TRANSITION FROM PERFORMANCE APPRAISAL TO PERFORMANCE MANAGEMENT.

BY

THANDEKA MAPHAZI

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Supervisor: Dr. M. Cullen

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DECLARATION

I, Thandeka Maphazi, hereby declare that:

- The work in this treatise is my own original work;

- All sources used or referred to have been documented and recognised; and

- This dissertation has not been previously submitted in full or partial fulfillment of the requirements for an equivalent or higher qualification at any other recognised education institution.

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THANDEKA MAPHAZI       DATE
ABSTRACT

The aim of this research study was to conduct an investigation to establish whether a performance management system would facilitate the achievement of the organisation’s strategic goals and objectives. The organisation used as a case study in this research uses a performance appraisal process which is not effective in facilitating the organisation’s strategic goals and objectives. Hence, this study has been undertaken against the above background.

The researcher has utilised a positivist paradigm in this research. This means that the researcher has used a quantitative methodology in the process of data collection. A random sampling technique was used with an aim of including critical elements of the population of this study. More particularly, 50 employees of the organisation were electronically presented with a questionnaire based on important key elements of performance management. Moreover, the questionnaire included a Likert type scale consisting of closed and opened-end questions.

Questionnaires were received from 35 employees, of which one was from senior management, 13 project managers, 12 from supervisory staff and 9 from support staff. Statistica was used in this research as a software program for the quantification of the data.

This study revealed that the transition to a performance management will help the selected company achieve their strategic goals and objectives.

Recommendations are made for the role of line management and the role of human resources in performance management.
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CHAPTER 1

INTRODUCTION, PROBLEM STATEMENT AND DEFINITION OF CONCEPTS

1.1 INTRODUCTION

Performance management is a formal and explicit process whereby an organisation involves its employees, both as individuals and members of a team, to improve overall effectiveness and the accomplishment of its strategic goals. It is focused on achieving results and may be seen as a vehicle for aligning individual employee performance with organisational strategy. The objective of performance management is to improve results at the individual, team and organisational level. “Performance management is a process which directs the energy of people in an organisation towards achieving strategic goals” (Schultz, Bagraim, Potgieter, Viedge and Werner 2003:74).

Erasmus, Schenk, Swanepoel and Van Wyk (2003) refer to a performance appraisal as a formal and orderly process where specific work related strengths and weaknesses of workers are distinguished, ascertained, assessed, recorded and developed. According to Armstrong (2001), performance management provides an integrated and continuous approach to the management of performance in comparison to traditional performance appraisal schemes. Unlike traditional methods of management by command, performance management is based on the principle of management by agreement. Furthermore, he postulates that performance management can provide for an integrated and coherent range of human resource management processes that are mutually supportive and contribute as a whole to increasing organisational effectiveness (Armstrong, 2001).

Performance management requires that employees and managers both have and understand clear objectives, based on the strategic objectives of the organisation. Properly designed and implemented performance management systems provide the necessary base to help organisations achieve their strategic goals and objectives.
1.2 PROBLEM STATEMENT

Performance management is a systematic approach to managing people, goals, measurement, feedback and recognition and it is a way of motivating employees to achieve their full potential in line with the organisation’s objectives. Performance management is a continuous process and is concerned with improving both results and quality of working relationships (Dessler, 2007).

Performance management is based on the principle of management by agreement or contract, rather than management by command (Armstrong, 2001). It provides a framework for managers to support employees, subordinates and team members. Performance management is a transformational process and not an appraisal process.

Armstrong (2001) further states that performance appraisal may be seen as a top down, after the fact, form of appraising subordinates for the purposes of obtaining information on which to base pay decisions. Performance management, however, is a continuous cycle of performance planning, design and or redesign of structures, managing performance and reviewing the performance.

The company has a performance appraisal system in place, which has not yielded intended or desired results. This warrants this research which will focus on introducing a performance management process.

The central research question

Will the introduction of a performance management system at the selected company help achieve organisational goals and objectives?
Research Aims

- To investigate whether the performance management of the company will yield the desired results in terms of achieving its strategic goals.

- To determine the function and objectives of performance management system in the company.

- To establish the role of line managers in the implementation of a performance management system in the company.

- To determine the role of HR in the implementation of the performance management system.

1.3 DEFINITION OF CONCEPTS

Goals

A goal is a specific target that an individual is trying to achieve; it is what a person is attempting to accomplish (Schultz, et al., 2003). Goals may be seen as both short and long term.

Human Resources Department

Ellis-Christensen (2003) defines the Human Resources department (HR department) as the element within a company which deals with the human aspects or needs of workers.
Line Manager

According to the business dictionary a line manager is a person who heads revenue generating departments and is responsible for achieving the organisation’s main objectives by executing functions such as policy making, target setting and decision making (Atwell, 2008).

Objectives

Objectives describe what organisations, functions, departments and individuals are expected to achieve over a period of time. David (2003) states that objectives can be defined as specific results that an organisation seeks to achieve in pursuance of its basic mission.

Performance appraisal

Performance appraisal is a system of formal assessment and rating of individuals by managers. It may be seen as a top down, after the fact, form of appraising subordinates for the purposes of obtaining information on which to base pay decisions (Armstrong, 2001).

Performance Management

Performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities. Performance management is a whole work system that begins when a job is defined as needed. It ends when an employee leaves your organisation (Heathfield, 2003).
1.4 DEMARCATION OF RESEARCH

Organisation

This research was conducted at a leading multi-disciplinary infrastructure engineering company providing value added packaged solutions for the built environment.

The company was formed by consolidating the regionally based infrastructure project companies within the Group into a single company operating nationally through regional offices and internationally in selected African countries.

Geographical Area

The areas that were chosen for the research were regional offices in Cape Town, Durban, East London, Johannesburg and Port Elizabeth as our offices are currently in these areas.

Target Population

The study was aimed at middle and top managerial staff and salaried staff members from each of the different departments within the company so as to try and accommodate every age group and department in the organisation.

Subject of Evaluation

The study focused on the main aspects of the performance management process, role of line managers and Human Resources in the performance management process.
Individual

The study will be limited to salaried staff and will not include hourly-paid employees as they do not form part of the existing performance appraisal system.

1.5 RESEARCH DESIGN

The following procedure was adopted to deal with the issues investigated in this research.

Literature Survey

A literature survey was conducted to determine a framework for the development of a performance management system. It was conducted with the use of secondary resources in the form of textbooks, research reports, internet and unpublished internal documents. Furthermore, the literature study assisted the researcher to design a suitable research methodology for the empirical part of the study.

Empirical Study

A survey was conducted among middle and top management and salaried staff members within the company using a questionnaire drawn up by the researcher to determine the benefit of moving from performance appraisal to performance management. Both quantitative and qualitative approaches were utilised in order to provide a more complete picture of the issue being addressed. A descriptive survey method was used as it measured the characteristics of a sample at a specific point in time and could be applied under the same situation and be observed again.
Analysis, conclusion and recommendations

The results of the literature survey and the empirical study were used to establish if moving from a performance appraisal to a performance management system would assist the company in the achievement of the organisational goals and objectives.

1.6 OUTLINE OF THE STUDY

The study will be divided into the following chapters:

Chapter 1: Introduction to the study and identification of the main and sub-problems as well as key concepts. This chapter gives the reader an understanding as to the relevance of the research;

Chapter 2: This chapter will provide a historical background of the company on which the research is based on;

Chapter 3: This chapter will focus on a literature review on performance management and the role of HR and line management in performance management;

Chapter 4: The Research methodology used in the study;

Chapter 5: The Analysis and interpretation of results of the empirical study; and

Chapter 6: Conclusions will be drawn and recommendations made in this final chapter. The summary will draw a final conclusion on the essence of the research.

1.7 SUMMARY

This chapter has highlighted the problem statement together with central research question to be answered in chapter five.
The study was demarcated and definitions of terms used in the research were provided. The significance of the research and objectives were stated and the methodology used for the research was highlighted.

Chapter two will provide a historical background of the company on which the research is based.
CHAPTER 2

COMPANY OVERVIEW

2.1 INTRODUCTION

The purpose of this chapter is to provide a historical background of the company where the research was conducted.

2.2 COMPANY OVERVIEW

The company is a leading multi-disciplinary infrastructure engineering company providing value added packaged solutions for the built environment. The company was formed by consolidating the regionally based infrastructure project companies within the Group into a single company operating nationally through regional offices and internationally in selected African countries (Company Capability Profile 2011:7).

According to the Company Capability Profile (2011) the company is a member of a Group of companies, established in 1961 and is now considered one of the leading, multi-disciplinary Consulting / Project Engineering construction and operational management groups in South Africa. Together with the Group sister companies, they are able to provide the full range of the Group’s capabilities and expertise through its offices nationally in South Africa, in Africa and via various international alliances.

Their vision is to be a world class African engineering company. The vision is being achieved by providing value added packaged solutions for the built environment and for agricultural and rural development.

World Class means globally competitive characterised by:

- Uniqueness;
- Focus;
Global orientation;
Innovation;
Ability to attract talented young people; and
Social and Environmental Responsibility.

The company is majority owned and managed by previously disadvantaged individuals. Transformation has been managed to develop and retain core strategic competencies within the organisation, thereby ensuring performance delivery in parallel with transformation.

The company has an active Employment Equity Plan with aggressive targets in place and promotes emerging black business by way of integrated business partnerships and business linkages (Company Employment Equity Plan 2010:2).

The Company Capability Profile (2011) states the company’s most important resource is its people. It recognises training and development as the key to ensuring that employees reach their full potential and clients receive unsurpassed quality of service. The company has regional offices in Durban, East London, Port Elizabeth, Johannesburg and Cape Town and will establish satellite offices for specific projects and to satisfy client requirements.

Its balanced mix of urban and rural engineering skills, sophisticated technical resources, depth of experience and understanding of social issues enables the company to meet the challenge posed by NEPAD (New Partnership for Africa's Development) as the framework for African development (Company Capability Profile, 2011).

This multi-disciplinary capacity embraces:

- Water;
- Wastewater;
- Roads and Development;
- Environmental and Solid;
- Waste;
- Irrigation; and
- Electrical Engineering.

The key objective is to consistently provide innovative engineering and project management services that meet clients’ requirements using its ISO 9001: 2001 Certified Quality Management System (Company Quality Management Manual 2010: 25).

It is dedicated to providing a complete professional engineering and project management service to both the public and private sectors.

The company is committed to maintaining a leadership role in the provision of quality services and in this regard intends to live up to their vision of “Transformation through delivery” by adopting the following policy on quality:

- To achieve excellence in the provision of services through the active participation of all levels of management and staff in our Quality Management System; and
- To provide services which meet or exceed international standards agreed with our clients and determined by statute and industry norms (Company Capability Profile, 2011).

The Company subscribes to the following transformation policy:

- We recognise that as part of the business community we have a special role to play in transformation;
- We believe that it is both in our enlightened self interest and morally incumbent on us to invest in the economic empowerment of previously disadvantaged individuals and communities in South Africa; and
• We commit ourselves to adopting and implementing policies that address transformation aligned with the Construction Charter and the DTI Code of Good Practice in terms of the BBBEE Act 53 of 2003 (Company Capability Profile, 2011).

The achievements with regard to ownership, management and skills development are summarised below.

It is 51% Human Development Index (HDI) owned and in addition:

• The Managing director, who is a professional engineer, is also the principal shareholder in the company;
• 30% of Senior Management are HDI;
• Approximately 58% of professional and technical staff are HDI; and
• Approximately 59% of total staff compliment are HDI (Company Ownership Certificate 2010: 5).

The Company’s transformation and training / development programme awards several bursaries every year to HDI staff normally to complete their studies in the engineering field (Company Capability Profile, 2011).

In line with the companies BEE enterprise development strategy there is a formal cooperation with Nemai Consulting (100% black women owned company) who provide specialised health and safety, environmental and skills development training services (Company Capability Profile, 2011).

The company is committed to assisting with the development of emerging businesses by associating with BEE professional service providers, as well as supporting labour based construction job creation in line with the National Expanded Public Works Programme (Company Capability Profile, 2011).
The company recognises its responsibility to invest both within the engineering industry and in the broader community in which it operates. In this regard youth and women are the primary target of social investment with specific focus on education and sport (Company Capability Profile, 2011).

2.3 SUMMARY

This chapter provided a historical background of the company on which the research is based. Chapter three will provide a literature overview and a theoretical framework on performance management.
CHAPTER 3

PERFORMANCE MANAGEMENT (THEORETICAL OVERVIEW)

3.1 INTRODUCTION

This chapter will provide a literature overview on performance management. In this chapter a theoretical overview of performance management is presented to create an understanding of the importance of a performance management system in an organisation. It concludes with a synopsis of the literature reviewed.

3.2 PERFORMANCE MANAGEMENT

Joubert and Noah (2000:18) define performance management as a formal management process for harnessing and directing, measuring, evaluating and rewarding human effort, competence and talent in realising an organisation’s mission and vision within a framework of core values.

According to Grobler et al. (2002:260), performance management is the systematic process by which an agency involves its employees, as individuals and members of a group, in improving organisational effectiveness in the accomplishment of the agency’s mission and goals. It is therefore a comprehensive approach to performance that includes planning work and setting expectations, continually monitoring performance, developing the capacity to perform, periodically rating performance in a holistic fashion and rewarding good performance.

Armstrong (2003:235) states that the principle of management by agreement or contract is what performance management is based on rather than that of management by command.
Performance management emphasises development and initiative of self-management learning plans as well as providing for an integrated and coherent range of human resource management (HRM) processes that are mutually supportive and thereby contribute to the improvement of organisational effectiveness (Armstrong, 2003:235)

According to Armstrong (2003) when performance management is effectively carried out as one of the key processes it can make employees aware that their contributions are recognised and acknowledged. In support of accomplishing the strategic objectives of the organisation, performance management is used as an ongoing process of communication between a supervisor and an employee that occurs throughout the year. The communication process includes clarifying expectations, setting objectives, identifying goals, providing feedback and evaluating results.

Roberts (2001:12) also describes performance management as an ongoing communication process, undertaken in partnership, between an employee and the immediate supervisor that involves establishing clear expectations and understanding about:

- The essential duties the employee is expected to do;
- How the employee's contribution fits to the organisational goals;
- What executing your duties well means in simple terms;
- How the supervisor will assist the employee to sustain, improve or build on existing employee performance;
- How employee performance will be measured; and
- Identifying barriers to performance and removing them.

Carrell, Elbert and Hatfield (2000:224) refer to performance management as the tool box which management use to control, guide and improve the performance of employees.
Tools such as reward systems, job design, leadership approaches, training efforts and the performance appraisal can all be seen as part of an effective human performance management system and a big part of most managers’ jobs. Furthermore, performance management is a management tool that links organisational performance to individual performance. It seeks and identifies opportunities for growth and development. It therefore should be considered as an important system within companies or organisations (Carrell et al., 2000:224).

3.3 PURPOSE OF PERFORMANCE MANAGEMENT

There are generally three major purposes of performance management according to Bennet and Minty (1999:58), namely:

- A process for strategy implementation;
- A vehicle for culture change; and
- Provision of input to other HR systems such as development and remuneration.

Furthermore, Bennet and Minty (1999) state that traditionally organisations viewed performance management to be for human resource purposes, resulting in performance management systems being owned and driven by the human resources department. However, in organisations today, it is of critical importance that the primary purpose of performance management is seen to be as both a process for implementing business strategy and as a vehicle for changing and creating the desired culture.

The purpose of performance management is seen as a process for establishing shared understanding about what is to be achieved and an approach to managing and developing people in a way that increases the probability that it will be achieved in the short and longer term (Armstrong, 2001).
3.4 PERFORMANCE MANAGEMENT OBJECTIVES

It is the view of Grobler, Warnick and Carrell (2002) that performance management systems are a key element in the use and development of an organisation’s most vital resource, its employees.

Performance management systems are used for a wide range of administrative purposes, such as making decisions about pay, promotion and retention.

Effective systems can significantly contribute to the satisfaction and motivation of employees - if they are correctly used. The objectives of the system fall into two categories: evaluative and developmental as displayed in figure 3.1 below.

FIGURE 3.1: CARRELL ET AL.’S (2000) OBJECTIVES OF A PERFORMANCE MANAGEMENT SYSTEM

- Compensation Decisions
- Staffing Decision
- Evaluative Selection System

- Performance Feedback
- Direction for Future Performance
- Identify Training and Development Needs

Source: Carrell et al. (2000)
Evaluative objectives

The decisions concerning compensation, which include merit increases, employee bonuses and other increases in pay, are the most common based on evaluative objectives.

Normally performance management has a two-part effect on future pay. It may determine merit increases for the following year in the short run and in the long run, it may determine which employees are promoted into higher paying positions.

Development objectives

This objective includes employee skills and motivation for future performance. Performance feedback is a primary developmental need because all employees want to know how their superior views their performance (Grobler, et al., 2002).

3.5 REQUIREMENTS FOR A SUCCESSFUL AND EFFECTIVE PERFORMANCE MANAGEMENT SYSTEM

According to Joubert and Noah (2000) the following are the critical factors to the sustained success of a performance management system.

Focus

Every job must have a clear mission and set of objectives targets and measures. The core service mission, vision, strategic objectives and values of the organisation must be sound and understood by every employee. The employee's role in the mission and objectives must be discernable, in other words, every worker must know what he or she must contribute to ensure that the strategic objective is realised. In a similar vein, Rampersad (2006) asserts that clarity and uniformity of personal and organisational values and goals are essential for employees' active involvement.
Using Kaplan and Norton’s (1992) Balanced scorecard approach, the individual employee’s job should find expression in the department/unit’s goals which in turn should directly cascade from the organisation’s goals. In essence, the individual employee should be able to link his/her performance to the company’s. Rampersad (2006) argues that identification with the organisation is the most important motive for employees to dedicate themselves actively to the organisational objectives and to maximise their human resource potential.

**Balance**

The client portfolio and satisfaction is a key consideration in performance planning and measurement. Focus must be on internal and external results as well as financial and non-financial results. Performance must be planned and measured to ensure balanced performance (Joubert and Noah, 2000).

**Stretch**

It is critical to induce individuals to set demanding objectives and targets that require more than ordinary effort. Easy goals and targets are sure to close the individual energy taps sooner than intended. However, as Holbeche (2005) warns, that while it is essential that goals be challenging they should be achievable as well to ensure that the employee does not burn out.

**Mobilisation**

According to Joubert and Noah (2000) people are mobilised through challenges; such as found in objectives, targets and standards. Momentum is sustained by continuously reviewing personal results to be achieved. Using a single set of factors that apply to all induces stagnation and the death of performance management
Latitude

Space for self-direction and prioritisation in the context of the overall mission of the business is essential, as more value will be realised by the individual. Holbeche (2005) refers to this as empowerment where employees are allowed room to exercise discretion in the performance of their work. While managers realise the need to get employees involved in decision regarding work, they limit this empowerment due to their desire to maintain a degree of control traditionally inherent in their position (Holbeche, 2005).

Contracting

Individuals must enter into agreements with their supervisors to access resources and compensation (Joubert and Noah, 2000).

Motivation

People need a continuous stream of recognition and support to stay inspired and content with the job. While motivation factors differ with the context and individuals a general environment that boosts the employees’ confidence and makes work enjoyable is critical. Gardner, Csikszentmihaly and Damon (2001) as quoted in Holbeche (2005:65) summarises the job climate conducive for high performance as follows, “as long as the job provides clear goals, immediate feedback and a level of challenges matching our skills. When these conditions are present we have a chance to experience work as “good.” This augurs well with Rampersad (2006) who writes that doing work that is interesting, exciting and provides learning, has become a key personal driver.

Measurement

A popular saying based on the business wisdom contained in, "What gets measured gets done," holds true no matter what level or in which job an employee has to
perform. The more specific and accurate the targets and measures are, the better
the value contributions (Joubert and Noah, 2000).

Besides, getting the work done, a strategically designed Performance management
system should link measurement with skills development which should be one of the
key objectives of the system. As pointed out by Mello (2006:450), measurement of
performance enables the organisation to determine specific training and
development needs of the employees.

**Appraisal**

Joubert and Noah (2000) state that it is essential to put a score or value on the
achievement of the individual and to be sure that it is contextually ranked and
objective. Latest indications are that a four-point scale has the most impact on
behaviour and performance results.

Appraisal has had its controversies where Deming in Brewster, Dowling, Grobler and
Warnich (2000) point out that performance appraisal focuses employees and
managers on individual short term performance which results in an environment of
rivalry and distrust which militates against team work. Furthermore, variations in
performance are attributable to work systems rather than individual performance. A
more balanced argument is raised by Simmons as quoted by Brewster, Dowling,
Grobler and Warnich (2000) who argue that a well designed system that is a holistic
approach will include:

- Identifying and recognising the quality of inputs and process and not just
  outputs;
- Focus on the achievement of the individual, team and enterprise;
- Improve future performance through performance planning, coaching and
counseling;
- Rate personal improvements and not just rate performance relative to peers;
  and
- Provide qualitative feedback for employees.
This argument carries weight as it links appraisal to planning, support mechanisms feedback where it is not limited to segment of the performance system but to the whole system.

Feedback

Feedback induces behaviour change irrespective of whether it is positive or negative feedback because feedback is the oxygen of excellent performance. Embargoes must be placed on personal attacks that hurt the ego or self-concept of individuals - emotional disengagement is guaranteed if not done (Joubert and Noah, 2000).

Money

According to Joubert and Noah (2000) paying for performance is the hallmark of excellence. Make sure that incentives for performance are differentiated from basic remuneration. Money is in the final analysis, the tangible proof that the individual's contribution was appreciated.

Caring

Joubert and Noah (2000) state that caring is shown through birthday cards, flowers, kindness and small gestures towards the family of the employee. It is the invisible compensation for loyalty and commitment. These factors are critical but they are neglected in the hurry and compensation structures of business.

Likewise, Renton (2000:50) views the requirements of an effective performance management system as:

- The Performance Management system is owned by line management and driven from the top of the organisation;
• Managers understand and accept 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 in their business;
• Managers have the knowledge and skills needed and are committed to manage their subordinates (and be managed) this way;
• 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 the 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 the short and long term strategy of the business;
• All the performance targets that are set add significant value to the business and are stretching, yet achievable;
• Managers allocate all their unit targets between themselves and their team members, appropriately to the jobs they are doing;
• Managers negotiate with each of their team members specific, measurable and stretching performance targets to which they are both committed;
• Every team member sees the targets they personally accepted as contributing to their unit's performance targets equitably with other team members;
• Managers and their team members accept that their rewards should reflect their achievement of the targets they accepted;
• Managers regularly review both unit and individual performance with those concerned and take appropriate action to ensure that targets are reached or exceeded;
• Managers, jointly with each of their team members, assess each other's performance for the full period under review;
• Both manager and subordinate accept and sign off the subordinate’s performance assessment as valid, balanced and fair;
• 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 the Performance Management system is formally evaluated at least once a year and appropriate improvements are made for the next cycle.

Essentially the various requirements discussed above underline the need for an integrated and strategic approach to performance management. Each element should not be singled out and used in the absence of others as all of them have their limitations. Caring without financial rewards, may appear hypocritical, on the other hand financial rewards without care may not yield the desired performance.

The clear cut responsibilities between the line managers and their subordinates which link to the overall business vision are strategic in that they bring about alignment of individual accomplishments in terms of reward and the attainment of the company’s goals. The mutual drawing of performance measurement between a line manager and subordinates and evaluation builds a performance contract which can enable constructive support in cases where performance is not impressive (Renton, 2000).

3.5.1 THE ROLE OF HUMAN RESOURCE MANAGEMENT

In this section the role of HR in performance management is outlined and the role of HR as a business player is discussed. HR is often viewed as an expense generator and not as a value adding partner.

Players contribute to the profitability of the organisation, deliver results and do things to make a difference (Ulrich and Beatty, 2001:97).
Sunil (2007:140) states that the role of a business player is to:

- Coach;
- Design;
- Construct;
- Change the organisation;
- Create followers; and
- Play by the rules.

This, therefore, means that HR needs to understand the core of the business from strategic, operational, financial and other aspects necessary to be part of an effective team managing an organisation (Sunil, 2007).

When HR functions as an innovator this becomes a challenge for them to search continuously for strategies that will create value for the organisation and not merely function in a reactionary mode.

Another perspective on the role of HR suggests that in leading edge companies, HR plays four key roles which are namely: strategic business partner, innovators, collaborators and facilitators (Schuler and Jackson, 2000).

In serving as collaborators they need to work with senior leaders, line management and all employees to implement business strategies forming the strategic link throughout the organisation.

Lastly, as facilitators, HR functions as change agents providing support and readiness for planned changes designed to support the business strategies (Sunil, 2007).

The fundamental role that HR plays is to help create value for the organisation by maximising profitability, quality of work life and profits through effective management of people (Sunil, 2007; Cascio, 2003).
The above information illustrates that HR has a vital role to play in performance management, not merely in terms of putting a performance management system in place, but ensuring that performance management becomes a tool for achieving organisational strategic goals.

This is done through executing key responsibilities in terms of performance management, which include:

- Plan the system;
- Develop and design the system;
- Implement the system; and
- Maintain the system (Bennett and Minty, 2001).

**Plan the system**

An effective performance management system should enable and empower line management to implement the strategic objectives of the organisation successfully.

Bennett and Minty (2001:20) highlight the following steps when planning a performance management system:

- Assess the need for change;
- Gain top management commitment to the new approach. Without the commitment of the top management it will be impossible for the performance management to succeed;
- Set up a project team; when the concept of performance management comes into play it is important that there be a team that will drive and guide the process;
• Review the past, it is therefore important to review how things have happened in the past. Previous employee and organisational performance will give a direction on how the process has changed;

• Clarify the objective of performance management; and

• For the future implementation of the process, build new assumptions.

The above information suggests that Human Resources should gain top management support for a new system and make use of a cross-functional task team to develop and implement the system.

Develop and design the system

Noe, Hollenbeck, Gerhart and Wright (2003) state that performance management systems make clear to employees what is expected of them and assure line managers and strategic planners that employee behaviour will be in line with the organisation’s goal.

The role of HR is to ensure that the performance management system is developed and designed to provide line managers with a guideline of what needs to be done in the performance management process.

Bennett and Minty (2001) highlight the following steps when developing/designing the system:

• Commence the design;
• Plan a communication and education process;
• Collect feedback from stakeholders;
• Refine the design;
• Check with top management; and
• Complete the design and plan the implementation.
Designing the performance management system requires that all the stakeholders be involved so that everyone involved in the process is on par with all the requirements of the system. It also suggests that all the stakeholders, including supervisors, employees and top management should understand the process. Education is therefore an important aspect in the process.

**Implement the system**

According to Swanepoel, Erasmus, Van Wyk and Schenk (2000) procedures related to the implementation phase focus mainly on various training sessions and introductory exercises.

The contents of such training may be determined by the level of involvement of users during the development phase, the complexity of the specific system and the existing competence in performance management of the supervisors.

Bennett and Minty (2001) concur and highlight the following steps when implementing the system:

- Decide if a pilot intervention is necessary;
- Present the final design to top management; and
- Design training material and train staff on new system.

When implementing the system it is vital to ensure that the line managers are trained on the system to ensure effective implementation of the system.

**Maintain the system**

Swanepoel et al. (2000) state that maintaining the system entails activities such as auditing and evaluating the effectiveness of the programme on an annual basis and monitoring the internal and external environment for changing circumstances that may necessitate a review or adjustment of current practices.
Furthermore Bennett and Minty (2001) say that maintaining is to monitor and improve results if necessary and realign other Human Resource systems; such as recognition and reward systems, training and development, recruitment and selection, orientation. From time to time Human Resources will assess the effectiveness of the system and make improvements where necessary.

**Assisting and consulting with line managers**

The human resources' role is to consult with line managers when there is a need. Human Resources need to continuously guide line managers in following and doing what is expected of them in the entire performance management process (Bennett and Minty, 2001).

**Training line managers**

Employee training is defined by Swanson (1995) as the process of systematically developing expertise in individuals for the purpose of improving performance. Line managers who need help in performance management should contact the Human Resources department for guidance. HR department from time to time should assess the effectiveness of the training delivered to employees.

The above information suggests that in order for HR to develop and implement a performance management system various stakeholders (senior management, line management and employees) should be involved (Bennett and Minty, 2001).

The performance management system should be clearly understood by line managers therefore HR should provide the necessary training for line managers and ensure that the performance management process is used as a tool to enhance the relationship between line managers and human resources practitioners and achieve organisational goals. Legal and organisational policies should be followed at all times therefore HR has the responsibility to monitor this in the implementation of performance management system (Swanson, 1995).
3.5.2 THE PERFORMANCE MANAGEMENT CYCLE

In considering the cycle of performance management, it is useful to compare ideas from different authors and contrast their views.

According to Fox 2006: 91, “performance depends on the motivation and ability of individuals, that is, they have to be willing to do the job, know how to do it, be able to do it, and have to receive feedback on how they are performing”. The performance management cycle according to Schultz, et al. (2003: 77) is, “the starting point of performance management is setting goals and measures” and goes on to list the steps that form the performance management cycle. Similarly London (2003) also holds the view that the process should involve the subordinate every step of the way and, as such, establish and reinforce the subordinate’s commitment and motivation to improve. He sees the process as engendering a climate of support for development and continuous learning in the organisation. Performance management according to Schultz, et al. (2003) can be seen as a cycle that consists of the following steps as in the following figure 3.2.

FIGURE 3.2: PERFORMANCE MANAGEMENT CYCLE

Source: Viedge cited in (Schultz, et al., 2003)
Clarify expectations

This is the crucial first step in performance management. It ensures that employees know what is expected of them. The initial meeting between manager and subordinate in the performance management cycle should be a discussion about setting performance objectives and measures. It should not be a briefing in which the manager tells the subordinate what his or her objectives are and then spends the rest of the time convincing the subordinate of the importance of achieving objectives. They must have a crystal clear understanding, not only of what the objective means, but also of what is necessary to affect the measure associated with the objective. In addition, London (2003) states that clarifying the employee’s major responsibilities means that the supervisor and the subordinate should have a clear idea and the same idea, of what is needed.

Plan to facilitate performance

There are many instances in which the manager’s intervention may be necessary due to the fact that the subordinate may not have the authority or resources to make things happen. The manager might ask the subordinate what he or she could do help the subordinate achieve his or her objectives. Expectations are refined further in the process of developing performance standards through goal setting (London, 2003).

Monitor performance

Frequency of monitoring is a factor of the nature of the job and the seniority of the person being monitored. There are many methods of monitoring performance of subordinates. One such method is referred to as MBWA or managing by walking around. If this is not possible, then the monitoring of performance may be achieved by regular meetings, telephone calls, written reports etcetera (London, 2003).
**Provide feedback**

It is critically important to provide feedback to subordinates on their performance. Such feedback serves the purposes of allowing for the manager to provide for consequences of performance and it allows the manager to redirect the efforts of the subordinate if necessary. London (2003) agrees and states that periodic performance feedback should be provided.

**Coach, council and support**

If performance monitoring reveals a serious performance deficit, then the manager may have to coach the subordinate. This will consist of discussing the desired performance and if necessary, modeling the performance for the subordinate, asking the subordinate to perform and then giving critical feedback on the performance, until it is at the required level. London (2003) agrees and states that performance improvement is needed.

He further states that the manager and subordinate need (a) a clear understanding of the discrepancy between current and expected performance. (b) a discussion and common understanding of the causes of the performance discrepancy and (c) the development of action plans to enhance the employee’s performance.

**Recognise good performance**

Managers who seek to influence the performance of their subordinates need to ensure that good performance is followed by positive consequences. Behaviour that is positively reinforced is likely to recur, while behaviour that is punished, or for which there are no consequences, is less likely to recur (London, 2003).

**Deal with unsatisfactory performance**

If a subordinate fails to perform as expected and this performance persists, then it may be necessary to start disciplinary procedures.
In terms of the Labour Relations Act (1998), employees who fail to perform to standard must be offered every assistance to perform, including if necessary, reassignment to a different position to help them remain employed.

In conclusion, whether an author calls performance management a cycle or a process, the basic elements stay the same. These include performance planning, employee support, setting of goals and standards, review and feedback and rewarding of outstanding performances. Schultz, et al. (2003) see a performance cycle as ongoing as opposed to a process as having a beginning and end. However, the authors who refer to a process, do emphasis that it is a process that should be repeated and continuously be evaluated.

3.5.3 The role of line managers

Mathis and Jackson (2008) and Banfield and Kay (2008) view the performance management process from the perspective of the immediate supervisor. These authors indicate that determining the performance standards for the employee is the start of the performance management process.

Depending on the approach taken performance standards define the expected levels of performance and are benchmarks or goals or targets (Mathis & Jackson, 2000). These authors further state that the line manager’s responsibility is to conduct performance appraisals with the employee. The authors then qualify this statement by emphasising that this is based on the assumption that the immediate supervisor is the most qualified person to evaluate the employee’s performance realistically, objectively and fairly.

It is important that the line manager provides feedback on performance to assist the employee with developmental areas as well as those areas that the employee does well just to get the assurance that he or she has an impact on the success of the organisation.
The line manager is required to contribute to the strategic objectives of the organisation as well the employee's objectives so the performance standards may be clear for the attainment of good results (Banfield and Kay, 2008).

Banfield and Kay (2008) further state that managers must have the necessary skills to conduct the performance management process they must also measure and monitor the employee performance.

Viedge cited in (Schultz, et al., 2003) indicates that successful performance management rests strongly on the relationship between the line manager and the employee. The supervisor and employee should share the same perception about what is required and what performance measures will be used. This view is based on the fact that ongoing trust and open communication between the supervisor and the employee are crucial for determining individual goals, discussing performance obstacle, facilitating performance and coaching the employee.

It is the view of Viedge cited in (Schultz, et al., 2003) that the performance management process is a continuous cycle instead of a process. This is based on the basis that performance management is never ending, as it is a continuous process of setting goals, working towards goals, evaluating progress and revisiting goals.

The above mentioned models are graphically presented below and also discussed:
FIGURE 3.3: OHIO STATE UNIVERSITY PERFORMANCE MANAGEMENT MODEL

Performance Review -> Ongoing Coaching

Multiple Sources Of Feedback

Performance Criteria

Performance Planning

Performance Review is a summative two-way discussion and with written documentation focusing on employee performance: areas of excellence, goals for improvement and development need (Handbook for the Core Performance Management Process, 2004).


The Multiple Sources of Feedback is a process which provides employees with performance information to supplement supervisory feedback; it may include feedback sources such as self, peers, constituents or direct reports (Handbook for the Core Performance Management Process, 2004).

Performance Planning according to the Handbook for the Core Performance Management Process (2004) is a stage where a dialogue between a supervisor and employee establish clear, specific performance expectations at the beginning of the performance cycle. Coaching involves two-way discussions which focus on recognising employee excellence and areas for improvement and learning, as well as identifying barriers to performance.
In relation to Figure 3.2 Schultz, et al. (2003) starts with clarifying expectations which involves the explanation and discussion of the expected behaviour and performance of the employee. The second step is facilitating performance. The line manager asks the employee what he/she can do to help the employee perform according to expectations and makes resources, such as tools, capacity information and material available to the employee. When thorough planning from the line manager’s side is done, the entire performance management process becomes easier.

The next step is to monitor performance. The manager manages performance by walking around (MBWA) in order to provide the employee with opportunities to explain how he/she is doing, what problems they are experiencing and how they are progressing. The line manager understands the performance outcomes and will be able to see if the employee is not performing according to the set standards. Monitoring performance helps the employee to see shortcomings and deal with them as soon as they occur. Through the monitoring done by line manager, when evaluation time comes it does not become a problem as the line manager constantly monitors performance (Schultz, et al., 2003).

According to Schultz, et al. (2003) when providing feedback to the employee, the employee gets an opportunity to challenge things that he or she is not in agreement with. Providing feedback helps the employee to see shortfalls and gets an opportunity to improve. At times the line manager is required to coach, counsel and support the employee should there be a need for that.

It is therefore critical for the line manager to bring forth caring skills to assist the employee to understand that the process is not personal but it is aimed at ensuring better performance. The recognition of performance encourages motivation to the employee (Schultz, et al., 2003).

Both models come up with similar steps and the last one adds to what the first one had covered. From the above information it is therefore evident that the supervisor has a direct and crucial role to play in the performance management process.
3.6 PRINCIPLES OF PERFORMANCE MANAGEMENT

Corporate goals should be translated into individual, team, department and divisional goals through performance management. Effective performance management system is a continuous and evolutionary process in which performance improves over time. It relies on consensus and cooperation rather than control or coercion. Self management of individual performance is encouraged and it requires a management style that is open and honest and encourages two way communication between superiors and subordinates with constant feedback as a requirement. Measurement and assessment of all performance is against mutually agreed goals and it is not primarily concerned with linking performance to financial rewards and applies to all staff. The above explains the underlying principles of effective performance management systems as highlighted by Armstrong (2001).

From the literature reviewed, it is evident that for a performance management system to be effective, it should not be a top down approach, but rather a shared approach, one in which there is shared vision of the organisation’s goals and objectives. Each employee should understand how each of their individual goals and objectives contribute to the strategy of the organisation as a whole. Schultz et al. (2003) refer to this process as alignment.

Furthermore, they postulate that the alignment process will identify critical success factors and key performance areas for the organisation and that the key result areas and key performance indicators of each person in the organisation are the measures used to judge the performance of each employee.
3.7 PERFORMANCE AGREEMENTS

Bagraim, Cunningham, Pieterse – Landman, Potgieter, Viedge and Werner (2011) state that documentation is necessary to enforce performance management system. This takes the form of a performance agreement. A performance agreement will stipulate:

- What the contributions should be made by the person;
- Key accountabilities;
- Measurement indicators to determine whether the results have been achieved;
- Requirements pertaining to training and development; and
- The management performance procedure.

3.8 PERFORMANCE MANAGEMENT BENEFITS

Focusing on achieving results is the key role of performance management. A well-implemented performance management process is beneficial to the company, its managers and employees. Performance management reminds one that being busy is not the same as producing tangible results. It also reminds one that training, strong commitment and lots of hard work alone cannot guarantee results. The advantages given by O'Callaghan (2004) include:

- Integration;
- Open communication;
- Enhanced performance;
- Training and development;
- Standards/requirements clarity;
- Individual Placement
- Fair compensation;
- Objective promotability; and
- Structured career planning.
3.9 CONCLUSION

The effective management of individual performance is the central requirement for the attainment of organisational goals. If line managers are to achieve strategic objectives, accurate information regarding the performance levels of their members is essential.

This is the reason why most organisations insist on a formal and systematic process whereby such information may be gathered and recorded (Swanepoel, et al., 2000).

Schultz (2004) states that when performance management systems are tied into the objectives of the organisation, the resulting performance is more likely to meet organisational needs. Furthermore, Schultz (2004) states that performance management is a process for strategy implementation, a vehicle for culture change and that it provides input to other human resources systems.

It involves communicating a vision of objectives to employees, setting departmental and individual performance targets, as well as conducting a formal review of performance.

The literature reviewed suggests that the purpose of performance management is to support business goals. Human Resources is responsible for developing and implementing a system that supports business goals, for providing information, education, guidance and expertise to line managers and ensuring quality assurance in performance management.

Performance management is, in some ways, simple yet very complex. It consists of different parts and it requires some skills. It can work and produce great benefits if it is approached with a proper mindset. Chapter four presents the research methodology that was used by the researcher.
CHAPTER 4

RESEARCH METHODOLOGY

4.1 INTRODUCTION

The aim of this chapter is to describe the research methodology that was applied during the empirical component of this study. Aspects of the design together with the underpinning methodology are discussed in order to justify the quality and significance of the procedures that were applied. This is achieved by addressing the following:

a) Methodology defined. The term methodology is explained and the steps in the process defined;

b) Survey method. Data collection instruments are discussed and the chosen method for this study is explained in more detail;

c) Measuring instrument. The importance of validity and reliability of the measuring instrument that is used in the study is explained;

d) Construction of the questionnaire. The questionnaire design and development are described;

e) Survey sample. The population used in the study as well as survey sampling is explained; and

f) Administering the questionnaire. The process followed in collecting the data by the use of the questionnaire is discussed.
4.2 RESEARCH METHODOLOGY

The researcher utilised a positivist paradigm in this research. This means that the researcher used a quantitative methodology in the process of data collection. One of the strengths of quantitative methodology is to let the facts speak for themselves. This means that statistical evidence should be presented in way that is objective as opposed to qualitative methodology which emphasizes subjectivism (Neuman, 2000). The two methodological approaches will be discussed thoroughly below. The rationale behind this is to contrast the two approaches.

Quantitative Approach

According to Cohen, Manion and Morrisson (2000) quantitative research seeks to discover how many people think, act or feel a particular way and as such this form of research is often used with large samples ranging in size from around 50, up to thousands of respondents. It is important that all respondents are asked the same series of questions regardless of sample size.

The main idea behind quantitative research is to be able to separate things easily so that they can be counted and modeled statistically. Quantitative research examples are street surveys, telephone interviews, door to door, product placements etc. The key aspect of this paradigm is that the researcher remains separate from the research emotionally thus removing researcher bias (Cohen et al., 2000).

Quantitative research is a study that aims to quantify attitudes or behaviour patterns, measure variables on which they hinge, compare and point out correlations. It is most often conducted by means of a survey on a sample that must be representative so that the results can be extrapolated to the entire population studied. It requires the development of standardised and codifiable measurement instruments (structured questionnaires). (www.ipsos.com/how/Glossary.aspx, 2011).
Quantitative research seeks to qualify human behaviour through numbers and observations. Neuman (2000) states that the quantitative or empirical analytical research method relates to data being expressed as numbers, whereas the qualitative research method considers data in terms of words, pictures or objectives.

Qualitative Approach

Cohen et al. (2000) state that qualitative research is used to help us understand how people feel and why they feel as they do. It is concerned with collecting in-depth information asking questions such as why do you say that? Samples tend to be smaller compared with quantitative approach that includes much larger samples.

They further state that this paradigm is also used to gain insight into people's attitudes, behaviours, value systems, concerns, motivations, aspirations, culture or lifestyles and to inform business decisions, communication and research. Focus groups and in-depth interviews are among the many formal approaches that are used, but qualitative research also involves the analysis of any unstructured material, including customer feedback forms, reports or media clips (Cohen et al., 2000).

Henning (2003) states that "qualitative research is research that utilises open-ended, semi-structured or closed, structured interviews, observations and group discussions to explore and understand the attitudes, opinions, feelings and behaviour of individuals or group of individuals".

Qualitative research can take many forms, such as ethnographic studies, field studies, case studies and phenomenological studies (Chisaka and Vakalisa, 2000).

Leedy and Ormord (2001) state that there are five common qualitative research designs: case studies, ethnography, phenomenological study, grounded theory study and content analysis.
According to Leedy, et al. (2001), depending on the research objective, a specific research methodology can be selected from various methodologies available:

- **The experimental method:**
  This method attempts to account for the influences that condition a specific situation;

- **The historical method:**
  This method can be applied to data that is in a literary form or documentary by nature and is concerned with the retrieval and analysis thereof;

- **The descriptive survey method:**
  This method is also called the normative survey method and concentrates on data that is derived from observational situations. The descriptive survey measures the characteristics of a sample at a specific point in time and describes these observations in words; and

- **The analytical survey method:**
  This method is appropriate for analysing quantitative data that needs statistical measures to extract meaning.

### 4.3 RESEARCH SAMPLE

According to Cant, Gerber-Nel, Nel and Kotze (2003), a sample is a subgroup of the population that is selected to participate in the research and a population consists of all the elements (people, products, organisations, markets, etc.) of a problem. Leedy, et al. (2001) further state that the sample should be carefully chosen that, through it, the researcher is able to see all the characteristics of the total population in the same relationship that they would be seen were the researcher, in fact, to inspect the total population.
Wegner (2001) argues that it is not always practical to gather data on every possible observation in a population. If this is the case, then a subset of all observations, called a sample, is usually gathered on the random variable.

According to Wegner (2001) there are two basic methods of sampling:

- Non-probability sampling methods; and
- Probability sampling methods.

**Non-probability Sampling**

Wegner (2001) defines the non-probability sampling method as any sampling method in which the observations are not selected randomly. While Cant, et al. (2003) state that non-probability sampling relies on the personal judgement of researchers to select the sample and that chance selection procedures are not used to draw the sample. Probability sampling on the other hand, occurs when elements or sampling units are chosen by chance. They state that all elements do not necessarily have the same chance of being selected, but that the probability of selection of each element can be specified.

According to Cant, et al. (2003) there are four non-probability sampling methods:

- **Convenience sampling:** The researcher selects the elements for convenience sampling. Convenience sampling is the least expensive and least time consuming of all sampling methods. One disadvantage of convenience sampling is that it has the potential for selection bias;

- **Judgement sampling:** In this form of sampling, elements are selected according to the judgement of the researcher. Judgement sampling may be done relatively cheaply compared to other sampling methods and it can be done quickly. It is best suited to small samples.
It is important to note that general conclusions about the population cannot be made easily with this sampling method;

- Quota sampling: This sampling is used when the sample is divided into quotas, of which characteristics of interest represent the population. These quotas may be in the form of gender and age, and the proportions within the quota will be the same as those in the general population. The limitations of quota sampling are that respondents may be ignored, because for example, of where they live or their appearance; and

- Snowball sampling: In this type of sampling, an initial group of respondents is selected. These respondents refer the researcher to other respondents within the target population after they have been interviewed. This process is continued when those respondents refer more respondents, causing a snowball effect. This sampling method is used for example when names of potential respondents are not readily available.

**Probability Sampling**

Wegner (2001) states that probability sampling includes all selection methods where the observations to be included in a sample have been selected on a purely random basis from the population. The following are probability sampling techniques:

- Simple random sampling: each observation in the entire population has an equal chance of being selected;
- Systematic random sampling: some randomness is sacrificed: sampling begins by randomly selecting the first observation and thereafter subsequent observations are selected at a uniform interval relative to the first observation;
- Stratified random sampling: if the population is regarded as being heterogeneous with respect to the random variable under study, the population can be divided into segments or strata where the sampling units in each stratum are relative homogenous; and
• Cluster random sampling: the population is divided into clusters, where each cluster is similar in profile, to every other cluster.

It is clear that for the purpose of this research, the most useful sampling method is that of random sampling, which part of the probability group of sampling techniques is.

The population from which the sample will be drawn from encompasses 50 people from the entire organisation, both male and female, across as wide an age spectrum as possible, in an attempt to prevent bias. More particularly, respondents were chosen by using a random sampling method; they included middle and top managerial staff and salaried staff members from each of the different departments within the company. It must be borne in mind that random sample has a long tradition in quantitative research. Its strength is to include different elements of the population examined; draw a sample from it. Hence, the researcher in this research has chosen random sample.

4.4 DATA GATHERING

A questionnaire was used as an instrument for data collection in gathering the primary data. Using questionnaires in research is part of the practice of quantitative methodology. Hence, it was chosen as a research instrument. In addition, the questionnaire was selected as a data gathering tool because it allows for a uniform answering style and is quicker and easier to administer and analyse (Leedy and Ormord, 2001).

In terms of its design, closed questions were used to simplify the communication of the information and the ease of answering the questions, as the respondents merely needed to choose from a collection of alternatives. The questionnaire was administered via email; it was emailed internally to employees with a covering letter. Wegner (2001) states that the design of a questionnaire is critical to ensure that the correct research questions are addressed and that accurate and appropriate data for statistical analysis is collected.
Buys (2000) further states that the construction of questions is determined by factors such as content, format, type of wording and the order of words.

Kotler (2000) states that when preparing a questionnaire, questions, their form, wording and sequence should be carefully chosen. It is important to note that the form of the question asked can influence the response.

Distinction should be made between open-end and closed-end questions. Closed-end questions pre-specify all the possible answers. These types of questions provide answers that are easier to interpret and tabulate. Open-end questions allow respondents to answer in their own words. Open-end questions often reveal more because they do not contain the respondents’ answers (Kotler, 2000).

These question types are especially useful in exploratory research, where the researcher is looking for insight into how people think, rather than measuring how many people think a certain way. Cant, et al. (2003) state that on self-administered questionnaires, the use of open-ended questions should be limited, because respondents will seldom give elaborate answers.

Leedy, et al. (2001) suggest that the following guidelines be used for developing a questionnaire that encourages people to be co-operative and yields responses one can use and interpret:

- Keep it short as brief as possible;
- Use simple, clear, unambiguous language;
- Check for unwarranted assumptions implicit in your questions;
- Word your questions in ways that do not give clues about preferred or more desirable responses;
- Check for consistency;
- Determine in advance how you will code your responses;
- Keep the respondents task simple;
- Provide clear instructions;
• Give rationale for any items whose purpose may be unclear;
• Make the questionnaire attractive and professional looking;
• Conduct a pilot test; and
• Scrutinise the almost-final product carefully to make sure it addresses your needs.

According to Wegner (2001) a questionnaire should consist of three sections:

• The administrative section is used to record the identity of the respondent and the interviewer by name, date, and address, and where the interviews were conducted;

• The demographic or classification section describes the respondent by a number of demographic characteristics which generally include age, gender, residential location, marital status, language, qualification, etc. and

• The information sought section makes up the major portion of the questionnaire and consists of all questions which will extract data from respondents to address the research objectives.

According to Cant, et al. (2003) the questionnaire content, structure, wording, sequence and layout should be considered when compiling questionnaires as in the following:

**Question content**

All the information collected in a questionnaire must be relevant. There is no point in gathering irrelevant information. The use of double-barrelled questions should be avoided (Cant, et al., 2003).
**Question structure**

Researchers must decide whether they want to use open-ended or fixed alternative question response formats. They need to know what research must be done and what kind of information is required. Where applicable, it is essential that all categories are mutually exclusive and questions do not overlap. If respondents have to select one alternative and the options available overlap, this will significantly reduce the accuracy and validity of the data (Cant, et al., 2003).

**Question wording**

Researchers should make sure that they define the issue when asking questions. The questions must be asked in a simple way that will be easily understood. Leading questions must not be asked, if a question suggests a certain response the respondent is likely to come up with that answer (Cant, et al., 2003).

Vague wording must be avoided, researchers should use specific words or phrases when asking questions and questions that imply alternatives should be avoided (Cant, et al., 2003).

**Question sequence**

Generally, the first question should be interesting and easy to answer. This will motivate the respondent to continue answering the questionnaire as they will have been put at ease. Ask general questions before asking specific questions. This reduces biased responses. Basic questions about the research should be asked first. Sensitive, embarrassing, complex and / or dull questions should be asked later in the questionnaire (Cant, et al., 2003).

**Questionnaire layout**

The questionnaire must be professionally laid out, not overcrowded and there must be enough space for the respondent to write.
Questions should not run over two pages, as this may confuse the respondent, or the question may be ignored, thereby increasing non response. The questionnaire must be designed to be as short as possible, making it easy for respondents to complete and must have a logical flow (Cant, et al., 2003).

The questionnaire developed for the study was designed based on a Likert type scale. Struwig and Stead (2001) state that the Likert type scale is preferred to other forms of questions, such as dichotomous or open-ended questions, as the Likert scale provides ordinal data. The following Likert type scale was used:

- Yes; and this is not likert
- No.

As well as:

- Strongly agree; this is
- Agree;
- Disagree; and
- Strongly disagree.

The questionnaire was divided into four sections.

Section A – Biographical Information;
Section B – Performance Management;
Section C – The role of HR in performance management; and
Section D – The role of line managers in performance management.

4.4.1 **Validity and Reliability**

Denzin and Lincoln (2005) declare that without rigor, research is worthless, becomes fiction and loses its utility. Hence, a great deal of attention is applied to reliability and validity in all research methods. Salkind (2000) defines validity as “the quality of the measuring instrument doing what it is supposed to do”.
Validity is normally referred to in relation to the outcome of a test and therefore various degrees of validity should be interpreted in terms of the results of the study and whether the results are understood within the context of the researcher's purpose (Salkind, 2000).

Leedy et al. (2001) argue that validity of a measurement instrument is the extent to which the instrument measures what it is supposed to measure. It takes different forms, each of which is important in different situations:

- Face validity is the extent to which, on the surface, an instrument looks like it is measuring a particular characteristic;

- Content validity is the extent to which a measurement instrument is a representative sample of the content area being measured;

- Criterion validity is the extent to which the results of an assessment instrument correlate with another, presumably related measure; and

- Constructive validity is the extent to which an instrument measures a characteristic that cannot be directly observed but must instead be inferred from patterns in people’s behaviour.

Reliability refers to the extent to which different researchers will discover the same phenomena and researchers and participants agree about the description of the phenomena (Meriam, 1998).

Leedy, et al. (2001) argue that the reliability of a measurement instrument is the extent to which it yields consistent results when the characteristic being measured has not changed. The following are forms of reliability that are frequently of interest in research studies:

- Interrater reliability is the extent to which two or more individuals evaluating the same product or performance give identical judgments;
Internal consistency reliability is the extent to which all the items within a single instrument yield similar results;

Equivalent forms reliability is the extent to which two different versions of the same instrument (e.g. "Form A" and "Form B" of a scholastic aptitude test) yield similar results; and

Test-retest reliability is the extent to which the same instrument yields the same result on two different occasions.

Leedy, et al. (2001) further point out that something can be measured accurately only when it can be measured consistently. In other words, in order to have validity, there must also be reliability. He further emphasises that the more valid and reliable the measurement instruments are, the more likely appropriate conclusions can be drawn from the data collected and, thus solve the research problem in a credible fashion.

ETHICAL MEASURES

The researcher in this study has upheld all the ethical requirements for undertaking an empirical research. Participation was voluntary in this research. All the names of the respondents were kept anonymous in order to ensure confidentiality (Mouton, 2005). Before undertaking this research, the researcher sent a consent letter to all the respondents. It was explained to them that none of them were going to be harmed by participating in this research. Over and above, the researcher outlined to the respondents that they were not to receive any remuneration after taking part in this research (Breakfast, 2009).
DATA ANALYSIS

Statistica was used in this research as a software program for the quantification of data. This is part of the scientific practice in quantitative research. The researcher has worked alongside Dr Pieterson (NMMU, statistician) in terms of quantify data. Statistica was recommended by Dr Pieterson because it is easy to process. Again, the researcher has used content analysis while interpreting the data of this data. However, it is critical to indicate that the usage of content analysis in research is not confined to quantitative studies. Equally, it is also used in qualitative research.

4.5 SUMMARY

In this chapter the researcher provided the reader with an overview of the research methodology that will be used in this study. During the discussion on the methodology, special attention was given to the development and administration of the questionnaire and the selection of the sample. In the next chapter, the results of the study will be presented and analysed.
5.1 INTRODUCTION

In the previous chapter, the research methodology used in the study was discussed. The purpose of Chapter Five is to present and interpret the findings from the empirical study.

The objective is to assist the company in the implementation of a performance management system for the achievement of its strategic goals and objectives. What role should the line managers and Human Resources department play in the performance management process? In order to answer this question the role of both line managers and HR in the performance management process was probed in the empirical study.

The results of the study are presented in the same order as the sections and statements appear in the questionnaire. The questionnaire consisted of four sections, namely:

Section A – Biographical Information;
Section B – Performance Management;
Section C – The role of HR in performance management; and
Section D – The role of line managers in performance management.

The results of the study were interpreted in conjunction with the findings of the literature review.
5.2 ANALYSIS AND INTERPRETATION OF RESULTS OF SECTION A: BIOGRAPHICAL INFORMATION

Section A covered biographical information, including division employed in, in the organisation, position in the organisation, length of service in the organisation, length of service in the mentioned position, number of appraisals undertaken, gender, age group and highest qualification.

5.2.1 GENDER

Question one required the respondents to indicate their gender. The results are presented in Table 5.1 and Chart 5.1.

<table>
<thead>
<tr>
<th>GENDER</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>27</td>
<td>77%</td>
</tr>
<tr>
<td>Female</td>
<td>8</td>
<td>23%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>35</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5.1: Responses according to their gender

Chart 5.1: Responses according to their gender
Seventy-seven per cent of the respondents were male and 23 per cent were female (total 100%). The results suggest that the organisation has not yet achieved gender equality in terms of employment. However, both genders were represented in this study.

5.2.2 Age Group

Question two required the respondents to indicate their age group.

The results are presented in Table 5.2 and Chart 5.2.

<table>
<thead>
<tr>
<th>AGE GROUP</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;20, 20-29</td>
<td>7</td>
<td>20%</td>
</tr>
<tr>
<td>30-39</td>
<td>14</td>
<td>40%</td>
</tr>
<tr>
<td>40-49</td>
<td>11</td>
<td>31%</td>
</tr>
<tr>
<td>50&gt;</td>
<td>3</td>
<td>9%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>35</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5.2: Responses according to their age group

Chart 5.2: Responses according to their age group
Forty percent of the respondents indicated that they are between 30 to 39 years of age, 31 percent are between 40 to 49 years of age, 20 percent of the respondents indicated that they are between 20 to 29 years of age and 9 percent of the respondents indicated that they are 50 years or more. The results suggest that the organisation employed more middle-aged people who should be able to understand and correctly implement the performance management system.

5.2.3 Division in the organisation

Question three required the respondents to indicate the division in which they are employed in, in the organisation. The results are presented in Table 5.3.

<table>
<thead>
<tr>
<th>DIVISION</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>9</td>
<td>26</td>
</tr>
<tr>
<td>Electrical</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Environmental</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Civil</td>
<td>22</td>
<td>63</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>35</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 5.3: Responses according to division employed in, in the organisation
The responses obtained to question one are visually presented in Chart 5.3.

![Chart 5.3: Responses according to division employed in, in the organisation](image)

Sixty-three per cent of the respondents were in civil, 26 percent were in administration and 11 percent were in electrical. It is evident that the majority of the respondents were more technically aligned. This was to be expected, as this is a civil dominant engineering company.

5.2.4 POSITION IN THE ORGANISATION

Question four required the respondents to indicate their position in the organisation.

The results are presented in Table 5.4 and Chart 5.4.
<table>
<thead>
<tr>
<th>POSITION</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Project Management</td>
<td>13</td>
<td>37</td>
</tr>
<tr>
<td>Technical Staff</td>
<td>12</td>
<td>34</td>
</tr>
<tr>
<td>Support Staff</td>
<td>9</td>
<td>26</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>35</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 5.4: Responses according to position in the organisation

Thirty-seven per cent of the respondents were project managers, 34 percent were technical staff, 26 percent were support staff and 3 percent were in senior management. It is evident that the majority of the respondents were project managers. This was to be expected, as there are more project managers in the organisation who act as line managers for the technical staff.

According to Bennett and Minty (2001) in the literature reviewed in chapter three, human resources departments are the custodian of the performance management process who ensures compliance and are the implementers of the system.
It was hence important that the line manager’s views be voiced regarding the role that they believed human resources should play in the performance management process as opposed to their role as line managers.

5.2.5 YEARS OF EMPLOYMENT IN THE ORGANISATION

Question five required the respondents to indicate their years of employment in the organisation.

The results are presented in Table 5.5 and Chart 5.5.

<table>
<thead>
<tr>
<th>YEARS OF EMPLOYMENT</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 5 years</td>
<td>22</td>
<td>63</td>
</tr>
<tr>
<td>6 - 10 years</td>
<td>8</td>
<td>23</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>5</td>
<td>14</td>
</tr>
<tr>
<td>TOTAL</td>
<td>35</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 5.5: Responses according to years of employment in the organisation

[Chart showing years of employment distribution]

Chart 5.5: Responses according to years of employment in the organisation
Sixty-three percent of the respondents had zero to five years service, 23 percent had six to ten years service, 14 percent had more than ten years (total = 100%) in the mentioned positions within the organisation.

5.2.6 NUMBER OF YEARS IN CURRENT POSITION

Question six required the respondents to indicate the number of years employed in their current position.

The results are presented in Table 5.6 and Chart 5.6.

<table>
<thead>
<tr>
<th>YEARS IN CURRENT POSITION</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 5 years</td>
<td>20</td>
<td>59%</td>
</tr>
<tr>
<td>6 - 10 years</td>
<td>9</td>
<td>26%</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>5</td>
<td>15%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>34</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5.6: Responses according to years employed in the current position

Chart 5.6: Responses according to years employed in the current position
Table 5.6 and Chart 5.6 indicate that 59 percent of the respondents had zero to five years service, 26 percent had six to ten years service, 15 percent had more than ten years (total = 100%) in the mentioned positions within the organisation.

It is clear that more than half of the respondents had been employed in the mentioned position for less than five years.

5.2.7 NUMBER OF APPRAISALS UNDERTAKEN

Question five required the respondents to indicate the number of appraisals undertaken in the organisation. The results are presented in Table 5.7 and Chart 5.7.

<table>
<thead>
<tr>
<th>NUMBER OF APPRAISALS UNDERTAKEN</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>5</td>
<td>14</td>
</tr>
<tr>
<td>1 to 2</td>
<td>6</td>
<td>17</td>
</tr>
<tr>
<td>3 to 5</td>
<td>9</td>
<td>26</td>
</tr>
<tr>
<td>5 or more</td>
<td>15</td>
<td>43</td>
</tr>
<tr>
<td>TOTAL</td>
<td>35</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 5.7: Responses according to number of appraisals undertaken in the organisation.
Chart 5.7: Responses according to number of appraisals undertaken in the organisation

Table 5.7 and Chart 5.7 reflect the number of performance appraisals the respondents had within the organisation. The majority of the respondents have been exposed to five or more performance appraisals which represent 43 per cent of the respondents, 26 per cent of the respondents had been exposed to three to five performance appraisals, 17 per cent of the respondents have been exposed to one to two performance appraisals and 14 per cent of the respondents have been exposed to none.

5.2.8 LEVEL OF EDUCATION

Question eight required the respondents to indicate their level of education. The results are presented in Table 5.8 and Chart 5.8.
<table>
<thead>
<tr>
<th>LEVEL OF EDUCATION</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matric</td>
<td>6</td>
<td>17</td>
</tr>
<tr>
<td>Diploma</td>
<td>11</td>
<td>31</td>
</tr>
<tr>
<td>Degree</td>
<td>12</td>
<td>34</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>17</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>35</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 5.8: Responses according to their level of education

Chart 5.8: Responses according to their level of education

Thirty-five percent of the respondents indicated that they had a Degree, 31 percent had a diploma and 17 percent (total 100%) of the respondents indicated that they obtained matric as the highest qualification. 17 percent of the respondents indicated that they had other qualifications. The results suggested that the organisation employed people who should be able to understand and correctly implement the performance management system based on their level of education.
Section B covered the performance management systems.

Section B of the questionnaire focused on the various components of performance management. It has already been established in the literature review contained in Chapter Three that performance management as a formal management process for harnessing and directing, measuring, evaluating and rewarding human effort, competence and talent in realising an organisation’s mission and vision within a framework of core values (Joubert and Noah, 2000).

Therefore, in compiling Section B of the questionnaire, the researcher considered the various important components of performance management systems.

<table>
<thead>
<tr>
<th>Performance Management</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I am aware of the organisation’s mission.</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td></td>
<td>29</td>
<td>6</td>
</tr>
<tr>
<td>2 I am fully aware of the organisation’s strategic objectives.</td>
<td>74%</td>
<td>26%</td>
</tr>
<tr>
<td></td>
<td>26</td>
<td>9</td>
</tr>
<tr>
<td>3 I know what the organisation’s values are, i.e. What is regarded as important by the</td>
<td>94%</td>
<td>6%</td>
</tr>
<tr>
<td>organisation - e.g performance, teamwork, innovation, etc.</td>
<td>33</td>
<td>2</td>
</tr>
<tr>
<td>4 There is a constructive culture in the organisation, i.e. members are encouraged to</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>interact constructively with each other in order to attain objectives, grow and develop.</td>
<td>27</td>
<td>10</td>
</tr>
<tr>
<td>5 I understand how my role contributes to overall organisational goals and objectives.</td>
<td>89%</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td>31</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>I have personal objectives which support the divisional goals and objectives.</td>
<td>83%</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------------</td>
<td>-----</td>
</tr>
<tr>
<td></td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>These objectives were set by mutual agreement between my manager and I, after discussion of each of the objectives.</td>
<td>77%</td>
</tr>
<tr>
<td></td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>I understand how my role contributes to the goals and objectives of my division.</td>
<td>89%</td>
</tr>
<tr>
<td></td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>I have a clear understanding of the level of performance that is expected from me.</td>
<td>88%</td>
</tr>
<tr>
<td></td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>I feel I receive adequate acknowledgement and recognition for my contributions in the organisation.</td>
<td>69%</td>
</tr>
<tr>
<td></td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>I have the necessary skills and competencies to achieve my individual goals and objectives.</td>
<td>83%</td>
</tr>
<tr>
<td></td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>My manager and I mutually agree how my performance will be measured.</td>
<td>66%</td>
</tr>
<tr>
<td></td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>My manager and I communicate frequently about my performance.</td>
<td>54%</td>
</tr>
<tr>
<td></td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>My manager provides a climate whereby staff can openly communicate performance related problems.</td>
<td>57%</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>I am encouraged to prepare for performance review meetings.</td>
<td>77%</td>
</tr>
<tr>
<td></td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Priorities in terms of objectives are reviewed during the performance review meeting.</td>
<td>86%</td>
</tr>
<tr>
<td></td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>My performance is measured against prior, mutually agreeable, set objectives.</td>
<td>83%</td>
</tr>
<tr>
<td></td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>I am given verbal and written feedback on the positive aspects of my performance.</td>
<td>71%</td>
</tr>
<tr>
<td></td>
<td>25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Statement</td>
<td>Response</td>
</tr>
<tr>
<td>---</td>
<td>---------------------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>19</td>
<td>Where performance has not met minimum standards, my manager and I discuss the reasons for this and ways of improving performance.</td>
<td>77% 27 8</td>
</tr>
<tr>
<td>20</td>
<td>During the performance review meeting, my manager and I set mutually agreeable action plans for future improvements.</td>
<td>77% 27 8</td>
</tr>
<tr>
<td>21</td>
<td>I am involved in decisions which affect the way I work.</td>
<td>71% 25 10</td>
</tr>
<tr>
<td>22</td>
<td>Training and developmental needs are identified and documented during the performance review process.</td>
<td>74% 26 9</td>
</tr>
<tr>
<td>23</td>
<td>Performance discussions during the review process emphasise personal development and growth.</td>
<td>74% 26 9</td>
</tr>
<tr>
<td>24</td>
<td>I am provided with required training such that I am in a position to complete tasks effectively.</td>
<td>60% 21 14</td>
</tr>
<tr>
<td>25</td>
<td>I participate in setting deadlines for the achievement of my goals.</td>
<td>89% 31 4</td>
</tr>
<tr>
<td>26</td>
<td>There is a fair consistent basis for measuring performance and individual contribution to business objectives.</td>
<td>74% 26 9</td>
</tr>
<tr>
<td>27</td>
<td>Performance management may be used as a decision making for the distribution of performance related pay and promotion.</td>
<td>86% 30 5</td>
</tr>
<tr>
<td>28</td>
<td>I am encouraged to create a career development plan for future advancement within the organization.</td>
<td>57% 20 15</td>
</tr>
</tbody>
</table>

Table 5.9: Responses according to Performance Management
An analysis of Table 5.9

The above results indicate that the organisation has the attributes for an effective Performance Management system with 83% responses confirming their awareness of the organisation’s mission, 70% articulating their knowledge of the strategic objectives, with an impressive 94% appreciation of organisation’s values. The appreciation of these aspects by employees lay a good foundation for an effective performance management system as argued by Joubert and Noah (2000). Furthermore, it is a positive thing to note that 89% of the respondents realised the link between their individual work to that of their division and of the organisation as a whole. The results showed that employees were involved in the setting of measurements for their performance with 88% confirming their knowledge of their job expectations. In addition to this, respondents (83%) pointed out that their performance was measured against prior, mutually agreeable, set objectives.

In terms of performance reviews respondents (77%) indicated that they set mutually agreeable action plans for future improvements. In view of Viedge cited in (Schultz, et al., 2003)’s argument that successful performance rests strongly on the relationship between the line manager and the employee, this organisation exhibits a high potential for success.

The objectives of the Performance management system appear strategically linked to personal development with 77% of respondents indicating that in performance reviews they mutually agree with their managers on the ways to improve performance. The performance reviews result in the documentation of identified training and development needs as indicated by 74% of informants. These results indicate a healthy performance system as it provides input for other human resource system which element Schultz (2004) writes that it makes it more likely to meet organisational goals. It is however, a weakness on the part of the company to note that while the identification of needs is done quite optimally, during performance reviews 40% of the respondents indicated that they are not provided with required training to complete tasks effectively.
The system can also strategically connect to compensation with 86% respondents stating that performance may be used to determine performance related pay.

It is however, a concern that there is deficiency in terms of provision of climate in which staff can openly communicate performance related problems with only 57% respondents confirming that they are able to do so. It is also a cause for concern that only 54% of the respondents indicated the frequency of communication between managers and staff on the staff's performance. The organisation has a challenge to strategically connect its performance management system with career development as currently about 43% respondents did not feel encouraged to create a career development plan with the organisation.

Summary of Table 5.9, indicates the total responses to all questions. They are presented in Chart 5.9.

Chart 5.9: Performance Management

From table 5.9 it is evident that the majority of respondents believe in all the different components of performance management.
5.4 ANALYSIS AND INTERPRETATION OF RESULTS OF SECTION C: THE ROLE OF HR IN PERFORMANCE MANAGEMENT

The theoretical study presented in Chapter Three highlighted the role of HR in the performance management process. Some of the main theoretical findings are highlighted below as a backdrop to the analysis of Section C of the questionnaire. The role of HR is to ensure that the performance management system is developed and designed to provide line managers with a guideline of what needs to be done in the performance management process. Performance management systems make clear to employees what is expected of them and assure line managers and strategic planners that employee behaviour will be in line with the organisation’s goal (Noe, et al., 2003).

Section C covered the role of HR in performance management.

<table>
<thead>
<tr>
<th>HR are responsible for:</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Ensure that HR processes such as employment, remuneration and recognition are aimed at stimulating performance.</td>
<td>34% 12</td>
<td>51% 18</td>
<td>12% 4</td>
<td>3% 1</td>
</tr>
<tr>
<td>2 Ensure that employees adhere to company policies.</td>
<td>37% 13</td>
<td>49% 17</td>
<td>14% 5</td>
<td>0% 0</td>
</tr>
<tr>
<td>3 Guide line managers in how to deal with non-performing employees.</td>
<td>31% 11</td>
<td>49% 17</td>
<td>17% 6</td>
<td>3% 1</td>
</tr>
<tr>
<td>4 Ensure line managers understand company policies.</td>
<td>37% 13</td>
<td>52% 18</td>
<td>11% 4</td>
<td>0% 0</td>
</tr>
<tr>
<td>5 Ensure line managers manage performance within the guidelines of applicable labour law.</td>
<td>26% 9</td>
<td>60% 21</td>
<td>14% 5</td>
<td>0% 0</td>
</tr>
<tr>
<td></td>
<td>Action</td>
<td>31%</td>
<td>55%</td>
<td>14%</td>
</tr>
<tr>
<td>---</td>
<td>----------------------------------------------------------------------</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>6</td>
<td>Educate employees in HR policies.</td>
<td>11</td>
<td>19</td>
<td>5</td>
</tr>
<tr>
<td>7</td>
<td>Implement and drive the performance management process.</td>
<td>26%</td>
<td>54%</td>
<td>20%</td>
</tr>
<tr>
<td>8</td>
<td>Have a clear understanding knowledge and application of the performance management process.</td>
<td>26%</td>
<td>63%</td>
<td>11%</td>
</tr>
<tr>
<td>9</td>
<td>Have a detailed knowledge of the performance management policy.</td>
<td>29%</td>
<td>60%</td>
<td>11%</td>
</tr>
<tr>
<td>10</td>
<td>Train line managers in how to complete scorecards correctly.</td>
<td>29%</td>
<td>57%</td>
<td>14%</td>
</tr>
<tr>
<td>11</td>
<td>Provide guidance to line managers in terms of performance management.</td>
<td>26%</td>
<td>60%</td>
<td>14%</td>
</tr>
<tr>
<td>12</td>
<td>Integrate performance measurement and the development of employees.</td>
<td>34%</td>
<td>46%</td>
<td>20%</td>
</tr>
<tr>
<td>13</td>
<td>Have expert knowledge on performance management.</td>
<td>26%</td>
<td>60%</td>
<td>14%</td>
</tr>
<tr>
<td>14</td>
<td>Facilitate the administration of the performance management process.</td>
<td>31%</td>
<td>46%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Table 5.10: Responses according to the role of HR

An analysis of Table 5.10 indicated the following:

The above results indicate that the majority of employees in the organisation were in agreement with the role that HR should play in a performance management process with 85% responses confirming that HR should ensure that the human resources related processes are aimed at stimulating performance, 84% to ensure that all
employees adhered to the company policies, 86% to educate employees on the HR related policies and with 80% to integrate performance measurement and the development of employees. This is in line with the fundamental role that HR should help create value to the organisation by maximising profitability, quality of work life, and profits through effective management of people (Sunil, 2007; Cascio, 2003).

Additionally, results showed that majority of employees believed that HR should be involved in guiding and training line managers in HR related processes with 80% in agreement that HR should guide line managers on how to deal with non performing employees, respondents (89%) pointed out HR should ensure line managers understand company policies. In terms of applicable labour law (86%) indicated that HR should ensure line managers manage performance within the applicable labour law. The above is in line with the view of HR’s role to consult with line managers when there is a need and to continuously guide line managers in following and doing what is expected of them in the entire performance management process (Bennett and Minty, 2001).

The implementation and drive of performance management process by HR has 80% of respondents agreeing that it is one of the vital roles HR should play which is in line with one of the key roles in leading edge companies as suggested by (Schuler and Jackson, 2000).

Summary of Table 5.10, indicates the total responses to all questions, and are presented in Chart 5.10.
The empirical study results showed that HR has a clear and defined role in the performance management process. There is alignment between the empirical findings and the literature findings in chapter three on the role that HR should perform in the performance management process.

5.5 ANALYSIS AND INTERPRETATION OF RESULTS OF SECTION D: THE ROLE OF LINE MANAGER’S IN PERFORMANCE MANAGEMENT

The theoretical study presented in Chapter Three provided an overview of the role of line management in the performance management process.

Some of the main theoretical findings are highlighted below as a backdrop to the analysis of Section D of the questionnaire.

Mathis and Jackson (2008) and Banfield and Kay (2008) present the performance management process from the perspective of the immediate supervisor. These authors indicate that the performance management process starts with determining the performance standards for the employee.
Performance standards define the expected levels of performance, and are benchmarks, goals or targets depending on the approach taken (Mathis and Jackson, 2008).

The authors then qualify this statement by emphasising that this is based on the assumption that the immediate supervisor is the most qualified person to evaluate the employee’s performance realistically, objectively and fairly.

Section D covered the role of line manager’s in performance management.

<table>
<thead>
<tr>
<th>Line manager’s should</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Take responsibility for the performance of employees.</td>
<td>40%</td>
<td>40%</td>
<td>17%</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>14</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>2 Evaluate the performance of employees once or twice a year.</td>
<td>37%</td>
<td>34%</td>
<td>29%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>12</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>3 Perceive performance management as a continuous cycle rather than a yearly event.</td>
<td>40%</td>
<td>51%</td>
<td>9%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>18</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4 Encourage employees to perform well in their jobs.</td>
<td>51%</td>
<td>49%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>18</td>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Set performance goals with employees.</td>
<td>49%</td>
<td>51%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>17</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Align employee goals with the company’s strategic goals.</td>
<td>37%</td>
<td>60%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>21</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>7 Ensure employees understand what is expected of them.</td>
<td>51%</td>
<td>40%</td>
<td>9%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>18</td>
<td>14</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Yes</td>
<td>No</td>
<td>NoD</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------------------------------</td>
<td>-----</td>
<td>----</td>
<td>-----</td>
</tr>
<tr>
<td>8</td>
<td>Create a supportive environment in which employees can perform successfully.</td>
<td>54%</td>
<td>37%</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>19</td>
<td>13</td>
<td>3</td>
</tr>
<tr>
<td>9</td>
<td>Monitor employees’ performance by maintaining open communication with the employee.</td>
<td>49%</td>
<td>51%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17</td>
<td>18</td>
<td>0</td>
</tr>
<tr>
<td>10</td>
<td>Provide feedback to employees when they are performing to the expected standard</td>
<td>46%</td>
<td>51%</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>16</td>
<td>18</td>
<td>1</td>
</tr>
<tr>
<td>11</td>
<td>Inform employees immediately if they are not performing well so that they can correct their performance.</td>
<td>54%</td>
<td>43%</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>19</td>
<td>15</td>
<td>1</td>
</tr>
<tr>
<td>12</td>
<td>Praise employees for a job done well.</td>
<td>49%</td>
<td>45%</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>13</td>
<td>Coach employees if they lack skill.</td>
<td>46%</td>
<td>51%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>16</td>
<td>18</td>
<td>1</td>
</tr>
</tbody>
</table>

Table 5.11: Responses according to the role of line managers

An analysis of Table 5.11 indicated the following:

The above results indicate that 80% of the employees are in agreement that line managers should take responsibility for the performance of employees, 90% perceive performance management as a continuous cycle rather than a yearly event and with an impressive 100% that line management should coach employees if they lacked any skills, encourage them to perform well in their jobs and set performance goals. This is in line with the view of Viedge cited in (Schultz, et al., 2003) that performance management process is a continuous cycle instead of a process.

This is based on the basis that performance management is never ending, as it is a continuous process of setting goals, working towards goals, evaluating progress and revisiting goals.
The role of line managers in performance management appear to be strategically linked to personal development with 91% of respondents indicating that line managers should create a supportive environment in which employees could perform successfully and ensure employees understood what was expected of them. The provision of feedback to employees when they are performing to the expected standard is indicated by 97%. This is line with the view that successful performance management rests strongly on the relationship between the line manager and the employee and performance review is a summative two-way discussion and written documentation focusing on employee performance: areas of excellence, goals for improvement and development need (Handbook for the Core Performance Management Process, 2004).

The responses to Section D of the questionnaire are visually presented in Chart 5.11.

Chart 5.11: Role of Line Management in Performance Management

As can be seen from Table 5.11 and Chart 5.11, the responses to this section (the role of line managers in performance management) showed an overwhelming trend towards strongly agree and agree responses.
It can therefore be concluded that the respondents agreed that line managers had a major role to play in the performance management process.

The findings on the role of line management should play in performance management are therefore in line with the theoretical findings in chapter three.

5.6 SUMMARY

The purpose of Chapter 5 was the analysis and interpretation of the data gleaned from Section A, B, C and D of the questionnaire. Test data were presented in tabular and graphical format. The objectives of the research as set out in Chapter 1 were used to guide the analysis and interpretation of the data in this chapter. The results of the questionnaire showed that there are already some elements of performance management at work at the company, although the process is by no means formal, or explicit. The results also suggested that both HR and line management had a crucial role to play in the performance management process and that the efforts of both parties were interdependently responsible for implementing the process effectively and successfully.

Chapter 6 deals with conclusions and recommendations based on the findings of Chapter 5, combined with the rest of the study. Problems and limitations encountered during the research will be discussed, as well as opportunities for further research.
CHAPTER 6

CONCLUSIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

The aim of this chapter is to focus on recommendations based on the findings of all sections of the study as provided. There will be a discussion on the problems and limitations experienced during the research project, recommendations for further research and a final conclusion.

6.2 LIMITATIONS OF THE STUDY

Problems encountered with data collection were:

- The company was in a process of relooking at its HR processes thus the HR department wanted data collection to commence later on in the year but with the help of management they were convinced otherwise; and
- Failure of a substantial number of respondents to return questionnaires by the deadline stipulated. As a result telephonic and email follow ups had to be made and some respondents did not attempt to respond at all.

6.3 FINDINGS

The central research question

Will the introduction of performance management system at the selected company help achieve organisational goals and objectives?
Research Aims

- To investigate whether the performance management of the company will yield the desired results in terms of achieving its strategic goals.

- To determine the function and objectives of performance management system in the company.

- To establish the role of line managers in the implementation of a performance management system in the company.

- To determine the role of HR in the implementation of the performance management system.

The evaluation of the literature revealed the function and objectives of performance management system that can apply to all organisations. The literature also highlighted the role of line manager’s and human resources in the development and implementation of performance management in an organisation. Further an empirical study was conducted. This was done through a survey with a questionnaire as data gathering tool. The findings are listed below.

The main findings relating to performance management may be summarised as follows:

- There is a clear understanding by majority of employees of the organisation’s overall mission;

- The respondents realised the link between their individual work to that of their division and of the organisation as a whole;

- Employees confirmed their involvement in the setting of measurements for their performance with them having knowledge of their job expectations;
• Respondents pointed out that their performance was measured against prior, mutually agreeable, set objectives.

• The respondents realise the link between their individual work to that of their division and of the organisation as a whole;

• Majority of employees confirmed their knowledge of their job expectations and that their performance was measured against prior, mutually agreeable, set objectives;

• Most respondents indicated that in performance reviews they mutually agreed with their managers on the ways to improve performance and training and development needs were identified;

• There is deficiency in terms of provision of climate in which staff can openly communicate performance related problems;

• There is a cause for concern in the number of respondents who indicated the frequency of communication between managers and staff on the staff’s performance; and

• The organisation has a challenge to strategically connect its performance appraisal with career development as minority of respondents did not feel encouraged to create a career development plan with the organisation.

The main findings relating to the human resources department’s role in performance management may be summarised as follows:

• The majority of employees in the organisation were in agreement that HR should ensure that the human resources related processes are aimed at stimulating performance;

• The respondents would like HR to ensure that all employees adhered to the company policies and educate employees on the HR related policies;
Most respondents agreed that HR should integrate performance measurement and the development of employees;

Respondents indicated that HR should implement and drive the performance management process;

Majority of employees believed that HR should be involved in guiding and training line managers in HR related processes and HR should guide line managers on how to deal with non performing employees; and

Respondents believed that HR should ensure line managers understand company policies and HR should ensure line managers manage performance within the applicable labour law.

The main findings relating to line managers role in performance management may be summarised as follows:

The employees are in agreement that line managers should take responsibility for the performance of employees;

Respondents indicated that line managers should perceive performance management as a continuous cycle rather than a yearly event;

Respondents believed that line managers should coach employees if they lacked any skills, encourage them to perform well in their jobs and set performance goals;

Respondents agreed that line managers should ensure employees understood what was expected of them;

Respondents indicated that line managers should create a supportive environment in which employees could perform successfully; and
• Provision of feedback to employees by line managers when they are performing to the expected standard is of outmost importance.

The study revealed that the respondents agreed that HR and line managers have a clear and defined role in the performance management process. There is an alignment between the empirical findings and the literature review on the role of HR and line manager's in the performance management process.

6.4 RECOMMENDATIONS

On the basis of the literature reviewed and analysis of the results of the empirical study, the following recommendations are made.

6.4.1 RECOMMENDATIONS ON PERFORMANCE MANAGEMENT

From the respondents surveyed it has been established that although there are some elements of performance management systems already in operation at the company, there are many areas in which the implementation of a performance management system would result in improvement. The areas which may be addressed by means of a performance management system are listed below:

• Communication would be greatly improved by a performance management system which is carefully planned and correctly implemented in order to address the deficiency of provision of climate in which staff can openly communicate performance related problems;

• An improvement in communication and the provision of regular feedback would help improve the concern of the frequency of communication between managers and staff on the staff’s performance; and
• Individual performance measures to be directly related to those of the organisation, and particularly in terms of goals and objectives. This would assist with the challenge to strategically connect performance management system with career development as minority of respondents did not feel encouraged to create a career development plan in the organisation.

If management at the company were to implement a performance management system, the implementation of the system as per the guidelines in the literature would result in a system which would allow for achievement of business objectives.

The literature has shown that for performance management systems to be effective, management needs to be committed to the process. Therefore, the adoption and implementation of a performance management system at the company should not prove too difficult, as long as management is committed to the process.

### 6.4.2 Recommendations for the Role of HR in Performance Management

The success of any performance management system requires that the human resources department carefully plan the process by designing policies, procedures and processes that will guide line managers to implement the system efficiently and effectively. A well structured training program developed by the human resources department will provide a platform where line managers will manage the process with clear objectives that will enhance their understanding of how the employees are measured to enable better manager and employee relationships.

Human resources should continuously monitor the implementation of the system to ensure that line managers do exactly what they have been trained to do to avoid inconsistency among line managers. It is important that the human resources department encourage line managers to submit their performance appraisal planned schedule to enable the human resources department to make time and attend the appraisal sessions where they can have a firsthand idea on whether line managers appraise their subordinates fairly and appropriately.
The success of the performance management process depends on both HR and line managers and on how the human resources department has designed the system. If it has been properly developed and monitored, then it will be implemented efficiently.

6.4.3 **RECOMMENDATIONS FOR THE ROLE OF LINE MANAGERS IN PERFORMANCE MANAGEMENT**

Line managers should take ownership of the performance management process as they work directly with employees and have a bigger impact on the employee’s performance. This could be achieved by holding bi-monthly meetings between line managers and subordinates to discuss matters that hinder employees from performing to their optimal potential and discuss ways to improve rather than waiting for the formal review sessions.

Frequent employee appraisal sessions should take place and the line managers must allow enough time for preparation for both the employee and the manager to enable a productive session.

The line managers are responsible for assisting employees in improving poor performance by facilitation, monitoring and providing alternative interventions. Line managers should know what motivates their subordinates in order to give rewards that valuable to each individual employee.

Line managers should discuss performance expectations and standards with employees and measure employees’ performance on realistic performance indicators. Line managers have a responsibility to ensure that their subordinates understand the expectations by requesting them to verbally explain what is expected from them and performance development plans should be developed. Feedback on employee performance should be given immediately and not left for the formal appraisal session.
While in the process of ensuring that the above are implemented it is also critical that performance management training is conducted for both the line managers and the employees by HR.

6.4.4 OPPORTUNITY FOR FURTHER RESEARCH

Further research based on the findings of this study is advisable. The inclusion in the survey of contractual employees at the company may provide a different picture in terms of the stated objectives of the study.

If the company were to implement a performance management system, an evaluation of the system after it has been in operation for a period of time based on the literature and recommendations contained in this study may result in a different outcome.

6.5 CONCLUSION

The performance management cycle consists of clarifying expectations; planning to facilitate performance; monitoring performance; providing feedback; coaching; counseling and support and the recognition of good performance. According to the literature, the chances of improved performance are greatly improved with this cycle in place.

The available literature on performance management was examined to assist in framing the research. Performance management theory reminded one that training, strong commitment and lots of hard work alone did not guarantee results; only clear, measurable objectives, continuous feedback, full performance review and appraisal produce results.
Effective performance management stipulates communication as one of its underpinnings. It relies on interpersonal relationships, as well as open discussion between subordinates and managers regarding performance issues. If nothing else, the implementation of a performance management system would improve communication at the company, which would in turn go a long way in improving both individual and organisational performance.

The human resources department has a significant role to play in the performance management process. Ignoring the human resources’ role in the process would be a big mistake. In dealing with the human resources role in performance management it is of utmost importance to know that line management really understand this role to ensure that they seek the guidance from the human resources office.

Human resources’ role is to ensure that they design and develop a clear and efficient performance management process to ensure effective implementation by all stakeholders. The whole performance management process starts with understanding what exactly the purpose of performance management is then it becomes easy to clarify the roles played by each of the stakeholders.

The company's ability to implement a performance management system correctly depends on the clarification of organisational strategic objectives that line management would cascade down to the rest of the organisation and the fact that the human resources department sets the tone and pace for the realisation of the best implementation of the process.

There is sufficient factual evidence to support the notion that the implementation of a performance management system at the company would yield desired results in terms of achievement of its strategic goals and objectives.
REFERENCES


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CONSENT LETTER
04 July 2011

Research title: Transition from performance appraisal to performance management.

Researcher: Thandeka Maphazi

This research is done in order to obtain a Master’s degree in Business Administration at the Nelson Mandela Metropolitan University. The aim of this research is to evaluate whether the implementation of a performance management system at the company would yield desired results in terms of achievement of its strategic goals. It is worth noting that nobody is forced to take part in this research. Again, all the names of the respondents will be kept anonymous in order to ensure confidentiality. This research will not cause any harm to the respondents.

Please indicate yes or no and the extent to which you agree or disagree with the questions in the questionnaire.
Your kind co-operation in this regard will be highly appreciated.

Kindly return the completed questionnaire to Thandeka Maphazi by email on maphazit@boschstemele.co.za by 11 July 2011.
## SECTION A: BIOGRAPHICAL INFORMATION

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

1. What divisions are you employed in?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Administration</td>
</tr>
<tr>
<td>1.2</td>
<td>Electrical</td>
</tr>
<tr>
<td>1.3</td>
<td>Environmental</td>
</tr>
<tr>
<td>1.4</td>
<td>Civil</td>
</tr>
</tbody>
</table>

2. What is your position in the organisation?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Senior management</td>
</tr>
<tr>
<td>2.2</td>
<td>Project Manager</td>
</tr>
<tr>
<td>2.3</td>
<td>Technical Staff</td>
</tr>
<tr>
<td>2.4</td>
<td>Support Staff</td>
</tr>
</tbody>
</table>

3. How long have you been employed at the company?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>0 to 5 years</td>
</tr>
<tr>
<td>3.2</td>
<td>6 to 10 years</td>
</tr>
<tr>
<td>3.3</td>
<td>More than 10 years</td>
</tr>
</tbody>
</table>

4. How many years have you been in your current position?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>4.1</td>
<td>0 to 5 years</td>
</tr>
<tr>
<td>4.2</td>
<td>6 to 10 years</td>
</tr>
<tr>
<td>4.3</td>
<td>More than 10 years</td>
</tr>
</tbody>
</table>
5. How many appraisal interviews have you had?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>None</td>
</tr>
<tr>
<td>5.2</td>
<td>1 to 2</td>
</tr>
<tr>
<td>5.3</td>
<td>3 to 5</td>
</tr>
<tr>
<td>5.4</td>
<td>5 or more</td>
</tr>
</tbody>
</table>

6. Gender?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Male</td>
</tr>
<tr>
<td>6.2</td>
<td>Female</td>
</tr>
</tbody>
</table>

7. Age Group?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>7.1</td>
<td>&lt;20, 20-29</td>
</tr>
<tr>
<td>7.2</td>
<td>30-39</td>
</tr>
<tr>
<td>7.3</td>
<td>40-49</td>
</tr>
<tr>
<td>7.4</td>
<td>50&gt;</td>
</tr>
</tbody>
</table>

8. Level of Education?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>8.1</td>
<td>Matric</td>
</tr>
<tr>
<td>8.2</td>
<td>Diploma</td>
</tr>
<tr>
<td>8.3</td>
<td>Degree</td>
</tr>
<tr>
<td>8.4</td>
<td>Other, please specify</td>
</tr>
<tr>
<td>SECTION B: PERFORMANCE MANAGEMENT SYSTEM</td>
<td>Yes</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>-----</td>
</tr>
<tr>
<td>I am aware of the organisation’s mission statement.</td>
<td></td>
</tr>
<tr>
<td>I am fully aware of the organisation’s strategic objectives.</td>
<td></td>
</tr>
<tr>
<td>I know what the organisation’s values are, i.e. what is regarded as important by the organisation - e.g. Performance, teamwork, innovation, etc.</td>
<td></td>
</tr>
<tr>
<td>There is a constructive culture in the organisation, i.e. members are encouraged to interact constructively with each other in order to attain objectives, grow and develop.</td>
<td></td>
</tr>
<tr>
<td>I understand how my role contributes to overall organisational goals and objectives.</td>
<td></td>
</tr>
<tr>
<td>I have personal objectives which support the divisional goals and objectives.</td>
<td></td>
</tr>
<tr>
<td>These objectives were set by mutual agreement between my manager and I, after discussion of each of the objectives</td>
<td></td>
</tr>
<tr>
<td>I understand how my role contributes to the goals and objectives of my division.</td>
<td></td>
</tr>
<tr>
<td>I have a clear understanding of the level of performance that is expected from me.</td>
<td></td>
</tr>
<tr>
<td>I feel I receive adequate acknowledgement and recognition for my contributions in the organisation.</td>
<td></td>
</tr>
<tr>
<td>PERFORMANCE MANAGEMENT SYSTEM</td>
<td>Yes</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------------------------</td>
<td>-----</td>
</tr>
<tr>
<td>I have the necessary skills and competencies to achieve my individual goals and objectives.</td>
<td></td>
</tr>
<tr>
<td>My manager and I mutually agree how my performance will be measured.</td>
<td></td>
</tr>
<tr>
<td>My manager and I communicate frequently about my performance.</td>
<td></td>
</tr>
<tr>
<td>My manager provides a climate whereby staff can openly communicate performance related problems.</td>
<td></td>
</tr>
<tr>
<td>I am encouraged to prepare for performance review meetings.</td>
<td></td>
</tr>
<tr>
<td>Priorities in terms of objectives are reviewed during the performance review meeting.</td>
<td></td>
</tr>
<tr>
<td>My performance is measured against prior, mutually agreeable, set objectives.</td>
<td></td>
</tr>
<tr>
<td>I am given verbal and written feedback on the positive aspects of my performance.</td>
<td></td>
</tr>
<tr>
<td>Where performance has not met minimum standards, my manager and I discuss the reasons for this and ways of improving performance.</td>
<td></td>
</tr>
<tr>
<td>During the performance review meeting, my manager and I set mutually agreeable action plans for future improvements.</td>
<td></td>
</tr>
<tr>
<td>I am involved in decisions which affect the way I work.</td>
<td></td>
</tr>
<tr>
<td>Training and developmental needs are identified and documented during the performance review process.</td>
<td></td>
</tr>
<tr>
<td>PERFORMANCE MANAGEMENT SYSTEM</td>
<td>Yes</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----</td>
</tr>
<tr>
<td>Performance discussions during the review process emphasise personal development and growth.</td>
<td></td>
</tr>
<tr>
<td>I am provided with required training such that I am in a position to complete tasks effectively</td>
<td></td>
</tr>
<tr>
<td>I participate in setting deadlines for the achievement of my goals.</td>
<td></td>
</tr>
<tr>
<td>There is a fair consistent basis for measuring performance and individual contribution to business objectives.</td>
<td></td>
</tr>
<tr>
<td>Performance management may be used as a decision making tool for the distribution of performance related pay and promotion.</td>
<td></td>
</tr>
<tr>
<td>I am encouraged to create a career development plan for future advancement within the organisation.</td>
<td></td>
</tr>
</tbody>
</table>
### SECTION C: ROLE OF HR

<p>| Ensure that HR processes such as employment, remuneration and recognition are aimed at stimulating performance |
| Ensure that employees adhere to company policies |
| Guide line managers in how to deal with nonperforming employees |
| Ensure line managers understand company policies |
| Ensure line managers manage performance within the guidelines of applicable labour law |
| Educate employees in HR related policies |
| Implement and drive the performance management process |
| Have a clear understanding, knowledge and application of the performance management process |
| Have a detailed knowledge of the performance management policy |
| Train Line Managers on performance management system |
| Provide guidance to line managers in terms of performance management |
| Integrate performance measurement and the development of employees |
| Have expert knowledge on performance management |
| Facilitate the administration of the performance management process |</p>
<table>
<thead>
<tr>
<th>Section D: Role of Line Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Take responsibility for the performance of employees</td>
</tr>
<tr>
<td>Evaluate the performance of employees quarterly</td>
</tr>
<tr>
<td>Perceive performance management as a continuous cycle rather than a yearly event</td>
</tr>
<tr>
<td>Encourage employees to perform well in their jobs</td>
</tr>
<tr>
<td>Set performance goals with employees</td>
</tr>
<tr>
<td>Align employee goals with the company’s strategic goals</td>
</tr>
<tr>
<td>Ensure employees understand what is expected of them</td>
</tr>
<tr>
<td>Create a supportive environment in which employees can perform successfully</td>
</tr>
<tr>
<td>Monitor employees’ performance by maintaining open communication with the employee</td>
</tr>
<tr>
<td>Provide feedback to employees when they are performing to the expected standard</td>
</tr>
<tr>
<td>Inform employees immediately if they are not performing well so that they can correct their performance</td>
</tr>
<tr>
<td>Praise employees for a job done well</td>
</tr>
<tr>
<td>Coach employees if they lack skill</td>
</tr>
</tbody>
</table>

Thank you for taking the time to complete this questionnaire.
Thandeka Maphazi