

**ORGANISATIONAL CULTURE AS A DETERMINANT OF EFFICIENCY
IN THE O R TAMBO DISTRICT MUNICIPALITY**

by

Nombasa Msebi

Student Number: 9608906

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Supervisor: Mr Bux Heather

Declaration

I, Nombasa Msebi, hereby declare that

- the work in this dissertation is my original work
- all sources used or referred to have been documented and recognised
- this dissertation has not been submitted in full or partial fulfilment of the requirements for an equivalent or higher qualification at any other recognised education institution

Signed

Date

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Dedication

To my late mother
Marjorie Thandeka Noxolo Ndamase
For her love, support and encouragement

Abstract

The O R Tambo District Municipality is the only district municipality in South Africa whose finances are monitored by the National Treasury, and not delegated to its Provincial Treasury. During the mid-term budget implementation assessment in the 2014/2015 financial year, National Treasury raised a concern on the under-performance of this municipality in achieving the set targets while fully spending its budget allocation. This raised a concern about the efficiency of the municipality in utilising its resources and the manner in which the municipality conducts its business.

The purpose of this study is to determine whether the organisational culture of the O R Tambo District Municipality enables or hampers an efficient utilisation of its resources. The paradigm that has been followed in this study is the positivism research paradigm and the population used was the O R Tambo District Municipality's staff in the main offices in Mthatha. Sixty employees participated in the study by responding to questionnaires. Data was analysed using the Statistical Package for Social Scientists (SPSS), which is an Excel-based statistical analysis instrument.

The study revealed that the O R Tambo District Municipality does not have a dominant organisational culture, resulting in employees who struggle to determine whether their behaviour is acceptable or not. The lack of workplace procedures has a negative impact on employee performance as they instead rely on their experience, or that of a manager at a particular time, to undertake their tasks. The study found that the culture of the O R Tambo District Municipality is also not conducive for an effective management system.

This paper will conclude by making recommendations to senior management and leadership on how to change the organisational culture of the municipality to ensure that it promotes efficient utilisation of the municipality's resources.

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CHAPTER ONE

1.0 INTRODUCTION, PROBLEM STATEMENT AND SCOPE OF THE STUDY

1.1 Introduction

Organisational performance has always been a priority in private as well as in public sectors, since it is directly associated with the value creation of the entity (Bartuseviciene and Sakalyte, 2013). It is one of the most influential dimensions of the work climate and consequently the main driving force of a business, reflected in the way tasks are realised, goals are set and people are guided toward the achievement of goals (Stare, 2011). Organisations are constantly striving for better results, influence and competitive advantage. Common measures of organisational performance are effectiveness and efficiency (Robins, 2000, as cited in Bartuseviciene and Sakalyte, 2013), two terms which might look synonymous, yet have their own distinct meaning (Mouzas, 2006, as cited in Bartuseviciene and Sakalyte, 2013).

According to Aktas, Cicek and Kiyak (2011), organisational culture is a particular research subject in management science, which has never decreased its popularity as a research area. It has been seen as a main factor to be investigated through organisational life, and the research questioning its impact in the realisation of organisational goals has been increasing day by day. The concept of organisational culture helps in improving business decisions, while the survival of the culture in any organisation lies upon national and foreign culture differentiation in culture management (Schein, 1990, as cited in Awad and Saad, 2013).

A number of authors have written and undertaken research on organisational culture. According to Nyongesa and Ng'ang'a (2012), organisational culture can

be defined as a set of important assumptions, often unstated, that members of an organisation share in common. Robins (1986), as cited in Nyongesa and Ng'ang'a (2012), defines organisational culture as a relatively uniform perception of the organisation held. It has common characteristics, it is descriptive, it can distinguish one organisation from another, and it integrates individuals, groups and organisation system variables. Decisions that are made in an organisation without awareness of the operative cultural forces may have unanticipated and undesirable consequences (Schein, 2002, as cited in James and Ng'ang'a, 2012).

Kilmann, Saxton and Serpa (1985) define organisational culture in terms such as shared philosophy, ideology, value, assumption, beliefs, hope, behaviour and norms that bound the organisation together, whilst Robbin (1984) describes it as common perceptions which are held by the members of an organisation, and Aktas et al. (2011) called it "a system of common meaning". Members of an organisation continuously interpret aspects of their work environment and these interpretations, as well as the ways in which they are enacted, form the culture of the organisation (Martin, 1992, as cited in Aktas et al., 2011). Among the manifestation of culture are rituals, group norms, habits of thinking and espoused values (Deal, 1982; Schein, 1992; Trice and Beyer, 1993, as cited in Aktas et al., 2011).

According to Aktas et al. (2011), organisational effectiveness emphasizes process control, information management and goal setting. It is the effectiveness of an organisation in achieving its goals. Denison, Haaland and Goelzer (2004), cited in Aktas et al. (2011), define effectiveness as the extent to which an organisation fulfils its objectives and assert that its measurement is an important step in the development of an organisation. Research has shown that organisational culture has an impact on job satisfaction, job efficiency, employee commitment and decision making (Aktas et al., 2011).

Performance information is essential to inform the public as well as oversight bodies as to whether municipalities are effectively delivering services to their communities, as stipulated in their Integrated Development Plans (IDPs). It further facilitates effective accountability, thereby enabling policymakers to track progress

against set targets, and to identify scope for improvement in service delivery and better understanding in this regard.

The Auditor General (AG) is appointed by parliament to check the spending of public money by looking at whether it has been used ideally and for the purposes intended. This is done through an annual audit, in which the Auditor General checks all government spending. In the 2011/2012 financial year, according to the auditor general's report, 73% of audited municipalities nationally showed signs of a general lack of consequences for poor performance. This lack of consequences can create a perception that poor performance and its results are acceptable and tolerated. Only five percent of municipalities and municipal entities received clean audit opinions in the 2011/2012 financial period.

The 2012/2013 Annual Report of the O R Tambo District Municipality revealed that only 77 of the 160 targets that the institution had set in its Integrated Development Plan had been achieved, with another 6 being reported as partially achieved, thus bringing the total number of achieved targets to 83. Partially achieved targets are those targets that have been 80% completed. This implies that the municipality achieved a performance score of 52%. However, whilst the municipality achieved 52% of the set targets, all of its budget allocation for the 2012/2013 financial year had been fully spent, which poses a challenge to the efficiency of the municipality.

The purpose of this research, then, is to determine whether the culture of the O R Tambo District Municipality promotes the efficient utilisation of its resources to assist in achieving its set targets and goals.

1.2 Background to the study

1.2.1 Background of the O R Tambo District Municipality

The O R Tambo District Municipality is located in the eastern half of the Eastern Cape Province, on the Indian Ocean coastline of South Africa. It is bordered by the

Alfred Nzo District Municipality to the north, the Ukhahlamba District Municipality to the northwest, the Chris Hani District Municipality to the west and the Amathole District Municipality to the southwest. From the east to the west the district measures 170,143km, north to south 121,725km, and 12857 km² in extent.

There are five Local Municipalities (LMs) in its jurisdiction, which are formed by nine towns that were previously part of the former Transkei homeland. The five LMs are Ingquza Hill LM, Port St John's LM, Mhlontlo LM, Nyandeni LM and the King Sabata Dalindyebo LM. In terms of the municipality's Integrated Development Plan (IDP), all of the LMs in the district, with the exception of the King Sabata Dalindyebo LM, are classified as category B4 municipalities, signifying rural, mainly subsistence economies. Settlements in these municipalities are generally small and the incomes of their habitants generally low, which means few opportunities for markets, SMME formation and Local Economic Development (LED) initiatives.



Figure 1: O R Tambo District Municipality Map

(Source: Local Government Handbook)

The Municipality is led by the Executive Mayor at a political level whilst the administrative head is the Municipal Manager. The Executive Mayor has a Mayoral Committee composed of nine members who serve as the advisors on their

respective portfolios. The Municipal Manager heads the management committee composed of 11 directors who head the different departments of the municipality.

In 2003, government declared O R Tambo District Municipality to be a Water Services Authority (WSA). According to the Strategic Framework for Water Services, a WSA is a municipality that has the executive authority to provide water services within its area of jurisdiction, in terms of the Municipal Structures Act or the ministerial authorization made in terms of this act. This means that all the water services functions in the municipality's jurisdiction are the responsibility of the O R Tambo District Municipality. Thus, according to the Strategic Framework for Water Services, as a WSA, the O R Tambo District Municipality is responsible for:

- ensuring the realization of the right of access to water services, particularly basic water services
- preparing plans to ensure effective, efficient, economical and sustainable access to water services
- regulating water services provision and water services providers within its area of jurisdiction
- ensuring provision of effective, efficient and sustainable water services, either by providing water services themselves or by selecting, procuring and contracting external water services providers.

The O R Tambo district has some of the highest levels of deprivation in the country, however, in examining the standard of living of the district it is important to note that there have been significant improvements in the past 20 years (UFH, 2015). There are challenges in terms of water services provision as 51% of citizens have no access to water, which implies that more than half of the population in the district do not have access to water (University of Fort Hare, 2015).

1.2.2 The Local Government Legislative Framework

Chapter 7 of South Africa's Constitution creates a framework for local government and sets out the objectives in section 52 as follows:

- To provide democratic and accountable government of local communities
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development
- To promote a safe and healthy environment, and
- To encourage the involvement of communities and community organisations in the matters of local government.

A functioning and well performing municipality is one that can achieve these objectives within its financial and administrative capacity.

Local government municipalities are established by the Member of the Executive Committee (MEC) for Local Government in the province, in accordance with section 12 of the Municipal Structures Act 117 of 1998. Each municipality is expected to elect a council, which consists of a number of councillors as determined by the MEC for Local Government in that province through a notice in the Government Gazette (Section 18(3) of the Municipal Structures Act). The composition of councillors is based on the number of voters registered on that municipality's segment of the national common voter's roll on a date determined in the notice. The councillors are therefore voted in as a result of an elections process; the ratio – and the subsequent allocation of seats in council – is thus dependent on the political parties that took part in the elections. These councillors come together from the different political parties and bring with them the unique cultures and ideologies of their respective parties. It is these cultures that they bring into the municipalities that ultimately influences the institutional culture.

In terms of the Municipal Structures Act, section 21(1), any citizen who is qualified to vote for a municipal council has the right to stand as a candidate in an election for that council, except when a person is disqualified in terms of section 158(1)(c) of the constitution. It then becomes the responsibility of each political party to determine the criteria for selecting members to represent the party as councillors in the municipality. For an example, the African National Congress (ANC) adopted the document "Through the eye of the needle" (ANC, 2001) as their basis for

electing leadership, whether at a local, provincial or national level, whilst the Democratic Alliance (DA), has developed its own regulations for the nomination of candidates.

Additional municipal regulatory legislature includes:

- The Municipal Finance Management Act, 2004, which provides for secure, sound and sustainable management of municipal financial affairs
- Municipal Demarcation Act 27 of 1998, which provides for the demarcation of municipalities
- Municipal Structures Act no 32 of 2000 sets out systems within which municipalities should operate and procedures that they should follow in their day-to-day operations.

1.2.3 Municipal Performance

Municipalities are expected to establish a performance management system (PMS) that is proportionate with its resources, best suited for its circumstances and in line with the priorities, objectives, indicators and targets contained in its integrated development plan (Municipal Systems Act 38(a) i-iii). The PMS should clearly indicate key performance targets and indicators, and these should be communicated both to the general public and internally through a process that is determined by Council. As part of the PMS, the municipality is required to monitor, measure and review its performance at least once a year. The results of the performance should be audited annually as part of the municipality's internal auditing processes and also once a year by the Auditor General, according to the Municipal Systems Act, SA 45(1) (a-b). The MEC for local government is additionally expected to submit a report on the performance of municipalities in the province on an annual basis to the Provincial Legislature as well as to the Minister of Local Government and Traditional Affairs. This report is published on the Provincial Gazette. The Minister then submits an annual consolidated report to

parliament on local government performance in terms of general key performance indicators.

1.2.4 Auditor General of South Africa

The Auditor General is a state institution established in terms of Chapter 9 of the Constitution of the Republic of South Africa. The Auditor General has a constitutional mandate and, as the supreme audit institution (SAI) of South Africa, exists to strengthen the country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. On an annual basis, the Auditor General publishes its opinion on the performance of municipalities. This report informs the way forward with regards to the suitability of municipalities to handle their affairs and, based on this report and in terms of legislation, the national government may take over the administration of any municipality that is deemed unfit to manage itself. It is therefore important for municipalities to practice clean governance all the time.

1.3 Problem Statement

Culture has been shown to have a strong influence on performance in organisations (Gordon and DiTomaso, 1992; Denison, 1990; and Abu-Jarad, Yusof and Nikbin, 2010, as cited by the University of Fort Hare, 2015). These are beliefs and assumptions of employees about their organisation, which may be taken for granted, but which underline the patterns of behaviour when it comes to the way in which work is planned and performed. This implies that organisational culture can ultimately hinder or support an organisation's ability to achieve its goals (University of Fort Hare, 2015).

Today's competitive environment requires organisations to follow changes and developments in the administrative field and those organisations renovating and

developing themselves to keep pace with continuously changing structures will stay one step ahead of the competition (Aksoy et al., 2014). In this context it can be remarked that adaptation of the organisational learning approach as related to organisational culture is important for successful execution of organisational change (Aksoy et al., 2014). Organisational culture can further be evaluated as material and spiritual values and common behaviours. These behaviours can also be a determiner of organisational learning level, as organisational learning basically depends on the values of organisational culture. According to Schianetza et al. (2007), as cited in Aksoy et al. (2014), the relationship between organisational culture and organisational learning is an important matter that should be evaluated by organisations.

Organisational culture includes the characteristics of an institution or organisation and is not only constituted by the attitudes and behaviours of each individual, but also by the collective attitude and behaviours belonging to the whole organisation (Aksoy et al., 2014). Accordingly, organisational culture is also the social accumulation of the behaviours of members of the organisation they control (Chuang et al., 2004; Demirel and Karadal, 2007, as cited in Aksoy et al., 2014).

Local government institutions are largely the focus of service delivery, while the public and private sectors have clear delineation in terms of their central goals. Developments over the years in new public management and technology have, in effect, meant that some practices and models of performance measurement in business have migrated to public institutions (University of Fort Hare, 2015). Although the goal of public institutions, which is service delivery, differs from that of private institutions, which is profit making, this does not mean that there are no measures of performance that can be used for the public sector (University of Fort Hare, 2015).

During the 2014/2015 mid-term budget assessment in the O R Tambo District Municipality, National Treasury considered also the audited 2013/2014 annual performance of the municipality and commented on the huge backlogs that it had recorded considering the sizeable capital investment that the municipality had

received from the national fiscus. The municipality had reported an overall institutional performance of 45%, a decline from the 52% of the 2012/2013 financial year, despite having spent 100% of its budget, including funds intended for targets that had not been achieved. The 2014/2015 financial year report was being audited by the Auditor General at the time of this study, to be adopted by council in January 2016, and its results have therefore not been considered.

The municipality, however, identified a lack of funds or financial constraints to be among its challenges in meeting targets. The National Treasury's position in this regard is that the municipality receives 74% of its funding from the National Revenue Fund, based on its status as a Water Services Authority, and must satisfy the National Treasury that it allocates these resources to the core functions of the municipality. This raises questions as to whether the municipality's poor performance is indeed an issue of funding constraints or rather one of ineffective use of the available resources. According to the Municipal Finance Management Act 56 of 2013, the municipality is obligated to recover any unauthorised, irregular or fruitless and wasteful expenditure from the official liable for that expenditure, unless such expenditure has been certified as irrecoverable after investigation by the council committee.

Like any organisation, a municipality is deliberately structured and consciously coordinates activities towards achieving its mandate (Bedeian, 1980, as cited in the University of Fort Hare report, 2015). In this light, what is typical of any organisation is congruent also with municipal organisations. The literature that has been written for organisations in general can also be applied to a municipality as an organisation.

The aims of this study are to determine:

1. whether the culture of the O R Tambo District Municipality promotes the efficient utilisation of available resources
2. whether the culture of the O R Tambo District Municipality promotes efficiency; and

3. whether the O R Tambo District Municipality is rewarding hard work or efficiency.

The study seeks to answer these questions on the basis of how the municipality is seen by its own employees.

1.4 Literature Review

Organisational culture has been a consistently important theme in management and business research for the past few decades due to its potential to affect organisational and individual desired outcomes (Ahmad, 2012). According to Shiu and Yu (2010), organisational culture is a combination of the common missions (operational philosophy), values, beliefs and customs, rituals, symbolization and behaviour norms.

Gibson et al., (2006) define organisational culture as what the employees perceive and how this perception creates a pattern of beliefs, values and expectations. The authors further state that it is a part of organisational life that influences the behaviour, attitudes and overall effectiveness of employees (Gibson et al., 2006). When beliefs and values are shared in an organisation, they create a corporate culture. According to Bruce Pfau, a vice president of the Hay Group of Philadelphia, as cited by Gibson et al., (2006), the corporate cultures of high performing companies are dramatically different from those of average companies. Ebert and Griffin (2000) further explain that organisational culture helps businesses achieve the following goals:

- Motivating employees to work hard and assisting employees to work towards common goals
- Helping newly hired employees learn expected behaviour models
- Providing the unique characteristics of each company

Snopko (2011) describes organisational culture as a multi-layered phenomenon. He further remarks that it surfaces through behaviour patterns and the general structure of the organisational environment. Barkdoll (1998) as cited in Snopko (2011), when analysing non-profit organisations, draws attention to the functions of culture and the achievement of public goals. He mentions that organisations with organisational cultures based on learning and participation are more effective in achieving their missions. It is critical for all managers to understand the underlying values of their organisations, because these can directly influence organisational performance and how much work will ultimately be required to ensure the institution's successful outcomes (Prosci, 2010 as cited in Nyongesa and Ng'ang'a, 2012). Hofstede (1998) as cited in Nyongesa and Ng'ang'a, (2012) claims that "an organisational culture is so important to the organisation that, in the long run, it may be the one decisive influence for the survival or fall of the organisation".

There is no doubt that the type of culture prevailing in an organisation has a great bearing on its performance. According to Schein (1992) as cited in Sokro (2012) organisational culture has got an amazing characteristic in that employees never know how much they are influenced through it. This calls for the development and perpetuation of a strong culture in an organisation that supports high performance (Nyongesa and Ng'ang'a, 2012). According to Sokro (2012) organisational culture plays a crucial role in an organisation in relation to how people feel about their work, levels of motivation, commitment and in turn job satisfaction. It should be prompted to ensure that employees are motivated in order to achieve organisational goals (Sempane et al, 2002 as cited in Sokro, 2012). When employees are motivated, they undertake their duties with pride (Sokro, 2012).

According to Bagraim et al. (2013), studying and diagnosing organisational culture is complex: underlying assumptions are not discussed and they influence behaviour subconsciously. This dilemma is further illustrated by the difference between espoused and enacted values. The authors define espoused values as

those that are explicitly stated by an organisation as its preferred values and often reflected in company reports and websites. Enacted values, by contrast, are those that are reflected in the everyday behaviour of employees and managers. In other words, the organisation might develop and publish its values, however management and employees might display values that are completely different to the organisational ones. Hence, an outsider who has not seen the company website or company reports might well conclude that an organisation's culture is that which is displayed by its employees.

Organisational culture can be measured in many ways, but the objectivity of the measurement is questionable (Bagraim et al, 2013). This is due to the fact that it is difficult to measure the hidden assumptions on which a culture is based. A thorough investigation of organisational culture is necessary for management to determine the gap between the existing culture and the culture required for the organisation to achieve its vision. Management could then develop interventions aimed at changing the culture to the desired one.

Organisational culture exerts many influences on individuals and organisational processes (Greenberg and Baron, 2003). It generates strong pressures on people to go along with the masses and to think in ways that are consistent with the existing cultures. It can strongly effect everything from the way employees dress, to the amount of time allowed to elapse before meetings begin, or the speed at which employees are promoted.

According to Oyewobi, et al (2011) organisational culture is invented, discovered or developed by an organisation in order to cope with its problems of external adaptations and taught to new members as the correct way to think in relation to those problems. Smircich (1983) as cited in Ahmad (2011) argues that

organisational culture may be the critical key that managers can use to direct the course of their firms. A study of organisational culture can take a multitude of aspects, including levels, strength and adaptiveness (Ahmad, 2011).

According to Kinicki and Fugate (2012), an organisation's culture fulfils four functions:

- Give members an organisational identity
- Facilitate collective commitment
- Promote social system stability
- Shape behaviour by helping members make sense of their surroundings

Armstrong and Baron (1998) as cited in Ahmad, 2012 define performance management as a strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors. The key to good performance is a strong culture (Kandula, 2006 as cited in Ahmad, 2012). If the impact of organisational culture is not considered, organisational practices such as performance management could be counterproductive (Magee, 2002 as cited in Ahmad, 2012).

Organisational performance stimulation has always been a priority in private as well as in public sectors, since it is directly associated with the value creation of the entity (Bartuseviciene and Sakalyte, 2013). While managers are striving for better performance results, scientists are reaching for the best ways in which to evaluate organisations and one of the most common ways to assess performance is to measure the effectiveness or the efficiency of the organisation (Bartuseviciene and Sakalyte, 2013). According to Gulati (2010), as cited in Bartuseviciene and Sakalyte (2013), organisations can be managed effectively yet, due to poor

operational management, may still be performing inefficiently. An inefficient and ineffective organisation is set for an expensive failure, as it cannot be competitive and will eventually become bankrupt (Bartuseviciene and Sakalyte, 2013).

According to Jonczyk and Wereda (n.d.), efficiency in an organisation requires the selection of appropriate management methods and tools. This includes the use of new methods, such as Lean Management, Reengineering, Total Quality Management, Benchmarking or Outsourcing. Lean Management is usually utilised when the level of employment is too large in relation to the level of service performance, whilst Reengineering involves a radical and comprehensive design of processes in an enterprise, in order to achieve significant improvements in the functioning of the company using modern day technology.

Total Quality Management (TQM) is a system of quality control that engages the entire organisation (Jonczyk and Wereda, n.d). The main factors accentuated by TQM include: the pursuit of external customer satisfaction, the pursuit of internal customer satisfaction through the delegation of powers and authority, appropriate management styles, a system of penalties and rewards, motivation, exploit synergies, striving for continuous cost reduction, quality control, quality assurance treatment systems, and emphasizing leadership and its role in the process of change (Jonczyk and Wereda, n.d).

Benchmarking involves the systematic comparison of similar products, processes or functions to best practice in the field (Jonczyk and Wereda, n.d). Internal benchmarking inspires learning and may include a comparison between the different organisational and employee teams, whilst external benchmarking involves comparing one organisation to another, the best in the field or in a particular geographic area (Jonczyk and Wereda, n.d). Outsourcing is generally aimed at increasing the effectiveness and efficiency of operations. As a result, a reduction of the organisational structure takes place, consequently simplifying organisational structures and procedures resulting in the improvement of management (Jonczyk and Wereda, n.d).

Institutional performance means different things to different organisations. There are many parameters an organisation may use to measure its performance. Ultimately, the success and performance of an organisation will be measured by how well it does relative to the goals it has set for itself (Richard et al., 2009).

From the literature review, it is evident that a lot of research has been undertaken to investigate the influence of organisational culture on organisational performance, however there have been few similar studies undertaken on public or government institutions. This study seeks to close that gap, so that the theory that has been developed can be relevant to both private and public institutions. The research will also assist municipalities to plan from an informed position and also to be able to provide their services in a more responsive manner. Municipalities are the face of the government as they are closer to the communities.

1.5 Key questions

The following are the sub-questions that will be investigated:

- What type of organisational culture is dominant in the O R Tambo District Municipality?
- How does the culture promoted by management align to workplace procedures?
- Does the organisation visually display its culture?
- Does the culture support the performance management system?
- Does the culture make employees proud to work for the organisation?
- Does the culture of the organisation motivate employees to achieve outstanding performance?
- Does the culture of the O R Tambo District Municipality promote efficient utilisation of the organisation's resources?

1.6 Research approach and design

The paradigm that will be followed in this study is the positivist research paradigm. This choice of paradigm is informed by the fact that positivist research seeks explanations that can be generalised to other persons and places. Furthermore, it intends to establish, confirm or validate relationships and to develop generalisations that contribute to theory.

1.7 Research methodology

1.7.1 Sample and population

Collins and Hussey (2009) define population as a body of people or collection of items under consideration for statistical purposes, whilst a sample is an unbiased subset that represents the population. Since this study is a positivist study, a random sample will be chosen to provide an unbiased subset that represents the population.

According to the 2015/2016 IDP review, the O R Tambo District Municipality approved a new organisational structure in September 2013, in line with the separation of powers model that the municipality had adopted. The separation of powers model means that the municipality has a legislative arm, which is headed by the Council Speaker and an executive arm, which is headed by the Executive Mayor. These two arms should function independently, with the legislative arm overseeing the executive arm of council.

In the new organogram, the council-approved macro structure is composed of the Municipal Manager as well as 11 Directors. At the time of this study, the post of municipal manager post has been filled, along with four directors' posts, leaving seven directorship posts still vacant. The micro structure is still being finalised.

The population for this study is composed of the municipal officials in the O R Tambo District Municipality's main office in Mthatha.

1.7.2 Sample size

In this study, a sample of 60 municipal officials will be used. This sample will be composed of senior managers, middle managers and general staff of the O R Tambo District Municipality in the Mthatha main office. Personnel in the satellite offices as well as in the rural schemes were not considered, due to the difficulty of accessing them in the vastness of the O R Tambo District Municipality's area of operation. Since this is an interpretivist study, the sample is small, hence a low reliability is expected; however the validity of the findings is expected to be high.

1.7.3 Sample method

Since the study being undertaken is an interpretivist study, a non-random sample will be considered. A judgmental sample will be selected consisting of senior managers, middle managers and general municipal staff.

1.7.4 Data collection tools

The method of data collection will be through the development of a questionnaire that will seek to address the primary objective of the study. The questionnaire will be developed and delivered to the respondents in the municipality. This is to allow the respondents to work on the questionnaire in private and when it is convenient. All questionnaires will be developed in English and all the respondents are expected to have at least a Matric qualification.

1.7.5 Data analysis methods

Analysing qualitative data presents a number of challenges (Hussey and Collins, 2009). One of these problems is that there are “no clear and accepted set of conventions for analysis corresponding to those observed with quantitative data” (Hussey and Collins, 2009).

The research results will be analysed using the Statistical Package for Social Scientists (SPSS), which is an Excel-based statistical analysis instrument.

1.8 Reliability, validity and trustworthiness

Joppe (2000), as cited in Golafshani (2003), defines reliability as the extent to which results are consistent over time and are an accurate representation of the total population under study. If the results of a study can be reproduced under a similar methodology, then the research instrument is reliable. Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are.

To ensure reliability in qualitative research, examination of trustworthiness is crucial. Seale (1999), as cited in Golafshani (2003), states that while establishing good quality studies through reliability and validity in qualitative research, the trustworthiness of a research lies at the heart of validity and reliability. Reliability, validity and trustworthiness will be ensured throughout the process of research so as to ensure that errors are identified and corrected before they are built into the final results of the research. This will be done through continuously checking congruency between question formulation, literature review, data collection and analysis, and effecting changes where necessary. The Cronbach Alpha coefficient of validity will be used to measure internal consistency in the questionnaire.

1.9 Ethical Considerations

Ethical issues are present in any kind of research as the research process can create tension between the aims of research to make generalization for the good of others, and the rights of participants to maintain privacy (Wynaden et al., 2000). Protection of participants is therefore imperative. It is therefore the researcher's responsibility to consider whether any type of harm could occur when planning for research and ensure that mechanisms are instituted to remove such harm. The following are the ethical issues that will be considered in the research.

1.9.1 Voluntary participation and confidentiality

Participants will be informed that their participation in the research is voluntary and also that the identity of all the participants will be kept confidential.

1.9.2 Permission from the organisation

Permission to undertake the research was given by the Municipal Manager of the O R Tambo District Municipality, who is also the Accounting Officer and the head of administration.

1.10 Limitations

The limitation in conducting the research is that interviews will only be conducted with the officials and not the politicians, as it is difficult to access them. Interviewing them as well would have ensured that both the political and administrative arms of the municipality had participated in the research and the results would have been more representative of the organisation.

1.11 Definition of key concepts

- **Fruitless and wasteful expenditure**

Fruitless and wasteful expenditure indicates expenditure that was made in vain and that could have been avoided had reasonable care been exercised (Municipal Finance Management Act, No. 56 of 2003, RSA, 2003)

- **Efficiency**

Efficiency measures the relationship between inputs and outputs, or how successfully the inputs have been transformed into outputs (Bartuseviciene, 2013).

- **Disclaimer**

The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements (AGSA).

- **Adverse audit opinion**

The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements (AGSA).

- **Unqualified audit opinion**

The financial statements contain no material misstatements. Unless we express a clean audit outcome, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects (AGSA).

- **Qualified audit opinion**

The financial statements contain material misstatements in specific amounts, or there is insufficient evidence for us to conclude that specific amounts included in the financial statements are not materially misstated (AGSA).

1.12 Structure of the dissertation

The study is outlined in the following five chapters:

Chapter 1 of this research outlines the contextual framework of the research problem. It gives a road map of the research.

Chapter 2 reviews the literature that has been consulted with regards to organisational culture as well as the legislative prescripts that guide performance of municipalities.

Chapter 3 deals with the research methodology, in terms of the sample population, sample size, data collection tools and data analysis. This chapter also deals with the ethical considerations in the undertaking of the research.

Chapter 4 presents an analysis of the data that has been collected through the questionnaire.

Chapter 5 will deal with the importance and implications of the research for policy improvements.

1.13 Conclusion

Chapter one of the research has presented an introduction to the research problem as well as the background to the O R Tambo District Municipality. In chapter two, the

researcher will look at the existing body of knowledge on the research topic as described in the available literature.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

Chapter one gave an outline of the main research problem and sub-problems. In this chapter the researcher will review the literature on organisational culture and performance. The researcher will further look at organisational performance in the context of municipalities.

2.2 Definition of organisational culture

Organisations are unique and different in one way or another. Even those that are concerned with the same activities or that provide a similar product or service may be very different from one another (Greenberg and Baron, 2003). To a greater extent, this difference is caused by the way that people do things in each of these organisations, which reflects a culture. Organisations are social entities, and as such are emotional and dynamic in nature, with psychological and developmental needs of employees that need to be taken care of (Bagraim et al., 2007). It is important for leaders to determine what type of culture will reflect the organisation's vision and mission, and then to develop strategies that will instil this culture in the entire organisation.

Kreitner and Kinicki (2009) define organisational culture as a set of shared, taken for granted, implicit assumptions and beliefs that a group holds and that determines how it perceives, thinks about and reacts to its various environments. It is passed on to other employees through socialisation and operates at different levels in an organisation. Once these assumptions and beliefs are established, they tend to be relatively stable and exert strong influences on organisations and all those working in them (Greenberg and Baron, 2003). Among those influences, lie particularly important ones which influence the organisation's tendency towards creativity and innovation (Greenberg and Baron, 2003).

Rijamampianina, as cited in Bagraim et al. (2007), defined organisational culture as everything a group thinks, says, does and makes in terms of customs, ideas, morals, habits, traditions, languages, material artefacts and shared systems of attitudes and feelings that help to create standards for people to coexist and which are acquired, developed and passed on by a group of people, consciously or unconsciously, to subsequent operations. According to this definition, organisational culture is shared by all employees in the organisation. In other words, it is common and individuals are expected to act, behave or perform in the same manner as other employees in an organisation. At the root of any organisational culture is a set of core characteristics that is valued collectively by members of the organisation (Greenberg and Baron, 2003).

Organisational culture should be visible in the day to day actions of the organisation, in the organisational logos, in the methods and procedures as well as in the layout of the organisation. In a sense, it is the personality of the organisation – difficult to fully express in words (Slocum and Hellriegel, 2008). Yet, although it is difficult to express in words, employees in the organisation can sense and feel its culture and they know it as it guides their day-to-day behaviours and decisions.

Cultures are not usually written down but are the soul of an organisation. According to Slocum and Hellriegel (2008), a culture is a collection of unspoken, everyday rules and traditions. It is deeply entrenched in the details of life at the organisation and influences much of what happens to employees. The authors further state that the culture of an organisation influences who gets promoted, how careers are either made or derailed, and how resources are allocated.

The study of organisational culture is important for an organisation's leaders so that they can understand how it influences employee behaviour and whether it exerts a negative or positive influence on overall performance. This information will assist leaders in determining whether the culture should be kept, modified or changed (Bagraim et al., 2007).

Whilst studying organisational culture is important, it is also complex (Bagraim et al., 2007). This complexity is due to the underlying assumptions that influence behaviour subconsciously and is best illustrated through the separation of enacted and espoused values. Espoused values represent the explicitly stated values and norms that are preferred by an organisation (Kreitner and Kinicki, 2009). Bagraim et al. (2007) concur that espoused values are those values that are explicitly stated by the organisation as preferred values and are reflected on company reports and websites. Enacted values represent those values and norms that actually are exhibited or converted into employee behaviour (Kreitner and Kinicki, 2009). They are reflected in the everyday behaviour of employees and managers.

The culture of an organisation should be visible through observable artefacts, which Kreitner and Kinicki (2009) describe as the physical manifestations of the organisation's culture. These include the acronyms that are used, dress code, awards, myths and stories told about the organisation, published list of values, observable rituals and ceremonies, special parking spaces, decorations and so on. Artefacts also include visible behaviours exhibited by people and groups in the organisation and the more visible they are, the easier they are to change.

Culture can be entrenched in new employees through mentoring, which is the process of forming and maintaining intensive and lasting developmental relationships between a variety of developers and junior employees (Kreitner and Kinicki, 2009). Mentoring contributes to a sense of oneness by promoting the acceptance of the organisation's core values. According to Greenberg and Baron (2003), culture can be transmitted between employees in an organisation through:

- **Symbols** – Symbols are material objects that connote meanings that extend beyond their intrinsic content. These include the use of impressive buildings that convey the organisation's strengths and importance. The way an organisation is furnished can also communicate the culture of the organisation.

- **Slogans** – Some organisations use catchy phrases to attract attention to their products and services. This may be viewed as a marketing strategy, however it may also be used to communicate important aspects about the organisation's culture, such as what the company stands for.
- **Stories** – Stories can illustrate key aspects of an organisation's culture and telling them can effectively introduce or reaffirm those values to employees. Organisations often transmit information about culture by the stories that are told in them, whether formally or informally. These stories may not be about big events or individuals who have saved the organisation; they can be small tales that become big because they communicate a message effectively.
- **Jargon** – Over years, organisations, professional groups or departments develop a unique language, which, though strange to newcomers, serves as a common factor that brings together individuals belonging to a corporate culture or sub-culture. The jargon that is used in an organisation helps employees to define their identities as members of that organisation.
- **Ceremonies** – Ceremonies refer to special events that commemorate corporate values and organisations often do a great deal to sustain their cultures by conducting these ceremonies. Such ceremonies convey meaning to people inside and outside the organisation.
- **Statements of principles** – Companies communicate the moral aspects of their cultures by publishing codes of ethics, which are explicit statements of a company's ethical values. The codes of ethics are then displayed for everyone to see. In some organisations, they are framed and hung up in the reception areas, boardrooms or offices of company leadership and senior management. The clear communication of the company's code of ethics allows employees to determine whether or not they fit into that particular culture.

Greenberg and Baron (2003) developed a system of categorizing varieties of organisational culture, which is known as the double S cube. This approach characterises culture along two independent dimensions: sociability and solidarity. Sociability is defined as the measure of friendliness of members in an organisation.

This is one of the few things that new employees in any organisation notice. Some employees can be very friendly and are therefore highly sociable whilst others tend to be composed and largely refrain from socialising. Solidarity focuses on the extent to which co-workers share a common understanding of their organisation's tasks and goals (Greenberg and Baron, 2003) and can be beneficial when an important job has to be done. Organisational culture can be a strategic asset for an organisation in that it increases the adaptability and fit between the organisation and its environment (Kotter and Heskett, as cited in Aktas et al, 2011).

2.3 Functions of organisational culture

According to Kreitner and Kinicki (2009), organisational culture fulfils four functions, namely:

- To give employees an organisational identity
- To facilitate a collective commitment to organisational goals and objectives
- To promote a system of social stability
- To shape behaviour by helping employees make sense of their surroundings.

Bagram et al. (2007) concur with the functions outlined above, however they add the following functions of organisational culture:

- It guides employees in terms of acceptable behaviours and attitudes, especially when they have to make decisions and solve problems
- It serves as a yard stick for evaluating and correcting deviant behaviours and for rewarding desired behaviours.

Greenberg and Baron (2003) contribute two more functions to the ones already described above:

- Generating commitment to the organisation's mission
- Clarification and reinforcement of standards of behaviour

Though it is assumed that an organisation's culture is shared by all employees, organisations actually have dominant cultures and subcultures (Bagraim et al., 2007). The dominant culture reflects the core values of an organisation whilst subcultures develop from the dominant culture and reflect common problems, experiences and situations with which members are confronted. Subcultures are likely to be defined by geographical separation or departmental designations. If an organisation lacks a dominant culture and is characterised instead by subcultures, then there is likely to be confusion and employees will struggle to determine whether certain behaviour is acceptable or not.

2.4 Types of cultures

Slocum and Hellriegel (2008) developed a framework for the different types of cultures. According to this framework there are four types of cultures, which are:

- **Bureaucratic culture** – This type of culture is found in organisations that practice formality, rules, standard operating procedures and hierarchical coordination. In these types of organisations, leaders view their roles as being good coordinators, organisers and enforcers of written rules and standards. Organisational rules and procedures are well documented and employees are expected to abide by them.
- **Clan culture** – A clan culture is characterised by tradition, loyalty, personal commitment, team work, extensive socialisation, self-management and social influence. In an organisation that subscribes to this culture, employees recognize their obligation as going beyond the simple exchange of labour for a salary. Loyalty from employees is exchanged for job security from the employer. Employees hold themselves accountable to the organisation for their actions. A clan culture has an internal focus and values flexibility rather than stability and control (Kreitner and Kinicki, 2009). Clan organisations devote considerable resources to hiring and developing their employees and they view customers as partners (Kreitner and Kinicki, 2009). This type of culture is full of shared values and common goals, an

atmosphere of collectivity and mutual help and an emphasis on empowerment and employee involvement (Aktas, et al., 2011). The organisation's focus is to maintain stability; loyalty, cohesiveness and participation are highly regarded in setting the criteria for success (Aktas, et al., 2011).

- **Entrepreneurial culture** – This type of culture is characterised by a high level of risk taking and creativity. There is a commitment to experimentation, innovation and being on the leading edge. Individual initiative, flexibility and the freedom to foster growth are encouraged and well rewarded. This type of culture is common in small to medium companies that are still run by the founders. Kreitner and Kinicki (2009) refer to this type of culture as “adhocracy” culture. According to them, this type of culture does not rely on centralized power and authority.
- **Market culture** – The market culture focuses on transactions with the environment outside the organisation instead of on its internal management (Aktas et al., 2011). It is a type of culture that stresses the achievement of goals and competitiveness is a common condition among individuals in pursuit of their development, though this reduces flexibility in personal relationships (Aktas et al., 2011). In a market culture, the relationship between the employee and the organisation is contractual. The employee is responsible for some degree of performance whilst the organisation promises a certain level of reward. Organisations that adopt this type of culture are characterised by the achievement of measurable and demanding goals, especially those that are financial and market based (for example, sales, growth, profitability and market share).

Kreitner and Kinicki (2001), cited in Bagraim et al (2007), also offer an interesting perspective of the various types of cultures that could exist in organisations:

- **Constructive culture** – In a constructive culture, members are encouraged to interact constructively with each other in order to attain goals and to grow and develop. The emphasis is on normative beliefs of achievement, self-actualization, human encouragement and affiliation.

- **Passive-defensive culture** – This culture reinforces the beliefs that members must act passively in order to safeguard job security. It reinforces normative beliefs associated with approval, traditional rules, dependence and avoidance.
- **Aggressive-defensive culture** – An organisation with this type of culture encourages members to act in forceful ways in order to protect their status and job security. This type of culture emphasizes competition, perfectionism, power and opposition.

Greenberg and Baron (2003) differentiate between **healthy** and **toxic** organisational cultures. According to these authors, an organisation's culture is healthy when employees feel that they are valued and, as a result, employee turnover is minimal. Organisations with a toxic culture consider employees to be valuable only as far as they contribute to production. In other words, employees are treated and valued in the same manner as machinery. These organisations tend to lose good employees and struggle to be profitable as a result. By combining the high and low levels of sociability and solidarity, which were defined above, Greenberg and Baron (2003) identified their four types of organisational culture, which are:

- **Networked culture** – This type of organisational culture is characterised by high levels of sociability and low levels of solidarity. Networked cultures are extremely friendly and light-hearted in style. In an organisation with this type of culture, employees keep their doors open, talk about business in a friendly, casual and informal manner and spend a lot of time socializing without getting into trouble for that.
- **Mercenary culture** – A mercenary culture is characterised by a low degree of sociability and a high degree of solidarity. This type of culture involves people who are highly focused on pulling together to get the job done. Winning is considered everything and employees are encouraged to put in whatever time is necessary to make that happen.
- **Fragmented culture** – Employees working in an organisation that has a fragmented culture tend to have low degrees of both solidarity and sociability. Employees have minimum contact with their associates and at times may not even

know them. They talk to each other when it is necessary and generally leave each other alone. Absence at work is common and employees do not identify with the organisation, but rather with the profession of which they are a part.

- **Communal culture** – A communal culture is characterised by high levels of both sociability and solidarity. Employees in a communal culture environment get along well and are friendly to each other. They strongly identify with the organisation, wear the company logo with great pride and will protect their organisation from any negative publicity or criticism.

Networked	Communal	High	Sociability
Fragmented	Mercenary	Low	
Low	High		
Solidarity			

Source: Greenberg and Baron (2003)

According to Aktas et al., (2011) one of the most influential and widely used models in the area of organisational culture research is the Competing Values Framework model, developed by Cameron and Quin (1999). This framework refers to whether an organisation has a predominantly internal or external focus and whether it strives for flexibility and individuality or stability and control (Aktas et al., 2011). This framework is based on the following four dominant culture types: the clan culture, the adhocracy culture, the market culture and the hierarchy culture. The clan and market cultures have already been discussed in the literature above.

The **adhocracy culture** is like a temporary institution, which is dismissed whenever organisational tasks are ended, and reloaded rapidly whenever new tasks emerge (Aktas et al., 2011). It offers more opportunity for individuals to develop on their own as long as they are consistent with organisational goals

(Aktas et al., 2011). In this type of culture, leaders are characterised as entrepreneurs who are driven by innovation and finding new ideas.

According to Aktas et al., (2011) the **hierarchy culture** has a clear organisational structure, standardised rules and procedures, strict control and well defined responsibilities. It can be identified simply through the domination of rules, systems and procedures, with stability inside the organisation a prime orientation maintained through a set of fixed and tight rules (Aktas et al., 2011).

Organisations may predominantly reflect one culture or show characteristics associated with various types of cultures.

2.5 Culture and ethics

According to Slocum and Hellriegel (2008), organisational culture appears to affect ethical behaviour and diversity in several ways. A culture that emphasizes ethical norms provides support for ethical behaviour. Top leadership therefore plays a crucial role in entrenching ethical behaviour by being exemplary and behaving in the correct manner. Senior leadership should nurture a culture that rewards ethical priorities and influences the way that employees behave (Slocum and Hellriegel, 2008). Unethical and inappropriate behaviour should be reprimanded and those that behave unethically should face the consequences of their actions and take responsibility for the unacceptable behaviours.

2.6 Organisational performance

According to Uddin, Huq Luva and Hossain (2012), performance refers to the ability (both physical and psychological) to execute a specific task in a specific manner, which can be measured as high, medium or low in scale. The word

'performance' can be used to describe a variety of aspects, such as societal performance, organisational performance employee performance, individual performance, et cetera. Bernadin et al (1995), as cited in Armstrong (2009), argue that performance should be defined as the outcomes of work because they provide the strongest linkages to the strategic goals of an organisation, customer satisfaction and economic contributions. Performance goes beyond the achievement of goals; it is also about how the goals were achieved. It is a behaviour and should be differentiated from outcomes, which may be contaminated by system factors (Campbell, 1990, as cited in Armstrong, 2009).

2.7 Factors affecting performance

Performance is a function of a combination of ability and motivation (Vroom, 1964, as cited in Armstrong, 2009). Employees need both the ability as well as the motivation to perform well and the absence of either will result in poor or underperformance. Blumberg and Pringle (1982), as cited in Armstrong (2009), introduced the organisational context (system factors and contextual factors) as a factor affecting performance.

- **System factors** - refer to the support the employees get from the organisation in order to use their abilities to perform their jobs. It is the role of management to provide employees with the goals, resources, technology, structure and policies that will enable them to reach their full capabilities. Coens and Jenkins (2002), as cited in Armstrong (2009), commented that an organisational system is formed of the methods, equipment, material, work culture, internal and external environments and the interaction of these components. As these components are interdependent, it is important to focus on all to improve performance and not only on some.
- **Contextual factors** - Systems operate within the context of the organisation (Armstrong, 2009). The manager therefore has to understand the patterns of

behaviour that are observed in order to predict the direction in which behaviour will move and to use this knowledge to control the behaviour over time (Nadler and Tushman, 1980, as cited in Armstrong, 2009). Managers should therefore be able to diagnose the environment in which they are working. This is also applicable to employees as they are entitled to know the situation in which they are working. The context they are working in refers to organisational culture, employee relations, organisational structure, size, technology and working practices.

As already defined, organisational culture is the pattern of shared beliefs, norms and values in an organisation that shape the way people act and interact and strongly influence the ways in which things get done. According to Armstrong (2009), from the performance management viewpoint, one of the most important manifestations of organisational culture is the management style. He defines management style as the way in which managers behave in managing people and how they exercise authority and use their power. If the dominant style is autocratic, directive, task oriented, distant and tough, then a caring and sharing philosophy on performance management is not likely to work, even if it was felt to be desirable, which is unlikely. Alternatively, a non-directive, participative and considerate style is more likely to support a partnership approach to performance management, with an emphasis on involvement, empowerment and ownership.

It is important to consider culture in the development and implementation of performance management. The objective should therefore be to attain a high level of fit between the performance management process and the corporate culture when it is embedded and appropriate.

2.8 High performance cultures

Armstrong (2009) defines a high performance culture as one in which the achievement of high levels of performance is the way of life. It is characterized by:

- Clearly defined goals, performance improvement and performance monitoring
- Better, alternative methods of executing the job are considered and flexibility is allowed
- Everyone is clear of individual roles and responsibilities
- There is a general feeling of being worthy to do the job
- Employees are capacitated to perform at their best
- Continuous improvement is encouraged and promoted by top management
- Management promotes positive attitudes that result in an engaged, committed and motivated workforce
- Employees are valued and rewarded according to their contributions
- There is a climate of trust and teamwork, aimed at delivering a distinctive service to the customer
- There is a clear link between the strategic objectives of the organisation as well as those of its departments and its staff at all levels

2.9 Performance Management

Performance management is the systematic process of improving organisational performance by developing the performance of individuals as well as of teams (Armstrong, 2009). It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements. Performance management is much more than appraising individuals. It contributes to the achievement of culture change and it is integrated with other key human resource activities, such as human capital management, talent management, learning and development, and reward management (Armstrong 2009).

Buchner (2007), as cited in Armstrong (2009), identifies three theories that underlie performance management:

- **Goal theory** – underpins the emphasis in performance management on setting and agreeing on the objectives against which performance will be measured.
- **Control theory** – This focuses attention on feedback as a means of shaping behaviour. Feedback is believed to be a critical part of performance management. As people receive feedback they appreciate the discrepancy between what they are doing and what they are expected to do.
- **Social cognitive theory** – is based on the belief that what people believe they can or cannot do, powerfully impacts on their performance. It is therefore important to develop and strengthen positive self-belief in employees,

It is important for organisations to develop a performance management system that will assist in the evaluation of employee performance, in the achievement of organisational goals and in developing strategic plans for the organisation (Ittner and Larcker, 1998, as cited in Shahzad, et al., 2012).

2.10 Organisational culture and performance

According to Daft (2000), as cited by Shahzad et al., (2012), organisational performance is the organisation's capability to accomplish its goals effectively and efficiently using resources. This definition is supported by Ricardo (2001), as cited in Shahzad et al. (2012), when he suggested that an organisation's success shows a high return on equity due to the establishment of good employee performance management systems.

Studies have indicated that a relationship exists between an organisation's culture and its performance (Uddin, Huq Luva and Hossain, 2012). Magee (2002), as cited in Uddin et al. (2012), argued that organisational culture is inherently connected to organisational practices; therefore organisational performance is conditional on organisational culture. Organisational culture can enhance performance on a large scale if it can be understood what it is that sustains a culture (Hellriegel and Slocum, 2009, as cited in Uddin et al., 2012). Kopelman et al. (1990) clarified that the cultural systems of any organisation add to the coordination of its assignments

and minimise inefficiency in employee efforts and the firm's resources (Uddin et al., 2012.)

The claim that organisational culture is attached to performance is initiated on the apparent role that culture can play in creating competitive advantage (Shahzad, et al., 2012). The performance of an organisation is dependent on the degree to which the values of the culture are comprehensively shared (Denison, 1990, as cited in Shahzad et al., 2012). According to Barney (1991), cited in Shahzad et al. (2012), organisational culture can provide a sustainable, aggressive advantage if the culture is rare and has attributes that are inimitable.

According to Slocum and Hellriegel (2008), organisational culture has a potential to enhance organisational performance, individual satisfaction and a sense of certainty about how problems are to be handled. If an organisation's culture gets out of step with the changing expectations of internal or external stakeholders, however, the organisation's effectiveness can decline. The authors further state that organisational culture and performance are related, although evidence of this relationship is mixed. Studies have revealed that the relationships between cultural attributes and high performance has not been consistent over time. Slocum and Hellriegel conclude the following about the relationship between culture and performance:

- Organisational culture can have a significant impact on a firm's long-term economic performance
- Organisational culture will probably be an even more important factor in determining the success or failure of firms in the future
- Organisational cultures that inhibit strong long-term financial performance are not rare; they develop easily, even in firms that are filled with reasonable and intelligent people.
- Although difficult to change, organisational cultures can be made more performance-enhancing if leaders understand what sustains culture.

Organisational culture is therefore a key construct in understanding and managing the behaviour of people within the boundaries of an organisation and in implementing organisational change (Cabrera et al., 1999). It is not necessarily homogeneous across all areas of the organisation and different groups within the organisation might develop their own cultures (Cabrera et al., 1999).

2.11 Organisational Efficiency

According to Low, 2000, as cited in Bartuseviciene and Sakalyte (2013), efficiency measures the relationship between inputs and outputs, or how successfully inputs have been transformed into outputs. Pinprayong and Siengthai, 2012, as cited in Bartuseviciene and Sakalyte (2013), differentiate between business efficiency and organisational efficiency. Business efficiency reveals the performance of input and output ratio, while organisational efficiency reflects the improvement of internal processes of the organisation, such as organisational structure, culture and community. Pinprayong and Siengthai, 2012, as cited in Bartuseviciene and Sakalyte (2013) introduce seven dimensions for the measurement of organisational efficiency, which are:

- Organisational strategy
- Corporate structure design
- Management and business system building
- Development of corporate and employee styles
- Motivation and staff commitment
- Development of employee skills
- Subordinate goals

Efficiency is all about resource allocation across alternative uses (Gulati, 2010, as cited in Bartuseviciene and Sakalyte, 2013). It is important to understand that efficiency does not necessarily mean that the organisation is achieving excellent

performance in the market, although it reveals its operational excellence in the source of utilisation process.

2.12 Conclusion

In this chapter, the researcher reviewed the existing body of literature on organisational culture and performance. Several writers have concluded that there is a relationship between organisational culture and performance and it is the responsibility of management to lead by example in steering the employees in the direction that the organisation pursues.

In the following chapter the researcher will discuss the research methodology that has been undertaken for the study.

CHAPTER 3

3.0 RESEARCH METHODOLOGY

3.1 Introduction

In chapter 2, a literature review on organisational culture and performance was discussed. The researcher examined the definitions of organisational culture by different writers, as well as the various types and functions of organisational culture. The researcher further looked at organisational performance and factors affecting performance and, ultimately, the link between organisational culture and performance.

In chapter 3 the researcher will discuss the research paradigm that was used in undertaking this research. The sample selected against the population and the data collection techniques and the measuring instrument that has been used are also discussed.

3.2 Research paradigm

Stanage, 1987, as cited in Groenewald, (2004) defines a paradigm as the patterning of the thinking of a person; it is a principal example among examples, an example or model to follow according to which design actions are taken. Denzin and Lincoln, (2000) as cited in Groenewald, (2004) support this view as they define the research paradigm as a basic set of beliefs that guide action, dealing with first principles, 'ultimates', or the researcher's world views.

Collins and Hussey (2009) define a research paradigm as a framework that guides how research should be conducted, based on people's philosophies and their

assumptions about the world and the nature of knowledge. A research paradigm therefore guides how scientific research should be conducted.

Two main paradigms exist (Collins and Hussey, 2009), namely positivism and interpretivism. These two paradigms may be seen as two extremities of a continuous line of paradigms that can exist simultaneously. As one moves along the continuum, the features and assumptions of one paradigm are gradually relaxed and replaced by those of the next (Morgan and Smircich, 1980, as cited in Hussey and Collins, 2009).

Hussey and Collins (2009) provide a comparison of the features of the two main research paradigms. It is important to take note of the features so that there are no contradictions or shortcomings in the way the research is designed. The following table illustrates such comparisons:

Positivism	Interpretivism
Use large samples	Use small samples
Have an artificial location	Have a natural location
Concerned with hypothesis testing	Concerned with generating theories
Produce precise, objective, quantitative data	Produce rich, subjective, qualitative data
Produces results with high reliability but low validity	Produce results with low reliability but high validity
Allows results to be generalised from the sample to the population	Allows findings to be generalised from one setting to another

Source : Hussey and Collins (2009)

3.2.1 Interpretivist research paradigm

This type of paradigm developed as a result of the perceived inadequacy of positivism to meet the needs of social scientists (Collins and Hussey, 2009). It is underpinned by the belief that social reality is not objective but highly subjective because it is shaped by our perceptions. Strauss and Corbin (1990), as cited in Collins and Hussey (2009), conclude that interpretive research is therefore any type of research in which findings are not derived from the statistical analysis of quantitative data.

3.2.2 Positivistic research paradigm

Collins and Hussey, 2009, define positivism as a paradigm that originated in the natural sciences. It rests on the assumption that social reality is singular and objective and is not affected by the act of investigation. They further state that research involves a deductive process with a view to providing explanatory theories to understand social phenomena. The positivistic paradigm asserts that real events can be observed empirically and explained with logical analysis.

According to the Open University, positivism is a research paradigm associated with scientific theories. The Open University further states that positivists apply scientific methodology as the way of understanding and researching social and psychological phenomena. The positivist paradigm provides an objective reality against which researchers can compare their claims and ascertain truth.

Positivism is underpinned by the belief that reality is independent of us and the goal is the discovery of theories based on empirical research that is observation and experiment (Collins and Hussey, 2009). Walliman, 2001, as cited in Collins and Hussey, 2009, further state that knowledge is derived from positive information because every rationally justifiable assertion can be scientifically verified or is capable of logical or mathematical proof.

The positivism research paradigm has been selected as the suitable research paradigm for this study. This choice of research paradigm is informed by the fact that findings will be derived from the statistical analysis of quantitative data.

3.3 Sample and population

Collins and Hussey (2009) define a population as a body of people or collection of items under consideration for statistical purposes, whilst a sample is an unbiased subset that represents the population. For this study, the population will be the municipal officials of the O R Tambo District Municipality. A random sample of 60 municipal officials will be selected from all the departments in the municipality's main offices in Mthatha. The bias will be on the infrastructure department as it is the core department of the municipality, whilst others are mainly support departments. The O R Tambo District Municipality has satellite offices in all of the five local municipalities under its jurisdiction, however the sample will be taken in the head office, which is in Mthatha. The reason for this selection is that in the satellite offices, there are mostly general workers who look after the water schemes and report to the WSP Manager, who is based in the Mthatha main office.

3.4 Data collection tools

According to Brewerton and Millward (2001) the method of data collection that is used for research should be appropriate to the research objective, able to produce a form of data appropriate to testing the hypothesis, and be practicable given time, resource constraints and the feasibility of use within a chosen or given context.

Qualitative data is normally transient, understood only within context and associated with an interpretive methodology that usually results in findings with a high degree of validity (Collins and Hussey, 2009). The authors further state that,

since qualitative data needs to be understood within context, one needs to collect some background information first. They call this process of information gathering 'contextualization'. The method of data collection for this study will be the development of a questionnaire that will seek to address the primary objective of the study. Collins and Hussey (2009) define a questionnaire as a list of carefully structured questions, which have been chosen after considerable testing with a view to eliciting reliable responses from a particular group of people. The purpose of the questionnaire is to find out what the respondents think, do or feel and their responses will assist in addressing the question.

A questionnaire will be distributed to the selected sample of 60 municipal employees. It will be hand-delivered to those officials in the organisation's Mthatha main building and through email in other offices within the Mthatha town. This is to allow the respondents to work on the questionnaire in private and when it is convenient. Personal contact with the respondents will be maintained in order to clarify any questions the respondents may have. All questionnaires will be developed in English as all the respondents are expected to have at least a matric qualification. The respondents will be given a period of two weeks in which to complete the questionnaire, which will be collected after that period has elapsed.

3.5 Ethical considerations

3.5.1 Voluntary participation

The questionnaire was distributed to the respondents with a covering letter explaining that participation in the research was voluntarily, and, as such, respondents could decline to participate. According to Collins and Hussey (2009), coercion should not be used to force people into taking part in research, hence the emphasis of the participation being on a voluntary basis. The respondents were informed of what was expected of them and were advised that it would take, at most, 15 minutes to complete the questionnaire. The questionnaire did not pose any harm, neither physical nor psychological, nor any stress to the respondents. It

was furthermore not necessary for the respondents to seek permission from their supervisors as the approval was pre-obtained from the Municipal Manager.

3.5.2 Anonymity and confidentiality

Anonymity provides protection to participants by ensuring that their names are not identified with the information they give, whilst confidentiality provides protection to participants by ensuring that sensitive information is not disclosed and the research data cannot be traced to the individual or organisation providing it (Collins and Hussey, 2009). Researchers are expected to offer anonymity and confidentiality to all participants in research (Collins and Hussey, 2009). This gives the respondents an opportunity to remain anonymous and assures them that they will not be associated with the opinions they have expressed in the research. It can also contribute to a high rate of responses especially in questionnaire surveys.

The anonymity and confidentiality of the participants was assured through the covering letter of the questionnaire.

3.6 Questionnaire design

Collins and Hussey (2009) define a questionnaire as a list of carefully structured questions, which have been chosen after considerable testing with a view to eliciting reliable responses from a particular group of people, with the aim of finding out what they think, do or feel in order to address the research question.

The questionnaire has been designed such that any employee of the municipality is able to respond to the questions being asked. The questions are closed questions wherein respondents will choose from predetermined answers. Closed questions are convenient and easy to analyse since the range of potential answers is limited (Collins and Hussey, 2009).

The ranking scale used for this study is the Likert Scale, which measures the intensity of opinion. This type of scale also allows respondents to give a more discriminating response and to indicate if they feel neutral (Collins and Hussey, 2009).

3.7 Data analysis

The approach to analysing research data is mainly dependent on the research paradigm and on whether the data is quantitative or qualitative (Collins and Hussey, 2009). Analysing qualitative data is a challenge for both positivists and interpretivists as there is clear and accepted set of conventions for analysis corresponding to those observed with quantitative data (Robson, 1993, as cited in Collins and Hussey, 2009).

This study utilised Statistical Product and Service Solutions (SPSS), a software programme that provides a data file wherein data can be stored and thereafter analysed by performing a range of statistical tests including frequency tables and charts.

3.8 Credibility of findings

Credibility is concerned with whether the research was conducted in such a manner that the subject of the enquiry was correctly identified and described (Collins and Hussey, 2009).

3.8.1 Reliability

Reliability is concerned with the findings of the research. The research findings can be found to be reliable if someone else repeats the research and obtains the

same results (Collins and Hussey, 2009). The reliability of research is measured by determining the Cronbach Alpha coefficient, which is the measure of internal consistency in a questionnaire. According to DeVellis (2003), ideally the Cronbach Alpha co-efficient should be greater than 0.7.

3.8.2 Validity

Validity is concerned with the extent to which the research findings accurately represent what is happening in the situation, that is, whether the data collected represents a true reflection of what is being studied (Collins and Hussey, 2009).

In this study, a high level of validity will be achieved as the sample is composed of employees at different levels in the organisation, including senior managers, section heads, supervisors and junior staff. It is therefore reasonable to believe that the responses received represent a true reflection of the experiences that the respondents have about the organisation.

3.9 Conclusion

This chapter presented the research methodology that was adopted for this study. The presentation included the research design used, the research methods as well as the theoretical framework for the design.

Chapter four will focus on the presentation and interpretation of the research results.

CHAPTER FOUR

4.0 DATA ANALYSIS AND DISCUSSION OF EMPIRICAL FINDINGS

4.1 Introduction

In Chapter 3, the focus was on the research methodology adopted for this study, including the collection of data for analysis.

This chapter presents the research results to address the research questions. The Statistical Package for Social Scientists (SPSS) Version 19.0 was used to determine the data trends. The analysis took the form of mainly descriptive and statistical modelling to address the objectives of the research study. In particular, the reliability of the research instrument and consequently the validity of the study were examined.

The researcher used three statistical methods to analyse the responses from the questionnaires, namely; descriptive statistics, statistical modelling and inferential statistics.

- Descriptive statistics are used to summarise data in a more compact form and can be presented in tables, charts and other graphical forms (Collins and Hussey, 2009). Descriptive statistics has been used to describe the background variables of the study. This was used in section 4.2, figure 4.1 to figure 4.7, to determine the background of the respondents who participated in the study, and in section 4.3, to describe the perceptions of respondents regarding the main areas of the study.
- In sections 4.4 and 4.6, the researcher used statistical modelling, in the form of correlation analysis and factor analysis respectively, to determine relationships amongst different cultures and also which cultures were most prominent within the organisation.

- Inferential statistics are statistical tests that lead to conclusions about a target population based on a random sample and the concept of sampling distribution (Collins and Hussey, 2009). The researcher used inferential statistics in section 4.5 to test the differences between mean responses of different sections of the questionnaire.

4.2 Reliability and Validity

Cronbach's Alpha coefficient is one of the indicators of internal consistency in a questionnaire. It is generally used as a measure of the reliability of a set of questions in a survey instrument. It measures the interrelatedness of a set of items. A level of alpha that indicates an acceptable level of reliability has traditionally been 0,7 or higher (Grau, 2007). Internal consistency refers to the degree to which the items or questions that make up the scale or questionnaire measure the same underlying construct (Pallant, 2010).

Table 4.1 Cronbach's Alpha coefficients for the employee questionnaire

Section	Cronbach's Alpha	No. of Items
B:Type of organisational culture	0.765	18
C:Culture and Workplace procedures	0.865	11
D: Culture visibility	0.822	7
E: Culture and Performance management system	0.907	11
F: Culture and Employees	0.837	7
G: Culture and Motivation	0.791	10
Overall Employee Questionnaire	0.948	71

All the sections of the questionnaire had consistent questions as indicated by the Cronbach's Alpha coefficients above 0.7, as listed above. The overall Cronbach's Alpha coefficients of reliability for the employee questionnaire that was used for data collection is 0.948. This shows that the questionnaire is consistent and measures what it is supposed to measure adequately. As already mentioned above, the Cronbach Alpha coefficient of a questionnaire should be at least 0.70 (DeVellis, 2003). The questionnaire with an alpha coefficient greater or equal to 0.70 will yield the same results on different occasions and will produce similar observations when administered on different assertions. This means that the questionnaire is 95% accurate and with only a 5% measurement error on the items (DeVellis, 2003). Therefore, the questionnaire has very high internal consistency. Since reliability is one of the prerequisites for validity, other things being equal, the research can be said to be valid.

4.3 Background variables

This section describes the research results in terms of the background variables, such as gender, age, qualification, designation, municipal department, number of years of total work experience, and number of years of experience of municipal work. The background variables assist the researcher to understand the profile of the respondents and link it to their perceptions.

Fig 4.1 Gender of Employee

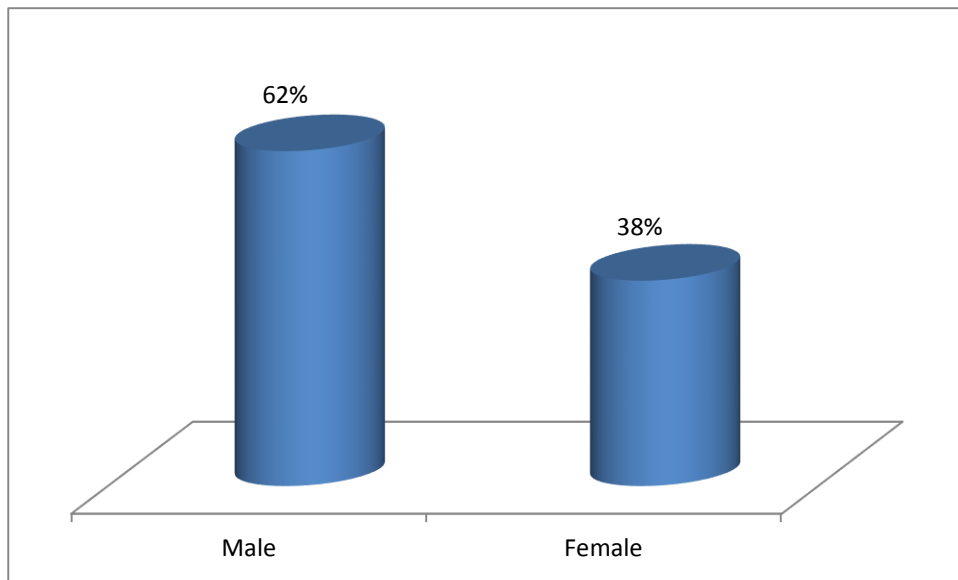


Fig 4.1, above, illustrates the gender distribution of the employees, and shows that more males participated in the study than females. This could be attributed to the fact that most respondents were from the Infrastructure Department, which is technical in nature and employs more males than females.

Fig 4.2 Age of Employee

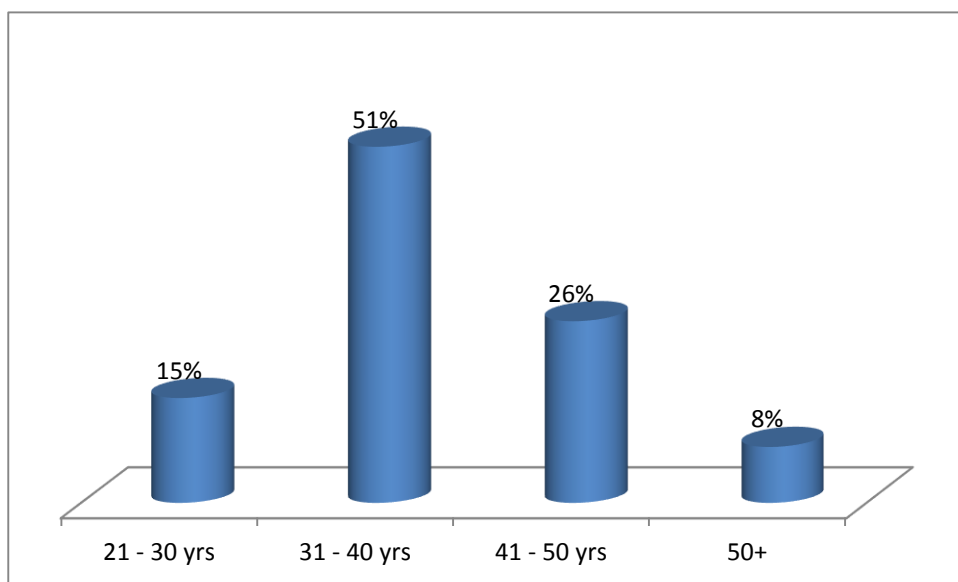
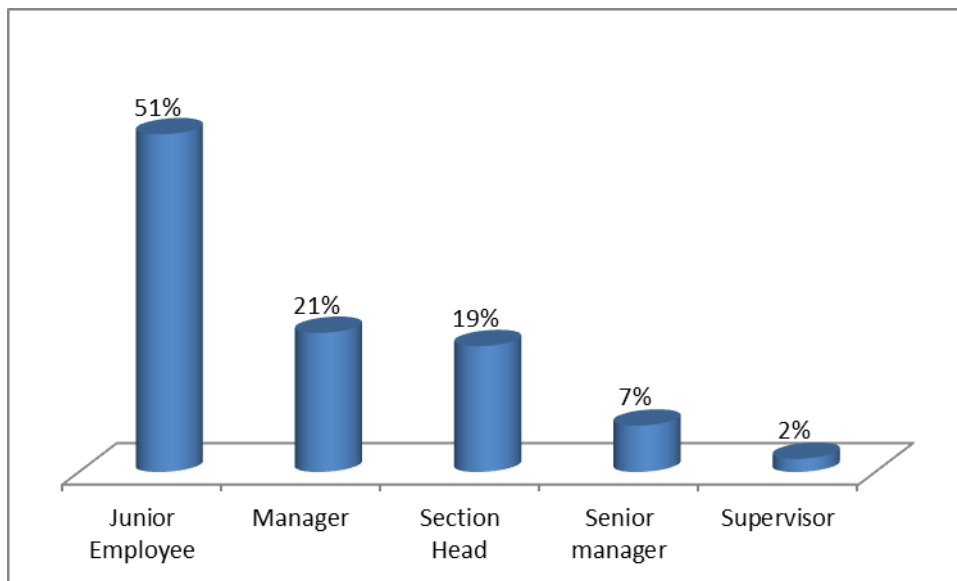


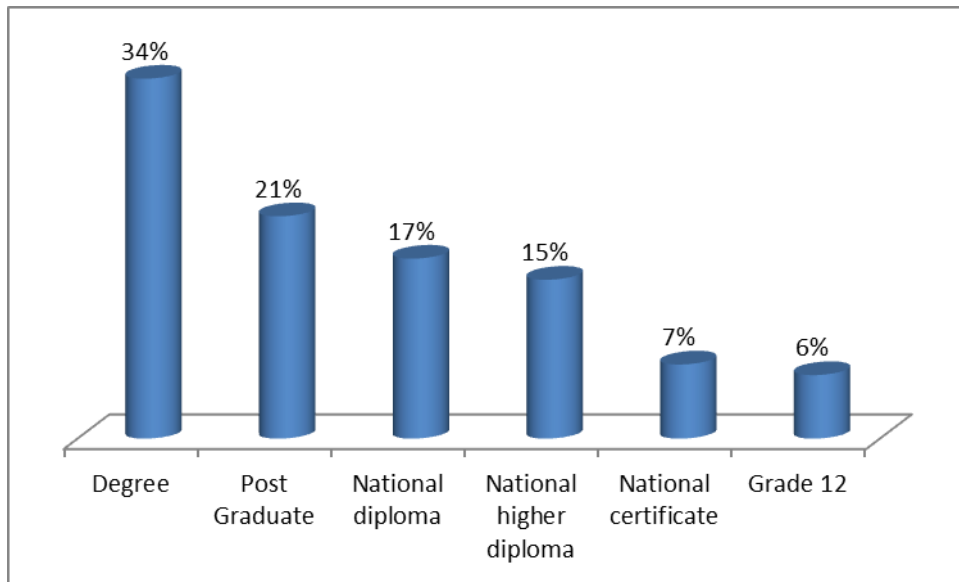
Fig 4.2, above, shows the age distribution of the municipal employees that participated in the research study. About 51% of the respondents are in the age group 31 - 40 years, 34% are at least 41 years old, while 15% are at most 30 years old. This shows that most of the respondents are mature and have been working for a long time.

Fig 4.3 Designation of Employee



The current designation of employees who took part in the research is illustrated in Fig 4.3 above. About half (51%) of the respondents are junior employees, 28% are in management, 19% are section heads and 2% are supervisors.

Fig 4.4 Qualification of Employee



More than half of the employees (55%) have at least a degree, 32% have diplomas, 7% have a national certificate and 6% have grade 12.

Fig 4.5 The municipal department of employment

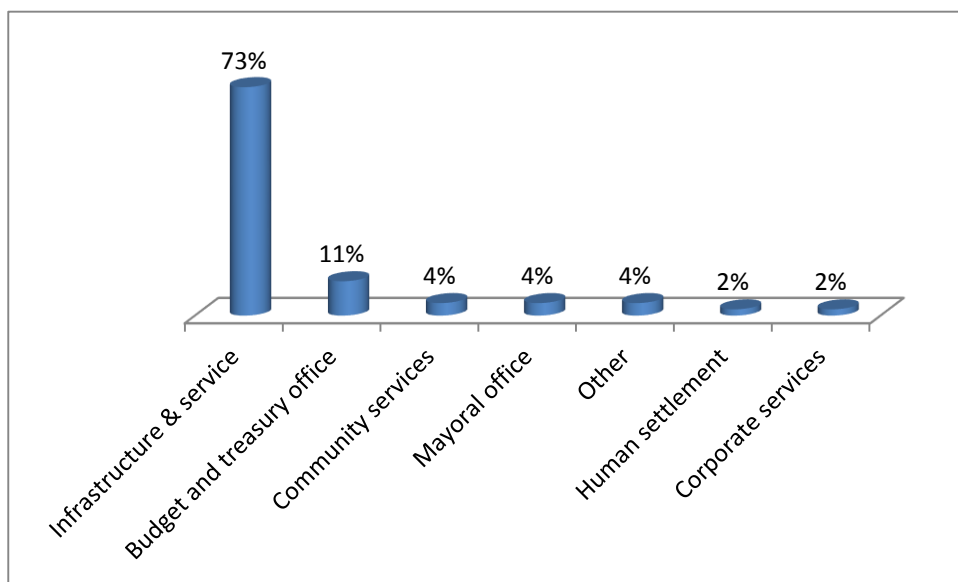


Figure 4.5, above, shows the distribution of the departments in which respondents currently work. The majority of the employees work in the Infrastructure and

Service department (73%), 11% of the employees work in the Budget and Treasury office, 4% each in the Community Services, Mayoral Office and other departments, and 2% each in the Human settlement and Corporate services.

Fig 4.6 Number of total years of work experience

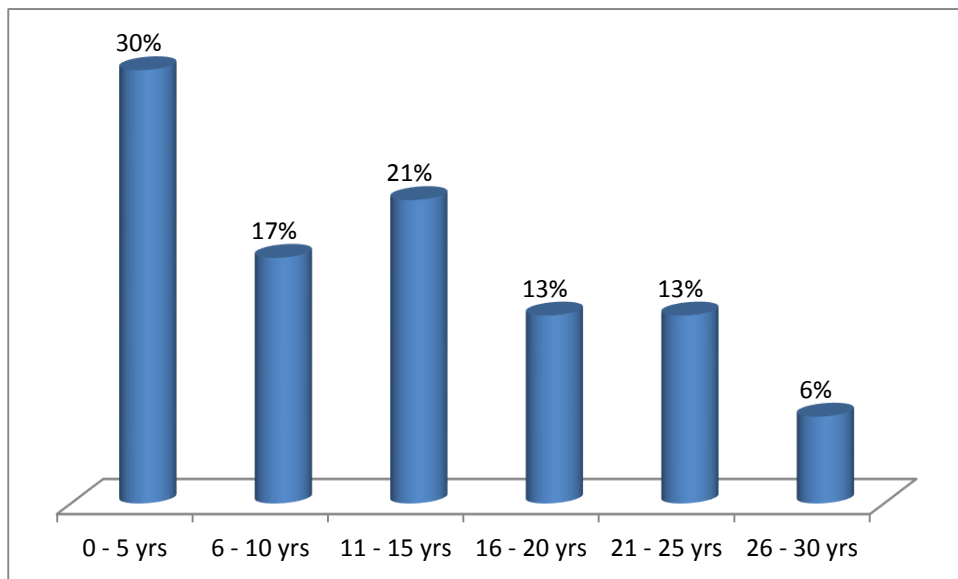


Fig 4.6 shows the number of total years of work experience. The highest percentage (30%) of the participants have at most 5 years, 53% have more than 10 years' total working experience and another 17% have between 6 to 10 years of total working experience.

Fig 4.7 Number of years working for the Municipality

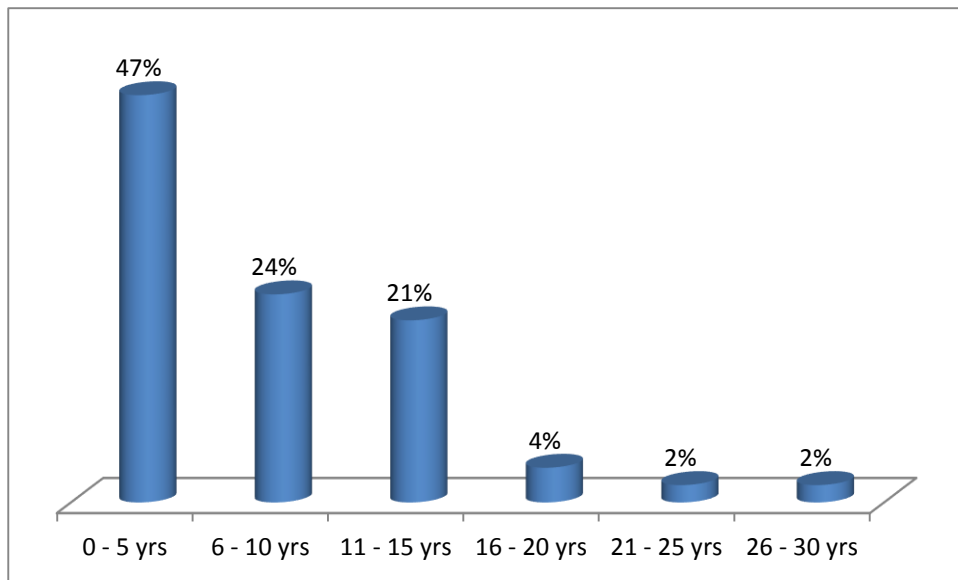


Fig 4.7, above, shows the number of years the respondents have been working for the O R Tambo municipality. Quite a significant percentage of them (71%) have been with the municipality for 10 years or less and only 29% have worked in the municipality for more than 10 years.

In summary, section 4.3, above, shows that the respondents are a typically relatively young, educated team that has recently joined the organisation. For many of them, it is their first or second job. Most of the respondents are working in the infrastructure and service department.

4.4 Summary of responses

The following section looks at the summarised responses to the main areas of the research study.

4.4.1 Type of organisational culture

This section intended to establish the type of organisational culture that prevails at the O R Tambo District Municipality, in light of the literature reviewed in Chapter 2 which revealed that organisations can have dominant and subcultures.

Of the 47 respondents to the questionnaires, 22 agreed that in O R Tambo District Municipality employees generally get along whilst 15 disagreed, with 10 respondents being neutral. This is an indication of the visibility of a communal culture, which is characterised by high sociability and high solidarity. In an organisation with this type of culture, employees generally get along well and are friendly to one another.

Of the respondents, 26 agreed that employees are always looking at better ways of resolving organisational problems, whilst 13 disagreed, with 8 respondents being neutral. This clearly indicates a dominant culture of innovation

In terms of clear guidelines on what to do to achieve organisational objectives, 21 agreed that those guidelines are present whilst 18 disagreed, with 8 respondents being neutral. This could indicate a bureaucratic culture wherein employees are expected to follow those guidelines and are not encouraged to be creative or come up with new and better ways of doing things.

Ten employees agreed that in O R Tambo Municipality rules can be broken whilst 27 employees disagreed and another 10 were neutral. Again, strict adherence to rules is an indication of a bureaucratic culture where flexibility is not encouraged.

Twenty-two respondents agreed that achieving goals in O.R. Tambo District Municipality is the most important thing to do, whilst 17 disagreed and 8 were neutral. This could be an indication of a constructive culture, where members are encouraged to interact constructively to attain goals and to develop. Much as goals have to be attained, the focus for a constructive culture is on constructive interaction, whereby employees are encouraged to work together. The constructive interaction is not visible in O R Tambo District Municipality, however goal attainment is the priority.

Twenty-one of the respondents agreed that there is a high staff turnover in the municipality, whilst 17 disagreed, with 9 being neutral. This is an indication of a toxic culture, which is characterised by high staff turnover (Greenberg and Baron,

2003). An organisation that has a toxic culture tends to lose employees and struggle to be profitable as a result.

Twenty-four respondents agreed that everybody knows almost everyone in the municipality, whilst 11 disagreed and another 11 were neutral. This is an indication of a communal culture where employees generally get along and are friendly to one another. In this type of culture environment, employees will protect their organisation from any negative publicity or criticism.

Figure 4.8 Type of organisational culture

What type of organisational culture is dominant in the O R Tambo District Municipality?

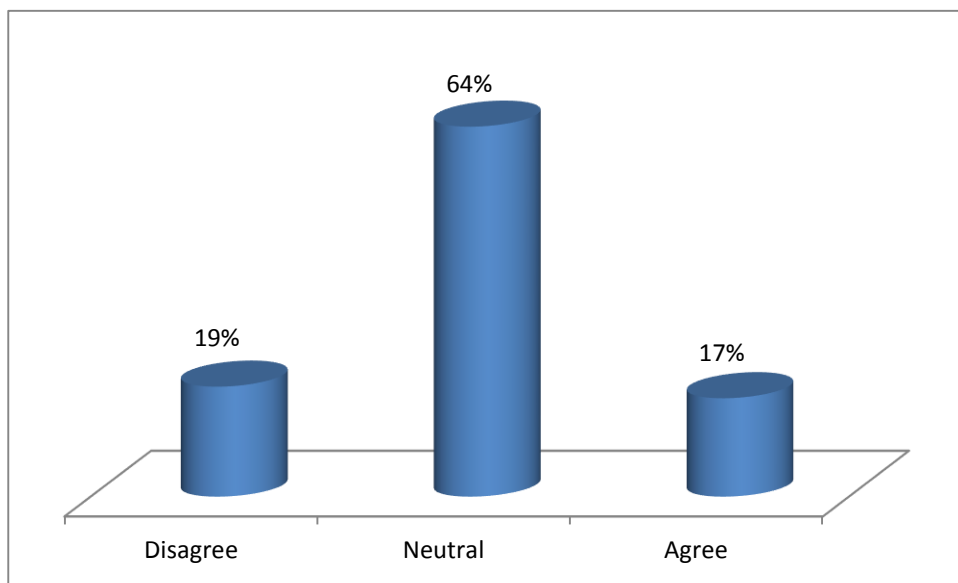


Figure 4.8 shows the summarised responses for the questions on the type of organisational culture. There seems to be no dominant culture in the municipality as indicated in Figure 4.8 above. This calls for the municipality to develop an organisational culture with which all employees can identify. According to Ebert and Griffin (2000), this organisational culture will help the municipality to motivate employees to work hard and assist them to work towards a common goal, help newly hired employees learn expected behaviour models and provide unique characteristics for the municipality.

Figure 4.9 Culture and workplace procedures

Does the culture promoted by O. R. Tambo align better to work procedures?

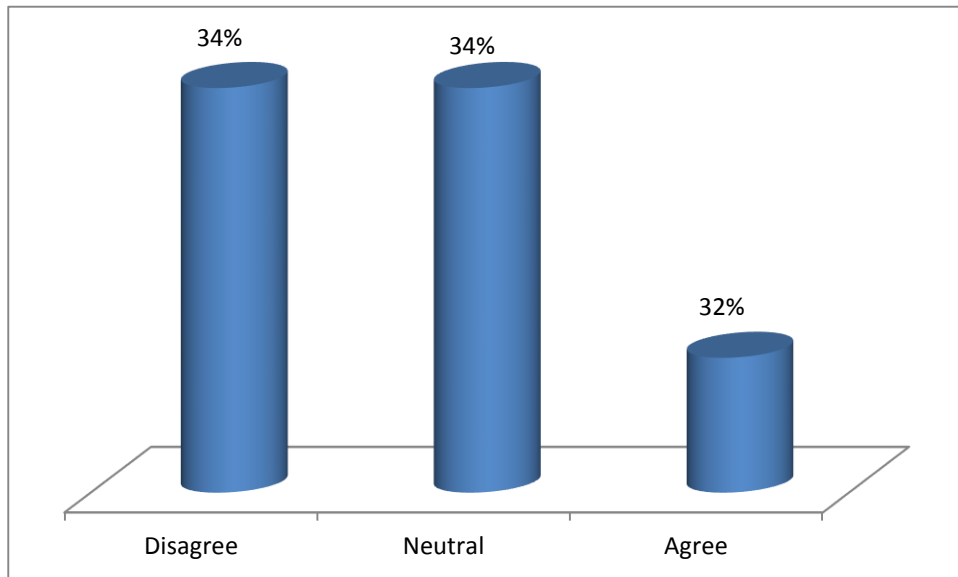
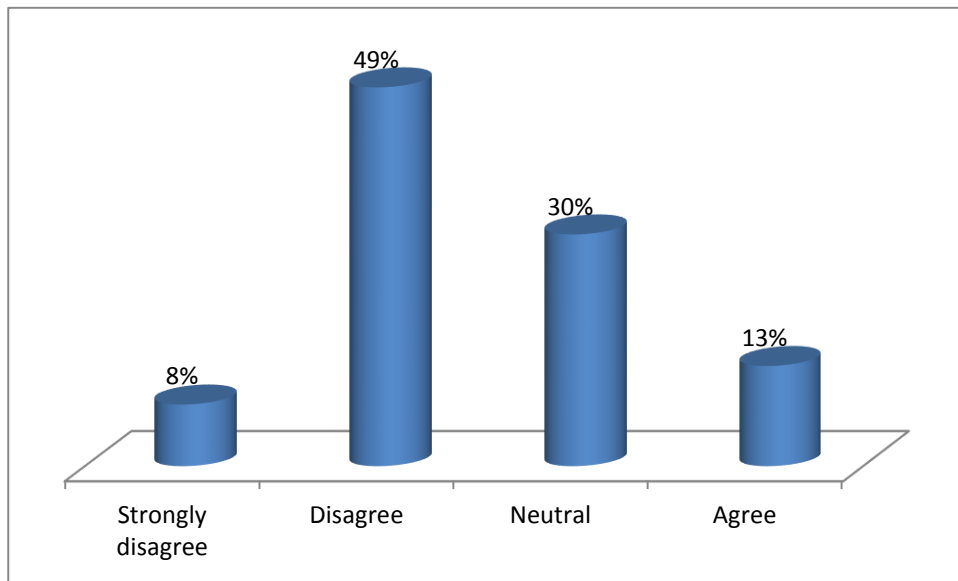


Figure 4.9 summarises the responses to the questions on the alignment of organisational culture to workplace procedures. About 34% of the respondents disagreed that there is an alignment of workplace procedures and organisational culture in the O R Tambo Municipality and another 32% agreed, whilst 34% are neutral. This shows that there is still a lot of work that management has to do to align organisational culture to workplace procedures. This will help to improve the performance of the municipality. Hofstede (1998) argues that, “an organisational culture is so important to the organisation that, in the long run, it may be the one decisive influence for the survival or fall of the organisation”.

Figure 4.10 Culture visibility

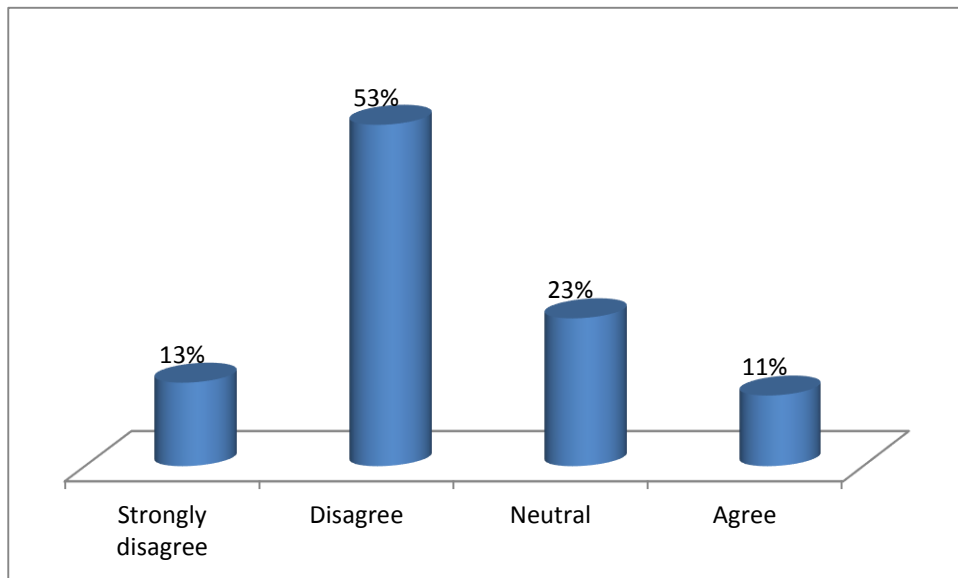
Does the organisation visually display its culture?



The summary of the questions on the culture visibility of the O R Tambo Municipality is displayed in Figure 4.10 above. It is quite evident that the organisational culture of the municipality is not visible in the organisation. Quite a significant percentage (57%) of the employees said the culture is not visible and only 13% said it is visible. This shows that the organisational culture of the municipality has not been adequately communicated within the organisation.

Figure 4.11 Culture and performance management system

Does the culture support the performance management system?



It is abundantly clear from Figure 4.11, above, that the O R Tambo Municipality culture is not aligned to the performance management system in the organisation. In other words, the organisational culture does not support the performance management system. Most of the employees (66%) who participated in this study said the organisational culture does not support the performance management system in the municipality and only 11% thought it does.

Fig 4.12 Culture and employees

Does the culture make employees proud to work for the organisation?

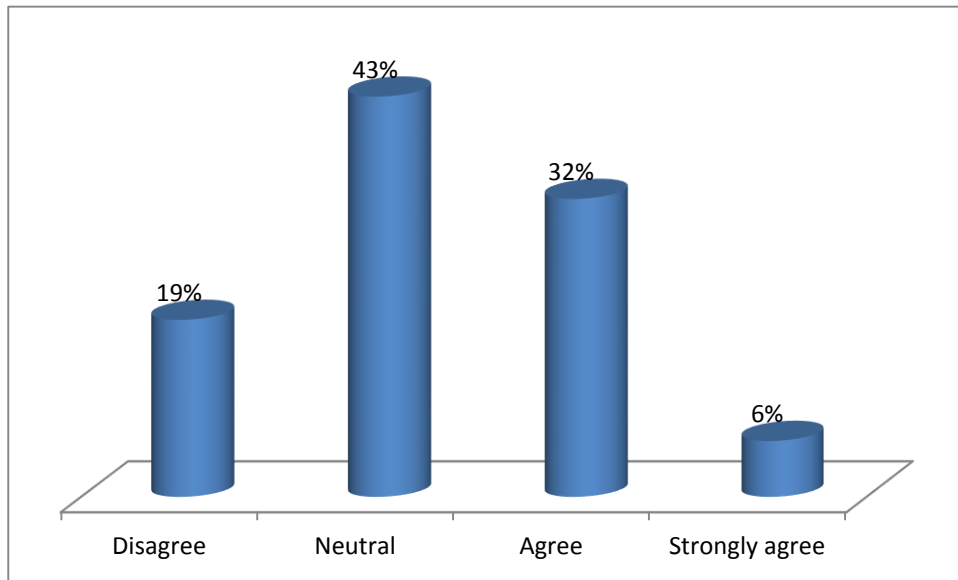
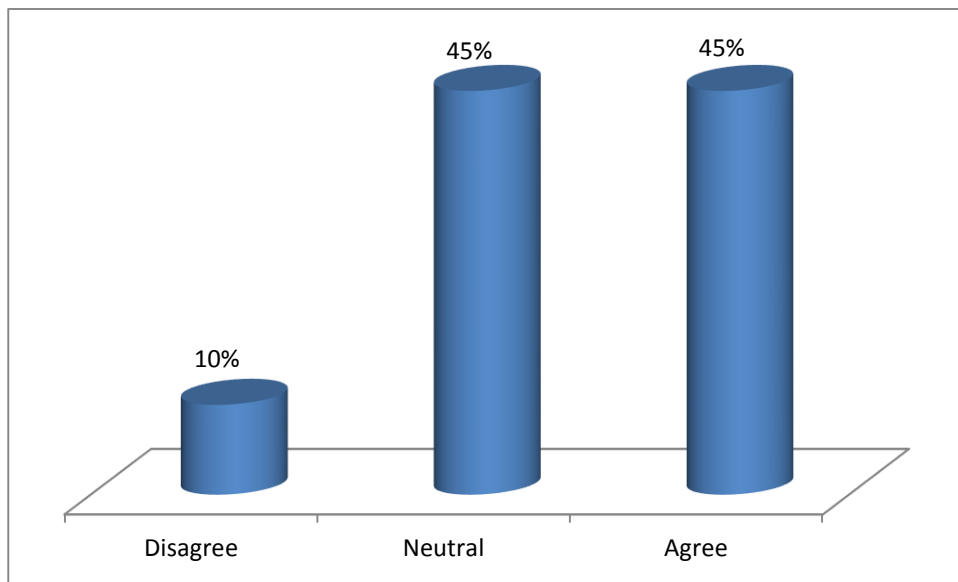


Figure 4.12 illustrates that to some extent organisational culture make employees proud to work for the O R Tambo Municipality. About 38% of the respondents agreed that the organisational culture makes them proud to work for municipality, whilst half (19%) disagreed.

Figure 4.13 Culture and motivation

Does the organisational culture of the organisation motivate employees to achieve outstanding performance?



Organisational culture helps businesses to motivate employees to work hard and assist employees to work towards common goals (Ebert and Griffin, 2000). Figure 4.13 shows that almost half (45%) of the respondents agreed that the O R Tambo Municipality culture motivates employees to achieve outstanding performance, another 45% are indifferent and 10% disagreed.

4.5 Correlation Analysis

Correlation analysis is used to describe the strength of a relationship between any two variables (Willemse, 2004). It gives a numerical summary of the direction and strength of the linear relationship between two variables. Pearson correlation

coefficients can range from -1 to + 1, the sign in front indicating whether there is a positive correlation or a negative relationship (Pallant, 2010). The direction of the correlation is positive if both variables increase together, but it is negative if one variable increases and the other variable decreases (Collins and Hussey, 2009). Cohen (1988) suggests the following correlation coefficient interpretation guidelines:

Small or weak correlation: $r = 0.10$ to 0.29

Medium or moderate correlation: $r = 0.30$ to 0.49

Large or strong correlation: $r = 0.50$ to 1.0

In the section below, correlation analysis was carried out for the summarised responses of the major focus areas of the research study to determine the strength and direction of the relationships.

4.5.1 Type of organisational culture versus Culture and workplace procedures = 0.566

There is a positive strong relationship between the responses on type of organisational culture and those for culture and workplace procedures. The respondents answered these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.2 Type of organisational culture versus Culture visibility = 0.537

There is a positive strong relationship between the responses on type of organisational culture and those on culture visibility. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.3 Type of organisational culture versus Culture and performance management system = 0.527

There is a positive strong relationship between the responses on the type of organisational culture and those on culture and performance management system. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.4 Type of organisational culture versus Culture and employees = 0.561

There is a positive strong relationship between the responses on the type of organisational culture and those on culture and employees. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.5 Type of organisational culture versus Culture and motivation = 0.607

There is a positive, strong relationship between the responses on the type of organisational culture and those on culture and motivation. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.6 Culture and workplace procedures versus Culture visibility = 0.525

There is a positive strong relationship between the responses on the culture and workplace procedures and those on culture visibility. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.7 Culture and workplace procedures versus Culture and performance management system = 0.517

There is a positive strong relationship between the responses on the culture and workplace procedures and those on culture and performance management system. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.8 Culture and workplace procedures versus Culture and employees = 0.697

There is a strong positive relationship between the responses on the culture and workplace procedures and those on the culture and employees. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.9 Culture and workplace procedures versus Culture and motivation = 0.568

There is a positive strong relationship between the responses on the culture and workplace procedures and those on the culture and motivation. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.10 Culture visibility versus Culture and performance management system = 0.500

There is a positive strong relationship between the responses on the culture visibility and those on the culture and performance management system. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.11 Culture visibility versus Culture and employees = 0.569

There is a positive strong relationship between the responses on the culture visibility and those on the culture and employees. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.12 Culture visibility versus Culture and motivation = 0.412

There is a positive moderate relationship between the responses on the culture visibility and those on the culture and motivation. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.13 Culture and performance management system versus Culture and employees = 0.773

There is a very strong positive relationship between the responses on the culture and performance management system and those on the culture and employees. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.5.14 Culture and performance management system versus Culture and motivation = 0.501

There is a positive strong relationship between the responses on the culture and performance management system and those on the culture and motivation. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

4.4.15 Culture and employees versus Culture and motivation = 0.650

There is a strong positive relationship between the responses on the culture and employees and those on the culture and motivation. The respondents are responding to these questions almost in the same way. The correlation coefficient is significant at the 1% level.

The moderate to strong positive correlation displayed above suggests that almost everything in the O R Tambo Municipality is somehow connected to the organisational culture. This relationship concurs with Rijamampianina, as cited in Bagraim et al. (2007) who defines organisational culture as everything a group thinks, says, does and makes in terms of customs, ideas, morals, habits, traditions, languages, material artefacts and shared systems of attitudes and feelings that help create standards for people to co-exist and which are acquired, developed and passed on by a group of people, consciously or unconsciously to subsequent operations. According to this definition, organisational culture is shared by all employees in the organisation. In other words, it is common and one individual is expected to act, behave or perform in the same manner as other employees in an organisation. At the root of any organisational culture is the set of core characteristics that is valued collectively by members of the organisation (Greenberg and Baron, 2003).

4.6 Factor Analysis (Principal Components Analysis)

According to Pallant (2010), factor analysis takes a large data set of variables and looks for a way in which the data may be reduced or summarised using a smaller set of factors or components. The term factor analysis encompasses a variety of different, although related, techniques such as principal components analysis (PCA) and factor analysis (FA). Both techniques attempt to produce a smaller number of linear combinations of the original variables in a way that captures most of the variability in the pattern of correlations. Stevens (1996, pp.362-3) admits a

preference for principal components analysis and gives a number of reasons for this, one of which is that it is psychometrically sound and simpler mathematically. In this analysis, the principal components analysis is chosen for the above reasons and this principal components analysis is carried out for each section as given below:

4.6.1 Type of organisational culture (questions b1.1 – b1.18)

In this sub-section, the researcher will use the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity to determine the factorability of the data or the appropriateness of factor analysis on the data, in this case the type of organisational culture questions. After determining the suitability of the technique, principal components analysis was applied on the questions to determine the smallest number of factors that can be used to best represent the interrelationships among the set of variables. This involves balancing two conflicting needs: the need to find a simple solution with as few factors as possible; and the need to explain as much of the variance in the original data set as possible (Pallant, 2010).

The Kaiser–Meyer-Olkin measure of sampling and Bartlett's test of sphericity are used to assess the suitability of the respondent data for factor analysis (Williams et al., 2010). The KMO index ranges from 0 to 1, with 0, 5 considered suitable for factor analysis and the Bartlett's test of sphericity should be significant ($p < 0.05$) for factor analysis to be suitable.

For this set of questions the KMO measure of sampling adequacy value is 0.699, which is just above the minimum value acceptable, and the Bartlett's test of sphericity value is significant ($p\text{-value} = 0.000$). This means factor analysis is appropriate for the questions regarding the type of organisational culture.

Factor Analysis

Factor	Eigen value	Variance Explained (%)	Cumulative Variance (%)
1	6.161	34.225	34.225
2	1.715	9.528	43.753
3	1.462	8.121	51.874
4	1.351	7.507	59.381
5	1.213	6.738	66.119
6	1.154	6.409	72.528
7	1.005	5.577	78.105

There are seven underlying factors on the type of organisational culture accounting for 78.1% of the variance as shown above. These are outlined below.

Factor 1 (Component 1): This factor represents mainly the promptness with which the organisation responds to changes. It consists of six variables namely:

- My organisation is quick to respond when changes have to be made
- In my organisation, achieving organisational goals is the most important thing to do
- The employees of my organisation know their goals very clearly
- Where I work, people like each other a great deal and generally get along
- In my organisation it is considered extremely important to follow the rules
- In my organisation, employees receive strong and clear guidelines about what to do to achieve organisational goals.

It means there is a relationship amongst these variables.

Factor 2 (Component 2): This factor represents mainly relationships between employees in the organisation. It consists of four variables, namely:

- In my organisation people do small favours for each other
- It is better to be associated with my profession than my organisation
- New ideas are accepted in my organisation
- In my organisation there are incentives for good performance.

It means there is a relationship amongst these four variables.

Factor 3 (Component 3): This factor represents mainly consequences for poor performance. It consists of three variables, namely:

- In my organisation, there are consequences for poor performance
- In my organisation there are incentives for good performance
- Everything has to be done according to the book in my organisation.

It means there is a relationship amongst these three variables.

Factor 4 (Component 4): This factor represents mainly the consequences of breaking the rules. It consists of three variables namely:

- In my organisation, nobody gets upset if people break the rules
- Everything has to be done according to the book in my organisation
- It is better to be associated with my profession than my organisation.

It means there is a relationship amongst these three variables.

Factor 5 (Component 5): This factor represents mainly the culture of prioritising getting the job done in the organisation. It consists of three variables, namely:

- Getting the job done is always the priority regardless of the situation
- Everybody knows almost everyone in my organisation
- In my organisation, employees receive strong and clear guidelines about what to do to achieve organisational goals.

It means there is a relationship amongst these three variables.

Factor 6 (Component 6): This factor represents mainly the culture of doing all it takes to get the job done. It consists of three variables namely:

- People are allowed to ignore formal procedures if it helps to get the job done
- Everybody knows almost everyone in my organisation
- People in my organisation are always looking for better ways of resolving organisational problems.

It means there is a relationship amongst these three variables.

Factor 7 (Component 7): This factor represents mainly the culture of unity of purpose in the organisation. It consists of three variables, namely:

- Where I work, people like each other a great deal and generally get along
- People in my organisation are always looking for better ways of resolving organisational problems
- In my organisation there is high staff turnover.

It means there is a relationship amongst these three variables.

The critical factors (most important variables) on the type of organisational culture, based on factor analysis and frequencies of responses, are reflected on the questionnaire as follows:

- Getting the job done is always the priority regardless of the situation
- People in my organisation are always looking for better ways of resolving organisational problems
- In my organisation there are consequences for poor performance.
- In my organisation people do small favours for each other
- People are allowed to ignore formal procedures if it helps to get the job done.

4.6.2 Culture and workplace procedures (questions c2.1 – c2.11)

In this sub-section the researcher used the Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity to determine the factorability of the data, or the appropriateness of factor analysis on the data - in this case, the culture and workplace procedures questions. After determining the suitability of the technique, principal components analysis was applied to the questions to determine the smallest number of factors that can be used to best represent the interrelationships among the set of variables. This involves balancing two conflicting needs: the need to find a simple solution with as few factors as possible; and the need to explain as much of the variance in the original data set as possible (Pallant, 2010).

For this set of questions the KMO value is 0.781, which is just above the minimum value acceptable of 0.6 and the Bartlett's test of sphericity value is significant (p-value = 0.000). This means factor analysis is appropriate for these questions.

Factor Analysis

Factor	Eigen value	Variance Explained (%)	Cumulative Variance (%)
1	5.331	48.465	48.465
2	1.477	13.425	61.890
3	1.136	10.326	72.215

There are three underlying factors on the culture and workplace procedures accounting for 72.22% of the variance as shown above:

Factor 1 (Component 1): This factor represents mainly the promotion of creativity and innovation and the applauding of best performance by the employees. It consists of seven related variables, namely:

- Management promotes creativity and innovation, acknowledges and applauds best performance by the employees
- Management always appreciates, acknowledges and applauds best performance by the employees
- In my organisation, workplace procedures are effective
- In my organisation, management is committed to following work place procedures
- In my organisation, workplace procedures allow creativity and innovation
- In my organisation there are consequences for unethical behaviour.

It means there is a relationship amongst these seven variables.

Factor 2 (Component 2): This factor represents mainly the culture of communicating procedures by word of mouth. It consists of three variables, namely:

- In my organisation, workplace procedures are communicated by word of mouth.
- In my organisation workplace procedures are written and documented
- I am aware of my organisation's workplace procedures.

It means there is a relationship amongst these three variables.

Factor 3 (Component 3): This factor represents mainly the importance of workplace procedures. It consists of three variables, namely:

- Workplace procedures are important for me to perform my duties
- I am aware of my organisation's workplace procedures
- In my organisation, workplace procedures allow creativity and innovation.

It means there is a relationship amongst these three variables.

The critical factors (most important variables) on culture and workplace procedures based on factor analysis and frequencies are:

- Workplace procedures are important for me to perform my duties
- I am aware of my organisation's workplace procedures
- In my organisation, management is committed to following workplace procedures

- In my organisation there are consequences for unethical behaviour.

4.6.3 Culture Visibility (questions 3.1 – 3.7)

In this sub-section the researcher will use the Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity to determine the factorability of the data or the appropriateness of factor analysis on the data, in this case the culture visibility questions. After determining the suitability of the technique, principal components analysis will be applied on the questions to determine the smallest number of factors that can be used to best represent the interrelationships among the set of variables. This involves balancing two conflicting needs: the need to find a simple solution with as few factors as possible; and the need to explain as much of the variance in the original data set as possible (Pallant, 2010).

For this set of questions the KMO value is 0.720, which is just above the minimum value acceptable of 0.6, and the Bartlett's test of sphericity value is significant (p-value = 0.000). This means factor analysis is appropriate for these questions.

Factor Analysis

Factor	Eigen value	Variance Explained (%)	Cumulative Variance (%)
1	3.433	49.039	49.039
2	1.047	14.953	63.992

There are two underlying factors on **Culture Visibility**, accounting for 64.0% of the variance as shown above.

Factor 1 (Component 1): This factor represents mainly the link between the organisation's office layout and efficiency. It consists of four variables, namely:

- In my organisation, office layout is conducive to efficiency
- The organisation's vision is clearly displayed and known by employees

- My organisation's values are displayed such that all employees know, understand and apply them
- The vision of my organisation is clear and employees understand what is expected of them.

It means there is a relationship amongst these four variables.

Factor 2 (Component 2): This factor represents mainly the professionalism of employees in the organisation. It consists of four variables, namely:

- Employees are always professionally dressed.
- In my organisation the use of titles, such as Mr, Mrs, Dr, et cetera, is very important and has to be observed and adhered to at all times
- There is a prescribed dress code in my organisation
- The vision of my organisation is clear and employees understand what is expected of them.

It means there is a relationship amongst these four variables.

The critical factors (most important variables) on **Culture Visibility** based on factor analysis and frequencies are:

- In my organisation, office layout is conducive to efficiency
- The organisation's vision is clearly displayed and known by employees
- My organisation's values are displayed such that all employees know, understand and apply them.

4.6.4 Culture and Performance Management System (questions 4.1 – 4.11)

In this sub-section the researcher will use the Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity to determine the factorability of the data or the appropriateness of factor analysis on the data, in this case culture and performance management system questions. After determining the suitability of the technique, principal components analysis will be applied on the questions to determine the smallest number of factors that can be used to best represent the interrelationships among the set of variables. This involves balancing two conflicting needs: the need to find a simple solution with as few factors as possible; and the need to explain as much of the variance in the original data set as possible (Pallant, 2010).

For this set of questions the KMO value is 0.882, which is just above the minimum value acceptable of 0.6, and the Bartlett's test of sphericity value is significant (p-value = 0.000). This means factor analysis is appropriate for these questions.

Factor Analysis

Factor	Eigen value	Variance Explained (%)	Cumulative Variance (%)
1	6.186	56.240	56.240
2	1.135	10.315	66.556

There is one underlying factor on **Culture and Performance Management System** accounting for 66.6% of the variance as shown above.

Factor 1 (Component 1): This factor represents mainly the culture of holding employees accountable for poor performance. It consists of ten variables, namely:

- In my organisation employees are held accountable for poor performance
- Performance management system is applicable at all levels

- Promotion is based on the number of years an employee has been in the organisation
- In my organisation promotion is based on good performance
- In my organisation financial bonuses are paid to all employees as a result of good performance
- In my organisation good performance is always rewarded
- Each employee understands his or her role in the overall institutional performance
- In my organisation everyone supports the performance management system
- In my organisation everyone understands his or her key performance indicators
- Performance is monitored and evaluated on a quarterly basis.

It means there is a relationship amongst these ten variables.

Factor 2: The critical factors (most important variables) on **Culture and Performance Management** based on factor analysis and frequencies are:

- In my organisation financial bonuses are paid only to senior managers as a result of good performance
- Performance is monitored and evaluated on a quarterly basis
- In my organisation everyone understands his or her key performance indicators
- Each employee understands his or her role in the overall institutional performance

4.6.5 Culture and Employees (questions 5.1 – 5.7)

In this sub-section the researcher will use the Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity to determine the factorability of the data or the appropriateness of factor analysis on the data, in this case culture and employees questions. After determining the suitability of the technique, principal components analysis will be applied on the questions to determine the

smallest number of factors that can be used to best represent the interrelationships among the set of variables. This involves balancing two conflicting needs: the need to find a simple solution with as few factors as possible; and the need to explain as much of the variance in the original data set as possible (Pallant, 2010).

For this set of questions the KMO value is 0.792, which is just above the minimum value acceptable of 0.6, and the Bartlett's test of sphericity value is significant (p-value = 0.000). This means factor analysis is appropriate for these questions.

Factor Analysis

Factor	Eigen value	Variance Explained (%)	Cumulative Variance (%)
1	3.577	51.098	51.098

There is one underlying factor on **Culture and Employees** accounting for 51.1% of the variance as shown above.

Factor 1 (Component 1): This factor represents mainly the punctuality of employees at work, meetings and other corporate gatherings. It consists of seven variables namely:

- Punctuality at work, meetings and corporate gatherings is not negotiable
- Employees have respect for authority; I am proud to be working for my organisation
- In my organisation people are always searching for new ways of solving problems
- In my organisation employees have respect for each other
- I am personally satisfied with the work I do
- I always defend my organisation when outsiders talk badly about it

It means there is a relationship amongst these seven variables.

The critical factors (most important variables) on **Culture and Employees** based on factor analysis and frequencies are:

- I am personally satisfied with the work I do
- I always defend my organisation when outsiders talk badly about it
- I am proud to be working for my organisation
- Employees have respect for authority

4.6.6 Culture and Motivation (questions 6.1 – 6.10)

In this sub-section the researcher will use the Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity to determine the factorability of the data or the appropriateness of factor analysis on the data, in this case culture and motivation questions. After determining the suitability of the technique, principal components analysis will be applied on the questions to determine the smallest number of factors that can be used to best represent the interrelationships among the set of variables. This involves balancing two conflicting needs: the need to find a simple solution with as few factors as possible; and the need to explain as much of the variance in the original data set as possible (Pallant, 2010).

For this set of questions the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) value is 0.710, which is just above the minimum value acceptable of 0.6, and the Bartlett's test of sphericity value is significant (p-value = 0.000). This means factor analysis is appropriate for these questions.

Factor Analysis

Factor	Eigen value	Variance Explained (%)	Cumulative Variance (%)
1	3.729	37.289	37.289
2	1.221	12.215	49.504
3	1.149	11.493	60.997
4	1.003	10.033	71.030

There are four underlying factors on **Culture and Motivation** accounting for 71.0% of the variance as shown above.

Factor 1 (Component 1): This factor represents mainly work conditions in the organisation. It consists of five variables namely:

- My organisation is a great place to work.
- I am motivated to get to work each day
- I am happy about the way my organisation conducts its business
- In my organisation teamwork is encouraged
- I am given freedom to decide how to do my job

It means there is a relationship amongst these four variables.

Factor 2 (Component 2): This factor represents mainly freedom of communication in meetings. It consists of three variables namely:

- In my organisation everyone is free to raise a point in meetings
- In my organisation all employees are treated the same
- In my organisation teamwork is encouraged.

It means there is a relationship amongst these three variables.

Factor 3 (Component 3): This factor represents mainly the provision of resources to employees to do their work. It consists of three variables namely:

- The facilities, equipment and tools provided for me to do my job are excellent
- In my organisation all employees are treated the same
- I am given freedom to decide how to do my job

It means there is a relationship amongst these four variables.

Factor 4 (Component 4): This factor represents mainly the relationship amongst employees in the organisation. It consists of three variables namely:

- I get on well with my colleagues
- I know exactly what I am expected to do at work
- I am given freedom to decide how to do my job.

It means there is a relationship amongst these four variables.

The critical factors (most important variables) on **Culture and Motivation** based on factor analysis and frequencies are:

- I get on well with my colleagues
- In my organisation everyone is free to raise a point in meetings
- In my organisation teamwork is encouraged
- I am given freedom to decide how to do my job.

4.7 Conclusion

The chapter presented the results of the data analysis that was carried out for the research study. Firstly, the reliability of the questionnaire and the validity of the research study were examined. The analysis also looked at the background of the respondents in terms of gender, age, educational qualification and years of

experience, among other factors. The summarised responses of each section of the questionnaire were examined using charts, correlation analysis and paired T-tests. Factor analysis in general and principal component analysis in particular were used to examine and identify the most important variables or critical factors on each sub-section of the questionnaire.

Chapter Five will summarise and conclude the study as well as make recommendations to the O R Tambo District Municipality.

CHAPTER 5

5.0 FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

5.1 Introduction

Chapter 4 presented and discussed the analysis of the research data using the Statistical Product and Services Solution (SPSS) for Windows.

This chapter will present a summary of the findings for each research question investigated, limitations of the research, as well as implications of the study for the O R Tambo District Municipality.

5.2 Findings

The objective of the study was to determine whether the organisational culture of the O R Tambo District Municipality promotes efficient utilisation of the available resources. In other words, the research sought to find out whether the type of organisational culture of the O R Tambo District Municipality could be directly attributed to the performance of the organisation.

The following were the findings with regards to each research sub-question investigated:

5.2.1 Type of organisational culture

The O R Tambo District Municipality does not have a dominant culture. Instead, a number of cultures were found to be in existence, which are: bureaucratic culture, communal culture and toxic culture. An organisation that has a toxic culture is characterised by high staff turnover, as is the case within the O R Tambo District Municipality. In any organisation, a toxic culture is likely to result in the loss of institutional memory along with the best employees.

5.2.2 Culture and workplace procedures

There seem to be no workplace procedures in the O R Tambo District Municipality. This implies that employees do not have documented guidance on how to perform their duties. Employees rely instead on their previous work experiences or on their own research or innovation. This could be negative for the municipality as employees might do what they think is right rather than what is right for the organisation.

5.2.3 Culture visibility

From the responses from the questionnaire it can be concluded that the O R Tambo District Municipality does not visually display its culture. Employees seem not to understand even the vision of the organisation. This could be attributed to the organisation not properly communicating nor displaying its culture, either to internal staff or to the outside community.

5.2.4 Culture and performance management system

The lack of a dominant culture in the O R Tambo District Municipality creates an environment that is not conducive to nor supports a performance management system. As Bagraim et al. (2009) states: if an organisation lacks a uniform and dominant culture and consists of sub-cultures that are remarkably different from each other, there will be confusion and members will struggle to determine whether certain behaviour is acceptable or not.

5.2.5 Culture and employees

There is a general agreement among employees that they are proud to be associated with the O R Tambo District Municipality. This could be attributed to the fact that this municipality is the home in which legends were born, including world icon Nelson Mandela.

5.2.6 Culture and motivation

The culture of O R Tambo District Municipality does encourage employees to be innovative and to be motivated to achieve outstanding performance, however that motivation does not translate to high performance as can be seen from the performance reports of the Municipality as well as the reports from the Auditor General and Department of Co-operative Governance and Traditional Affairs.

The finding to the three main questions that this study was intended to determine can be summarised as follows:

- The culture of the O R Tambo District Municipality does not promote the efficient use of the available resources. This is evident in the fact that there are no documented work procedures as employees rely on their previous work experiences or getting guidance from their supervisors. This implies that everyone uses his or her own discretion when executing his or her own duties
- The culture of the O. R. Tambo District Municipality does not promote efficiency. As can be concluded from the theory above, when an organisation does not have a culture it creates confusion among workers as they cannot differentiate between what is acceptable and what is acceptable. Again lack of consequence management does not promote efficiency as employees know that even if they do not undertake their duties in an efficient manner there will be no repercussions.
- The O R Tambo District Municipality is rewarding hard work and not efficiency. Though the municipality has a performance management system, it is not supported by the culture of the organisation.

5.3 Limitations of the research

The major limitation in this research was that most of the respondents were from the Infrastructure Department, which has a high number of employees who are at the lowest levels of education in the Municipality. This has been evident in the responses where a number of responses were neutral. It can be concluded that they might not have understood the question and opted for neutral responses as opposed to either agreeing or disagreeing.

5.4 Recommendations

The primary objective of the study was to determine whether the O R Tambo District Municipality's organisational culture enables the municipality to fulfil its constitutional mandate in an efficient way, in other words, whether organisational culture is the determinant of efficiency in the municipality. This objective has been met through the literature that has been reviewed as well as the research conducted with the employees in the O R Tambo District Municipality.

Literature has revealed that culture has an influence on employees' behaviour. It is therefore important for leadership in an organisation to understand whether the culture influences employees in a positive or negative way in the overall performance of the organisation. The leadership and senior management of the O R Tambo District Municipality should consider the following:

- Define the ideal culture for the O R Tambo District Municipality, that will support the overall vision, mission and values of the organisation
- Review existing work procedures and develop those that are not in place in line with the new culture that the municipality seeks to adopt
- Engineer cultural change by using specific strategies and tools that will reinforce the desired culture and related behaviours. These would include

management development programmes, coaching and mentoring key individuals who do not exhibit the desired behaviours.

- Review the performance management system of the municipality to ensure that it rewards efficiency and deters undesirable behaviours
- Review the organisational culture on an annual basis during the strategic planning session of the municipality
- Implement continuous and consistent communication to all employees on the progress with regards to change of culture
- Proper alignment of set targets against the budget so as to avoid unnecessary expenditure which does not talk to targets achieved

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Annexures

Annexure A: Questionnaire

Cover letter to questionnaire



Dear Sir / Madam

Organisational Culture as a determinant of efficiency at the O R Tambo District Municipality

I am studying towards the Masters in Business Administration (MBA) at Nelson Mandela Metropolitan University Business School. I am conducting a study to determine whether the organisational culture of the O R Tambo District Municipality promotes efficiency.

The study will be used to influence policy decision making in the O R Tambo District Municipality, in order to ensure that the culture of the organisation is aligned to the vision of the organisation and is improved where necessary and thereby improving the way things are done in the Municipality.

You are part of the selected sample of respondents whose views are valued and important in this study. A questionnaire will be distributed through email or as hard copies to respondents in the O R Tambo District Municipality.

Participation in this research is voluntary, however, I kindly urge you to spare 15 minutes of your time to respond to the accompanying questionnaire. It would be appreciated if you can complete the questionnaire and return it by 21 October 2014.

For any queries that you might have, please feel free to contact me at: 0792114307, alternatively at 0825800107. You may also send electronic queries to nombasamsebi@hotmail.com.

Thanking you in advance for your participation.

Ms Nombasa Msebi (MBA Candidate)

QUESTIONNAIRE NUMBER.....

All responses are strictly confidential

Please do not write any confidential / personal information on this questionnaire

SECTION A – GENERAL INFORMATION

1. Gender (Please circle)

Male Female

2. Age (Please circle)

21 – 30 31 – 40 41 – 50 Above 50

3. Respondent's designation (Please tick)

Municipal Manager	
Senior Manager	
Manager	
Section Head	
Supervisor	
Junior employee	
Any other (Please specify)	

4. Respondent's qualification (Please tick)

Grade 12	
National Certificate	
National Diploma	
National Higher Diploma	
Degree	
Post graduate	
Other (Please specify)	

5. Municipal department (Please tick)

Infrastructure and Services	
Human Settlement	
Corporate Services	
Community Services	
Budget and Treasury Office	
Mayoral Office	
Other (Please specify)	

6. No of Years of total work experience (Please tick)

0 – 5 years	
5 – 10	
10 - 15	
15 - 20	
20 - 30	
More than 30	

7. No of Years of work experience in the Municipality (Please tick)

0 – 5 years	
5 – 10	
10 - 15	
15 - 20	
20 - 30	
More than 30	

SECTION B – TYPE OF ORGANISATIONAL CULTURE

Please indicate to what extent you agree with each of the statements below by putting a cross in the appropriate block

SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree

1.0	What type of organisational culture is dominant in the O.R. Tambo District Municipality	SA	A	N	D	SD
1.1	Where I work, people like each other a great deal and generally get along					
1.2	People in my organisation are always looking for better ways of resolving organisational problems					
1.3	In my organisation people do small favours for each other					
1.4	In my organisation, employees receive strong and clear guidelines about what to do to achieve organisational goals.					
1.5	The employees of my organisation know their goals very clearly					
1.6	In my organisation achieving organisational goals is the most important thing to do					
1.7	In my organisation there are consequences for poor performance.					
1.8	In my organisation there are incentives for good performance					
1.8	New ideas are accepted in my organisation					
1.9	My organisation is quick to respond when changes have to be made					

1.10	In my organisation it is considered extremely important to follow the rules					
1.11	People are allowed to ignore formal procedures if it helps to get the job done					
1.12	Everything has to be done according to the book in my organisation					
1.13	In my organisation, nobody gets upset if people break the rules					
1.14	Getting the job done is always the priority regardless of the situation					
1.15	In my organisation there is high staff turnover					
1.16	It is better to be associated with my profession than my organisation					
1.18	Everybody knows almost everyone in my organisation					

SECTION C – CULTURE AND WORKPLACE PROCEDURES

2.0	How does the culture promoted by management align to workplace procedures	SA	A	N	D	SD
2.1	In my organisation, management is committed to following workplace procedures					
2.2	In my organisation workplace procedures allow creativity and innovation					
2.2	Management promote creativity and innovation					
2.3	Management always appreciate, acknowledge and applaud best performance by the employees					
2.4	In my organisation workplace procedures are effective					
2.5	In my organisation workplace procedures are easy to follow					

2.5	In my organisation there are consequences for unethical behaviour					
2.6	I am aware of my organisation's workplace procedures					
2.7	Workplace procedures are important for me to perform my duties					
2.8	In my organisation workplace procedures are written and documented					
2.9	In my organisation workplace procedures are communicated by word of mouth					

SECTION D – CULTURE VISIBILITY

3.0	Does the organisation visually display its culture	SA	A	N	D	SD
3.1	There is a prescribed dressing code in my organisation					
3.2	Employees are always professionally dressed					
3.3	In my organisation office layout is conducive to efficiency					
3.4	My organisation's values are displayed such that all employees know, understand and apply them					
3.5	In my organisation the use of titles, i.e. Mr, Mrs, Dr, etc. is very important and has to be observed and adhered to at all times					
3.6	The vision of my organisation is clear and employees understand what is expected of them out of it					
3.7	The organisation's vision is clearly displayed and known by employees					

SECTION E – CULTURE AND PERFORMANCE MANAGEMENT SYSTEM

4.0	Does the culture support the performance management system	SA	A	N	D	SD
4.1	In my organisation good performance is always rewarded					
4.2	In my organisation promotion is based on good performance					
4.3	Promotion is based on the number of years an employee has been in the organisation					
4.4	Performance management system is applicable at all levels					
4.5	In my organisation employees are held accountable for poor performance					
4.6	In my organisation everyone supports the performance management system					
4.7	Performance is monitored and evaluated on a quarterly basis					
4.8	Each employee understands his or her role to the overall institutional performance					
4.9	In my organisation everyone understands his or her key performance indicators					
4.10	In my organisation financial bonuses are paid to all employees as a result of good performance					
4.11	In my organisation financial bonuses are paid only to senior managers as a result of good performance					

SECTION F – CULTURE AND EMPLOYEES

5.0	Does the culture make employees to be proud to work for the organisation	SA	A	N	D	SD
5.1	In my organisation people are always searching for new ways of solving problems					
5.2	I always defend my organisation when outsiders talk badly about it					
5.3	I am proud to be working for my organisation					
5.4	In my organisation employees have respect for each other					

5.5	Punctuality at work, meetings and corporate gatherings is not negotiable					
5.6	Employees have respect for authority					
5.7	I am personally satisfied with the work I do					

SECTION G – CULTURE AND MOTIVATION

6.0	Does the culture of the organisation motivate employees to achieve outstanding performance	SA	A	N	D	SD
6.1	In my organisation everyone is free to raise a point in meetings					
6.2	In my organisation teamwork is encouraged					
6.3	In my organisation all employees are treated the same					
6.4	I am happy about the way my organisation conducts its business					
6.5	I get on well with my colleagues					
6.6	I am given freedom to decide how to do my job					
6.7	I know exactly what I am expected to do at work					
6.8	My organisation is the great place to work in					
6.9	The facilities, equipment and tools provided for me to do my job are excellent					
6.10	I am motivated to get to work each day					

Thank you

Ms Nombasa Msebi

MBA Candidate