the implementation of employees’ performance and development;
• Draw necessary recommendations on the outcomes of Performance Managements Systems of Amathole District Municipality

1.9 RESEARCH DESIGN

Research designs are plans and procedures for research that present the decisions from broad assumptions to detailed methods of data collection and analysis (Creswell, 2008:3). This plan involves several decisions, and they need not be taken in the order in which they make sense and the order of their presentation (Creswell, 2008:3). The overall decision involves which design should be used to study a topic (Creswell, 2008:3). The research design stage is where the researcher decides how to measure the two main variables in the researcher’s hypothesis (Bailey, 1994:13).
1.9.1 RESEARCH METHODOLOGY

The researcher has used a quantitative research methodology. The researcher has prepared a questionnaire in a form of a likert scale to administer to employees of Amathole District Municipality. Creswell (2008:1-2) defines quantitative research as an inquiry into the social or human problem, based on testing a theory composed of variables, measured with numbers and analysed with statistical procedures in order to determine whether the predictive generalisations of the theory hold true. Mouton and Marais (1996:155) describe the quantitative approach as a research method in the social sciences that is more highly formalised, as well as more explicitly controlled and which, in terms of methods used, is relatively close to the physical sciences. Section A of the questionnaire addresses biographical information while Section B consists of a likert-type scale with questions on the implementation of policies and performance management (see Appendix B). The researcher has chosen to use a likert-type scale as, according to Carifo, James and Rocco (2007:106), a likert-type scale is commonly involved in research that employs questionnaires. It is also the most widely used approach to scaling responses in survey research (Carifo et al., 2007:106) and its much simple for the participants’ to write down their comments.

1.9.2 SAMPLE POPULATION

The study has been conducted at Amathole District Municipality in the Eastern Cape. The target population is Amathole District Municipality employees, which consist of 1700 employees comprising of senior managers, managers, assistant managers and junior level employees.

A sample of 30 respondents has been selected that includes senior managers, managers, senior staff and junior staff. Purposive sampling has been used to collect data. Purposive sampling provides the best information to achieve the objectives of a study. Through this process, the researcher gains data from those people who are likely to (1) have the required information and (2) are who willing to share such information (Kumar, 2014:374).
1.9.3 DATA COLLECTION AND ANALYSIS

The researcher has made use of primary and secondary data. In terms of primary sources, the researcher relies on questionnaire. Secondary sources consist of government publications, research studies that have already been done, legislative frameworks, and Amathole District Municipality’s performance management framework (PMF) and employee performance management policies. According to Mouton (1996:110), during data collection, a researcher collects various kinds of data, for instance historical, statistical or documentary data. This is accomplished through various methods and techniques of observing, such as document analysis, questionnaires and psychometric testing Mouton (1996:110). Data collection is the process of gathering and measuring information regarding variables of interest.

The researcher has used a likert scale method. A likert-type scale is a method of measuring people’s attitudes by combining their scores on a variety of items into a single index (Buckingham and Saunders, 2004:291).

The researcher has prepared questionnaire and went to Amathole district Municipality to give to each participant, then the researcher went back to the municipality to collect all the questionnaire from the respondents. In order to prepare for data analysis the researcher calculated the statistics according to each question answered by the respondents. The researcher first calculated the total number of each question answered by respondents, calculated the percentages and used graphs to analyse the information.

1.10 ETHICAL CONSIDERATION

The study has been conducted in a professional manner and the names of the participants have been kept confidential. The researcher has informed the participants about the nature of the study and has protected those who participated from harm by ensuring that the information used in the study is true and correct. According to Henning, Wilhem and Smit (2004:73), respondents need to give informed consent to participate. This means that they must be fully informed about the research in which the questionnaire is going to be used. They need to know that their privacy and information will be protected.
1.11 CLARIFICATION OF CONCEPTS

The following concepts have been used in problem analysis:

- **Evaluation**: Evaluation is the systematic assessment of the worth or merit of someone or an object. It is also the systematic acquisition and assessment of information to provide useful feedback about a specific outcome (Howlett, Ramesh and Perl, 2009:179).

- **Monitoring**: Monitoring encompasses the verification of progress towards the achievement of objectives and goals Swanepoel, Erasmas, van Wyk and Schenk, 2013:152). It includes the collection and analysis of data as well as acts of overseeing the progress to achieve specific outcomes (Swanepoel, Erasmas, van Wyk and Schenk, 2013:152).

- **Performance Management Systems**: Performance management systems are systems developed by a municipality to determine which of the organisation’s structures are continuously monitored so as to measure overall performance outcomes (Swanepoel et al., 2013:316)

1.12 CHAPTER ORGANISATION

The chapter layout in terms of addressing the problem statement and research objectives are as follows:

**CHAPTER ONE**

This chapter provided the introduction and background of the study. It included the research problem and research objectives.

**CHAPTER TWO**

Chapter Two provides a literature review of the study, including the relevant legislation framework and books used as secondary data.

**CHAPTER THREE**

This chapter looks at the research method used in the study, data collection method of the study, sampling used in the study and unit of analysis.
CHAPTER FOUR

This chapter is interpreting the data collected in the study, analysing information by using percentages and graphs. Presentation of findings and data analysis

CHAPTER FIVE

Chapter five outlines the summary of the research, findings, and conclusion recommendations of the study and limitations of the study.
CHAPTER 2
LITERATURE REVIEW

2.1 INTRODUCTION

This chapter represents literature review and theoretical framework of Performance Management Development system that are used by municipalities in order to achieve its goals and objectives. This chapter focuses on performance management, objectives of performance management systems and legislation in order for a municipality to have effective and efficient implementation of Performance Management System in a municipality.

With the advent of South Africa’s transition to democracy in 1994, transformation of public services became a national priority Russell and Bavuma (2001:62). Russell and Bavuma (2001:62) note that the scale of change required was extensive and necessitated a range of innovative approaches to enhance service delivery. However, the management of organisations, particularly those managing performance and the development of employees, could present an opportunity for organisational effectiveness (Brynard, 2005:9). The process of transformation and improving effectiveness has, however, been gradual and slow, and has only been partially successful. However, many changes have taken place in the public sector thus far, including the introduction of performance management systems (Brynard, 2005:9) Such systems are intended to benefit provincial governments and municipalities by giving them an early warning of under-performance (Brynard, 2005:9).

2.2 OUTCOMES THAT CAN BE ACHIEVED IN THE IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEMS BY MUNICIPALITIES

A municipality that implements its policies when delivering its services to the people will achieve its goals and will have fewer challenges. Since local government is the nearest to service users it is expected that it is at the forefront of service delivery Van der Waldt (2006:143). Local government needs to demonstrate that performance is managed, measured and improved on a continuous basis and for this purpose it must develop a comprehensive performance management system. The development
of such a system is, however, not without challenges and local government should identify crucial elements which should be incorporated in such a system Van der Waldt(2006:143). The following outcomes are important in performance management because they can assist in the provision of service delivery in municipalities (National Development Plan [NDP], 2011:2).

Their assistance can be evidenced in municipalities’ compliance with policy and legislation:

- Active efforts and participation of all South Africans in their own development;
- Policy Consistency so that the country does not lose sight of its goals;
- Faster economic growth and higher investment and employment;
- Rising standards of education, a healthy population and effective social protection;
- Strengthening the links between economic and social strategies;
- Effective and capable Government;
- Collaboration between the public and private sector;
- Leadership from all sectors of society;
- Balance of economic activity;
- Improving infrastructure;
- Transition to a low-carbon economy;
- Integrated and inclusive rural economies;
- Transforming human settlements;
- Improving education, training and innovation; and
- Safer communities (National Development Plan [NDP], 2011:2)

The NDP (2011:2) seeks to alleviate or eradicate and improve economic growth that will create a virtuous cycle of expanding opportunities and building capabilities. The Plan aims at reducing poverty by involving communities in their own development, that leading to rising standards NDP, (2011:2). Such a virtuous cycle requires an agreement across a wide spectrum of society about the contributions, interests and sacrifices of all sectors NDP, (2011:2). Such agreement could translate into greater fields of opportunity for individuals and the country. Growth and development and
reducing poverty and inequality are the core elements of this virtuous cycle (NDP, 2011:2).

The Plan enjoys wide support from all sections of society (NDP, 2011:3). The best way to sustain this support is by ensuring broad engagement at every level of implementation. It is important that the implementation phase builds on this sense of broad ownership by enabling different sectors and individuals to contribute their skills, resources and expertise (NDP, 2011:3). It is also important to figure out how to make things work before trying to implement the Plan large-scale (NDP, 2011:3). Implementation needs to be a learning process, so that plans can evolve based on the experience of departments and results of evidence based on monitoring and evaluation (NDP, 2011:3).

2.3 PERFORMANCE MANAGEMENT

The South African Government has, since the 1994 democratic breakthrough, acknowledged that there is a need to understand the paradigms of performance and how they can be measured and could, in turn, be used as a developmental measure (2002:55). Performance, in its broadest sense, has probably been an issue in Government for as long as the concept of government has been in existence. Williams (2002:55) defines performance as the outcomes or outputs of work because they provide the strongest link to the strategic goals of an organisation, customer satisfaction and economic contributions. Such outputs of performance include accountabilities, key result areas, results objectives, goals, outputs, targets, critical success areas, competencies and standards (Erasmus, van Wyk, Schenk and Swanepoel, 2000:408). All of these outcomes emphasise the responsibility for service delivery that employees have in an organisation. Erasmus et al (2000:408) describe performance management as an approach to managing people that entails planning employee performance, facilitating the achievement of work related goals and reviewing performance as a way of motivating employees to achieve their full potential in line with an organisation’s objectives.

According to Grobbler, Nel and Dyk (2002:36) Municipalities deliver services critical to the well-being and development of the local government sphere. In order to ensure that municipal service delivery is as effective, efficient and economical as
possible, municipalities are required to formulate strategic plans, allocate resources through the municipal budgeting process and monitor and report on the results, as required, by applicable legislation (Conduct Performance Management in S.A. Municipalities, 2008:16). Performance information used in performance management is essential to focus the attention of stakeholders on the performance of individual municipalities as seen against their IDP and SDBIPs (Conduct Performance Management in S.A. Municipalities, 2008:16). In the municipal context, a comprehensive and elaborate system of monitoring performance of municipalities has been legislated. The system is intended to continuously monitor the performance of municipalities in fulfilling their developmental mandate (Conduct Performance Management in S.A. Municipalities, 2008:16). If developed properly, performance management systems can become a powerful tool for building a high-performance municipality and bridging the gap between planning and implementation (Conduct Performance Management in S.A. Municipalities, 2008:16).

Measuring performance in municipalities is not a simple task since various qualitative and sometimes unquantifiable variables have to be considered (Conduct Performance Management in S.A. Municipalities, 2008:16). These qualitative aspects can be rather complex and even intangible, such as the general welfare of the community, and can, therefore, make performance improvements and productivity measurements extremely difficult (Conduct Performance Management in S.A. Municipalities, 2008:16). Municipalities are required to address a range of objectives, some of which may be in conflict (Venter et al., 2007:112). Performance management is a process which stretches right through an organisation, including its mission statement, value statement and objectives within a system of continuous performance management (Craythorne, 2006:120).

2.4 THE ROLE OF MANAGERS IN PERFORMANCE MANAGEMENT

Managers’ main role is to achieve results and organisational objectives and, for this to happen, they have to manage the performance of their departments, teams and individual employees Meyer (1999:230). According to Meyer (1999:230), in a well-run organisation performance management systems hold managers accountable for applying the principles, values and strategic objectives of the organisation. In carrying out the responsibilities of performance management, the aim of line
managers or supervisors is to contribute to the improvement of the overall performance of an organisation by getting better results from their teams and individual employees (Armstrong, 2000). Effective managers and supervisors realise that they are paid not for what they do, but for what their subordinates do (Werner and DeSimone, 2006).

According to the Harvard Business Essentials (2006:94), the job of a manager is to produce results through people. It makes sense, therefore, for them to assume responsibility for increasing productive capacities of their employees. Craythorne (2006:121) sees performance management as a process which stretches right through an organisation, including its mission statement, value statement and objectives within a system of continuous performance management leading to up to performance reviews. It is important to understand, therefore, that an organisation is judged by its performance, and particularly, that of its employees’ performance (Stredwik, 2005). It is against this background that the management of an employee’s performance in the public sector becomes, undoubtedly, crucial, if effective and efficient service delivery is to take place.

2.5 THE PERFORMANCE MANAGEMENT AND DEVELOPMENT PROCESS

The performance management and development cycles include the following processes that help to link each employee to the strategic goals of the municipality:

- Performance Planning:
  This is a formal process that occurs at the end of every financial year between the managers’, supervisors’ and direct reports (Employee Performance Management and Development System Information Booklet, 2016:13). The purpose of performance planning is to discuss how the work for the next financial year will be performed, what results are expected over the twelve-month period, personal development plans and how performance will be measured (Employee Performance Management and Development System Information Booklet, 2016:13). The discussions are based on the objectives and strategies contained in the integrated development plan and approved budgets with due reference to the performance indicators and targets set out in the institutional scorecard, the service delivery and budget implementation.
plan and the directors and general managers’ performance plans (Employee Performance Management and Development System Information Booklet, 2016:13).

- Execution:
  This involves decision-making and taking actions based on the first process in the cycle. The process involves constant informal contacts between the managers, supervisors and their direct reports to support the employees and monitor, measure performance and provide coaching and constructive feedback to increase the probability of success (Employee Performance Management and Development System Information Booklet, 2016:13).

- Performance Measurement and Analysis
  Measurement is the act of collecting data on identified performance indicators while analysis is the act of interpreting the meaning of such data in terms of performance (Amathole District Municipality Performance Management Framework, 2014:2). Performance management and analysis is an ongoing process to determine whether performance targets have been met, exceeded or not met. Projections can also be made during the year as to whether the final target and future targets will be met (Amathole District Municipality Performance Management Framework, 2014:21). A relevant custodian has to be designated for each municipal scorecard indicator. The custodian will be accountable for performance and will be responsible for conducting measurements of the applicable indicators and analysing and reporting these for reviews. Analysis requires that current performance be compared with targets and past performance, where data is available, to determine whether or not performance is poor. The analysis should provide reasons for performance levels and suggest corrective action where necessary (Amathole District Municipality Performance Framework, 2014:21).

- Performance Reporting and Reviews
  Performance reporting and reviews entail reporting twice a year to management, the performance audit committee, council and the public. A quarterly report is also prepared and sent to the Internal Auditor to be audited,
prior it being sent to council and performance audit committees. Reviews are a key element of the monitoring and evaluation process. These reviews involve verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance (Amathole District Municipality Performance Framework, 2014:22). According to Section 45 of the Municipal Systems Act 2000, results of the performance measurement must be audited as part of the municipality’s internal auditing process, and this audit should be conducted annually by the Auditor-General.

The Department of Public Service and Administration (DPSA) has decided that the performance agreements of individual employees will be based on the department’s strategic plan, in order to ensure strategic alignment between organisational training priorities and individual training goals and objectives and the functional plans of the individual components (Department of Public Service and Administration, 2001(b):12, 17). The Performance Management Development Systems (PMDS) came into effect on 1 April 2001 and performance assessment takes place on a quarterly basis (Department of Public Service and Administration, 2001(b):10-11).

The assessment report enables employees to identify their shortcomings in knowledge and experience. The performance contract should stipulate the individual development plan. Section 35 of (Department of Public Service and Administration 2001(a)) stipulates that in order to address the gap that might exist between the required competency profile and the actual competency profile and the actual competencies of employees.

The municipality should stipulate that all performance agreements contribute to the achievement of institutional objectives, as highlighted in its strategic plan (Department of Public Service and Administration, 2001(b):12, 17). In order to address the gap between current capacity and required competencies, a personal development plan should be part of the performance management system (Department of Public Service and Administration, 2001(b):12, 17). The personal development plan should comprise a training and development plan specifically designed for individual employees (Department of Public Service and Administration, 2001(b):12, 17). The training and development needs should not only be identified
through performance assessments but also upon appointment when the work plan is
developed (Department of Public Service and Administration, 2001(b):12, 17).

2.6 PERFORMANCE MANAGEMENT IN LOCAL GOVERNMENT

There are different approaches to performance management, namely (1) performance management as an individual assessment tool, where individuals are assessed against generic criteria using different rating scales; (2) performance management as a development tool to determine and address the development needs of an individual, individual performance management, where organisational objectives and plans are translated into individual performance plans; and (3) organisational performance management, referring to strategic planning and control and consisting of strategy formulation, performance planning, monitoring and corrective action Vasant Keshavrao Bhosle (2012:133). According to Redding and Layland (2015:19) strategic planning is a pre-requisite for performance management. Once realistic strategic plans have been developed, indicators can be developed that reflect those plans. In this regard, performance management systems can be seen as participative, problem solving processes concentrating on both task performance and development Vasant (2012:134). These systems must be designed in such a way that they enhance overall performance and concentrate on the development of potential as opposed to control Redding and Layland (2015:49). According to Redding and Layland (2015:19) Performance can be seen as an integrated, systematic approach to improve organisational performance to achieve organisational strategic aims and promote the organisation’s mission, vision and values.

One mechanism to ensure the establishment of a performance management system at the local government level can be found in the legal obligation of local authorities in South Africa to prepare and implement integrated development plans, through the Systems Act (Act 32 of 2000), Section 26, which gives effect to a single, inclusive and strategic plan Vasant Keshavrao Bhosle (2012:133).

According to Monare (2002:33) performance management system must be commensurate with its resources, best suited to its circumstances, and in line with
priorities, objectives, indicators and targets contained in the Integrated Development Plan (IDP).

2.7 PERFORMANCE REVIEW

This phase involves the assessment of the planned performance against the actual performance achieved (Amathole District Municipality Employee Performance Management Policy and Procedure, 2013:12). The performance review of each employee should be conducted by a supervisor, quarterly, at specified dates and the meeting must be documented (Amathole District Municipality Employee Performance Management Policy and Procedure, 2013:12). The supervisor is entitled to review and make changes to the provisions of the performance or action plan of the employee, from time to time, for operational reasons upon agreement between both parties (Amathole District Municipality Employee Performance Management Policy and Procedure, 2013:12).

2.7.1 REPORTING ON EMPLOYEE PERFORMANCE MANAGEMENT

Reports regarding employees’ performance should be developed every quarter of the financial year by various departments and should be submitted to employee performance management units for consolidation (Amathole District Municipality Employee Performance Management Policy and Procedure, 2013:18). Employees who are performing below expected standards should be identified and their names should be attached on departmental reports. A consolidated institutional report should then be developed by the employee performance management unit. This report should be brought to the attention of the executive management team for consideration (Amathole District Municipality Employee Performance Management Policy and Procedure, 2013:18).

2.8 FUNCTION OF PERFORMANCE APPRAISAL

Performance appraisal is used by municipal employees in order to evaluate behaviour and outcomes in their performance (Swanepoel et al. 2013:266). According to Swanepoel et al. (2013:266), performance appraisal is a formal and systematic process by means of which the relevant job strengths and weaknesses of employees are identified, observed, measured, recorded and developed.
Performance appraisal means the two types of employees are distinguished and rewarded accordingly (Mathis and Jackson, 2000:23). Incentives are offered to employees whose performance is considered satisfactory and not to those who fail to meet performance standards (Mathis and Jackson, 2000:23). More specifically, performance appraisal contributes to enhancing the effectiveness and efficiency of organisations by providing guidance in developing valid data for rewarding employees (Swanepoel, Erasmus, van Wyk and Schenk, 2003:23).

Performance appraisal provides the basis for transfers, demotions and layoffs (Surujlal, 2004:11). It is also instrumental in identifying employees who are not performing according to the required standards and either removing them from the organisation, disciplining them, providing training or providing a means of warning them about unsatisfactory performance (Slack, 1997:15). Performance appraisal generates written information required in a disciplinary process (Slack, 1997:15). Sometimes, the outcomes of a disciplinary process can be so severe that it may lead to dismissal, hence the credibility of the process should be supported by documented proof (Slack, 1997:15).

Performance appraisal is also beneficial because it can be utilised to evaluate training programmes Sharma and Singh (2012:10). Sharma and Singh (2012:10) confirm the view that employees who are subjected to performance appraisal stand a better chance of career advancement. Better career prospects are attributed to constructive feedback obtained from the performance appraisal process. Thus, performance appraisal data could be utilised by many managers to suggest a career path for employees Sharma and Singh (2012:10). The employees, in turn, could realise the genuine interest that managers have in them, thereby strengthening manager-subordinate relations and that could lead to a better performance outcome (Jackson and Schular, 2000:2).

**2.9 IMPLEMENTING PERFORMANCE MANAGEMENT TO ENHANCE DEVELOPMENT**

Since 2001, the Department of Public Service and Administration has been extensively involved in formulating policies for the implementation of performance management systems within Public Service. The Senior Management Service
Directorate in the Department of Public Service and Administration (DPSA) is responsible for formulating the PMF for the rest of the Department (Thornhill and van Dijk, 2003:464). According to Section 10 (Department of Public Service and Administration 2001(a)), performance management and development systems need to be integrated with all other organisational process to be effective. Performance management is an approach to how work is done and organised. The approach should focus on the continuous improvement of performance and be driven by senior management. The approach should also be strategically aligned with all organisational training goals and priorities10 (Department of Public Service and Administration 2001(a)).

The purpose of the performance management and development system is to provide policy measures and guidelines for effective and efficient implementation of performance management within a department (Department of Public Service and Administration 2001(a)). Performance management is aimed at optimising the potential and current employee output in terms of quality and quantity, thereby increasing organisational performance (Department of Public Service and Administration 2001(b):6).

The objectives of performance management development systems are to establish a performance culture that would reward and recognise effective performance, be used as a vehicle for implementing organisational goals and priorities and facilitate continuous performance improvement and organisational development (Department of Public Service and Administration, 2001(b):6-7). The performance management development system aims to continuously enhance individual employee competence through identifying outputs related to training and development needs (Department of Public Service and Administration, 2001(b):6-7). The main principle of performance management is that it should be developmental, through the identification of competencies required from employees (Department of Public Service and Administration, 2001(b):6-7). In this way, performance management can be used to determine the content of training and development initiatives to which employees should be exposed (Department of Public Service and Administration, 2001(b):6-7).
As a result, the performance management development system makes provision for equal access of all employees to training and development opportunities (Thornhill and van Dijk, 2003:465). The link between performance management, and training and development is crucial. It can almost be seen as parts of an unbroken cycle. If performance management is not implemented correctly, it cannot positively influence the management of skills or identify competence gaps (Thornhill and van Dijk, 2003:465). Training priorities could also not be determined according to organisational needs, but would have to be based on individual perceptions of what is lacking and what is appropriate (Thornhill and van Dijk, 2003:465).

2.10 COMPLYING WITH PERFORMANCE MEASURES IN PUBLIC SERVICE

Compliance does not result in, and is not equal to, implementation (Luthuli, 2009:464). It may be argued that it is the first step in the implementation chain, but never ensures implementation itself. Aspects of compliance include government departments crafting policies that are only required to be sent to the National Treasury as well as the Department of Public Service Commission’s monitoring and evaluation requirements (Luthuli, 2009:464).

These documents tend to be ignored (Luthuli, 2009:464). This may be understandable, given delivery pressures, and these documents being unnecessary when implementation time frames are not stated (Luthuli, 2009:464). Such behaviour goes beyond this and exists even in situations where implementation is a legal requirement (Luthuli, 2009:464). While there is some legitimacy in terms of reasons for such behaviour, including requirements being part of unfunded mandates, the bulk of this behaviour is driven by or hidden behind organisational autonomy, management prerogative and a lack of a definition of monitoring and/or an authority to which implementation milestones are to be reported (Luthuli, 2009:464).

2.11 OBJECTIVES OF PERFORMANCE MANAGEMENT SYSTEM

Performance management fulfils the implementation, management, monitoring and evaluation of the Integrated Development Plan (Amathole District Municipality Performance Management Framework, 2016). It also fulfils the legislative requirements of managing organisational and personnel performance (Amathole District Municipality Performance Management Framework, 2016). This, then,
integrate links organisational performance to that of its staff or employees, thereby, making it vitally important to periodically review the performance of both the organisation and its employees. A performance management system is then used as a primary mechanism to improve, manage, monitor and review organisational and individual performance in enhancing service delivery, which could, in turn, improve the implementation of the IDP (Amathole District Municipality Performance Management Framework, 2016).

According to Grobler, Warnich, Carrel, Elbert and Hartfield (2006:264), the following are requirements for an effective performance management system in any institution:

- Managers understand the need to measure performance at all levels in a consistent way;
- Managers accept that the performance management processes that have been defined are needed;
- Managers have the knowledge and skills needed to perform their duties;
- The way consequences and rewards are managed in the organisation reinforces this process in a consistent and positive way;
- There are no other management processes in place that conflict with performance management processes;
- The whole process is transparent and can be openly challenged and defended;
- Position guides clearly define the jobs of the team leader and all team members in output terms without any gaps or overlaps;
- Each team develops measurable unit targets for the current planning period that reflect their contribution to implementing short and long-term strategies;
- All performance targets that are set add significant value and are stretching, yet achievable for the municipality;
- Managers allocate all their unit targets between themselves and team members; these targets are appropriate to the jobs they are doing;
- Managers negotiate with each of their team members in order to determine specific, measurable and stretching performance targets to which they are both committed;
• Every team member sees the targets that they personally accepted as contributing to their unit’s performance targets as well as being equitable with other team members;
• Managers and their team members accept that their rewards should reflect the achievement of the targets which they accepted;
• Managers regularly review both unit and individual performances with those concerned and take appropriate action to ensure that targets are reached or exceeded;
• Recorded performance assessments for each unit clearly discriminate between the more effective and less effective performers;
• Consequences and rewards for each individual are accepted as fairly reflecting their unit results and their own individual performance; and
• The effectiveness of performance management systems are formally evaluated at least once a year and appropriate improvements are made for the next cycle.

2.12 CORE COMPONENTS OF PERFORMANCE MANAGEMENT SYSTEMS

The Municipal Systems Act (2000) enforces the idea of local government performance management systems and requires all municipalities to:

• Develop a performance management system;
• Set targets, monitor and review performance based on indicators linked to their IDP;
• Publish an annual report related to performance for the councillors, staff, public and other spheres of government;
• Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
• Conduct an internal audit regarding performance before tabling the report;
• Have their annual performance report audited by the Auditor-General; and
• Involve the community in setting indicators and targets and reviewing municipal performance (Municipal Systems Act 2000).

In responding to the above requirements, Amathole District Municipality developed the following tools aimed at operationalising its performance management system:
• Performance Management Framework;
• Performance Contracts Agreements;
• Service Delivery and Implementation Plan;
• Procedure Manual for Management of Performance Information;
• Accountability Agreements and Performance Promises Procedures Manual;
• Reporting templates:
  (i) Quarter Performance Assessment Report;
  (ii) Annual Performance Report; and
  (iii) Annual Performance Report.

2.13 LEGAL AUTHORITY AND STATUTORY REQUIREMENTS

In the implementation of performance management systems, there is a need to comply with rules and regulations stated within the South African Constitution (1996), the Municipal Systems Act (2000) and the Municipal Finance Management Act (2003) in order for municipalities to achieve their goals in service delivery. Each of these regulatory documents are discussed in more detail in the following subsections.

2.13.1 THE CONSTITUTION OF SOUTH AFRICA (1996)

The Constitution is the founding legal document framing local government. Chapter 7 of the Constitution establishes the sphere of local government and forms the premise for subsequent policy and legislative documents related to local government.

According to Chapter 7, Section 152(1), the objects of local government are:

• To provide democratic and accountable government for local communities;
• To ensure the provision of services to communities in a sustainable manner;
• To promote social and economic development;
• To promote a safe and healthy environment; and
• To encourage the involvement of communities and community organisations in matters of local government.
Section 152 also mentions that a municipality must strive, within its financial and administrative capacity to achieve the objects set out in sub-section (1).

Section 153 subsection (1), which focuses on the developmental duties of municipalities, states that a municipality must:

- Secure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community and promote the social and economic development of the community; and
- Participate in national and provincial development.

Performance Management Systems will help the municipalities achieve each of the developmental duties stated in the constitution.

2.14 MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS (2001)

The Municipal Planning and Performance Management Regulations (2001) set out, in detail, requirements for municipal performance management systems. However, the regulations do not sufficiently constitute a framework that fully proposes how the system will work MPPR (2001). Each component of the proposed framework in MPPMR (2001) is strongly informed by the regulations set out by the Public Finance Management Act.

2.15 MUNICIPAL SYSTEMS ACT NO. 32 OF 2000

The Municipal Systems Act (2000), which enforces the idea of local government performance management systems, requires all municipalities to:

- Develop a performance management system;
- Set targets and monitor and review performance based on indicators linked to their Integrated development plan;
- Publish an annual report on performance for the councillors, staff, public and other spheres of government;
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
• Conduct an internal audit on performance before tabling the report;
• Have their annual performance report audited by the Auditor-General; and
• Involve the community in setting indicators and targets and reviewing municipal performance.

Section 25(1) (a) to (e) of the Municipal Systems Act (Act 32 of 2000), as amended, further provides that:

• Each municipal council must, within a prescribed period after the start of its elected term, adopt single, inclusive and strategic plans and take into account proposals in a friendly spirit;
• The council must link, integrate and co-ordinate plans and take into account proposals for the development of the municipality;
• The council must forms the policy framework and general basis on which budgets must be based; and
• The municipality’s performance management systems are compatible with national and provincial development plans and planning requirements binding on the municipality, in terms of National legislation.

2.16 THE MUNICIPAL FINANCE MANAGEMENT ACT NO. 56 OF 2003

The Municipal Finance Management Act (2003) states that the requirements of a municipality are to include its annual municipal performance report, along with its financial statements and other requirements, in constituting its annual report. This must be dealt with by the municipality within nine months of the end of the municipal financial year MFMA (2003)

Section 21(1) (a) of the Municipal Management Act (Act 56 of 2003) provides that the Executive Mayor of the Municipality must:

• Co-ordinate the processes for preparing the annual budget and reviewing the Municipality’s integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.
2.17 GENERAL INFORMATION PERTAINING TO THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The service delivery and budget implementation plan serves as a contract between the administration, council and community expressing the goals and objectives set by the council as a quantifiable outcomes that can be implemented by the administration in the applicable financial year Amathole District Municipality Service Delivery and Budget Implementation Plan(2018-2019). It provides a link between the mayor, the council and the administration, and facilitates the process for holding management accountable for its performance. It is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community to monitor the municipality’s performance on a quarterly basis Amathole District Municipality Service Delivery and Budget Implementation Plan(2018-2019).

The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget, the execution of projects, the performance of senior management and the achievement of the strategic objectives set by the council Amathole District Municipality Service Delivery and Budget Implementation Plan(2018-2019). This enables the mayor and the municipal manager to be pro-active and take remedial steps if necessary in the event of poor performance Amathole District Municipality Service Delivery and Budget Implementation Plan(2018-2019).

2.18 PERFORMANCE MANAGEMENT SYSTEM FOR AMATHOLE DISTRICT MUNICIPALITY TOWARDS 2023

Amathole District Municipality makes use of the Municipal Scorecard Model as a model for performance management. The Municipal Scorecard Model is now reviewed and is based on one scorecard namely, the SDBIP (Service Delivery and Budget Implementation Plan) Scorecard. The Municipal Scorecard Model embodies five Key Performance Areas adopted by the then Department of Local Government and Traditional Affairs in the Five Year Local Government Strategic Agenda. Performance is then measured according to the five key performance areas Amathole District Municipality Integrated Development Plan (2018-2019). This then
caters for measuring the elements of performance management as required for the balanced scorecard such as Costs, Inputs, Outputs, Outcomes and Process.

The Heads of Department will be primarily responsible for performance on the SDBIP Scorecard. As such, the SDBIP Scorecard is closely linked and forms the largest component of how a Head of Department's performance will be appraised. Furthermore, the SDBIP Scorecard will be cascaded down to the departments where it will be monitored Amathole District Municipality Integrated Development Plan (2018-2019).

Departments in the municipality are constituted by sections and the head of each section is responsible for reporting to the Head of Department. SDBIP Scorecards and performance reports must be formulated at departmental meetings constituted at least by the Head of Department and section heads. Sectional planning must be informed by the SDBIP Scorecard and performance reporting must feed into the SDBIP Scorecard report. Therefore, each section must have its own implementation plan that contributes to the overall implementation of the SDBIP Scorecard.

The District Municipality will facilitate the implementation of a coordinated annual cycle of municipal performance management within the district area. This cycle will have agreed critical dates and timelines for the following activities:

- Development of Institutional Scorecard (Top Layer SDBIP) as part of the District Integrated Development Process.
- Development of Departmental Scorecards (Bottom Layer SDBIP)
- Conclusion of Performance Contracts, Performance Agreements, Accountability Agreements and Performance Promises
- Completion of the first quarter reviews and audits
- Completion of the midyear/ second quarter reviews and audits
- Completion of the third quarter reviews and audits
-Completion of the annual reviews and audits
- Preparation of the Annual Performance Report
- Submission of inputs to the Annual Report
AMATHOLE DISTRICT MUNICIPALITY’S PERFORMANCE REVIEWS AND REPORTING

It is intended that departments review their performance monthly, using their SDBIP Scorecards. Decision-makers should be immediately warned of any emerging failures to service delivery such that they may intervene if necessary. Departments should use these reviews as an opportunity for reflection on their goals and programmes and whether these are being achieved. Minutes of these reviews should be forwarded to the office of the Municipal Manager. Changes in indicators and targets may be proposed at this meeting but can only be recommended for approval by the Municipal Manager to the Executive Mayor Amathole District Municipality Integrated Development Plan (2018-2019).

DEPARTMENTAL REVIEWS

It is intended that departments review their performance monthly, using their SDBIP Scorecards. Decision makers should be immediately warned of any emerging failures to service delivery such that they may intervene if necessary. Departments should use these reviews as an opportunity for reflection on their goals and programmes and whether these are being achieved Amathole District Municipality Integrated Development Plan (2018-2019).

Minutes of these reviews should be forwarded to the office of the Municipal Manager. Changes in indicators and targets may be proposed at this meeting but can only be recommended for approval by the Municipal Manager to the Executive Mayor Amathole District Municipality Integrated Development Plan (2018-2019).

On a monthly basis the Head of Department (HOD) will submit a report on the department’s performance using the SDBIP Scorecards to Executive Management Committee (EMC). HODs will formulate their SDBIP Scorecard reports by taking into account the performance of the various units or sections within each department. The SDBIP Scorecard requires inputs from each unit or section such that a comprehensive report is collated on the performance of each department. The Unit Manager or Sectional Head is responsible for the provision of unit reports to the HOD Amathole District Municipality Integrated Development Plan (2018-2019).
MUNICIPAL MANAGER’S REVIEW PANEL

Twice annually, the review panel setup by the Municipal Manager will review the departmental performance (HOD or manager reporting directly to the municipal manager) using the SDBIP Scorecards for departments. The Municipal Manager will then submit reports from this review to the Audit Committee then to the Executive Mayor to submit to council Amathole District Municipality Integrated Development Plan (2018-2019). The Municipal Manager’s Review Panel will need to reflect on whether targets are being achieved, what are the reasons for targets not being achieved where applicable and corrective action that may be necessary. Where targets need to be changed, the Municipal Manager can endorse these, for recommendation to the Executive Mayor for approval. In preparation for and prior these reviews, the office of the Municipal Manager must develop an analysis of performance Amathole District Municipality Integrated Development Plan (2018-2019).

- Executive Mayor’s Review Panel

Twice annually, the review panel setup by the Executive Mayor will review the top institutional performance (municipal manager) using the Top layer SDBIP. The Executive Mayor will then submit reports from this review to Council. The Executive Mayor’s Review Panel will need to reflect on whether targets are being achieved, what are the reasons for targets not being achieved where applicable and corrective action that may be necessary. Where targets need to be changed, a recommendation will be submitted to the Executive Mayor for approval Amathole District Municipality Integrated Development Plan (2018-2019).

- Audit Committee Reviews

On a quarterly basis, the Audit Committee will review the top institutional performance (Municipal Manager) using the Top layer SDBIP. Other function that is linked to the Audit Committee is the auditing and assurance guarantee on the assessment and processes of the framework and the system. This is further detailed in section dealing with Auditing and Quality Control Amathole District Municipality Integrated Development Plan (2018-2019). The report will be submitted to the Executive Mayor quarterly and to council bi-annually. The Audit Committee will need to reflect on whether targets are being achieved, what are the reasons for targets not
being achieved where applicable and corrective action that may be necessary. They will verify and give assurance to the process of reviews undertaken by the panels and recommendation. Where targets need to be changed, a recommendation will be submitted to the Executive Mayor for approval.

COUNCIL REVIEWS
At least twice annually, the council will be required to review municipal performance based on the performance report submitted by the Executive Mayor. The council will use the report submitted by the Executive Mayor from the Audit Committee.

PUBLIC REVIEWS
The Municipal Systems Act requires the public to be given the opportunity to review municipal performance and they will be part of the panels established by the district municipality. A citizen’s report will be produced for public consumption and tabled to the IDP Representative Forum established by Amathole District Municipality. A citizen’s report should be a simple, easily readable and attractive document that summarises the performance of the municipality public consumption. Annual report will be developed and be open for public comments on the assessment of the municipality’s performance. It is also proposed that a public campaign be annually embarked on to involve communities in the review of municipal performance. Such a campaign could involve the following methodologies:
Various forms of media including radio, newspapers and billboards can be used to convey the communities’ report. The public should be invited to submit comment via telephone, fax, email and public hearings to be held in a variety of locations.

AUDITING AND QUALITY CONTROL
The Office of the Municipal Manager will be required on an ongoing basis to co-ordinate and ensure good quality of reporting and reviews Amathole District Municipality Integrated Development Plan (2018-2019). It will be its role to ensure conformity to reporting formats and check the reliability of reported information, where possible Amathole District Municipality Integrated Development Plan (2018-
The municipality’s internal audit function will be continuously involved in auditing the performance reports, evidence file and SDBIP scorecards. As required by the regulations, they will be required to produce an audit report on a quarterly basis, to be submitted to the Municipal Manager, Executive Mayor and Audit Committee Amathole District Municipality Integrated Development Plan (2018-2019). The Audit Committee will also be tasked with assessing the reliability of information reported Amathole District Municipality Integrated Development Plan (2018-2019).

2.19 THE CYCLES OF ORGANISATIONAL PERFORMANCE MANAGEMENT

The process of performance management is central to modern notions of management for example it is inseparable from the things that a manager must do Amathole District Municipality Performance Management Framework (2017). It is important that performance management is mainstreamed in municipality as an approach to daily management. The annual process of managing the performance of the Amathole District Municipality will involve the following components.

CO-ORDINATION

The executive authority with regards to the implementation of policy framework will be the responsibility of the Executive Mayor. The Executive Mayor will be accountable to the Council. The Municipal Manager will be responsible for the management and administrative responsibilities related to implementation of the performance management system and will be accountable to the Executive Mayor in this regard. The Strategic Manager in the Office of the Municipal Manager, as a form of support to the Municipal Manager, will be responsible for co-ordinating the implementation of the planning, measurement, reporting and review processes of the Performance Management System. In a case where a Performance Management Systems Manager exists, can be delegated. The office of the Municipal Manager will develop planning and reporting templates and will coordinate their completion, submission and analysis Amathole District Municipality Performance Management Framework (2017). It will also ensure that the clusters, head of department working group, mayoral committee, council, audit committees and evaluation panels have the necessary technical support to meet their responsibilities in terms of the performance

**PERFORMANCE PLANNING**

The Integrated Development Plan, budget and the Municipal Service Delivery and Budget Implementation Plans constitute the planning components of municipal performance management Amathole District Municipality Performance Management Framework (2017). Through the IDP review processes, the strategic objectives, strategies and SDBIP Scorecards will be developed. This is the stage where Key Performance Area’s and Key Performance Indicators are aligned to the IDP and national requirements, and targets are set Amathole District Municipality Performance Management Framework (2017). Once the top level SDBIP Scorecard (from the IDP) is approved as part of the IDP, the next step will be to develop SDBIP Scorecards (with quarterly targets) that should support the realisation of the objectives and targets set in the top level SDBIP Scorecard. These are referred to as Service Delivery and Budget Implementation Plan Scorecards (SDBIP Scorecards). The SDBIP scorecard, which provides a comprehensive picture of the performance of each department and unit, will be diffused through each department, into the departmental sections, and will be monitored within each department Amathole District Municipality Performance Management Framework (2017).

Each department is made up of sections and the head of each section or unit manager is responsible for reporting to the head of department. Sectional reporting must be fed into the SDBIP scorecard report, which implies that each section must have its own implementation plans that contribute to the overall implementation of the SDBIP Scorecards Amathole District Municipality Performance Management Framework (2017). Leadership is responsible for planning in any institution and is responsible to endorse, all SDBIPs, at an executive meeting attended by all HODs (of which minutes are to be kept) before submitting the SDBIPs to the executive Mayor for approval Amathole District Municipality Performance Management Framework (2017). The endorsement is commitment to planning and discipline during subsequent phases performance management being implementation, measurement and analysis, evaluation and reporting Amathole District Municipality Performance Management Framework (2017). Furthermore upon approval by the
executive Mayor, the SDBIPs ought to be locked for editing Amathole District Municipality Performance Management Framework (2017). This can be achieved in various ways e.g. capturing all SDBIPs on a computerised performance management system such as DIMS (District Information Management System). In the absence of a computerised performance management system, management can seek advice from the information technology department. If a KPI or target needs to be altered, this must be done with prior approval of the Executive Mayor following the Municipal Manager’s recommendation. With these in place, the Municipality is now on track to implement and monitor the implementation of the Integrated Development Plan Amathole District Municipality Performance Management Framework (2017).

PERFORMANCE MEASUREMENT AND ANALYSIS
Measurement is the act of collecting data on identified performance indicators while analysis is the act of interpreting the meaning of such data in terms of performance. It is an ongoing process to determine whether performance targets have been met, exceeded or not met. Projections can also be made during the year as to whether the final target and future targets will be met. It occurs during key points in a process for example, on a quarterly and annual basis Amathole District Municipality Performance Management Framework (2017).

For each Municipal Scorecard indicator (indicators in the SDBIP Scorecards), a relevant custodian has to be designated. The custodian will be accountable for performance and will be responsible for conducting measurements of the applicable indicators, analysing and reporting these for reviews. Analysis requires that current performance be compared with targets and past performance, where data is available, to determine whether or not performance is poor. It should provide reasons for performance levels and suggest corrective action where necessary Amathole District Municipality Performance Management Framework (2017)

PERFORMANCE REPORTING AND REVIEWS
Reviews and auditing is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance Amathole
District Municipality Performance Management Framework (2017). According to section 45, of the Systems Act of 2000, results of the performance measurement must be audited as part of the municipality's internal auditing process and annually by the Auditor General. The Municipality will therefore have to establish frameworks and structures to evaluate the effectiveness of the municipality's internal performance measurement control system.

2.20 CONCLUSION

This chapter has reviewed the literature regarding performance management as well as legislation on the implementation of performance management. The chapter has covered the objectives of performance management, general performance, the performance management cycle, performance management in local government, the function of performance appraisal and statutory requirements. The next chapter focuses on the reflective analysis of Amathole District Municipality in terms of what audit, quarterly, monthly and annual reports say about performance management and the implementation of policies.
CHAPTER 3
METHODOLOGY

3.1 INTRODUCTION

This chapter discusses the research methodology used and the way in which the data has been collected in this study. The purpose of doing research varies from project to project. Sometimes research is done in a specific situation with the aim of finding an immediate solution to a practical problem (Welman, Kruger, and Mitchell, 2005:2). In other cases, a researcher’s goal is not to find out what happens in one specific situation but to explain how things are in general, so as to develop or test a theory about how nature functions (Welman et al., 2005:2).

Research is the process of collecting, analysing and interpreting data in order to understand a phenomenon (Leedy and Ormrod, 2001). The research process is systematic in defining the objective, managing the data and communicating the findings that occur within the established frameworks and in accordance with existing guidelines (Leedy and Ormrod, 2001). The frameworks and guidelines of a study provide researchers with an indication of what to include in the research, how to perform the research and what information is based on the data collected (Leedy and Ormrod, 2001).

The aim of this study is to assess the implementation of performance management systems to identify issues and challenges faced by municipalities when applying such systems. This study set about to:

- Identify areas that need improvement when the municipality is implementing its policies and assist the municipality in identifying the cause of its financial challenges and how they can improve in order to meet the municipality’s goals and targets in performance management.

- investigate how performance management and developmental policies are implemented at Amathole District Municipality;

- explore and describe the processes involved in the implementation of employees’ performance and development;
• establish the challenges that cause a lack of performance management and development;
• investigate the role and purpose of SDBIP, IDP and how they link with performance management and implementation; and
• make recommendations to enhance the process approach to the implementation of the performance and development management systems.

3.2 RESEARCH METHODOLOGY

A research design serves as the architectural blueprint of a research project, linking data collection and analysis activities to the research questions and ensuring that the complete research agenda is addressed (Bickman and Rog, 1997:11).

A research design has two meanings; it can be understood as (1) the planning of any scientific research from the first to the last step; or (2) a programme to guide the researcher in collecting, analysing and interpreting observed facts (Bless and Smith, 1995:63). It is also a specification of the most adequate operations to be performed in order to test a specific hypothesis (Bless and Smith, 1995:63).

3.2.1 METHODS FOR CONDUCTING QUANTITATIVE RESEARCH

There are several research methods that can be used to conduct quantitative research. In the descriptive research method, developmental design, observational studies and survey research are used (Leedy and Ormrod, 2001). These research methods may also be used in various degrees with experimental and casual-comparative research (Leedy and Ormrod, 2001). In the correlational research method, a researcher examines the differences between the two characteristics of a study group (Leedy and Ormrod, 2001). In such cases, it is crucial to observe the extent to which a researcher discovers statistical correlations between two characteristics depending on some degree of how well those characteristics have been calculated (Leedy and Ormrod, 2001).

The researcher has used a quantitative research methodology to conduct this study. The researcher prepared a questionnaire which senior managers, managers, assistant managers and lower-level staff at Amathole District Municipality had to complete. Creswell (1994:1-2) defines quantitative research as an inquiry into social
or human problems, based on testing a theory composed of variables, measured with numbers and analysed with statistical procedures in order to determine whether the predictive generalisations of the theory hold true.

Quantitative or empirical analytical research methods relate to data being expressed as numbers (Neuman, 2007:7). Mouton and Marais (1996:155) describe the quantitative approach as a research method in the social sciences that is more highly formalised, as well as more explicitly controlled, with a range that is more exactly defined, and which, in terms of methods used, is relatively close to the physical sciences. To meet such quantitative ends, Section A (Annexure B) of this study’s questionnaire addresses biographical information while Section B (Annexure B) presents a Likert-type scale with questions regarding the implementation of policies and performance management. The researcher has chosen to use a Likert-type scale, as, according to Carifo et al. (2007:106), a Likert-type scale is most commonly present in research that employs questionnaires, and is the most widely used approach for scaling responses in survey research.

3.2.2 UNIT OF ANALYSIS

The study is on the implementation of performance management systems at Amathole District Municipality. The aim of the study was to identify the challenges that are faced by Amathole District Municipality in service delivery, to get an understanding on how the municipality achieves its targets and how to improve the service delivery in order for the targets to be met. There are financial challenges that made the municipality not to finish community projects, supplier’s invoices not paid on time and service delivery protests from communities falling under Amathole district municipality. The study was assessing if Amathole District municipality is complying with performance management systems and whether there is a need for the municipality to develop new policies that will assist the municipality in fulfilling its goals in terms of service delivery.

The reason for these challenges is because the municipality was facing some financial problems and According to Auditor General Report June 2017 the Amathole district received a qualified report which means that the municipality’s audit was not clean and the level of service delivery has decreased. In order for the municipality to
improve its level of service delivery it must link to its Integrated Development Plan. On 26 May 2017 Amathole District Municipality adopted a five year Integrated Development Plan (IDP) for the municipality Amathole District Municipality Integrated Development Plan (2018-2019). The IDP was developed in accordance with the requirements as set out in the Municipal Systems Act (32 of 2000), the Municipal Finance Management Act (56 of 2003) and Local Government: Municipal Planning and Performance Management Regulations (2001 and 2006).

According to Bless and Higson-Smith (2000:64) when drawing a sample, the person or object from whom the researcher collects data is the unit of analysis. The data from such a unit can only describe that unit, but when combined with similar data collected from a group of similar units, provides an accurate picture of the group to which that unit belongs to Bless and Higson-Smith (2000:64). A certain number of individuals are studied as being representative of that particular population which has initially been identified Mouton and Marais (1996:38). In this study the researcher has used the employees of Amathole District Municipality as its unit analysis.

The researcher prepared questionnaires to give out to individual employees within Amathole District Municipality. The questionnaires have only been given to individuals who have voluntarily accepted to be part of the research. Out of the total of 1700 employees within the municipality, the researcher has made use of a sample of 20 to 30 employees to which the questionnaire was distributed. Once the respondents completed the questionnaire, the researcher then analysed the answers.

Amathole District Municipality has a challenge of not finishing projects on time, some of the communities falling under the district are not happy with the way services are provided as they are still using bucket system not proper toilets, lack of clarity on role players, Inadequate resources, difficulty in filling in existing vacancies, Failure to respond in time or to observe time factor in implementation of work, invoices not paid in time, lack of skills and some departments not submitting their performance plans and reviews on time.
3.2.3 QUANTITATIVE METHODOLOGY

Methodology can be defined as the theory of how research should be undertaken (Saunders, Lewis and Thornhill, 2009:3). The methods within a methodology are the different possible techniques used to gather information, such as questionnaires, observations and interviews (Saunders, Lewis and Thornhill, 2009:3).

Quantitative methodology refers to research that relies on the collection of quantitative data (Johnson and Christensen, 2000:17). Quantitative research focuses on the deductive component of the scientific method (Johnson and Christensen, 2000:17).

Quantitative research requires methods such as experiments and surveys to describe and explain phenomena. Such methods could also include observations, preliminary investigations and qualitative analysis (Brynard and Hanekom, 2006:37).

3.3 SAMPLING

A sample is defined as the model or a subset of the population that is used to gain information about the entire population (Rog, 1997:102). When interpreting the results of a research study, you must first decide what population of subjects should actually be sampled in the study. Consider whether this population is sufficiently similar to the one to which you wish to generalise the results (Saslow, 1982:261).

Thus, the researcher considered various types of sampling that might help to gain the best sample for this study:

- Non-Probability Sampling:
  Non-probability samples are used for many research projects (Rog, 1997:104). These samples can be chosen for convenience or on the basis of systematically employed criteria (Rog, 1997:104). Non-probability sampling actually comprises a collection of sampling approaches that have distinguishing characteristics; subjective judgements on the part of a researcher play a role in such sample selection (Rog, 1997:104).
• Probability Sampling:
Probability samples have the distinguishing characteristic that each unit in the population has a known, non-zero probability of being selected for the sample (Rog, 1997:104)

To have this characteristic, a sample must be selected through a random mechanism. Random selection mechanisms are independent means of selection that are free from human judgements and other biases that can inadvertently undermine the independence of each participant selection (Rog, 1997:104).

The study has been conducted at Amathole District Municipality in the Province of the Eastern Cape. The target population is 1700 Amathole District Municipality employees comprising of senior managers, managers, assistant managers and junior level employees (Amathole District Municipality Performance Reports 2016-2017).

A final sample of 30 employees was given a questionnaire. Participants were required to answer the questionnaire and provide responses regarding the implementation of performance management systems in the municipality. The questionnaire consisted of a Likert-type scale, and respondents had to circle their answers. A variety of participants made up the final sample, including senior managers, managers, senior staff and junior staff. Purposive sampling was ultimately selected to find the sample from which data was collected. This is because purposive sampling provides a researcher with the best information to achieve the objectives of a study (Kumar, 2014:374). Purposive sampling also ensures that a researcher can gain those participants who are most likely to have the required information and who may be willing to share such information (Kumar, 2014:374).

According to Babbie and Mouton (2001:646), quota sampling is a type of non-probability sampling in which units are selected into the sample on the basis of pre-specified characteristics, so that the total sample will have the same distribution of characteristics assumed to exist in the population being studied.
3.4 DATA COLLECTION METHODS

The researcher prepared a Likert-type scale questionnaire to give to respondents. According to Buckingham and Saunders (2004:294) a Likert-type scale is a prepared set of written questions, directed to the participants in a social survey, for the purpose of a statistical compilation or comparison of the information gathered. A Likert-type scale is, therefore, a method of measuring people’s attitudes regarding a studied phenomenon by combining their scores on a variety of items into a single index Buckingham and Saunders (2004:294).

3.5 DATA ANALYSIS METHOD

In Chapter 4, the researcher uses charts, graphs and tables to help the reader understand the data collected from individual employees and to highlight findings. The data analysis helps in answering the posed research questions related to performance management systems at Amathole District Municipality. Once the researcher received all completed questionnaires, the responses were placed into an excel spreadsheet, each with their own column number as a heading, and one row for each employee’s answer was then used. From there, the data was analysed under the guidance of the researcher’s supervisor.

3.6 ETHICAL CONSIDERATIONS

Permission to conduct the study was obtained from Amathole District Municipality. The researcher informed all the respondents that the information they supplied is only to be used for academic purposes and will be kept confidential. In the questionnaire that the researcher has prepared, there was an attachment of a letter asking the participants to take part in the research voluntarily. There was also a letter of approval of the study from the municipality attached to the questionnaires.

All employees of Amathole District Municipality who ultimately took part in the study did so voluntarily and no harm came to participants during or after they answered the questionnaire. The information obtained from participants will be kept confidential and used only for academic purposes by the researcher. The names of participants are not mentioned or published in any research-related documentation available to the public.
3.7 CONCLUSION

The focus of this chapter was on describing the type of methodology the researcher has used to conduct this study, as well as the type of sampling used and ethical considerations the researcher took into account. This chapter is about the research methodology the researcher has used in this study. The researcher has used a quantitative method in the study and has collected data by preparing a questionnaire that was in a likert scale method. This chapter also ensures the respondents of Amathole District municipality that the information that was collected has been used for academic purposes only.
CHAPTER 4

PRESENTATION OF FINDINGS AND DATA ANALY

4.1 INTRODUCTION

This chapter focuses on the analysis of the questionnaire data received from 30 questionnaires completed by employees of Amathole District Municipality. The interpretation of the data collected is present through the use of graphs and percentages and the data are then compared with the municipality’s annual reports. The aim of the study is to identify the challenges faced by Amathole District Municipality in the implementation of policies when providing service delivery to the broader Amathole community.

The questionnaire was divided into two sections and the results for each of these sections are presented separately (1) Section A addresses the biographical questions that were given to respondents that focused on the race, age and education of the participants. (2) Section B presents the data analysis of all questions that were asked to employees regarding the implementation of performance management systems.
4.2 SECTION A: BIOGRAPHICAL INFORMATION

In this section the biographical data of participants will be presented that includes gender, the number of years that each participant has been working at the municipality in order to investigate whether or not the municipality is employing skilled, experience and qualified employees.

![Gender of Participants](image)

**Figure 4.1: Gender of Participants**

According to Figure 4.1, females represented 70% of the participants while 30% of the participants were males. This indicates that more females have taken part in the study than males. According to Amathole District Municipality’s Annual Report (2017:105) the total number of Amathole District Municipality staff, as at 30 June 2016 is 1 700, one of which is a foreign national and does not count for the municipality’s Employment Equity. Out of the 1 700, 57% are males and 43% are females. The total number of disabled employees is six, inclusive of one person appointed in the first quarter of the 2016/2017 financial period. This makes up a total percentage of 0.3% of disabled people within the Amathole District Municipality.
Table 4.1 shows the number of Black employees is 26 (86.7%), Coloured employees is 1 (3.3%), White employees is 2 (6.7%) and Indian employees is 1 (3.3%). Amathole District Municipality has the highest number of Black employees in comparison to Coloured, White and Indian employees.

Figure 4.2: Race of Employees Working for Amathole District Municipality
Figure 4.3: Number of Years in the Public Service

Figure 4.3 shows that 43.33% of the employees have been working for Amathole District Municipality for a period of five years, 33.33% have been working for the municipality for a period of five to nine years, 20% of the employees have been working for the period of 10 to 19 years and 3.3% of the employees have been working for the municipality for a period of 20 years. This shows that the employees of Amathole District have a working experience of more than five years and above in serving the public and that means with the skills and experience they have they can add value to the municipality in implementation of performance management systems policies.
Figure 4.4 shows that 4 (13.3%) of the employees of Amathole District Municipality have a matric certificate, 1 (3.3%) of the employees have certificates, 16 (53.33%) of the employees have diplomas and 9 (30%) of the employees have degrees. According to Amathole District Municipality’s Annual Report (2017:143), in an effort to try to change the skills development landscape within the District, the municipality conducted different programmes for councillors and officials in the financial year 2015/16 as well as presenting two strategies which were as follows:

- Implementation of Training and Development of Councillors;
- Implementation Training and Development of Officials;
- Local Government Sector Education Authority (LGSETA) Grant Funds Program (for Capacity Building) for Amathole District Municipality Personnel;
- Adult Education and Training Programme (ABET) for 90 employees;
- Employee Study Assistance Programme, which offered financial assistance to 279 employed candidates enrolled at various institutions of higher learning;
- Minimum Competency Level Training Programme to implement the training in line with the Government Gazette 299 67 and thirty candidates were enrolled.
4.3 SECTION B: INTERPRETATION AND ANALYSIS OF RESEARCH FINDINGS

This section covers an analysis of the questionnaire that was given to employees of Amathole District Municipality in order to investigate the compliance of the municipality in implementation performance management system policies and to determine the challenges that are experienced by the municipality. The data collected also investigated whether or not the employees of Amathole District Municipality have knowledge of performance management systems and whether or not they know what is expected from these systems in terms of service delivery. A sample of 30 employees of Amathole District municipality has been used. The 30 respondents that have been selected include senior managers, assistant managers and junior level employees.

4.3.1 KNOWLEDGE AND AWARENESS OF PERFORMANCE MANAGEMENT AND ITS CYCLES

Figure 4.5: Amathole District Municipality officials have knowledge of performance management policies.
Figure 4.5 shows that 30% of the employees disagree that officials have knowledge about performance management policies. About 40% of the employees are neutral; this means that there will be more challenges in the municipality when officials are not clear of how the municipal policies work or how they should be implemented in order to achieve the municipality's goals. Training and workshops for employees on performance management policies might help to improve the knowledge of the municipal employees.

Figure 4.6: Amathole District Municipality employees are aware of performance management cycles.

Figure 4.6 shows that 3.33% of the employees of Amathole District Municipality strongly disagrees, 16.66% of the employees disagrees, 16.66% of the employees is neutral and 60% of the employees agrees. Employees of Amathole submit their monthly, quarterly and year review in order to see if each department is providing service delivery in a fair manner and is achieving its goals. The reviews also identify the areas that each department is still lacking in their performance management. Amathole District Municipality third quarter report (2017:3) states that departments review their performance at least monthly. Decision –makers should be immediately warned of any emerging failures to service delivery such that they can if necessary and it is important that departments use reviews as an opportunity for reflection on their goals Amathole District Municipality third quarter report(2017:3).Departments report on their performance in the required format to the municipal manager, additional indicators that occur in the strategic and operational plans will also be reviewed Amathole District Municipality third quarter report(2017:3).The municipal
manager’s review panel will need to reflect on whether targets are being achieved and what are the reason for targets not being achieved and were applicable corrective action may be necessary Amathole District municipality third quarter report(2017:3).

4.3.2 PERFORMANCE AND DEVELOPMENT AT AMATHOLE DISTRICT

Figure 4.7: The performance management system helps in identifying employees’ training needs

Figure 4.7 shows that 0% strongly disagrees, 23.33% disagrees, 20% is neutral, 46.66% agrees and 10% strongly agrees. This means that employees know that performance management systems are needed to identify areas for skills development in order to improve or change their level of working. Manager or supervisor must prepare or plan for work that needs to be finished or achieved in the beginning of the annual cycle by the employees. Communication with employees at the beginning of the review cycle is important and supervisors meeting their employees to help them understand how their performance contribute in the municipal service delivery. Feedback is important because performance manage process depends on a continuing communication between supervisors and employees. Training and development is important for employees in order to improve their performance monthly or quarterly.
4.3.3 REWARD SYSTEM AT AMATHOLE DISTRICT MUNICIPALITY

Figure 4.8: Employees are rewarded when they perform well

Figure 4.8 shows that 50% of the employees agree that there are rewards given to employees when they perform well. Similarly, 20% strongly agree that rewards are given to employees. This means that most of the employees within Amathole District Municipality are aware of what is expected from them in terms of performance management systems.

According to the Municipal Systems Act of 2000 Section 51 (d) municipalities require performance plans on which rewards should be aligned. Rewards should also align with the IDP and service delivery and budget implementation plans should be consistent with the higher levels of integrated development targets. Such targets should be incorporated appropriately in personal performance rewards.
The Municipal Manager and Section 56 managers are the only employees who currently receive performance bonuses at Amathole District Municipality. Performance rewards for employees below Section 56 managers are non-financial and come in the form of medals and special leave days. These rewards are categorised as follows:

- 117% - 132% - Silver Medal and three special leave days;
- 133% - 159% - Gold Medal and four special leave days;
- 160% and above - Platinum Medal and five special leave days.

Figure 4.9: Implementation of the performance management system is negatively affected by officials that are not complying with policies

Figure 4.9 shows that 6.67% of the employees of Amathole District Municipality strongly disagree that performance management systems are negatively affected by the employees that are not complying with the policies, 6.67% disagree, 40% agree and 43.30 % strongly agree. According to the data collected the highest percentage of employees agree that implementation of performance management system is affected by officials who are not complying with policies and when there is no
compliance with policies service delivery will be affected because some employees do not have enough information about the policies and how they can help in the improvement of services provided by the municipality.

![Percentage of Respondents](image)

**Figure 4.10: Implementation of performance management system can be affected by lack of funds**

Figure 4.10 shows 0% of the employees disagrees that the performance management systems are negatively affected by a lack of finances, 16.66% disagrees, 26.66% is neutral, 53.33% agrees and 3.33% strongly agrees. This means that the highest number of employees agree that performance management is affected by a lack of finances; if there are no finances, service will not be provided for the people of Amathole.

Section 65 (2) (e), sub-section (1) of the Municipal Finance Management Act No. 56 of 2003 states that the accounting officer of a municipality is responsible for the management of the expenditure of the municipality. The accounting officer must, for the purpose of sub-section (1) take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure. Circular 49 of the Municipal Finance Management Act No. 56 of 2003 mandates the municipality to ensure that all monies owed to the people should be paid within 30 days of submission of invoice. The delivery of payment certificates to the individual project managers as, opposed to a centralised office at Amathole District
Municipality, results in invoices not reaching the Budget and Treasury Office, which results in non-compliance with Circular 49 as required by Treasury. Orders are not processed for projects making it difficult to track the municipality’s ability to comply with Circular 49.

The lack of monitoring and poor communication relating to incidences of fruitless, wasteful and unauthorised expenditure results in deviations and breaches. There are currently no procedures in place to identify, prevent or deal with fruitless expenditure in the event of it occurring (Amathole District Municipality IDP, 2017:134).

![Figure 4.11: Implementation of the performance management system is negatively affected by a lack of resources other than finances](image)

Figure 4.11 shows that 0% of the participants strongly disagrees, 16.66% disagrees, 33.33% is neutral, 46.66% agrees and 3.33% strongly agrees. This means that most employees at Amathole District Municipality agree that when there is not enough working equipment in the municipality, performance will be negatively affected.

According to the Amathole District Municipality Annual Report (2016/2017) the municipality has experienced financial challenges and a decline in liquidity ratio, which is indicative of cash flow constraints. In this regard, drastic measures have been taken to curb expenditure, especially regarding non-core programmes, and
have begun to focus mainly on core measures to improve the situation. These measures were presented to the council and a resolution was taken to suspend a number of programmes and to negotiate with service providers to avoid unnecessary legal challenges. The council further directed administration to implement the Financial Recovery Plan in order to bring the council back to its normal operations. In the year under review, Amathole District Municipality was able to pay off its debt with Development Bank South Africa (DBSA) Front Loading Loan towards the implementation of the sanitation project.

![Graph](image)

**Figure 4.12: Performance feedback is given to employees after performance assessment**

Figure 4.12 indicates that 3.33% of the participants strongly disagrees, 33.33% disagrees, 23.33% feels neutral, 40% agrees and 0% strongly agrees that performance feedback is given to employees after assessment. Forty percent of the employees agrees that performance feedback is not given to them in order to see where they are lacking or where they could improve in terms of their performance, whilst 33.3% of the employees agrees that performance feedback is given after every assessment.

According to Swanepoel et al. (2013:285) performance reviews are used to provide opportunities for employees to receive feedback on how they are performing. A
performance review can be used to serve as important feedback, and it should take place at regular intervals during the performance cycle Swanepoel et al. (2013:285).

**Figure 4.13: Implementation of policies and procedures can lead to a better service delivery in a municipality**

Figure 4.13 indicates that 0% of the employees strongly disagrees, 0% of the employees disagrees, 10% of the employees is neutral, 50% agrees and 40% of the employees strongly agrees. Thus, employees of Amathole District Municipality agree that when there is compliance with policies and procedures, the level of service delivery will improve.

For purposes of monitoring and evaluation, Amathole District Municipality adopted a Performance Management Framework in 2002. The PMF was reviewed in 2007 to be in line with the 2006 Regulations. This has since been reviewed on a yearly basis in line with the IDP and review process. The Performance Management framework is a municipal policy document that defines and describes the municipal performance management system, including how it operates. The framework constitutes council policy with regards to:

- The requirements that a PMS of Amathole will need to fulfill
- The principles that will inform its development and application
• A model that describes what areas of performance will be managed, in Amathole District Municipality
• What processes will be followed in managing performance
• What institutional arrangements are necessary for this
• Who will take responsibility for parts of the system
• How this links to personnel performance management, especially section 56 managers
• Establishment of structures to evaluate performance (Integrated development plan for Amathole District Municipality 2018 – 2019 :495)

Figure 4.14: Adequate co-ordination is done at Amathole District Municipality

Figure 4.14 indicates that 43.33% of Amathole District Municipality employees agree and 40% of the employees are neutral, meaning there is co-ordination in the municipality. However, 13.33% of the employees disagree that there is co-ordination in the municipality.

The District Municipality will facilitate the implementation of a coordinated annual cycle of municipal performance management within the district area. This cycle will have agreed critical dates and timelines for the following activities:
- Development of Institutional Scorecard
- Development of Departmental Scorecards
- Conclusion of Performance Contracts, Performance Agreements, Accountability Agreements and Performance Promises
- Completion of the first quarter reviews and audits
- Completion of the midyear/second quarter reviews and audits
- Completion of the third quarter reviews and audits
- Completion of the annual reviews and audits
- Preparation of the Annual Performance Report

Figure 4.15: Performance planning is conducted at Amathole District Municipality

Figure 4.15 shows that 3.33% strongly disagrees, 13.33% disagrees, 50% is neutral, 30% agrees and 3.33% strongly agrees that sufficient performance planning is conducted at Amathole District Municipality. As 50% of the employees are neutral, this suggests that the municipality does have proper planning but it is not sufficient enough in helping the municipality to achieve its results. The 13.33% who disagree indicates that there is sufficient planning in the municipality.
The performance plan of Amathole District Municipality establishes:

- a detailed set of objectives and targets to be met by the Section 56/57 employee as well as;
- the time frames within which these should be met.

The specifics of the performance plan will be determined by the Executive Mayor, in consultation with the employee, and will be based on the IDP, SDBIP and the Budget. It shall include the following elements:

- Key Objectives
- Key Performance Indicators
- Targets
- Weightings

In addition, the employee will be measured in terms of their contribution to the goals and strategic planning as set out in the municipality’s IDP.

Section 56/57 staff will be assessed against two components, weighted as follows:

Key Performance Area (KPA) which is weighted at 80%

The employees assessment will in part be based on his/her performance in terms of outcomes/outputs (performance indicators) identified in the performance plan which are linked to the KPAs (Amathole District Municipality Performance Management Framework 2016-2017).
Figure 4.16: Measurement, analysis and performance reporting at Amathole District Municipality

Figure 4.16 illustrates that 0% of the employees strongly disagrees, 26.66% of the employees disagrees, 20% of the employees is neutral, 46.66% of the employees agrees and 6.66% strongly disagrees. The 46.66% of employees who agree indicates that appropriate reporting is done after every activity or service performed by the municipality but the 26.66% who disagrees shows that the municipality has not done enough appropriate reporting.

Amathole District Municipality's entails reporting twice a year to management, the performance audit committee, council and the public. In addition, a quarterly report is also prepared and sent to Internal Audit to be audited, prior it being sent to council and the performance audit committee. Reviews/auditing is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. According to section 45, of the Systems Act, results of the performance measurement must be audited as part of the municipality’s internal auditing process and annually by the Auditor-General. The Municipality will therefore have to establish frameworks and structures to evaluate the effectiveness of the municipality’s internal performance measurement control systems (Amathole District Municipality Performance Management System Framework 2018-2019).
Figure 4.1: The performance management system helps the employees to know what is expected of them

Figure 4.17 show that 0% of the participants strongly disagrees, 23.33% disagrees, 20% is neutral, 46.66% agrees and 10% strongly agrees. This means that employees understand performance management systems which are there to help them to know more of what is expected and to aid them in meeting their targets when performing their tasks. According to Amathole District Municipality Performance Management Framework (2016:6) the benefits of performance management are:

- Ensure alignment of individual goals and objectives with that of the organisation and to coordinate efforts in order to achieve those goals.
- Understand what is expected from the employee, by when it is expected and to what standard is expected
- Understand the employee’s key areas of accountability
- Determine whether or not performance objectives are being met. Make qualified decisions within the employees level of competencies
- Avail the incumbents to learning and development opportunities in order to competently meet their performance targets.
Figure 4.18: Performance reviews of employees are conducted every quarter by managers or supervisors

Figure 4.18 show that 0% of the employees strongly disagrees, 0% of the employees disagrees, 10% of the employees is neutral, 46.66% of the employees agrees and 43.33% of the employees strongly agrees. This means that employees agree that performance reviews are conducted every quarter by managers and supervisors of Amathole District Municipality.
Figure 4.19: Quarterly Performance Reviews are submitted on time by employees

Figure 4.19 shows that 0% of the employees strongly disagree, 56.6% agrees and 6.66% of the employees strongly agrees that performance reviews are submitted quarterly and on time in order to monitor the progress of the employees and to identify skills, challenges and training that may be needed by employees. Twenty-three percent of the employees is neutral.
Figure 4.20: Managers formulate their SDBIP Scorecard reports by taking into account the performance of various units

Figure 4.20 shows that 40% is of the employees is neutral, which means that they are not sure that managers use scorecard reports to monitor the overall performance of each unit at Amathole District Municipality. Thirty-three percent agrees that managers of the municipality use scorecards to monitor the performance and 16.66% disagrees that managers formulate their own scorecards.
Performance policies help to develop employees, so that they can be competent in their job.

Figure 4.21 shows that 0% strongly disagrees, 20% disagrees, 30% is neutral, agrees 30% and 20% strongly agrees. This means that employees are aware of the need of performance management policies in order to deliver services to people in an effective and efficient manner.

4.4 CONCLUSION

In this chapter, findings have been presented, analysed and interpreted in accordance with each question that appeared on the study questionnaire that was distributed to the employees of Amathole District Municipality. This questionnaire was used to assess whether or not policies are implemented in the municipality. This chapter has also demonstrated the challenges that the employees and the municipality are still facing.
CHAPTER 5
SUMMARY, FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

The study focuses on the implementation of performance and development systems at Amathole District Municipality in the Province of the Eastern Cape. This chapter focuses on the summary, findings, conclusion and recommendations of the study, based on Chapter 4’s data analysis. This chapter also addresses the limitations of the study. The study has attempted to answer the following research questions:

- Does Amathole District Municipality comply with statutory policy requirements in respect of PMDS?
- What is the relationship between performance management and integrated development planning?
- What impact does the implementation of policies on performance have on the developmental mandate at Amathole District Municipality?
- What are the outcomes of having effective and efficient performance at Amathole District Municipality?

5.2 SUMMARY OF THE STUDY

The focus of the study has been on the assessment of the implementation and performance management systems at Amathole District Municipality. The study has looked at the challenges that are faced by the municipality when performing service delivery and has investigated the understanding and knowledge of employees on implementing policies in order to try and fulfil the goals and objectives of the municipality.

The researcher has used quantitative methodology and prepared a questionnaire that was given to employees of Amathole District Municipality in order to complete this study. Creswell (1994:1-2) defines quantitative research as an inquiry into social or human problems, based on testing a theory composed of variables, measured with numbers and analysed with statistical procedures in order to determine whether or not the predictive generalisations of the theory hold true. Quantitative or empirical
analytical research methods relate to data being expressed as numbers (Neuman, 2007:7). The final sample for this study consisted of 30 respondents from the municipality.

According to the data collected, the employees of Amathole District Municipality recognise that non-compliance to policies will affect service delivery and their performance targets will be affected. The municipality does comply with municipal policies but not fully because there are still some financial challenges and projects are not finished on time.

Findings reveal that Amathole District Municipality does comply with statutory requirements and the relationship between performance management and the IDP helps the municipality to achieve its objectives.

5.2.1 Implementation of performance management systems

The White Paper on Local Government (1998) proposes the introduction of performance management systems to local government, as a tool to ensure Developmental Local Government. It concludes that IDP, budgeting and performance management are powerful tools which can assist municipalities to develop an integrated perspective on development in their area. These tools could enable municipalities to focus on priorities within an increasingly complex and diverse set of demands. Performance management systems could also enable local governments to direct resource allocations and institutional systems to a new set of development objectives White Paper on Local Government (1998). The White Paper looks at a process where communities are involved in governance matters, including planning, implementation and performance monitoring and review.

Findings reveal that more female than male employees have responded to the study questionnaire. The majority of the employees who have respondent are those with experience of five or more years working for the municipality. Amathole District municipality generally employs qualified employees, as revealed by the qualification percentages collected. Amathole District municipality has a percentage of employees who only have matric certificate. The municipality also promotes skills development programmes for its permanent employees and interns. The majority of the
employees agree that the implementation of performance management systems can be negatively affected by employees who are not complying with policies. Findings also reveal that the employees do receive performance feedback after their assessments and the majority of the employees agree that the implementation of policies could lead to better service delivery. The municipality also rewards employees that have performed well by giving those awards. Most of the employees do understand that policies will help each employer to work better in their job. Employees are not sure how the managers formulate service delivery scorecards and reports. Most of the employees of Amathole agree that they submit their performance reviews on time and the small percentage of the employees disagree that performance reviews are submitted on time. Performance reviews at Amathole district municipality are done by supervisors and managers every quarter. Some of the employees do not have a clear picture of performance management systems of Amathole District Municipality. Employees agree that some of the managers or supervisors do not give them feedback on their assessment in order to see were a person needs to improve in their job.

Limitations

Problems encountered with data collection were:

- Some employees did not answer the questionnaires, as they were not comfortable with answering them;
- When the researcher attempted to collect completed questionnaires, there was often difficulty in retrieving them, and telephonic arrangements had to be made for collection ;
- The majority of respondents are females and its potentially negative impact on generalisability

5.3 CONCLUSION

According to the opinion of the respondents, the municipality does implement performance management but there is still a need to improve or develop more policies that will help the municipality to be effective in compliance. The study has revealed that implementing performance management systems can lead to better planning for providing service delivery to communities. The study also reveals that
when performance agreements and reviews are submitted in time, there is likely to be an improvement in the municipality’s ability to achieve its goals and objectives. The study also reminds employees that performance management processes, reviews, cycles, appraisals and statutory requirements can also help to produce the best results in a municipality.

5.4 RECOMMENDATIONS FOR IMPROVEMENT OF IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEMS AT AMATHOLE DISTRICT MUNICIPALITY

5.4.1 KNOWLEDGE AND AWARENESS OF PERFORMANCE MANAGEMENT AND ITS CYCLES

Weekly, monthly and quarterly workshops for employees on performance management systems should be conducted.

Workshops on scorecards, performance cycles and reviews should be provided for employees who are not clear on how they form part of Performance Management System.

Employees should be aware of all performance policies that the municipality is using and trainings on policy management and implementation should be provide for all employees.

Employees must be aware that the aim of performance management system is also to help them identify their training needs.

Quarterly Reviews must always be submitted on time in order for Managers to be able to sit down with each employee to discuss their performance and be able to identify the challenges of the employee.

According to Local Government: Municipal Planning and Performance Planning Regulations 2001(3) section 7  A municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, including determining the roles of the different role-players Government: Municipal Planning and Performance Planning Regulations.
In developing its performance management system a municipality must ensure that the system complies with all the requirements and demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting. The municipality must clarify the roles and responsibilities of each role-player including the local community in the functioning of the system and the processes of implementing the system within the framework of the integrated development planning process Local Government: Municipal Planning and Performance planning 2001(3) section 7. A performance management system must be adopted before or at the same time as the commencement by the municipality of the process of setting key performance indicators and targets in accordance with its integrated development plan Local Government: Municipal Planning and Performance planning 2001(3) section 8.

5.4.2 PERFORMANCE AND DEVELOPMENT

Feedback should be given in time by managers or supervisors regarding employees’ performance.

Officials must be given a chance to communicate their performance challenges to their Managers.

Amathole District Municipality should work together with other district and metropolitan municipalities in order to see the strategies they have used in achieving their goals and objectives successfully.

All employees to be involved in integrated development plan of the municipality

Develop new policies that will help the municipality to finish their projects in time and improve service delivery

The should be enough resources and working equipment for all employees in order to have a quick and fast service delivery for the people

Performance targets of both the individual employees and the Department should be defined clear to the employees
According to Municipal Systems Act 32 of 2000 section 41 A municipality must in terms of its performance management system and in accordance with any regulations and guidelines that may be prescribed set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its integrated development plan.

- set measurable performance targets with regard to each of those development priorities and objectives
- monitor performance
- measure and review performance at least once per year
- take steps to improve performance with regard to those development priorities and objectives where performance targets are not met
- establish a process of regular reporting to the council, other political structures, political office bearers and staff of the municipality
- The system applied by a municipality in compliance with subsection must be devised in such a way that it may serve as an early warning indicator of underperformance Municipal Systems Act 32 of 2000 section 41

A municipality's integrated development plan must at least identify the institutional framework, which must include the implementation of the integrated development plan addressing the municipality’s internal transformation needs, as informed by the strategies and programmes set out in the integrated development plan. Investment initiatives in the municipality and any development initiatives in the municipality, including infrastructure, physical, social, economic and institutional development and all known projects, plans and programs to be implemented within the municipality and the key performance indicators set by the municipality Local Government: Municipal Planning and Performance Management Regulations, 2001 (2) section 1.
5.4.3 **TRAINING AND DEVELOPMENT**

Education or Increase skills for the employees that have Matric Certificates.

More training should be provided by the municipality for those employees who do not fully understand how the municipal policies work.

Training on how a municipality should spend its budget and resources should be provided for the employees.

Performance Management System trainings should be done monthly for each department of section in the Municipality in order for the municipality to improve their level of service delivery.

Skills Development act 97 of 1998 section 1 and 2 encourages:

- to use the workplace as an active learning environment
- to provide employees with the opportunities to acquire new skills
- to provide opportunities for new entrants to the labour market to gain work experience
- to employ persons who find it difficult to be employed
- to improve the quality of life of workers and their prospects of work
- to improve the delivery of social services
- to encourage workers to participate in training programmes
- to increase the level of investment in education and training
- employers to find qualified employees

5.4.4 **REWARD SYSTEM**

Financial rewards should be given to employees who perform excellent service to the communities of Amathole District Municipality and It will also be a motivation to the employees.

According to Amathole District Municipality Performance Agreement (2017) the evaluation of the employee’s performance, a performance bonus ranging from 5% to 14% of the all inclusive remuneration may be paid to the employee in recognition of outstanding performance. In determining the performance bonus the relevant
percentage is based on the overall rating calculated by using the applicable assessment rating calculator Amathole District Municipality Performance Agreement(2017). The awarding of performance bonus is based on the employee having completed two consecutive quarters in full for the applicable performance year Amathole District Municipality Performance Agreement(2017).

5.5 RECOMMENDATIONS FOR FURTHER RESEARCH

Further research based on the findings from this study is recommended because these findings regarding the municipality can change in the future. When another study is performed it could give a different picture to the reader or public. Other objectives based on the topic can be investigated. The same topic can be used to research in municipality in other provinces.
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People and Their Work in the SEA of the Future


LEGISLATION

Government Gazette No. 29089. 1 August 2006

Organisation of Public Service and Administration. 2001 (b). Performance management and development system


OTHER

Amathole District Municipality June 2017 Auditor General Annual Report
Amathole District Municipality Integrated Development Plan 2017

Amathole District Municipality Integrated Development Plan 2018-2019


Amathole District Municipality Service Delivery and Budget Implementation Plan 2018-2019


INTERNET


What is Qualitative research is designed to reveal a target audience's range of behaviour. [Online] Available from: www.qrca.org/?page=whatisqualresearch [accessed 07 April 2015]
ANNEXURE A: LETTER FROM THE LANGUAGE PRACTITIONER

One Stop Solution
24 Firenze Gardens
Warbler Road
Cotswold Ext
Port Elizabeth
6045
www.onestopsolution.co.za

TO WHOM IT MAY CONCERN

I, Debby Dewes, declare that I have proofread and edited the language (spelling, grammar, punctuation, consistency) of the dissertation by:

YOLANDA GANYAZA (214099946)

entitled:

AN ASSESSMENT OF THE IMPLEMENTATION OF PERFORMANCE AND DEVELOPMENT SYSTEMS: AMATHOLE DISTRICT MUNICIPALITY, PROVINCE OF THE EASTERN CAPE

Submitted in partial fulfilment of the requirements for the degree of Masters degree in the Faculty of Public Administration at the Nelson Mandela University.

I cannot guarantee that the changes that I have suggested have been implemented nor do I take responsibility for any other changes or additions that may have been made subsequently.

Any other queries related to the language and technical editing of this treatise may be directed to me at 076 481 8341.

Dated at Port Elizabeth on 01 August 2018

D.K. Dewes
ANNEXURE B: QUESTIONNAIRE

Amathole District Municipality Province of the Eastern Cape.

The aim of the study is to assess the implementation of performance management systems in the Amathole District Municipality. The study seeks to identify issues and challenges faced by municipalities when applying performance management system. You are invited to participate. Your participation is voluntary. You may withdraw at any time from participating.

The questionnaire will take approximately 20 minutes to complete.

SECTION A: Demographical Questions

Answer each of the following questions by circling the appropriate number

1. Gender

<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
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<tbody>
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<td>2</td>
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2. Race

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<th>Coloured</th>
<th>White</th>
<th>Indian</th>
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<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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3. Number of years working in public service

<table>
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<th>&lt;5 years</th>
<th>5-9 years</th>
<th>10-19 years</th>
<th>&gt;20 years</th>
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<tbody>
<tr>
<td>1</td>
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</table>

4. Education

<table>
<thead>
<tr>
<th>Matric/Grade 12</th>
<th>Certificate</th>
<th>Diploma</th>
<th>Degree</th>
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<tr>
<td>1</td>
<td>2</td>
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</table>
SECTION B PERFORMANCE MANAGEMENT SYSTEM

Please indicate to what extent you agree with each of the following statements regarding the Amathole District Municipality (ADM) performance management system (PMS) by circling the most appropriate number.

<table>
<thead>
<tr>
<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>1. Implementation of the PMS is negatively affected by officials that are not complying with policies.</td>
<td>1</td>
<td>2</td>
<td>3</td>
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</tr>
<tr>
<td>2. Implementation of the PMS is negatively affected by a lack of finances.</td>
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<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
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<tr>
<td>3. Implementation of the PMS is negatively affected by a lack of resources other than finances.</td>
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<tr>
<td>4. Performance feedback is given to employees after performance assessment</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>5. Implementation of policies and procedures can lead to a better service delivery in a municipality</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>6. Adequate co-ordination is done at ADM</td>
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<td>2</td>
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</tr>
<tr>
<td>7. Sufficient performance planning is conducted at ADM</td>
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<td>2</td>
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<td>5</td>
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<tr>
<td>8. Appropriate measurement, analysis and performance reporting are done at ADM</td>
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<td>9. ADM officials have knowledge of performance management policies.</td>
<td>1</td>
<td>2</td>
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<tr>
<td>10. ADM employees are aware of performance management cycles</td>
<td>1</td>
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<tr>
<td>11. The PMS helps the employees to know what is expected of them</td>
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<td>12. The PMS helps in identifying employees’</td>
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<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neutral</td>
<td>Agree</td>
<td>Strongly Agree</td>
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<td>training needs</td>
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<td>13. Employees have an understanding of the basic requirements of the PMS</td>
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<tr>
<td>14. Employees are rewarded when they perform well</td>
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<tr>
<td>15. Performance reviews of employees are conducted every quarter by managers or supervisors</td>
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<td>5</td>
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<tr>
<td>16. Quarterly Performance Reviews are submitted on time by employees</td>
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<td>5</td>
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<tr>
<td>17. Managers formulate their SDBIP Scorecard reports by taking into account the performance of various units.</td>
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<td>5</td>
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<tr>
<td>18. Performance policies help to develop employees, so that they can be competent in their jobs.</td>
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<td>5</td>
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</table>

*Any further comments regarding the Amathole District Municipality performance management system:*

________________________________________________________________________

*Thank you for your participation*