THE CONTRIBUTIONS OF PERFORMANCE MANAGEMENT SYSTEMS TO PERFORMANCE IN THE NAMIBIAN CONTEXT

BY
NDAFUDA NDAYANDJOSHISHO HAMUMOKOLA

A dissertation submitted to the Faculty of Commerce, Law & Management, University of the Witwatersrand, Johannesburg, in fulfilment of the requirements for the degree of Master of Commerce.

JOHANNESBURG
SOUTH AFRICA
SEPTEMBER 2013

ABSTRACT

Although there is considerable interest in the role of performance management systems (PMS) to enhance innovation and performance, there is limited literature regarding successful implementation in organisations. Most research has focused on the technicalities of performance management implementations, while neglecting the human reactions that influence the outcomes of such systems. This research therefore aimed to examine employees' perceptions of performance management systems in various organisations and how performance management systems, or the lack thereof, specifically influence performance in the Namibian organisational context.

A multiple case study methodology was adopted for the research, where open-ended questionnaires and semi-structured interviews were used to collect data from various organisations. Data was primarily analysed by means of qualitative content analysis which was supported by the pattern matching technique.

The research findings supported goal setting theory which predicts that performance benefits can be realised by implementing specific challenging goals because they have a motivational effect on employees compared to vague and easy goals. Findings also supported theory which suggests employee participation in goal setting and providing feedback led to higher performance compared to when goals are assigned and no feedback is given. The findings supported predicted positive relationships between rewards and performance. However, findings also suggested that performance management systems, or lack thereof, are unfair because rewards are distributed unjustly, which has a negative effect on performance. Nevertheless, it was suggested that employees are more motivated to perform by intrinsic factors, including achieving challenging goals, than extrinsic factors. These findings not only supported goal setting theory, they supported McGregor's (1960) theory Y which argued that employees are ambitious and motivated by more than money, yet surprisingly also supported his theory X as it was revealed that some employees would only work harder if rewards, or performance bonuses, are given.

Although the research aimed to test goal setting theory, findings also supported Vroom's (1964) valence-instrumentality-expectancy theory, Maslow's (1943) and McClelland's (1975) need theories, which all argue that performance is enhanced by other sources of motivation. The findings supported contradictory theories, yet discovered interdependency among the theories, which created a cyclical notion. This means, Vroom's (1964) theory argues that an employee can be motivated to perform better when there is a belief that the better performance will lead to good performance appraisal and in the realisation of personal goal in the form of some reward. It, however, implies that goal setting theory has no impact on employees' performance. Yet, according to the qualitative findings, some employees will only increase performance if their performance is monitored and appraised. Therefore organisations are required to have performance management systems in place, in turn, supporting goal setting theory.

The research attempted to generate meaningful insight that would be beneficial to organisations, in and outside Namibia, that are considering implementing or improving their performance management systems by incorporating what employees perceive to be fundamentally important. Communication, management support, performance feedback, education and training, goal setting and employee participation are amongst the factors perceived as essential to effective performance management systems implementation. As literature (Bernardin & Beatty, 1984; Fox & Spector, 2002) has affirmed, these findings stress that the effectiveness of performance management systems depends on employees' attitudes and perceptions of the systems.

Key words: Performance management, performance management systems, employee perceptions, goal setting theory

DECLARATION

I hereby declare that this dissertation is my own, unaided work. It is being submitted in fulfilment of the requirements of the Degree of Commerce in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination to any other University.

____

NDAFUDA N. HAMUMOKOLA

Signed on this the **__18th__**day of**__September___**, 2013.

ACKNOWLEDGEMENTS

I would like to extend my heartfelt gratitude to the following people without whom this work would not have been possible:

To the Almighty God for giving me the strength and courage to complete this research against all odds. With Him everything and anything is possible.

To the Management of the Companies listed below for granting me permission to conduct my research in their organisations, and their respective contact persons for their assistance in collecting data:

- TransNamib Holdings Ltd
- NamPower (Pty) Ltd
- Namibia Water Corporation
- Namibia Development Corporation
- Silnam IT Solutions (PTY) Ltd
- Namibia Financial Institutions Supervisory Authority

To all the participants (questionnaires and interviews) who have voluntarily taken part in my research. Their efforts are greatly acknowledged.

To my Supervisor, Chris Callaghan, for his guidance and support throughout the duration of my studies. You believed in my capabilities, gave me the freedom to lead and create a learning path. I would not have completed this without your guidance, understanding, time and determination. I shall be eternally grateful to you.

Contents

LIST OF TABLES

LIST OF FIGURES

ABBREVIATIONS

CPST	-	Centre for Public Service Training
CSFs	-	Critical Success Factors
DTR	-	Data Tracking Records
HRM	-	Human Resource Management
ICT	-	Information Communication Technology
IPC	-	Individual Performance Contracts
MBO	-	Management-by-Objectives
Namfisa	-	Namibia Financial Institutions Supervisory Authority [NF for quote referencing]
NamPower	-	NamPower (Pty) Ltd [NP for quote referencing]
NamWater	-	Namibia Water Corporation [NW for quote referencing]
NDC	-	Namibia Development Corporation Ltd
NOS	-	National Organisations Survey
OCB	-	Organisational Citizenship Behaviour
OPM	-	Office of the Prime Minister
PA	-	Performance Appraisal
PAS	-	Performance Appraisal System
PMA	-	Performance Management Analysis
PMS	-	Performance Management System
Silnam	-	Silnam Information Technology Solutions (Pty) Ltd [SIL for referencing]
TCA	-	Thematic Content Analysis
TQM	-	Total Quality Management
TransNamib	-	TransNamib Holdings Limited
WASCOM	-	Wages and Salaries Commission
PAR	-	Participant

CHAPTER 1:
INTRODUCTION OF THE STUDY

1.1. PERFORMANCE MANAGEMENT AND PERFORMANCE MANAGEMENT SYSTEMS

Performance management is the intervention targeted at individual employees with the aim of directing and enhancing their performance to improve organisational performance (Pulakos, 2004). In recent years, companies have been urged to adopt a variety of performance-enhancing or progressive human resource management practices to improve their competitiveness in the global marketplace (Longenecker & Stanfield, 2005; Bae, 2006; Becker & Gerhart, 1996, Das, Kumar & Kumar, 2010; Evans & Lindsay, 1993; Wright, Gardner & Moynihan, 2003). Such recommendations are not surprising given that professionals and academics have long asserted that the way in which an organisation manages people can influence its performance (Becker & Gerhart 1996; Delaney & Huselid, 1996). The use of high performance work practices, such as incentive compensation and performance management systems, employee involvement and training, can improve the knowledge, skills, and abilities of a firm's current and potential employees, increase their motivation and enhance retention of quality employees (Jones & Wright, 1992).

A considerable amount of resources are being utilised by organisations of all sizes and types towards implementing performance improvement strategies (Anderson & Sohal, 1999). There have been positive associations reported between firm-level measures of human resources management (HRM) systems such as performance management and organisational performance (Huselid & Becker, 1994). However, numerous studies (Hendricks & Singhal, 1997; Bourne et al., 1999; Hudson, Smart & Bourne, 2001; Anderson & Sohal, 1999; Jackson & Schuler, 1995; Lado & Wilson, 1994; Milgrom & Roberts, 1995) suggest that many practices have not been effective. Some researchers claim that seventy percent of attempts to implement performance measurement systems fail (McCunn, 1998).

Performance management systems are the formal, information-based routines and procedures that managers use to maintain or alter patterns in organisational activities (Simons, 2000). Performance management systems are used largely in managing human resources and they contribute to organisational strategy (Matlala, 2011). It is through these systems that organisations emphasise their strategic direction, ensure accountability, create value for their clients and ultimately realise profits (Matlala, 2011). Organisations also develop performance management systems to motivate and retain their most important assets, their employees.

Performance management systems include employees' performance appraisals, one of the most commonly used management tools in organisations (Monis & Sreedhara, 2010). Over 90 percent of large organisations employ some performance appraisal system and over 75 percent of state employment systems require annual performance appraisals (Seldon, Ingraham & Jacobson, 2001). Fink and Longernecker (1998) add that numerous organisations, whether large or small, public or private, manufacturing or services, use performance appraisal as a tool to accomplish the goals of HRM with an aim to developing human capital.

The widespread use of performance appraisal can be attributed to the belief by many managers and human resource professionals that performance appraisal is a critically needed tool for effective human resource management and performance improvement (Longenecker & Goff, 1992). The assumption appears to be that an effectively designed, implemented, and administered performance appraisal system can provide the organisation, the manager, and the employee with a surplus of benefits (Coens & Jenkins, 2000). Murphy and Cleveland (1995) mention a few of the potential advantages of properly used performance appraisals. They facilitate organisational decisions such as reward allocation, promotions and/or demotions, layoffs and/or recalls, and transfers. Performance appraisals may also assist managers in developing employees, serve to assist individual employees' decisions regarding career choices and the subsequent direction of individual time and effort, and may increase employee commitment and satisfaction, due to improvements in organisational communication (Murphy & Cleveland, 1995).

According to Saeed and Shahbaz (2011), performance appraisal implementation has been emerging as a strategic approach aimed at aligning human resource activities with organisational objectives and it has also positioned HRM as a key function at the forefront of corporate strategy. Organisations are seeking to evaluate and develop the competencies of their employees and setting reward criteria based on results by applying performance appraisal (Fletcher, 2001). The implementation of performance management systems takes time and effort, and participants must be convinced that the system is useful and fair (Cascio

& Aguinis, 2005). Stakeholders' negative perceptions of the system may carry numerous adverse consequences. Although largely positive, a study by Houldsworth and Jirasinghe (2006) found that most managers find the performance appraisal process to be time consuming, inconsistent, inflexible, poorly communicated, having an insufficient reward link as well as lacking a high level of management capability to do it well.

The introduction and implementation of a performance management system carries profound implications for both employees and organisations. For employees, performance management systems have direct implications for rewards and recognition. Organisations invest huge amounts of financial and non-financial resources on performance management systems, and it is important that such systems are owned and used effectively by all concerned. Therefore employees' perceptions of the system are vital. Fletcher (2004) contends that employee consultation is vital because it enhances ownership of the system and its effectiveness. There is however a misconception among a large number of employees that performance appraisals do not play any role in employees' career planning and career growth. Nonetheless, some research reported that employees are keen to have performance appraisal system implementations in their organisations and they expect that implementation of performance appraisal would be constructive (Saeed & Shahbaz, 2011).

According to Messer and White (2006), employees' perceptions of fairness affect their likelihood to demonstrate organisational citizenship behaviours. In this case, perceived unfairness and ineffectiveness of the performance management system can result in counterproductive and sometimes detrimental behaviour from employees. Research has consistently found that people care about fair treatment (Matlala, 2011). When individuals perceive that they are treated fairly, they express greater satisfaction with social relationships (Clay-Warner, Hegvedt & Roman, 2005). This is an indication that organisations and their systems and processes are susceptible to the power of human perceptions. According to Kinlaw (1988), employees' perceptions are very important but rarely considered.

Recent research has moved away from studies of rater accuracy and psychometric measures to themes of employee reactions towards performance appraisal as indicators of system satisfaction and efficacy (Levy & William, 2004). Performance appraisal is one of the most widely researched areas in industrial or organisational psychology (Murphy & Cleveland, 1995). Despite extensive research in the area, there is a lack of empirical evidence on the factors that influence the satisfaction of employees towards performance appraisal systems (Levy & William, 2004).

Goal-setting is a technique that is often employed in organisations as part of traditional performance appraisals and broader performance management interventions (Bipp & Kleingeld, 2011). Although companies judge certain aspects to be important, such as communication and transparency (Erke & Bungard, 2006), other research indicate that little is known about critical success factors for goal-setting programs from the view of staff members (Bipp & Kleingeld, 2011). While those programs might in practice be ideally designed according to the goal-setting theory, the individual employees' perceptions about these systems may also influence their performance, via their goal commitment or outcomes in terms of job satisfaction (Bipp & Kleingeld, 2011). Identifying how employees' perceptions of aspects of goal-setting influence work motivation is especially valuable, in order to support the intended performance-enhancing effects of goal-setting programs in practice (Bipp & Kleingeld, 2011). In addition, emotions play an integral, inseparable part in our everyday lives as they influence our work and are in turn influenced by our work experiences, thereby making a case for the importance of their study in the organisational context (Fox & Spector, 2002). Moreover, managers may benefit from the application of research identifying specific work events that lead to specific emotions in order to create positive events rather than simply attempting to avoid negative events (Fisher, 2002).

1.2. RESEARCH PROBLEM

There is a global trend of continuously demanding, highly competitive markets that demand organisations to respond to competitive pressures in order to survive the dynamic environment (Longenecker & Stansfield, 2005; Bae, 2006; Becker & Gerhart, 1996, Das et al., 2010). The survival and continuity of an organisation depends on its performance (Flapper, Fortuin & Stoop, 1995). Literatures (Becker & Gerhart, 1996) have long asserted that the way in which an organisation manages people can influence its performance. Therefore organisations have increasingly recognised the potential for their people to be a source of competitive advantage (Pfeffer, 1994). Creating competitive advantage through people requires careful attention to the practices that best leverage these assets (Wright, Gardner & Moyniham, 2003). Organisations therefore need to ensure effective management of people and performance to satisfy the requirements of business continuity, competitiveness and survival (Campbell, 2004; Longenecker & Simonetti, 2001). These developments have brought performance management systems to center stage (Bae, 2006).

Performance management systems, which typically include performance appraisal and employee development, are the "Achilles' heel" of HRM (Pulakos, 2004). Little research has been done to establish the link between HRM practice and organisational performance (Terziovski & Samson, 1999). Changing individual employee behaviour lies at the heart of organisational change programmes (Porras & Robertson, 1992). According to Becker and Huselid (1998), HR practices have a direct impact on employee skills, motivation, job design and work structures. Wright et al. (2003) add that these variables elicit certain levels of creativity, productivity and discretionary effort, which subsequently translate into improved operating performance. However, many interventions result in negligible or even negative change within organisations (Matheny, 1998). As asserted by Winum, Ryterband and Stephensen (1997), failure to change behaviour within organisations is a result of ignorance or violation of established change psychology principles. Previous studies have largely failed to overcome many of the organisational constraints and provide practical knowledge on successful implementation of performance management systems (Redman, 2001).

According to Murphy and Cleveland (1995), employees' reactions to appraisals are a class of neglected criteria that should be considered in evaluating the success of a PAS. Bernardin and Beatty (1984) add that employee reactions are usually better indicators of the overall viability of a system than the more narrow psychometric indices. For instance, it has been frequently discussed that performance appraisals have positive effects on employees' behaviour and their job route progress in the future. Employees should experience positive reflections of performance evaluation otherwise each evaluation system would fail (Cardy & Dobbins, 1994). A performance appraisal system can be psychometrically sound in design and construction but still wholly ineffective in practice due to resistance or lack of acceptance on the part of users (Roberts, 1990). Thus, the effectiveness of a system is particularly contingent on the attitudes of the system users, both raters and ratees (Roberts, 1990).

The literature indicates that there are many factors to consider in the evaluation of performance appraisal including employee attitudes towards variables such as perceptions of fairness. Bretz, Milkovich and Read (1992) indicate that the most important performance appraisal issue faced by organisations is the perceived fairness of the performance review and the performance appraisal system. Employee perceptions of the fairness and effectiveness of the performance system are often shaped by how they perceive their managers' attitudes, their understanding and application of the system as well as the culture of the organisation (Matlala, 2011).

There is an inadequate availability of performance management literature in Namibia. This has been a growing concern since the country's independence in 1990. The Namibian Public Service inherited a performance appraisal system that used the Merit Assessment and Efficiency Rating approach to evaluate staff performance (Simataa, 2004). In 1996, a new Performance Appraisal System (PAS) was introduced and substituted the initial system, following the recommendations of the Wages and Salary Commission (WASCOM). However, the new Performance Appraisal System was suspended in 1998 due to the lack of a supporting organisational culture and insufficient training on the system prior to implementation (Simataa, 2004).

During 1998 the Office of the Prime Minister (OPM), with the assistance of the Center for Public Service Training (CPST), conducted a training needs analysis amongst Senior Management across the Public Service of Namibia. The outcome thereof was a need to introduce a Performance Management System (PMS) in the Public Service of Namibia in hope that it would be able to help motivate the staff, ensure effective management and provide tools to objectively measure staff performance. To date, the proposed system has not been implemented.

In consideration of the deficient performance management literature in Namibia, this research will generate information that would not only be useful to the Namibian public service but to organisations in general in effectively implementing performance management. The research will also identify some common flaws in the current performance management systems in organisations and aim to provide useful information to address the identified defects. This will be carried out by scrutinising the current performance management systems and exploring employees' recommendations towards improving and addressing the recognised faults. This research significantly contributes towards the limited performance management literature. The value of performance management to an organisation can not be truly appreciated unless it is well understood. This research provides information to inform organisations how performance management can add value to them and their employees.

1.2.1 The Aim of the Research

The aim of this research is to provide clarity by scrutinising employees' perceptions of performance management systems, or lack thereof, and how these perceptions can potentially affect employees' performance in the Namibian organisational context. The research contributes to literature by providing necessary information regarding the implementation of performance management systems from employees' point of view. As mentioned above, employees' perceptions towards performance appraisals are not a commonly researched area, yet an essential one that has significant impact on organisational performance. A broader pool of knowledge will provide organisations with useful practical information that will assist in improving their use of and implementation of performance management initiatives.

1.2.2 The Research Objective

The objective of this research is to study and analyse the perceptions of employees regarding performance management systems in various organisations in Namibia. The research also aims to test theory that relates to performance management systems and performance. The research focuses primarily on goal setting theory. However, findings will determine whether or not goal setting and/or other theories of motivation have an impact on performance and their relevance to this research.

The overarching objective of the research is to generate insight that can provide organisations with information that is considered successful in implementing performance management practices, including performance appraisal and goal setting practices. Better understanding of the perceptions by persons directly involved and/or affected by performance management systems should provide decision makers with more specific and useful information needed to improve the effectiveness of the systems in achieving organisational goals. As literature has affirmed, the effectiveness of performance management systems is, after all, depended on the attitudes of the users.

1.2.3 The Research Theoretical Propositions

Goal setting is a motivational technique used extensively in organisations and it is fundamental to many performance appraisal schemes (Bipp & Kleingeld, 2011). It is a method of directing individuals' efforts at work and providing a standard against which performance can be assessed (Yearta, Maitlis & Briner, 1995). Literature (Locke & Latham, 2002; Latham & Yukl, 1975) has re-affirmed the positive relationship between goal setting and performance. Reasons for this relationship may be explained by the propositions below that have been derived from goal setting literature and will be used to guide the research:

1) Performance benefits can be realised through the implementation of challenging and specific goals.
2) Participation in goal setting will lead to higher performance than assigned goals.
3) Supportive and timely supervisory feedback will lead to higher performance than when no feedback is provided.
4) There is a positive relationship between rewards and performance.
5) There is a positive association between positive perceptions of goal setting and performance.

According to Yin (2003), research propositions direct attention to something that should be examined within the scope of a study and to keep the research focused. These propositions have therefore been provided to achieve this purpose for the research.

1.2.4 The Research Questions

In attempting to achieve the research objectives, the core question of the research is **"*How do performance management systems contribute towards employees' performance?*"** From this core research question, the following secondary questions have been derived to provide basis for linking the research findings to the theoretical propositions:

1. *What is the relationship between the implementation of a performance management system and performance?*
2. *What roles do feedback and goal setting play in performance management systems?*

3. *How do employees perceive the system: is it fair, is it useful, does it change their approach to their work, does it motivate them to perform better?*
4. *What factors are associated with the success or failure in performance management systems?*

1.3. RESEARCH METHODOLODY OVERVIEW

The study was conducted based on the qualitative case study research technique to describe employees' perceptions towards performance management systems implementation within various organisations. The study began with secondary data analysis through the detailed review of related literature. Primary data was collected by means of open-ended questionnaires and semi-structured interviews, and thereafter analysed through qualitative content analysis. A total of seventy-six participants voluntarily took part in the research, from six different organisations. The research data collection and analysis procedures were clearly documented to assure trustworthiness and validity of the findings.

1.4. BRIEF OUTLINE OF THE RESEARCH STUDY

Chapter one introduces the research topic as well as the rationale of the research. Performance management literature in Namibia is briefly discussed as leading to the justification of the research. The chapter also outlines the research aim and objectives and specifies the research questions that the research has addressed.

Chapter two reviews literature and examines what previous researchers have studied and concluded in the researched field. Various aspects of performance management systems have been discussed including success and failure factors. Related theories are also discussed, with goal setting theory specifically discussed in greater detail, as it the theory this research aimed to test.

Chapter three describes the methodology that has been adopted in carrying out the research. It also offers justifications for the selected approaches. Participating organisations have been briefly introduced, as units of analysis, and the population from which respondents were drawn. Sources of data collection and data analysis procedures have been described in detail to enable repetition of the study by a later researcher as well as to strengthen the research validity. Trustworthiness and validity of the research processes have also been discussed in detail as the research's quality assurance. The limitations as well as ethical considerations of the research are also outlined in this chapter.

Chapter four reports the research findings and links these to other literature. Findings are presented by focusing on key themes derived from the research questions. Findings are presented per organisation before they are discussed as combined research data. Findings of each organisation were summarised and presented accordingly in displayed diagrams.

Chapter five analyses the key research findings presented in chapter four to answer the research questions. Related literature was also integrated and theoretical propositions to guide the analysis and keep it focused on addressing the research questions. Recommendations of solutions were suggested to resolve concerns that were revealed from the findings. The chapter also includes the commonly reported flaws of current PMS in organisations which are known to negatively affect the systems and employees' performance.

Chapter six summarises the empirical findings and research process after revisiting the aim and objective. It further outlines the research contributions, implications and recommendations to be considered regarding implementation of performance management systems. Potential areas of further research are also considered.

1.5. CONCLUSION

This chapter provided the introduction of the research by briefly investigating the performance management phenomenon and performance management initiatives, particularly performance appraisal and goal setting. The research problem, aim, objectives, theoretical propositions and questions that the research has addressed are also addressed in this chapter. A brief overview of the research methodology and structure has also been provided. A review of related literature will be undertaken in the following chapter.

CHAPTER 2:
LITERATURE REVIEW

2.1 INTRODUCTION

This chapter serves as the foundation for this research study. An overview of the broad historical research related to the studied phenomenon, its practises and goal setting is presented. Application of the concepts of theories of motivation as a way to understand the dynamics of performance and motivation, critical success and failure factors as well as other relevant factors related to performance management are also addressed.

2.2 PERFORMANCE MANAGEMENT PRACTICES

Performance management involves all the initiatives managers undertake to guide and motivate high performance (Flapper et al., 1995). Such initiatives have traditionally focused on providing formal performance appraisals, rewards and recognition for high performance, as well as taking remedial action to address performance deficiencies (Heslin, Carson & VandeWalle, n.d.). Performance management can also facilitate flexibility and continually improve performance in rapidly changing contemporary workplaces (Longenecker & Stansfield, 2000). To do so, however, traditional periodic performance appraisal initiatives need to be supplemented by ongoing performance coaching (Bourne, Franco & Wilkes, 2003). A key element for effectively coaching employees is the practical use of goal setting (Heslin et al., n.d.), which will be discussed in greater detail.

2.3 PERFORMANCE APPRAISAL AND PERFORMANCE MANAGEMENT

Although every HR function contributes to performance management, training and performance appraisal play a more significant role. Performance appraisal is a formal system of review and evaluation of individual or team task performance (Walsh, 2003). It is commonly viewed as a process by which a superior evaluates and judges the work performance of a subordinate (Walsh, 2003). Performance appraisal systems include the processes and procedures involved in implementing, managing, and communicating the events involved in performance appraisal (Walsh, 2003). Numerous organisations employ a formal or informal assessment system that measures employees' performance and contributions (Carroll & Schneier, 1982). Coens and Jenkins (2000) suggest that performance appraisal is a mandated process in which, for a specified period of time, all or a group of an employee's work behaviours or traits are individually rated, judged, or described by a rater and the results are kept by the organisation. Karol (1996) considered performance appraisal to include a communication event scheduled between a manager and an employee expressly for the purposes of evaluating that employee's past job performance and discussing relevant areas for future job performance. DeNisi, Cafferty, and Meglino (1984) indicated that performance appraisal is an exercise in social perception and cognition embedded in an organisational context requiring both formal and implicit judgment. According to Mathis and Jackson (1998), performance appraisal aims at clarifying the employees' work expectations, improving employee development, linking pay with performance and assessing workforce development.

Performance appraisal is especially critical to the success of performance management because it is the usual vehicle by which the organisational goals and objectives are translated into individual objectives (Monis & Sreedhara, 2010). Performance appraisal directly reflects the organisation's strategic plan (Russell & Russell, 2010). While evaluation of team performance is critical when teams exist in an organisation, the focus of performance appraisal in most firms remains on the individual employee (Rusell & Rusell, 2010). Regardless of the emphasis, an effective appraisal system evaluates accomplishments and initiates plans for development, goals, and objectives (Russell & Rusell, 2010). Performance appraisal and performance management cannot be separated (Lebas, 1995).

A variety of components may be included in the performance appraisal process. Landy and Farr (1980) presented a model of performance appraisal that included thirteen interacting factors, including:

- position characteristics
- organisation characteristics
- the purpose of the rating
- the rating process
- scale development
- the rating instrument
- rater and rate characteristics
- the observation and storage of performance data

- the retrieval and judgment of that performance
- analysis of this information
- performance description, and
- personnel action (Landy & Farr, 1980).

According to Mohrman, Resnick-West and Lawler (1989) there are four activities in the performance appraisal cycle in organisations, namely:

1) defining what performance is or should be;
2) measuring and evaluating performance;
3) feeding information about that performance back to the individual; and
4) providing information to other organisational systems that use it.

Latham and Wexley (1981) listed similar requisite components but added a review of legal requirements, development of an appraisal instrument, selection and training of observers, and praise or reward for performance. Regardless of the definition or the specific components included, performance appraisal in most organisations is formal, structured, and required. The process is generally defined to include an interview between the rater and the ratee as well as performance documentation required by the formal evaluation system.

A properly administered performance appraisal system may be an asset to an organisation (Wiese & Buckley, 1998). However, according to Barrent (1967) if the tools and goals of the performance appraisal process are incongruent with organisational goals, the resulting performance appraisal system may, in fact, be a detriment to effective organisational functioning. Furthermore, in a team environment, some believe individual performance appraisals interfere with teamwork by over-emphasising the individual (Wiese & Buckley, 1998). In fact, some have suggested that there is no need for performance appraisal in future organisations (Deming, 1986). Additionally, ineffective performance appraisal systems may result in mixed messages concerning which aspects of job performance are most and least important, due to the oblique contingency between individual behaviour and organisational rewards. Finally, due to the differing and often conflicting needs of stakeholders, the organisation, appraiser and employee, the process is often a source of unmet expectations for all concerned (Murphy & Cleveland, 1995).

What many researchers fail to mention is that performance appraisal is often dreaded by participants and perceived as a negative activity that seems to elude mastery (Russell & Rusell, 2010; Lawler, Mohrman & Resnick, 1984). It is often seen that a performance appraisal is considered as just a formality and is very boring, and is because the results of per appraisal are not often followed by any feedback (Prasetya & Kato, 2011). Managers do not like giving them and employees do not like receiving them (Houghton, 2010). According to Bouskila-Yam & Kluger (2010), people in many organisations are dismayed by performance appraisals, as indicated by the titles of at least three books that suggest putting an end to performance appraisals: “Abolishing Performance Appraisals” (Coens & Jenkins, 2000), "Catalytic Coaching: The End of the Performance Review" (Markle, 2000), and "Performance Conversations: An Alternative to Appraisals" (Lee, 2006), citing that numerous problems with performance appraisals can be summarised as follows: performance appraisal does not lead to performance improvement, and performance appraisals destroy relationships in organisations (Bouskila-Yam & Kluger, 2010).

Folger and Lewis (1993) suggest that performance appraisals typically engender the same degree of enthusiasm as paying taxes. Although employees want to know how well they perform on their jobs, many people do not want to hear that they were less than perfect the previous year (McCarthy & Garavan, 2001). Similarly, managers do not want to face the argument and weaken morale that can result from the performance appraisal process (McCarthy & Garavan, 2001). Deming (1986, p. 98) identified performance appraisals as one of the "Seven Deadly Diseases" destructive to organisations and has called them "...the most powerful inhibitor to quality and productivity in the Western world". He continued to state that "in practice, annual ratings are a disease, annihilating long-term planning, demobilising teamwork, nourishing rivalry and politics, leaving people bitter, crushed, bruised, battered, desolate, despondent, unfit for work for weeks after receipt of rating, unable to comprehend why they are inferior. It is unfair, as it ascribes to the people in a group differences that may be caused totally by the system that they work in" (Deming, 1986, p. 102).

One can question: if organisations establish and undertake regular performance appraisals for seemingly worthy purposes, why are they almost universally despised by both the employee and the manager conducting the appraising? According to Scholtes (1998), the range of problems with performance appraisals is largely due to the fact that performance appraisal systems are based on a set of widely held, invalid assumptions. Many of these false assumptions relate to the process of the evaluations themselves. For instance, the following are taken as given: inter-evaluator consistency; intra-evaluator consistency; reasonable and achievable work standards; work standards directly relevant to the business and its clients; identical work processes; stable work systems capable of delivering the expected results; evaluations lead to improvements in individual performance; individual performance can be identified separate from system factors; and the employee has control over the results (Scholtes, 1998). Many of these assumptions have questionable validity. In many cases, performance appraisals have been instituted primarily in an attempt to motivate employees, despite the fact that "...appraisals were never designed to improve performance, only to measure and rate it" (Lee, 2006, p. 19).

Researchers have developed and practitioners have implemented various changes to the evaluation criteria, rating instruments and appraisal procedures in an effort to improve the accuracy and perceived fairness of the process (Banks & Murphy, 1985). However, Church (1985) argues, in spite of the attention and resources applied to the practice, dissatisfaction with the process still abounds and systems are often viewed by employees as inaccurate and unfair.

2.3.1 Dissatisfaction with Performance Appraisal

In spite of the current ubiquitous use of performance appraisal systems and its perceived importance in the future, there is considerable contention over its efficacy and usefulness. Surveys through the years have indicated a relative lack of satisfaction towards the effectiveness of performance appraisal systems in both private and public organisations (Walsh, 2003). Bricker (1992) reported survey results indicating that just twenty percent of American companies were very satisfied with their performance review process. A 1990 Industry Week survey indicated that only eighteen percent of readers responded that their reviews were very effective (Bricker, 1992). This was down from twenty percent in 1987 (Bricker, 1992). Research by Verespei (1990) found that thirty-one percent of the respondents found reviews to not be very effective or that they were waste of time. A Wyatt Company survey of 900 companies found that only ten percent of companies indicated satisfaction with their employee evaluation programs (Small Business Report, 1993). Thirty percent were dissatisfied and sixty percent were not convinced one way or another (Small Business Report, 1993). A 1997 nationwide survey of human resource professionals by the Society for Human Resource Management found that only five percent of the respondents were very satisfied with their organisation's performance evaluation system and that forty-two percent were dissatisfied to some extent (Barrier, 1998). It should be noted that most of these figures were obtained from surveys often completed by human resource professionals and other organisational managers and do not reflect any rigorous evaluation of performance appraisal processes or systems (Walsh, 2003).

Arvey and Murphy (1998) indicate that there is a substantial gap between research and practice in performance appraisal. According to these researchers, the gap between research and practice was apparent in 1989 when many studies were conducted in the laboratory. These studies focused on discrete variables of cognitive processing in appraisal and evaluation. Past research has mainly focused on the individual in relation to the act of performance appraisal as opposed to performance appraisal as a system within the larger context of an organisation. More recent research has investigated performance appraisal in a more comprehensive and organisational context.

The evolution of performance appraisal systems has expanded the number of available performance appraisal methodologies (Wiese & Buckley, 1998). Today, performance appraisals are expected to serve a number of purposes simultaneously. Unfortunately, the tools presently available are incapable of serving the myriad different purposes of organisation stakeholders (Wiese & Buckley 1998). When discussing the uses of performance appraisal, it is important to distinguish between organisational goals, rater goals and rate goals. Cleveland, Murphy and Williams (1989) described four types of uses of performance appraisal: between person, within person, systems maintenance and documentation. Between person uses have been referred to as administrative purposes, consisting of recognition of an individual's performance to make decisions regarding salary administration, promotions, retention, termination, layoffs, etc. Within person uses are those identified in management-by-objectives (MBO), such as feedback on performance strengths and weaknesses to identify training needs and determine assignments and transfers (Cleveland et al., 1989). Performance appraisals also help in organisational goals, which are referred to as systems maintenance uses. Examples of this type of purpose are workforce planning, determining organisational training needs, evaluating goal achievement, identifying organisational developmental needs, assisting in goal identification, evaluating the personnel system and reinforcing the authority structure (Cleveland et al., 1989). Finally, documentation purposes need to meet the legal requirements by documenting personnel decisions and conducting validation research on the performance appraisal tools (Cleveland et al., 1989). Organisations are attempting to meet all of these needs simultaneously while continuing to use tools that were designed for one type of purpose. Thus, while organisations believe they need a performance appraisal system, they are unsatisfied with the results (Cleveland et al., 1989). This dissatisfaction has historically motivated researchers to try to improve performance appraisals and continue to do so.

Additionally, researchers studying the rating process appear to have neglected the political aspect of performance appraisal. Often, the goal of the rater is not to evaluate the performance of the employee, but to keep the employee satisfied and not deleteriously influence employee morale (Wiese & Buckley, 1998). The manager also has to be concerned about his or her own image. If a number of employees receive negative ratings, it reflects poorly on the manager. Thus the goals of the manager may be different from those that the organisation is trying to achieve through the performance appraisal process (Wiese & Buckley, 1998). Therefore, research on performance appraisals needs to turn to learning more about the conditions that encourage raters to use the performance appraisal system as it was intended to be used.

2.3.2 Common Criticism and Problems in Performance Appraisal

Performance appraisal is constantly under a stream of criticism (Pulakos, 2004). The rating scales method seems to be the most vulnerable target (Pulakos, 2004). Yet, in all fairness, many of the problems commonly mentioned are not inherent in this method but rather reflect improper implementation (Pulakos, 2004). For example, firms may fail to provide adequate rater training or they may use appraisal criteria that are too subjective and lack job-relatedness (Pulakos, 2004). Some of the identified problems or errors in performance appraisal that may result in the dislike of the process include:

- Halo error

This error occurs when the evaluator has a generally positive or negative impression of an individual, and the evaluator then artificially extends that general impression to many individual categories of performance to create an overall evaluation of the individual that is either positive or negative. In other words, if employees are judged by their supervisor to be generally “good” employees, and the supervisor then evaluates each of the areas of their performance as good, regardless of any behaviours or results to the contrary, the supervisor is guilty of halo error. Managers can avoid halo error by remembering that employees are often strong in some areas and weaker in others, and they need to objectively evaluate individual employees based on their actual performance for each and every item of assessment (SHRM Curriculum Guidebook, 2010).

- Recency error

This error occurs when appraisers use only the last few weeks or month of a rating period as evidence of their ratings of others. For instance, if a warehouse worker has been a strong performer for most of the appraisal period, but right before his annual evaluation he knocks over a stack of high-cost electronic equipment while driving a forklift, he may be rated poorly due to recency error. Managers can avoid the recency error by evaluating the employee based on the entire assessment period, commonly 6–12 months. Using the critical incidents method helps recall and asses of the entire period more objectively (SHRM Curriculum Guidebook, 2010).

- Appraiser Discomfort

Conducting performance appraisals is often a frustrating human resource management task. Lawler (1994) noted the considerable documentation showing that performance appraisal systems neither motivate individuals nor effectively guide their development. Instead, he maintains, they create conflict between supervisors and subordinates and lead to dysfunctional behaviours. This caution is important. If a performance appraisal system has a faulty design, or improper administration, employees will dread receiving appraisals and the managers will despise giving them. In fact, some managers have always loathed the time, paperwork, difficult choices, and discomfort that often accompanies the appraisal process. Going through the procedure cuts into a manager’s high-priority workload and the experience can be especially unpleasant when the employee in question has not performed well (Lawler III, 1994)

- Leniency/Strictness

Some managers are too generous with praise or too hard on a person. Grote (n.d.) stated that "it is not OK to have performance rated differently from manager to manager because these decisions impact compensation, development and succession planning." Giving undeserved high ratings to an employee is referred to as leniency. This behaviour is often motivated by a desire to avoid controversy over the appraisal. It is most prevalent when highly subjective (and difficult to defend) performance criteria are used, and the rater is required to discuss evaluation results with employees. When managers know they are evaluating employees for administrative purposes, such as pay increases, they are likely to be more lenient than when evaluating performance to achieve employee development. Leniency, however, may result in failure to recognise correctable deficiencies. The practice may also deplete the merit budget and reduce the rewards available for superior employees. In addition, an organisation will find it difficult to terminate poor-performing employees who continuously receive positive evaluations (Sammer, 2008).

Being unduly critical of an employee's work performance is referred to as strictness. Although leniency is usually more prevalent than strictness, some managers, on their own initiative, apply an evaluation more rigorously than the company standard. This behaviour may be due to a lack of understanding of various evaluation factors. The worst situation is when a firm has both lenient and strict managers and does nothing to level the inequities. Here, the weak performers get relatively high pay increases and promotions from a lenient boss, whereas the strict manager shortchanges the stronger employees. This can have a demoralising effect on the morale and motivation of the top-performing people (Sammer, 2008).

- Central tendency

Central tendency error is an evaluation appraisal error that occurs when employees are incorrectly rated near the average or middle of a scale. This practice may be encouraged by some rating scale systems that require the evaluator to justify in writing extremely high or extremely low ratings. With such a system, the rater may avoid possible controversy or criticism by giving only average ratings. However, since these ratings tend to cluster in the fully satisfactory range, employees do not often complain. Nevertheless, this error does exist and it influences the accuracy of evaluations. Typically, when pay raises are given, they will be based on an employee's performance. When a manager gives an underachiever or overachiever, an average rating, it undermines the compensation system (Krattenmaker, 2009)

- Stereotyping

Stereotyping is mentally classifying a person into an affinity group and then identifying the person as having the same assumed characteristics as the group. Though stereotyping is almost always assumed to be negative, there are many incidents of positive stereotypes. However, regardless of whether the stereotype is positive or negative, making bership in a group, rather than explicitly identifying the characteristics of the individuals, creates the potential for significant error in evaluations. Managers can avoid stereotyping by getting to know each employee as an individual and objectively evaluating individual employees based on their actual performance (Pfferer, 2009, SHRM Curriculum Guidebook, 2010).

- Bias

Bias is simply a personality-based tendency, either toward or against something. In the case of performance assessment, bias is toward or against an individual employee. All human beings have biases, but supervisors especially cannot afford to allow their biases to enter into their evaluation of subordinates in the organisation. This is very easy to say, but very difficult to do. Biases make the evaluation process subjective rather than objective, and certainly provide the opportunity for a lack of consistency in effect on different groups of employees. So to overcome the bias problem, appraisers need to be objective and not let their feelings of liking or disliking the individual influence our assessment (Pfferer, 2009, SHRM Curriculum Guidebook, 2010; HR Specialist, 2009)

- Lack of Objectivity

A potential weakness of traditional performance appraisal methods is that they lack objectivity. In the rating scales method, for example, commonly used factors such as attitude, appearance, and personality are difficult to measure. In addition, these factors may have little to do with an employee's job performance. Although subjectivity will always exist in appraisal methods, employee appraisal based primarily on personal characteristics may place the evaluator and the company in untenable positions with the employee and equal employment opportunity guidelines. The firm may be hard-pressed to show that these factors are job-related (Pfferer, 2009)

- Similarity error

This error occurs when raters evaluate subordinates that they consider more similar to themselves as better employees, and subordinates that they consider different from themselves as poorer employees. We all have a tendency to feel more comfortable with people who we feel are more similar to ourselves, and if we are not careful, we can allow this feeling of comfort with similar individuals to be reflected in the performance appraisal process. Managers can avoid similarity error by embracing diversity and objectively evaluating individual employees based on their actual performance, even if they are different from them and do not do things the same way that we do (SHRM Curriculum Guidebook, 2010).

- Manipulating the Evaluation

In some instances, managers control virtually every aspect of the appraisal process and are therefore in a position to manipulate the system. For example, a supervisor may want to give a pay raise to a certain employee or the supervisor may just "favour" one worker more than another. In order to justify this action, the supervisor may give the employee an undeserved high performance evaluation and perhaps a less favored, but productive, employee a lower rating. The supervisor may even want to get rid of an employee and so may give the individual an undeserved low rating. In either instance, the system is distorted and the goals of performance appraisal cannot be achieved. In addition, in the latter example, if the employee is a member of a protected group, the organisation may wind up in court. If the organisation cannot adequately support the evaluation, it may suffer significant financial loss (HR Specialist, 2009; Fox, 2009)

- Employee Anxiety

The evaluation process may also create anxiety for the appraised employee. This may take the form of discontent, apathy, and turnover. In a worst-case scenario, a lawsuit is filed based on real or perceived unfairness. Opportunities for promotion, better work assignments, and increased compensation may hinge on the results. This could cause not only apprehension, but also outright resistance. One opinion is that if you surveyed typical employees, they would tell you performance appraisal is management's way of highlighting all the bad things they did all year (Clause, Jones & Rich, 2008**)**

- Contrast error

In contrast error, the appraiser compares and contrasts performance between two employees, rather than using absolute measures of performance to measure each employee. For example, the appraiser may contrast a good performer with an outstanding performer, and as a result of the significant contrast, the good performer may seem to be "below average." This would be a contrast error. Managers can avoid contrast error by objectively evaluating individual employees based on their actual performance. Managers must use the ranking method correctly; first they assess each individual based on the items on the assessment form, then rank the individuals based on their assessments (SHRM Curriculum Guidebook, 2010).

- Attribution error.

In simplified terms, attribution is a process where an individual assumes reasons or motivations (such as attitudes, values, or beliefs) for an observed behaviour. So, attribution error in performance appraisal might occur when the appraiser observes an employee action, such as an argumentative answer to a question, and assumes that the individual has a negative attitude towards the job and is a poor performer. This may not be true, and in such a case the appraiser would be guilty of an attribution error. Managers need to avoid attribution error because it is based on their subjective conclusion. When in doubt, they should not assume they know why the employee did or did not do something. They should talk to employees to find out so that they can objectively evaluate employees based on their actual performance (SHRM Curriculum Guidebook, 2010).

Other commonly identified issues which hinder the success of performance appraisals, identified by Saeed and Shahbaz (2011) include employees' lack of understanding of the performance appraisal process, fear of unexpected results, concern for change in the relationship with the supervisor, threat of poor self-image and fear of change. The issues for managers while appraising the performance of their employees include managers' discomfort while discussing performance results, fear of unexpected results, time consuming processes and concern for the fostering of poor relationships with employees. Clearly, there are behavioural issues involved in administering performance appraisals in any organisation.

Various literatures also revealed that by 1980 traditional performance measures, such as appraisals, were deemed insufficient and inadequate (Bourne, Franco & Wilkes, 2003). They have been criticised for lacking strategic focus and the notion of organisational performance (Neely, 1999).

2.3.3 Effective Performance Appraisal

Many researchers have taken cognisance of the performance appraisal shortfalls. That is why at present, the focus of both practice and research is moving towards developmental performance appraisal (Levy & William 2004). According to Kaplan and Norton (1992), the performance appraisal must be viewed as a mechanism for developing and motivating people. There is a general consensus among performance appraisal researchers and practitioners that assessment of appraisal reactions is important (Keeping & Levy, 2000). It is frequently argued that in order for performance appraisal to positively influence employee behaviour and future development, employees must experience positive appraisal reactions; if not, any appraisal system will be doomed to failure (Murphy & Cleveland, 1995). The satisfaction with performance appraisal is the most frequently measured appraisal reaction (Keeping & Levy, 2000). Studies have reported that there is a positive relationship between satisfaction with performance appraisal and overall job satisfaction. That is because job satisfaction is positively related to performance (Judge, Thorensen, Bono, & Patton, 2001).

A number of studies (Bernardin & Beatty, 1984; Landy & Farr, 1983; Latham & Wexley, 1981; Lawler, Mohrman, & Resnick, 1984; Murphy & Cleveland, 1995) have researched the effectiveness of performance appraisal and point towards the following five areas as measures of an efficacious performance appraisal system:

- Determines pay; explains and communicates pay decisions.
- Provides the subordinate with development information and support.
- Fosters mutual task definition and planning of future work goals.
- Documents and recognises subordinate's performance
- Allows the subordinate to provide feedback about feelings, supervision and definition of work.

Other variables that may influence performance system effectiveness include the type of performance standards employed (Bernardin & Beatty, 1984; Landy & Farr, 1983; Latham & Wexley, 1981; Roberts, 1990), the frequency of evaluation (Bernardin & Beatty, 1984), the presence of written administrative procedures and existence of an appeals process (Cascio & Bernardin, 1981; Greenberg & Tyler, 1987).

2.3.4 Fairness in Performance Appraisal

As pointed out above, a significant direction of research regarding performance appraisal efficacy and approaches for evaluation has concentrated on employee satisfaction and perceptions of the process. This direction has lead researchers and practitioners to take a more comprehensive view of performance appraisal system efficacy and evaluation of systems. One common theme of recent research is that the attitudes of the system's users towards the process determine, to a large degree, the ultimate effectiveness of a performance appraisal system (Roberts, 1990). Employee perceptions of fairness of performance appraisal have been shown to be linked to satisfaction with the system. Fairness of performance appraisal has been studied by a number of researchers over time. In their review of performance appraisal research, Bretz, Mikovich and Read (1992) indicated that the most important performance appraisal issue faced by organisations is the perceived fairness of the performance review and the performance appraisal system. Their findings suggested that most employees perceive their performance appraisal system as neither accurate nor fair. Skarlicki and Folger (1997) suggest that the appraisal process can become a source of extreme dissatisfaction when employees believe the system is biased, political or irrelevant. A major problem for organisational leaders is that the performance appraisal process and the performance evaluation system are often perceived as both inaccurate and unfair (Latham & Wexley, 1981).

Landy, Barnes, and Murphy (1978) studied employee perceptions of the fairness and accuracy of a performance appraisal system. They found that frequency of evaluation, identification of goals to eliminate weaknesses, and supervisory knowledge of a subordinate's level of performance and job duties were significantly related to perceptions of fairness and accuracy of performance appraisal. Their results confirmed customary held perceptions that performance appraisal should be done as frequently as possible, that the supervisor should work with the subordinate to agree on responsibilities; and that the supervisor should devote sufficient time to observe and evaluate and employee’s performance. Greenberg (1986a) administered an open-ended questionnaire to 217 private sector middle managers. He asked them what single factor made a recent performance evaluation fair or unfair. Factor analysis of the results indicated that soliciting employee input, two-way performance interview communication and the ability to challenge or rebut the performance ratings account for a significant proportion of the variance in perceived efficacy of the performance appraisal system.

In a study of 367 Washington state government employees, Lovrich, Shaffer, Hopkins and Yale (1980), found that both ratees (58 percent) and raters (71 percent) believed that participative performance appraisal was a fairer way of conducting appraisals than non-participative methods. They also found that, if given a choice, raters and ratees would choose participative performance appraisal over a non-participative type of system. Roberts and Reed (1996) found evidence of a positive relationship between satisfaction and acceptance of performance appraisal outcomes with employee perceptions when their supervisors encouraged participation, assisted in goal setting and provided frequent feedback. Saeed & Shahbaz (2011) also found that appraisals which create feelings of justice and trust among employees result in increased employee motivation.

Murphy and Cleveland (1991) recommend that when the following criteria are met, performance appraisals are most likely to be perceived by employees as accurate and fair:

1) Appraisals are conducted frequently;
2) There is a formal system of appraisal;
3) Supervisors have a high degree of job knowledge;
4) Ratees have an opportunity to appeal ratings;
5) Performance dimensions are seen to be highly relevant;
6) Action plans are formed for dealing with present weaknesses; and
7) The organisational climate is cooperative rather than competitive.

Martin and Bartol (1998) discussed the need to monitor a performance appraisal system to keep it responsive to the needs of the organisation. The major actions required to maintain a performance appraisal system include three major categories: controlling the system; monitoring the system; and furnishing feedback to those who use the system.

2.3.4.1 Fairness and Organisational Justice

Judgments about fairness are made by means of a fairly simple, straightforward process. In essence, judging the justice of a decision, action, or procedure requires evaluating that decision, action or procedure against two principles, judgement of balance and correctness (Matlala, 2011). According to Sheppard, Lewicki and Minton (1992), if the act or decision, or procedure passes the test of these principles, it is fair; if not, it is unfair. Employees generally expect their workplace experiences to be fair and judge their relationships with the organisations they serve using fairness as a fundamental base. To this end, fairness, which is expounded within the context of organisational justice, can be seen as a primary value that will determine whether or not employees remain committed to the organisation (Matlala, 2011). Organisational justice may be defined as the study of fairness at work (Byrne & Cropanzano, 2001).

Most organisational justice scholars would agree that the criteria that human minds routinely apply to judgements of fairness fall into three broad categories: (a) judgements about fairness of distributions, (b) judgments about the fairness of acts of punishments and compensation, and (c) judgements about the fairness of the methods and procedures employed to generate these outcomes (Ketelaar & Koenig, 2007). Traditionally, fairness has been viewed as a three-dimensional construct, comprised of distributive fairness, procedural fairness, and interactional fairness. Each of these will be looked into individually. According to Hornibrook, Fearne and Lazzarine (2009), enhanced perceptions of fairness by individuals can improve outcomes relevant to organisations such as commitment, job satisfaction and performance and by implication, organisational performance. It is suggested that if the three justices are perceived in a positive light, this will be reflected in the execution of organisational outcomes i.e., the beliefs and attitudes which are assumed to impact on organisational effectiveness or performance through changes in the behaviour of individuals. Such behaviour might include the extent to which employees identify with the organisation's objectives and see them as their own, and thereby exhibit productive behaviour for the benefit of the organisation.

Aldrich and Ruef (2006) purport that even if organisations follow general societal norms, they must also confront a problem that occurs in any situation where benefits or burdens are distributed, for instance, do members perceive the system as just, in a distributive and procedural sense. In a study on the perception of politics and fairness in the merit of pay, Salimaki and Jamsen (2010) found that perceptions of politics and fairness distinctively and interactively predicted whether the pay system was perceived effective in achieving its objectives. Their findings suggest that some form of politics or perceptions of unfairness in performance management might actually render the system ineffective, and therefore unable to meet its objectives.

2.3.4.1.1 Procedural Justice

According to Greenberg (as cited in Forret & Love, 2007) procedural justice is defined as the perceived fairness of a company's policies and procedures used to determine one's outcomes. Perceptions of procedural justice are related to both trust and morale in employees and are characterised by consistency in the application of procedures, lack of bias, accuracy of information, an opportunity and representation by those to whom the procedures pertain, Leventhal (as cited in Forret and Love, 2007). Similarly, Van Prooijen (2009) indicates that people assign much value to procedural justice which is reflected in findings that fair decision making procedures influence a wide range of human perceptions, emotions, behaviours and do so across diverse social settings. Procedural justice has been found to increase feelings of being respected; extent to which individuals identify with institutions of authority and the subordinates' willingness to voluntarily display behaviours that benefit these institutions (Van Prooijen, 2009). Matlala (2011) emphasised that it is crucial for procedural justice to be perceived positively if an organisation wants to achieve full productivity and execution of its strategic objectives

According to De Cremer (2005), if unfair procedures are used, trust will be low, and employees will show low commitment and co-operation. Research indicates that there are a number of benefits of procedural fairness, (Collett, 2008). Perceptions of procedural justice enhance perceptions that outcomes are also fair, create more positive attitudes toward authorities and produce a variety of positive behavioural reactions (Tyler, Degoey & Smith cited in Collett, 2008). In other words, it is suggested that if individuals think the process is fair, the way that the agreement was reached was fair, then they would likely think of the final decision as fair (Collett, 2008). This is imperative for any performance management system, especially during a performance appraisal.

It is often advocated that performance management should be driven by the individual employee as it is about his or her personal development (Matlala, 2011). This allots a level of decision making responsibility to employees with particular reference to their ability to state their opinions, argue their positions thereby influencing the outcome of their appraisal. According to Muhammad (2004), managers who desire to create an atmosphere that fosters organisational citizenship behaviours must make sure that procedures used to allocate rewards are perceived as fair. Evidence indicates that the more employees feel that they participate in decision making, the more they perceive their work procedures to be fair, which in turn prompt them to reciprocate with organisational citizenship behaviours that directly benefit certain individuals (Muhammad, 2004).

Cloutier and Volhuber (2007) concluded in their study on how procedural justice is used as a criterion in salary determination that, knowledge of procedural justice standards improves the ability of organisations to effectively manage the salary determination process. Bagdadli, Roberson and Paoletti (2006) also revealed that promotion decisions influenced feelings of organisational commitment through perceptions of procedural justice and decision making processes. This means that organisations are likely to maintain employee commitment when procedures and decisions around promotions, and as in this case performance appraisals, are perceived to be fair.

2.3.4.1.2 Distributive Justice

Folger and Konovsky (as cited in Chang & Hahn, 2006) view distributive justice as the perceived fairness of the amount of compensation that employees receive. According to Frohlich (2007), distributive justice is derived from 5 premises, which include the fact that individuals are due certain rights and protections; that they have some share in material goods; that their given share can be justified rationally; that the distribution of these share of goods must be practicable; and that the state or other authority should guarantee the distribution of these goods. Typically, distributive justice exists when expectations for outcomes, based on some normative rule, are congruent with the actual outcomes, (Clay-Warner & Hegvedt, 2005). This means that employees expect outcomes to be commensurate with inputs in the form of experience, ability and effort.

In the performance management environment, the definition by Clay-Warner and Hegvedt (2005) would refer to employee rights as prescribed in the organisation's performance management policy, the rewards linked to performance as well as how these will be fairly distributed to the incumbents. Cho and Kessler (2008) add that these are employees' perceptions of the fairness of the outcomes (benefits or punishment), as well as their evaluations of the end state of the allocation process.

According to Greenberg (as cited in Narcisse & Harcourt, 2008), distributive justice focuses on the perceived fairness of the appraisal rating or outcome received in relation to the actual work performed. There are two factors that affect distributive justice in this regard; the perceived fairness of the appraisal rating in relation to employee performance, and the perceived fairness of the pay increase, promotion or other administrative action related to the appraisal rating. Chang and Hahn (2006) established that distributive justice is influenced by the receipt of ratings based on performance and recommendations for salary increase and/or promotion. The findings of the study indicate that pay for performance alone was not enough to enhance employee perceptions of distributive justice. It was also established that commitment to the performance appraisal practice and consistency in its application significantly enhances perception of distributive justice.

According to Suliman (2007), systems in which resources are distributed unfairly can become quite prone to disputes, mistrust, disrespect and other social problems. Employee perceptions of distributive justice are based largely on comparisons with others that are in the workplace. For example, co-workers may compare their salaries, working hours and benefits. If the comparison is positive, then they feel positive toward the system but the reverse is true if the outcome is negative. Dailey and Kirk (1992) recommend that managers must pay attention to employees' perceptions of both procedural and distributive justice since these constructs play a central role in relation to job dissatisfaction and intentions to quit. They emphasise the importance of employee participation when altering reward or appraisal systems. Participation in this regard includes seeking employee opinions about the appropriateness of the proposed changes as a way of showing respect, helping to shape positive perceptions of organisational systems and thus practicing effective management.

2.3.4.1.3 Interactional Justice

Perceptions of fair treatment have been broadly defined and historically included as perceptions of both the formal characteristics of procedures as well as one's interpersonal treatment (Kass, 2005). Interactional justice refers to the quality of treatment experienced by individuals in their interactions with group authorities, with an emphasis on authorities enacting formal organisational procedures, Moag (as cited in Chiaburu, 2007). Examples relevant in this context include instances where supervisors can treat employees politely, professionally or can be rude and discourteous, they can offer information related to organisational procedures or they can withhold it, they can be candid or they can engage in deception, (Chiaburu, 2007).

Bies (as cited in Narcisse & Harcourt, 2008) identifies four factors which affect employee fairness perceptions of the interpersonal treatment received from their supervisor. These include; the extent to which the supervisor is deceptive, invades employee privacy, is disrespectful and makes derogatory judgements about the employee. Narcisse and Harcourt (2008) confirmed the existence of all four factors in their case study on employee perceptions of performance appraisals.

Dayan and Benedetto (2007) studied the impact of both procedural and interactional justice on teamwork quality. The study focused on the positive association of mutual support, individual effort, team cohesion, communication and coordination of member contributions with both procedural and interactional justice. Their findings indicated a strong link between interactional justice and coordination and balance of member contributions. This posits that if there is any bias or dishonesty of decision makers involved in ongoing structuring of task activities of team members, achieving desired coordination would be difficult, (Dayan & Benedetto, 2007).

As policies and procedures change, employees at all levels in the organisation become more dependent on their leaders to solve problems, resolve disputes, and allocate resources fairly as well as serve as a primary communication channel for the exercise of voice up the chain of command. When leaders are seen as acting fairly, followers are more likely to emulate in their dealings with others. And because leaders often personify the organisation for many of their followers, subordinates are likely to assess their value by the treatment they receive from them (Cobb, Folger & Wooten, 1995).It is in the best interest of the organisation for managers to ensure that perceptions of interactional justice are improved, in order to enable more acceptable performance appraisal findings.

2.3.5 Performance Appraisal and Feedback

It has been suggested that the purpose of a performance appraisal system should be employee development and feedback (Fedor, 1991). A well-accepted finding in psychological research is the generally positive influence of feedback or knowledge of results on performance (Ilgen, Fisher, & Taylor, 1979). Feedback can inform individuals as to the accuracy and progress of their performance as well as motivate them through affecting perceptions of competence and accomplishment (Earley, Northcraft & Lee & Lituchy, 1990). It has been shown that individuals are motivated to seek feedback, if the feedback is seen as a valuable resource, to reduce uncertainty and to provide information relevant to self evaluations (Ashford, 1986). There is also evidence that performance feedback, if given appropriately, can lead to substantial improvements in future performance (Guzzo, Jette & Katzell, 1985; Kopelman, 1986).

According to Locke & Latham (2002), for goals to be effective, people need summary feedback that reveals progress in relation to their goals. If they do not know how they are doing, it is difficult or impossible for them to adjust the level or direction of their effort or to adjust their performance strategies to match what the goal requires. Matsui, Okada & Inoshita (1983) provide an example that if the goal is to cut down 30 trees in a day, people have no way to tell if they are on target unless they know how many trees have been cut. When people find they are below target, they normally increase their effort or try a new strategy. Erez (1977) also adds that summary feedback is a moderator of goal effects in that the combination of goals plus feedback is more effective than goals alone.

According to Armstrong (1994, p. 127), "feedback transmits information on performance from one part of a system to an earlier part of the system in order to generate corrective action or to initiate new action". Awases (2006) reports that this implies that performance management provides an opportunity for feedback to be presented to employees concerning their performance. This is aimed at helping them to understand the level of their performance (how well they are doing and how effective their behaviour has been) and to take corrective measures if performance is below expectation or to reinforce and strengthen positive or good performance. The importance of feedback on both success and failure has been highlighted for reinforcement of behaviour (Armstrong, 1994).

Effective and timely feedback is essential (Awases, 2006). Feedback works well when it related to a specific standard or indicator. It should be given as soon as the behaviour has taken place and should be provided in a way that will contribute to improvement of performance (Awases, 2006). According to Jooste (1993), sufficient and immediate feedback should be given on a continuous basis to ensure immediate response and improvement in performance. This should be done in intervals of four to six months and should not be left to the end of the year. Price (2000) suggests that supervisors should take their views from a wide range of perspectives, including from their colleagues, to help in providing a better assessment report.

The nature of feedback varies according to the situation and may take form of an interview between the supervisor and subordinate after the subordinate has read that appraisal report (Price, 2000). Other forms of feedback are done through written communications and incident reports or through oral communication such as counseling, interviewing and coaching (Armstrong, 1994). However, too often supervisors lack the skills for effectively communicating the performance appraisal outcomes (Rowe, de Savigny, Lanata & Victora, 2005). In some cases, the performance appraisal outcome is kept confidential and not communicated to the subordinate (Martinez, 2003).

Feedback can be a useful tool for development, especially if it is specific and behaviour-oriented, as well as both problem-oriented and solution-oriented (Murphy & Cleveland, 1995). Many believe that performance appraisal systems should provide meaningful feedback, rather than exclusively used to make judgements about the employee (Wiese & Buckley, 1998). On the other hand, feedback has been argued to affect performance negatively when it impedes learning, directs attention to meta-cognitive processes not relevant to task performance or decreases motivation (Kluger & DeNisi, 1996).

2.3.5.1 Single-source (Supervisor) Feedback

In most organisations, performance appraisals are conducted by supervisors and thus give employees feedback, an approach that has been criticised by many. The supervisor-only performance appraisal is subjective and relies on the supervisor's judgement. They are time-consuming and are generally disliked by those who give and receive them. They are typically given once a year assessing the employees work performance from a subjective point of view and providing management information for decisions on pay and promotions (Edwards & Ewen, 1996).

Many organisations have found that single source appraisals provide inflated evaluations, giving nearly all ratee's high performance ratings. This process creates an environment in which employees feel entitled to regular raises and promotions without providing them the information needed for development (Parker, 1998). Managers find it difficult to provide specific and critical feedback so they tend to shy away from addressing performance problems (Parker, 1998). It is in consideration of these that organisations are now opting for 360 degree feedback performance appraisals.

2.3.5.2 Multi-source (360-Degree) Feedback

The 360-Degree feedback is aimed at improving performance by providing a better awareness of strengths and weaknesses (Parker, 1998). The employee receives feedback, in anonymous form, on performance ratings from peers, superiors and subordinates (Kaplan & Palus, 1994). Feedback from multiple sources, such as superiors, peers, subordinates and others has a more powerful impact on people than information from a single source, such as their immediate supervisor. Employees view performance information from multiple sources as fair, accurate, credible and motivating. They are more likely to be motivated to change their work habits to obtain the esteem of their co-workers than the respect of their supervisors (Edwards & Ewin, 1996). The 360 Degree Feedback improves the quality of performance measures by using multi-raters providing a more balanced and comprehensive view. The information is more reliable, valid and credible because the providers interact regularly with the employee at work (Edwards & Ewen, 1996).

The 360-degree feedback appraisal, also known as multi-source assessment or full circle feedback, gathers evaluation data from all of those who work most closely with the employee being evaluated, regardless of position. The collective intelligence these people provide gives the appraisee a clear understanding of personal strengths as well as areas that need further development (Edwards & Ewen, 1996). A prime advantage is that 360 provides a more comprehensive view of employee performance. Not only does this method provide feedback from a variety of viewpoints, it also minimises the bias problems that are inherent to evaluations (Parker, 1998). The more appraisers an employee has, the more likely the biases of the raters will tend to cancel one another out, and the more their perspectives will combine to give a complete, accurate and honest picture (Parker, 1998).

Parker (1998) has provided advantages and disadvantages of 360-degree feedback
Advantages:

- The feedback is more honest, reliable and valid than traditional appraisals from the
- supervision only.
- Feedback from multiple sources has a more powerful impact than information from a single source.
- No action has more power for motivating employee behaviour change than feedback from credible work associates.
- Employers are more strongly motivated to change work behaviours to obtain the esteem of their co-workers.
- They are typically not as time consuming for the supervisor as the traditional performance appraisal.
- They offer a more balanced and comprehensive view.
- When using 360 degree feedback systems work associates are rarely reluctant to identify poor performance of co-workers.
- One person performance appraisals are subject to claims of bias or partiality.
- Multi source offers substantial stronger legal protection (Parker, 1998)

Disadvantages:

- If co-workers like the individual being rated, they are concerned about doing or saying anything that may hurt them.
- If raters dislike the individual they may decide that this is a good time to get even.
- Is the use of anonymous raters legally practical?
- Even when the feedback is anonymous, the recipient may be able to identify the source.
- Subordinates often cannot evaluate the supervisor’s work as it relates to management objectives
- There should be five or six evaluators to provide sufficient perspective and to protect anonymity.
- Raters may lack proper training (Parker, 1998).

2.3.6 Performance Appraisal and Rewards

Many performance evaluations are tied directly or indirectly to financial rewards, in the form of merit pay, bonuses, or career advancement (Law, 2007). This represents the "carrot" in “carrot-and-the-stick” external control boss management. The "stick" in such an approach includes reductions in salary, withholding of pay raises, or even termination of employment (Law, 2007). Critics of performance evaluations suggest that this can lead to inter-employee jealousy, hostility and competition. It also reduces the likelihood of employees developing professional creativity, as employees get locked-in to focusing on meeting specified goals in the conventional manner (Law, 2007). Appraisals linked to reward systems can lead some employees to intentionally create "solvable problems" so that senior staff can take note of the effective manner in which the employees deal with these situations (Law, 2007). They have recognised the irony that effective management work habits, which eliminate problems before they occur, often goes unnoticed by senior management. Additionally, some employees or their managers will intentionally establish achievable performance goals in order to ensure a positive appraisal (Law, 2007). Thus the existence of appraisal systems might lead to systemic erosions in performance over time (Nickols, 1997).

Boice and Kleiner (1997) are also of the opinion that the link between pay and performance is often unsatisfactorily established and even less often maintained to the satisfaction of employees and supervisor or organisation, which they discovered, in one of their studies. It is an important link to obtain and is maintained in order to remain competitive. While researching a potential new system, both the supervisors and employees were interviewed. An unexpected finding from the employee interviews indicated a company's six-month separation between performance appraisal and the resulting merit increase was blurring the perceived link between an employee's performance and pay (Guinn & Corona, 1991). When pay is not directly related to performance, it is possible that employees will discount the appraisal process. In order for an appraisal system to be truly effective in a pay for performance environment, adjustments to pay should come as close in time as possible to the conducted performance review (Boice & Kleiner, 1997). The preferable length would relate review to the next full pay check or at the most the beginning of the next month. This immediate effect helps motivate and commit the employee to the appraisal process. It also allows the employee to distinguish clearly how successful or unsuccessful completion of objectives affects them directly (Boice & Kleiner, 1997).

2.3.7 Performance Appraisal and Legal Implications

While the basic intent of developing an effective performance appraisal system is to make an organisation more productive, profitable and to let employees know their level of performance, there are also legal reasons for developing an effective performance appraisal system (Boice & Kleiner, 1997). Failure to conduct appraisal "properly", for example failing to maintain adequate records, may result in employees, or their trades unions, taking legal action. Where an employee handbook makes reference to performance appraisal or review, they must be carried out to acceptable levels of details (Boice & Kleiner, 1997). Many states have recognised statements in employee handbooks as implied contracts of employment. If an employer states annual performance reviews will be conducted and then fails to do so, the employer could find him or herself liable for breach of an implied promise. Employers must therefore ensure that they adhere to their commitments to conduct such reviews (Nobile, 1991). It is extremely important that all strengths and weakness be clearly documented in the performance review and follow up action on unsatisfactory performance pursued. This is especially important in the case of termination of an unsatisfactory employee.

Employee lawsuits may result from negative evaluations. Employees often win these cases, thanks in part to the employer's own performance appraisal procedures (PMA, n.d.). A review of court cases makes it clear that legally defensible performance appraisal systems should be in place. Perfect systems are not expected, and the law does not preclude supervisory discretion in the process (PMA, n.d.). However, the courts normally require these conditions (PMS, n.d.):

- Either the absence of adverse impact on members of protected classes or validation of the process.
- A system that prevents one manager from directing or controlling a subordinate's career.
- The appraisal should be reviewed and approved by someone or some group in the organisation.
- The rater, or raters, must have personal knowledge of the employee's job performance.
- The appraisal systems must use predetermined criteria that limit the manager's discretion (PMA, n.d.).

Mistakes in appraising performance and decisions based on invalid results can have serious repercussions. For example, discriminatory allocation of money for merit pay increases can result in costly legal action. In settling cases, courts have held employers liable for back pay, court costs, and other costs related to training and promoting certain employees in protected classes (PMA, n.d.). An employer may also be vulnerable to a negligent retention claim if an employee who continually receives unsatisfactory ratings in safety practices, for example, is kept on the payroll and he or she causes injury to a third party. In these instances, firms might reduce their liability if they provide substandard performers with training designed to overcome the deficiencies. It is unlikely that any appraisal system will be immune to legal challenge. However, systems that possess the characteristics discussed above are more legally defensible. At the same time, they can provide a more effective means for achieving performance management goals (PMA, n.d.)

2.3.8 Performance Appraisal Approach

In many organisations, the front-line supervisor is responsible for conducting the performance appraisal. However, a multiple rater system should be considered because it provides a form of 'triangulation' that results in ratings in which employees and managers have greater confidence (Boice & Kleiner, 1997). It may also be necessary to restrict the number of employees rated by any one individual, especially in today's new, flatter organisations in which spans of supervision may be 60 people or more (Boice & Kleiner, 1997). Organisations as Bausch & Lomb, Arizona Public Service Co. and E.I. Du Pont & Co. are moving towards flat organisations with large spans of control (Edwards, 1990), where several supervisors may work with an individual employee. The input from all supervisors about the employee's performance is required to complete a thorough performance review. Multiple rater systems can be computerised to allow statistical analysis to identify bias, which is particularly important where an organisation is keen to avoid real or perceived bias with respect to race, gender or age (Boice & Kleiner, 1997).

Another advantage of multiple rating systems is that they can shift the supervisor's role from that of judge to performance coach (Boice & Kleiner, 1997). An individual supervisor will no longer be responsible for a single employee's review, which in turn lifts the burden of "policing" from the supervisor and allows him or her to focus on coaching and developing the employee (Boice & Kleiner, 1997). Some multiple rater systems go as far as involving the use of subordinates in the evaluation process, which is especially effective in a work environment which is self-governing (Boice & Kleiner, 1997). General Foods Corporation has used this approach in some of its plants utilising self-governing work groups and found that subordinate evaluations have generally shown to be more accurate than supervisors in truly reflecting employee performance (Boice & Kleiner 1997). This system of evaluation allows employees to participate in the decisions that affect them directly.

2.3.8.1 Why Do We conduct Performance Appraisal?

As evident from the above literature, the usefulness and effectiveness of performance appraisals is widely debated. It can also become a complicated process which in turn may become very costly to an organisation, in terms of time and money. So why do organsiations even do performance appraisals? What value provided to the organisation and to the individual makes the process of appraising the performance of employees so critical? Literature (Law, 2007; Coen & Jenkins, 2002) has continuously confirmed that if performance appraisals are done in the correct manner, they can provide organisations with a series of valuable results. However, done incorrectly, the process of appraising employees' performance can actually lead to lower levels of job satisfaction and productivity. Three major reasons why organisations complete performance appraisals are discussed below, cited from the SHRM Curriculum Guidebook (2010) – communication, decision making and motivating, commonly cited as most influential factors to conducting performance appraisals.

2.3.8.1.1 Communication

Performance appraisals provide an opportunity for formal communication between management and the employees concerning how the organisation believes each employee is performing. All of us know intuitively that successful communication requires two-way interaction between people. "Organisations can prevent or remedy the majority of performance problems by ensuring that two-way conversation occurs between the manager and the employee, resulting in a complete understanding of what is required, when it is required and how the employee's contribution measures up" (p. 289).

Communication always requires that employees have the opportunity and ability to provide feedback to their employers in order to make sure that the communication is understood. So, in performance appraisals the communication process requires that managers communicate with their employees to provide them information as to how they are performing, but the process also requires that managers provide the opportunity for the employees to speak to them concerning factors that inhibit their ability to successfully perform for the organisation.

There are factors that management may not be aware of and can comprise of various things including lack of training, poorly maintained equipment, lack of tools necessary to perform, conflict within work groups, and many other things that management may not see on a daily basis. If the communication component of the performance appraisal process does not allow for this two-way communication, managers may not know of the obstacles that the employees have to overcome. The only way that managers can resolve problems is to know about them.

Managers need to communicate with their employees to find out when issues within the work environment cause loss of productivity so they can fix them. Thus, two-way communication is a critical component of correcting problems through the performance appraisal process.

2.3.8.1.2 Decision Making

Performance appraisals allow management to make decisions about employees within the organisation. Managers need to make decisions based on information, which they get from their communication. Accurate information is necessary for management decision making and is an absolutely critical component to allow the manager to improve organisational productivity. Managers use information from performance appraisals to make evaluative decisions concerning their workforce including pay raises, promotions, demotions, training and development, and termination. When managers have valid and reliable information concerning each individual within their division or department, this gives them the ability to make decisions that can enhance productivity for the organisation.

If, for instance, through the process of coaching managers find that several Machine Operators are having trouble keeping their equipment in working order, this piece of information would quite likely lead to a *needs assessment* to determine whether or not maintenance training is necessary for the group of Operators. Without the rigorous evaluation process, managers might not learn of the common problems as early, and as a result could do some significant damage to very expensive equipment. This and similar types of information frequently come to the forefront as managers go through the performance appraisal process. Decision making based on good communication is a very large part of why organisations take the time to do annual performance appraisals.

2.3.8.1.3 Motivating

Performance appraisals provide motivation to employees to improve the way they work individually for developmental purposes, which in turn will improve organisational productivity. One can question: what is motivation, and are performance appraisals normally motivational? From a business perspective, motivation can be defined as *the willingness to achieve organisational objectives*. Managers want to create this willingness to achieve the organisation’s objectives, which in turn will increase organisational productivity.

Organisations' evaluative decisions should lead to development of employees. For example, returning to the Machine Operators having trouble keeping their equipment in working order, making the decision to train the employees leads to their development through improving their performance, as well as better utilising the resources to improve organisational performance, and in turn increase motivation to perform.

2.3.9 Frequency of Performance Appraisal

Employee reviews should be performed on a frequent and ongoing basis (Boice & Kleiner, 1997). The actual time period may vary in various organisations and with different aims but a typical frequency would be bi-monthly or quarterly. By conducting reviews frequently two situations are eliminated:

1) selective memory by the supervisor or the employee; and
2) surprises at an annual review (Boice & Kleiner, 1997).

People generally tend to remember what happened within the last month or high profile situations, good or bad. Frequent reviews help eliminate the effects of this, generally unconscious, selective memory. Eliminating surprises in the appraisal process is also important as both the supervisor and employee need to know that there is a performance problem prior to any major annual review (Boice & Kleiner, 1997). In cases where there is a good relationship between supervisor and employee, informal reviews of an employee's performance may be undertaken almost continually. Poor performance should not go unchallenged just because the quarterly review is not due for two months (Boice & Kleiner 1997). Frequent reviews also allow for clarification and revision of objectives which leads to better informed employees who are better equipped to perform their job satisfactorily. In addition frequent reviews give supervisors more opportunity to assure that progress is being made in developmental objectives (Sahl, 1990). Job demands can frequently prevent employees from achieving specified objectives. In this case the supervisor must either re-assign work to allow the completion of the objective or modify the objective to reflect the changing conditions of the job (Boice & Kleiner, 1997).

2.3.10 Employees' Attitudes about Performance Appraisal in Public Vs Private Sector

The reason for discussing this topic is that a number of researchers have shown the usefulness of comparing public and private organisations in order to improve the efficiency and effectiveness of the public sector (Bourantas & Papalexandris, 1999 as cited in Abu-Doleh & Weir, 2007). The basic reasoning in these studies is that by transferring methods and techniques of private management to public sector organisations, the latter will gradually be able to improve their performance (Kamensky, 1996 as cited in Abu-Doleh & Weir, 2007). In consideration of the above, this section has attempted to shed light on the differences between employees' attitudes about performance appraisal process for those working in the public sector and those working in the private sector and how the outcomes of the process may be differently appreciated.

In Namibia, empirical research in the area of performance appraisal between organisations in the public and private sectors is limited. Studies referred to in this study are therefore conducted in organisations from other countries. Moriarty and Kennedy (2002) and Johnsen (2000 cited in Radnor & McGuire (2004) argue that performance measurement has been used in the public sector for decades. Moriarty and Kennedy (2002 cited in Radnor & McGuire, 2004) suggest that because public sector service organisations operate without market competition, the implementation of performance measurement is often used as a means of a substitute for market pressures.

Private as well as public sector organisations need to demonstrate that there have been improvements in performance and the goals and objectives are being achieved (Wisniewski & Stewart, 2004 as cited in Abu-Doleh & Weir, 2007). This has made it imperative for effective performance management approaches to be developed and applied (Bovaird & Loffler, 2002 as cited in Abu-Doleh & Weir, 2007). Since performance appraisal is considered the prominent tool in the performance management system, the performance appraisal design should take into consideration the differences in perception or motivation between employees working in the public sector and those working in the private sector (Alwadaei, 2010). Many researchers indicated that public employees compared to private sector employees are less motivated by extrinsic monetary rewards but instead are more motivated by intrinsic factors, such as responsibility and self-development (Buelens & Broeck, 2007). Due to this distinction in motivation, a performance appraisal made for public employees should recognise these intrinsic factors in such a way that the employees perceive the feasibility and efficacious of the performance appraisal. This recognition may contribute to a positive attitude to the performance appraisal process among public employees (Alwadaei, 2010).

2.3.11 Employees' Reactions to Performance Appraisal Process

Jawahar (2007) has noted that reactions to appraisal and the appraisal process are believed to significantly influence the effectiveness and the overall viability of appraisal systems. For instance, Murphy and Cleveland (1995) contended that reaction criteria are almost always relevant and an unfavourable reaction may doom the most carefully constructed appraisal system. Several reasons push for the use of reaction measures as criteria in performance appraisal research (Alwadaei, 2010). First, practitioners are more interested in employees' reactions to the appraisal process than in psychometric or accuracy-oriented criteria (Balzer & Sulsky, 1990 as cited in Jawahar, 2007). Researchers, on the other hand, have paid more attention to psychometric and accuracy-oriented criteria than they have to criteria of interest to practitioners. This criterion gap (Balzer & Sulsky, 1990) has resulted in stifling informed dialogue between scientists and practitioners, rendering much of the research on performance appraisal of little value to practitioners (Banks & Murphy, 1985; Ilgen, Barnes-Farell & McKellin, 1993; Keeping & Levy, 2000).

Second, the dominance of psychometric and accuracy-oriented criteria has focused attention on the appraiser to the exclusion of the appraise (Alwadaei, 2010). Appraisees and their reactions to the appraisal process are just as important to the success of any appraisal system as rating and feedback behaviours of appraisers. For instance, regardless of the psychometric soundness, an appraisal system will be ultimately unsuccessful if it is not accepted and supported by its users (Carroll & Schneier, 1982 as cited in Jawahar, 2007).

Finally, several researchers have asserted that appraisal reactions likely play a key role in the development of favourable job and organisational attitudes and enhance motivation to increase performance (Lawler, 1994; Taylor, Fisher & Ilgen, 1984 as cited in Jawahar, 2007).

Thus, there is a general consensus on the benefits of studying employees' reactions to the performance appraisal process.

One of the most important reactions to the appraisal process is satisfaction (Alwadaei, 2010). It has been, to date , the most frequently studied (Keeping & Levy, 2000). Indeed, satisfaction with aspects of the appraisal process is regarded as one of the most consequential of the reactions to performance appraisal (Giles & Mossholder, 1990 as cited in Jawahar, 2007). For instance, several researchers (Giles & Mossholder, 1990; Organ, 1988 as cited in Jawahar, 2007) have asserted that using satisfaction as a measure of employees' reactions affords a broader indicator of reactions than more specific, cognitively oriented criteria. In fact, cognitively oriented measures, such as perceived utility and perceived accuracy, are positively related to measures of satisfaction (Keeping & Levy 2000). In addition, because appraisals form the basis of several important decisions, satisfaction with key aspects of the appraisal process signifies recognition, status, and future prospects within the organisation. Thus, favourable attitudes about reward contingencies develop when satisfaction is high rather than when it is low (Alwadaei, 2010). These psychological implications of satisfaction make it a significant determinant of behaviour and job and organisational attitudes (Taylor et al., 1984 as cited in Jawahar, 2007). In his study, Jawahar (2007) reported that satisfaction with appraisal feedback was positively related to job satisfaction and organisational commitment and negatively related to turnover intentions. Alwadaei (2010) conclude theoretical arguments and empirical evidence suggest satisfaction to be among the most important of reactions to the appraisal process.

2.4 EMPLOYEE MOTIVATION

Motivation is the key to performance improvement, therefore a very critical factor to consider in performance management (Darrington & Howell, 2011). It is defined as the ability of people, institutions and societies to perform functions, solve problems, set and achieve objectives (Balassanian, 2006). Darrington and Howell (2011*)* define motivation as the reason why people work. The study of motivation has a very long history and has been revised and refined over the centuries.

To be motivated means to be moved to do something (Deci, 2000). Some theories of motivation play a critical role in performance. Most theories of motivation reflect concerns by viewing motivation as a unitary phenomenon, one that varies from very little motivation to act, to a great deal of it. Yet, even brief reflection suggests that motivation is hardly a unitary phenomenon. People have not only different amounts, but also different kinds of motivation. That is, they vary not only in level of motivation (i.e. how much motivation), but also in the orientation of that motivation (i.e. what type of motivation). Orientation of motivation concerns the underlying attitudes and goals that give rise to action—that is, it concerns the why of actions (Deci, 2000).

The key theory in this research is goal setting, whereas other theories have been discussed to explain the various sources of motivation and support research findings. As Herzberg *et al.* (1959, cited in Tietjen & Myers, 1998) proposed, an employee's motivation to work is best understood when the respective attitude of that employee is understood. Emphasis on the employee's motivation will also be highlighted in terms of intrinsic and extrinsic motivation. Intrinsic motivation is defined as the doing of an activity for its inherent satisfactions rather than for some separable consequence (Deci, 2000). When intrinsically motivated, a person is moved to act for the fun or challenge entailed rather than because of external prods, pressures or rewards. Extrinsic motivation is a construct that pertains whenever an activity is done in order to attain some separable outcome. Extrinsic motivation thus contrasts with intrinsic motivation, which refers to doing an activity simply for the enjoyment of the activity itself, rather than its instrumental value (Deci, 2000).

2.4.1 Goal Setting Theory

Goal-setting is often employed in organisations as part of traditional performance appraisals and broader performance management interventions (Bipp & Kleingeld, 2011). Milkovich, Newman and Gerhart (2011) define goal-setting theory as the implementation of challenging performance goals to encourage employees to increase their work intensity and the duration of that intensity to improve employee performance. In addition, these goals are also seen as criteria that can be used to give employees feedback and to measure and compare performance (Milkovich et at., 2011). Goal setting can motivate individual employees, especially when employees receive rewards for achieving the goal (Milkovich, et al., 2011).

According to the Institute of Personnel Management (1992), various studies have indicated that most companies worldwide employ some form of goal-setting to manage employees' performance. Goal setting theory has been shown to predict, influence and explain the behaviour of over 40 000 people in numerous countries (Latham, 2004). The key finding emanating from the widespread research on goal setting is that difficult and specific goals lead to higher levels of performance compared to easy or vague goals (Locke, Shaw, Saari, & Latham, 1981).

Locke and Latham (1990) have noted a number of applications of goal setting in human resource management such as:

(i) In job analysis to get people to contribute their knowledge of the work;

(ii) To develop interview formats in connection with the situational interview approach that is described as grounded in goal-setting theory;

(iii) In connection with training, for instance training in self-management, where goal setting is viewed as a core element;

(iv) To establish mutual goals between management and labour as part of relations by objectives program;

(v) Part of performance appraisal when feedback on performance is combined with setting specific improvement goals.

Through goal setting managers may facilitate the operation of a super ordinate goal to guide those who work for them (Latham 2004).

An understanding of what the goal-setting theory approach can accomplish is provided by a study of the relationship between goal-setting activity and organisational profits (Terpstra & Rozell 1994). A survey was distributed to firms averaging approximately 6000 employees inquiring about their use of goal-setting theory (sixty-one percent used it) and also about firm profit levels and profit growth. Significant relationships were found. These findings are not, however, always replicated (Miner, 2005). For instance, in a study by Yearta et al. (1995), goal difficulty and participation in the goal setting process were examined as they related to goal performance. The positive linear relationship between goal difficulty and performance typically found in controlled settings was not replicated (Yearta et al., 1995).

2.4.1.1 Goal Level

Goal level refers to the content attribute of goal theory consisting of two aspects – specificity and difficulty (Jeong, 2006). Both goal specificity and difficulty have been studied extensively in relation to task performance. The consistent research finding is that given sufficient ability and high commitment to a goal, specific and difficult goals lead to higher performance than less specific goals, less challenging goals, “do your best” goals, or no goals (Locke & Latham, 1990). One reason for the superiority of specific, hard goals is the fact that vague goals are compatible with a wide range of performance outcomes. That is, with vague goals such as “do your best,” individuals are satisfied with a greater range of performance outcomes than they are with specific and difficult goals (Mento, Locke & Klein, 1992).

A substantial body of evidence exists in support of the view that specificity and difficulty of the goal can influence the effects of goal setting on task performance (Jeong, 2006). A meta-analysis of 393 research findings on the relationship between goal difficulty, specificity, and performance found that over ninety percent of those studies provide support or partial support for the above relationship (Jeong, 2006). Another meta-analysis by Wood, Mento and Locke (1987), 175 of the 192 laboratory and experimental field studies also found full or partial support for the predicted linear relationship. Thus, empirical evidence strongly point to the conclusion that when accepted, specific and difficult goals lead to higher performance than vague, moderately difficult, “do your best” goals, or no goals (Locke & Latham, 1990). Regardless of specificity and difficulty, however, goals cannot lead to higher performance without commitment, for instance intensity attribute of goals to a given goal (Klein, Wessen, Hollenbeck & Alge, 1999; Locke & Latham, 1990). Goal difficulty and commitment are therefore intimately related. Klein et al. (1999) have revealed that commitment to a goal is enhanced when people believe that achieving the goal is possible and important. For self-set goals, this means that commitment is high to the degree that individuals perceive the goal to be important and within the boundaries of their ability (Jeong, 2006). Beekes, Otley and Ururuka (2010) conducted a study that concluded that targets are a useful means to motivate and assess the performance of employees in the organisation. However, an excessive focus on targets in the organisation’s performance evaluations may have a de-motivational impact on employee behaviour (Beekes et al., 2010).

2.4.1.2 Goal Setting and Participation

Another well-researched area, but one producing less consistent findings, is that of participation in the goal setting process and its effect on performance (Yearta et al., 1995). Advocates of participation and goal setting contend that including employees in the setting of their own work-related goals, for example productivity, can:

- help clarify expectancy information (Wooten & Burroughs, 1991);
- encourage the adoption of a more difficult goal (Latham & Yukl, 1975);
- provide a means of disseminating useful job-related information (Latham, Winters, & Locke, 1994);
- enhance perceptions of supervisor support (Likert, 1967);
- result in greater goal commitment (Erez & Kanfer, 1983).

According to Jeong (2006), Latham, in the 1970s, was guided by the belief that participation would enhance performance above and beyond that could be achieved by assigned or "do your best" goals. Latham and Locke (1975) summarised numerous studies regarding goal setting and found that whether goals are set unilaterally by the supervisor or together with employees, goal setting significantly increased the level of production by an average of 19 percent and reduces absenteeism and injuries. Latham and Yukl (1975) also conducted studies on goal setting and participation. Two field experiments were conducted on two sets of logging crews differing in levels of education. Productivity comparison between the two groups revealed that the educationally disadvantaged group performed better when allowed to participate in setting their work goals. On the other hand, no differences were found, for the educated group with respect to assigned and participative conditions. The authors speculated that the higher performance observed in the participation condition may have been due to the setting of higher goals, thereby, prompting a greater level of commitment to those goals.

Another set of researchers, arrived at a different conclusion. In their study of leadership with young boys, Lewin, Lippitt and White (1939) sided with democratic supervision as a superior form of leadership linked to work motivation. Erez and Kanfer (1983) similarly adopted the view that participation in goal setting may be critical to goal commitment and, in turn, for task performance. They suggested that maximising goal acceptance or commitment involves a combination of strategies that vary along an internal-external continuum of locus of control.

The authors proposed that the majority of past studies on participation up to that time had compared assigned versus participatively-set goals under conditions of both high goal acceptance and high information, for instance cognitive benefits (Jeong, 2006). The real benefit of participation lies in conditions where initial acceptance or commitment is low (Erez & Kanfer, 1983). A series of studies conducted by Erez and her colleagues (Erez & Arad, 1986; Erez, Earley, & Hulin, 1985) suggest that participatively-set goals are more likely to be accepted than assigned goals

According to a study by Carroll and Tosi (1973), results indicated that subordinate participation in setting goals did not result in higher levels of perceived goal success or in more favourable attitudes towards a superior or toward management by objectives. Meyer, Kay and French (1965) found that it is not so important who sets the goals as it is that specific challenging goals in fact be set. However, contradictory findings revealed that goal commitment and subsequent performance is higher when employees participate in the setting of goals than in cases where goals were assigned (Erez, 1986). Assigned goals work best with those who are already intrinsically motivated and who thus find the assigned goals less onerous (Miner, 2005). Participative goal setting works best if people are accustomed to and comfortable with it. When intrinsic motivation to perform is at a low level, an added inducement is required (Miner, 2005). A key assertion by the above authors is that participation is useful to the extent that it leads to a higher level of acceptance or commitment to a given goal. Additional studies by the same authors further confirms the notion that a goal is more likely to be accepted when it is not perceived as externally imposed (Erez, 1986; Erez & Arad, 1986). Overall, goal-setting procedures appear to have substantial motivational potential with the right people under the right circumstances (Miner, 2005).

In order to identify the source(s) of the conflicting results reported by the two groups of researchers, Latham, Erez and Locke (1988) jointly conducted a series of four experiments in what was referred to as “crucial experiments conducted by the antagonists” (Latham, Erez, & Locke, 1988, p. 753). The authors identified five possible explanations for their discrepant findings. These included task importance, group discussion, the way in which instructions were given, the setting of self-set goals prior to manipulation, and variance in the outcome due to differences in cultural values. These explanations were based on the different characteristics of Latham and Erez’ studies thought to have contributed to the discrepant findings (Jeong, 2006). With respect to his assigned goal conditions, Latham (2004), for example, stressed the importance of the task and provided a rationale for why it was important, for instance tell and sell, and was generally friendly and supportive towards the subjects. In contrast, Erez (1986) did not stress the importance of the task and was generally cold and distant towards her subjects in the assigned conditions. Moreover, subjects in participation conditions, always set their goals as a group rather than as supervisor-subordinate (Jeong, 2006).

Using a relatively simple task, such as brainstorming on uses for absorbent towels and wood in any form, the first two experiments reported in the authors' monograph, showed no significant performance differences stemming from task importance or group participation (Latham et al., 1988). The third and fourth experiments were conducted with a substantially more difficult task of class scheduling. These latter experiments revealed that the way in which instructions are given to the subjects can significantly influence performance. Specifically, when difficult assigned goals were accompanied by an explanation for why the goal was difficult, it resulted in equally high performance as the participation group. It should however be noted that the "tell and sell" condition in Experiment 3 included self-efficacy enhancing instructions, for instance "people improve on this task with practice and also get momentum when working continuously" (Latham et al, 1988, p. 760). When this issue was addressed in Experiment 4, both goal commitment and self-efficacy were found to mediate the effects of participation on performance. Attributing this latter finding to instructions to "reject" goals, the authors concluded that specific and difficult assigned goals are just as effective as participatively-set goals when accompanied by a rationale, for example the tell and sell approach.

To summarise their conclusion, Latham et al. (1988) concluded that the motivational effects of assigned goals are just as powerful as those set participatively in engendering high levels of commitment and performance when goal difficulty is held constant; instructions to reject unrealistic goals are eliminated and the instructions given to subjects are not too brief or seen as curt. Moreover, based on the findings of their experiments 1, 3, and 4 – i.e., commitment and performance levels being significantly higher when assigned goals are combined with a rationale – the overarching conclusion proposed by the authors was that when assigned goals are accompanied by a rationale such as tell and sell, the subjects' commitment and, in turn, their task performance is just as high as that can be had through participation and goal setting.

2.4.2 Valance-Instrumentality-Expectancy Theory

Goal-setting theory, however, appears to contradict Vroom's (1964) valence–instrumentality–expectancy theory. The theory argues that the strength of a tendency to act in a specific way depends on the strength of an expectation that the act will be followed by a given outcome and the attractiveness of that outcome to the individual. To simplify this, expectancy theory argues that an employee can be motivated to perform better when there is a belief that the better performance will lead to good performance appraisal and that this will result into the realisation of personal goal in the form of some reward.

2.4.3 Equity Theory

Another contradiction, yet contribution to perceptions of motivation to perform or act, is that of Adams (1963) equity theory. It is one of the major formulations relevant to financial compensation (Pritchard, 1969). Equity theory argues that people are motivated by their beliefs about the reward structure as being fair or unfair, relative to the inputs (Adams, 1963). People have a tendency to use subjective judgment to balance the outcomes and inputs in the relationship for comparisons between different individuals (Adams, 1963). According to this theory, the level of motivation in an individual is related to his or her perception of equity and fairness practiced by management. Studies of perception (Middlemist & Richard, 1976; Goodman, 1974; Austin & Walster, 1974) support the theory that an individual's perception of equity is based on an internal socially-derived standard of inputs or outcomes, rather than a particular comparison person as had been originally suggested.

Equity theory calls for a fair balance to be struck between an employee's inputs (hard work, skill level, tolerance, enthusiasm) and an employee's outputs (salary, benefits, intangibles such as recognition) (Adam, 1963). According to the theory, finding this fair balance serves to ensure that a strong and productive relationship is achieved with the employee, with the overall result being contented, motivated employees. The theory is built-on the belief that employees become demotivated, both in relation to their job and their employer, if they feel as though their inputs are greater than the outputs (Adam, 1963). Employees can be expected to respond to this is different ways, including demotivation (generally to the extent that the employee perceives the disparity between the inputs and the outputs exist), reduced effort, becoming disgruntled, or, in more extreme cases, perhaps even disruptive (Adam, 1963). Equity theory suggests that over rewarded individuals might be motivated to increase their performance and under rewarded individuals to decrease their performance in an effort to restore equity. However, very often, over-rewarded employees will find ways to rationalise their over reward, assuming they "deserve" it (Adam, 1963).

2.4.4 Theory X and Theory Y

Literature on employee motivation dates back to the nineteenth century, for instance that of McGregor's (1960) Theory X and Theory Y. McGregor (1960) emphasised the importance of examining the underlying assumptions that managers hold about their subordinates. Theory X assumes that people are lazy; they hate work to the extent that they avoid it; they have no ambition, take no initiative and avoid taking any responsibility; all they want is security, and to get them to do any work, they must be rewarded, coerced, intimidated and punished (McGregor, 1960). This is, however, contested by Theory Y which predicts that people want to learn and that work is their natural activity to the extent that they develop self-discipline and self-development. They see their reward not so much in cash payments as in the freedom to do difficult and challenging work by themselves. In line with these inferences, Heath (1999) showed in a series of laboratory experiments that people exhibited a pronounced tendency to predict that others are more motivated than themselves by extrinsic rewards (e.g., pay and benefits) and less motivated than themselves by intrinsic rewards (e.g., enjoyment and interest in job). Heath's (1999) survey data reported that seventy three percent of the respondents believed that ‘‘large differences in pay’’ were necessary ‘‘in order to get people to work hard’’ and sixty seven percent agreed ‘‘people would not want to take extra responsibility at work unless they were paid extra for it’’.

Earlier observations of academicians noted that presentation of negative feedback to subordinates is an unpleasant task and one that supervisors tend to avoid (Ilgen, Fisher & Taylor, 1979), resulting in managers distorting negative information. These relationship outcomes are thought to be the result of several false and untenable assumptions (Bouskila-Yam & Kluger, 2010). One key false assumption is that performance appraisal helps to develop those being appraised. Specifically, organisations often espouse a desire to manage according to McGreggor's (1960) Theory Y – the belief that workers can naturally enjoy work if given the freedom to express their creativity and imagination. Yet, organisations typically put performance appraisal responsibility on the appraisers. This act reflects the application of Theory X – the belief that workers despise work and, thus, must be controlled and coerced.

Unlike the idea of abolishing performance appraisal, Bouskila-Yam & Kluger (2010) sought to piggyback on a routine that is deeply ingrained in many organisations and use the platform to work with different assumptions. That is, the sought to develop a system that is more Theory Y in its nature, invites collaborative evaluation of the strength of the subordinate and collaborative planning in how to apply these strengths into goal setting.

2.4.5 Maslow and McClelland's Need Theory

Popular research regarding motivation is conducted by Maslow's (1943) Need Hierarchy Theory. He concluded that individuals have needs that begin with more basic needs such as physiological needs. Once satisfied, they escalate through a predetermined hierarchy to more advanced needs (safety, love, esteem) until self-actualisation is achieved Maslow (1943). It can be argued that managers must satisfy these needs to maximise the individual's motivation and ultimately job performance. McClelland (1975), on the other hand, has identified three different needs that all individuals have to some extent: the need for achievement, the need for affiliation, and the need for power. The need for achievement concludes that people have some level of a need to achieve great things with their work (McClelland, 1975). Those who have high needs for achievement have the desire to accomplish difficult tasks, work rapidly, independently and attain a high standard by excelling one's self and surpassing others (McClelland, 1975). The need for affiliation is characterised by a preference to spend more time developing relationships. Individuals of this sort can be encouraged to increase their achievement motivation while using the natural affiliation motivations to become better relationship managers (McClelland, 1975). The need for power can be summed up in the same way. A power oriented person can be trained to respond more directly to achievement motivations while they specialise in positions that utilise their natural motivations for power and power positions such as top level management (McClelland, 1975).

2.4.6 Agency Theory

Agency theory addresses the issues that arise in an agency relationship, in which one party, the principal (manager), delegates work to another, the agent (employee) (Einsenhardt, 1989). Most agency theory models rest on the assumption that the principal and the agent have diverging goals and that it is often expensive for the principal to monitor the behaviour of the agent, given the information asymmetries between the two (Eisenhardt, 1989). In an agency situation, the principal can basically choose to provide some form of output-based contingent reward to align the agent's interests with its own or to invest in mechanisms to monitor the behaviour of the agent (Eisenhardt, 1989). The relative efficiency of each control option is dependent upon levels of outcome uncertainty, risk aversion, the costs of monitoring behaviour, and other related variables (Eisenhardt, 1989). Recent strategic compensation research has examined the principal-agent relation for lower level employees, who have little opportunity to affect key firm performance indicators (Eisenhardt, 1989). As a result, many firms base pay increments, awarded as merit pay, on subjective assessments of employee behaviour (Eisenhardt, 1989). Whether pay-for-performance systems are based on behavioural monitoring or output control, the goal of these plans is to encourage employees to maximise their individual performance or in-role effort. A possible by-product, however, may be a reduction in the effort devoted to organisational citizenship behaviour (Deckop & Cirka, 1999). By clearly specifying behaviours and outputs that will be rewarded, organisations risk discouraging behaviours that will not be explicitly rewarded (Morrison, 1996).

2.4.7 Organisational Citizenship Behaviour

It is commonly accepted in the management literature that organisations need employees who are willing to exceed their formal job requirements (Katz & Kahn, 1978). Exceeding job requirements, commonly referred to as organisational citizenship behaviour (OCB), has recently received a great deal research attention (Moorman, 1991; Le Pine, Erez & Jonhson, 2002). OCB is employee behaviour that goes above and beyond the call of duty. It is discretionary and not explicitly recognised by the employing organisation's formal reward system and contributes to organisational effectiveness (Deckop & Cirka, 1999). OCB include working beyond required job duties, such as assisting others with their tasks, promoting a positive work environment, avoiding unnecessary conflicts, being involved in organisational activities, and performing tasks beyond normal role requirements.OCB is desirable from an organisational point of view because such behaviour is thought to increase available resources and decrease the need for more formal and costly mechanisms of control (Podsakoff & Mac-Kenzie, 1997). If an organisation's control system reduces OCB, the ironic and unfortunate effect is that the organisation may have to invest in other forms of control in order to encourage spontaneous and innovative activity.

As demonstrated above, literatures provide numerous theories explaining motivation and people's behaviours at work. Perceptions and concerns about the development of performance usually provide the entry point for thinking about capacity issues. Capacity does not however automatically translate into improved performance and better development results (Balassanian, 2006). Capacities may be in place, but appropriate incentives need to be present to put them in high gear and in motion toward the desired development destination (Boesen, 2004). People have not only different amounts, but also different kinds of motivation (Ryan & Deci, 2000). Research studies supporting findings of the discussed theories and related to the research are summarised in the attached contingency table.

2.5 PSYCHOLOGICAL CONTRACT

Performance management supports the philosophical principle that people, and not capital, provide organisations with a competitive advantage (Reynolds & Ablett, 1998; Band, Scanlan & Tustin 1994). However, performance management presents severe challenges in terms of practical implementation (Cheng et al., 2007). Previous studies have largely failed to overcome many of the organisational constraints on its successful implementation (Redman, 2001). Overcoming barriers to change is especially important given their close relationship to the fulfilment of the psychological contract and related HRM systems such as reward, development, etcetera (Cheng et al., 2007). The psychological contract construct consists of the existence of a "soft" set of expectations held by the employee which have to be organised and managed (Sparrow, 1998). Within the relationship defined by these constructs, the employer and the employee inform, negotiate, monitor and then re-negotiate or exit, the employment relationship (Robinson & Rousseau, 1994). Thus, if the employee feels that a performance management approach breaches or violates their psychological contract expectations, it can lead to an irrevocable breakdown in the employment relationship

(Robinson & Rousseau, 1994). Careful implementation of performance tools is therefore crucial to their success as contributors to organisational development (Cheng et al., 2007).

2.6 BARRIERS TO EFFECTIVE PERFORMANCE MANAGEMENT SYSTEMS

Organisations frequently identify one or more of the following elements as the most challenging when implementing performance management systems. These are not impossible obstacles, but elements that require the great attention and work as they can cause the performance management system to fail if not addressed. To mention a few, employee resistance to change, lack of management commitment, inadequate training and support, lack of communication and keeping the system alive.

2.6.1 Employee Resistance to Change

Employee commitment to change programmes is crucial given that employees actually execute implementation activities (Hansson, Backlund & Lycke, 2003). However, according to a survey of 400 organisation conducted by Deloitte and Touche, resistance to change is indicated as the number one reason for failures of organisational change initiatives (Deloitte & Touche, 1996). Literature (De Wall, 2007; Meekings, 1995) indicate that a large percent of PMS implementations fail largely because the behavioural factors have been ignored. According to a study by Cheng et al. (2007), implementation of a PM system failed partly because there were no systematic plans developed for addressing employee resistance. Resistance is usually based on fear of losing jobs (Hardwick & Winsor, 2002), negative experiences of previous problematic change projects, changes to their internal status (McAdam & McGeough, 2000) or because of the stressful work conditions that change induces (Hansson et al., 2003). Thus, to be successful in shaping behaviour, performance management systems must achieve acceptance by those being "managed" (Cheng et al., 2007).The roles of managers include having to successfully guide employees towards the organisational agenda of achieving its objectives (Cheng et al., 2007). Roberts (2005) adds that it is very important for them to educate and understand the psychological processes and undertakings that are the root cause of stimulation, direction of destination, determination and persistence of voluntary actions.

2.6.2 Lack of Management Commitment

Studies (Hansson et al., 2003; Trader-Leigh, 2002; Hacker & Brotherton, 1998) have shown the detrimental impact a lack of management commitment can have on the implementation of change initiatives. As a result from a case study by Cheng et al. (2007), lack of management commitment contributed to the failure of the system. The phenomenon of declining commitment from senior management was attributed to a range of factors including lack of understanding of the objectives and methodologies of the new system (Hansson et al., 2003), or a perceived threat to supervisors' and managers' roles induced by the system (Barodoel & Sohal, 1999). Together, the lack of commitment and unwillingness to allow the benefits of the new system to accrue incrementally had given an impression to employees that it would form a short-term management fad likely to be replaced by a new system in the future (Cheng et al., 2007).

2.6.3 Inadequate Training and Support

The lack of necessary knowledge and skills required for employees' particular contribution to system's implementation will lead to failure (Cheng et al., 2007). Considerable evidence suggests that investments in training produce beneficial organisational outcomes (Bartel, 1994; & Knoke & Kalleberg, 1994). Research also adds that the effectiveness of skilled employees will be limited if they are not motivated to perform their jobs (Delaney & Huselid, 1996). According to Jennings and Banfield (1993), training can and should be a powerful agent of change, facilitating and enabling a company to grow, expand and develop its capabilities, thus enhancing profitability. Failure to invest in training will therefore lead to organisational failure.

2.6.4 Lack of Communication

Cheng et al. (2007) suggest that the most important factor in a successful strategic initiative is the attitude of those affected. Their case company's implementation failed largely due to the employees and management of the organisation not having fully understood why the initiative had been created and what benefits both they and the organisation were meant to derive from it (Cheng et al., 2007). Previous research has shown that positive involvement of top management acts as support to a new system (Chattopadhyay, 2001). This is largely because senior managers must manage the necessary culture change required (Jackson, 2001). However, in the case of the case study organisation such managers failed to support the change by advocating and promoting the system and its benefits (Cheng at el., 2007).

2.6.5 Keeping the System Alive

The greatest challenge for many organisations is keeping the performance management system practical after the first or second year (Sumlin, n.d.). A 1995 survey indicated that forty-four percent of 218 companies with performance management systems had changed systems in the previous two years and that another twenty nine percent expected to do so (Sumlin, n.d.). Other studies have indicated that most organisations replace their system on average every three to four years. It is important to periodically monitor the system, revise portions of it when necessary, and refresh people’s interest in the system (Sumlin, n.d.). Too often, organisations ignore the system and are then forced to completely dismantle it after the system has either become woefully out of step with the times or employees mistrust its use (Sumlin, n.d.; Cheng et al., 2007).

2.7 CRITICAL SUCCESS FACTORS ASSOCIATED WITH PERFORMANCE MANAGEMENT SYSTEMS

Although various reviews of the implementation of change initiatives from the existing literature provide a basis for implementation framework, some prerequisite practices drawn from a range of studies for success and for responding to the barriers identified above are presented below.

2.7.1 Support, Leadership and Management Commitment

An effective introduction of performance measurement and performance-based management requires a committed leader with considerable skill and willing to provide significant managerial investment and rewards (Sanger, 2008). Clear and visible involvement by senior executives and managers is a necessary part of successful performance measurement and management systems (Allen & Kilmann, 2001; Chattopadhyay, 2001; Bourne, Neely, Platts, & Mills, 2002). Management should ensure that they have the time and resources to properly implement improvement efforts, and be realistic about the time and wider impacts of change demands placed on their employees (Cheng et al., 2007).

2.7.2 Understanding Human Behaviour

Performance management systems cannot be designed without taking human behaviours into account (Simons, 2000). Holloway, Lewis and Mallory (1995) observe that the successful implementation of performance measurement approaches depends on understanding and accommodating the human element in management control. Special attention should be paid to the behavioural aspects surrounding the use of performance management systems (Otley, 2003; Garengo & Bititci, 2004). Most authors who mention the importance of behavioural aspects are of the opinion that addressing these factors is crucial and beneficial for the successful implementation and use of a performance management system (Holloway et al., 1995; Simons, 2000; Franco & Bourne, 2002). Additionally, research shows that the combination of performance-driven behaviour and regular use of the management control system leads to improved results (De Waal, 2002, 2003; Malina & Selto, 2004).

2.7.3 Employee Engagement

The involvement and motivation of employees during the development of the performance measurement and management system can have a significant impact on its success (Keenan, 2000; Martin & Davis, 2001). It can encourage employee accountability, learning, motivation and contribution to solutions (Cheng et al., 2007)

2.7.4 Strategic Planning

This involves activities linking the performance management system to the company mission, vision and defined business strategy, and strategic priorities and goals (Trader-Leigh, 2002; Garavan, Morley, Gunnigie, & McGuire, 2002). The expertise and knowledge of strategy makers in managing change are crucial, and only active participation from all levels of management will ensure its success (Cheng et al., 2007).

2.7.5 Planning the Implementation

The aim of planning is to clearly identify obstacles to change, as well as the driving forces behind it (Cheng et al., 2007). This should include activities which encourage the participation of all concerned parties, being both staff and management by means of small teams, in goal setting, and identifying solutions (Hansson et al., 2003). The operational planning process will have a great deal of impact on existing resources if it is to be implemented effectively (Cheng et al., 2007)

2.7.6 Appropriate Training and Education

Appropriate training has an important part to play in enhancing individuals' preparedness and abilities to change (Hansson et al., 2003). Training should bolster efforts at communication by helping individuals to develop their contextual understanding in order to convey what is going on, and why (Stiles, Gratton, Truss, Hope-Hailey & McGovern, 1997). Training and development are important elements in the make-up of the psychological contract, not only because they act as inducements for employees to maintain commitment to the organisation, but also in terms of employer expectations, who consider the development of highly-trained workers with firm-specific skills as a major factor for securing competitive advantage (Hamel & Prahalad, 1995). Furthermore, there is the symbolic value of training and development which is relevant to the psychological contract, since they serve to demonstrate the value the company places on employees (Rainbird, 1994).

A major aspect of developing an effective performance system is training for those individuals involved as raters. This training should start with a focus on providing the manager with a systematic approach to the practice of effective people management (Goff & Longenecker, 1990). Such training needs to focus on the process of managing, motivating and evaluating employee performance. Performance appraisal is only a part of this overall process and it is important that managers see it within its wider context and not as a simple "quick fix" solution (Boice & Kleiner, 1997). Thus, training should begin at management levels that will be involved in administering the programme and providing training for lower levels of supervision. Once these senior managers have "bought into" the system, skills training is needed for junior managers and supervisors and should include at least the following areas:

- supervision skills;
- coaching and counselling;
- conflict resolution;
- setting performance standards;

- linking the system to pay (assuming this is an aim of the appraisal system);
- providing employee feedback (Evans, 1991).

Boice and Kleiner (1997) suggest that once an individual rater has been through the necessary training, periodic refresher courses will be required to help the rater maintain the necessary skills in performance assessment. Raters involved in the appraisal process should also be evaluated on how they conduct performance appraisals because this will help to make sure that evaluations are performed in a similar and consistent manner throughout the organisation (Boice & Kleiner, 1997).

2.7.7 Monitoring and Evaluation

Finally, careful monitoring of the implementation process is crucial to ensuring its sustained effectiveness (Sumlin, n.d.). This should include activities such as obtaining measurable outcomes in order to provide a clear focus for monitoring and following through the process (Sumlin, n.d.). Essential elements of this should include control and feedback in the form of both formal and informal mechanisms that allow the process of implementation to be monitored, the use of quick feedback such as customer satisfaction, which can encourage employees to continue with the change process (Sumlin, n.d.).

2.8 OUTCOMES AND BENEFITS ASSOCIATED WITH PERFORMANCE MANAGEMENT / APPRAISAL SYSTEMS

Lawson, Stratton and Hatch (2003) investigated 150 organisations on the benefits of performance management systems after they had been implemented. Two-thirds indicated that implementing a PMS made employees more aware of the company strategy and business plan goals, and that the system helped to align operational improvements with the overall strategy of the organisation (Lawson et al., 2003). Other advantages associated with performance management include accountability for performing at acceptable levels, existence of documentation and consistency, increased productivity and employee morale, fair rewarding, retention of valued high-performers (Haynes & Bobrow, n.d.), better organisational results (Management Advisory Commission, 2001), improved profitability, increased revenues and reduced costs (Hendricks & Singhal, 1997), motivation through non-financial rewards as positive feedback and opportunities for development.

Beer (1981) identified some common outcomes of an effective performance appraisal process including employees learning about themselves, employee knowledge about how they are doing, and employee learning about 'what management values'. According to Stephan and Dorfman (1989) outcomes of effective performance appraisal are improvement in the accuracy of employee performance and establishing relationship between performance on tasks and a clear potential for reward. Dobbins, Cardy and Platz-Vieno (1990) recognised five outcomes such as the use of evaluations as feedback to improve performance, reduced employee turnover, increased motivation, existence of feelings of equity among employees, linkage between performance and rewards. Nurse (2005) viewed provision of information for the development of managerial strategies for training and development as an outcome. Teratanavat, Raitano and Kleiner (2006) found outcomes such as reduced employee stress, review of overall progress, linkage between current performance and employee's goals, and development of specific action plans for future.

2.9 CONCLUSION

This chapter discussed the literature related to performance management. It discussed performance appraisal as a key component of performance management systems and detailed goal setting theory as a theory to be tested. Motivation and various theories which explain different motivational sources as well as factors associated with success and failure in performance management systems implementation have also been address. Previous research studies in the similar field have been summarised in Table 2.1 below. The next chapter considers the methodology that has been employed in examining the relationship between perceptions of performance management system and associated performances.

Table 2.1: Literature Contingency Matrix

Research Problem: The purpose of this research is to explore relationship between employee perceptions, performance management system, goal setting and performance				
Research Question	Hypothesis / Propositions	Researchers	Evidence	Research Process / Analysis
1. What is the relationship between the implementation of a performance management system and performance?	There is a positive relation between performance management systems and performance	Cheng, Danty & Moore (2007)	Showed that implementing change initiatives in organisations is extremely problematic, particularly in relation to HRM initiatives	A longitudinal case study methodology
		Powell (1995)	Investigated the use of TQM in various organisations and found it is not the features associated with TQM but the tacit, behavioural aspects that produce advantage	Qualitative Survey
		Gardner, A.C (2011)	Provide a practical framework for integrating goal-setting theory and gainsharing strategies so that they can be used to achieve desired organisational outcomes. Found a positive relationship	Obtained data from National Organisations Survey (NOS). Descriptive analysis
		Delaney & Huselid 91996)	Studies the impact of human resources management practices on perceptions of organisational effectiveness	Use action research approach (case study). Qualitative analysis
		Andersen, Henriksen & Aarseth (2006)	Aimed at developing an integrated framework for holistic performance management.	
		Khan, Farooq & Ullah (2010)	Investigated the role played by rewards in the process of motivating employees.	Quantitative method, Questionnaire

		Amed (1999)	Assessed the need and feasibility for the application of PA of effectiveness. Found that support for the use of PA effectiveness.	Questionnaires, qualitative analysis
		Hendricks & Singhal (1997)	Explored the hypotheses that implementing effective total quality management programs improves firm performance.	
		Wright, Gardner & Moynihan (2003)	Examined the impact of HR practices and organisational commitment on the operating performance and profitability of business units. Found a positive link.	Used predictive design
		De Waal & Coevert (2007)	Identified the impact and workings of a new performance management system in a branch of a national bank and found different results.	Descriptive and analysing approach, longitudinal case study
2. How do employees perceive PM systems? Is it fair, is it useful, does it change their approach to their work, does it motivate them to perform better?	There is a positive relation between employees' perceptions of processes and goal commitment, such that more positive perceptions are associated with higher goal commitment.	Bipp & Kleingeld (2011)	The purpose was to investigate how individual perceptions by employees of a goal-setting program and personality traits influence job satisfaction and goal commitment.	Used the German version of Locke and Latham's goal-setting questionnaire. Conducted a confirmatory factor analysis.
		Yearta, Maitlis & Briner (1995)	Explored two central relationships of goal setting theory in the complex and dynamic organisational setting in which its principles are often practised. The positive linear relationship between goal difficulty and performance	Two sets of analyses were performed on the data – 1. Test the theoretical relationships 2. Individual level analyses

			typically found in controlled settings was not replicated	
		Monis & Sreedhara (2010)	Correlated employee satisfaction with performance appraisal system	Used quantitative survey
		Kim (2004)	Empirically tested the effects of individual-level variables on organisational performance	Used survey
		Walsh (2003)	Studied employees' perceptions of fairness and satisfaction towards performance appraisals	Questionnaires
		De Waal (2010)	Discussed the results of research into the relation between the instrumental and the behavioural dimensions and organisational performance, using Performance Management Analysis (PMA)	PMA Questionnaire
		Prowse & Prowse (2009)	Evaluated the aims and methods of appraisal, and the difficulties encountered in the appraisal process.	Literature review
3.What role does goal setting play in performance management?	There is a positive association between performance and [specific, challenging] goals	Latham (2004); Locke and Bryan (1969)	Conclude that specific goals can boost employee motivation and performance on specific objectives by having individuals focus on those objectives	
		Bandura and Cervone (1983)	Conclude that goals increase individual effort toward objectives	
		Latham and Locke (1975)	Specific goals can increase motivation and performance in the	

		De Voe & Iyengar (2004) Latham. Gorgogni & Petitta (2008)	face of setbacks. Examined the relationship between managers' perceptions of employee motivation and performance appraisal. Three distinct cultural patterns emerged in the theories. Explored the relationship between goal setting and performance management in the public sector	Questionnaires
To what extend is performance management applied in the organisation?	There is a positive relationship between performance management (goal setting) and individual or firm performance	Terpstra & Rozell (1994) Beekes, Otley & Ururuka (2010) Stringer (2007) Fryer, Antony & Ogden (2009)	Conducted a survey of organisations as to the extend of goal setting theory and applications and whether organisations using goal setting were more profitable than those that are not – found a positive relationship Examined what types of targets are used and how they are used. Found that targets are useful tools to motivate and assess performance but excessive focus can cause de-motivation. Seeks to respond to calls for future research to take an integrated and longitudinal approach to examining the operation of performance management in real organisations. Assessed the state of performance management within the public sector and suggest areas for further research.	Conducted a survey Used is a web based questionnaire survey to investigate the perceptions of employees Review of field studies. Qualitative analysis used Literature review
4.What factors are associated		Bourne, Neely, Mills & Platts	Reviewed the different	Performance measurement

with the success and failure in PMS?		(2003)	performance measurement system design processes published in the literature and concludes that the performance measurement literature is at the stage of identifying difficulties and pitfalls to be avoided.	questionnaire
		Sole (2009)	Analysed the characteristics of performance measurement and management systems in public organisations and highlighted the main factors driving performance in this sector and provided better information on the use of PMS.	Carried out a literature review
		Bento & Bento (2006)	Proposed and tested a model to explain three critical outcomes of Performance Management Systems - information quality, effectiveness, and usefulness of the PMS to managerial decision-making	Empirical test of the hypotheses - Stepwise regression used for analysis
		Gresty (2010)	Assessed issues that prevent performance management theory from being applied effectively in practice.	Case study testing theoretical propositions. Use multi-method approach

CHAPTER 3:
RESEARCH METHODOLOGY

3.1 INTRODUCTION

The previous chapter focused on the literature pertaining to the topic under study. This chapter will focus on the research's design and methodology used in this study. The research design and methodology of an investigation guides the research process and ensures that the analysis conducted meets the aims of the study (Yin, 2003). The approach adopted for this study is qu**a**litative in nature and involves case study research. Furthermore, this chapter also outlines the means and procedures by which data was collected and analysed.

3.2 RESEARCH APPROACHES AND JUSTIFICATIONS

The following section describes the approaches that have been employed in this research study, as well justifications for the selected methods.

3.2.1 A Qualitative Approach

As mentioned above, this study is qualitative in nature. According to Yin (2003) qualitative data and analysis is most suitable for case study research. Considering the type of data to be collected and the issues being investigated, which are more of qualitative soft nature, it justifies making use of the qualitative approach.

3.2.2 A Deductive and Inductive Approach

The deductive approach has been primarily used for this investigation. This approach has been defined by Saunders et al (2009, p. 590 cited in Gresty, 2010) as "involving the testing of a theoretical proposition by the employment of a research strategy specifically designed for the purpose of its testing". The case study strategy for this research has been selected to test the various propositions derived from goal setting literature. The research has also included the inductive approach which is defined as "involving the development of a theory as a result of the observation of empirical data" (Saunder et al., 2009, p. 590 cited in Gretsy, 2010).

3.3 RESEARCH DESIGN

Yin (2003 p.20) defines the research design as "a logical plan for getting from here to there, where here may be defined as the initial set of questions to be answered, and there is some set of conclusions (answers) about these questions". The design will assist the researcher in collecting the relevant data to the primary questions. This research study has been based on a case study approach and has adopted the multiple-case, embedded design (Yin, 2003).

Yin (2003) identifies characteristics of a case study as:

- investigating a contemporary phenomenon within its real life context
- when the researcher has little or no control over the outcomes; and
- uses a variety of methods, including both qualitative and quantitative data (Yin, 2003).

Yin (1994 cited in Stewart & Gable, 1999) further suggests that the case study approach may be the most appropriate research method for appreciating the complexity of organisational phenomena. Performance management is a complex organisational phenomenon as it affects the organisation's design and decision making processes, and brings systematic change to the manner in which work is done (Stewart & Gable, 1999). This research has studied the perceptions of employees towards performance management systems and how these affect their performances.

3.4 RECRUITMENT OF PARTICIPATING ORGANISATIONS

The researcher initially approached ten (10) randomly selected organisations, some with and others without performance management systems. The researcher addressed emails to the organisations' Heads and Human Resources Officials explaining the purpose of the research and requesting permission to conduct the research in their organisations. Attached to the email were a draft questionnaire, Participant Information Sheet, and proof of registration with the University to prove legitimacy. Samples of these are attached in the Appendices. Only six organisations granted such permission and research was conducted accordingly. Accessibility was also considered when selecting organisations to allow ease of movement to and from organisations for required contact with research respondents. For this reason, only organisations based in Windhoek, the capital of Namibia, were approached to participate in the study.

3.4.1 Units of Analysis

The unit of analysis defines what the case is, and this could be an individual, groups, organisations or even countries (Yin, 2003). The units of analysis for this study are six organisations in the Namibian corporate context. A detailed breakdown of the research participants from these organisations is provided in Chapter 4. The research's case organisations are:

- TransNamib Holdings Limited

TransNamib Holdings Ltd is the premier transport operator in Namibia, specialising in the transportation of bulk and containerized freight. It currently has 1765 employees countrywide. Only 826 Windhoek-based employee will participate in the study. TransNamib Holdings Ltd currently has no performance management system in place.

- NamWater

The Namibia Water Corporation Ltd (NamWater) is a commercial entity supplying water in bulk to industries and municipalities in Namibia. It has a workforce of 622 employees countrywide. Only 356 Windhoek-based employees will participate in the research. NamWater has a performance management system in place and carries out performance appraisal on a quarterly basis.

- NamPower

NamPower is Namibia's leading energy provider. It has a staff compliment of 970 countrywide, of which 450 employees based at Head Office in Windhoek have been targeted to participate in the study. NamPower has a performance management system in place, where employees are appraised on bi-annual basis.

- Namfisa

Namfisa is a public body tasked with the responsibility of regulating and supervising non-banking financial institutions in Namibia. Namfisa has a workforce of 70 employees and implements the balanced scorecard as a performance management system. Employees are appraised on quarterly basis based on individual performance contracts signed at the beginning of each financial year.

- Namibian Development Corporation (NDC)

Namibian Development Corporation is an organisation that provides financial and related services to various entrepreneurs on the basis of sustainable operations. It has a staff compliment of 224 employees and currently has no performance management system in place. However, they are in the process of implementing one.

- Silnam IT Solution (Pty) Ltd

Silnam IT Solutions is an ICT consultancy organisation that provides services to public and private organisations. It has a staff compliment of 55 employees and currently in the process of implementing a performance management system.

3.4.2 Population

The total population for the study consisted of 1981 employees from six different organisations at the time research was conducted.

3.4.3 Sample

The study sample consists of fifty-six (56) respondents to questionnaires and twenty (20) participants who were interviewed. The total sample is therefore seventy-six (76) participants. Participants were aged between 20 and 60 and were selected on a voluntary basis, whereby they signed a consent form.

3.5 DATA COLLECTION PROCEDURE

After being granted permission from the organisations' management to conduct research, the researcher contacted the relevant officials to discuss the data collection procedures in terms of communicating to employees, distribution and collection of questionnaires, follow ups where required, etcetera. In four of the organisations, an internal official assisted the researcher in distributing the questionnaires, whereas in two organisations, the researcher personally distributed the questionnaires and personally explained the research purpose to the employees on individual basis. All participants were given a period of two weeks to complete the questionnaires before the researcher collected them. Due to the low response rate, especially in the organisations where the researcher had no internal assistance to distribute questionnaires, the due date was later extended by further two weeks for questionnaires collection in hope for a higher response rate.

3.6 SOURCES OF DATA COLLECTION

The research data was collected via questionnaires and semi-structured interviews. Research journals were also used to support data collected from research participants.

3.6.1 Open-ended Questionnaires

The main source of data collection in this research is questionnaires of open-ended nature, considering the nature of the subject being investigated. This was aimed to allow participants to express themselves independently and not be restricted to selected options. The researcher developed a questionnaire that comprised of four sections. The first section contains the demographic aspects of the respondents, including gender, age, tenure, employment status and their employment / experience level in the organisation. Participants were asked to place a tick in the relevant boxes or write the appropriate figures in the spaces provided. The other sections, two to five, of the questionnaire are grouped under different themes, where the participants were asked to write their responses on the space provided. This method of data collection was utilised in order to overcome issues of cost and time as well as to reach a larger sampling population.

3.6.2 Semi-structured Interviews

Secondary to questionnaires, semi-structured interviews were used to collect more in-depth information to support the enquiry. Interviews were conducted in five of the six organisations, lasting 25 minutes on average. The interviews were flexibly structured depending on interviewees' responses. However, interviews contained similar questions focusing on the following questions, derived from the research questions:

- The relationship between performance management systems and performance

- The important role of goal setting and feedback in performance management
- Motivation of employees, and
- Factors associated with the success or failure of performance management systems

According to Yin (2003), interviews are one of the most important sources of case study information as they allow the researcher to diverge from a rigid line of inquiry.

3.6.3 Documentary Evidence

Documentary evidence, such as literature journals, have been used to compare and support findings from questionnaires and interviews. The documents serve to strengthen the evidence from other sources while they are also useful for making inferences about events (Yin, 2003).

3.7 MULTIPLE SOURCES OF EVIDENCE

According to Yin (2003) an opportunity to use multiple sources of evidence is one of the strengths of case study data collection. The advantages of making use of multiple sources of evidence are that it enables triangulation and allows an investigator to address a broader range of historical, attitudinal, and behavioural issues. Yin (2003) contends that various sources are highly complementary, and a good case study will therefore want to use as many sources as possible. In support of using multiple sources, the researcher opted to validate participants responses with organisational records such as employees appraisals, but was however was restricted by anonymity and confidentiality matters.

3.8 DATA ANALYSIS TECHNIQUES

This research study has uses two techniques to analyse the data. The primary data analysis technique used is thematic content analysis (Miles & Huberman, 1994; Braun & Clarke, 2006) supported by the secondary pattern matching technique (Yin, 2003). As proposed by Yin (2003), reliance on propositions has been emphasised during analysis as they served as a guide to retain focus on the study's research questions. Yin (2003) contends that propositions help in focusing attention on relevant data, help organise the entire case study, and define alternative explanations to be examined.

3.8.1 Thematic Content Analysis (TCA)

Anderson (1997) describes thematic content analysis as a descriptive presentation of qualitative data, which may take the form of interview transcripts collected from research participants, as in this research study, or other identified texts that reflect experientially on the topic of study. Anderson (1997) further states that TCA is the most foundational of qualitative analytic procedures and in some way informs all qualitative methods. Daly, Kellehear & Gliksman (1997) add that TCA is a search for themes that emerge as being important to the description of the phenomenon being studied. The process involves the identification of themes through 'careful reading and re-reading of the data' (Rice & Ezzy, 1999) and coding participants' open-ended talk into closed categories, which summarise the data (Wilkinson, 2003). Content analysis is widely used, but there is no clear agreement about what thematic analysis is and how one goes about doing it (Braun & Clarke, 2006; Tuckett, 2005).

3.8.2 Pattern Matching

According to Yin (2003), using pattern-matching is one of the most desirable techniques for case study analysis. Pattern matching is a technique used to identify whether there is a correspondence (match) between patterns in causes and effects (Elzinga, Albronda & Kluitjtmas, 2009). There can be full correspondence (complete match), partial correspondence (partial match) or no correspondence (Elzinga, et al, 2009). Pattern matching is the core procedure of theory-testing with cases (Hak & Dul, 2009). Testing consists of matching an "observed pattern" (a pattern of measured values) with an "expected pattern" (a hypothesis), and deciding whether these patterns match (resulting in a confirmation of the hypothesis) or do not match (resulting in a disconfirmation) (Hak & Dul, 2009). If the patterns coincide, the results can help the case study strengthen its internal validity (Yin, 2003).

3.9 DATA ANALYSIS PROCEDURES

With reference and guidance primarily from Miles & Huberman (1994) and Braun & Clarke (2006) on conducting TCA, and Yin (2003) on pattern matching, the section below describes the procedure that was followed to analyse the data in this research study. According to

Anderson (1997), a number of software programs are available to automate the labeling and grouping of texts and are especially useful in the analysis of numerous transcripts, considering the nature of the data. However, Microsoft Word can be used effectively for most TCAs (Anderson, 1997), which is what the researcher used in this study to analyse the data manually.

3.9.1 Thematic Content Analysis Procedure

A detailed step-by-step description and explanation of the procedure of analysing data by means of TCA used by the researcher is provided:

Phase 1: Developing the Code Manual

The researcher created a provisional "start list" of codes prior to fieldwork (Miles & Huberman (1994). That list was derived from the conceptual framework, list of research questions, hypotheses, problem areas, and/or key variables that the researcher brought to the study (Miles & Huberman, 1994). Creating a start list of codes prior to fieldwork is helpful as it forces the researcher to tie research questions or conceptual interests directly to the data (Miles & Huberman, 1994). Crabtree and Miller (1999) also advise that the choice of a code manual for a study is important because it serves as a data management tool for organising segments of similar or related text to assist in interpretation. It also provides a clear trail of evidence for the credibility of the study (Fereday & Muir-Cochrane, 2006). The researcher's code manual, as shown in the Appendices, was created and adapted as per Miles & Huberman's (1994, p.59) example.

Phase 2: Familiarising yourself with the data (Capturing and transcribing Data)

After the researcher collected all the completed questionnaires, responses were captured onto an excel worksheet, organised as per the questions. Similarly, all interviews were tape recorded and transcribed into word processing documents for further analysis (Cassell, Buehring, Symon, Johnson & Bishop, 2005). The transcripts were checked against the tapes for accuracy (Braun & Clarke, 2006). Computerisation of data allowed the researcher to work efficiently with large amounts of text (Cassell et al, 2005). Capturing and transcribing the data also allowed the researcher to familiarise herself with the data. The process of transcription, while it may seem time-consuming, frustrating, and at times boring, is an excellent way to start familiarising oneself with the data (Riessman, 1993). Furthermore, the close attention needed to transcribe data may facilitate the close reading and interpretative skills needed to analyse the data (Lapadat & Lindsay, 1999). During this phase of data familiarisation, notes were taken as reference for coding (Braun & Clarke, 2006) because coding is not just something one does to 'get the data ready' for analysis, but something that drives ongoing data collection (Miles & Huberman, 1994). Coding is a form of early and continuous analysis, which Miles & Huberman (1994) advise against doing all at once as it may become a tiring process and can damage the robustness of the data and quality of the analysis.

Phase 3: Coding and Developing Categories / Themes

This stage involved carefully reading the captured and transcribed data, line by line and dividing it into meaningful analytical units i.e. segmenting the data and coding them (Braun & Clarke, 2006). The process of coding is part of analysis (Miles & Huberman, 1994). Reviewing a set a field notes, transcribed or synthesised, and to dissect them meaningfully, while keeping the relations between the parts intact, is the stuff of analysis (Miles & Huberman, 1994). In addition, according to Miles & Huberman (1994), this part of analysis involves how the researcher differentiates and combines the data she has retrieved and the reflections she makes about this information.

As the researcher reads through the data, whenever a meaningful segment is found in the transcription, a code or category name is given to signify that particular segment. Coding the information organises the data to identify and develop themes from them (Fereday & Muir-Cochrane, 2006). A theme captures something important about the data in relation to the research questions, and represents some level of patterned response or meaning within the data set (Braun & Clarke, 2006). Boyatzis (1998) defines a theme as a pattern in the information that at minimum describes and organises the possible observations and at maximum interprets aspects of the phenomenon.

While the researcher ensured that all data items have been given equal attention in the coding process (Braun & Clarke, 2006), not all data could be coded (Miles & Huberman, 1994). Since the process was conducted manually, coding was done as the researcher wrote notes next to the texts the researcher was analysing, using highlighters to indicate potential patterns and using post-it notes to identify segments of data (Anderson, 2007; Braun & Clarke, 2006). Short labels were used for easier management and referencing (Miles & Huberman, 1994). Coding to some extent depends on whether the themes are more 'data-driven' or 'theory-driven'– in the former, the themes will depend on the data, but in the latter, the researcher might approach the data with specific questions in mind that she wishes to code around (Braun & Clarke, 2006). The method selected for this study incorporated both the data-driven inductive approach (Boyatzis, 1998) and the theory-driven deductive a priori template of codes approach (Crabtree & Miller, 1999).

The researcher remained mindful of the following advice by Braun & Clarke (1994, p. 19) while proceeding with developing codes:

a) code for as many potential themes or patterns as possible (time permitting) – you never know what might be interesting later;
b) code extracts of data inclusively – i.e. keep a little of the surrounding data if relevant, a common criticism of coding is that the context is lost (Bryman, 2001 cited in Braun & Clarke 2006);
c) code individual extracts of data in as many different 'themes' as they fit into - so an extract may be uncoded, coded once, or coded many times, as relevant.

Phase 4: Summarising Data and Identifying Themes

This phase began when the researcher had a list of codes identified from the data set after all data was collected and initially coded (Braun & Clarke, 2006). This phase re-focused the analysis at the broader level of themes rather than codes, involved sorting the different codes into potential themes and gathering all the relevant coded data extracts within the identified themes (Braun & Clarke, 2006). In essence, the researcher was analyzing codes and determining how different codes may combine to form an overarching theme. The researcher used visual representations to help sort the different codes into themes (Braun & Clarke, 2006).

The idea of visual displays is supported by Miles and Huberman (1994, p. 91-92) as they support the view that "valid analysis requires, and is driven by, displays that are focused enough to permit a viewing of a full data set in the same location, and are arranged systematically to answer the research questions at hand". Miles and Huberman (1994) stress that although some displays may sometimes be busy, as it may appear in Figure 4.49, they will never be monotonous. Most important, the chances of drawing and verifying valid conclusions are much greater than for extended text because the display is arranged coherently to permit careful comparisons, detection of differences, noting of patterns and themes, seeing trends, and so on (Miles & Huberman, 1994, p. 92).

Analysis was guided, but not confined, by the preliminary codes (Fereday & Muir-Cockrane, 2006). Not all data extracts is accommodated by the initial start list. The code list was continually changing throughout the coding process as the researcher reviewed and re-defined the codes. Some codes are inapplicable, overbuilt, ill-fitted or overly abstract while others may flourish (Miles & Huberman, 1994). During the coding of transcripts, inductive codes were assigned to segments of data that described a new theme observed in the text (Boyatzis, 1998). These additional codes were either separate from the predetermined codes or they expanded a code from the manual. At this stage the researcher also started thinking about the relationship between codes and themes. Some initial codes may go on to form main themes, whereas others may form sub-themes, and others still may be discarded. The phase ends with a collection of main themes, sub-themes and all extracts of data that have been coded in relation to them. The researcher remained mindful of the fact that there are no hard-and-fast rules in relation to this, and different combinations are possible. What is important is that the finished product contains an account of what was done, and why (Braun & Clarke, 2006).

Phase 5: Reviewing themes

This phase involved reviewing and refining the themes (Braun & Clarke, 2006). The researcher considered the validity of individual themes in relation to the data set, but also whether the thematic maps 'accurately' reflected the meanings evident in the data set as a whole. At the end of this phase, the researcher had a fairly good idea of what the different themes are, how they fit together, and the overall story they tell about the data (Braun & Clarke, 2006). In this study themes were clustered under headings that directly relate to the research questions (Fereday & Muir-Cochrane, 2006) and connected by relevant codes from the data extracts.

Phase 6: Defining and naming themes

At this point, the researcher defined and further refined the themes that she will present for her analysis, and analyse the data within them. By ‘define and refine’, according to Braun and Clarke (2006), means identifying the ‘essence’ of what each theme is about (as well as the themes overall), and determining what aspect of the data each theme captures. For each individual theme, the researcher conducted and wrote a detailed analysis and how it fits into the broader overall ‘story’ that she is telling about the data, in relation to the research question or questions, to ensure there is not too much overlap between themes.

Phase 7: Producing the report

The last phase involved the final analysis and write-up of the report. The task of the write-up of a thematic analysis is to tell the complicated story of the research data in a way which convinces the reader of the merit and validity of the analysis (Braun & Clarke, 2006). Braun & Clarke (2006) further add that it is important that the analysis provides a concise, coherent, logical, nonrepetitive, and interesting account of the story the data tell – within and across themes. The write-up must provide sufficient evidence of the themes within the data i.e. enough data extracts to demonstrate the prevalence of the theme. The researcher chose particularly vivid examples of extracts which capture the essence of the point she is demonstrating (Braun & Clarke, 2006). While it is important for the write-up to provide data, extracts need to be embedded within an analytic narrative that illustrates the story that the researcher is telling about the data. Therefore the analytic narrative needs to go *beyond* description of the data, and make an *argument* in relation to the research question (Braun & Clarke, 2006).

The researcher made extensive reference to related literature which is where she gained the information that allowed her to make references from the interviews and questionnaire responses (Aroson, 1994). When the literature is interwoven with the findings, the story that the interviewer constructs is one that stands with merit (Aroson, 1994).

Figure 3.1 Diagrammatic representation of the stages undertaken to code the data (adapted from Boyatzis, 1998; Braun & Clarke, 2006; Fereday & Muir-Cochrane, 2006; Miles & Huberman, 1994)

Phase 1: Developing the Code Manual

Step 2: Familiarising oneself with the data

Step 3: Coding and Developing Categories or Themes

Phase 4: Summarising Data and Identifying Themes

Phase 5: Reviewing Themes

Phase 6: Defining and Naming the Themes

Phase 7: Producing the Report

The researcher followed the above described procedure to analyse the data of not only each of the individual organisations but for the combined data set of the total sample. The results are presented in the next chapter.

3.9.1.1 Criteria for effective TCA

Braun and Clarke (2006) generated a 15–point checklist of criteria for good thematic analysis, which the researcher also used as a guide throughout the process to enhance the accuracy of the process.

Table 3.1 15 –point checklist of criteria for good thematic analysis (Braun & Clarke, 2006)

Process	No	Criteria
Transcription	1	The data have been transcribed to an appropriate level of detail, and the transcripts have been checked against the tapes for ‘accuracy’.
	2	Each data item has been given equal attention in the coding process.
	3	Themes have not been generated from a few vivid examples (an anecdotal approach), but instead the coding process has been thorough, inclusive and comprehensive.
	4	All relevant extracts for all each theme have been collated.
	5	Themes have been checked against each theme have been collated.
	6	Themes are internally coherent, consistent, and distinctive.
	7	Data have been analysis – interpreted, made sense of – rather than just paraphrased or described.
	8	Analysis and data match each other- the extracts illustrate the analytic claims.
	9	Analysis tells a convincing and well-organized story about the data and topic.
	10	A good balance between analytic narrative and illustrative extracts is provided.
Overall	11	Enough time has been allocated to complete all phases of the analysis adequately, without rushing a phase or giving it a once-over-lightly.
	12	The assumptions about, and specific approach to, thematic analysis are clearly explicated.
	13	There is a good fit between what you claim you do and what you show you have done- i.e., described method and reported analysis are consistent.
	14	The language and concepts used in the report are consistent with the epistemological position of the analysis.
	15	The researcher is positioned as active in the research process; themes do not just ‘emerge’.

3.9.2 Pattern Matching Procedure

The pattern matching technique has been used to compare the findings and identify trends that have been confirmed and those that have been rejected. The research propositions served as hypotheses to be compared to determine whether or not there is match (Yin, 2003)

3.10 RESERACH QUALITY ASSURANCE

It is imperative that research designs satisfy some level of quality. Yin (2003) suggested tests commonly used to establish the quality of empirical research, namely; construct validity, internal validity, external validity and reliability.

The relevance and usefulness of the concept of validity in qualitative research has, however, frequently been debated (Angen, 2000; Hammersley, 1987; Sparkes, 2001; Whittemore, Chase, & Mandle, 2001), with some reasoning that validity criteria are inappropriate measures for evaluating qualitative work (Joniak, n.d.). Although in quantitative research, validity is related to accuracy, relevance, and reliability of measurement, in qualitative research, the aim is not to measure but rather to understand, represent or explain something, usually some fairly complex social phenomenon (Pyett, 2003). While the concept of validity does not sit well in the qualitative research paradigm, many qualitative researchers continue to support its relevance (Lincoln & Guba, 1985; Whittemore et al., 2001). In qualitative research, an account is valid if it represents accurately those features of the phenomena that it intends to describe, explain or theorise (Hammersley, 1987). Therefore, for a qualitative researcher, the core question becomes: How can I have confidence that my account is an accurate representation (Pyett, 2003)?

Additional to the above beliefs, some researchers argue that validity may be an inappropriate term in a critical research context as it simply reflects a concern for acceptance within a positivist concept of research rigor (Joniak, n.d.). Having studied the traditional notions of validity, Lincoln and Guba (1985) offer a replacement concept of trustworthiness, which is viewed as a more appropriate word to use in the context of critical research and helpful because it signifies a different set of assumptions about research purposes than validity does (Denzin, 1994). Lincoln and Guba (1985) outlined the assumptions of trustworthy qualitative research and contrasted them with their non-qualitative counterparts.

Table 3.2 Comparison of Trustworthiness (Lincoln & Guba, 1985) and Validity criteria (Yin, 2003)

TRUSTWOTHINESS	VALIDITY
Confirmability: refers to the extent to which the characteristics of the data, as posited by the researcher, can be confirmed by others who read or review the research results	**Construct Validity**: deals with establishing correct operational measures for the concept being studied.
Credibility: refers to the adequate representation of the constructions of the social world under study	**Internal validity:** deals with establishing causal relationships, whereby certain conditions are shown to lead to other conditions
Transferability: refers to the extent to which the researcher's working hypothesis can be applied to another context	**External validity:** deals with the problem of knowing whether a study's findings are generalisable beyond the immediate case study
Dependability: refers to the coherence of the internal process and the way the researcher accounts for changing conditions in the phenomena	**Reliability:** deals with demonstrating that the operations of the study, such as data collection procedures, can be repeated with the same results

3.10.1 Trustworthiness and Validity of the Study

In view of the above concerns, the researcher took the steps tabled below, as suggested mainly by Lincoln & Guba (1985) and Yin (2003) and other qualitative researchers, to ensure that the research findings satisfy a satisfactory degree of trustworthiness and validity, where applicable. It should nevertheless be borne in mind that qualitative research depends, at every stage, and particularly for its validity (Reason, 1981) on the skills, training, insights and capabilities of the researcher (Patton,1990). This means, as Patton (1990) has reminded, that the human factor is the great strength and the fundamental weakness of qualitative inquiry and analysis. However, even strict adherence to methodological rigor will not guarantee validity or trustworthiness (Guba & Lincoln, 1989; Whittemore et al., 2001). Qualitative research is often characterised by uncertainty and flexibility (Lincoln, 1995), by a tension between rigor and creativity (Patton, 1990; Whittemore et al., 2001) and by the need for critical compromises (Pyett, 2001).

Table 3.3 Steps taken to ensure Trustworthiness and Validity of the study

CRITERIA	ACTION STEPS
Credibility	According to Merriam (1998), credibility deals with the question "How congruent are the findings with reality?" Lincoln and Guba (1985) argue that ensuring credibility is one of most important factors in establishing trustworthiness and the researcher took the following steps, guided by previous researchers, to ensure the research findings are credible. a) The researcher used different sources of data collection (questionnaires, interviews and previous literature) and considered different theories (of motivation) to enable triangulation and resist easy interpretation of the phenomena, as well as to allow converging lines of inquiry (Lincoln, 1985; Yin, 2003). According to Guba (1981) and Brewer and Hunter (1989), the use of different methods in concert compensates for their individual limitations and exploits their respective benefits. Another form of triangulation the researcher used involved the use of a wide range of informants (Shenton, 2004). This is one way of triangulating via data sources. The researcher approached individuals from various levels, experiences and backgrounds, thus providing a rich picture of the attitudes, perception needs and behaviour of those under scrutiny. Van Maanen (1983) urges the exploitation of opportunities "to check out bits of information across informants". The final means of triangulation used is site triangulation (Shenton, 2004) which was achieved by the participation of informants within several organisations so as to reduce the effect on the study of particular local factors peculiar to one institution. Shenton (2004) adds that where similar results emerge at different sites, findings may

	have greater credibility in the eyes of the reader. b) Similar to data sources, triangulation is also the random sampling of participants. Although much qualitative research involves the use of purposive sampling, a random approach may negate charges of researcher bias in the selection of participants (Shenton. 2004). As Preece (1994) notes, random sampling also helps to ensure that any "unknown influences" are distributed evenly within the sample. In addition, according to Bouma and Atkinson (1994) a random sampling procedure provides the greatest assurance that those selected are a representative sample of the larger group" c) The researcher also used tactics to help ensure honesty in informants when contributing data (Shenton, 2004). He further suggested that each person who is approached should be given opportunities to refuse to participate in the research so as to ensure that the data collection sessions involve only those who are genuinely willing to take part and prepared to offer data freely. Participants were encouraged to be frank from the outset of each session, with the researcher aiming to establish a rapport in the opening moments and indicating that there are no right answers to the questions that will be asked. This is also clearly stated in the researcher questionnaires. The independent status of the researcher was also emphasised to encourage participants to contribute ideas and talk of their experiences without fear of losing credibility in the eyes of the managers of the organisation. It was made clear to participants that they have the right to withdraw from the study at any point, and that they should not be required to disclose an explanation to the investigator (Shenton, 2004). These were included in the participants' information sheet, questionnaires and were personally explained to participants.

	d) The researcher also used previous literature to support and/or compare preliminary findings and the study findings to determine whether or not there is a match between the findings (Lincoln, 1985; Yin, 2003). Silverman (2000) considers that the ability of the researcher to relate his or her findings to an existing body of knowledge is a key criterion for evaluating works of qualitative inquiry. e) Data was collected in the respondents' real working environments instead of in artificial experimental settings, which solicited participants' accounts of relevant judgements (Zhang & Widermuth, n.d.). f) The researcher adopted well established research methods in both qualitative investigation in general and in information science in particular (Shenton 2004). Yin (2003) also recognises the importance of incorporating "correct operational measures for the concepts being studied", thus, the specific procedures employed, such as the line of questioning pursued in the data gathering sessions and the methods of data analysis, should be derived, where possible, from those that have been successfully utilised in previous comparable projects. g) The researcher also familiarised herself with the culture of the participating organisations (Shenton, 2004) before the initial data collection sessions, by making initial appointments with contact persons within organisations to enquire about PMS implementation within the organisation and also prior meetings to consult with participants. Lincoln and Guba (1985), and Erlandson, Harris, Skipper and Allen (1993) are among the many who recommend "prolonged engagement" between the investigator and the participants in order for both the former to gain an adequate

	understanding of an organisation and to establish a relationship of trust between the parties. **Limitation:** The recourse to member checks (Lincoln & Guba, 1985) was limited because the participants were promised complete anonymity and confidentiality. Due to the same reason and limited access, data could not be backed by documents, such as employee performance appraisals on records, to provide background and help explain the perceptions of the group under scrutiny.
Transferability	In positivist work, the concern often lies in demonstrating that the results of the work at hand can be applied to a wider population. Since the findings of a qualitative project are specific to a small number of particular environments and individuals, it is impossible to demonstrate that the findings and conclusions are applicable to other situations and populations (Shenton, 2004). However, Bassey (1981) proposes that, if practitioners believe their situations to be similar to that described in the study, they may relate the findings to their own positions. Lincoln and Guba (1985) and Firestone (1993) are among those who share a similar argument, and suggest that it is the responsibility of the researcher to ensure that sufficient contextual information about the fieldwork sites is provided to enable the reader to make such a transfer. Despite this difficulty, the researcher took the following steps to ensure findings, where appropriate, can be transferable. a) A sufficient description of the phenomenon under investigation has been provided to allow readers to have a proper understanding of it, thereby enabling them to compare the instances of the phenomenon described in the research with those that may emerge in their situations (Shenton, 2004).

	Many researchers (Cole and Gardner, 1979; Marchionini and Teague, 1987; Pitts, 1994) have highlighted the importance of the researcher's conveying to the reader the boundaries of the study. This additional information must be considered before any attempts at transference are made. Thus, information on the following issues should be given at the outset: i) the number of organisations taking part in the study and where they are based; ii) any restrictions in the type of people who contributed data; iii) the number of participants involved in the fieldwork; iv) the data collection methods that were employed; v) the number and length of the data collection sessions; vi) the time period over which the data was collected (Shenton, 2004) This information have been sufficiently provided in the study and detailed in the methodology section. b) The researcher used multiple case studies to provide firm ground for generalising. It should, however, be noted that the aim of case studies is not statistical but analytical generalisation (Yin, 2003). As Borgman (1986) and Pitts (1994) have acknowledged, understanding of a phenomenon is gained gradually, through several studies, rather than one major project conducted in isolation. Even when different investigations offer results that are not entirely consistent with one another, this does not, of course, necessarily imply that one or more is untrustworthy. It may be that they simply reflect multiple realities and if an appreciation can be gained of the reasons behind the variations, this understanding may prove as useful to the reader as the results actually reported (Shenton, 2004). c) The researcher also used the replication logic in various cases

	whereby the aim was to literally replicate findings or provide rival findings (theoretical replication) depending on the circumstances in the organisations, Yin (2003). d) The researcher did not claim transferability of the research results explicitly, but the transferability of the study was made possible by detailed documentation of the data processing (Zhang & Widermuth, n.d.; Lincoln, 1985). **Limitation:** It is impossible for a researcher to know whether or not her data is transferable to some other study in the future because she is unaware of the specific context in which the subsequent study will take place. Therefore, she can only provide the tools (data) for future researchers to determine whether or not transferability applies (Joniak, n.d.).
Dependability	In addressing the issue of reliability, the positivist employs techniques to show that, if the work were repeated, in the same context, with the same methods and with the same participants, similar results would be obtained (Shenton, 2004). a) The researcher therefore established reliability of the findings by documenting all study procedures to cater for duplication of the case study procedures by a later researcher to allow him or her to arrive at the same findings and conclusions (Yin, 2003). All steps were therefore clearly documented and made as operational as possible. Fidel (1993) and Marshall and Rossman (1999) however note, the changing nature of the phenomena scrutinised by qualitative researchers renders such provisions problematic in their work. Florio-Ruane (1991) highlights how the investigator's observations are tied to the situation of the study, arguing that the "published descriptions are static and frozen in the 'ethnographic present'.

	Lincoln and Guba (1985) stress the close ties between credibility and dependability arguing that in practice, a demonstration of the former goes some distance in ensuring the latter. This may be achieved through the use of “overlapping methods”, such as the focus group and individual interview. b) The dependability of the research findings in this study was established by the transparent coding process, which was clearly documented and the use of the Code Manual which organised and defined themes (Zhang & Widermunth, n.d.). Thus, the detailed research design may be viewed as a “prototype model” (Yin, 2003). Such in-depth coverage also allows the reader to assess the extent to which proper research practices have been followed. So as to enable readers of the research to develop a thorough understanding of the methods and their effectiveness. (Shenton, 2004). Relevant information that the researcher detailed for dependability include the research design and its implementation and the operational detail of data gathering (Shenton, 2004).
Confirmability	Here steps were taken to help ensure as far as possible that the research findings are the result of the experiences and ideas of the participants rather than the characteristics and preferences of the researcher (Shenton, 2004). The role of triangulation in promoting such confirmability is again emphasised to reduce the effect of investigator bias. Miles and Huberman (1994) consider that a key criterion for confirmability is the extent to which the researcher admits her own predispositions. To this end, beliefs underpinning decisions made and methods adopted should be acknowledged within the research, the reasons for favouring one approach when others could have been taken explained and weaknesses in the techniques actually employed admitted. In meeting this requirement, the researcher provided justification for using the used approaches as well as advantages for the used data collection methods.

	Lincoln and Guba (1985) also suggest that confirmability is primarily established through a comfirmability audit, which the researcher did not conduct. Meanwhile, the detailed documentation of data handling also provides means for comfirmability checking (Zhang & Widermunth, n.d.; Shenton, 2004). Research data and findings were primarily handled by the researcher due to confidentiality matters and reviewed by the researcher's supervisor for correctness and confirmability. Transcriptions were checked against tape recordings for correctness and questionnaire responses were copied as is into excel. Findings were inductively analysed and supported by previous literature.

Lincoln and Guba (1985) wisely advised that the procedures they outline for achieving credibility, transferability, dependability and confirmability are merely one way of achieving trustworthiness, not the way. Thus, researchers should resist regarding these criteria as "prescriptions" of how qualitative inquiry must be done, and rather utilise and build on these guides as the context and phenomena require. Nevertheless, all these verification strategies incrementally and interactively contribute to and build reliability and validity, thus ensuring rigor. A study is only trustworthy if the reader of the research report judges it to be so (Rolfe, 2004).

3.11 ETHICAL CONSIDERATIONS

In contemplation of ethical issues, ethical approval for the research study was obtained from the Ethical Committee at University of Witwatersrand. Approval to conduct research in organisations was also granted by higher management representing the individual organisations. Data was collected by approved means to minimise participants' daily operations. The main ethical issues considered for this research were informed consent and confidentiality. All instructions and information regarding the purpose of the research, the reasons for being approached and administration of questionnaires and/or interviews were provided in the form of invitation letters.

Participants were fully made aware of the purpose for the research and given a platform to ask questions for clarity. Their participation was voluntary and a consent form was attached to each questionnaire which they were requested to sign as an indication of their willingness to part take in the study. Anonymity has been preserved by not requesting any form of personal identity. Confidentiality was reserved and all participants were reassured of this. All interviews were recorded with the consent and approval of respondents. The researcher agreed to provide a report of findings to management which participants have been granted permission to read if requested upon availability.

3.12 LIMITATIONS

Due to the fact that the research has been conducted in Windhoek, the capital city of Namibia, generalisabilty to other Namibian parts may be limited. It should however be noted case studies are generalisbale to theoretical propositions and not to populations. The goal in case studies is to expand and generalise theories (analytic generalisation) and not to enumerate frequencies (statistical generalisation) (Yin, 2003). In this case, analytical generalisation may be limited to other Namibian contexts even within the same organisation that has various branches across the country. The reason for this is because in some cases, Human Resources practices such performance management may not be well understood and implemented at smaller branches as it may be at Head Offices based in Windhoek and usually are the central operation centres. Here Human Resources departments are closely monitoring the policies and are closer to expert advice when required, which may not be the case at outside branches.

The reliability of the study findings may also be limited by the fact that should a later researcher conduct the same research after three years, findings may vary depending in the changes to permanence management systems in the organisations. Organisations are constantly changing to improve operations and will therefore aim to do things differently as current practices are not adequate. In fact, part of this research is to identify the flaws that organisations are currently making in order to improve. It should therefore be expected that with any changes made regarding the studied inquiry, findings should also be different.

The limitations regarding the use of questionnaires included the fact that the researcher was not on site for possible questions respondents may have had which may have resulted in unanswered questions or invalid responses due to lack of understanding. There was therefore a potential for obtaining shallow data that does not provide a 'feel' for the phenomenon under study. The researcher also did not have an opportunity to observe how the respondents reacted towards questions. This limitation was, however, addressed by conducting interviews for in-depth information. Finally, due the fact that participation was voluntary and the researcher was not on site, participation may have been improved if the researcher was present to encourage participation.

3.13 CONCLUSION

This chapter comprised of the methodology that was applied in this research study. It highlighted the research design and approaches that were selected including the justification s for selecting the said approaches. Units of analysis were also defined in this chapter as well as a description of how participating organisations were selected. The chapter also provided details of data collection sources and procedures, as well as analysis techniques and procedures. Data analysis techniques are described in great detail to assured the quality of research. The chapter aimed to provide a detailed description of the procedures used to enable an outsider to have an understanding of how the researcher came about the findings, which are presented and discussed in the following chapter.

CHAPTER 4:
PRESENTATION OF RESEARCH FINDINGS

4.1 INTRODUCTION

This chapter focuses on the presentation of the research findings according to the methodology detailed in the previous chapter. Additional to the presentation of results are findings from previous literature, where relevant, to strengthen the validity of the findings as well as argue for or against goal setting theory.

4.2 DATA PRESENTATION

This section provides graphic descriptions of the research sample in various categories.

4.3 DESCRIBING THE SAMPLE

The total number of participants, questionnaires and interviews, in this research study is seventy-six, made up of Windhoek-based employees from six organisations of various industries. Details of the organisations, including staff compliments at the time of data collection, type of sector and/or services offered and performance management systems implementation, has been provided in Chapter 3. Below are graphs representing the breakdown of the participants in individual organisations. The graphs include: the total number of participants per organisation (questionnaires and interviews), participants' gender, age categories, tenure, employment level and status. It is a representation of Section One of the questionnaire. Interview participants were also requested to complete the first section of the questionnaire for statistical purposes.

4.3.1 Research Sample – TransNamib

The research sample of TransNamib was made up of seven participants, as presented in the graphs below (Figure 4.1 to Figure 4.6).

Figure 4.1 TransNamib Participants

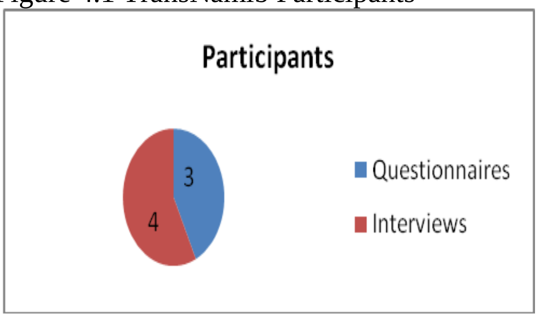


Figure 4.2 TransNamib's Gender Profile

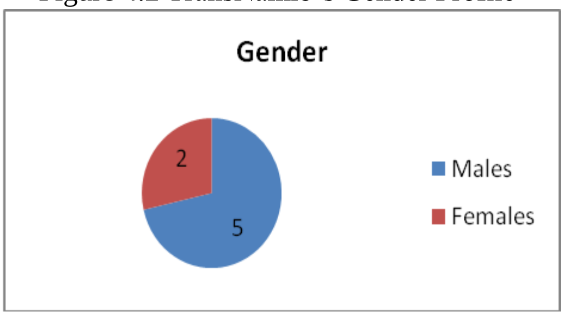


Figure 4.3 TransNamib's Age Profile

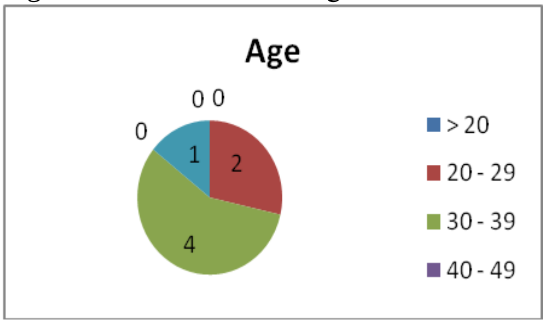


Figure 4.4 TransNamib's Participants' Tenure

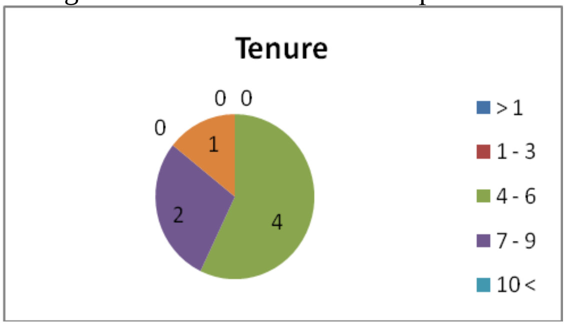


Figure 4.5 TransNamib's Employment Status

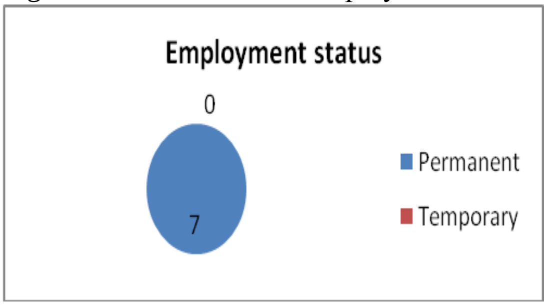


Figure 4.6 TransNamib's Employment Level

Note: The numbers in the graphic displays represent the sample, gender, age category, years of employment, employment status and employment level of participants in respective organisations and corresponding colours.

4.3.2 Research Sample – NamWater

The research sample of NamWater was made up of twenty participants, as presented in the graphs below (Figure 4.7 to Figure 4.12).

Figure 4.7 NamWater Participants

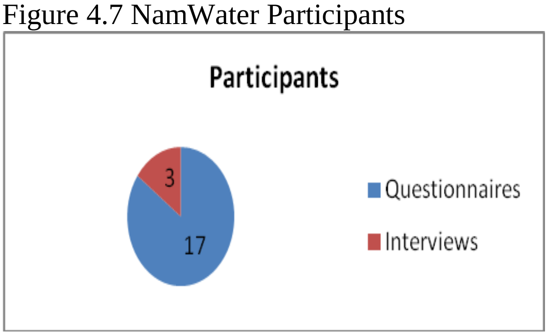


Figure 4.8 NamWater's Gender Profile

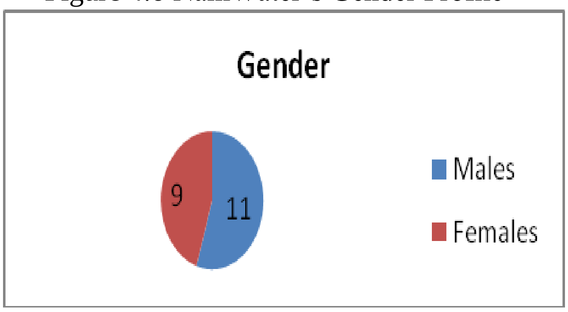


Figure 4.9 NamWater's Age Profile

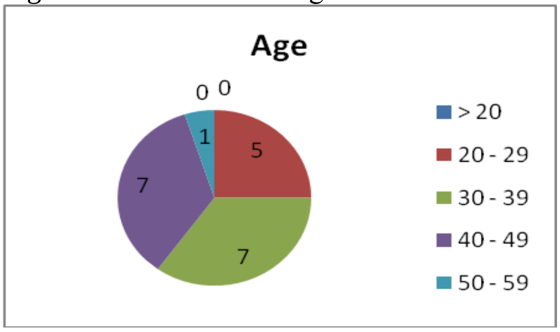


Figure 4.10 NamWater's Participants' Tenure

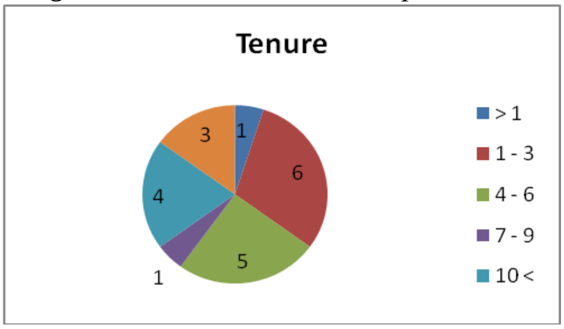


Figure 4.11 NamWater's Employment Status

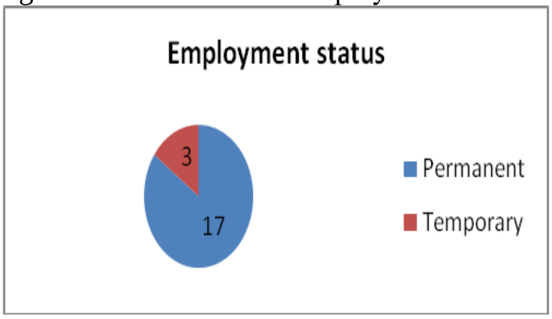


Figure 4.12 NamWater's Employment Level

4.3.3 Research Sample – NamPower

The research sample of NamPower was made up of eight participants, as presented in the graphs below (Figure 4.13 to Figure 4.18).

Figure 4.13 NamPower Participants

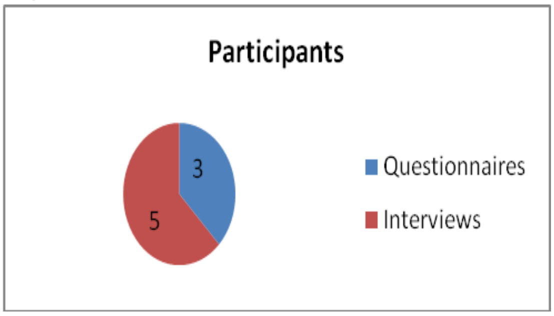


Figure 4.14 NamPower's Gender Profile

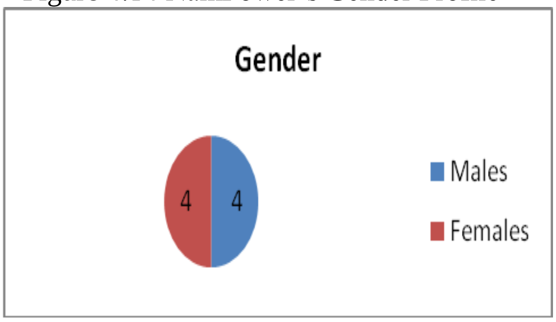


Figure 4.15 NamPower's Age Profile

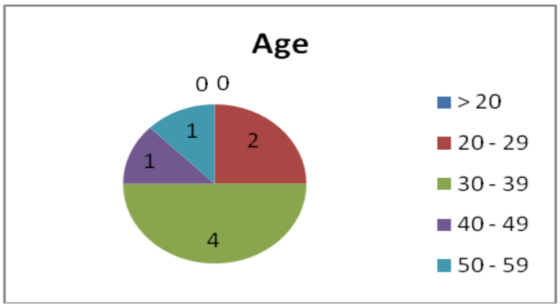


Figure 4.16 NamPower's Participants' Tenure

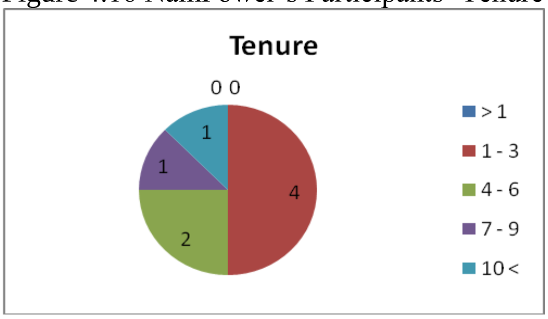


Figure 4.17 NamPower's Employment Status

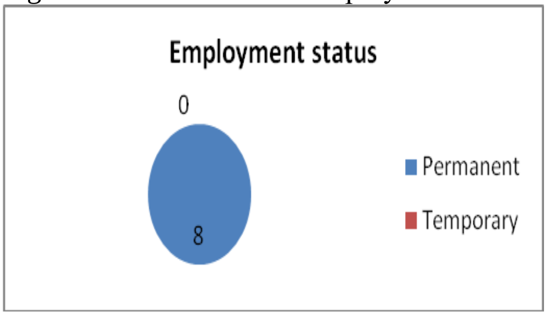


Figure 4.18 NamPower's Employment Level

4.3.4 Research Sample – Namfisa

The research sample of Namfisa was made up of six participants, as presented in the graphs below (Figure 4.19 to Figure 4.24).

Figure 4.19 Namfisa's Participants

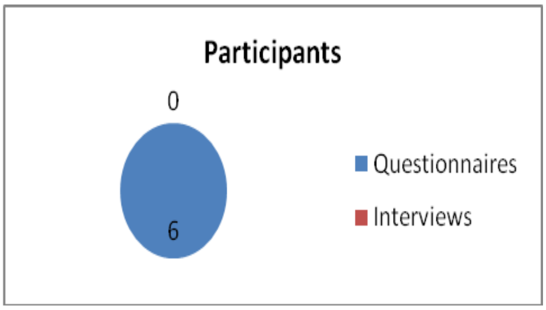


Figure 4.20 Namfisa's Gender Profile

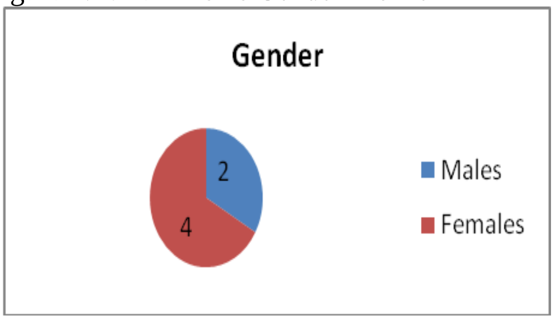


Figure 4.21 Namfisa's Age Profile

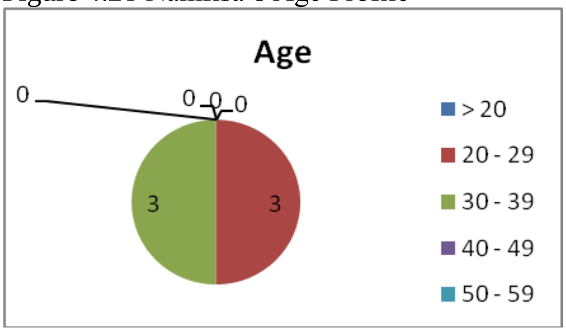


Figure 4.22 Namfisa's Participants' Tenure

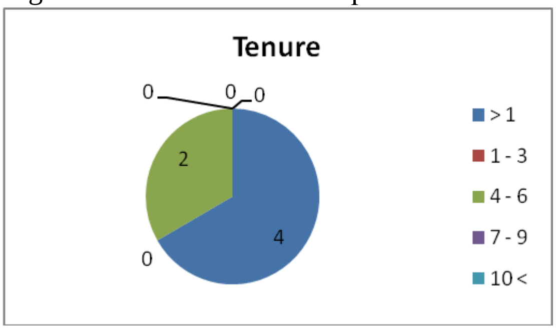


Figure 4.23 Namfisa's Employment Status

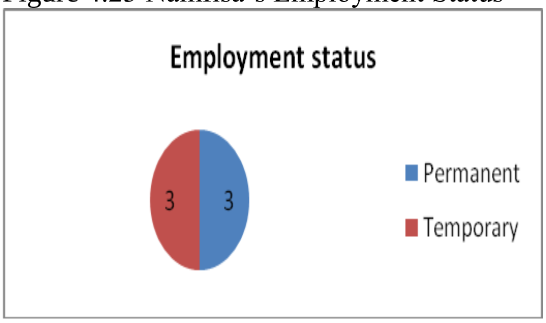
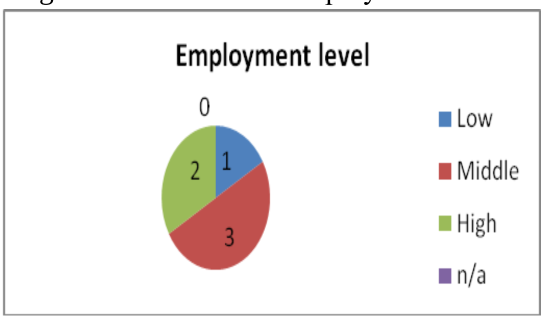


Figure 4.24 Namfisa's Employment Level



4.3.5 Research Sample – NDC

The research sample of NDC was made up of fifteen (15) participants, as presented in the graphs below (Figure 4.25 to Figure 4.30).

Figure 4.25 NDC's Participants

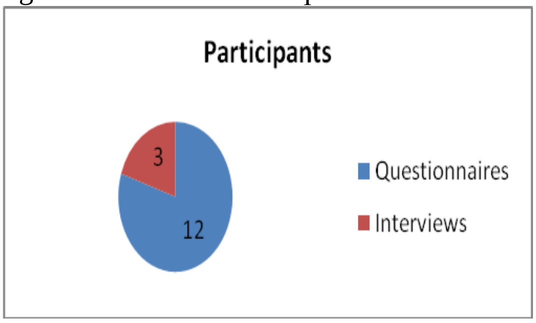


Figure 4.26 NDC's Gender Profile

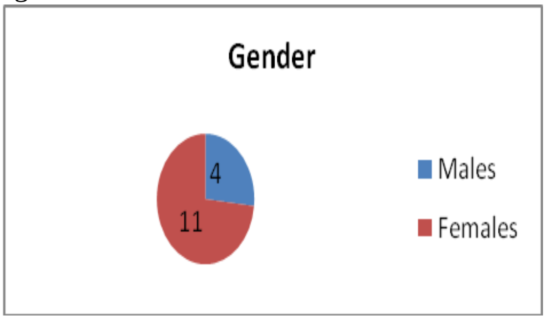


Figure 4.27 NDC's Age Profile

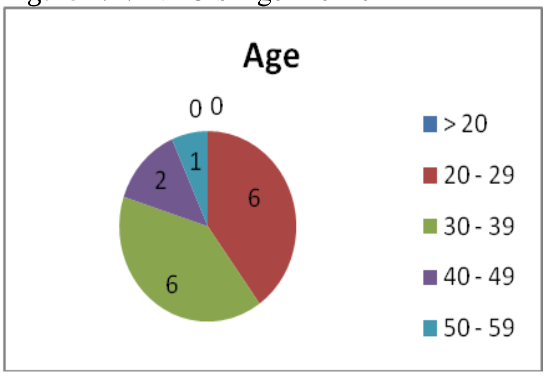


Figure 4.28 NDC's participants' Tenure

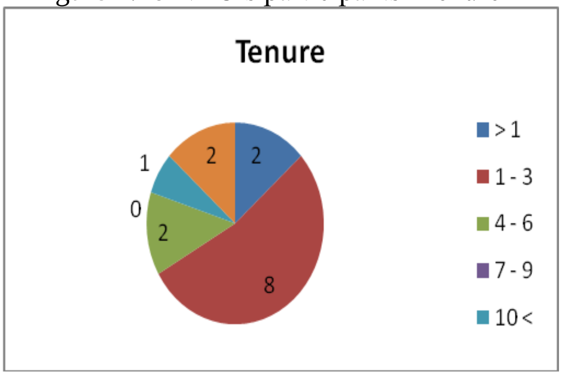


Figure 4.29 NDC's Employment Status

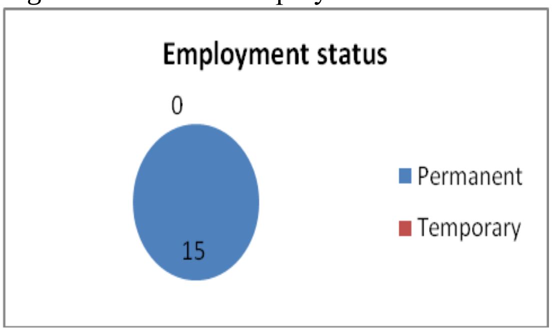
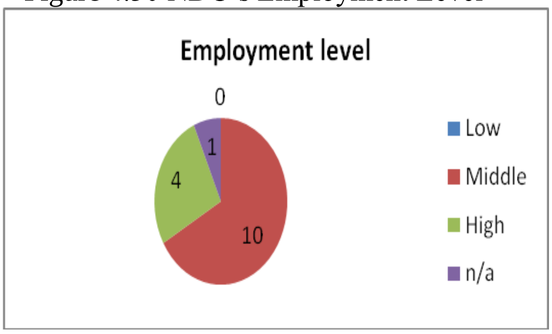


Figure 4.30 NDC's Employment Level



4.3.6 Research Sample – Silnam

The research sample of Silnam was made up of twenty (20) participants, as presented in the graphs below (Figure 4.31 to Figure 4.36).

Figure 4.31 Silnam's Participants

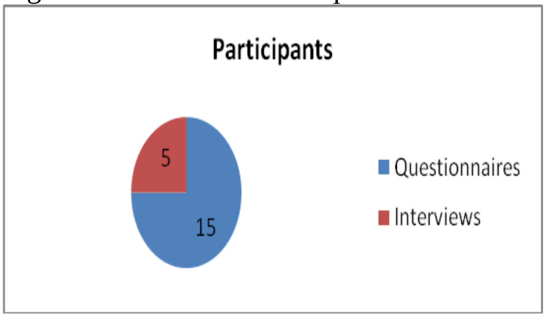


Figure 4.32 Silnam's Gender Profile

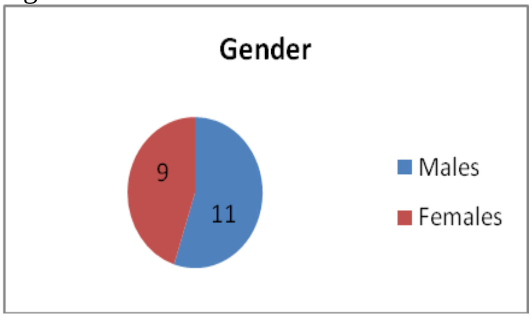


Figure 4.33 Silnam's Age Profile

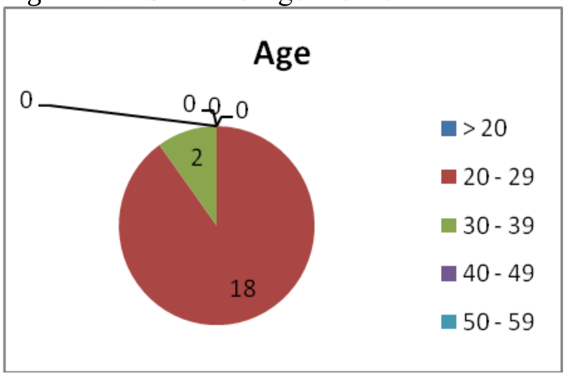


Figure 4.34 Silnam's Participants' Tenure

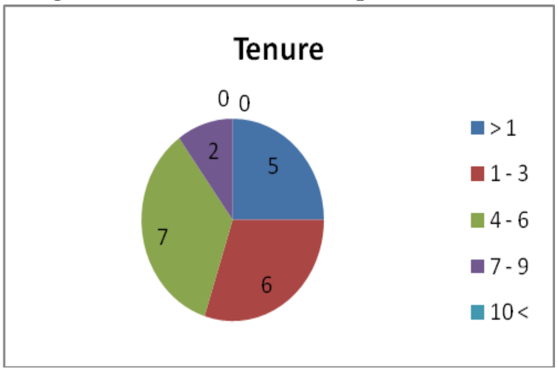


Figure 4.35 Silnam's Employment Status

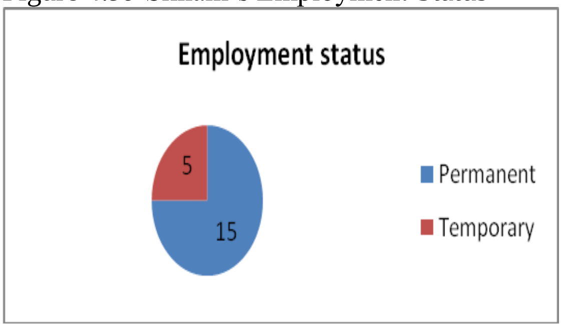
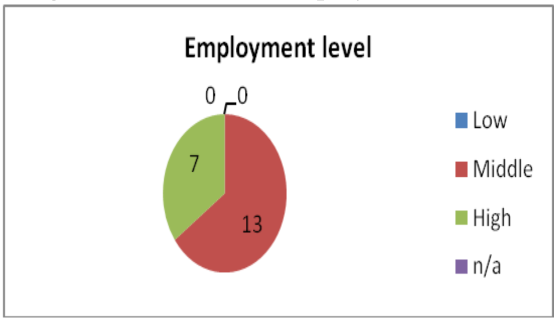


Figure 4.36 Silnam's Employment Level



4.3.7 Research Sample – All Organisations

In total, three hundred and seventeen questionnaires were distributed, of which fifty-six were completed and returned. This provides a response rate of eighteen percent. Additionally, twenty participants were interviewed, resulting in a total participation rate of twenty-three percent. As mentioned earlier, the total research sample was made up of seventy-six participants from six organisations, as presented in the table and graphs below (Figure 4.37 to Figure 4.42).

Table 4.1 Total Participants per Organisation and Method

Organisation	**Questionnaires**	**Interviews**	**TOTAL**
TransNamib	3	4	7
NamWater	17	3	20
NamPower	3	5	8
Namfisa	6	0	6
NDC	12	3	15
Silnam	15	5	20
TOTAL	**56**	**20**	**76**

Figure 4.37 Participating Organisations

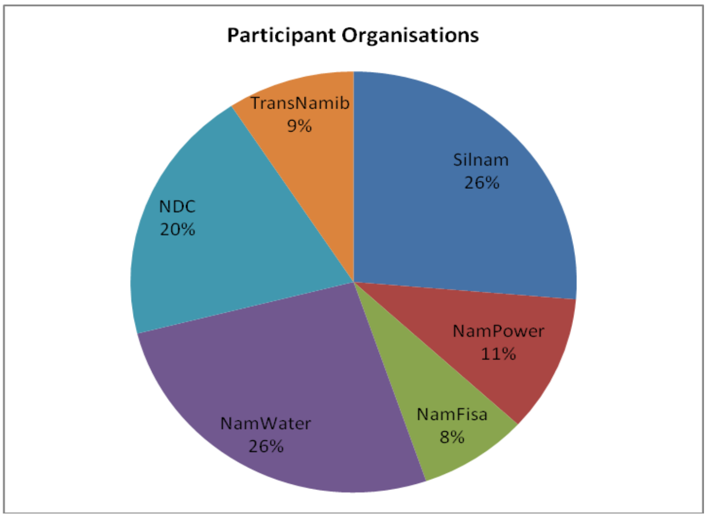
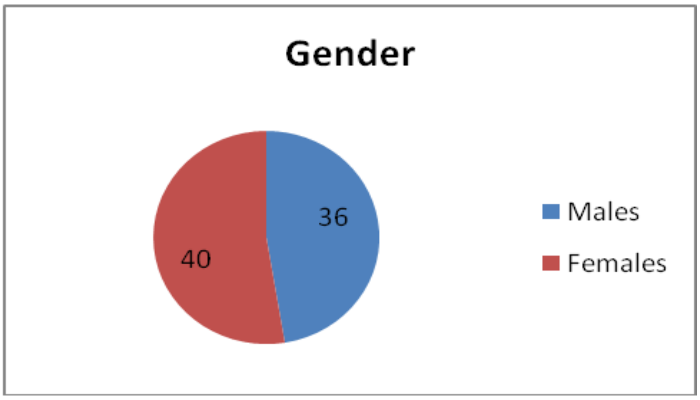


Figure 4.38 Participants' Gender Profile



As indicated in the graph below, the largest percentage of participants are aged between 20 – 29 years, followed by participants aged between 30-39 years. There were no participants below the age of 20 and none aged above 60.

Figure 4.39 Participants' Age Profile

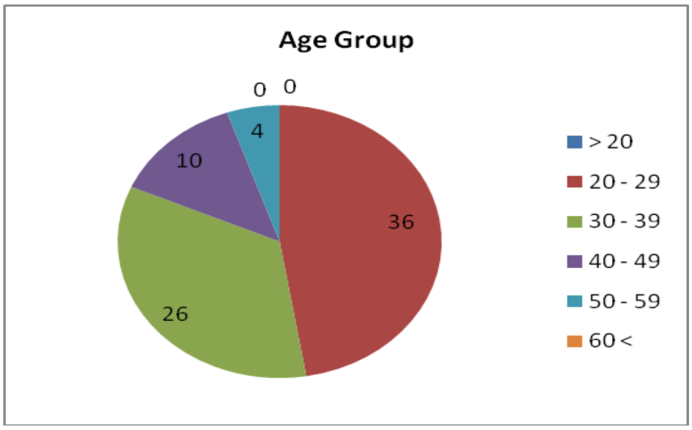


Figure 4.40 Participants' Employment Tenure

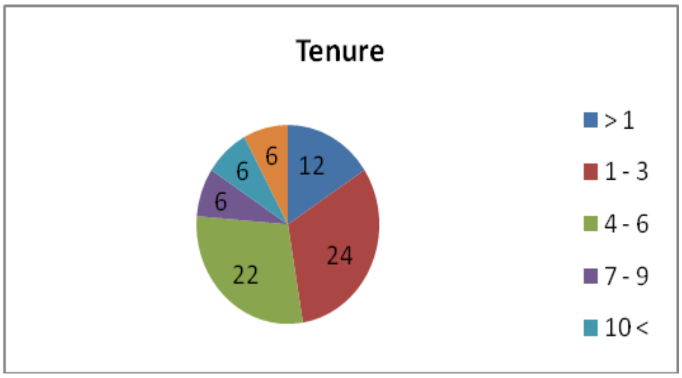
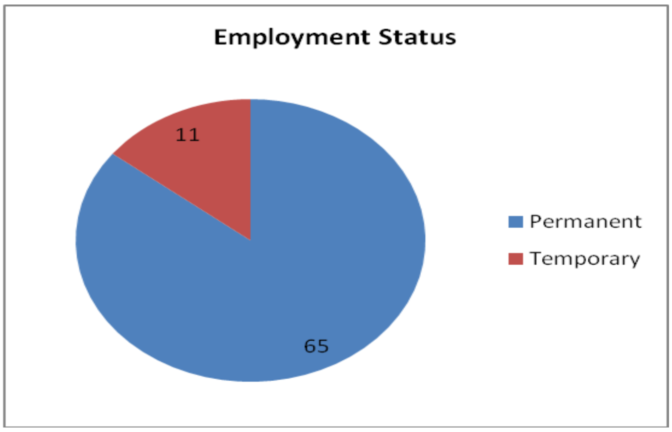
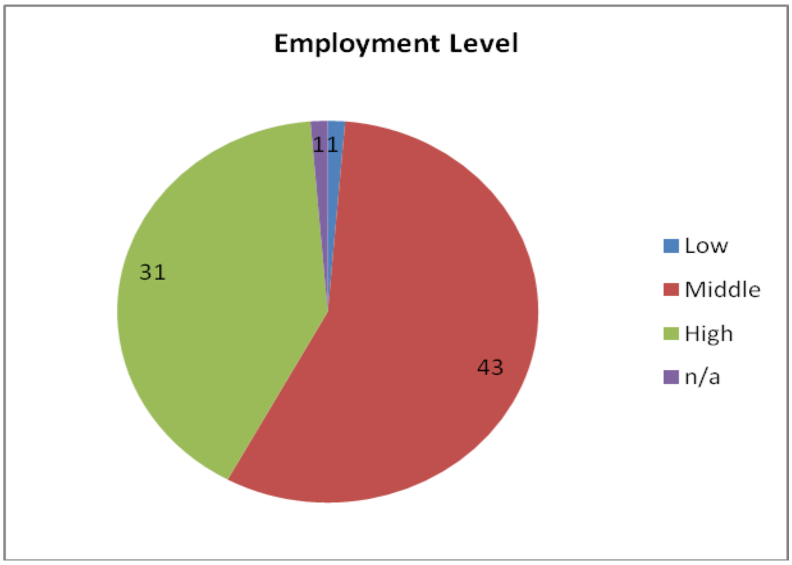


Figure 4.41 Participants' Employment Status



As indicated in the graph above, eighty-six percent (86%) of the sample are permanent employees where as the rest are temporary employees, based on contracts.

Figure 4.42 Participants' Employment Level



The highest number of participants (43) are skilled employees in the middle categories, followed by specialised employees (31) in supervisory and/or management level.

4.4 DESCRIBING THE RESULTS

The following section presents and describes the results of the respective organisations according to the questionnaire sections or themes, namely: Performance management and appraisal (whether or not an organisation has a PMS in place and employees views regarding its usefulness within the organisation), setting goals and feedback (whether or not the organisation sets goals and how the process is carried out, the role of performance feedback on employees' performance) and employee motivation (what motivates employees to work for the respective organisations and how their performances are affected). The above mentioned facets are a representation of Sections Two to Five of the questionnaire. Section One has been presented in the previous section, 4.2.While presenting the results, the researcher will look for relevant trends that relate to the research questions and determine whether or not the research propositions have been confirmed or rejected. Other aspects regarded as key will also be reported on. Participants' findings are also presented in visual displays per respective organisation and organised according to themes as per the research questionnaires and semi-structured interviews. Findings presented are from both the questionnaire and interview responses, thus a process of triangulation has been used.

4.5 TRANSNAMIB RESULTS

4.5.1 Performance Management and Appraisal in TransNamib

According to information gathered from participants in this organisation, there is currently no PMS in place and their performance is not assessed. This is confirmed by all participants and phrases such as *"No, we don't have a performance management system"* [ITNPAR1], *"to be honest with you, as im talking now there nothing like that in place, like for instance where you can be told that these are the objectives and this is how we're going to reach the objectives. There's nothing like that"* [ITNPAR3], *"I don't get performance appraisal", "because there's no system*" [QTNPART2], "*Never happened in the company*" [QTNPAR1]. Participants, however, believe that a PMS is a necessary tool that is needed in the organisation as it will introduce beneficial results and enhance performance within the organisation. This is supported by statements like "*a PMS is needed as it helps employees be focused and know expectations, it promotes teamwork*", *"So people tent to sit and idle. So my view, to me the performance system is necessary to this company*" [QTNPAR3], "*PM when introduced will motivate employees to perform*" [QTNPAR1], "*I suggest the organisation should implement a PM/A system*" [QTNPAR2]. Before any improvements can be made in their current operations, most participants agree that a system should first be implemented, one that is standard and will be formally applied across the organisation. This is indicated by responses like "*it* (PMS) *should be implemented in the first place"* [QTNPAR1], *"system should first be in place*" [QTNPAR2], *"we are able to have a standard performance tool used by all"* [QTNPAR3] when asked how they think the process can be improve. According to the findings, to ensure that a standard system is in place, there is a need to hold meetings and employee consultation platforms where employees can voice their views regarding performance management matters. The organisation also needs to conduct research and benchmark what other organisations are doing as a means to keep abreast with market practices. This is evident from "*Consultation with everybody involved, benchmarking with other companies*" [QTNPAR1] and "*Hold meetings, do research and see what other companies are doing*" [QTNPAR3]. The system to be implemented should also serve as a measurement tool benchmarking against what performance should be measured.

Goal setting theory argues that there is a positive association between goal setting and performance. In many organisations, goal setting is part of performance management initiatives such as performance appraisals. Participants in this organisation have confirmed the relationship between PMS and performance indicated by "*I think there is a relationship between performance management and performance…. because performance management can improve the company's performance by improving individual performance"* [ITNPAR2], *"there is a relationship because… if they* (employees) *could have at least been rated or something like that at the end of the day… it will come up to motivate employees better rather than employees are just performing but they're not being rewarded*" [ITNPAR4]. Participants have, however, confirmed that the organisation is not effective in creating such a relationship as there is no system in place.

4.5.2 Factors affecting the success and failure of PMS implementation

Participants point out that in order to ensure successful implementation and maintenance of a PMS, effective communication within the organisation, settings goals, understanding of the system by employees and training of managers and management commitment to the initiative are prerequisites. These are manifested by *"I strongly feel support from management is very important and also in-service training is important*" [ITNPAR1], *"Ok, first of all, the goal have to be set because you first have to set a goal for you to know where you're going and what you expect your employees to do and also like we spoke about communication, it must be regular between the employee and the supervisor and training also has be offered"* [ITNPAR2] *and "Obviously people need to get some information, they need to be trained, they need to be explained, they need to understand how they benefit at the end at the day"* [ITNPAR4]. The current operations are failing due to lack of management support; *"you don't have support from the management"* [ITNPAR1], lack of resources which enable employees to carry out their duties resourcefully; *"those guys they don't have cars, they don't have laptops...those guys are not getting even the resources to be able to carry out their job or commission to motivate them and obviously it can lead to failure as well in a sense that they're demotivated"* [ITNPAR4] and operations are carried out in isolation; "*you just doing your own things"* [ITNPAR1] meaning there is no common goal that all employees are working towards.

According to Boice and Kleiner (1997) developing an effective performance appraisal system requires strong commitment from top management: if the system does not provide the linkage between employee performance and organisational goals, it is bound to be less than completely effective. Boice and Kleiner (1997) continue to advise that to build linkages employees must have individualised objectives and performance criteria which allow them to relate directly to the organisation, which is not practiced in this organisation. An effective PMS is therefore required to address these failures and strengthen the success factors. Addressing these concerns will motivate employees to work harder, improve accountability and creativity, and overall performance will be enhanced in the process. It is evident from this organisation that performance is not enhanced due to a lack of a performance management system and goal setting.

4.5.3 Settings Performance Goals

Setting goals, as mentioned above, is one of the aspects required for a PMS to be successful because goals have an influence of performance. Participants believe that setting goals is necessary within an organisation not only because it spells out expectations and employees are therefore clear on what is expected of them but also because goals serve as a performance evaluation tool. This is clear from "*setting goals is necessary, you can't measure performance without set goals*" [QTNPAR2] and *"there is no direction without setting goals together with the evaluating tool"* [QTNPAR3]. Also, participants believe that goals provide direction in terms of where individuals, and the organisation as a whole, are heading as reported "*there is no direction without setting goals together with the evaluating tool*".

Goals are primarily set by management within the organisation, which is one of the most important tasks of executive management. However, it is equally important to communicate these goals to the rest of the employees because goals define the results that employees aim to achieve and form the basis for best practice performance planning, appraisal, and rewards processes (Recessionary Management Survey, 2009). Some participants believe that their involvement in goal setting is essential and they should have a say on goals set for them. "*If I know that these are our plans we make a decision, these are strategic plans, this is where we're going and when we want to get there then that way we work toward that and you'll be* *able to make meaningful contribution but if you're not involved you don't know what plans are there, you'll be very discouraged*" [ITNPAR1]. Boice and Kleiner (1997) also support this perception and state that objectives should be developed jointly between the supervisor and the employee. Once the objectives are determined, appraisals should be performed frequently to help build a direct communication link. Support documentation for performance should be maintained by both the employee and supervisor in order for the appraisal process to be conducted in a productive manner (Boice & Kleiner, 1997). Other participants, however, believe that it does not make a difference whether or not they are involved in setting goals as they would still be required achieve them. *"The same as the goals that are set for me, I still have to perform, I still have to produce good results"* [ITNPAR2]. Lastly, participants reported that having specific and challenging goals is more motivating and will lead to enhance performance because they inspire employees to go the extra mile and exceed their expectations. "*I think goals that are specific because when you generalise you tend to feel 'argh, I can do it tomorrow' but tomorrow you may not end up doing it. It's better to have specific goals, even if you don't meet them at least it motivates you to work hard"* [ITNPAR3]. It is apparent from the participants' responses that goal setting is indeed necessary in an organisation and has a positive influence on performance.

4.5.4 Employee Motivation

Apart from participants' beliefs that implementing a standard PMS will have a motivating effect on employees to work harder, there are other factors currently motivating them despite the absence of such a system. Most participants are motivated by intrinsic factors such as being recognised by their supervisors for their efforts, their working relationships with fellow colleagues, feeling satisfied after helping others, wanting to make a meaningful contribution towards the organisation's success, enjoyment of the job itself and loving the organisation, feeling obliged to give something back to the organisation in return for remuneration and the freedom to carry out responsibilities at own discretion. These motivating factors are clear from "*Recognition and good working relationship amongst employees*" [QTNPAR1], "*No strict supervision*" [QTNPAR2], "*you also want to make a meaningful contribution to the development. You want to work and also just because you want earnings"* [ITNPAR1], "*and another one that can motivate me is that when I produce a report for example and my supervisor says it's a good report... one thing that motivates me, the people that I help, those* *that are looking for the information with me and then at the end of the day they express that I've really help them and they appreciate, it just make me want to work*" [ITNPAR2].

Gouldner (1960) asserted that when one is treated well, she or he is likely to feel an obligation to return in kind. The treatment in this case refers to the remuneration that employees receive. Therefore, they too feel that they need to give back to the organisation, despite the absence of a PMS. Lastly, employees also feel that they would be more motivated if the organisation offered incentives such as performance certificates recognising good performance, organising social events for teambuilding and providing refresher courses and training to enhance employees' skills. "*Certificate of good performance at end year, social events, short courses*" [QTNPAR1], "*Teambuilding trips, sport clubs, best performance awards*" [QTNPAR3]. In absence of the PMS, participants use these motivational factors to reward themselves and make their work worthwhile. Rewards are associated with higher performance.

4.5.5 The Role of Performance Feedback

Feedback is another important aspect that participants feel has an influential impact on performance. Due to the fact that there is currently no performance monitoring platform in the organisation, employees are not given any feedback on their performance. As reported "*it's* [feedback*] very important, if you know that you are performing well then you are motivated to do better but then if you don't know where you stand then it's very discouraging*" [ITNPAR1]. Feedback is an aspect that participants believe is required and necessary as it will not only motivate them to perform better, but they will be aware of their performance shortfalls and how they can be addressed. *"It's* [feedback] *very important because it can also show or indicate the strengths and weaknesses of different employees or where it can be improved in order to achieve the set objectives, so it's helpful to assess the weaknesses"* [ITNPAR3]. *"It* [feedback*] does play a role and it is important so that I'll be able to improve on my shortcomings"* [ITNPAR4]. Participants share the opinion that the lacking performance appraisal process is a necessary platform where communication between supervisors and employees is crucial to discuss performance matters and identify employees' strengths and weaknesses. "*I think it's very important. Feedback is communication between the employee and the supervisor because when the supervisor is communicating, the* *employee is also learning from the supervisor and you become more comfortable with your work*" [ITNPAR2]. These findings also coincide with those of Saeed and Shahbaz (2011), who conducted a study and found that the major reason for the ineffectiveness of performance appraisals concerned the individual manager's inability to provide timely and accurate feedback to employees. Furthermore, employees generally did not actively participate in performance assessment procedures (Memon, Rohra & Pal, 2010). "*Normally here goals are being set by only management, we're not involved"* [ITNPAR1]. This aggravates the ineffectiveness of performance appraisals and may eventually deteriorate performance as opposed to employee participation in goal setting which is believed to lead to higher performance.

Performance appraisals are most commonly undertaken to let an employee know how his or her performance compares with the supervisor's expectations and to identify areas that require training or development (Boice & Kleiner, 1997). Employees have a legitimate need to know how their performance is viewed. At a basic level, without adequate communication between the employee and the supervisor, undesirable work habits may be formed or good work habits may be modified (Boice & Kleiner, 1997). Lack of such communication may be viewed by the employee as approval of their current work habits and performance. This organisation may be vulnerable to this error depicting from the participants responses.

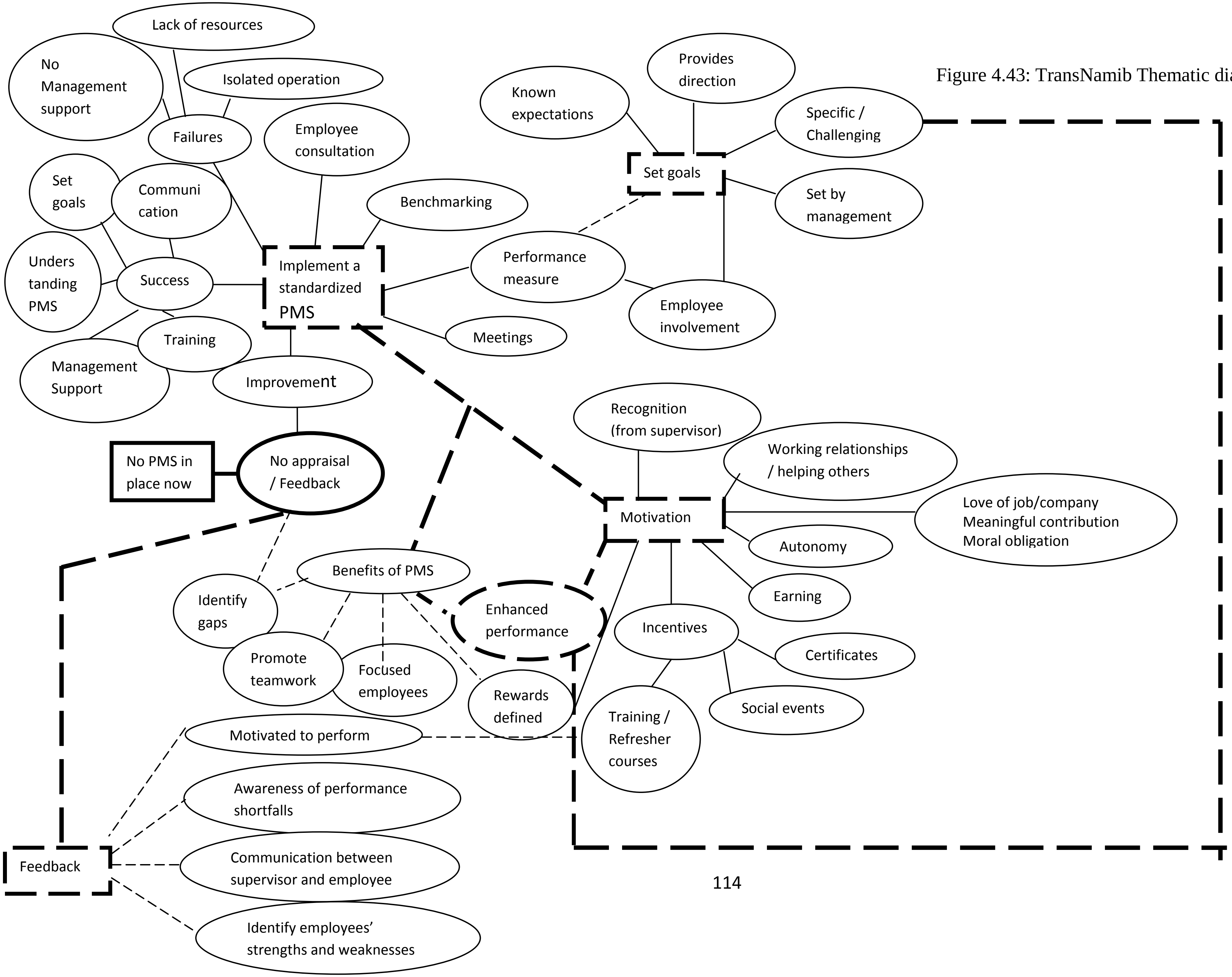
4.5.6 Benefits of PMS

Participants in the organisation generally believe that despite not having a PMS in place, it is a tool they would recommend for any organisation. This is illustrated by *"my view is that for any organisation I think they should implement a performance management system. It will enhance performance in a way that employees will be encouraged to work hard towards a common goal"* [ITNPAR1], *"I think uhm every organisation should have performance management system in place because like I said it helps to improve the overall performance of the organisation and it also improve the performance of individuals or team and in that process you also identify the needs of the employees where you need to train them and so on"* [ITNPAR2], *"if there was a system in place I think things would move because people can work hard"* [ITNPAR3]. Implementing a PMS whereby goals are set and feedback is given on the progress of such goals would motivate employees to work harder. This would therefore result in enhanced performance, both on the part of individuals as well as the organisation as a whole.

According to the participants, other identified benefits of having a PMS include promoting teamwork within the organisation, identifying performance gaps easily as a result of monitoring performance, employees remain focused as they will be guided by strategic goals and they are aware of what is expected of them rather than operating in a vacuum, and rewards would be properly defined and awarded which would motivate employees more knowing that they will be rewarded upon achievement of set targets. These would significantly improve performance within the organisation compared to its current state or operations where employee morale is low and employees feel unappreciated.

The findings discussed for this organisation are summarised and displayed in Figure 4.43. The thick jotted line in Figure 4.43 indicates the potential relationship between the various features as per the questionnaire. The jotted lines mean relationships between features have not been established due to the lack of a PMS within the organisations. Where lines are fixed means associations have been confirmed by the participants.

Figure 4.43: TransNamib Thematic diagram



4.6 NAMWATER RESULTS

4.6.1 Performance Management and Appraisal in NamWater

Information gathered from participants in this organisation confirmed that there is a PMS in place and that their performance is assessed by reviewing individual performance contracts (IPCs). When participants asked whether they have a PMS in place and how their performance was measured, many responded with "*Yes, through performance contracts*" [QNWPAR1, QNWPAR7, QNWPAR11, QNWPAR12, QNWPAR14, QNWPAR15, INWPAR3]. While most participants have confirmed to having quarterly reviews with their supervisors, as clearly stated "*Yes, self scoring and discussion of scores with supervisor*" [QNWPAR2, QNWPAR3, QNWPAR4, QNWPAR8, QNWPAR10, QNWPAR11], whereby they are rated on their IPCs that were signed at the beginning of a review period, a few have reported that performance assessment in the organisation is not consistent (QNEPAR17, INWPAR1). Despite the diverging views however, participants generally emphasised the need for the appraisal process to be fair, objective and transparent as well as the importance of identifying and addressing developmental needs as a way of improving the current practice. This is evident from "*Considered that it is applied fairly and objectively, otherwise it may even reduce individuals' performance*" [INWPAR1], "*Indentify need for development*" [QNWPAR12].

Some participants have also confirmed the relationship between a PMS and performance by stating that "*yes there is* (a relationship) *as the performance of individuals is measured on quarterly basis. If there was no means of assessment, I don't think employees would perform or put as much effort as they are now. They are performing knowing that at the end of the day, there are bonuses to be determined and if you do not perform, you don't get a bonus*" [INWPAR1]. Other participants, however, share a contrary view that "*I don't think there is a relationship because in this company, we have performance reviews as formalities. Just so that they* (management) *can say at the end of the day that they have done the performance reviews to determine individuals' bonuses. But people are not even aware of their scores or how the supervisor came to the conclusion. What you have done and how you performed is not what is truly reflected*" [INWPAR2].

Although in full operation, the PMS has flaws that need to be addressed. In order to further improve the current procedures and maintain a steadily successful operating system, the following factors need to be taken into consideration; educating the employees about the system; "*To educate employees to understand the system better*" [QNWPAR7], ensuring management is committed to the scheme; *"Management need to show commitment to organisational initiates"* [INWPAR1], providing constant feedback and continuously monitoring the system; "*By measuring and giving employees feedback regularly regarding their performance*" [QNWPAR14], and approaching an expert in the field to provide guidance and ensure proper implementation; "*Objective measures, guidance from specialist performance section*" [QNWPA17]. The call for a fair and objective appraisal process was also highly emphasised by many participants suggesting that employees should be appraised by more appraisers than just their supervisors to eliminate favouritism and subjectivity. *"Basically, like we discussed, appraisals need to be fair and objective. People need to be rated by other people and not just the supervisor to be able to get an objective rating"* [INWPAR1]. Generally, participants are of the opinion that organisations with well implemented PMSs have competitive advantages over organisations that do not have such systems in place. This is supported by statements such as *"This depends on how well the PMS in a company is applied. Done correctly it would no doubt benefit the company"* [INWPAR2*], "also it will only be effective once the factors I've mentioned have been taken into consideration such as informing the people about the system and management supporting the staff"* [INWPAR3].

4.6.2 Goal Setting and Performance Feedback

Participants have described goal setting as an important activity in any organisation that provides performance targets and direction. *"Goals are a requisite for effective working environment"* [QNWPAR9], *"Goals give us directions and targets. They give us an indication on how far we are to getting where we need to get*" [INWPAR1]. While some participants have expressed the need for them to be included in the discussion of goals and performance targets and give their consent to performance contracts as pointed out by "*they* (employees) *need to be engaged in performance reviews so that when employees are appraised, they know from the beginning that these are the goals you were meant to achieve*" [INWPAR1] and "*yes, being involved motivates me to work hard and achieve goals as* *opposed to if they were just imposed on me*" [INWPAR2], to others it makes no difference as they feel goals need to be achieved regardless of whether or not employees are involved in setting them. This is pointed out by "*it makes no difference because you still have to achieve them*" [INWPAR1]. Participants nevertheless agree that specific and challenging goals would be more motivating and contribute towards improved performance as they shared a similar view that "*generally goals need to be SMART, it is better to work with goals you can measure, that are specific, that have time limits and that are realistic. Goals that are too broad can be misleading and may even lose focus*" [INWPAR2], ".*Specific challenging goals are the most motivating than general goals*" [QNWPAR3, QNWPAR8, QNWPAR11] Findings confirm the goal setting proposition that performance benefits can be realised through the implementation of challenging and specific goals. Findings here also support Meyer et al. (1965) who revealed that it does not matter who sets the specific challenging goals as much as it does that they are set.

The importance of providing performance feedback has also been stressed by the employees, not only as a motivating factor but as an important component of setting goals. Some participants have reported that not only are they not given any feedback on their reviews, but that they are given performance ratings without their involvement or explanation as to how their ratings were concluded. *"No, basically just that people must be consulted before scores are given to them. They must discuss with the supervisor and agree on ratings. It must also be clear what they are being assessed on from the beginning, what goals and targets there were that will be used to measure the performance of staff. There's nothing like that"* [INWPAR2]. On the contrary, a few others have expressed their satisfaction with the appraisal process and feel they are given adequate feedback. *"Im happy with it because I also have a say in what I contribute and how I've performed. My supervisor is understanding and reasonable and helps me where I don't understand"* [INWPAR3].

Nonetheless, all participants are in consensus that being given feedback on performance is necessary as it has an influential impact on performance as expressed by "*it* (the role of feedback) *is very important because if we were not given any feedback you will not know how you're performing. You will not know your shortfalls or means to address them so feedback definitely plays a role*" [INWPAR1], *"Performance feedback is very important and necessary for staff to know how they are doing. I would have liked to get feedback more regularly so* *that I know how im performing on a regular basis"* [INWPAR2]. Furthermore, participants have conveyed that "*Definitely you want a supervisor who is supportive and has good intentions. If you are constantly told that you not good and always doing things wrong, you will be demotivated and this will affect your daily performance. You won't even enjoy your work anymore because your self-esteem is low. But if you're given positive feedback, you will be motivated and work put in extra effort*" [INWPAR1]. The proposition, supportive and timely supervisory feedback will lead to higher performance than when no feedback is provided. Organisations operating in this time of continual change and global competition cannot afford unmotivated and uncommitted employees. An effective system of performance appraisal is a major component of an organisation that allows every employee to feel that his or her contribution has contributed to the success of the organisation and a desire to add to that success (Boice & Kleiner, 1997).

4.6.3 Employee Motivation

Although the PMS is not flawlessly implemented, some employees have reported it to be motivating or to have a motivating effect which would lead to a boost in performance, provided that it is implemented effectively. In spite of it flaws, as highlighted that "*there is too much bias and subjectivity. It's never applied fairly and to the people who contribute most to the core business*"[QNWPAR], employees in this organisation are motivated to perform by other factors such as good working relationships amongst colleagues, encouraged creativity and innovation, the company itself is good to work for and employees enjoy the work that they do. Some participants thrive on receiving recognition and yet also aim for self-actualisation, while others are motivated by the satisfaction that their career provides and take pride in offering a necessity to the public. Last, but not least, some employees are motivated by the remuneration package that the company offers.

The above is manifested by "*It's a great company to work for and PR is in itself challenging*" [QNWPAR1], "*working relationship with fellow colleagues*" [QNWPAR2], "Success and recognition" [QNWPAR4] "*Type of work I do, being in a department that's "the heart" of the organisation as we produce resources that earn income*" [QNWPAR11], "*One definitely has needs which are fulfilled by the monthly income. However, I also want to grow as a professional individual and learn through experiences*" [INWPAR1]. Sources of motivation, such as the mentioned examples, are rewarding to participants and may serve as their drive to performance. Goal setting theory argues that there is a positive association between rewards and performance. As evident from the findings, there are various reward sources for participants apart from the commonly discussed performance bonus.

4.6.4 Performance Rewards

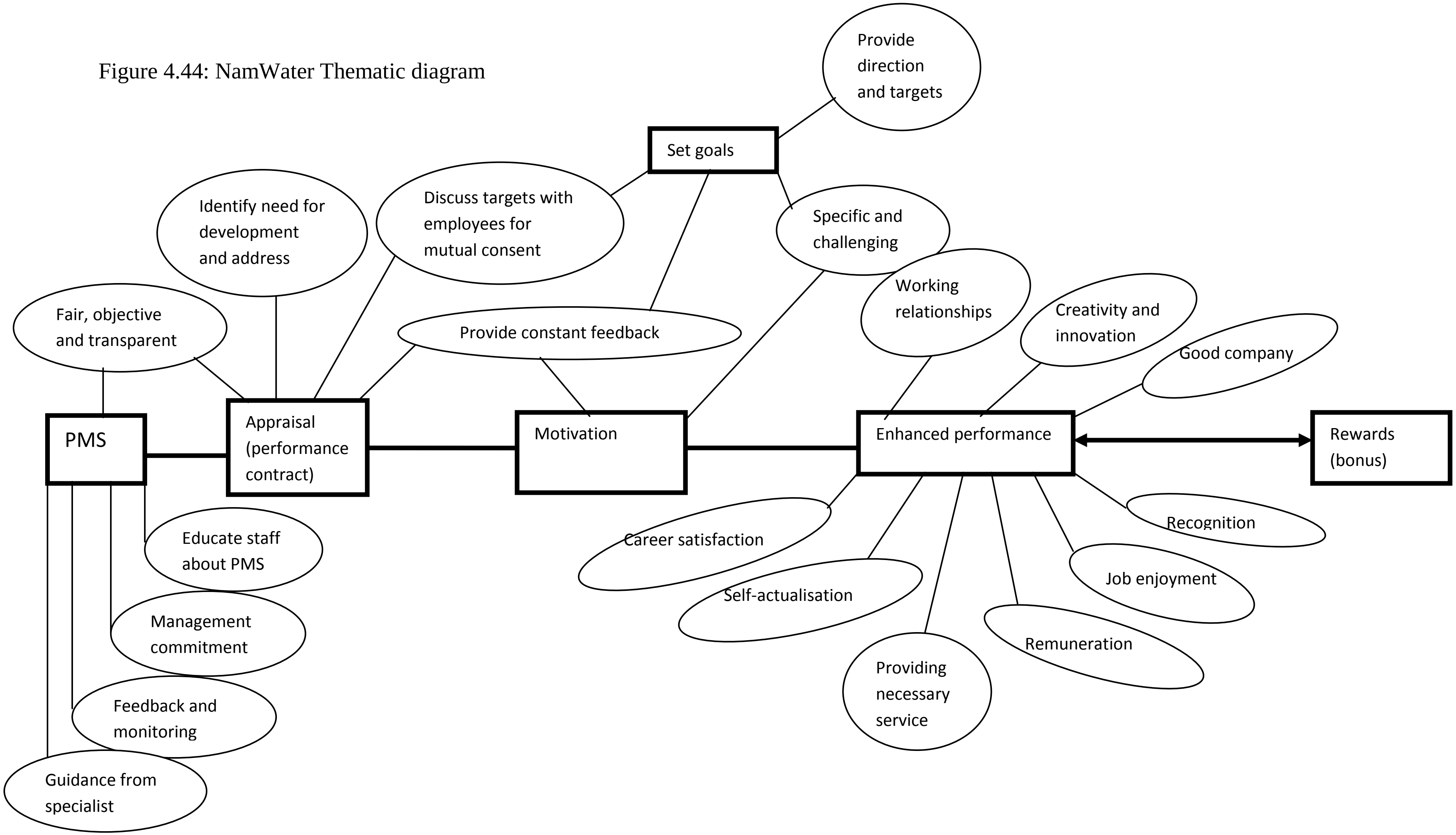
The organisation offers a performance bonus as reward for good performance and employees agree that such a reward has an influence on performance because employees would not perform as well as they do if no rewards were given. "*Rewards motivate people, like the performance bonus we get here. If you don't work you get nothing or little and no one will want to get nothing. But I also believe minor things like showing appreciation to employees for their contribution and awarding certificates is also rewarding and will motivate employees to work harder*" [INWPAR2], "*People look forward to rewards of any kind and if there are rewards at the end of the day, people would aim for it of course. Obviously I would exert more energy for rewards than if there was nothing*" [INWPAR3]. This reconfirms that relationship between rewards and performance.

4.6.5 Factors contributing to the failure of PMS

Participants of this organisation also mentioned a few factors that contribute to the failure of their current PMS, which numerous literatures as confirmed. This study and previous literature revealed that lack of required knowledge and skills, management support, personal benefits and uneasiness on behalf of employees while giving or receiving feedback are detriments to the implementation of performance appraisal systems (Ahmed, Hussain, Ahmed & Akbar 2010). Participants reported "Performance is not managed well and effective. That's why we keep loosing people to other companies due to lack of job satisfaction and good reward" [INWPAR10], "*The management style in this company needs to change in order for things to change. Another thing, there is the aspect of fairness and objectivity. The performance appraisals are highly depended on the supervisors' input which not necessarily correct. The relationship between the supervisor and subordinates can impact those ratings especially if the relationship is strained. That is a component that is very important to consider because it's the reason sometimes people do feel like appraisal are done correctly and fairly"* [INWPAR1], *"The company needs to educate it employees beyond the yearly* *assessments. Another thing is senior managers need to be in the boat with the staff on the matter. Not much is done from managers to support and actively engage in this regardless of employees' complains"* [INWPAR3], "Ways *of addressing identified weaknesses must be included"* [QNWPAR13].

The findings of this organisation are summarised and represented in Figure 4.44, whereby relationships are indicated as per the participants' perceptions.

Figure 4.44: NamWater Thematic diagram



4.7 NAMPOWER RESULTS

4.7.1 Performance Management and Appraisal in NamPower

Participants in this organisation have reported that there is a PMS in place. Employees are appraised on a bi-annual basis by reviews of key performance indicators that were achieved against what was agreed at the start of the reviewing period. *"Yes, by measuring target agreed upon achieved"* [QNPPAR2], *"employees discuss their performance with their supervisors by comparing the KPIs that were set at the start of the cycle and comparing them to what the employees have achieved"* [INPPAR1]. During the performance appraisals, employees are given opportunities to first rate their performance before they discuss their ratings with their supervisors, a process that all participants seems to be pleased with and described it as fair, transparent and objective." *There are also ratings involved and employees rate themselves before the discussion with the supervisor"* [INPPAR1], *"Yes, its fair and transparent"* [QNPPAR1], *"Yes, its objective and you are given an opportunity to rate yourself"* [QNPPAR2].

According to Goff and Longenecker (1990), as part of the overall process, employee self-appraisals should be encouraged as this helps the employee to be less defensive and passive in the appraisal review. Self-appraisals can lead to self-improvement. The employee self-appraisal can also be helpful for the supervisor in opening a communication link and allowing for comparison of performance results (Boice & Kleiner, 1997). Self-appraisals give the supervisor helpful insight as to how the employee views his or her performance (Boice & Kleiner, 1997).

There are, however, areas that need to be improved in the process such as eliminating favouritism and applying the process consistently across the organisations. Participants call for "*cutting out favouritism*" [QNPPAR1] and "*Be consistently appraised in all departments and targets must be set by department heads"* [QNPPAR3]. Communication is an also important aspect that needs to be improved and management need to support the process. "*By improving communication, set SMART goals, support from management and measuring results not individual behaviours"* [QNPPAR2]. It is recommended by participants that punitive measures be introduced to be applied to non-adherence to company procedures. Supervisors need to be trained to fully understand and manage the process as they need to lead by example. Lastly, the process can be improved by setting SMART goals, which will be used to measure performance results and not individual's behaviours. *"For the performance management system to succeed people need to understand the process and know what is expected of them. Employees should be involved and have a say in their tasks. Communication is therefore important between the supervisors to inform the staff. Management should also provide support as they are the ones setting company goals, they must lead by example. If the process is not applied consistently and objectively across the whole organisation, it will demotivate staff"* [INPPAR1]. Having a PMS is, however, a tool participants would recommend in an organisation as implied that "*a performance management system is a necessary tool to track and measure performance. It can identify performers and reward them accordingly. It is also important that employees are given feedback on their performance so that they can work on areas that are weak. I would only advise that appraisal be conducted properly to serve their true purposes*" [INPPAR2].

As in other participating organisations, participants in this organisation have also confirmed the relationship between having a PMS and increased performance as demonstrated by "*I think having a system makes people work harder because their performance is being measured. If there is no system people will just work for the sake of working... It encourages people because when they perform, they will receive bonus and if your ratings are low, you are paid accordingly or not at all. Everyone wants to get something and would therefore work harder and go the extra mile*" [INPPAR1]. At the same time, confirmation of the relationship between rewards and performance is also evident as substantiated in the above statement and "*if people know there are rewards for best performance, they will compete for it rather than if there's nothing... if there are no rewards, people would just do what need to be done and not put extra effort. But rewards will motivate them to go the extra mile*" [INPPAR1], *"I think performance bonuses drive people to performance. Bonuses are based on the percentage people get from reviews*" [INPPAR2], *"yes of course I think if employees are given rewards for what they have done, they would try and work better to get the rewards*" [INPPAR4].

4.7.2 The Role of Feedback and Setting Goals

Another preferred aspect of the performance appraisal system in this organisation is that feedback is provided to employees after their appraisals. They report this as important because they are not only aware of how they are performing but their performance shortfalls are also identified. This would therefore allow them to determine how to address and close the performance gaps that have been identified. These are supported by the following statements: "(the role of feedback is) *very important because im aware of how im performing and if I need to improve rather than just working and not knowing whether or not im doing things right"* [INPPAR1] *"It's important to get feedback to know your progress. We have regular meetings to determine how far we are from achieving our targets"* [INPPAR2], *"definitely important, one needs to know how well or how bad you are doing. Even though a person knows if they get stuck or don't understand a certain task, they need to be trained"* [INPPAR5].

Findings indicate that setting goals provides the organisation with advantages such as providing a platform to measure performance, directing performance towards strategic objectives and exerting a motivating effect on employees by setting goals that are specific and challenging. *"When there are goals, people know what to achieve and they will try and achieve them faster. If there are no goals, it's like working a vacuum. Goals are needed to guide performance"* [INPPAR1]. *"Setting goals in necessary because employees would know what is expected of them. Without goals/targets performance cannot be measured"* [QNPPAR3]. Employees also mentioned the importance of aligning individual, team and organisational goals so that there is a common goal towards which performances are geared. *"Individuals also have their own goals. So if they are given goals only directed at the company's visions and not considering the staff, there will be a clash that can lead to delays in achieving those goals*" [INPPAR4]. This perception is supported by the Recessionary Management Survey (2009) which states that performance management not only includes assessing how employees are performing in their jobs, but also aligning individual goals to overall organisational goals, and keeping employees satisfied so that they can be retained.

Employee involvement in the goal setting process is also key as it affects their performance as expressed by "*I definitely would like to be involved as im the one that has to perform them. Sometimes im given too many things to do and the time is not enough. If I can have a say I* *would know what is realistic for me*" [INPPAR1]. However not all participants thrive on being involved in goal setting as much as they focus on the achievement of the actual goals. "*Not really as long as the goals are achieved. But at least if you are involved you can determine how realistic they are to achieve them", "as long as there are goals to lead people*" [INPPAR2] and "*No, as long as there are goals to lead people*" [INPPAR3]. This confirms Locke & Latham's (n.d.) findings that goals are effective even when they come from different sources; they can be assigned by others, they can be set jointly through participation, and they can be self-set.

An association found in this organisation is also that of specific challenging goals and performance as per goal setting theory. Such a link is visible from *"I think when goals are broken down they are easier to work with and measure. If you just say increase sales, I may as well sell one or two cars more than the previous period and claim to have improved. But if I know I have a target for the month, I will push myself. Its also important that the goal is discussed with me because it may be unrealistic for me to sell five cars in one month. I need to have the skills and determination, meaning I have to know what im doing by being trained and ready"* [INPPAR5]. While this relationship of goal setting theory is confirmed, it is also contradicted by Vroom's (1964) expectancy theory which argues that an employee can be motivated to perform better when there is a belief that the better performance will lead to good performance appraisal and that this will result into the realisation of personal goal in the form of some reward. This illustrates that enhanced performance is not necessarily because goal are specific and challenging but that employees are motivated by achieving a personal reward. "I don't think so. Or rather it depends on individuals. I think many people will just aim for given targets regardless of whether or not they are specific" [INPPAR4]. This statement is an indication of the contradicted goal setting proposition of enhanced performance and specific challenging goals. Participants are also motivated by other factors other than specific goals that may result in their increased performance.

4.7.3 Employee Motivation

Apart from the motivating effects of setting goals and receiving feedback, employees in this organisation are primarily motivated by intrinsic factors such as their working relationships with colleagues, recognition of performance from seniors, management's openness to creativity and encouragement for innovation, enjoyment of the job and discretion to carry out job responsibilities, and lastly the extrinsic factor of the remuneration offered by the company. "*Good working environment, performance recognition, management is open for suggestion and encourage innovation*" [QNPPAR2], *"Generally, NamPower is a good company to work for. It's a good environment and many people have good relationship"* [INPPAR2], "*I learn a lot from the tasks im given so every time I learn something new. The environment is also welcoming, there's no tension and everyone is friendly"* [INPPAR3].

Provided that the above factors are maintained, the leading outcome will enhance employee performance. However, rewards are also an aspect that needs to be fairly managed as there is a defined relationship between rewards and performance. Participants have confirmed this relationship, as stated earlier, by stating that they are and/or will be more motivated to perform beyond their job responsibilities if they know they will be rewarded for their efforts. *"Bonuses and extra benefits are what pushes people to put in extra effort so I would definitely say there is a link"* [INPPAR2]. "*if employees are given rewards for what they have done, they would try and work better to get the rewards. If I know there is no performance bonus, people would still performance but will not be as motivated"* [INPAR3],"*Definitely, no one will want to work for peanuts. People want to be recognized for their work and know they are appreciated*" [INPPAR4]. It is also imperative that such rewards are distributed fairly and deservingly or they may demotivate employees. "*Not if rewards are not given fairly. You work yourself for the ground and don't even get a pat on your back or get a deserving bonus yet the next person who wont lift a finger gets the bonus* [INPPAR5].

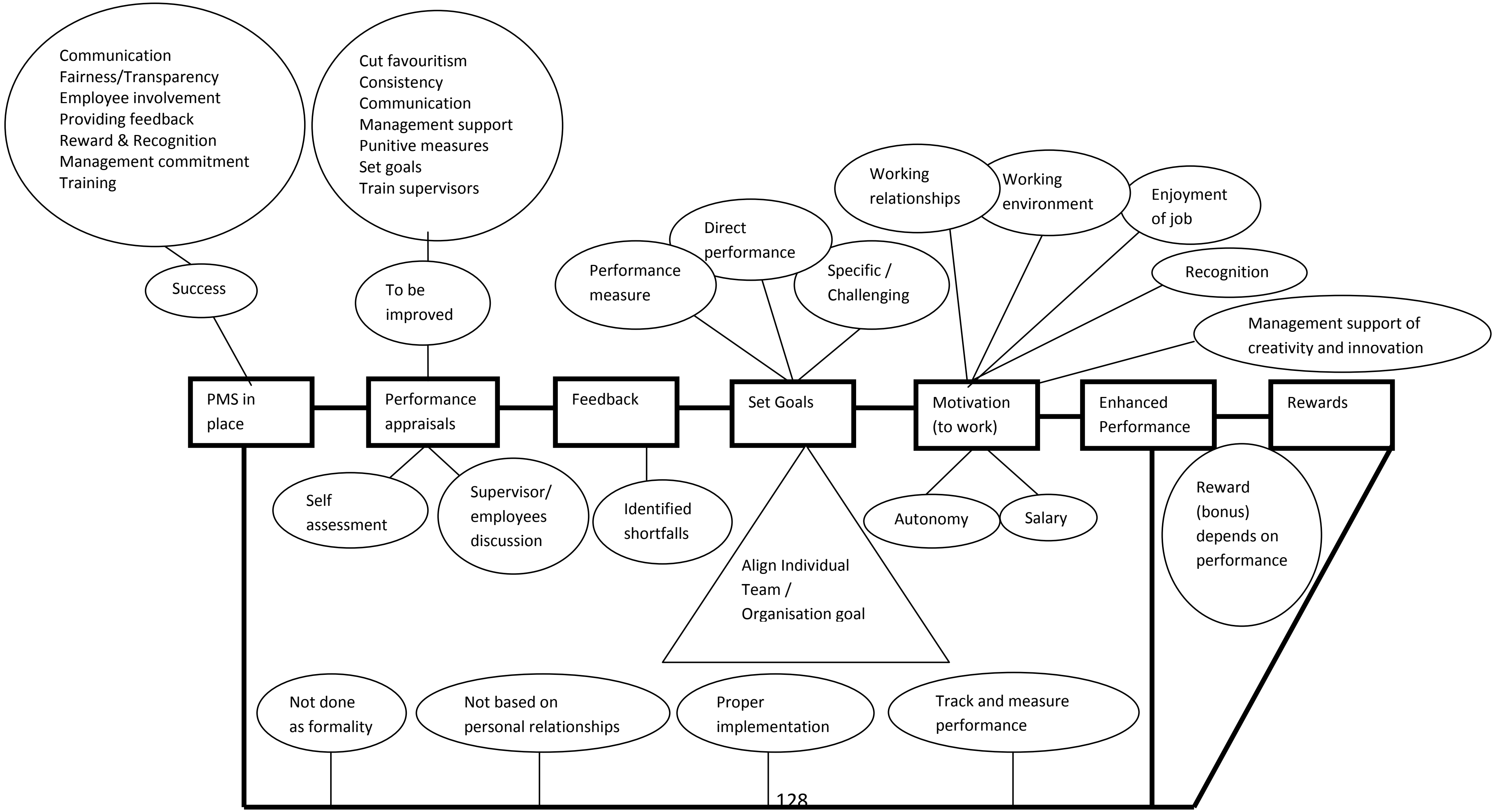
4.7.4 Factors affecting the Success a PMS

Other aspects to be managed as part of the PMS include being committed to the initiatives and not merely conducting performance appraisals as a formality. It also needs to be properly implemented and used as a meaningful tool to track and measure performance and not be based on personal relationships, which is an irrelevant and distressing factor to base appraisal results. Although there is a PMS in place in this organisation, there are some elements of it that are flawed and need to be addressed. According to participants, in order to successfully implement and maintain a well-administered system, the following requirements need to be addressed:

- Communication needs to be improved within the organisation (QNPPAR1, QNPPAR2, INPPAR2, INPPAR5)
- The performance appraisal systems needs to be managed fairly and transparently (QNPPAR2, INPPAR2)
- Employees need to be involved in setting goals and other decision making processes that affect them and their performance (INPPAR2)
- It is imperative that employees are provided performance feedback (QNPPAR2, INPPAR5)
- Employees need to be rewarded and recognised for outstanding performance (QNPPAR2)
- Management needs to be committed to organisational initiatives such the performance management system and lead by example (QNPPAR3, INPPAR5)
- Training and information need to be provided so that both managers and employees have an understanding of what a performance management system is and what is expected of them (INPPAR1, INPPAR2, INPPAR3, INPPAR5)

Overall, employees of this organisation are in favour of having a PMS provided that is managed consistently, fairly and transparently and not used as a tool to victimise employees while favouring others. "*I think performance management systems are important in every company and can really help improve employees' performance but only if they are used properly or else companies would rather be better without any because they will demotivate employees to perform*" [INPPAR1]. Wood (1997, cited in Towne, 2006) also concurs that annual performance reviews are a necessary evil of the workplace. If done well, they should be part of an ongoing communication process between the manager and employees. When poorly implemented, performance evaluations can be de-motivating and harmful. Also supporting the perception of fairness is Matlatla (2011) who states that a fair and efficient performance management system will help improve organisational effectiveness, motivate employees, improve organisational culture, attract and retain skilled staff and support total quality management. The relationship between the above mentioned elements and employee perceptions of performance management in this organisation are represented in Figure 4.45.

Figure 4.45: NamPower Thematic diagram



4.8 NAMFISA RESULTS

4.8.1 Performance Management and Appraisal in Namfisa

The majority of participants in this organisation have confirmed that there is a PMS in place. They have reported that they have performance reviews on a quarterly basis, during which they discuss their performance with their supervisors, as stated "*Yes, we complete templates to performance contracts and do self assessment, then discuss with manager*" [QNFPAR3], "*Yes, discussion with supervisor*" [QNFPAR4], *Yes, quarterly reviews based on performance contracts"* [QNFPAR5]. However, not all of them have confirmed to this process as one participant reported that "*Im not appraised*" [QNFPAR2]. Despite the differing views, participants correspond on the necessity of a PMS within an organisations, proven by the following statements: "*performance management or appraisal is an important tool because employees are recognised and where performance lacks, steps such as training can be taken"* [QNFPAR2], *"it* (performance management) *is necessary because everybody will know what is expected"* [QNFPAR5], *"yes, it is vital so you see who is working and performing*" [QNFPAR6].

Considering that PMS is viewed as an essential tool, participants have suggested actions steps to be taken to improve their current PMS practices. These include setting measurable objectives (QNFPAR1), training supervisors and managers on the system (QNFPAR3), ensuring that performance management policies are adhered to (QNFPAR5) and making the process more objective by introducing 360 degree questionnaires (QNFPAR6). For successful continuance of the system, additional to the above mentioned elements to be improved, continuous performance feedback needs to be provided (QNFPAR5), employees and managers need to fully understand the process (QNFPAR53, key performance indicators need to be clearly defined and revised regularly (QNFPAR6), and there need to be effective communication within the organisation (QNFPAR4).

4.8.2 Setting Goals and Performance Feedback

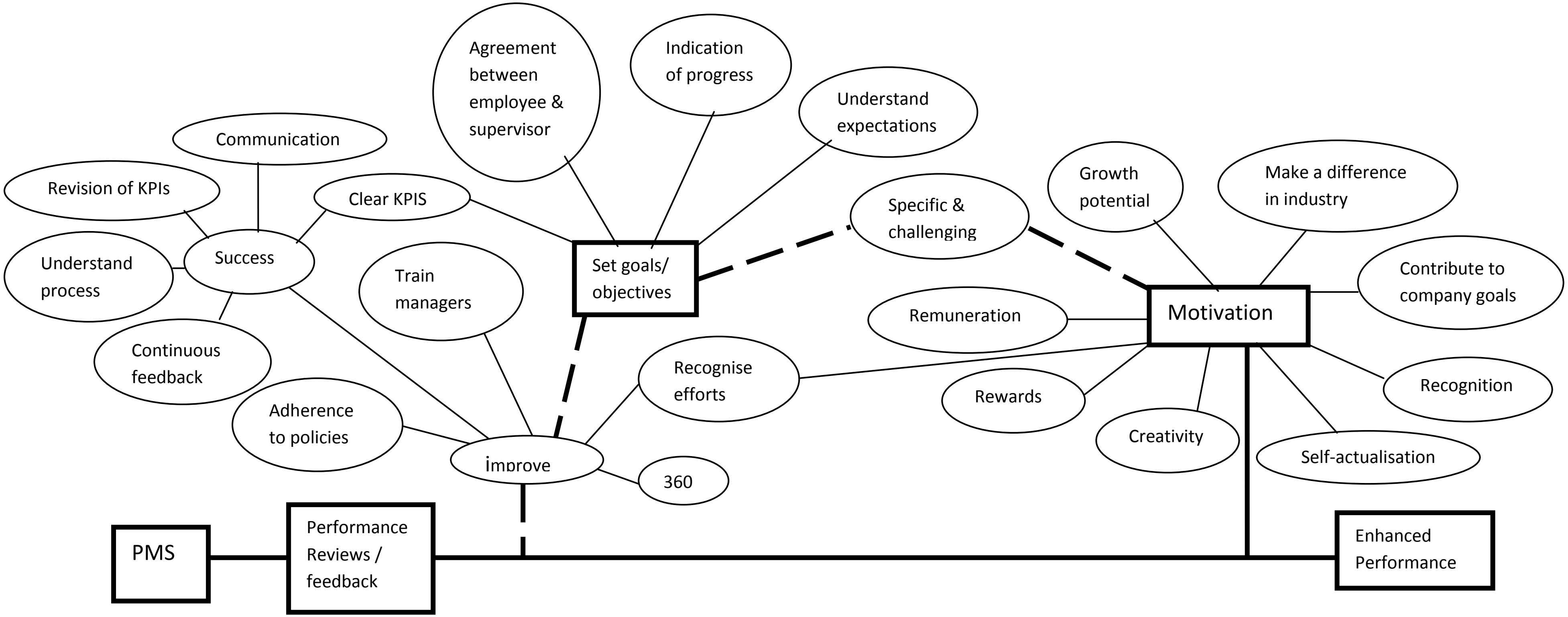
In addition to setting measurable goals participants have stated the importance of their involvement in the process because they will not only have a better understanding of what their expectations are but will focus their efforts towards the goals which will result in enhanced performance (Erez, 1986). Theory of purpose specification shows that when employees are participating in determining of organisational purposes, they have more commitment towards the purposes of organisation and as a result this commitment will result in improvement of their performance (Kuvaas, 2006). In addition, with due attention to the social exchange viewpoint (Shapiro & Conway, 2004; Lee & Bruvold, 2003) those employees who believe that the organisation is trying to supply their needs may have a sense of responsibility with regard to render to the organisation through high work performance (Kuvaas, 2006). Participants also view goals as a tool that can be used to measure progress and offers a platform for supervisors and employees to communicate and agree on targets. Not only should key performance indicators be clear, participants of this organisation, like the others, agree that specific and challenging goals would be more motivating and boost performance. The above are marked by "*Very much so, employees should be involved so that have a clear understanding of expectations*" [QNFPAR6], "*Yes, agreement has be reached between supervisor and subordinate as to what goals are realistic and achievable"* [QNFPAR1] "*Having specific challenging goals is motivating as employees will learn to work hard and faster*" [QNFPAR4, QNFPAR6].

Many participants have reported that they are given feedback on their performance but agree that the process can be improved because "*feedback on what you've worked hard on is welcomed, needed and essential*" [QNFPAR3]. London and Mone (1999) state that job requirements are changing at a rapid pace due to organisational, competitive, and technological development, all of which have a direct implication on employee performance. More the reason for employees to receive feedback and be involved in goal setting and reviewing. Keeping and Levy (2000) add that when employees feel that organisational feedback is directed to support them, their commitment towards the organisation will be enhanced. Also those employees that receive better feedback from the environment are more committed than employees who receive less feedback (Keeping & Levy, 2000).

4.8.3 Employee Motivation

According to participants, having a PMS that is linked to rewards is in itself motivating for various reasons, although the PMS has flaws as mentioned above. "*Yes, it motivates employees as they wouldn't view their efforts unnoticed or useless"* [QNFPAR2], *"Yes, generally it keeps people accountable for how they spend their time. Effective reward systems do wonders"* [QNFPAR3], *"Yes, it motivates staff to perform if they know they will receive performance bonus*" [QNFPAR6]. Other motivating aspects that reinforce these employees' performance include their will to contribute towards company objectives (QNFPAR2), potential growth opportunities within the company, making a difference in the industries the company regulates (QNFPAR1), creativity and recognition of efforts (QNFPAR3), the determination to achieve self-actualisation (QNFPAR5), and lastly, the remuneration and rewards offered (QNFPAR6). The perceptions of the participants in this organisation are summarised and displayed in Figure 4.46, where the established relationships and/or potential relationships have been indicated as per the participants' perceptions of performance management practices within the organisation.

Figure 4.46: Namfisa Thematic diagram



4.9 NDC RESULTS

4.9.1 Performance Management and Appraisal in NDC

Based on the information gathered from participants in this organisation, there is no PMS in place, nor are performance appraisals conducted. They share similar views as employees at TransNamib that there is a need to implement a PMS in the first place before improvements can be made. Many have reported that "*there should first be one (*PMS) *in the first place"* [QNDCPAR3], *"it* (PMS) *needs to be introduced"* [QNDCPAR12], *"I've never heard of such a system in this organisation since I've been here"* [INDCPAR, INDCPPAR31], "First the company must put the system in place and take it from there" [INDACPAR2].

Another similar trend to other organisations, and especially those of TransNamib that also does not have a PMS in place, NDC participants believe that a PMS is necessary in an organisation, as pointed out by "*never had one* (PMS) *but I believe it's necessary*" [QNDCPAR2], "*It is necessary in any organisation*"[QNDCPAR4], "*PM is required at any organisation. It helps employees perform better and get rid of non-performers*" [QNDCPAR12]. Participants have reported that not only will having a system motivate them to perform better, it will introduce valuable results to the organisation. To mention a few: employees will be inspired and a sense of belonging will be created (QNDCPAR5), the system would distinguish performers from non-performers (QNDCPAR12), the system provides a transparent platform for promotions and salary increases (QNDCPAR7), and it is a useful tool that can be used to correct employees behaviour and output (QNDCPAR9).

Given the above advantages of having a PMS, participants recommend for a PMS in their organisation, stating that "*Firstly, we need to have a system in place. The current situation is not good where people are not being rated. Other companies like I said conduct performance appraisals that also determine increases and bonuses. If we have a system, I strongly believe people's attitudes will change because it will force people to work hard and they will feel like they are working towards something. Discussing your performance with your supervisor and also being rated by your colleagues is needed, it'd also introduce some competition which* *can be good for the company because people will compete and work*" [INDCPAR1]. Although it is recommended by participants for the organisation to benchmark PMS practices, which can be considered a reasonable start, Henderson (1984) advise that performance appraisal systems are not generic or easily passed from one company to another; their design and administration must be tailor-made to match employees and organisational characteristics and qualities.

Not only is the relationship between PMS and performance confirmed by the participants, as evidently stated "*Yes definitely I strongly believe that...because when there's a system, employees are being monitored and they will perform more meaning they will be more productive and the company will be more profitable"*[INDCPAR2], *"I think the relationship is that if there is a performance management system, people will work hard than if there is not management system and no one is measuring their performance like now. People are just working normally to finish and go home and get paid regardless of the how well you've done your job or completed your responsibilities*" [INDCPAR2], participants too believe that organisations that have implemented PMS perform better than those without it (INDCPAR2, INDCPAR3).

Another confirmed relationship in this organisation is that between rewards and performance. "*Rewards will obviously motivate employees to work harder than they are now if they know that at the end of the day their performance will be rewarded. So there is obviously a relationship between rewards as they will increase performance but also it if important that rewards are given fairly to everyone that deserves it*" [INDCPAR1].

4.9.2 Goal Setting and the Role of Performance Feedback

Goal setting is an essential component of performance management that is not formally practiced in this organisation. Although there are some departments within the organisation that set goals at departmental level, many participants feel they are operating in a vacuum due to lack of formally set strategic goals and/or alignment to departmental and individual objectives. Not only do employees strongly believe that there is a need to set goals that will serve as a map to direct performance and provide a guideline for performance measure, they believe they ought to be involved in setting such targets as it will help them understand what is expected of them and what they are working towards. Currently goals are primarily set by management and assigned to employees. Many participants have reported that they are not even aware of what the company's objectives are as they have never been communicated to them. Employees are usually given tasks to perform by supervisors as and when the need arises.

The above findings are evident from "*Goals are definitely important and like now, we don't know the goals but we have to perform. If we are involved it will definitely help us know what we are working towards and encourage us to work because when you know you've achieved a target, you feel good and want to achieve more*" [INDCPAR1], "*There must be goals in order to reach the company's objectives and goals*" [QNDCPAR1], "*Goals are necessary, they provide employees with guidelines and measurements that can be objectively assessed*" [QNDCPAR7], "*No goals, no vision. Each organisation needs a vision to direct employees to know what is expected from them*" [QNDCPAR8], "*Setting goals is very necessary. Some staff will not work effectively without goals and they should know what is expected of them"* [QNDCPAR12]. Participants have confirmed the positive relationship between goals and performance as well as the proposition that participation in goal setting will lead to higher performance although goals in the organisation are primarily set by management.

In order to ensure that a workforce is performing at the highest levels, there is a need to make sure that everyone is working towards the right goals. However, this is difficult to do if the organisation, such as NDC, has not established clear objectives or if employees do not understand them (Taleo, 2009). In addition, according to Taleo (2009), Harvard Business Review cited that thirty-seven percent of employee activity is not aligned with business goals, totalling approximately fifteen hours a week out of a forty hour work week spent working against business goals. Employees need to understand how their job contributes to the success of the team, the department and the company as a whole. With the alignment of goals, the organisation can ensure that the entire workforce is focused and engaged to deliver on the business goals (Taleo, 2009).

Lathman (2003) explains that paying attention to emotional grounds and stimulant of superior purposes of the organisation could likely be a reason for participation of individuals in organisation, thus employees should experience higher levels of commitment with regard to superior purposes and become more committed to their organisation to the extent that performance evaluation is related to main strategies, purposes and apostolate of the organisation. Moreover, performance appraisal causes to increase employees' understanding of the sense of being valuable and know themselves as a part of the organisational team that is the main understanding for being committed to the organisation (Fakharyan, Jalilvand, Dini & Dehafarin, 2012).If reflections that have been obtained from performance appraisal satisfaction are being invested in developing of employees, then employees will compensate it through increasing of effective commitment in the organisation (Lee & Bruvold, 2003). The morale and commitment of employees in this organisation is reportedly low and the lack of a PMS contributes greatly because many aspects are not practiced such as participation if setting goal, providing feedback and effective communication.

Furthermore, participants have is also confirmed that specific and challenging goals are preferred to general goals. "*I think it's better because you know exactly what you need to do when the goal is specific. I will know that I have fulfilled or done what I was supposed to do but if the goal is broad, you don't have a limit or you don't know when to say I have achieved my goal so yes I believe there's difference* (between specific and general goals)" [INDCPAR2], "*Specific challenging goals stimulate the mind and motivates you to give it all*" [QNDCPAR1], "*Yes, it determines people's capacity and motivates employees once the goal is achieved"* [QNDCPAR12], "*Specific goals are more motivating*" (QNDCPAR2, QNDCPAR4, QNDCPAR10].

The majority of employees reported that they are not given any feedback regarding their performance which they report to be very discouraging because they feel their work is not important. Due to lack of performance feedback, employees also feel unappreciated and that their efforts are not recognized (INDCPAR1). This has not only resulted in low morale amongst employees but their motivation to perform is also affected. This is supported by statements like "*it's very discouraging because you feel like what you're doing is not really important or it doesn't matter to the company. You just work but it makes no difference because you don't know what you're contributing to or working towards. It's like we're just working because you get paid and must do something"* [INDCPAR], *"Definitely it's (feedback) important because you want to know your progress, you want to know when* *you're performing well, you want to know when you need to improve. Here there's no such thing, you don't know where you stand. The company must at least conduct performance appraisals like at other companies and give their subordinate feedback*" [INDCPAR1].

Workers need to know that they are trusted, that their work is meaningful, and that their input is valued (Law, 2007), a platform that this organisation has failed to create. Additionally, Scullen (2011) states, developmental feedback on strengths and weaknesses would likely be more effective if it came on an ongoing basis, rather than in an annual or semi-annual performance appraisal. Fairly frequent, short meetings designed to keep the employee and the manager abreast of progress toward goals and obstacles to performance should result in a more useful and less intimidating way for employees to become aware of developmental issues and for managers to provide coaching to help the employee improve (Scullen, 2011).

4.9.3 Employee Motivation

In the absence of performance feedback to guide their performance, employees are motivated by factors such as working in a liberating environment and being independent (QNDCPAR8, QNDCPAR12). This, however, may also be a disadvantage to some employees as not all employees have the discipline and motivation to fully commit themselves to their responsibilities without supervision or monitoring. A few employees that receive feedback are motivated by the empowerment they get from their supervisors and the satisfying feeling of achieving goals (QNDCPAR1, QNDCPAR10). Others enjoy the variety of activities their job provide and enjoy learning more (QNDCPAR3), making a difference in people's lives (QNDCPAR4), desire to become an asset to the organisation (QNDCPAR9), and being a part of a team working towards achieving a goal (QNDCPAR2). Last but not least, others work to support their dependants and are comforted by the security their jobs provide (QNDCPAR6, QNDCPAR12). Despite the current working practices, some are hopeful and motivated by their belief that they are capable of changing the current system (QNDCPAR7).

Most participants are intrinsically motivated. Hockman and Oldham (1980) state that strong intrinsic motivation is created when the following three psychical situations occur: experience of a meaningful activity, experience of responsibility for result of the activity (output) and knowing the actual results of working activities. So it is expected that the relation between performance appraisal satisfaction and outputs of employees will be affected by intrinsic motivation. Robert and Reed (1996) have explained that employees' participation in determining purposes and feedback affect acceptance of the evaluation and this will influence satisfaction and, at last, productivity and motivation of employees (Fried & Ferris, 1987). Also based on theory of purpose specification, the intention or will of the individual or the organisation that is determined in the form of purpose can be considered as the basic source of motivation (Fakharyan et al., 2012). Performance appraisal as a tool for announcing and transforming the organisation's apostolate and purposes to employees may increase intrinsic motivation through conceptualising the activity that they do, because superior purposes have the capability to direct employees towards what they believe in (Latham, 2003). Nevertheless if announcing organisational purposes could provide a reasonable behaviour in the activity, it will increase intrinsic motivation. Existence of systematic feedback of performance may affect intrinsic motivation by increasing sense of responsibility for outputs and knowing the real results of the activity (Fakharyan et al., 2012). Therefore, it can be stated that received feedback through activities of performance evaluation may increase intrinsic motivation by enhancing employees' competence and worthiness. This again is an illustration of the contradiction between goal setting theory and valence-instrumentality-expectancy theory.

4.9.4 Key factors to implementing a successful PMS

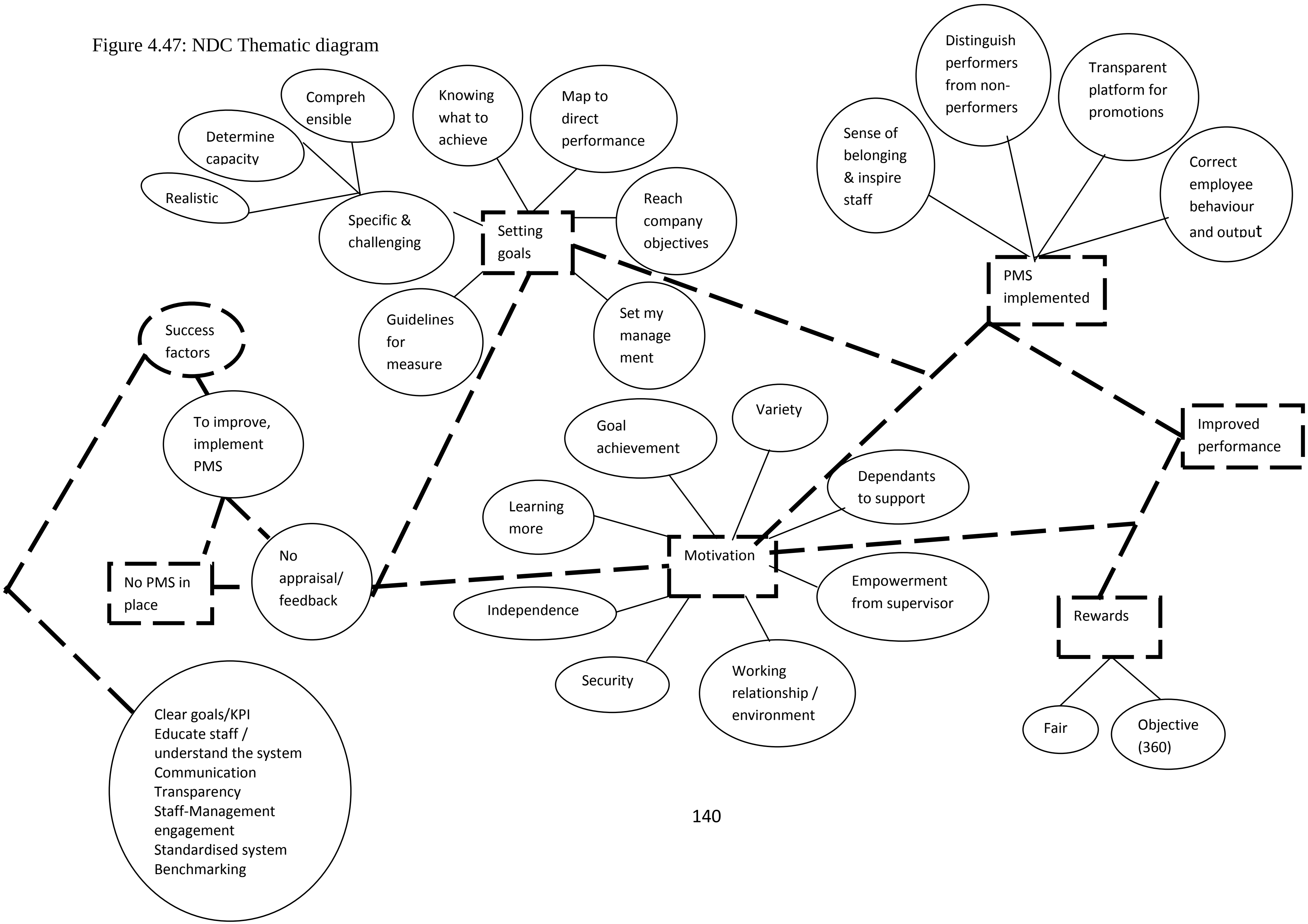
As mentioned earlier, participants consider a PMS a vital tool to have in an organisation and therefore recommend that one be implemented in their organisation. Many are not satisfied with the company’s current way of operations and believe that the following factors are key in implementing a successful PMS:

- Clearly set goals and key performance indicators (QNDCPAR1)
- Educating employees to ensure they understand the system (QNDCPAR5)
- Effective communication within the organisation and between supervisors and employees (QNDCPAR3, QNDCPAR11, QNDCPAR12)
- A transparent and standardised system (QNDCPAR4)
- Employee and management engagement in goal setting (QNDCPAR7)
- Benchmarking of other companies’ practices (QNDCPAR12)

Similar findings are also found by Saeed & Shahbaz (2011) who revealed that efficient implementation of performance management mechanisms includes: goal setting, managers' training concerning performance management, reward systems, employee training and development, while it was also found that performance reviews in the organisation can resolve some performance appraisal challenges. Employees share Deming's (1986) opinion that "if your performance evaluation system does more harm than good, just quit doing it. You don't have to have an alternative to make an improvement".

The perceptions discussed and potential relationships confirmed above are represented in Figure 4.47

Figure 4.47: NDC Thematic diagram



4.10 SILNAM RESULTS

4.10.1 Performance Management and Appraisal in Silnam

Participants in this organisation have indicated that the organisation is currently in the process of implementing a PMS. The majority have indicated that the system is in place, however, a few have confirmed that the implementation process is in its initial stage. "*No, currently busy implementing*" [QSILPAR2], *"Yes, still in process*" [QSILPAR5], "*Yes, but still at pilot phase*" [QSILPAR13]. Participants also agree that their performance is monitored by means of data tracking records (DTRs), which involve a comparison of executed activities against planned activities (QSILPAR3, QSILPAR5, QSILPAR6, QSILPAR10, QSILPAR11, QSILPAR15). They are also in agreement that the process should become more objective because it is mainly the supervisor's view that is often taken into consideration (QSILPAR9).

Other ways by which the current operations can be improved include formalising the process, setting key performance indicators and providing regular performance feedback. "*By setting KPI for each staff and review at appraisals to see which were achieved and where to improve*" [QSILPAR3], "*By formalising it but busy is busy putting a system in place*" [QSILPAR8], "*By providing instant feedback after submission*" [QSILPAR15]. These are tolerable concerns considering that the system is not yet wholly operational and still in its earliest stages of implementation. Employees have also suggested more communication and training about the systems for it to be more effective. "*Communicating with staff and asking them how they want to be appraised*" [QSILPAR1], "*Specialised training to the appraiser about the dynamics of performance appraisal"* [QSILPAR9].

In agreement with other organisations, participants have verified the relationship between PMS and performance as reported "*yes, employees need to be recognised for their work. Having a performance management system is a way of recognising employee's performance and delivery*" [ISILPAR1], *"yes definitely, I believe employee performance gets some kind of injection from the PMS. It somehow forces employees to work harder*" [ISILPAR2], "*Yes there because the system governs the employees performance, the standards and the entire process is necessary to manage such an employee's performance"* [ISILPAR5].

Participants also verified the positive association between PMS and rewards, thereby confirming the proposition. "*I believe there is definitely a relationship because rewards are an indication to employees that the company recognises the work they do or have done and that would motivate employees to deliver better and go the extra mile*" [ISILPAR1], *"In most cases yes, because once a person is rewarded for good performance it prompts others to improve their performance and also motivates the individual to perform further "*[ISILPAR5].

4.10.2 Setting Goals and Performance Feedback

As part of the PMS implementation process, participants reported the need to set goals for the organisation. They have provided various reasons to this effect, citing that goals are necessary as they provide direction and guidance (QSILPAR9, QSILPAR10, QSILPAR15), that without goals there would be no achievement as employees would not know what they are working towards (QSILPAR6, QSILPAR12), that goals provide a benchmark against which standard behaviour and performance should be measured (QSILPAR6), that goals provide an indication of timeline, that goals improve self-management and motivation (QSILPAR6) and finally, in agreement with employees of other organisations, participants agree and prefer specific and challenging goals because they are more inspiring and would push them to perform beyond their tasks. This again confirms the goal setting proposition that specific challenging goals lead to higher performance.

Evidence of the confirmed link is supported by these quotes "*When setting goals, they should to be SMART – one should be able to measure and attain them within a specified timeframe to allow individuals to set realistic plans and enable them to achieve desired targets. Having general or vaguely defined goals can result under performance"* [ISILPAR1], *"Setting goals as part of performance management is very important. In fact just generally to set goals is necessary even in personal life because it gives you something to work towards to and give you a sense of achievement, a sense of worth and feeling that you've fulfilled something you set for yourself or work. In work, goals are what determine what you've…how've really performed and provide basis for perform assessment"* [ISILPAR4], *"I believe so. If you set a main goal and break it down to small portions that are more realistic than working on a big* *goals which can overwhelm you and affect your performance*" [ISILPAR2], *Yes, it requires exerting more effort to achieve the goals as opposed to easier or unclear goals"* [ISILPAR3].

In addition to participants' preference and consent to setting goals, their involvement in the process is also underlined: "*Currently the plans are assigned by the supervisor but it is important to also involve employees at all level to identify and agree on set goals and decide on how realistic they are because they are the ones that have to achieve the targets*" [ISILPAR1], *"It can be stressful because some goals are unrealistic and you're given short time to achieve target you were not part of setting. Other factors are also not taken in to consideration that hinder performance and at the end of the day, it look like you've not worked hard enough*" [ISILPAR3]. The proposition of participation in goal setting leading to higher performance is again confirmed.

In response to how tparticipants think receiving feedback plays a role on performance, they correspond with other organisations by stating that "*feedback is an essential component of the PMS, individual employees or teams need to know their progress, the supervisor needs to provide rewards, verbal or physical, and a constructive guide on the shortcoming. In absence of any feedback in any form, whether intrinsic or extrinsic, the PMS will fail as there is no impact if an individual performs poorly or exceeds the set targets"* [ISILPAR1], *"It is important to give me guidelines on my weakness and strength. If im given feedback I know what areas I need to improve or else I'll just be at the same position"* [ISILPAR2], *"Performance feedback points out performance strengths and weaknesses. It thus guides you to improve the areas you are not doing well while also highlighting those that you do well which motivates you to reinforce those things you perform exceptionally"* [ISILPAR3].

4.10.3 Employee Motivation

In absence of the specific and challenging goals or a fully operational PMS that would motivate employees to enhance performance, they are currently motivated by other factors such as working with new technologies (QSILPAR5), working in an environment which provides learning and growth opportunities in terms of career development (QSILPAR2, QSILPAR10, QSILPAR3, QSILPAR14), enjoyment of the job (QSILPAR12, QSILPAR13), and the satisfying feeling of resolving problems to new challenges (QSILPAR1, QSILPAR3, QSILPAR15). The majority of employees are primarily motivated by intrinsic factors, however, they do appreciate external factors such as remuneration and job security to satisfied their survival needs.

4.10.4 Factors to be considered for successful implementation of PMS

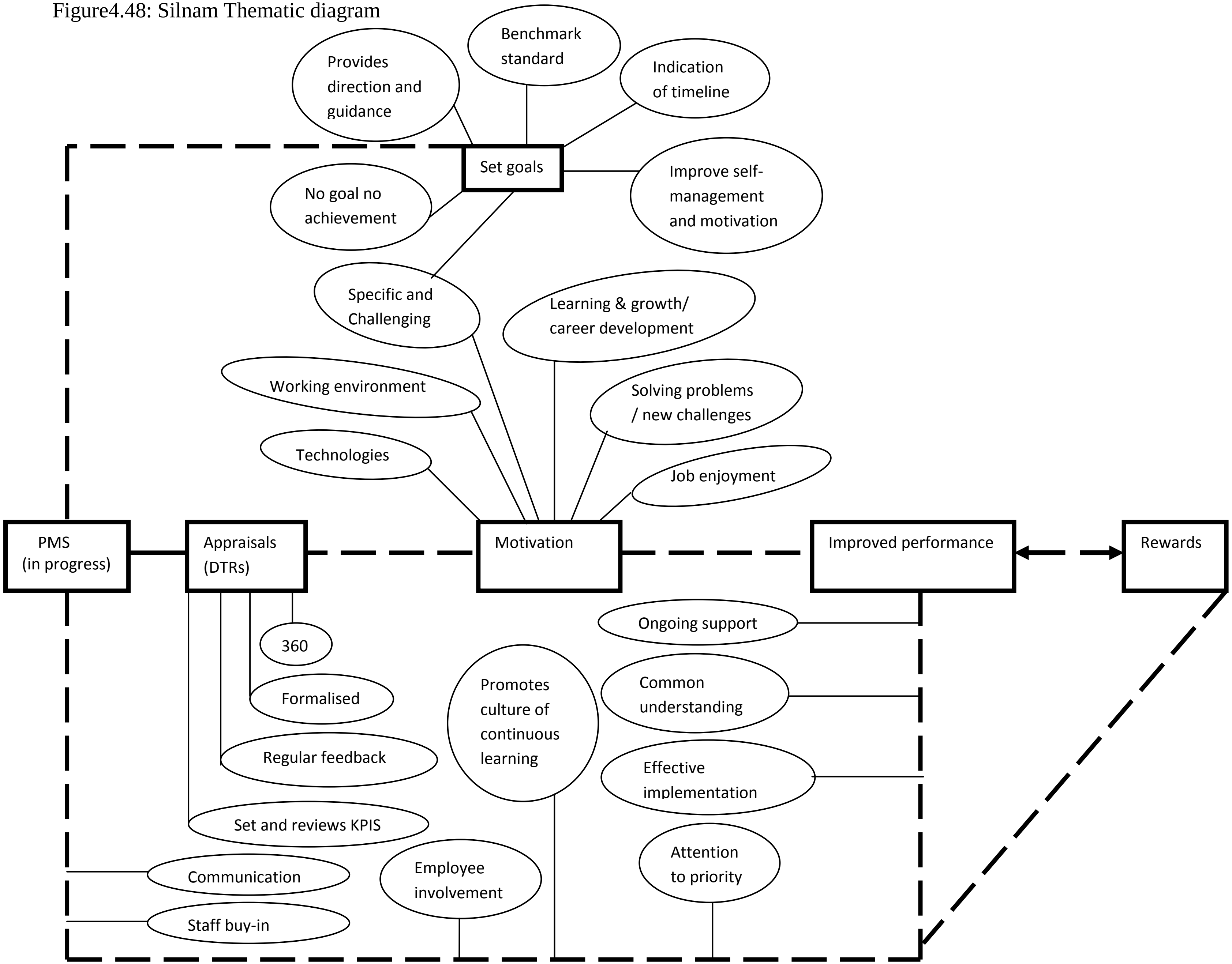
Considering that the PMS is in its initial stages of implementation, participants considered the following factors important to consider for successful implementation:

- Effective communication within the organisation (QSILPAR1, QSILPAR5, ISILPAR1)
- Employee and management buy-in on the system (QSILPAR8, ISILPAR5, ISILPAR1, ISILPAR4)
- The involvement of employee in the process (QSILPAR2, QSILPAR12, ISILPAR1)
- Ongoing support from supervisors / managers (QSILPAR4, ISILPAR1, ISILPAR4)
- Sharing a common understanding of what the goals are (QSILPAR5)
- Guidance from an expert to ensure proper implementation (ISILPAR3)
- Prioritising what is important (QSILPAR11)
- Potential benefits of promoting a culture of continuous learning proving the system in effective implemented (ISILPAR5, ISILPAR1)
- Effective management of rewards as an element of the performance management system as rewards have a high influential effect on the motivation of staff (QSILPAR13)
- Positive attitude towards work (QSILAPAR3, ISILPAR3)
- Right skills and experience (QSILPAR15, ISILPAR3)

Despite not having a fully-fledged system in place, participants in this organisation share common philosophies of PMS as employees who have fully operating systems in their organisations. They would recommend implementing PMS in organisations for the potential benefits that can result, provided PMS is effectively implemented: "*I would think so, as it provides a structure of managing how performance is managed in the organisation, but it also depends on how well the PMS is implemented and supported within a certain organisation"* [ISILPAR2], *"I believe that PMS provides a fair ground of evaluating how* *employees are performing in their respective work, a contribution which determines an overall organisational performance at the end of the day*" [ISILPAR5].

The findings of this organisation are summarised and displayed in Figure 4.48, indicating the confirmed propositions and/or potential relationships based on the participants' views.

Figure4.48: Silnam Thematic diagram



4.11 COMBINED ORGANISATIONS RESULTS

4.11.1 Performance Management and Appraisal within the Organisations

Based on the information gathered from all participants, two of the six organisations do not have PMSs in place. However, the employees in these organisations have contributed significantly to the study by sharing their perceptions regarding the studied topic. Affirmed by all participants, having a PMS in an organisation has positive effects on the performance of employees and they agree that it is an important and necessary tool in any organisation. In fact, participants in organisations without PMSs highly recommend that PMSs must be implemented in their organisations, provided they are well managed and effectively implemented. Participants from organisations without PMSs state *"I think uhm every organisation should have a performance management system in place because like I said it helps to improve the overall performance of the organisation and it also improve the performance of individuals or team and in that process you also identify the needs of the employees where you need to train them and so on. So I'd really advise that organisations should have them"* [ITNPAR2], *"I strongly believe that we need a performance management system in this company. We also need to update our policies and compared what we're doing to other companies. That way, we can be updated and employees will be more appreciated and motivated to perform"* [INDCPA1].

Although participants have reported and reacted positively to the need and necessity of having PMSs within organisations, thus confirming the relationship between PMS and performance, most have highlighted that there are flaws in the current systems, including not having PMSs in place in the first place. Findings indicate that having a system in place and maintaining it successfully depends on the effective management of certain elements, as summarised in Figure 4.49. The commonly reported items necessary to successfully implement a PMS within an organisation include setting and reviewing clear performance goals, effective communication within the organisation as a whole and between supervisors and subordinates, employee involvement in goal setting, fair, objective and transparent PMS practices including rewards, management support and commitment and providing feedback.

While PMSs are viewed as essential tools, participants, as did preceding researchers (Rademan & Vos, 2001;Furnham, 2004; Hazard, 2004), have also expressed criticisms at performance management systems within their organisations including, amongst other things, staff demotivation, unfair application, subjective appraisals (supervisor-oriented), unclear, unethical and very time consuming. Furnham (2004) noted that although it might be easy to devise a good performance management process on paper, the reality of that system might be vastly different, and it might actually be very difficult to implement. It is to this effect that some participants have reported that performance reviews in their organisations are only conducted as formalities, and to justify performance bonuses, because they do not receive any feedback. Performance appraisals, as part of the performance management system, can be seen to be time-wasting and having no value because the information received during the appraisals is just filed afterwards and not utilised fully (Rademan & Vos, 2001). Thus the theory behind the systems might be relevant but in practice it does not work effectively, as affirmed by participants.

It is evident from the findings that there is a positive relationship between PMSs and performance. It has been repeatedly reported, even by participants that do not have PMSs in their organisations, that having a PMS in an organisation would motivate employees to work harder and therefore enhance individual performance and eventually organisational performance, leading to profitability.

4.11.2 Employee Motivation

Despite the mentioned flaws in the current performance management systems within the organisations, and the commonly shared beliefs that a well managed system would highly motivate employees to perform beyond their tasks, participants are motivated by other factors. The majority of participants are motivated primarily by intrinsic (internal) factors. The commonly mentioned motivating factor is receiving recognition, which has also been identified as an individual theme due to its high influential power. Participants want their efforts to be recognised by their supervisors and relevant decision makers. Such recognitions are preferred and valued more when acknowledged publicly. Public acknowledgment of employees’ performances boosts their self-confidence and worth to the organisation and encourages employees to keep performing.

Other highly rated intrinsic motivating factors include enjoyment of the job, the autonomy to carry out tasks and the fulfilling feeling of reaching or aiming to reach a point of self-actualisation. Many participants, regardless of being recognised, enjoy their work and the feeling that comes with successfully achieving their goals. They are self-motivated and thrilled by visions of reaching a point of self-actualisation (Maslow, 1943). Employees also enjoy resolving new challenges and working in an environment that provides learning and career growth opportunities. Where performance is not assessed and recognised, participants feel that they have a moral obligation towards the company they are working for in return of the remuneration packages they receive. While feeling obliged to give back to the company, some participants feel rewarded by providing a necessary commodity to the public.

Identified individual motivating themes are also the working environments and interpersonal relationships that employees have formed with their fellow colleagues. The structural setting is said to be motivating to employees who appreciate the equal gender representation within the organisation, efficient decision-making approaches and the bureaucratic-free environment they operate in. This, however, was reported by very few participants. Only a few employees reported to be motivated by extrinsic (external) factors, mainly remuneration and benefits. Other motivating factors are summarised and displayed in Figure 4.49 and clearly defined in the Code Manual attached as an Appendix Q.

With the above being said, tension is created between goal setting theory and valence-instrumentality-expectancy theory. Findings regarding motivation seem to be more supportive of valence-instrumentality-expectancy theory (1964) because employees are motivated to perform by others factors regardless of whether or not specific challenging goals have been set, which as goal setting theory argues, enhances performance. These findings also seem to contradict McGregor's (1960) Theory X, which argues that people are lazy, do not take initiative and only want to be rewarded. The findings oppose this theory and support McGregory's (1960) Theory Y which argues that people want to work towards self-development and are motivated beyond monetary value.

Despite the fact that participants are primarily motivated by intrinsic factors, therefore supportive of the valence-instrumentality-expectancy theory and theory Y, some cases have been found to support theory X to a certain degree. Some participants have reported that employees are not performing as well as they would have been if there were PMSs in place whereby their performance was monitored. This indicates that employees have the potential to perform better but due to lack of performance assessments, they perform at minimally or obligatory, without putting in extra effort. This is supportive of theory X except the monetary value, which is argued to be the reason people work, is substituted for a PMS in this case. Furthermore, this validates the positive relationship between PMs and performance because participants acknowledge that if there was a PMS in place, performance would increase.

4.11.3 Factors affecting successful implementation of PMS

Participants have highlighted numerous factors they deem are necessary in order for PMSs to be implemented successfully within organisations. These are discussed below:

4.11.3.1 Employee Engagement

One of the identified factors necessary for the successful implementation of PMS is employee engagement. Participants have indicated that it is necessary to be involved in all PMS implementation stages, from beginning to end. They need to be consulted and informed of the organisations' intentions so that they can buy-in into performance management initiatives and work towards a common and known goal. The majority of participants share the perception that performance management initiatives, specifically performance appraisals, need to be a two-way consultative process whereby all involved parties' views are taken into consideration. The process needs to be transparent, unbiased and involve more than just an employee and supervisor for a more objective outcome. Employees' personal attributes also play an influential role on performance and behaviour should be considered during performance appraisal processes. These perceptions are also backed by Salaheldin (2009) who found that the higher the degree of employees empowerment, employees training, employees involvement displayed by the organisations, the greater their influences on operational performance and consequently, the higher the likelihood of the success of PMS implementation.

Additionally, other researchers (Johnsen, 1999; Keenan, 2000; Mar tin and Davis, 2001) support the view that the involvement and motivation of employees during the development of the performance measurement and management system could have a great impact on its success. It could encourage employee accountability, learning, motivation and contribution to solutions (Sole, 2009). These findings support the goal setting proposition that employee participation in goal setting will lead to higher performance than assigned goals.

4.11.3.2 Setting Goals and providing feedback

Goal setting has been repetitively reported to be a vital component of performance management. Numerous participants have emphasised the need to clearly set, review and communicate performance goals. Although goals are set primarily by management at strategic or departmental levels in most organisations, employees are disgruntled by not being consulted about individual and overall organisational goals, which has resulted in unclear expectations and uncertain career pathways. Employees agree that goals are essential in any organisation as they provide guidance and strategic direction. Organisations need to set SMART goals because they provide a platform to measure performance and provide employees with a clear indication of what is expected of them. Having clear and measurable key performance indicators also sets a transparent platform for appraisals as employees know what they will be assessed on and they may or may not have been given the rating they may have been expecting.

A study by Longenecker (1977) also found that performance appraisals are destined to fail because of (among the many reasons cited) unclear performance criteria or ineffective rating instrument used. This mostly emanates from ambiguity on the job descriptions, goals, traits and/or the behaviours that will be the basis for the evaluation of the process to fail right from the start (Longenecker, 1997). It was also strongly emphasised from the findings that specific and challenging goals are more motivating and preferred compared to general goals, which confirms the research proposition and Locke & Latham's (1990) theory.

Literature has affirmed various reasons why goal setting is essential for organisations. These reasons have also been identified in the research findings. Reasons include:

- Goals provide a standard of performance. They focus attention on the activities of the organisation and the directions of the efforts of its members.
- Goals provide a basis for planning and management control related to the activities of the organisation.
- Goals provide guidelines for decision-making and justification for actions taken. They reduce uncertainty in decision-making and give a defence against possible criticism.
- Goals influence the structure of the organisation and help determine the nature of technology employed. The manner in which the organisation is structured will affect what it will attempt to achieve.
- Goals help to develop commitment of individuals and groups to the activities of the organisation. They focus attention on purposeful behaviour and provide a basis for motivation and reward systems.
- Goals give an indication of what the organisation is really like, its true nature and character both for members and for people outside the organisation.
- Goals serve as a basis for the evaluation of change and organisation development.
- Goals are the basis of objectives and policies of the organisation.
- Goals affect performance by directing attention to the task, by increasing effort and persistence, and by prompting the development and use of effective task strategies (Mullins, 1996, p. 293; Bipp & Kleingeld, 2011; Gardner, 2011)

4.11.3.3 Effective Performance Measuring and Tracking

Part of having a PMS means tracking and measuring performance, another component that was highlighted by the participants. PMSs are measurement tools that need to be continuously reviewed to accommodate the constant changes in job responsibilities. The continuous review of tasks ensures that changes that were not discussed at initial stages are accommodated for and that the appraisal process remains fair and objective. This is often a common flaw in the current practices leading to unsatisfied employees during or after appraisals. Employees are often appraised on tasks that were not part of their performance agreements or there may have been ad hoc activities accounted for that may have derailed their performances. These need to be taken into account for effective assessment.

4.11.3.4 Effective Communication, Understanding of PMS and Leadership

The most common factor perceived as most important and will result in successful implementation of PMS is communication. Participants have reported the need for some sort of improvement or change in the way organisations currently operate. The biggest concern is that there seems to be inadequate communication between employees and supervisors and/or management in general but also specifically regarding performance management. Participants have emphasised the need and importance to communicate and educate the employees about performance systems and have suggested for training in this regard. It is imperative that supervisors and management are especially trained to conduct appraisal sessions and have basic understanding of performance management as they need to drive and lead the processes. Organisations therefore need to create communication platforms and consult employees on performance management processes including setting goals, performance indicators and appraisals.

Participants have also reported the prerequisite for management to have total understanding of performance management processes and initiatives for successful PMS implementation. Very few participants are appreciative of management or their supervisors' support for performance management initiatives. Some have reported the lack of such support and commitment which has also been reported as contributing to the current flaws. Others acknowledge that management's ongoing support and dedication, guidance from experts in the performance management fields, maturity and honesty from supervisors during appraisal sessions, and a consultative management approach are all essential for well-functioning performance management processes. These perceptions are captured under the Leadership Models theme, which is tied to employers' need to understand PMS. See Figure 4.49.

Leadership and internal management commitment is also viewed as one of the most critical factors to influence PMSs. As Sanger (2008) has argued, an effective introduction of performance measurement and performance-based management requires a committed leader with considerable skill willing to provide significant managerial investment and rewards. Leadership is critical in designing and deploying effective performance measurement and management systems. Clear and visible involvement by senior executives and managers is a necessary part of successful performance measurement and management systems (Bourgault

& Tremblay, 1994; Hennessey, 1998; Poister, 2003). In particular, internal management commitment brings formality to the performance management reviews and as a consequence could influence employee commitment to achieving targets and improving performance. It is thus necessary that organisations appoint committed leaders to take charge of PMS initiatives.

The need for employees and managers to be educated and understand performance management has been reported to not only improve communication between employees and managers, but also it enhances working ties because everyone knows what their expectations are and have a common understanding of what they are working towards. Mutual understanding of the importance of performance management also reduces reluctance, resistance and any negative attitudes employees may have towards performance management initiatives.

4.11.3.5 Technological Capacity

When people speak of "systems", they often relate to some sort of information technology system. PMSs in this study refer to performance appraisals and very few participants have linked this to any form information technology system. However, it has been reported that an organisation's technological capacity has an impact on PMS. Such systems should be user-friendly and time-efficient if they are to be beneficial to an organisation.

4.11.4 Barriers to overcome when implementing PMS

Regardless of whether or not there are PMSs in the organisations and whether or not such systems are effectively functioning, there are barriers that need to be overcome when implementing PMSs. Many of them have previously been discussed, indirectly or directly, as they are integrated in the discussed themes. The commonly reported barriers include inadequate communication, unfairness and subjectivity in appraisal processes and reward systems, favouritism, lack of understanding, lack of employee engagement and inconsistency in the application of performance appraisals.

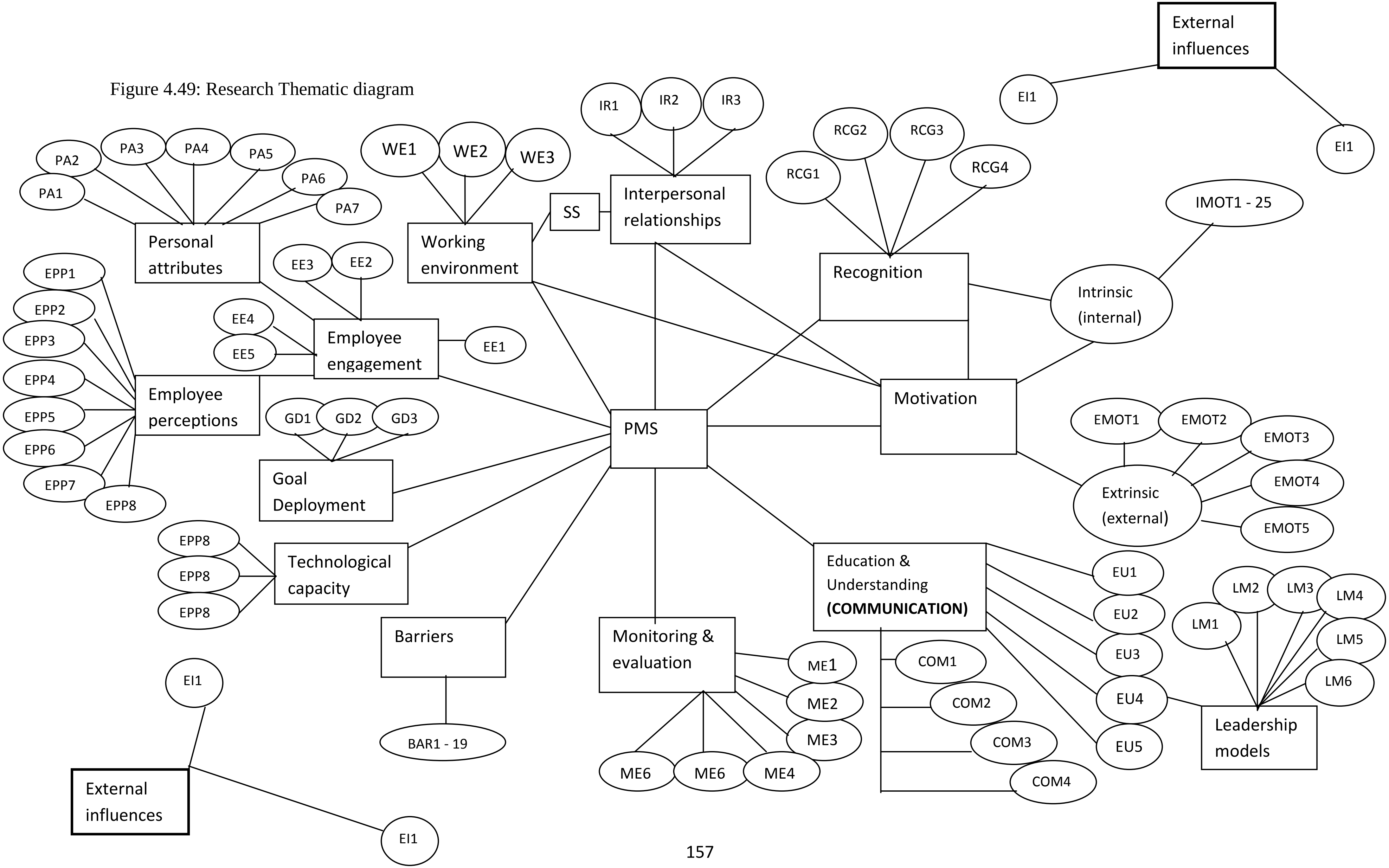
Other reported barriers that need to be addressed include unreliable performance evaluations due to insufficient employee consultation and key performance indicators review, which also results in employee resistance; ineffective planning and implementation of performance management systems; inadequate knowledge and skills; subjective performance ratings based on rater-bias rating which unconstructively sustains favouritism; insufficient time dedicated to performance management initiatives; and inadequate training. These internal barriers are not the only factors that need to be addressed. External influences also have an impact on the management of performance systems. Participants have suggested that organisations conduct research and benchmark what other organisations are doing to implement PMSs, which directly or indirectly affects the way they implement their internal processes.

These findings, and more, have also been found in preceding literature such as that of Deborah and Kleiner (1997). According to them, organisations need to have a systematic framework to ensure that performance appraisal is “fair” and “consistent”. In their study of “designing effective performance appraisal system”, they concluded that designing an effective appraisal system requires a strong commitment from top management. The system should provide a link between employee performance and organisational goals through individualised objectives and performance criteria. They further argued that the system should help to create a motivated and committed workforce. The system should have a framework to provide appropriate training for supervisors, raters, and employees, a system for frequent review of performance, accurate record keeping, a clearly defined measurement system, and a multiple rater group to perform the appraisal. Similar findings are again confirmed by Lalloo (n.d.) who concluded that it is apparent that employees want a system that is fair and objective; they want to receive regular feedback on their performance; they want to be appraised on measurable criteria and they want to have a say in setting their performance goals; they want to be trained and developed and, finally, they want to be rewarded in accordance with their performance.

4.12 CONCLUSION

This chapter has described the findings from data that was collected from the participants of various organisations. Results were presented per respective organisations, by focusing on main themes derived from research questions and propositions and then summarised and presented as combined research data by highlighting the elements that were strongly evident from the data. Findings of the respective organisations were summarised and presented in visual displays and linked to supporting literature, were appropriate.

Figure 4.49: Research Thematic diagram



CHAPTER 5:
ANALYSIS OF KEY RESEARCH FINDINGS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter discusses the key findings as presented in the previous chapter and provides recommendations that organisations can consider where relevant to assist in successfully implementing their performance management systems. Recommendations are derived from participants' suggestions to improving performance systems consideration that employees' attitudes have significant influence on the effectiveness of systems and, as contested by literature, positive perceptions of goal setting and performance appraisal are positively linked to enhance performance. Previous literature in the studied field is also a source from where recommendations have been obtained as well as the researcher's knowledge and experience. The chapter will also address the connection between the discussed findings to the research questions and theoretical propositions. Where appropriate, research findings will also be associated with findings from literature with the aim of validating findings and strengthening internal validity. The chapter is concluded with barriers that organisations need to overcome when implementing PMS or to improve the current systems.

5.2 KEY FINDINGS DISCUSSIONS AND RECOMMENDATIONS

This section discusses the main findings from the research in relation to the research questions and propositions as well as provides suitable recommendations thereto. Relevant literature will also be integrated where appropriate. Key findings are presented as themes developed from questionnaire sections, research questions and propositions.

5.2.1 Performance Management and PMSs in Participating Organisations

The main reason for having a performance management system in operation in an organisation, as proposed by Armstrong & Baron (cited in Price, 2000), is that people perform best when they know what is expected of them and have helped in setting the expectations. People are better able to perform and realise expectations that are set within their capability levels and within a supportive organisational structure i.e. they have access to resources and training where necessary. A performance management system provides a communication channel that can motivate staff and improve their attainment of objectives through the use of reward based systems. These systems, if implemented in a well-designed and fair manner, can be empowerers and enablers, making the difference between an average organisation and an excellent one, through the use of the all important asset: people (Whittington-Jones, 2005).

It is evident from the findings that participants are aware of what PMSs are aimed to achieve as their views correspond to those of literature. It can therefore be safely concluded that preliminary data matches employee perceptions regarding the usefulness and practices of PMSs. Also confirmed by the study, literature theorises that a performance management system typically involves "the setting of performance objectives, the measurement of performance against these objectives, the identification of developmental support and a review process to develop performance and subsequent objectives" (Brewster, Carey, Dowling, Grobler, Holland & Wärnich, 2003, p. 261). The performance management system is a way of providing a measurement of the performance of the organisation, the team and the individual through a variety of performance measurement techniques (Price, 2000).

It has been proven from the research findings that PMSs are necessary tools in Namibian organisations. As stated earlier, there is an inadequate availability of performance management literature in Namibia. Despite the insufficient literature, participants from various organisations including those without PMSs, strongly believe that PMSs, provided they are implemented effectively, can be resourceful tools within organisations and contribute significantly to the overall performance and productivity of organisations. The difficulty, however, is the lack of practical knowledge to effectively implement such systems thereby contributing to the common flaws that are currently affecting the operations within organisations.

While findings suggest that there may be poorly designed PMSs in many organisations, it is typically not poorly developed tools and processes that cause difficulties with performance management. Rather, difficulties arise because, at its core, performance management is a highly personal and often a threatening process for both managers and employees (Pulakos, 2006). It is therefore recommended that performance management systems be developed along ethical lines (Brown & Armstrong, 1999; Rademan & Vos, 2001). Items such as respect for the individual, mutual respect, transparency of decision-making and procedural fairness (Brown & Armstrong, 1999), need to be adhered to. The ethical component is very important, particularly given the reliance on the judgement of the appraiser, and the relationship between the appraisee and appraiser. It is an issue that the appraiser comes with his/her own set of biases, and judgement systems, which affects the outcome of the appraisal (Whittington-Jones, 2005), as has been raised in the study.

Additionally, it is recommended and advised that organisations not expect too much from PMSs as it can result in unrealistic expectations and disappointment. Because performance management systems are implemented for many reasons, they are often overburdened with expectations. According to Whittington-Jones (2005), if the reason for the performance management system is to reward individuals, then staff will expect their pay to be linked to their performance. Senior staff might be told that the performance management system will enable them to identify and make provision for achievers and underperformers. They will expect that the system is able to assist them in making these identifications. Directors might feel that the performance management system will improve organisational effectiveness, and will then expect it to do so. Whilst a performance management system can do all of these things, the main purpose of the system must be clearly stated and communicated within the organisation. Links to pay, succession planning, organisational strategy, performance and many others (Furnham, 2004) must be made clear, but users of these systems must be wary of relying on performance management systems to do everything as systems can become overloaded and then expectations cannot always be met (Murphy and Cleveland, 1995; Pettinger, 2002).

Since what is practised does not seem to conform strictly with processes and procedures, it is also recommended that management set up a monitoring systems to ensure that due process is followed by both team leaders and team members, to ensure that measures are put in place to ensure effective performance reviews are adhered to at all times in terms of the face-to-face, objective quarterly meetings (Horsoo, 2009).

With reference to the research question "*What is the relationship between the implementation of a performance management system and performance?"* it has been repetitively reported that effective implementation of performance management systems is positively associated with enhance performance, leading to overall organisational performance, productivity and profitability.

5.2.2 Setting Goals

Setting goals has been continually reported from findings as one of the key elements of performance management and appraisal systems. Goals are commonly viewed as essential for providing guidance and strategic direction, as well as for providing a platform for performance measure (Locke & Latham 1990, Yearta et al., 1995). This corresponds with the research findings where participants emphasise the greatest value of goals as providing guidance and direction as well as clear expectations. In addition, some participants feel organisations will not achieve their performance objectives if they do not set and communicate goals within organisation. These perceptions have provided general answers to the research question "*What role does goal setting play in performance management systems*". Referring specifically to performance management, participants have repeatedly reported that having goals provides clear understanding of their expectations by clearly spelling out they target they need to achieve. This also has a motivating effect because in organisations where performance is linked to rewards, employees aim to achieve set targets and be rewarded.

It is, however, evident from the findings that organisations are not very effective in goal management and need to improve their current processes. Frequent concerns reported regarding goals within organisations include: organisations' lack of clear set goals and performance indicators, inadequate communication of goals to staff, lack of alignment between individual, team and organisational goals and rare review of goals as work requirement revolutionise. Regardless of these flaws regarding goal management in participating organisations, participants are attentive to resulting benefits that effective goal management can provide. They hold the perception that goal setting has a positive impact on individual and organisational performance. This, in addition to the above findings, confirms the goal setting proposition that "*there is a positive association between positive perceptions of goal setting and performance*".

In order to address these concerns, it is recommended that organisations need to change the traditional goal planning approach, where goals are set once or twice a year because it often leads to misalignment and chaos since the goals are not changing with business strategies. Goal management is a constant process of communicating shifting priorities in the workforce.

Without a proactive approach, employees may end up disengaged, wasting effort on redundant tasks, or working on projects that are not directly aligned with business objectives (Taleo, 2009). Although organisations need to improve their goal setting processes, participants are, therefore confirming the proposition that there is a positive association between positive perceptions of goal setting and performance. Consequently, it is recommended that organisations communicate and manage their goals continuously and adequately.

Two elements of goal setting that were also frequently reported are employee participation in goal setting and goal level. Research findings have revealed that while a few participants are not concerned with the impact of goal setting participation, the majority of participants prefer to be involved in the goal setting process rather than have goal assigned to them. Reasons provided include having clear understanding of what goals entail, the understanding the organisation's objectives and being able to set realistic goals relatable to individual's capabilities. Considering that very few participants consider participation in goal setting to have very little influence on performance, it can be safely confirmed that findings support the goal setting proposition "*participation in goal setting will lead to higher performance than assigned goals".* These findings are similar to previous research where, as mentioned earlier, findings in this area where found inconclusive (Yearta et al., 1995) due to contradictory findings. Although findings support the proposition from a theoretical perspective, they do not support the proposition practically because the majority of participants have reported that they are not involved in the goal setting process. In all organisations, except in a few departments, goals are reportedly set by management and assigned to employees.

Another element of goal setting that has also previously produced inconclusive findings (Joeng, 2006) is goal level. Research findings have revealed that participants agree to specific challenging goals being more motivating that easy general goals. These findings therefore again support the goal setting proposition "*performance benefits can be realised through the implementation of challenging and specific goals"*. Again, this proposition is only accepted theoretically because findings discovered that in most case, there are no formal set goals Taking these two influential elements of goal setting into consideration, it is recommended that organisations actively involve employees in goal setting processes. This is not only for the benefit of working towards a common goals, as has been revealed in findings, but also for the mere fact that engaged employee feel part of the organisation and have a say decisions that affect them. Participation will also increase goal commitment which is very important because, as Klein et al., 1999 ascertain, goals cannot lead to higher performance without commitment.

5.2.3 Performance Feedback

The key moderator of goal setting is feedback, which people need in order to track their progress (Locke & Latham, n.d.). Research findings have confirmed the proposition that constant "*supportive and timely supervisory feedback will lead to higher performance than when no feedback is provided*". This has been evident in all organisations as participants have continually reported the need and importance of receiving feedback to know their performance progress and be able to address performance shortfalls. With this view, it is therefore recommended that since employees are the greatest competitive advantage in driving business objectives, organisations need to ensure that employees are engaged and motivated. Performance management should transform what used to be a once per year conversation into an ongoing dialog between managers and employees (Taleo, 2009).

Employees need to get the feedback they require, so they know they are making an impact and they are being appreciated. Any changes to goals or objectives must be communicated as they occur, so the employees stay connected and are kept up to date on shifting priorities to avoid wasting time on non-related activity and employees feeling worthless, which is what has been reported by some participants. This models the need for feedback within organisations and contributes towards address the research question "*What role does feedback play in performance management systems?".* Organisations are encouraged to inculcate a culture of participative management, open communication and supportiveness because it is inevitable that the quality of the appraisal process is dependent on the nature of the day-to-day supervisor-subordinate relationship. In an effective relationship, the supervisor provides continuous feedback and coaching thus, the appraisal interview is merely a review of the issues that have already been discussed. Moreover, subordinates are more apt to be open in discussing performance problems and less defensive in response to negative feedback (Gurmessa, 2007).

Performance management is intended to ensure that everyone is performing at their best so that resources can be focused on growing the business (Taleo, 2009). However, despite the importance of performance management, sixty one percent of line managers do not feel that the processes they have are driving greater performance (Taleo, 2009). The biggest complaint from managers is that they are not given enough guidelines on how to assess people and the biggest complaint from employees is that the process is not equitable and fair (Taleo, 2009). Similar complaints have also been evident in the current research, which is a cause for concern regarding the success of PMS implementation and urgently needs to be addressed. It is also strongly emphasised from the study that communication and feedback are vital aspects of performance management, and can be useful solutions to the above mentioned concerns. It can be safely concluded that the success of PMS initiatives is primarily dependant on the nature of the supervisor-employee relationship and communication, whereby continuous feedback is key.

For the feedback process to work well, experienced practitioners have advocated that it must be a two-way communication process and a joint responsibility of managers and employees. This requires training both managers and employees about their roles and responsibilities in the performance feedback process. Managers' responsibilities include providing feedback in a constructive, candid and timely manner. Employee responsibilities include seeking feedback to ensure they understand how they are performing and reacting well to the feedback they receive. Having effective, ongoing performance conversations between managers and employees is probably the single most important determinant of whether or not a performance management system will achieve its maximum benefits from a coaching and development perspective. Ongoing feedback can be informal and should occur as part of the daily work routine. In fact, research has shown that in organisations where employees report high levels of ongoing, informal feedback, performance levels are higher.

In addition, feedback should aid self-management for employees because feedback keeps employee work-related activities directed toward desired personal and organisational goals (Locke & Latham, 1990). Career opportunities and career patterns are becoming far more variable and unstructured in light of corporate downsizing and the implementation of new technology. Consequently, employees need and want to take responsibility for their own development (Holt, Noe, & Cavanaugh, 1996). A feedback meeting can play an important role in exploring and promoting employee career development opportunities as well as their contributions to organisational change efforts. London, Larsen, and Thisted (1999) insisted that raters should play a role in the feedback process to offer useful information about career development opportunities and organisational change demands for employees. In this regard, Birdi, Allan, and Warr (1997) showed that employees participated voluntarily in work-related learning and career development activities as well as in organisational performance improvement when they perceived management support in the feedback process. In effect, a feedback process must be a critical part of performance management system that influences individual and organisational goals. It is therefore important to establish and implement a feedback process that provides clear, specific, and descriptive feedback, gives feedback in a non-threatening and supportive manner, involves employees in discussions about their career development opportunities and decisions, and offers reinforcement for good performance. In particular, with regard to career development, some organisations require that employees take responsibility for their development. The organisation may provide the enabling resources but does not take charge of the individual's career. Supportive and effective feedback can create conditions that encourage employees to find their own direction and guide their own activities.

Based on the participants' perceptions, participating organisations still have a long way in establishing supporting supervisor-subordinate relationship, where feedback is continuously provided and constructively received. Despite some participants reporting to never receiving any performance feedback, they have emphasised their desire for such information and are of the opinion that if they receive feedback more regularly, their expectations would be understood and met. Also, participants have voiced their preference for regular constructive feedback which again affirms the related proposition. Although the proposition is confirmed theoretical, it is not being practised in organisations as some participants have reported to receiving no feedback at all.

5.2.4 Rewarding Performance

The relationship between rewards and performance has been visible from the research findings. The majority of participants have referred to rewards as the performance bonuses that companies offer on an annual basis and have placed strong emphasis on the association between performance and bonuses. Clearly reported, bonuses are set based on an individual's performance, which is derived from performance appraisal scores. However, there are concerns that performance ratings are not fair because in some organisations, ratings have not been discussed with employees while in other cases, ratings are affected by supervisor-employee relationships. This has discontented many participants because they feel victimised while others are favoured during the process. In all organisations, participants have raised concerns of fairness of rewards and have highlighted the need for improvement because employees' performance is negatively affected by unfair practices. These perceptions address the research question "*How do employees perceive the system: is it fair, is it useful, does it change their approach to their work, does it motivate them to perform better?".* Participants have therefore recommended a more objective appraisal process, the 360 degree approach.

Participants have linked rewards to PMS provided they are applied fairly, transparently and deservingly. Literature (Bannister & Balkin, 1990) has also reported that appraisees seem to have greater acceptance of the appraisal process, and feel more satisfied with it, when the process is directly linked to rewards. Additional to the participants' recommendation of the 360 degree approach, Taleo (2009) suggests that organisations need to define their own guidelines to ensure that compensation is fair and equitable. They should create annual, anniversary, market or once off compensation processes to suit their business cycles and ensure that employee rewards encourage continued performance. When high performers are rewarded, they respond to recognition. Organisations should ensure that employees remain satisfied and are properly motivated to continue delivering on organisational goals, and retain them as valued employees (Taleo, 2009).

Research findings also revealed that organisations without PMS in place give bonuses regardless of how employees have performed. This practice has not only demoralised high performing employees but it is encouraging a culture where OCB is not appreciated and recognised. Employees would not be motivated to perform beyond their obligatory duties because everyone would be rewarded the same regardless. According to Messer and White (2006), employees' perceptions of fairness affect their likelihood to demonstrate organisational citizenship behaviours. In this case, perceived unfairness and ineffectiveness of the performance management system can result in counterproductive and sometimes detrimental behaviour from employees.

The practice whereby everyone is given a bonus regardless of their performance is an example of a contradicted equity theory (1963). According to this theory, the level of motivation in an individual is related to his or her perception of equity and fairness practiced by management. In an organisation such as TransNamib, where employees are given bonuses regardless of their performance, motivation of especially high performing employees would be effected considering that their bonuses would be equal to average or low performers. It is therefore recommended that the current method be reviewed so that at least a minimum bonus is given across the board to all employees while exceptional performance is rewarded additionally, to ensure that everyone is motivated and challenged. A satisfied employee is well motivated towards work and will contribute greatly towards working to achieve the overall goals of the organisation (Horsoo, 2009). Research findings have yet again only theoretically supported the proposition "*there is is a positive relationship between rewards and performance*". In practice, many participants have complained about the unfair rewards they have received as a result of the ineffective, or lack of, performance appraisals.

Perceived fairness of the performance review and the performance appraisal system is most important performance appraisal issue faced by organisations (Bretz et al., 1992). Literature findings often suggest that most employees perceive their performance appraisal system as neither accurate nor fair (Bretz et al, 1992). These findings are congruent with the current research findings where participants have commonly criticised their PMS as bias, objective, lacking transparency, and based on supervisor-subordinate relationships. Perceptions of this kind are highly influential and determine the effectiveness of PMS within organisations. Employees generally expect their workplace experiences to be fair and judge their relationships with the organisations they serve using fairness as a fundamental base (Matlatla, 2011). With this view, organisations are highly recommendation to actively invest time and effort to ensure that their systems are fair and that employees are satisfied with the process.

5.2.5 Employee Motivation

Research has shown that organisations' ongoing success depends to a large extent on having highly motivated employees who are productive and creative. So it is important to understand the link between motivation and performance, and discover what motivates employees.

Equally important is how an organisation manages employees' performance and reward them, not just in terms of salary but, for example, through recognition and other incentives. Highly-motivated employees are more likely to go that extra mile for an organisation.

An individual's motivation will affect their attitude and commitment and will be influenced by their supervisors and other individuals. While it is obvious that employees are motivated by tangible rewards such as remuneration and promotion, they are also motivated by intangible factors such as contributing to a common good, a moral obligation to their colleagues and or giving back. It is also obvious that not all employees are motivated by the same things. One of the most important tasks a manager has is to create an environment that allows all employees to do their best, to achieve agreed outcomes and to feel valued.

The fact that employees are motivated by different things means it is important for managers to understand what motivates each of their employees so that they can develop, increase or maintain their employee's source of motivation. There are a number of theories that explain how people are motivated and the relationship between motivation and performance.

According to Herzberg (1959) an employee's performance is motivated and rewarded in two ways - Extrinsic motivators and rewards are those that can be supplied by an organisation through their performance management system. These include an increase in salary, a bonus, a promotion, profit sharing etc. Intrinsic motivators and rewards are those that give the employee satisfaction for example, feeling like they have done a good job. Findings from the study have revealed that participants are more motivated by intrinsic (internal) factors than extrinsic (external) factors. This would initially imply that goal setting theory is irrelevant because employees' performance is enhanced by factors other than those related to goal setting. However, a critical examination of the theories reveals that aspects of goal setting theory have lead to enjoyment of one job, which is an intrinsic motivator. For example, an employee enjoys his job (intrinsic motivation) because it provides him opportunities to solve and achieve specific challenging goals, of which he was actively involved in setting, is continuously given supportive and timely feedback regarding his performance and if rewarded with a bonus upon achievement of his goals (elements of goal setting theory). This provides an illustration of how the theories are interrelated, yet can contradict each other depending on the source of motivation.

The research findings have also revealed supporting data of McGregor’s (1960) Theory Y which argues that employees are ambitious and motivated by more than money, and partially rejected his Theory X which revealed that employees are lazy and only want to be rewarded. Nevertheless, theory X has also been supported to a certain degree because some participants have reported to performing minimally unless their performance was monitored and rewarded. This again illustrates the link between the contradictory yet congruent theories that have both contributed to the research. The findings that participants want to be monitored and rewarded highlight and advance goal setting theory, creating a cyclical relationship between the differing theories.

Shearer (2006) argues that employees are motivated by recognition and appreciation, relationships, a conducive working environment, monetary reward and feedback on performance. Amongst others factors, these findings are fully supported by the current research. It is apparent from the research findings that Vroom’s (1964) valence-instrumentality-expectancy theory has also been highlighted from the continuous reports that employees are motivated by their expectations of not only performance bonuses but non-monetary rewards such as recognition from supervisors. Findings have also confirmed Maslow’s (1943) need theory which is evident from participants’ motivation towards remuneration in order to meet their survival (physiological) needs and those who aim to reach a point of self-actualisation. McClelland’s (1975) need for achievement has also been depicted by various participants as they are motivated by getting a sense of doing a job well and being recognised for it. His need to power is also evident from those that are motivated by autonomy and lastly, the need for affiliation apparent from many participants who are motivated by the social relationships with their colleagues. Many participants have suggested that organsiations organise social gatherings as to create a sense of belonging, which again supports McClelland’s need for affiliation. All these theories provide different perceptions yet evident and/or supported by current research findings. The underlying perception however, which also links these theories to the research, is the evident elements of goal setting theory, which has been confirmed to enhance performance, either on its own or supported by other theories.

It is recommended that once expectations have been clarified, and individual and organisational goals outlined and integrated, employees need to be motivated to achieve these goals. The various theories of motivation, as discussed earlier and amongst others, need to be taken into consideration when designing PMSs. For example, Maslow's (1954) needs hierarchy is a theory based on the notion of individual differences. He concluded that every person is unique, and due to his or her differences responds differently to specific motivators. Something that motivates one person might either be a non-motivator or could be a de-motivator of another person. It is crucial that an effective performance management system enhances and rewards the type of behaviour that leads to increased performance. This means that the behaviour, the performance criteria and the reward must be clearly defined and linked as it would motivate the employees to act. It is also important that the rewards on offer are of value to the employees because if they are not valued, they can act as a demotivator.

Researchers have found that while some things will motivate a person to a certain point, other things are needed to create continual effort by employees. For example, when employees receive their salaries, they do not suddenly work harder. This is because salary is an expected result of their effort. Also, performance bonuses, such as those in TransNamib, often fail to generate better work performance because often they are expected and given regardless of performance efforts, as has been reported by participants. Creating a work environment which includes a range of motivators is more likely to result in improved and sustained performance. Recommendations for organisations to consider, based on findings, include creating opportunities for job enjoyment or sense of achievement through completing a task in a particular time or to a particular standard, autonomy (giving employees freedom to work in their own way), responsibility (allowing people to work without unnecessary supervision or checking), recognizing employee's performance and contributions, which is evidently important to employees as it has been strongly highlighted in findings. Other motivators also include flexible work arrangements that allow employees to accommodate other personal interests and needs, and creating personal and professional growth opportunities such as training and professional development.

Understanding what motivates particular employees can help them to take ownership of a job and make it more challenging. Well-motivated employees are more likely to remain within organisation, resulting in lower turnover and reducing the likelihood that they will leave to work for a competitor.

5.2.6 Critical Success Factors (CSFs) for PMS implementation

CSFs are defined as the critical areas which an organisation must accomplish to achieve its mission by examination and categorisation of their impacts (Oakland, 1995). Thus, in the current study they can be viewed as those things that must be right in order to ensure the successful implementation of PMS (Salaheldin, 2009). There were key factors, listed below, which were commonly recorded from the research findings, which also coincide with previous literature, as essential to effective PMS implementation. Some factors such as setting goals and providing feedback have already been discussed above as key findings due to their critical nature to PMS implementation and their significant contribution to addressing the research questions. Nevertheless, they will be included as CSF because they too are answers to the research question "*What factors are associated with the success or failure in performance management systems".*

- **Communication:** As mentioned earlier, communication is among the most commonly reported critical aspect for successful implementation of PMS. (Black & Porter, 1996; Bourne, Mura, Franco-Santos, Pavlov, Martinez, Lucianetti, n.d.) Participants have reported that there is inadequate and ineffective communication within their organisations regarding performance management initiatives, which greatly contributes to the flaws of their systems. Recommendation - Communication between team leaders and their team members needs to be improved drastically. This will ensure that individuals understand how they are assessed and feel that the process is fair and objective. It will also ensure that team leaders give truly differentiated performance ratings based on an objective review of performance plans (Horsoo, 2009).

- **Management models:** Congruent to literature, findings also reported that management support and commitment are key to PMS implementation (Yusof & Aspinwall, 2000; Hodgetts, Kuratko, & Hornsby, 1999; Rahman, 2001; Demirbag, Tatoglu, Tekinkus, & Zaim, 2006; Chattopadhyay, 2001). Recommendation - To give a performance management system a fair chance of success there must be management buy-in and support from the top management. It therefore highly recommended that management gears up to drive the processes and lead by example.

- **Employee engagement:** Participants have repetitively reported their preference to be involved in goal setting, thus confirming the proposition of participation leading to higher performance (Hodgetts et al., 1999; Rahman, 2001; Salaheldin, 2009; Martin & Davis, 2001; Boswell & Benson; 2000; Brown & Benson, 2003). Although findings have a few contradictory cases regarding employee participation in goal setting, it is, evident that most participants want and feel it is necessary to be involved in setting goals. Recommendation - Employees should participate with their supervisors in the creation of their own performance goals and development plans. Mutual agreement is a key to success. A plan wherein the employee feels some degree of ownership is more likely to be accepted than one that is imposed. This does not mean that employees do not desire guidance from their supervisor; indeed they very much do (Horsoo, 2009).

- **Constant feedback:** Participant have emphasised the need and importance of receiving performance feedback (Yusof & Aspinwall, 2000). This critical success factor has been discussed in greater detail as a key finding.

- **Setting goals**: Findings have strongly revealed that setting goals is the most critical element of performance appraisal as it provides basis for performance assessment. Literature has continually asserted the positive association between setting goals and enhance performance (Latham, 2004; Locke et al., 1981; Locke & Latham, 1990, Milkovich, et al., 2011). Participants in all organisations have emphasised the need for setting goals, citing their role of providing guidance and strategic direction as key, amongst other reasons. This very critical factor has also been discussed earlier as an outstanding finding, also contributing significantly to addressing the research questions. Performance cannot be measured without goals. Thus, failure to set goals is the initial flaw that needs to be targeted. Goals also need to be continually revised as performance areas evolve. Failure to revise goals lead to ineffective performance measures and overall failure of the PMS.

- **Education and training:** Participants have noted the importance of having the relevant skills and knowledge with regards to performance management initiatives to be able to understand processes and meet expectations. (Yusof & Aspinwall, 2000; Hodgetts et al., 1999; Rahman, 2001; Demirbag et al., 2006; Hansson et al., 2003; Bourne et al., undated). Training and educating employees and managers about PMS also came out strongly as an element that requires focus. Supervisor and managers need to be trained and adequately educated about PMS as they need to drive the processes, while employees need to understand PMS and what potential benefits it can provide the company and employees themselves. Even if the system is well designed, problems can arise if the raters (usually supervisors) are not cooperative and well trained (Ivancevich, 2004).This is often because they have not been adequately trained or have not participated in the design of the program. Inadequate training of raters can lead to a series of problems in completing performance evaluations, including: problems with standards of evaluation, halo effect, leniency or harshness, central tendency error, "recency of events" error, contrast effects, personal bias (stereotyping); "similar to me" (Ivancevich,2004; Cascio, 2003; Aswathappa, 2002). Organisations should therefore ensure that training and development are part of PMS implementation to avoid problems of this nature. Additionally supervisors and managers, who conduct the appraisals or the review interviews, need to be equipped with the idea of motivating employees through the Performance Development system (Horsoo, 2009).

-**Monitoring and measurement:** Participants stress the significance of monitoring and assessing performance. It is a means of proving progress and taking the necessary steps to achieve strategic goals (Yusof & Aspinwall, 2000; Hansson, 2003). Recommendation – monitoring and measuring performance are essential aspects of PMS implementation. Performance management initiatives operate continuously and thus require constant monitoring to ensure effective maintenance and reflective measurement of employees performance. Lack of continuous monitoring and effective measurement are factors that contribute to failure of PMS as systems eventually become redundant.

There is a common assumption in the literature that the CSFs have a positive impact on the operational performance (Sila, 2007). They indicated that organisations with PMS outperform organisations without PMS in operational performance (Salaheldin, 2009), an observation that has also been established from the research findings.

5.3 PMS BARRIERS TO OVERCOME

According to the research findings, organisations are not effective in their current use, or lack of, PMSs and therefore, need to improve their operations. Participants have reported a few factors that are contributing to the failure of their current PMS operations. Also, the fact that some organisations do not have PMSs is already a concern that needs to be addressed as employees of those particular organisation are not satisfied with not only with the fact that there is no system in place, but their morale is negatively affected to the extent that they do not feel like their being in the organisation is worth it.

There are numerous obstacles that are hindering the current PMS from operating effectively that organisations need to overcome in order to appreciate the true value of having PMSs. According to the research findings, the following factors are the roots of the systems failure:

- **Inadequate communication**

Findings revealed that communication is one of the major aspects in an organisation. However, there appears to be inadequate communication within organisation because most participants have reported communication to be a major concern within their organisation and one that is negatively affecting performance appraisals. Apart from reports of lack of performance feedback, some participants have reported they are not even aware of what their organisation’s objectives are. Unclear understanding of what is being done, and of the objectives and methodologies of the performance management systems (Hansson et al., 2003) will result in ineffective PMS, which has been confirmed in this research.

- **Lack of management support**

Findings reported that some managers are not supportive or tactful in the way they approach performance appraisals. In some organisations, there are no appraisals conducted and management have not made an effort to introduce a PMS despite employees’ grievances.

Studies show the detrimental impact a lack of management commitment can have on implementation of change initiatives (Hansson et al., 2003; Trader-Leigh, 2002). Without continued senior management commitment, interest in [new] systems and processes soon wanes.

- **Subjective, bias appraisals and unfair rewards**

Findings revealed that organisations are not effective or fair in the way they conduct appraisals and distribute rewards. Some participants reported that during appraisals, it is their supervisors' view that is accepted as right and final regardless of their input. Also, some participants have reported that appraisal outcomes are based on supervisor-subordinate relationships which leads to unfair rewards distribution because favoured employees are rewarded generously while performers who really deserve recognition are inadequately rewarded. This leads to lowered morale of good performers, whose contributions truly matter to the organisations.

- **Lack of employee participation and buy-in**

Findings revealed that PMSs within organisations are not supported by employees, therefore employees do not buy-in on the systems. Many participants have reported that they are not involved the goal setting process, whether or not there is an official goal setting platform within an organisation, Often, employees are not communicated to about PMS and therefore are not aware of what is expected from them and how they will be appraised. Due to the lack of knowledge and understanding, of the PMS and the potential benefits, and the fact that employees are not involved in major decisions that affect their performance, employees are less likely to accept PMS. This creates resistance which is a major concern that organisations need to overcome.

- **Lack of PMS knowledge and skills**

According to the research findings, organisations do not provide sufficient training and education about PMS therefore there is limited knowledge about PMS and adequate skills to conduct performance appraisals. Performance appraisals are personal and sensitive, thus need to be dealt with tactfully and constructively because employees' confidence and performance can be negatively affected by a supervisor who is not properly trained to carry out appraisals. This again is a major and important obstacle that organisations need to overcome because organsiations risk loosing good performers to competitors because they are mistreated and not sufficiently recognised due to supervisor's limited knowledge and skills.

- **Inaccurate performance measure**

According to the research findings, organisations do not no measure their employees' performances accurately because performance targets are not sufficiently communicated and they are not revised to accommodate changing objectives. Also, it was reported that consideration of unplanned activities is not taken into account during appraisals thus negatively effecting employees' ratings. The inability of organisations to effectively measure their employees' performance has contributed to negative perceptions, lack of employee buy-in and PMS perceived as unfair and ineffective.

5.4 CONCLUSION

This chapter has analysed the key research findings, presented as key themes derived from and encompassing the research questionnaire sections, research questions and theoretical propositions. The chapter also offered recommendations for organisations to consider where appropriate in relation to what was reported by the participants. The aim of the chapter was to relate the research findings to the research questions in attempt to provide answers. Goal setting propositions were also used to keep the analysis focused on addressing the research question and where either supported or rejected by findings. Literature was also integrated to validate findings. Lastly, CSFs were examined according to participants' perceptions.

CHAPTER 6:
CONCLUSIONS, RESEARCH CONTRIBUTIONS AND FURTHER RESEARCH

6.1 INTRODUCTION

This chapter presents a summary of the research by revisiting the research aim and objectives. Established associations will be presented by providing a brief summary of the empirical findings. Implications that arose from the research will also be provided that organisations need to be mindful of when implementing performance management initiatives. The lessons have been derived from a combination of participants' perceptions, previous literature and the researchers' insight. The chapter also outlines the value of the research and provides recommendations for potential areas of further research. The last section of the chapter presents a conclusion of the research.

6.2 SUMMARY OF THE RESEARCH AIM AND OBJECTIVES

The aim of the research was to scrutinise employees' perceptions of PMS in Namibian organisations and determining how these perceptions affected employees' performance. The research achieved this aim by examining the research data to understand employees' perceptions and how these perceptions influence employees' performance. Research data was voluntarily provided by employees from various organisations by means of open-ended questionnaires and semi-structured interviews. Research findings contribute to the inadequate literature of performance management in Namibia.

The objective of the study was to test theory that relates PMS to performance and generate insight for organisations to consider to successfully implement PMSs. The research examined goal setting theory and employed goal setting propositions to guide and keep the research focused on addressing the research questions. Additional to goal setting theory, other theories of motivation were briefly examined to relate them to the findings. It was discovered that while findings support the differing theories, there is an integrated connection among the theories resulting in a cyclical effect. Findings revealed that goal setting propositions were only theoretically supported within organisations but practically rejected. This means, employees' perceptions were fully supportive of goal setting theory, however organisations are failing to successfully match these perceptions to practice. For instance, employees have confirmed the need and importance of setting goals and receiving feedback because they have positive effects on performance, as argued by goal setting theory. However, many employees have reported that their organisations do not have formally set goals and employees are not given feedback regarding their performance.

6.3 SUMMARY OF TH EMPIRICAL FINDINGS

The research findings suggest that positive associations exist between PMS implementation and performance, and between goal setting theory and performance. In relation to the research questions, the following key findings were revealed and associations established.
The main research question **"*How do performance management systems contribute towards employees' performance?*"** was answered by addressing the following secondary questions:

What is the relationship between the implementation of a performance management system and performance? According to the qualitative findings, employing effectively implemented PMSs has a motivating effect and enhances performance within organisations. Findings suggest that performance is enhanced when goals are clearly set, continuously reviewed and adequately communicated to employees. Having an effective PMS means that:

- all employees in the organisation are working towards a common goal,
- employees' efforts are recognised and fairly rewarded,
- employees are adequately trained and enabled to perform their duties effectively,
- performance appraisals are consistently conducted across organisations, and
- employees are involved and given opportunities to fairly and objectively rate and communicate their performance statuses.

According to the research findings, these factors motivate employees and enhance performance. Therefore, there is a positive relationship between the implementation of PMS and performance. Failure to recognise and consider the mentioned factors may lead to negative perceptions, poor performance and a failed PMS.

What roles do feedback and goal setting play in performance management systems? According to the qualitative findings, goal setting and feedback are critical factors essential for the successful and effective implementation of PMSs. Effective goal setting and continuous feedback lead to improved performance. Goals provide guidance and direction, thus increasing awareness of expectations and knowing whether or not targets have been achieved. Knowing the status of performance progress allows shortcomings to be addressed and motivates one to set new goals after achieving the previously set goals. It is thus essential that employees are given feedback so that they are aware of their contributions towards an organisation so that they feel they are important and their efforts are recognised. This will motivate employees to want to achieve more and be a part of an organisation that appreciates their efforts. Therefore, there is a positive association between goal setting and feedback, and performance.

How do employees perceive the system: is it fair, is it useful, does it change their approach to their work, does it motivate them to perform better? According to the qualitative findings, most employees perceive their PMS, or lack thereof, as unfair in practice and unjust reward distribution which demotivates them and affects performance negatively. It is strongly emphasised that PMSs need to be fair and transparent and reward performance accordingly. Findings revealed that most employees are motivated by sources beyond monetary value and are motivated by other factors despite lack of or ineffective PMS. Recognition is reported as one of the highly motivating factors, whereby employees want their efforts and contributions to be publicly acknowledged. Findings support various theories of motivation, resulting in different forms of rewards. There is a positive association between perceived fairness and performance, however organisations need to employ means to ensure that their PMS are fair and provide opportunities that motivate employees in absence of fair systems.

What factors are associated with the success or failure in performance management systems? According to the qualitative findings, effective communication, setting goals, providing constant feedback, management models, employee engagement, training and education, and monitoring and measurement are the commonly reported CSFs for successful PMS implementation. Findings have highlighted the importance of adequate communication between supervisors and subordinates, the need to set clear and aligned goals and providing feedback on the achievement of set goals or addressing performance shortfalls. Findings have also reported the need for management to be supportive and committed to PMS initiatives and lead by example. Management need to have adequate skills to conduct performance appraisals and educate employees on PMS. PMSs need to be constantly monitored and performance measured to determine progress. Consideration of the mentioned key factors when implementing PMS will result in effectiveness, thus enhancing performance. Therefore, there is a positive association between CSFs and performance. Lack of CSFs leads to failure of PMS.

Although findings have theoretically established these positive associations, organisations have a long way to go to successfully implement or improve their current systems to practically attest to these associations.

With reference to the test of theory that relates performance management systems to performance, the research has revealed that findings support different theories that have contradicting arguments regarding enhancing performance. Although the research aimed to test goal setting theory, findings also supported Vroom's (1964) valence-instrumentality-expectancy theory, Maslow (1943) and McClelland's (1975) need theories, which all argue that performance is enhanced by other sources of motivation, from those of goal setting theory. As the findings supported contradictory theories, it was discovered that there is interdependency among the theories, which created a cyclic notion. While Vroom (1964) theory argues that an employee can be motivated to perform better when there is a belief that the better performance will lead to good performance appraisal and that this will result into the realisation of personal goal in the form of some reward, it implies that goal setting theory has no impact on employees' performance. However findings confirmed that some employees will only increase perform if their performance is monitored and appraised, thus requiring organisations to have performance management systems in place, in turn, supporting goal setting theory.

6.4 IMPLICATIONS FROM THE RESEARCH

A few propositions have been derived from this research, and related literature, that organisations need to consider. Firstly, according to qualitative findings performance management (and evaluative enterprise in general) cannot be forced on people. Attempting to impose it will likely lead to goal displacement, unreliable information and an increase in the risk that programme relevance will be diminished rather than augmented. The success of a performance management process depends on the credibility it has with those who are involved in it. Credibility is needed for stakeholder buy-in, which, in turn, is necessary for the validation of the performance management process and its sustainability.

Secondly, the processes are as important as results. Among other things, this means fully valuing the quality of personal interaction. It also means ensuring that there are sufficient and appropriate resources to nurture the process. The reality, however, is that as performance management initiatives are quite often undertaken because of resource constraints, it is not easy to convince the initiators that they should focus on, and invest in, the process.

Thirdly, in order to deal well with people, some principles to guide the process and some ‘rules of the game’ should be laid out, discussed and agreed to with all participants. For example, principles of fairness are important and should be agreed to by persons involved. It is important to ensure both parties are on the same page. Communicating these principles serves as a constructive starting point for collaborative enterprise. Discussing and agreeing to some rules of the game is equally important, for example: making sure there is prior agreement on the interpretation of measures and the uses of performance information; instituting a mechanism to assess the performance management initiative or process itself (and to apply to it the expectations it applies to others); generating the active involvement and participation of stakeholders and ensuring transparency of process.

Fourthly, independent input can be extremely helpful for developing an appropriate and credible performance management approach. Contracted Performance Management Consultants can play a very useful role by providing an external opinion on the soundness of the evaluative enterprise. It is also helpful to consider other approaches, such as 360 degree to ensure fairness and objectivity and other means of including external views, as has been suggested from research findings.

Finally, decision-makers, whether they do or do not have formal PMS initiatives in their organisations, should think very carefully about the benefits and the costs of these initiatives. There are obvious costs in terms of money and time, and some believe that there are other costs such as increased turnover, decreased productivity, and damage to employees’ psychological well-being. Nevertheless, perhaps those costs are more than offset by the benefits of the initiatives. Benefits may include a lower rate of turnover among high performers, a greater likelihood of recognising and releasing poor performers, an overall increase in productivity, and enhanced employee well-being associated with knowing how one is doing and how this relates to his or her status and future in the organisation. The organisation may also benefit from improvements in its HR systems. Organisational leaders are urged to identify the benefits they expect to receive from their PMS initiatives, find ways to measure the extent to which those benefits actually accrue to the organisation, find ways to measure what the associated costs may be, and finally, think about ways that any or all of what is already being done could be done more effectively and/or at less financial and psychological cost. An analysis of that sort should make it clearer whether a PMS makes sense for the organisation. It might also suggest areas where an existing system could be improved.

6.5 CONTRIBUTIONS OF THE RESEARCH

The results of this research study are significant in various respects. Firstly, on the basis of the findings, the study drew some conclusions and identified the problems and current flaws of performance management systems, or lack thereof, thereby indicating to the Management of organisations to take remedial action. Findings have revealed that most employees are in favour of having PMS and also support literature that effective PMS add great value to organisations. Therefore, a lack of PMS in an organisation is in itself a flaw. Other commonly reported flaws include inadequate communication about PMS and its expectations that result in uncertainty; lack of clearly set and aligned goals resulting in disengaged efforts and reduced sense of belonging; inconsistent, bias, opaque and subjective PMS which lead to poor performance and resistance because of the resulting unjustified rewards distributions; lack of proper planning and commitment that lead to failed attempts and employee buy-in.

Secondly, the study provides significant contributions, especially at a theoretical but also at practical level. Organisations rely to a high degree on regular performance appraisals and performance management programs, which usually incorporate goal-setting interventions. The study therefore provides vital information on how this tool can be used effectively in order to reach the intended results, while adding value to the already limited literature in the researched field within Namibia. Findings suggest that supervisors need to have the appropriate skills to competently conduct performance appraisals in order to achieve intended outcomes. Additionally, appraisal feedback needs to be discussed with employees so that identified performing shortcomings can be addressed.

Thirdlly, the study contributed by addressing a concern from previous research, such as that of Sreedhara (2010), who conducted a study that correlated employee satisfaction with performance appraisal systems in foreign MNC BPOs operating in India. Sreedhara (2010) suggested for further research in the same area but across different industries which will help establish whether there is any similarity among the employees working for different industries with regard to their perceptions of the performance appraisal system or whether the BPO industry is unique in itself. This research covered this suggestion by conducting similar research in the different organisations of varying industries, thus contributing to literature.

6.6 RECOMMENDATIONS FOR FURTHER RESEARCH

The real success of a PMS is said to lie in how people use the performance information (Prahalad & Krishnan, 2002; Nudurupati & Bititci, 2005). Behavioural factors are important for the successful use of a PMS (Malina & Selto, 2001) but the impact of behavioural factors on the use of PMSs has been underexposed in scientific and professional literature (Vagneur & Peiperl, 2000; Krause, 2000; De Waal, 2002). This is a recommended area of future research that can contribute greatly to the use of PMSs, especially in the vulnerably informed Namibian context.

Additionally, many organisations seem to have too many expectations of a performance management system, resulting in them being disappointed. Organisations need to determine what their main purpose for implementing a system is before they can evaluate its usefulness. Research can therefore study the conditions that encourage users to use performance management systems and focus solely on their primary use to avoid unrealistic expectations. Even though performance management initiatives, specifically the performance appraisals, are unsatisfactory for most people, they are still mindful that performance appraisals serve a number of valuable organisational purposes. Since our culture believes that people should be rewarded for outstanding performance, yet do not like to receive negative feedback, performance appraisal systems are very complicated. Organisations need to understand the strengths and weaknesses associated with each of the tools and determine which goals they want to accomplish. They need to realise that a single tool cannot be used over a diverse series of jobs. Once performance appraisals are seen as a tool for managing resources, the research focus should shift to matching the appropriate tools with the desired outcomes.

The research has been conducted only in Windhoek, the capital city of Namibia and central business platform. Although four of the six organisations have branches across the country, there is no guarantee that employees in smaller “less developed” towns share the same perceptions as those at Head Offices in a more “developed” city. Further research is therefore also recommended in other parts of the country to validate the findings.

Future research can also be directed towards public sector organisations as none of the participating organisations are in the public sector. A different set of findings may be expected regarding how employees perceive performance management systems, or lack thereof, and their usefulness within organisations.

6.7 CONCLUDING REMARKS OF THE RESEARCH

Performance management systems are increasingly important for many, if not most, organisations. The effective development and implementation of performance management systems can fuel the value created by organisations. However, the mechanisms through which these systems create value are not yet well understood. Therefore, a better understanding about the role of internal and external factors within the implementation process of performance management systems might improve their effectiveness.

Findings indicate that PMS implementation is difficult to master. Key challenges such as inadequate communication and feedback, amongst others, contribute to the ineffectiveness of PMS operations. In spite of the difficulties, performance management is an essential tool for high performing organisations, and it is one of a manager’s most important responsibilities, if not the most important. Furthermore, if done correctly, performance management can result in numerous important outcomes for an organisation, its managers and employees.

It is evident from the findings that participating organisations are not very effective in their current PMS practices, especially those that lack PMS. The research however has generated meaningful insight that Namibian organisations, including the public service, and organisations in general, can use to efficiently implement PMSs.

6.8 CONCLUSION

This chapter sought to conclude the research study by revisiting the research aim, objectives and summarising the research findings. It included lessons to be taken into account by organisations attempting to implement PMS, derived from findings, literature and researcher's insight. Contributions of the research were also highlighted and areas for further research recommended before presenting concluding remarks of the research.

REFERENCES

Abu-Doleh, J., & Weir, D. (2007). Dimensions of performance appraisal systems in Jordanian private and public organisations. *The International Journal of Human Resource Management*, 75-84.

Accenture. (2010). *Performance Management in the Public Sector: Driving high performance by focusing on what really matters to citizens*

Adams, J. S. (1963). Towards an understanding of inequity. *Journal of Abnormal and Social Psychology, 67*, 422-436.

Ahmed, A., Hussain, I., Ahmed, S. & Akbar, F. (2010). Performance appraisal impact on attitudinal outcomes and organisational performance. *International Journal of Business and Management, 5*(10), 62-68.

Aldrich, H. E. & Ruef, M. (2006). *Organisations evolving*. Los Angeles: Sage.

Allen, R.S., & Kilmann, R. H. (2001). The role of the reward system for a total quality management-based strategy. *Journal of Organisational Change Management, 14*(2), 110-31.

Alwadaei, S. A. (2010). *Employee's Perception of, and Satisfaction, of Performance Appraisal: A case of Electricity and Water Authority (EWA) in Kingdom of Bahrain.* Unpublished master's research report. Open University Malaysia, Malaysia.

Amaratunga, D., & Baldry, D. (2002). Moving from performance measurement to performance management. *Facilities, 20*(5-6), 217–223.

Anderson, R. (1997). Thematic Content Analysis (TCA): Descriptive Presentation of Qualitative Data. *Institute of Transpersonal Psychology*

Anderson, M., & Sohal, A. S. (1999). A study of the relationship between quality management practices and performance in small businesses. *International Journal of Quality & Reliability Management, 16*(9), 859-877.

Angen, M. J. (2000). Evaluating interpretive inquiry: Reviewing the validity debate and opening the dialogue. *Qualitative Health Research, 10,* 378-395.

Armstrong, M. (1994). *Performance Management*. London: Kogan Page Limited

Armstrong, M., & Baron, A. (1998). *Performance Management: The New Realities*. Institute of Personnel and Development, London.

Aroson, J. (1994). A Pragmatic View of Thematic Analysis. *The Qualitative Report, 2*(1)

Arvey, R. D. & Murphy, K. R. (1998). Performance Evaluation in Work Settings. *Annual Review Psychology, 49,* 141-168.

Ashford, S. J. (1986). Feedback-seeking in individual adaptation: a resource perspective. *Academy of Management Journal*, *29*, 465-87.

Aswathappa, A. (2002). *Human Resource and personnel management: Text and Cases*. (3rd ed., pp. 199-231). Tata McGraw-Hill Publishing Company Limited, New Delhi.

Austin, W., & Walster, E. (1974). Participants Reactions to equity with the World. *Journal of Experimental Social Psychology, 10*, 528-548.

Bae, E-K. (2006). *Major Elements and Issues in Performance Management System: A Literature Review*. Inha University

Bagdadli, S., Roberson, Q. & Paoletti, F. (2006). The mediating role of procedural justice in responses to promotion decisions. *Journal of Business Psychology, 21(*1), 83-102.

Balassanian, D. (2006). Incentive Systems: Incentives, motivations, and Development Performance. A UNPD Capacity Development Group

Band, D. C., Scanlan, G., & Tustin, C. M. (1994). Beyond the bottom line: Gainsharing and organisational development. *Personnel Review, 23*(8), 17-32.

Banks, C. G., & Murphy, K. R. (1985). Toward Narrowing the Research-Practice Gap in Performance Appraisal. *Personnel Psychology, 39*, 335-345.

Barodoel, E. A., & Sohal, A. (1999). The role of cultural audit in implementing quality improvement programs. *International Journal of Quality & Reliability Management*, *16*(3), 263-76.

Baron, A., & Armstrong, M. (2004). Get into line. *People Management*, *10*(20), 44-6.

Barrett, R.S. (1967). *Performance Rating*. Science Research Associates, Inc: Chicago, IL.

Barrier, M. (1998). Reviewing the Annual Review. *Nation's Business, 86*(9), 32.

Bartel, A. P. (1994). Productivity gains from the implementation of employee training programs. *Industrial Relations, 33,* 411-425.

Bassey, M. (1981). Pedagogic research: on the relative merits of search for generalisation and study of single events. *Oxford Review of Education, 7,* 73-93

Becker, B., & Gerhart, B. (1996). The Impact of Human Resource Management on Organisational Performance: Progress and Prospects. *Academy of Management Journal, 39*(4), 779-801.

Becker, B. E., & Huselid, M. A. (1998). High performance work systems and firm performance: A synthesis of research and managerial implications. *Research in Personnel and Human Resource Management, 16,* 53-101

Beekes, W., Otley, D., & Urururka, W. (2010). The use and consequences of performance management and control systems: a study of a professional services firm. *Chartered Institute of Management Accountants, 6*(10).

Beer, M. (1981). Performance Appraisal: Dilemmas and Possibilities. *Organisational Dynamics*, *9*(3), 24–36.

Bernardin, H. J., & Beatty, R. W. (1984). *Performance Appraisal: Assessing Human Behaviour at Work*. Boston, MA: Kent Publishing Co.

Bernardin, H. J., Kane, J. S., Ross, S., Spina, J. D., & Johnson, D. (1996). Performance appraisal design, development and implementation. In Ferris, G.R., Rosen, S. D., & Barnum, D. T. (Eds.), *Handbook of human resource management* (pp. 462-493). Cambridge, MA: Blackwell Publishers

Bipp, T., & Kleingeld, A. (2011). Goal-setting in practice: The effects of personality and perceptions of the goal-setting process on job satisfaction and goal commitment. *Personnel Review, 40*(3), 306-323.

Birdi, K., Allan, C., & Warr, P. (1997). Correlates and perceived outcomes of four types of employee development activity. *Journal of Applied Psychology, 82*(6), 845-857.

Black, S., & Porter, L. (1996). Identification of critical factors of TQM. *Decision Sciences, 27*, 1-21.

Boesen, N. (2004). *Between Naivety and Cynicism: A Pragmatic Approach to Donor Support for Public-Sector Capacity Development.*

Boice, D. F., & Kleiner, B. H. (1997). Designing effective performance appraisal system. *Work study, 46*(6), 197-201.

Borgman, C. L. (1986). The user's mental model of an information retrieval system: an experiment on a prototype online catalog. *International Journal of Man-Machine Studies, 24*, 47–64.

Boswell, M., & Benson, J. (2000). Employee satisfaction with performance appraisals and appraisers: The role of perceived appraisal use. *Human Resource Development Quarterly, 11*(3), 283-299.

Bouma, G. B., & Atkinson, B. B. J. (1995). *A handbook of social science research*. (2nd ed.). Oxford: Oxford University Press.

Bourgault, J., & Tremblay, Y. (1994). Performance management at the crossroads–between rigor and Laxity. *Canadian Public Administration, 37*(4), 547-72.

Bourne, M., Franco, M., & Wilkes, J. (2003). Corporate performance management. *Measuring Business Excellence, 7*(3), 15-21

Bourne, M. C. S., Mills, J. F., Bicheno, J., Hamblin, D. J., Wilcox, M., Neely, A. D., et al. (1999). Performance measurement system design: testing a process approach in manufacturing companies. *International Journal of Business Performance Measurement, 1*(2), 154–170.

Bourne, M., Mura, M., Franco-Santos, M., Pavlov, A., Martinez, V., & Lucianetti, L. (n.d.). *Performance management practices and the drivers of business performance.* Centre for Business Performance, Cranfield School of Management, Cranfield

Bourne, M., Neely, A., Platts, K., & Mills, J. (2002). The success and failure of performance measurement Initiatives Perceptions of participating managers. *International Journal of Operations & Production Management*, *22*(11), 1288-1310.

Bouskila-Yam, O., & Kluger, A. N. (2010). Strength-Based Performance Appraisal and Goal Setting. *Human Resource Management Review*

Boyatzis, R. E. (1998). *Transforming qualitative information: Thematic analysis and code development*. Thousand Oaks, CA: Sage.

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology, 3*(2), 77-101.

Bretz, R. D., Milkovich, G. T., & Read, W. (1992). The Current State of Performance Appraisal Research and Practice: Concerns, Directions, and Implications. *Journal of Management*, *18*(2), 321-352

Brewster, C., Carey, L., Dowling, P., Grobler, P., Holland, P., & Warnich, S. (2003). *Contemporary Issues in Human Resource Management.* Cape Town: Oxford University Press.

Brewer, J., & Hunter, A. (1989). *Multimethod research: a synthesis of styles*. Newbury Park: Sage

Bricker, G. A. (1992). Performance Agreements: The Key to Increasing Motivation, Sales and Marketing , *144*, 69-70.

Brown, D., & Armstrong, M. (1999). *Paying for Contribution. Real Performance-related pay strategies***.** London: Kogan Page.

Brown, M., & Benson, J. (2003). Rated to exhaustion? Reactions to performance appraisal Processes. *Industrial Relations Journal*, *34*(1), 76-81.

Buelens, M., & Broeck, H. V. (2007). An Analysis of Differences in Work Motivation between Public and Private Sector Organisations. *Public Administration Review*, 65-74.

Byrne, Z. S. & Cropanzano, R. (n.d). The History Of Organisational Justice: The Founders Speak. in Cropanzano (Ed.) *Justice In The Workplace: From Theory To Practice*, pp. 3-26, Mahwah, NJ, Lawrence Erlbaum Associates, Inc.

Campbell, S. (2004). Tracking lean (automated shopfloor data-capture technologies for lean automotive manufacturing). *Manufacturing Engineer, 83*(1), 38-42.

Cardy, R. L., & Dobbins, G. H. (1994). *Performance Appraisal: Alternative Perspectives*. Cincinnati, OH: South-Western Publishing.

Carroll, S. J., & Schneier, C. E. (1982). *Performance Appraisal and Review Systems: The Identification, Measurement, Development of Performance in Organisations.* Dallas: Scott, Foresman and Company.

Carroll, S., & Tosi, H. (1973). *Management by Objectives*. McMillan, New York.

Cascio, W. F (2003). *Managing Human Resources: Productivity, Quality of work life, profits.* (6th ed., pp. 328-396). McGraw –Hill Higher Education.

Cascio, W.F. & Aguinis, H. (2005). *Applied psychology in human resource management.* New Jersey: Pearson Prentice Hall.

Cascio, W. F., & Bernadin, H. J. (1981). Implication of Performance Appraisal Litigation for Personnel Decisions. *Personnel Psychology, 34(*2) 211-226.

Cassell, C., Buehring, A., Symon, G., Johnson P. & Bishop, B. (2005). *Qualitative Management Research: A Thematic Analysis of Interviews with Stakeholders in the Field. ESRC Benchmarking good practice in qualitative management research*

Chang, E. & Hahn, J. (2006). Does pay for performance enhance perceived distributive justice for collectivistic employees. *Personnel Review, 35*(4), 97-412.

Chattopadhyay, S. P. (2001). Improving the speed of ISO 1400 implementation: a framework for increasing productivity. *Managerial Auditing Journal, 1*(1), 36-9.

Cheng, M. I., Dainty, A., & Moore, D. (2007). Implementing a new performance management system within a project-based organisation. *International Journal of Productivity and Performance Management, 56*(1), 60-75

Chiaburu, D. (2007). From interactional justice to citizenship behaviours: Role enlargement or role discretion. *Social Justice Research, 20*(2), 207-227.

Cho, J. & Kessler, S.R. (2008). Employees' distributive justice perceptions and organisational citizenship behaviours: A social exchange perspective. *Review of Business Research, 8*(6), 131-137.

Church, A. H. (1985). From Both Sides Now, Performance Appraisals: Political Tools or Effective Measures? *The Industrial Organisational Psychologist, 33*, 57-64.

Clausen, T. S., Jones, K. T., & Rich, J. S (2008). Appraising Employee Performance Evaluation Systems. *CPA Journal, 78,* 64–67

Clay-Warner, J., Hegvedt, K.A. & Roman, P. (2005). Procedural justice, distributive justice: How experiences with downsizing condition their impact on organisational commitment. *Social Psychology Quarterly, 68*(1), 80-102.

Cleveland, J. N., Murphy, K. R. & Williams, R. E. (1989). Multiple uses of Performance Appraisal: Prevelance and Correlates. *Journal of Applied Psychology, 74*,130-5.

Cloutier, J. & Volhuber, L. (2007). Procedural justice criteria in salary determination. *Journal of Managerial Psychology, 23*(6), 713-740.

Cobb, A.T., Folger, R. & Wooten. K. (1995). The role justice plays in organisational change. *Public Administration Quarterly,* 137-151.

Coens, T., & Jenkins, M. (2000). Abolishing Performance Appraisals: why they backfire and what to do instead. San Francisco: Berrett-Koehler Publishers, Inc.

Cole, J., & Gardner, K. (1979). Topic work with first-year secondary pupils. In E. Lunzer & K. Gardner (Eds.), *The effective use of reading* (pp. 167-192) London: Heinemann, Heinemann Educational Books for the Schools Council

Collett, J.L. (2008). Is procedural justice enough? Affect, attribution and conflict in alternative dispute resolution. *Advances in Group Processes, 25,* 267-289.

Crabtree, B., & Miller, W. (1999). A template approach to text analysis: Developing and using codebooks. In B. Crabtree & W. Miller (Eds.), *Doing qualitative research* (pp. 163-177). Newbury Park, CA: Sage.

Dailey, R. C. & Kirk, D. J. (1992). Distributive and procedural justice as antecedents of job dissatisfaction and intent to turnover. *Human Relations, 45*(3), 305-317.

Daly, J., Kellehear, A. & Gliksman, M. (1997). *The public health researcher: A methodological approach.* Melbourne, Australia: Oxford University Press

Darrington, J. W., & Howell, G. A. (2011). Motivation and incentives in relational contracts. *Journal of Financial Management of Property and Construction, 16*(1), 42-51.

Das, A., Kumar, U., & Kumar, V. (2010). The role of leadership competencies for implementing TQM: An empirical study in Thai manufacturing industry. *International Journal of Quality & Reliability Management, 28(*2), 195-219.

Davies, I. C. (1999). Evaluation and Performance Management in Government. *SAGE Publication, 5(*2), 150–159

Dayan, M., & Benedetto, A. D. (2007). Procedural and interactional justice perceptions and teamwork quality. *Journal of Industrial and Business Marketing, 23*(8), 566-576.

Deckop, J. R., & Cirka, C. C (1999). Getting more than you pay for: Organisational Cititzenship behaviour and pay-for-performance. *Academy of Management Journal*, *42*(4), 420-428.

Delaney, J. T., & Huselid, M. A. (1996). The impact of Human Resources Management Practices on perceptions or organisational performance. *Academy of Management Journal, 39*(4), 949-969.

Deloitte & Touche (1996), Executive Survey of Manufacturers, (on-line), available at: www.dtcg.com/research.

Deming, W. E. (1986). *Out of the Crisis*. Cambridge, Massachusetts: MIT.

Demirbag, M., Tatoglu, E., Tekinkus, M., & Zaim, S. (2006). An analysis of the relationship between TQM implementation and organisational performance: evidence from Turkish SMEs. *Journal of Manufacturing Technology Management, 17*(6), 829-47.

DeNisi, A. S., Cafferty, T., & Meglino, B.M. (1984). A Cognitive View of the Performance Appraisal Process: A Model and Research Propositions Organisational Behaviour And Human Performance, *33*, 360-396.

Denzin, N. K. (1994). *Handbook of Qualitative Research.* Thousand Oaks, CA, Sage.

De Cremer, D. (2005). Procedural and distributive justice effects moderated by organisational identification. *Journal of Managerial Psychology, 20*(1). 4-13.

De Waal, A. A. (2003). Behavioural factors important for the successful implementation and use of performance management systems. *Management Decision, 41*(8), 688-97

De Waal, A. A. (2004). Stimulating performance-driven behaviour to obtain better results. *International Journal of Productivity and Performance Management, 4*(53) 301-16.

De Waal, A. A. (2007). Successful performance management? Apply the strategic performance management development cycle! *Measuring Business Excellence, 11*, 4-11

Dobbins, G. H., Cardy, R. L., & Platz-Vieno, S. J. (1990). A contingency approach to appraisal satisfaction: an initial investigation of the joint effects of organisational variables and appraisal characteristics. *Journal of Management, 16*(3), 619 – 632.

Edwards, M. R. (1990). A joint effort leads to accurate appraisals. *Personnel Journal*, 122-8.

Edwards, M. R., & Ewen, A. J. (1996). *360-Degree Feedback: The Powerful New Model For Assessment And Performance Improvement.* New York: Amacom

Earley, P. C., Northcraft, G. B., Lee, & Lituchy, T. R (1979). Impact of process and outcome feedback on the relation of goal setting to task performance. *Academy of Management Journal, 33*, 87-105

Eisenhardt, A. M. (1989). Agency Theory: An Assessment and Review. *Academy of Management Review, 14*(1), 57-74.

Elzinga, T., Albronda, B., & Kluijtmans, F. (2009). Behavioural factors influencing performance management systems' use. *International Journal of Productivity and Performance Management, 58*(6), 508-522

Erez, M. (1986). The Congruence of goal setting strategies with soci-cultural values, and its effect o performance. *Journal of Management, 12,* 83-90

Erez, M., & Arad, R. (1986). Participative goal-setting: Social, motivational, and cognitive factors. *Journal of Applied Psychology, 71*, 591-597.

Erez, M., Earley, P. C., & Hulin, C. L. (1985). The impact of participation on goal acceptance and performance: A two-step model. *Academy of Management Journal, 28,* 50-66

Erez, M., & Kanfer, F. H. (1983). The role of goal acceptance in goal setting and task performance. *Academy of Management Review, 8,* 454-463.

Erke, A., & Bungard, W. (2006). Erfahrungen mit Zielvereinbarungen bei teilautonomer Gruppenarbeit – Ergebnisse einer Expertenumfrage (Experiences with goal-setting in semi-autonomous work groups – results of a survey among experts). Zeitschrift *fu¨r Arbeits- und Organisationspsychologie, 50*(3), 155-62.

Erlandson, D. A., Harris, E. L., Skipper, B. L., & Allen, S. D (1993). Doing naturalistic inquiry: a guide to methods. London: Sage

Evans, E. M. (1991). Designing and effective performance management system. *Journal of Compensation and Benefits*, 25-9.

Evans, J. R., & Lindsay, W. M. (1993). *The Management and Control of Quality*. (2nd ed.). West Publishing Company, St. Paul, MN.

Fakharyan, M., Jalilvand, M. R., Dini, B., & Dehafarin, E. (2012). The Effect of Performance Appraisal Satisfaction on Employee's Outputs Implying on the Moderating Role of Motivation in Workplace. *International Journal of Business and Management Tomorrow, 2*(4)

Fedor, D.B. (1991). Recipient responses to performance feedback: a proposed model and its implications. *Research in Personnel and Human Resources Management, 9,* 73-120.

Fereday, J., & Muir-Cochrane, E. (2006). The role of performance feedback in the self-assessment of competence: A research study with nursing clinicians. *Collegian, 13*(1), 10-15.

Fidel, R. (1993). Qualitative methods in information retrieval research. *Library and Information Science Research, 15*, 219–247.

Fink, L. S., & Longenecker, C. O. (1998). Training as a performance appraisal improvement strategy. *Career Development International, 3*(6), 243 – 251.

Firestone, W. A. (1993). Alternative arguments for generalizing from data as applied to qualitative research. *Educational Researcher, 22*, 16–23.

Fisher, C. D. (2002). Antecedents and consequences of real-time affective reactions at work. Motivation and Emotion, *26*, 3- 30.

Flapper, S. D. P., Fortuin, L., & Stoop, P. P. M. (1995). Towards consistent performance management systems. *International Journal of Operations & Production Management*, *16*(7), 27-37.

Fletcher, C. (2001). Performance appraisal and management: The developing research agenda. *Journal of Occupational and Organisational Psychology, 74*(4), 473-487.

Fletcher, C. (2004). *Appraisal and feedback: making performance review work*. London: Chartered Institute of Personnel Development.

Fried, Y. & Ferris, G. R. (1987). The Validity of the Job Characteristics Model: A Review and a Meta-analysis. *Personnel Psychology, 40*, 287–322.

Florio-Ruane, S. (1991). Conversation and narrative in collaborative research. In C. Witherell & N. Noddings (Eds.). *Stories lives tell: narrative and dialogue in education* (pp. 234-256). New York: Teachers College Press

Folger, R. & Lewis, A. (1993). Self-Appraisal and Fairness in Evaluation. In R. Cropanzano (Ed.*) Justice In The Workplace: Approaching Fairness In Human Resource Management* (pp. 107-131). Hillsdale, NJ, Lawrence Erlbaum Associates

Forret, M. & Love, M.S. (2007). Employee justice perceptions and co-worker relationships. *Leadership and Organisation Development Journal, 29(*3), 248-260.

Fox, A. (2009). Curing What Ails Performance Reviews. *HR Magazine, 54*, 52–56.

Fox, S., & Spector, P. E. (2002). Emotions in the workplace: The neglected side of organisational life introduction. *Human Resource Management Review, 12*, 167-171.

Franco, M., & Bourne, M. (2002). *Factors that play a role in 'managing through measures'.* Centre for Business Performance, Cranfield School of Management

Frohlich, N. (2007). A very short history of distributive justice. *Social Justice Research, 20*(2), 250-262.

Furnham, A. (2004). Performance Management Systems. *European Business Journal.* 83-94.

Garavan, T. N., Morley, M., Gunnigie, P., & McGuire, D. (2002). Human resource development and workplace learning: emerging theoretical perspectives and organisational practices. *Journal of European Industrial Training, 26*(2), 60-71.

Gardner, A. C. (2011).Goal Setting and Gainsharing: The Evidence on Effectiveness. *Compensation & Benefits Review, 43*(4), 236–244.

Garengo, P., & Bititci, U.S. (2004). Performance measurement in small and medium enterprises: an empirical study in Scottish companies. In Neely, A., Kennerly, M., & Waters, A. (Eds), *Performance Measurement and Management: Public and Private* (pp. 419-26) Centre for Business Performance, Cranfield University, Cranfield.

Giannetto, D. F. (2009). Get Your Money's Worth from Incentives. *Business Performance Management,* 7, 12.

Goff, S. J., & Longenecker, C. O. (1990). Why performance appraisals still fail. *Journal of Compensation and Benefits,* 36-41.

Gomes, C. F., & Yasin, M. M. (2010.) A Systematic Benchmarking Perspective on Performance Management of Global Small to Medium-sized Organisations: An Implementation-based Approach.

Goodman, P. S. (1974). An Examination of Referents Used in the Evaluation of Pay. *Organisational Behaviour and Human Performance, 3,* 340-352.

Gouldner, A. W. (1960). The Norm of Reciprocity: A Preliminary Statement. *American Sociological Review, 25*, 161-178.

Greenberg, J. (1986). Determinants of Perceived Fairness In Performance Evaluation. *Journal of Applied Psychology, 71,* 340-342.

Greenberg, J., & Tyler, T.R. (1987). Why Procedural Justice in Organisations? *Social Justice Research, 1,* 127-142.

Gresty, D. (2010). Performamnce management: assessing the gap between theory and practice in an SME. Chester Business School

Guba, E. G. (1981). Criteria for assessing the trustworthiness of naturalistic inquiries. *Educational Communication and Technology Journal, 29*, 75–91.

Guba, E. G., & Lincoln, Y. S. (1989). *Fourth generation evaluation.* Newbury Park: Sage.

Guinn, K. A., & Corona, R. J. (1991). Putting a price on performance. *Personnel Journal*, 72-7.

Gurmessa, Z. B. (2007). *Employees' perception of the problems and practices on employee performance evaluation: a Case study of Awash International Bank (AIB).* Unpublished master's research report, Addis Ababa University, Ethiopia.

Guzzo, R. A., Jette, R. D., & Katzell, R. A. (1985). The effects of psychologically-based intervention programs on worker productivity. *Personnel Psychology, 38,* 275-93.

Hacker, M. E., & Brotherton, P. A. (1998). Designing and installing effective performance measurement systems. *IIIE Solutions, 30*(8), 18-23.

Hamel, G., & Prahalad, C. K. (1996). Competing in the New Economy: Managing Out of Bounds. *Strategic Management Journal, 17*(3), 237.

Hammersley, M. (1987). Some notes on the terms “validity” and “reliability”. *British Educational Research Journal, 13,* 73-81.

Hansson, J., Backlund, F., & Lycke, L. (2003). Managing commitment: increasing the odds for successful implementation of TQM, TPM or RCM. *International Journal of Quality & Reliability Management, 20(9),* 993-1008.

Hardwick, J., & Winsor, G. (2002). *RCM – Making the Process More Cost-Effective – One Year Late,* 1-6.

Haynes, K., & Bobrow (n.d.). How to design and implement an effective performance management program

Heath, C. (1999). On the social psychology of agency relationships: Lay theories of motivation overemphasize extrinsic incentives. *Organisational Behaviour and Human Decision Process, 78*, 25–62.

Henderson, R.I. (1984). *Practical Guide to Performance Appraisal.* Reston Publishing, Virginia

Hendricks, K. B., & Singhal, V. R. (1997). Does Implementing an Effective TQM Program Actually Improve Operating Performance? Empirical evidence from Firms That Have Won Quality Awards. *Management Science. 43*(9)

Hennessey, J.T. (1998). Reinventing government: does leadership make the difference? *Public Administration Review, 58*(60), 522-32.

Heslin, P. A., Carson, J. B., & VandeWalle, B (n.d.). Practical applications of goal setting theory to performance management.

Hodgetts, R., Kuratko, D. and Hornsby, J. (1999). Quality implementation in small business: perspectives from the Baldrige award winners. *SAM Advanced Management Journal, 64*(1), 37-47.

Holloway, J., Lewis, J., & Mallory, G. (1995). *Performance Measurement and Evaluation*. Sage Publications, London.

Holt, K., Noe, R. A., & Cavanaugh, M. (1996). *Managers' developmental responses to 360-degree feedback*. Paper presented at the Annual Meeting of the Society for Industrial and Organisational Psychology, San Diego, CA

Hornibrook, S., Fearne, A. & Lazzarin, M. (2009). Exploring the association between fairness and organisational outcomes in supply chain relationships. *International Journal of Retail and Distribution Management, 37*(9), 790-803.

Horsoo, S. K. (2009). *Employee performance appraisal, rewards & recognitions – a case of Barclays Bank of Ghana Limited.* Unpublished master's research report, Kwame Nkrumah University of Science and Technology – Kumasi, Ghana

Houghton, A. (2010). *Performance Reviews: It's about 'How,' Not 'Why'*. Business Week Online, 11.

Houldsworth, E. & Jirasinghe, D. (2006). *Managing and measuring employee performance*. London: Kogan Page.

HR Specialist. (2009). *Playing Favourites: How to avoid unintended partiality in decisions*, Reviews, 6.

Hudson, M., Smart, P. A., & Bourne, M.C.S. (2001). Theory and practice in SME performance measurement systems. International *Journal of Operations and Production Management, 21*(8), 1096–1115

Huk, T., & Dul, J. (2009). *Pattern Matching*. Rotterdam School of Management

Huselid, M. A., & Becker, B. E. (1994). *The strategic impact of human resources: Results from a panel study.* Working paper, Rutgers University, New Brunswick, NJ.

Ilgen, D. R., Fisher, C. D., & Taylor, M. S. (1979). Consequences of Individual Feedback on Behaviour in Organisations. *Journal of Applied Psychology*, *64*(4), 349-371.

Institute of Personnel Management. (1992). *Performance Management in the UK: An Analysis of the Issues.* London; IPM.

Ivancevich, J.M. (2004). *Human Resource Management*. (9th ed., pp. 255-287), McGrawHill/Irwin Companies, New York.

Jackson, S. (2001). Successfully implementing total quality management tools within healthcare: what are the key actions? *International Journal of Health Care Quality Assurance, 14*(4), 157-63.

Jackson, S. E., & Schuler, R. S. (1995). Understanding human resource management in the context of organisations and their environments. In Levy, P.E. & Williams, J.R. (2004). *The social context of performance appraisal: a review and framework for the future.* Journal of Management, 30(6), 881-905, Jawahar, I. M. (2007). The Influence of Perceptions of Fairness on Performance Appraisal Reactions. *J Labor Res,* 735-754.

Jennings, P. L., & Banfield, P. (1993). *Improving competence in small firms. Proceedings of the 16th National Small Firms Policy and Research Conference.* Nottingham. The Nottingham Trent University

Jeong, S. B. (2006). *Participation and Goal Setting: An Examination of the Components of Participation.* Unpublished doctoral research report, The Ohio State University, Ohio.

Jones, G. R., & Wright, P. M. (1992). An economic approach to conceptualizing the utility of human resource management practices. In Rowland, K., & Ferris, G. (Eds.). *Research in personnel and human resources management,* 10 (pp 271-299). Greenwich, CT: JAI Press.

Joniak, L. (n.d). *The Qualitative Paradigm: An Overview of some basic Concepts, Assumptions, and Theories of Qualitative Research*

Jooste, K. (1993). *Communication in Dimensions of nursing management*. (Ed.). S. W. Booysens, 261-280. Kenwyn: Juta

Judge, T. A., Thorensen, C.J., Bono, J. E., & Patton, G.K. (2001). The job satisfaction-job performance relationship: a qualitative and quantitative review. *Psychological Bulletin, 127*(3), 376-407.

Kaplan, R. S., & Norton, D.P. (1992). The balanced scorecard–measures that drive performance. *Harvard Business Review,* 71–79.

Kaplan, R. E., & Palus, C. J. (1994). *Enhancing 360-Degree Feedback for Senior Executives. Greensboro.* North Carolina: Center for Creative Leadership.

Karol, S.H., (1996). *The Influence of Planning Activity on Employee Performance Review*. Unpublished master's research report, Evanston, IL.

Kass, E. (2005). Interactional justice, negotiator outcome satisfaction, and desire for future negotiations. *International Journal of Conflict, 19*(4), 319-338.

Katz, D., & Kahn, R. L. (1978). *The social psychology of organisations*. New York: Wiley.

Keenan, J. (2000). Just how new is Best Value? *Public Money and Management, 20*(3), 45-9.

Keeping, L. M., & Levy, P. E. (2000). Performance Appraisal Reactions: Measurement, Modeling and Method Bias. *Journal of Applied Psychology, 85*(5), 708-723.

Ketelaar, T & Koenig, B. (2007). Justice, fairness and strategic emotional commitment. In De Cremer, D. (Ed.*). Advances in the psychology of justice and affect* (pp. 133- 153). Charlotte: Information Age Publishing.

Kinlaw, D.C. (1988). What employees "see" is what organisations "get". *Management Solutions, 33*(3), 38-42.

Klein, H. J., Wesson, M. J., Hollenbeck, J. R., & Alge, B. J. (1999). Goal commitment and the goal-setting process: Conceptual clarification and empirical synthesis. *Journal of Applied Psychology, 84,* 885-896.

Knoke, D., & Kalleberg, A. L. (1994). Job training in U.S organisations. *American Sociological Review, 59,* 605-617

Kopelman, R. E. (1986). Objective feedback. In E. A. Locke, (Ed.*). Generalizing From Laboratory To Field Settings*. Lexington Books, Lexington, MA.

Krattenmaker, T. (2009). Appraising Employee Performance in a Downsized Organisation. *Harvard Management Update, 14*, 3–5.

Kuvaas, B. (2006). Performance appraisal satisfaction and employee outcomes: mediating and moderating roles of work motivation. *International Journal of Human Resource Management 17*, 504–522.

Lebas, M. J. (1995). Performance measurement and performance management. *International Journal of Production Economics, 41*(1), 23-35.

Lado, A. A., & Wilson, M. C. (1994). Human resource systems and sustained competitive advantage: A competency-based perspective. *Academy of Management Review, 19,* 699-727**.**

Lalloo, R. (2003). *Employee Perceptions of Performance Management at Peoples Bank South Africa.* Unpublished master's research report, University of Natal, Durban

Landy, E. F., Barnes, J. L., & Murphy, K. R. (1978). Correlated of Perceived Fairness and Accuracy of Performance Evaluation. *Journal of Applied Psychology, 63*, 751-754.

Landy, F. J., & Farr, J. L.(1980). Performance Rating. *Psychological Bulletin, 87*(1), 72-107.

Landy, F. J. & Farr, J. L. (1983). *The Measurement of Work Performance: Methods, Theory and Applications*. Orlando, FL, Academic Press.

Lapadat, J. C., & Lindsay, A. C. (1999). Transcription in Research and Practice: From Standardization of Technique to Interpretive Positionings. *Qualitative Inquiry, 5*(1), 64-86.

Latham, G. P. (2003). Goal Setting: A Five-step Approach to Behaviour Change. *Organisational Dynamics, 32*, 309–18.

Latham, G. P. (2004). The motivation benefits of goal setting. *Academy of Management Executive, 18,* 126-129.

Latham, G. P., Erez, M., & Locke, E. A. (1988). Resolving scientific disputes by the joint design of crucial experiments by the antagonists: Application to the Erez- Latham dispute regarding participation in goal setting. *Journal of Applied Psychology, 73*, 753-772.

Latham, G. P., & Locke E. A. (1975). Increasing productivity with decreasing time limits: A field replication of Parkinson's law. *Journal of Applied Psychology, 60,* 524-526

Latham, G. P., & Wexley, K. N. (1981). *Increasing Productivity Through Performance Appraisal.* Reading, MA: Addison-Wesley.

Latham, G. P., Winters, D. C., & Locke, E. A. (1994). Cognitive and motivational effects of participation: A mediator study. *Journal of Organisational Behaviour, 15*, 49-63.

Latham, G.P. & Yukl, G.A. (1975). A review of research on the application of goal setting in organisations. *Academy of Management Journal, 18*(4), 824-45.

Law, D. R. (2007). Appraising Performance Appraisals: A Critical Look at an External Control Management Technique. *International Journal of Reality Therapy, 26*(2)

Lawler III, E. E. (1994). Performance Management: The Next Generation. *Compensation & Benefits Review, 26,* 16.

Lawler, E. E., Mohrman, A. M., & Resnick, S. M. (1984). Performance Appraisal Revisited. *Organisational Dynamics, 13*(1), 20-35.

Lawson, R., Stratton, W., & Hatch, T. (2003). The Benefits of a Scorecard System. *CMA Management,* 24-26.

Lee, C. D. (2006). *Performance Conversations: An Alternative to Appraisals.* Tucson, AZ: Fenestra Books.

LePine, J. A., Erez, A., & Johnson, D. E (2002). The Nature and Dimensionality of Organisational Citizenship Behaviour: A Critical Review and Meta-Analysis. *Journal of Applied Psychology, 87*(1), 52–65

Levy, P.E., & Williams, J. R. (2004). The social context of performance appraisal: a review and framework for the future. *Journal of Management, 30*(6), 881-905.

Lewin, K., Lippitt, R., & White, R. K. (1939). Patters of aggressive behaviour in experimentally created "social climates." *Journal of Social Psychology, 10,* 271-299.

Lincoln, Y. S. (1985). *Establishing Trustworthiness. Naturalist Inquiry*. Newbury Park: Sage.

Lincoln, Y. S. (1995). Emerging criteria for quality in qualitative and interpretive research. *Qualitative Inquiry, 3,* 275-289.

Lincoln, Y.S., & Guba, E.G. (1985). *Naturalistic Inquiry*. Beverly Hills: Sage Publications.

Likert, R. (1967). *The human organisation: its management and values*. New York, McGraw-Hill.

Locke, E. A., & Latham, G. P (n.d.). *New Directions in Goal-Setting Theory,* 15(5.)

Locke, E. A., & Latham, G. P. (1990). *A theory of goal setting and task performance.* Englewood Cliffs, NJ: Prentice Hall.

Locke, E. A., & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation: A 35 - year odyssey. *American Psychologist*, *57,* 705–717.

Locke, E. A., Shaw. K. N., Saari, L. M., & Latham, G. P. (1981). Goal-Setting and Task Performance: 1969-1980. *Psychological Bulletin, 90*, 125-152

London, M., Larsen, H. H., & Thisted, L. N. (1999). Relationships between feedback and self-development. *Group & Organisation Management*, 24(1), 5-27.

London, M., & Mone, E.M. (1999). Continuous learning. In D.R. Ilgen and E.D. Pulakos (Eds) *The Changing Nature of Performance*. San Francisco: Jossey-Bass.

Longenecker, C. O. (1997). Why managerial performance appraisals are ineffective: Causes and Lessons. *Career Development international, 2*(5), 212-218.

Longenecker, C.O., & Goff, S. J. (1992). Performance Appraisal Effectiveness: A Matter of Perspective. *Advanced Management Journal, 57*(2), 18-23.

Longenecker, C.O., & Simonetti, J.A. (2001). *Getting Results: Five Absolutes for High Performance.* Jossey-Bass Inc., San Francisco, CA.

Longenecker, C.O., & Stansfield, T.C. (2000). Why plant managers fail: causes and consequences. *Industrial Management, 42*(1), 24-32.

Longenecker, C. O., & Stansfield T. C. (2005). The effects of goal setting and feedback on manufacturing productivity: a field experiment. *International Journal of Productivity and Performance Management, 55*(3/4), 346-358.

Lovrich, N. P., Shaffer, P. L., Hopkins, R. H., & Yale, D. A (1980). Public Employees and Performance Appraisals: Do Public Servants Welcome or Fear Merit Evaluations of Their Performance? *Public Administration, 40*(3), pp. 214 - 222.

Malina, M. A., & Selto, F. M. (2001). Communicating and controlling strategy: an empirical study of the effectiveness of the balanced scorecard. *Journal of Management Accounting Research, 13,* 47-90.

Malina, M. A., & Selto, F. M. (2004). Choice and change of measures in performance measurement models. *Management Accounting Research, 15*(4), 441-69.

Management Advisory Committee. (2001). *Performance Management in the Australian Public Service: A strategic Framework.*

Maslow, A. (1943). A theory of human motivation. *Psychological Review, 50*(1943), 370-96

Marchionini, G., & Teague, J. (1987). Elementary students' use of electronic information services: an exploratory study. *Journal of Research on Computing in Education, 20,* 139–155.

Markle, G.L. (2000). *Catalytic Coaching: the End of the Performance Review*. Portsmouth, NH: Quorum Books.

Marshall, C., & Rossman, G. B. (1999). *Designing qualitative research*. (3rd ed.). NewburyPark: Sage

Martin, D. C., & Bartol, K. M. (1998). Performance Appraisal: Maintaining System Effectiveness. *Public Personnel Management, 27*(2), 223-230.

Martin, S., & Davis, H. (2001). What works and for whom? The competing rationalities of Best Value. *Policy and Politics, 29*(4), 465-75.

Martinez, J. (2003). Assessing quality outcome and performance management. In P. Ferrinho & M. Dal Pox (Ed), *Towards a global health workforce strategy* (pp. 205-235). Antwerpen: ITG Press

Matheny, J. A. (1998). Organisational therapy: Relating a psychotherapeutic model of planned personal change to planned organisational change. *Journal of Managerial Psychology, 13*(5/6), 394-405.

Mathis, R. L., & Jackson, J. H. (1998). *Human resource management.* New York: West Publishing Corporation.

Matlala, M. M. (2011). *Employee fairness perceptions of a performance management system.* Unpublished masters research report. University of South Africa, Pretoria.

Matsui, T., Okada, A., & Inoshita, O. (1983). Mechanism of feedback affecting task performance. *Organisational Behaviour and Human Performance, 31*, 114–122.

McAdam, R., & McGeough, F. (2000). Implementing total productive maintenance in multi-union manufacturing organisations: overcoming job demarcation. *Total Quality Management, 11*(2), 187-97.

McCarthy, A. M., & Garavan T. N. (2001). Understanding 360 degree feedback processes: performance improvement and employee career development. *Journal of European Industrial Training, 25*(1), 5-32

McClelland, D. C. (1975). *Power: The inner experience*. New York: Irvington

McCunn, P. (1998). The balanced scorecard: the eleventh commandment. *Management Accounting*, 34-36.

McGregor, D. (1960). *The human side of enterprise*. New York: McGraw-Hill.

Meekings, A. (1995). Unlocking the potential of performance measurement: a guide to practical implementation. *Public Money &Management,* 1-8.

Memon, S. B., Rohra, C. L., & Lal, P. (2010). Critical analysis of the performance management system (PMS) in SMEs of Karachi. *Australian Journal of Basic and Applied Sciences, 4(*6), 1495-1503.

Mento, A. J., Locke, E. A., & Klein, H. J. (1992). Relationship of goal level to valence and instrumentality. *Journal of Applied Psychology, 77*, 395-405.

Merriam, S. B (1998). *Qualitative research and case study applications in education*. San Francisco: Jossey-Bass

Messer, B.A.E & White, A.F. (2006). Employee's mood, perceptions of fairness and organisational citizenship behaviour. *Journal of Business and Psychology, 21*(1), 65-82.

Meyer, H. H., Kay, E., & French., J. R. P. Jr. (1965). Split roles in performance appraisal. *Havard Business Review, 43*, 123-9

Middlemist, R. D., & Richard B. (1976). Test of Equity Theory by Controlling for Comparison Co-Workers Efforts. *Organisational Behaviour and Human Performance, 15,* 335-354.

Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook.* (2nd ed.). Beverly Hills: Sage Publication

Milgrom, P., & Roberts, J. 1995. Complementarities and fit: Strategy, structure, and organisational change in manufacturing. *Journal of Accounting and Economics, 19,* 179-208.

Milkovich, G., Newman, J., & Gerhart, B. (2011). *Compensation.* Chicago, IL: Irwin Professional.

Miner, J. B. (2005). *Organisational Behaviour I: Essentials theories of motivation and leadership.* M. E. Sharpe. Inc, London

Mohrman, A. M., Resnick-West, S. & Lawler, E. E. (1989). *Designing Performance Appraisal Systems: Aligning Appraisals and Organisational Realities.* San Francisco, CA, Jossey-Bass, Inc.

Monis, H., & Sreedhara, T. N. (2010). Correlates of Employee satisfactions with performance appraisal system in foreign MNC BPOs operating in India. Annals of University of Petrosani, *Economics 10*(4), 215-224

Moorman, R. H, (1991). Relationship between Organisational Justice and Organisational Citizenship Behaviours: Do Fairness Percetions influence Employee Citizenship? *Journal of Applied Psychology, 76*(6), 845-855

Morrison, E. W. (1996). Organisational citizenship behaviour as a critical link between HRM practices and service quality. *Human Resource Management, 35,* 493-512.

Muhammad, A.H. (2004). Procedural justice as mediator between participation in decision making and organisational citizenship behaviour. *International Journal of Commerce and Management, 14(*3&4), 58-68.

Mullins, L. J. (1996). *Management and Organisational Behaviour*. (4th ed.). London: Pitman.

Murphy, K. R. & Cleveland, J. N. (1991). *Performance Appraisal. An Organisational Perspective.* Needham Heights, MA: Allyn and Bacon.

Murphy, K. R., & Cleveland, J. N. (1995). *Understanding Performance Appraisal*. Thousand Oaks, CA, Sage.

Narcisse, S. & Harcourt, M. (2008). Employee fairness perceptions of performance appraisal: a Saint Lucian case study. *International Journal of Human Resource Management, 19*(6), 1152-1169.

Neely, A.D. (1999). The performance measurement revolution: why now and where next? *International Journal of Operations and Production Management, 19(*2), 205–228.

Nickois, F. (1997). Don't redesign your company's performance appraisal system, scrap it! *Corporate University Review, 5*(3), 54-59.

Nobile, R. J. (1991). The law of performance appraisals. *Personnel, 68*(1), 7.

Nudurupati, S., & Bititci, U.S. (2005). Implementation and impact of IT-supported performance measurement systems. *Production Planning and Control, 16*(2), 152-62.

Nurse, L. (2005). Performance appraisal, employee development and organisational justice: exploring the linkages. *The International Journal of Human Resource Management, 16*(7), 1176 – 1194

Oakland, S. (1995). *Total Quality Management – Text with Cases*. BH Ltd, Oxford.

Otley, D. (2003). Management control and performance management: whence and whither? *British Accounting Review, 35,* 309-26.

Parker, T. R. (1998). *Exploring 360-Degree Feedback Performance Appraisal: Executive analysis of fire service operations in emergency management*. Unpublished master's research report, National Fire Academy.

Patton, M. Q. (1990). *Qualitative evaluation and research methods*. Newbury Park, CA: Sage.

Pettinger, R. (2002). *Mastering Employee Development***.** Basingstoke: Palgrave.

Pfeffer, J. (1994). *Competitive Advantage Through People: Unleashing the Power of the Workforce.* Boston: Harvard Business School Press.

Pfeffer, J. (2009). *Low Grades for Performance Reviews*. Business Week, 68.

Pitts, J. M. (1994). *Personal understandings and mental models of information: a qualitative study of factors associated with the information-seeking and use of adolescents*. Unpublished doctoral thesis, Florida State University, Florida

Podsakoff, P. M., & MacKenzie, S. B. (1997). Impact of organisational citizenship Behaviour on organisational performance: A review and suggestions for future research. *Human Performance, 10*, 133-152.

Poister, T. H. (2003). *Measuring Performance in Public and Nonprofit Organisations*. Jossey-Bass: San Francisco

Porras, J., & Robertson, P. (1992). Organisational development: theory, practice, and research. In Dunnette, M.D., & Hough, L.M. (Eds.), *Handbook of Industrial and Organisational*

Prahalad, C. K. & Krishnan, M. S. (2002). The dynamic synchronisation of strategy and information technology. *MIT Sloan Management Review,* 24-33.

Prasetya, A., & Kato, M (2011). Employees' perceptions towards that performance assessment system and salary system. A Case Study at PT. Telkom Indonesia, Malang Regional Office. *International Conference on Economics, Trade and Development, 7*

Preece, R. (1994). *Starting research: an introduction to academic research and dissertation writing.* London: Pinter

Price, A. (2000). *Principles of human resource management: An active learning approach.* Oxford: Blackwell Publishers

Pritchard, R. D. (1969). Equity Theory: A review and critique. *Organisational Behaviour and Human Performance, 4,* 176-211

Pulakos, E. D. (2004). *Performance Management: A roadmap for developing, implementing and evaluating performance management systems*. SHRM Foundation Psychology (2nd ed.). Consulting Psychologists Press, Palo Alto: CA

Pyett, P. (2001). Innovation and compromise: Responsibility and reflexivity in research with vulnerable groups .In J. Daly, M. Guillemin, & S. Hill (Eds., pp. 105-119). *Technologies and health: Critical compromises.* Melbourne, Australia: Oxford University Press.

Pyett, P. M. (2003). *Validation of Qualitative Research in the "Real World*"

Rademan, D. J., & Vos, H. D. (2001). Performance Appraisals in the public sector are they accurate and fair? *Journal of Industrial Psychology, 27*(1), 54–60.

Radnor, Z., & McGuire, M. (2004). Performance management in the public sector: fact or fiction? *International Journal of Productivity and Performance Management ,* 245-260.

Rahman, S. (2001). A comparative study of TQM practice and organisational performance of SMEs with and without ISO 9000 certification. *International Journal of Quality & Reliability Journal*, *18*(1), 35-49.

Rainbird, H. (1994). The changing role of the training function: A test for the integration of human resource and business strategies. *Human Resource Management Journal, 5(*1), 72-90.

Reason, P. (1981). Issues of validity in new paradigm research. In P. Reason & J. Rowan (Eds.), *Human inquiry* (pp. 239-250). New York: John Wiley.

Redman, T. (2001), Performance appraisal. In T. Redman., & A. Wilkinson (Eds.). *Contemporary Human Resource Management* (pp. 57-95). Pearson Education, Harlow.

Reynolds, R., & Ablett, A. (1998). Transforming the rhetoric of organisational learning to the reality of the learning organisation. *The Learning Organisation, 5*(1), 24-35.

Rice, P. & Ezzy, D (1999). *Qualitative research methods: A health focus.* Melbourne: Oxford University Press

Riessman, C. K. (1993). *Narrative Analysis*. Newbury Park, CA: Sage.

Risher, H. (2003). Refocusing performance management for high performance. *Compensation and Benefits Review, 35*(5), 20-30.

Roberts, G.E. (1990a). *The Current State of Performance Appraisal Research and Practice: Concerns, Directions, and Implications*. Unpublished Doctoral Dissertation, University of Pittsburgh.

Roberts, G.E., (1990b). *The Influence of Participation, Goal Setting, Feedback and Acceptance in Measures of Performance Appraisal System Effectiveness*. Unpublished Doctoral Dissertation. University of Pittsburgh,

Roberts, G. E. & Reed, T. (1996). Performance Appraisal Participation, Goal Setting and Feedback. *Review of Public Personnel Administration, 16,* 29-36.

Rowe, A. K., de Savigny, D., Lanata, C. F., & Victora, C. G. (2005). *How can we achieve and maintain high-quality performance of health workers in low-resource setting*.

Russell, J., & Russell, L. (2010). Talk Me Through It: The Next Level of Performance Management, *64*, 42–48.

Ryan, R. M., & Deci, E. L. (2000). When rewards compete with nature: the undermining of intrinsic motivation and self-regulation. In C. Sansone, & J. Harackiewicz (Eds.). *Intrinsic and extrinsic motivation. The search for optimal motivation and performance* (pp. 14–54) San Diego: Academic Press.

Ryan, R. M., & Deci, E. L. (2000). Intrinsic and Extrinsic Motivations: Classic Definitions and New Directions. *Contemporary Educational Psychology, 25***,** 54–67

Roberts, R.L. (2005). *Relationship between rewards, recognition and motivation at insurance company in the Western Cape*. Unpublished master's research report. University of the Western Cape, Cape Town.

Robinson, S. L., & Rousseau, D. M. (1994). Violating the psychological contract: not the exception but the norm", *Journal of Organisational Behaviour, 15,* 245-59.

Rolfe, G. (2004). *Validity, trustworthiness and rigour: quality and the idea of qualitative research.* Unpublished master's report, University of Wales, Swansea

Saeed, M. K., & Shahbaz, N. (2011). Employees' Perceptions about the Effectiveness of Performance Appraisals: The Case of Pakistan. *SIU Journal of Management, 1*(1)

Sahl, R.J. (1990). Design effective performance appraisals. *Personnel Journal,* 53-60.

Salaheldin, I. S. (2009). Critical success factors for TQM implementation and their impact on performance of SMEs. *International Journal of Productivity and Performance Management, 58*(3), 215-237

Salimaki, A & Jamsen, S. (2010). Perceptions of politics and fairness in merit pay. *Journal of Managerial Psychology, 25(*3), 229-251.

Sammer, J. (2008). *Calibrating Consistency.* HR Magazine, 53, 73–75.

Sanger, M.B. (2008). 'From measurement to management: breaking through the barriers to state and local performance'. *Public Administration Review, 68*(1), 70-85.

Scholtes, P. R. (1998). *The Leader's Handbook.* New York: McGraw-Hill.

Scullen, E. S (2011). Why Do You Have a Performance Appraisal System? *Management Review, 1*(1), 8-11

Seale, C. (1999). *The quality of qualitative research*. London: Sage.

Seldon, S. C., Ingraham, P.W., & Jacobson, W. (2001). Human Resource Practices in State Government: Findings from a National Survey. *Public Administration Review, 61,* 598-614.

Shearer, C. (2006). *Everyday excellence: Creating a better workplace through attitude, action and appreciation.* Milwaukee; ASQ Quality Press.

Shenton, A. K. (2004). Strategies for ensuring trustworthiness in qualitative research projects. *Education for Information, 22*, 63–75

Sheppard, B. H., Lewicki, R. J. & Minton, J. W. (1992). *Organisational justice.* New York: Lexington Books.

SHRM Curriculum Guidebook. (2010). *Performance Management and Appraisal*

Sila, I. (2007). Examining the effects of contextual factors on TQM and performance through the lens of organisational theory: an empirical study. *Journal of Operations Management, 25*(1), 83-109.

Silverman, D. (2000). *Doing qualitative research: a practical handbook.* London: Sage.

Simataa, G. (2004). *Performance Management System in the Namibian Public service*. Commonwealth Advanced Seminar. New Zealand

Simons, R. (2000). *Performance Measurement and Control Systems for Implementing Strategy:* Text and Cases. Prentice Hall, Upper Saddle River, NJ.

Simpson, R., & Hill, F. (2004). Squaring the circle; managing and measuring organisational performance whilst stimulating change and innovation. *Total Quality Management, 15*(5-6), 689-97.

Skarlicki, D. P. & Folger, R (1997). Retaliation in the Workplace: The Roles of Distributive, Procedural and Interactional Justice. *Journal of Applied Psychology, 82*, 434-443.

Sole, F. (2009). A management model and factors driving performance in public organisations. *Measuring Business Excellence*, *13*(4), 3-11

Sparkes, A. C. (2001). Myth #94: Qualitative health researchers will agree about validity. *Qualitative Health Research, 11*, 538-552.

Sparrow, P. (1998). New organisational forms, processes, jobs and psychological contracts: resolving the HRM issues. In Sparrow, P., & Marchington, M. (Eds.). *Human Resource Management: The New Agenda* (pp. 117-41), Pitman, London.

Stephan, W., & Dorfman, P. (1989). Administrative and Developmental Functions in Performance Appraisals: Conflict or Synergy. *Basic & Applied Social Psychology*, *10*(1), 27-41.

Stiles, P., Gratton, L., Truss, C., Hope-Hailey, V., & McGovern, P. (1997). Performance management and the psychological contract. *Human Resource Management Journal, 7*(1), 567

Stewart, G., & Gable, G. (1999). *Applying the case study and action research methods to post-graduate studies of enterprise processing system implementations*. Institute of Higher Learning forum

Suliman. A.M.T. (2007). Links between justice, satisfaction and performance in the workplace. *Journal of Management Development, 26*(4), 294-311.

Sumlin, R. (n.d). *Common performance management challenges. Development Dimension International*

Recessionary Management Survey. (2009). *Best Practices for Driving Employee Performance.* Taleo Business Edition Summary Report Performance Management Best Practices. Human Capital Institute

Teratanavat, R., Raitano, R., & Kleiner, B. (2006). How to Reduce Employee Stress. *Nonprofit World, 24*(3), 22 – 24.

Terpstra, D. E., & Rozell, E. J. (1994). The relationship of goal setting to organisational profitability. *Group & Organisation Management*, *19*, 285-294.

Terziovsky, M., & Samson, D. (1999). The link between total quality management practice and organisational performance. *International Journal of Quality & Reliability Management, 16(*3), 226-237.

Tietjen, M. A., & Myers, R. M. (1998). Motivation and Job Satisfaction. *Management Decision, 36*(4), 226-231

Tobin, D. R. (1998). *The knowledge-enabled organisation. Moving from 'Training' to 'Learning' to Meet Business Goals.* New York: Amacom

Towne, N. D. (2006*). Employee Performance Appraisal Systems: Effects on Communication within Organisations.* Unpublished master's research report, Fairbanks, Alaska.

Trader-Leigh, K. E. (2002). Case study: identifying resistance in managing change. *Journal of Organisational Change Management*, *15(*2), 138-55.

Tuckett, A. G. (2005). Applying thematic analysis theory to practice: A researcher's experience. *Contemporary Nurse, 19*(1-2), 75-87.

Vagneur, K., & Peiperl, M. (2000). Reconsidering performance evaluative style. *Accounting, Organisations and Society*, *25,* 511-25.

Van Maanen, J. (1983). The fact and fiction in organisational ethnography. In J. Van Maanen (Ed.), *Qualitative methodology* (pp. 37-55). Beverly Hills: Sage

Van Prooijen, J. (2009). Procedural justice as an autonomy. *Journal of Personality and Social Psychology*, *96*(6), 1166-1180.

Verespej, M. A. (1990). Performance Reviews Get Mixed Reviews. *Industry Week, 239,* 49-54

Vroom, V. (1964). *The motivation to work.* New York: Wiley

Walsh, M. B. (2003). *Perceived fairness of and satisfaction with employee performance appraisal.* Unpublished Doctoral Dissertation, Louisiana State University

Walters, M. (1995). *The Performance Management Handbook.* Institute of Personnel and Development, London.

Whittemore, R., Chase, S. K., & Mandle, C. L. (2001). Validity in qualitative research. *Qualitative Health Research, 11*, 522-537.

Whittington-Jones, A. (2005). *The development and implementation of a performance management system: A case study*. Unpublished master's research report, Rhodes University, Grahamstown

Wiese, D. S., & Buckley, M. R. (1998). The evolution of the performance appraisal process. *Journal of Management History, 4*(3), 233-249

Winum, P., Ryterband, E., & Stephensen, P. (1997). Helping organisations change: a model for guiding consultation. *Consulting Psychology Journal: Practice and Research, 49,* 6-16.

Wood, R. E., Mento, A. J. & Locke, E. A. (1987). Task complexity as a moderator of goal effects: A meta analysis. *Journal of Applied Psychology, 72*, 416-423

Wooten, W., & Burroughs, W. A. (1991). Setting Measurable Goals for Better Performance. Supervisory Management, *36*(12).

Wright, P. M., Gardner, P. M., & Moynihan, L. M. (2003). The impact of HR practices on the performance of business units. *Human Resource Management Journal*, *13*(3), 21-36

Yearta, S. K., Maitlis, S., & Briner, R. B. (1995). An exploratory study of goal setting in theory and practice: A motivational technique that works? *Journal of Occupational and Organisational Psychology, 68*, 237-252

Yin, Robert K. (2003). *Case Study Research: Design and Methods,* (3rd Ed), Sage Publications.

Yusof, S., & Aspinwall, E. (2000). Critical success factors in small and medium enterprises: survey results. *Total Quality Management, 11*(4), 248-462.

Zhang, Y., & Wildermuth, B. M (n.d.). *Qualitative Analysis of Content*

APPENDIX A

Executive Director 12 September 2011
Silnam IT Solutions (Pty) Ltd
PO Box 4028
WINDHOEK
Namibia

Dear Mr Xoagub

RE: REQUEST FOR PERMISSION TO SUBMIT QUESTIONNAIRES AND CONDUCT INTERVIEWS TO STAFF AND MANAGERS

I am currently busy with research for a Masters of Commerce at the University of Witwatersrand. The title of the intended research dissertation is "The Contributions of Performance Management Systems to Performance in the Namibian Context". The study is undertaken towards the fulfillment of the requirements for the enrolled degree.

The objective of the research is to study and analyse the perceptions of the employees with regard to the performance management systems being practiced and to generate insight that can provide organisations with recommendations for factors to be considered in successfully implementing performance management practices. I believe a better understanding of the perceptions by persons involved in performance management systems would provide decision makers with more specific information needed to improve the effectiveness of the system in achieving organisational goals.

I hereby would like to request permission to submit questionnaires and conduct interviews, if and when required, to employees in your organisation. Questionnaires and reports will be made available to you for your perusal before they are submitted to staff. Questionnaires are expected to be distributed during the month of October/November. All information will be treated in confidence and no reference will be made to a specific individual.

Your favourable consideration will be highly appreciated.

Yours sincerely,

Ms Ndafuda Hamumokola

For correspondence:
PO BOX 1805, Windhoek
ndafi@yahoo.com (preferred)
Tel: +264812632905 / 276727 (w) / 213012 (h)
Fax: 088637175

APPENDIX B(i)

TransNamib Holdings Ltd.
www.transnamib.com.na

MEMORANDUM

Reference: HR/ ENG:
Tel: 298 2327 (Festus)
14 September 2011

To: 1) Manager: Human Resource Services (Acting)
2) General Manager: Human Resources & Administration (Acting)

From: Human Resource Officer (Civil Engineering)

RE: REQUEST TO CONDUCT RESEARCH- MRS. NDAFUDA HAMUMOKOLA-JOSEPHAT

PURPOSE

To obtain approval from the General Manager: Human Resources & Administration (Acting) for Mrs. Hamumokola-Josephat to conduct academic research at TransNamib Holdings Limited.

BACKGROUND

Mrs. Hamumokola-Josephat is currently pursuing her Master of Commerce (Dissertation), at University of the Witwatersrand.

In order to fulfill the requirement of her studies, she is expected to conduct research. The title of her research is "The Contributions of Performance Management Systems to Performance in the Namibian Context". The objective of the research is to study and analyze the perceptions of the employees with regard to the performance management systems being practiced and to generate insight that can provide organizations with recommendations for factors to be considered in successfully implementing performance management practices. She has chosen to conduct her research at TransNamib Holdings Limited.

The research involves submission of questionnaires and conducting of interviews to employees at TransNamib Holdings Limited during October/November 2011. She has indicated that all information will be treated in confidence and no reference will be made to a specific individual.

Her letter of request, proof of registration and research questionnaire are herewith attached. (Annexure A-C)

RECOMMENDATION

In view of the above, it is requested that approval be granted for Mrs. Hamumokola-Josephat to conduct academic research at TransNamib Holdings Limited during October/November 2011.

14/09/2011

F NEWAYA
HUMAN RESOURCE OFFICER (CIVIL ENGINEERING)

APPENDIX B(ii)

TransNamib Holdings Ltd

14 September 2011

Ms. Nd. Hamumokola - Josephat
PO Box 1805
WINDHOEK
NAMIBIA

Dear Ms. Hamumokola - Josephat

<u>Re- Request to conduct a research at TransNamib Holdings Ltd</u>

I refer to your letter dated 13 September 2011 in which you have requested TransNamib to approve your request to submit questionnaires and conduct interviews to staff and managers.

This letter therefore serves to confirm that your request was approved by our Management and you may therefore proceed with your research initiatives on our premises.

Thank you

Thobias Nekomba
Manager: Human Resources Services (A)

TRANSNAMIB HOLDINGS LIMITED
WINDHOEK
14 SEP 2011
Human Resource Department
HR: HQ

APPENDIX C

NAMWATER
Namibia Water Corporation Ltd

atushe all of us

Return Address Namibia Water Corporation Ltd.
Private Bag 13389, Windhoek, Namibia

Mrs N Hamumokola-Josephat
PO Box 180
Windhoek
6 October 2011

Our Reference	Research request
Direct Phone	(+264-61) 71 2023
Direct Fax	(+264-61) 71 3805
E-mail Address	OlivierC@namwater.com.na
Date	11 October 2011

Dear Madam

REQUEST TO CONDUCT RESEARCH

With reference to your letter dated 15 September 2011, we are pleased to inform you that your request for permission to conduct research at NamWater using questionnaires and interviews with NamWater employees has been approved.

We will gladly assist you to gather all data you may need. We trust that you will treat all collected data with high level of confidence.

We wish you the best of success in your studies.

Yours faithfully

C Olivier
SENIOR MANAGER: HUMAN RESOURCE DEVELOPMENT

Request to do research N Hamumokola-Josephat

Head Office 76 Iscor Street, Northern Industrial Area, Windhoek, Namibia
HO Postal Address Private Bag 13389, Windhoek, Namibia
HO Phone / Fax / www Phone (+264-61) 710 000, Fax (+264-61) 713 000, www.namwater.com.na

APPENDIX D

NamPower (Pty) Ltd.

NamPower Centre, 15 Luther Street, P.O. Box 2864, Windhoek, Namibia, Tel +264-61-2054111, Fax +264-61-232805, E-mail register@nampower.com.na

Ms Ndafuda (Hamumokola) Josephat
P O Box 1803
WINDHOEK

Your Ref :

Our Ref :

Enquiries:

Date : 6 September 2011

Dear Ms Josephat

REQUEST FOR PERMISSION TO SUBMIT QUESTIONNAIRES AND CONDUCT INTERVIEWS WITH STAFF AND MANAGERS AT NAMPOWER

I would like to refer to your letter dated 30 August 2011, requesting permission to submit questionnaires and conduct interviews with staff and managers at NamPower, on the topic: ***"Staff perceptions towards performance management systems in the Namibian context"*** towards your Master of Commerce degree.

This letter therefore serves to confirm that the NamPower Managing Director has approved your request, to submit questionnaires and conduct interviews with staff and managers at NamPower offices in Windhoek. This approval is based on condition that no disruption of work should occur during your research at NamPower and that upon the completion of your study you will submit a copy of your research outcome to NamPower.

We wish you all the best in your study.

Yours faithfully

Simeon Amunkete
Senior Manager: Human Resources

A.L. Hungamo (Chairperson), P.I. Shilamba (Managing Director), P.A. Kiiyala, G. Narib, P.J. Maritz, S. Hawala, M.M.N. Nakale-Gaomas.

Co. Reg. No. 2051

APPENDIX E

NAMFISA
NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY
Safeguarding the Nation's Wealth

27 September 2011

Ms N Hamumokola

P.O. Box 1805

Windhoek

Dear Ms Hamumokola

PERFORMANCE MANAGEMENT QUESTIONNAIRE

I refer to your request of 15 September 2011 to distribute questionnaires on performance management to the NAMFISA staff as well as to conduct interviews with them.

Please be informed that the Acting CEO has granted approval to assist you with your studies in this way. It is also a further request that the NAMFISA information be kept confidential as indicated by you.

Kindly contact me to discuss administrative arrangements regarding the process.

Yours sincerely

(Ms) B Sam

Acting GM: Operations

Tel: +264 61 290 5000, Fax: +264 61 290 5158, PO Box 21250, Windhoek, Namibia, 154 Independence Ave, Sanlam Centre, www.namfisa.com.na

APPENDIX F

Namibia Development Corporation

Constituted under Act 18 of 1993

11 Goethe Street, Private Bag 13252, Windhoek, Namibia, Tel. (061) 206 2111, Fax (061) 233 943
Tel. Intl. + 264 61 206 2111, Fax Intl. + 264 61 233 943

SEPTEMBER 26TH,2011

Ms Ndafuda Hamumokola-Josephat
Box 1805
WINDHOEK

Dear Ms Josephat

REQUEST FOR PERMISSION TO CONDUCT RESEARCH AT NDC

Pursuant to your letter dated August 30th,2011 pertaining to the same subject, Management at NDC herewith confirms to grant you permission to submit questionnaires and conduct interviews to personnel members.

Having been chosen as a relevant participant of your research project, we would like to have a copy of study as we regard such Findings and Recommendation as potentially having an impact on our institution in future.

May we wish you the best of luck with your intended research work which will certainly add value to performance of state-owned enterprises such as the NDC.

Your sincerely

NAMIBIA DEVELOPMENT CORPORATION

Wessel !Nanuseb
Manager: HR & Corporate Affairs

Regional Offices:

P.O. Box 2179,
Oshakati, Namibia
Tel. (065) 221198 Fax 221388
Intl. +264 65 221198

P.O. Box 12,
Rundu, Namibia
Tel. (066) 255020 Fax 256118
Intl. +264 66 255020

APPENDIX G

SILNAM Information Technology Solutions (PTY) Ltd

15 September 2011

Ms Ndafuda Hamumokola
PO Box 1805
Windhoek

Dear Ms Hamumokola

RE: REQUEST FOR PERMISSION TO SUMIT QUESTIONNIARES AND CONDUCT INTERVIEWS WITH STAFF AND MANAGERS

Reference bears to your letter dated 12 September 2011, requesting permission to conduct research within SILNAM IT Solutions.

I hereby wish to confirm that you request has been approved by Silnam Management. However, you are expected to submit a report of your analysis upon completion of your studies.

I trust you will find this in order. Silnam wishes you the best in your studies.

Yours Sincerely

Reinhold Xoagub
Executive Director

351 Independence Avenue, P.O Box 4028, Windhoek, Namibia. Tel +264 61 271767, Fax +264 61258562

APPENDIX H

THE CONTRIBUTIONS OF PERFORMANCE MANAGEMENT SYSTEMS TO PERFORMANCE IN THE NAMIBIAN CONTEXT

PURPOSE OF THE STUDY

The objective of the research is to study and analyse the perceptions of the employees with regard to the performance management systems being implemented and how these affect performance. These are also scrutinised in conjunction with views of motivation and goal setting. The research also aims to generate insight that can provide organisations with recommendations for factors to consider in order to successfully implement performance management practices, therefore contributing to literature.

UNDERTAKING

All information provided will be treated with utmost confidentiality. You are not required to provide your name in the questionnaire.

INSTRUCTIONS

1. Please answer all questions
2. Complete the questions as honestly and objectively as possible.
3. Please return the questionnaires by submitting it at the designated office.
4. Please sign the attached consent form

Research Questionnaire

SECTION 1: DEMOGRAPHIC INFORMATION

This information will be kept strictly confidential and is collected for statistical purposes. Kindly make a cross in the appropriate box, where relevant.

1. In which department/division are you working?...…

2. What is your gender?

Male	Female

3. What is your age category?

20 years or younger	
20 – 29 years	
30 - 39 years	
40 – 49 years	
50 – 59 years	
60 or older	

4. How long have been employed in this organisation? Please indicate the number in the appropriate box

Months	
Years	

5. What is your current employment status in this organisation?

Permanent	
Temporary	

6. What is your employment level category? Please tick

Unskilled (lower level)	
Semi-skilled / Skilled (Mid level)	
Specialist / Supervisory / Management	

This offers an opportunity to give honest and objective feedback. There are no ‘right’ or ‘wrong’ answers. It is your view that is important. The more honest you are, the more valuable your response will be.

SECTION 2: PERFORMANCE MANAGEMENT / APPRAISAL

1. Do you have a performance management/appraisal system in place in this organisation?

   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………….................................

2. Is your performance being measured? If so, how?

   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………….................................

3. How often are you appraised and given feedback on your performance by your Supervisor?
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………

4. Are you satisfied with the way in which your performance is appraised? Please explain
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   ……………………………………………………………………………………
   …………………………………………………………………………………
   ……………………………………………………………………………………
   …………………………
5. How do you think the performance appraisal process can be improved?
   ....
   ....
   ....

....
....

6. Are you satisfied with the support and guidance you receive from your supervisor to enable you to perform effectively?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

7. What factors do you think are important in effectively implementing performance management systems?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

8. What aspect of performance management do you think is the biggest obstacle to overcome?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

SECTION 3: SETTING GOALS

1. How clear are you on your performance expectations? Are you satisfied with what is expected from you?
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
………………………………………………………………………………………..

2. How are performance goals set in this organisation? Are employees involved in setting goals or are goal assigned?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………..

3. Referring to the above question, do you think the way in which goals are set has an impact on your performance? Please explain

....
....
....
....
....
....

4. Do you think setting goals is necessary or can employees work effectively without goals?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………..

5. Do you think having specific challenging goals (e.g. increase sales by 15% in 3 months) are more motivating than general goals (e.g. increase annual sales by)?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
……………………………………………………………………......................................
....

SECTION 4: MOTIVATION

1. What motivates you to work? What are the things you like most about working in this organisation?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
……………………………

2. What do you like least about working in this organisation?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
……………………………

3. Do you feel that you receive sufficient and appropriate on-the-job performance recognition? Does this have an impact on your motivation to performance?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

4. What kind of non-monetary incentives would you introduce to the company that would motivate employee to perform better?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

SECTION 5: GENERAL

1. What are your general views on performance management/appraisal and do you think it is a necessary function in the organisation?
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………

2. How effective do you think this organisation is in managing performance? What do you think could be done to improve, if needed?

……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………

3. Do you think having a performance management/appraisal system in the organisation motivates employees to perform, compared to where there is no system? Please justify

……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………

4. Do you have any other views/comments/suggestions regarding performance management and your motivation to performance in this organisation?
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………

5. How much percentage do you think you contributed towards the success of the company and your particular team? Please justify
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
………………………………………………………………………

Thank you for your participation!!!

APPENDIX I

Semi-structured Interview Questions

1. How long have you been employed in this organisation?
2. Is there a PMS in the organisation?
3. How often is your performance assessed and how? If it's not assessed, how'd you prefer it to be done and how often?

4. How well do you understand your roles and responsibilities with regard to performance management?

5. **How important do you think performance feedback is? Does it play a role?** (Proposition: Supportive and timely supervisory feedback will lead to higher performance than when no feedback is provided)

6. **In your view, do you think there's a relationship between the performance management systems and employee performance? Please explain**

7. **What do you think are the factors associated with the success or failure of PMS?**
8. **What role does goal setting play in performance management?** (Proposition: There is a positive association between positive perceptions of goal setting and performance)

9. **How are performance goals set in the organisation? Assigned or are employees involved?** **(**Proposition: Participation in goal setting will lead to higher performance than assigned goals)

10. **Do you think there is a difference in performance effort/motivation when specific challenging goals are set/assigned compared to general goals?** E.g. sell 5 cars in March compared to increase sales this year (Performance benefits can be realised through the implementation of challenging and specific goals)

11. What motivates you to work? Intrinsic or extrinsic rewards?

12. Do you think there is a relationship between rewards and performance? Explain

13. Do you believe organisations with PMS performance better than those without? Motivate

14. What are your final views on the role of PMS in organisations and their impact on employee performance?

Once again, thank you very much for your input!!!

APPENDIX J

Consent Form

I, on this date ……………………………state that:

- I voluntarily agree to participate in this research project. I understand that I am under no obligation to take part in this research.
- I have read the Participant Information Sheet and have had the opportunity to ask questions about the research.
- I agree to my responses being used for research purpose on condition my privacy is respected and I remain anonymous at all times.
- I understand that this form will be kept separate from the information collected to protect my identity.

Participant's signature: ______________________

Researcher's signature: _______________________

APPENDIX K

University of the Witwatersrand

School of Economic and Business Sciences

Dear Recipient

My name is Ndafuda Hamumokola. I am currently registered for the degree of Master of Commerce at the University of Witwatersrand. As a requirement towards completion of my degree, I am conducting a research study that is investigating the relationship between performance management systems and performance in the Namibian context. The research will contribute by generating insight that will be beneficial to employees, HR practices and organisations that are involved with the implementation of performance management systems.

I would like to invite you to participate in the study. Participation will entail completion of a questionnaire, which should take approximately 20 minutes. The potential participants are employees in various organisations in Namibia. You have been approached, as an employee, because your participation will contribute towards improving understanding of some of the challenges faced by organisations in terms of performance management

Participation is voluntary. Confidentiality will be preserved at all times and no details that will identify specific individuals will be required. I undertake to conduct myself and my research in a manner that reflects the professional ethics of the university. A report will be provided to your employer containing findings of your respective organisation.

The research is for academic publication purposes only. The overall results of the study will be reported in my dissertation, which will be published by the University of the Witwatersrand. The dissertation will be in the Wits library and accessible worldwide via the internet.

Feedback will be provided to individual participants upon request. Any queries regarding the questionnaire or any other aspect of the research can be directed to myself or to my supervisor, Chris Callaghan, on the email addresses or telephone numbers listed below.

Yours sincerely,

Ndafuda Hamumokola

Ndafuda Hamumokola
ndafi@yahoo.com
0812632905 / 061 271767

Chris Callaghan
Chris.Callaghan@wits.ac.za
+27 11 7178066

APPENDIX L

Interviews transcriptions

INTRODUCTION

My name is Ndafuda Josephat, maiden name Hamumokola, student number 0515387J. Im conducting research for my Master's degree dissertation titled "The contributions of performance management system to performance in the Namibian context. I'll be conducting interviews with employees from various organisations for the purpose of the said degree. Procedures will be explained to participants, the purpose of the study will be explained by means of the Participant Information sheet and they will be asked to sign a consent form. To ensure sufficient space on the recorder, only the actual interviews will be recorded, not the explanations to participants. Interviews will now begin.

Company: TransNamib Holdings Ltd

Date: 16 March 2012

Affiliation with interviewees: None. There has been no previous association between the interviewer and the interviewees apart from the initial meeting, on the 15 March 2012 to discuss the research purpose and procedures, during which the participants agreed to part-take.

Interviewee: Participant 1

(Start of interview)

Interviewer: Thank you for agreeing to participate.

Interviewer: How long have you been in this organisation?

Interviewee: I've been here for six years

Interviewer: Ok, is there a performance management system?

Interviewee: No, we don't have a performance management system

Interviewer: In that case, how is your performance assessed and how often?

Interviewee: No, we don't really have a system so it doesn't apply here

Interviewer: So your supervisor doesn't give you any feedback? Is there no way that your performance is assessed? So you don't know how well you're performing or where you need to improve?

Interviewee: No, we don't have something like that

Interviewer: How well do you understand your roles and responsibilities?

Interviewee: How well do I know?

Interviewer: Yes, is there a job description or are there some performance goals that are set? How do you know how well you're doing basically?

Interviewee: No, we only have the job description, we work based on that. Performance wise no, we're not measured

Interviewer: Do you think it's important to be given feedback from your supervisor with regards to your performance?

Interviewee: It's very important, if you know that you are performing well then you are motivated to do better but then if you don't know where you stand then it's very discouraging.

Interviewer: Ok, in your view, and I understand you said there is no performance management system in the organisation but do you think there is relationship between implementing a performance management system and performance?

Interviewee: Implementing?

Interviewer: **Yes, do you feel like if there was a performance management system in the organisation do you think performance will be better or enhanced or improved?**

Interviewee: Yes I strongly believe that if there was performance management will be encouraged to work hard because you know that at the end of the day if you don't performance then you...like our sales people for instance they work on basic salary, they don't work like if you work up to a certain...like work on commission, if you don't work then you don't get paid...no we don't have that but if we had that people would be very productive

Interviewer: **So, what do you think are the factors associated with the success or the failure of performance management systems? If there is implementation of performance management system, what do you think is important...what factors do you think are important to consider that will lead to success or the failure of it?**

Interviewee: hmmm...I don't understand

Interviewer: **Is it the question that you don't understand?**

Interviewee: Yes...

Interviewer: **Ok, if for example I say...if you think performance is important or the training of people involved in the system or there's a lack of maybe management support it may lead to failure...things like that, so what you consider as important for the system to be successful? And factors do you think if they not implemented it will lead to the failure of it?**

Interviewee: I think...I strongly feel support from management is very important and also in-service training is important...yeah, with those I think it will lead to the success because like here we don't have no training are being conducted, you don't have support from the management, you just doing your own things

Interviewer: What role do you think goal setting plays in performance management? And how are performance goals set in the organisation? You are involved in setting organisational goals or are goals just given to you, as in ok, do this without your involvement or without necessarily having agreed that ok this are our target, let's try and achieve these by a certain period or something?

Interviewee: No, normally here goals are being set by only management, we're not involved so we don't know anything, we don't know we're working towards what, we're just there

Interviewer: Do you think it would've helped or improved your motivation and performance level if you were part or participated in the setting of goals compared to them just being given to you?

Interviewee: Ja, you know when you're involved in decision making, you know your plan. You know when somebody has a plan, you know where you're going but if you're just on the way, you don't know which place you're going, you're just moving but you don't know where you're going its very discouraging but if I know that these are our plans we make a decision, these are strategic plans, this is where we're going and when we want to get there, then that way we work toward that and you'll be able to make meaningful contribution but if you're not involved you don't know what plans are there, you'll be very discouraged.

Interviewer: What motivates you to work? What gives you the motivation to carry on working considering that you don't have any goals set, you're not given any feedback from the supervisor, what gives you that drive to continue working in this organisation?

Interviewee: Just because you have that love of the nation and you also want to make a meaningful contribution to the development. You want to work and also just because you want earnings, you want to earn something

Interviewer: **Would you consider intrinsic rewards such as the enjoyment of the work, rewards that are more internal like recognition and enjoying what you're doing more important than the extrinsic rewards such as simply concentrating on the salary or the benefits?**

Interviewee: Jah, i think those are motivational...like recognition at work, they are very important than those other ones like earning

Interviewer: **What do you think is the relationship between rewards and performance?**

Interviewee: I don't think there's a relationship? Is there a relationship? I don't know

Interviewer: **In terms of if there are rewards for example, maybe it would increase performance compared to if there were no recognition. Do rewards have no impact on employee performance?**

Interviewee: I think it has an impact in a way that if there was something motivating people then...if you do abc, or if you make a sale of so so...then you'll be rewarded. Then in that way people will perform.

Interviewer: **Would you think that rewards is something that should be linked and made part of a performance management system?**

Interviewee: Jah, i think there's a relationship. If you link performance with reward, then I think the outcomes will be very satisfactory because...I mean if you promise employees, if an employee performs good, you give them certain something then people will perform. But now you're not encouraged because you're not motivated because there's nothing that is motivating you. You'll not get a reward...we're getting bonus, it's not performance bonus that we're getting, everybody is getting, whether you perform or you didn't perform.

Interviewer: So, what do you think? Do you think that's fair, with regards to the current practice and what would you suggest in terms of fairness like you said now that people will get bonuses regardless of how you perform? So what is your view on the fairness, the importance of fairness in performance management?

Interviewee: No, I think like bonuses should be given like other parastatals, like Telecom, if you don't perform you don't get bonus. Then that way people will be encouraged to work hard to achieve a certain goal but if you're just there, you know you'll get your bonus even if you don't perform. People will not be productive.

Interviewer: Does the current practice of performance bonuses have an impact on the way you're performing, on your performance, in terms of knowing that someone who is performing exceptionally well and someone who is just doing work because it has to be done and not putting in extra effort and you're both getting a performance bonus at the end of the day. Does that impact your performance or motivation to perform?

Interviewee: Like here it doesn't make any difference because you get it whether or not you work

Interviewer: What are your final views on the role or performance management systems in organisations and their impact on performance? Would you recommend that the company implement a performance management system?

Interviewee: My view is that for any organisation I think they should implement a performance management system. It will enhance performance in a way that employees will be encouraged to work hard towards a common goal. Knowing that there's a performance management system, because you look at companies like Telecom as I said, people have performance management systems and if you see those people you can see that these people are working really hard because they know that if they don't work hard toward that goal, the they know there will be no performance bonuses for example but if companies like TransNamib are just living the way they are then there's no way that employees will perform.

Interviewer: Ok, thank you once again for your participation, your input is very much appreciated.

Interviewee: Ok, thank you.

(End of interview)

Interviewee: Participant 2

(Start of interview)

Interviewer: Thank you for agreeing to participate in my research

Interviewee: Ok

Interviewer: How long have you been in this organisation?

Interviewee: I've been here for four years

Interviewer: Is there a performance management system in the organisation?

Interviewee: Ever since I came here really they did not introduced me to that system

Interviewer: Ok so how is your performance assessed and how often?

Interviewee: I'd say my performance is not assessed. It's actually not assed because I know what I should do and I do it and nobody is really after me to say that you've not achieved or you've not performed.

Interviewer: How do you understand you roles and responsibilities? Or should I rather ask how are goals assigned in the organisation? Are they assigned to staff or are employees involved in setting goals?

Interviewee: Like me I just know what I need to do. There's not really specific goals that are there that I follow

Interviewer: Considering that you are not assessed, meaning I'd assume that you're not given any feedback from your supervisor, how well do you know how you are doing?

Interviewee: Ok, in the beginning when I joined the company I felt like my job description was not well outlined. So, I know what I must do when my managers and those that I report to, when they demand something from me whether it's a certain report then after sometime I've learned what is expected of me. So I don't know if I answered your question...

Interviewer: No, I understand. Uh, how important do you think feedback is and do you think it plays a role?

Interviewee: I think it's very important. Feedback, u know, is communication between the employee and the supervisor because when the supervisor is communicating more, the employee is also learning from the supervisor and you become more comfortable with...yeah, your job description is more well outlined and you also become comfortable with your work

Interviewer: Do you think there is a relationship between the implementation of performance management systems and performance?

Interviewee: Performance management and performance?

Interviewer: Yes, do you think if there was a performance management system in the organisation...

Interviewee: Oh yes, I think so. I think there is a relationship between performance management and performance. I think there's a difference when a company has that system and when it does not have. I think so

Interviewer: Would you agree that a company with a performance management system performs better that a company that doesn't.

Interviewee: Yes because performance management can improve the company's performance by improving individual performance, you know.

Interviewer: What factors do you think are associated with the success or failure or performance management system? So if you were to recommend

implementation of a performance management system, what factors do you think would help in succeeding?

Interviewee: Uhm...what factors would help the systems to succeed in the company?

Interviewer: Yes...

Interviewee: Ok, first of all, the goal have to be set because you first have to set a goal for you to know where you're going and what you expect your employees to do and also like we spoke about communication, it must be regular between the employee and the supervisor and training also has be offered. And rewards, what you call performance...(word not clear)...can also improve the system to be effective in the company.

Interviewer: Thank you. So you would say that there is relationship between goal setting and performance management?

Interviewee: Yes

Interviewer: With regards to your tasks and responsibilities, are they assigned or are you involved in setting objectives?

Interviewee: Both. There're certain tasks I'm involved in setting objective, I can decide what I want to do, and some are assigned.

Interviewer: So do you think there' a difference in your performance with regard to goals that are assigned to you and goals that are...goals were you're involved in? In terms of maybe if you're involved in setting the goals, do you perform better in those goals than goals that were just given to you?

Interviewee: Ok, let me say, the goals that I set myself is something that Im willing to do, I may want to investigate something or just to analyse something and I can as well achieve a big result with the goals that I've set myself. The same as the goals that are set for me, I still have to perform, I still have to produce good results.

Interviewer: **Do you think having specific challenging goals is more motivating or is there a difference in the performance level compared to goals that are just general? Let me give you an example, if I say sell five cars in March, would that motivate you more compared to if I just said increase sales for the year, for example? Would you say there's a difference?**

Interviewee: If you say sell five cars...

Interviewer: **Yes, if I have to be specific and be challenging, than if I just say increase sales?**

Interviewee: Uhm...there can be a difference. If you give a task and if you also attach some rewards to that target, then the person will work hard because they know that if I achieve this, I'll get this but if you don't say increase sales, they may just work as normal. Really it can work differently with different people. I really don't know how to explain that but it's really...now because im also not really familiar with the system I might not know how it would work.

Interviewer: **Would you say then that there's relationship between rewards and performance?**

Interviewee: Yes

Interviewer: **Please explain. Why you'd say there's a difference in terms of maybe, if you think there'll be better performance if people will be rewarded compared to no rewards?**

Interviewee: Rewards can also increase performance because if a person know that im going at the end of the year, im going to...my performance is going to be assessed and if I outperform, I'll receive something, they will definitely perform

Interviewer: **What motivates you to work?**

Interviewee: Ok, Im a Christian and sometimes I can really...sometimes I can be lazy but sometimes I can really think and say this...because the bible says we must serve our masters as we're serving him not looking at them personally but one thing that can also make me perform is that im not serving a human being, im actually serving God. And another one that can motivate me is that when I produce a report for example and my supervisor says it's a good report, I also feel motivated when they give that feedback that your report is good and I also...one thing that motivates me, the people that I help, those that are looking for the information with me and then at the end of the day they express that I've really help them and they appreciate, it just make me want to work.

Interviewer: Ok, so you'd say you're more motivated by the internal satisfaction rather than external or focusing on money and benefits?

Interviewee: Yeah

Interviewer: oh ok good. So what are your final views on the role of performance management systems and their impact on performance? And perhaps any recommendations that you would give or advice with regards to the implementation of performance management.

Interviewee: I think uhm every organisation should have a performance management system in place because like I said it helps to improve the overall performance of the organisation and it also improve the performance of individuals or team and in that process you also identify the needs of the employees where you need to train them and so on. So I'd really advise that organisations should have them

Interviewer: You would say it would make a different to how you're performing now if there was a performance management system

Interviewee: Yes

Interviewer: **Ok, thank you once again for your input, it's really appreciated**

Interviewee: Ok, thank you!

(End of interview)

Interviewee: Participant 3

(Start of interview)

Interviewer: Thank you for agreeing to participate in this research. How long have you been employed in this organisation?

Interviewee: Uhm...I started in 2007, it will be 5 years now

Interviewer: Is there a performance management system in the organisation?

Interviewee: So far there's nothing

Interviewer: So how often is your performance assessed and how?

Interviewee: To be honest with you, as im talking now there nothing like that in place, like for instance where you can be told that these are the objectives and this is how we're going to reach the objectives. There's nothing like that

Interviewer: How well do you know your roles and responsibilities?

Interviewee: Uhmmm...ok, to me my roles and responsibilities I only know them through my job description

Interviewer: Is there a goal setting process? In terms of when goals are set, are parts of goals assigned to you or are employees also involved in setting targets?

Interviewee: You know, uhmm...normally we...like for part three years we came together with guys in our department from different regions on out company, we came together and talk about the challenges and objectives that the department would like to meet but we only do those things on paper but nobody comes up and make a follow up like say on a monthly basis or on a quarterly basis. We only do it the next year again. That's how we come and sit together and look at the challenges and what we've done but it's a just repetition of what we've been doing all those years.

Interviewer: How important do you think performance feedback is and does it play a role?

Interviewee: Jah, its uhm...to me it's very important because it can also show or indicate the strengths and weaknesses of different employees or where it can be improved in order to achieve the set objectives, so it's helpful to assess the weaknesses.

Interviewer: Do you think there's a relationship between the implementation of performance management system and performance"

Interviewee: I think there is, ja there's a relationship because to me performance management is a sort of activity to me that need to be done in a period of time and they are related in the sense that they have to go hand in hand or they have to be set at the same time because to me the performance is something that you can measure maybe monthly or quarterly. You also have to look at the performance of those people on monthly or quarterly basis, that's how the relationship starts. You have to set them at the same time, manage them and also assess weaknesses and strength so that when it comes to maybe to training where people are lacking than they can be trained that time.

Interviewer: What do you think are the factors associated with the success and failure of performance management? What would you say is important to consider in order for the performance management system in the company to be successful?

Interviewee: Factors that can be considered?

Interviewer: Yes, that would be successful and those that would lead to failure? I can give you an example, if you think communication is important, training for example, the reward system that is linked to it...that kind of stuff.

Interviewee: Ok now, let's say for instance in our case, like communication. There's sort of a breakdown in communication because we don't know what are the goals of the company or what the company want to achieve. If the management know about those goals, they don't communicate those goals and objectives to us so that we can know as a company together. In our cases things like...the company is doing...ok the management know the objectives but they only do it on their credit while they're telling us can you please do abcd for me so that they can go and put it in their report or whatever. Ok you said communication and what else?

Interviewer: No, I just gave an example. Ah...management support and communication are something to consider. There's training, there's rewards, there's performance appraisals and setting of goals...

Interviewee: Ok now, because the question is about what can lead to failure or success?

Interviewer: Yes, the questions are what factors would lead to success and what factors would lead to failure? If for example as I said if you tell me communication is important, obviously if there's communication it will succeed but if there's no support or communication from management it would end up failing.

Interviewee: Ok I get it. Ok let's say if it come to failure now, in our company for instance, when it comes to training, since I start here as a Market Research Analyst, we never went to training so that we can be able to carry our duties and responsibilities, whether on a professional work we never did that . We never attend to courses on regular basis so to meet other guys from other companies that are doing the same thing that we doing so that we can learn from them so that we can come and...so that we can come and contribute to the success of this company. So that's one thing that can lead to failure. And when it comes to...we also have Research Consultants in our company, just an example, those guys they don't have cars, they don't have laptops. So they need cars to motivate them to go and reach out to clients and customers but sometimes they only have these old cars that are shared with other guys from other departments and you may end up that...the cars may end up breaking while you're on your way to the client. That can also lead to failure. And one thing also they're not rewarded, they're not getting commission. To me that's just an example for failed Consultant and I think those guys are not getting even the resources to be able to carry out their job or commission to motivate them and obviously it can lead to failure as well in a sense that they're demotivated. And one thing as well, they don't have laptops so that they do their work at home. Imagine a client calls you while you're at home so you have to tell that customer to call the next day when you're at the office.

Interviewer: Oh ok, so there's a lack of resources.....

Interviewee: And about success, im talking now in our company. People are complaining, the morale is down and the management is not doing anything

Interviewer: Ok, you're spoken about rewards now, which is actually one of my questions, do you think there's a relationship between reward and performance?

Interviewee: Ja, there's a relationship in the sense that if a person...carry out their duties and responsibilities or they're working hard or the person has been in the company for five years but you never reward or maybe to give that person a certificate, something that can prove they're been there for five years. Yes, there is a relationship, you should reward people, you should motivate people in whatever way. And...you can...not even in reward but there are things like functions where employees can come together...

Interviewer: social gatherings...

Interviewee: Ja, social gatherings...it's also type of indirect reward so to say

Interviewer: **What motives you to work? What gives you that motivation to carry on regardless of the fact that your performance is hardly assessed, there's not much feedback from your supervisor, what gives you that energy to carry on working?**

Interviewee: Ja, just that I want to contribute to the success of this company. You know, you can't just get paid for nothing, at least you have to do something for the company as well. You have to carry out your responsibilities as per agreement with the company.

Interviewer: **So, it's more of a moral obligation?**

Interviewee: Ja, its like...ok yeah, I love this company as well, I also do it for the love of the company

Interviewer: **Would you say the internal satisfaction or the internal rewards mean more to you than external? Let me give you an example, intrinsic rewards are things like enjoying the job that you're doing, enjoying the recognition and perhaps it offers some variety compared to just external rewards which is the typical things like the money, the benefits. What means more to you?**

Interviewee: To me it's not all about money, getting a lot of money or getting gifts, it's all about recognition. You need to be recognised as well, you need to be a role manager. You need to respect your subordinates, if you respect them whatever way, they can be happy as well. If you report to them what is happening in the company they'll be happy and do their jobs being happy. It's not all about money

Interviewer: **Yeah, I understand. Another question is, with regards to goals, do you think if you have specific challenging goals, is there a difference in the performance level or motivation to achieve that goal compared to if you have been given a general goal? If I say sell five cars in March, do you think that will motivate you more compared to if I just say increase sales**

in this year? Something that's specific and something than general? Would you say there is difference in your motivation level to achieve such goals?

Interviewee: Uhm...repeat that question again.

Interviewer: (Laughs)...The question is, do you think there's a difference in the performance level or efforts or motivation or will it motivate you more when you have specific challenging goals compared to general goals?

Interviewee: I think goals that are specific because when you generalise you tend to feel "argh, i can do it tomorrow" but tomorrow you may not end up doing it. It's better to have specific goals, even if you don't meet them at least it motivates you to work hard. For example I prefer you tell me sell those five cars in a month. If I sell five cars at least I managed to do something. If you generalise I can keep on postponing and may end up saying "no I'll only do those things in December" meanwhile im just sitting and idle so I prefer specific.

Interviewer: So what are your final views on the role of performance management systems in an organisation and their impact on performance, and whether you would also....if you were to make a recommendation to management for example, what would be your view on that?

Interviewee: Uhmmm....(long pause). How will I tell them.... (Not sure how to answer, stating incomplete sentences)

Interviewer: No no its fine...do you get the question though? The question is what are your views on the role of performance management systems? How important do you think it is to have a performance management system in the company and what are the impacts of having such system on employees' performance? Considering that your company currently has no system, do you think if there was a system things would be different, performance wise? Do you think it would make a difference?

Interviewee: Ja, if there was a system in place I think things would move because people can work hard whether they're rewarded or whatever, if there is a performance system in place people can be able to work hard compared to current situation where people...to be honest in our company people are just sitting idle, they do don't do anything because there's no one who ask you "what have you done for this month?", "did you meet the goals for this month?" but because things are not there, there's no one who assess the weakness and strength of different employees in different departments. So people tent to sit and idle. So my view, to me the performance system is necessary to this company

Interviewer: Thank you so much for your input, it's very valuable

Interviewee: Thank you very much

(End of interview)

Interviewee: Participant 4

(Start of interview)

Interviewer: Thank you for agreeing to participate in this research. How long have you been employed in this organisation?

Interviewee: Its eight years

Interviewer: Are you aware of a performance management in the organisation?

Interviewee: No

Interviewer: So how often is your perform assessed and how?

Interviewee: We don’t really have a performance scale that measure our performance so basically there’s nothing. Maybe an output or something like that but it’s not contributing anything towards the end of the day.

Interviewer: So there are no regular reviews with your supervisor where you’re given feedback?

Interviewee: Well, you are normally just given the normal task and then you just complete your task and at the end of the day you just do your work, so there’s basically no performance-based measure in that

Interviewer: How important do you think performance feedback is and does it play a role?

Interviewee: Ja, it does play a role and it is important so that I’ll be able to improve on my shortcomings

Interviewer: In aware that you said there’s no system in place but do you think there’s a relationship between performance management systems and employees’ performance?

Interviewee: Yes, there is a relationship because employees' performance, I mean if they could have at least been rated or something like that at the end of the day if you can measure that, it will come up to motivate employees better rather than employees are just performing but they're not being rewarded.

Interviewer: What factors do you think are associated with the success and the failure of a performance management system?

Interviewee: Success?

Interviewer: Yes, what do you think will lead to the success of performance management?

Interviewee: Obviously it will lead to companies being...everybody will want to perform. It will motivate them

Interviewer: But I'm asking what factors do you think should be considered in order for it to be successful? For example communication or training and the related...that would make the system more effective?

Interviewee: Uhm...(long pause)

Interviewer: Are you not clear on the question?

Interviewee: No, im not sure

Interviewer: I'm asking what factors do you think are associated or will result in the success of performance system being implemented efficiently?

Interviewee: Obviously people need to get some information, they need to be trained, they need to be explained, they need to understand how they benefit at the end at the day, what it means and what it will contribute at the end of the day to the financial performance of the company.

Interviewer: How important do you think management support is in such a process, for the success of such a system?

Interviewee: Management is very important because at the end of the day the decision come from them so without them then there's nothing that can be implemented or something that can be tabled.

Interviewer: What do you think...what is the role of goal setting in performance management?

Interviewee: At the end of the day you want to achieve positive results, you want to achieve good financial outcome and for the growth of the company

Interviewer: How are goals set in this organisation? Are you involved in setting goals or are goals just assigned to you?

Interviewee: Obviously I have to make targets on my own as an employee of the company that this is what I need to achieve. If I get this task in period I have try to and accomplish them within a limited time, period of time and also the feedback that I have to provide, it must accurate and it must be on time

Interviewer: Is there a difference to whether they are assigned or whether you're involved, or is the performance level and motivation to achieve those goals just the same?

Interviewee: Ja, because...say that again

Interviewer: If you're involved in setting goals, your performance goals, and when they're just given to you without your involvement, is there a difference in your performance, efforts or motivation to want to achieve the goals?

Interviewee: It will depend on what level you are, whether you're in supervisory level or you are just at a ordinary level and you don't have other people reporting to you. So if you're involved directly in goal setting, you will ensure that people understand what is important and what they need to do, you try to motivate them and also vice versa, the others will try to do the best they and so forth

Interviewer: What motivates you to work? What gives you that motivation, that drive regardless of there being a performance management system, no feedback given to you, so what gives you that drive to continue performing?

Interviewee: Basically it's just you yourself, your input as a human being because you know that, ok I have to be loyal to my company, there's a reason why I was recruited so I have to put my best input and I have to provide my best services that I can.

Interviewer: So do you feel it's more of a moral obligation to the company that you have to perform?

Interviewee: Yes

Interviewer: Ok. Do you think or do you believe that organisations with performance management systems perform better than those without?

Interviewee: yes, because they're being uhm...what do u say...they're being motivated. It's like you have to do something...ok it's like a motivation, if I know that I have to do because something is rating me obviously I'll try and put more input so that I can perform the best I can, whereby if Im not monitored so then there's no need for me to perform.

Interviewer: What are your final views on the role of performance management in organisations and its impact on the employees' performance?

Interviewee: I think it's very important simply because performance is basically where you have to measure performance of the employees and you find some that are reluctant and if they're not being monitored, I mean if they're not rated so they will not be able to perform. But now if you know that ok Im being rated so I'll put my input and I'll try to perform the best I can.

Interviewer: Thank you so much for you input, it's very valuable

(End of interview)

APPENDIX M

Company: Silnam IT Solutions (Pty) Ltd

Date: 19 March 2012

Affiliation with interviewees: The participants are colleagues of the researcher but have been approached in the same manner as participants from other organisations in terms of procedures.

Interviewee: Participant 1

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: 7 years

Interviewer: Is there a performance management system in the organisation?

Interviewee: Not fully implemented but it is in progress, we are in pilot run currently. The PMS implementation is not complete yet, as it does not have clear measures defined, we don't have regular reviews linking to one's PDP or career progress.

Interviewer: How often is your performance assessed and how? If it's not assessed, how'd you prefer it to be done and how often?

Interviewee: We are currently required to submit monthly performance progress in a form of DTRs and we started this since 2011. We have not yet conducted any assessments. I think now that we are still busy implementing the performance system, for now the submissions we are doing can still stay as monthly to provide regular evaluation and ensure continuous improvement. Alternatively, 3 months intervals can also be considered depending on the volume of the monthly activities if they are sufficient to enable accurate performance assessment.

Interviewer: How well do you understand your roles and responsibilities with regard to performance management?

Interviewee: As an individual employee, the objectives enable each employee to monitor their progress to ensure that assigned activities are completed in time and correctly. Each individual monitors their progress and identifies the area that needs further improvement while the immediate supervisor and sometimes the Head of Department monitors the progress on the department and team and identifies the area of improvement.

Interviewer: And who sets those objectives? Are they assigned to you or are you involved in setting objectives?

Interviewee: Currently, high level KPIs have been provided from activity plans. They are linked to various projects. Activities are discussed between the staff and immediate supervisor and submitted to the HOD for review.

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: Feedback is an essential component in the PMS, individual employees or teams needs to know their progress, the supervisor needs to provide rewards, verbal or physical, and a constructive guide on the shortcoming. In absence of any feedback in any form, whether intrinsic or extrinsic, the PMS will fail as there is no impact if an individual performs poorly or exceeds the set targets. In a consultation session, both the supervisor and the individual employees need to draft the short-term and long-term plan to close the gaps for instance identify action to be taken like self-study, training, assessment for improvement and so forth.

Interviewer: **Do you think there's a relationship between the performance management systems and employee performance?**

Interviewee: Yes, employee needs to be recognised on their work. Having a performance management system is a way of recognising employee's performance and delivery.

Interviewer: **What do you think are the factors associated with the success or failure of performance management systems?**

Interviewee: Performance management systems provide well-scoped KPIs. Employees will focus on delivering tasks related to the key performance indicators and tends to ignore those are not on the performance indicators or have less importance

Interviewer: Sorry to disturb, are you saying having a PMS focuses attention on priority, tasks that are of priority?

Interviewee: Yes, because it will determine how important certain tasks are. Also there will be continuous feedback and an effective evaluation process. All this can result if the PMS is effectively implemented.

Interviewer: **What role does goal setting play in performance management?**

Goal settings provides clear indication of timeline and targets to be achieved. This will allow the employee and organisation to device the realistic plan at different levels within the company, for example when determining at what level certain goals are to be achieved, company, department or individual.

Interviewer: **Do you think there is a difference in performance effort when specific challenging goals are set or assigned compared to general goals?**

Interviewee: When setting goals, they should to be SMART – one should be able to measure and attain them within a specified timeframe to allow individuals to set realistic plans and enable them to achieve desired targets. Having general or vaguely defined goals can result under performance.

Interviewer: What motivates you to work?

Interviewee: I enjoy my work, the company is a good learning environment but I also need a salary.

Interviewer: Do you think there is a relationship between rewards and performance and why do you think so or not?

Interviewee: I believe there is definitely a relationship because rewards are an indication to employees that the company recognises the work they do or have done and that would motivate employees to deliver better and go the extra mile.

Interviewer: Do you believe organisations with performance systems perform better than those without any systems?

Interviewee: I believe it does, as performance management systems promote a culture of continuous improvement.

Interviewer: What are your final views on the role of PMS in organisations and their impact on employee performance?

Interviewee: Firstly, when setting objectives, KPIs should be set differently by different level of position. There should be clear distinction between the KPI and measure for the different position. Secondly, constant feedback and follow-up on the PMS is essential. PMS should link closely to employees' Personal Development Plans and one's growth within the organisation. And finally, rewards should be applied on timely basis to avoid frustrations.

Interviewer: Great, thank you so much for your time

Interviewee: My pleasure

(End of interview)

Interviewee: Participant 2

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: Im here for four years and seven months

Interviewer: Is there a performance management system in the organisation?

Interviewee: No

Interviewer: How often is your performance assessed and how?

Interviewee: Currently my performance is assessed on how long have I take to solve an issue or implement a project. Im also assessed on how long I take to complete document deliverables like user Manuals but looking at the total completeness of the document.

Interviewer: How well do you understand your roles and responsibilities with regard to performance management?

Interviewee: We have a project plan from which individual activity plans are derived. It breaks down all the activities.

Interviewer: How important do you think performance feedback? Does it play a role?

Interviewee: It is important to give me guidelines on my weakness and strength. If im given feedback I know what areas I need to improve or else I'll just be at the same position.

Interviewer: Do you think there's a relationship between the performance management systems and employee performance?

Interviewee: Yes definitely, I believe employee performance gets some kind of injection from the PMS. It somehow forces employees to work harder.

Interviewer: What do you think are the factors associated with the success or failure of PMS?

Interviewee: When a PMS is in place and properly implemented, employees' individual performance will improve, projects will be delivered on time and within budget which is currently a big concern in the company. We are always late on delivery and have outstanding issues that need to be sorted last minute. I believe a performance management system can address these issues but everyone needs to buy in on it.

Interviewer: What role does goal setting play in performance management?

Interviewee: Setting goals as part of performance management is very important. In fact just generally to set goals is a necessary even in personal life because it gives you something to work towards to and give you a sense of achievement, a sense or worth and feeling that you've fulfilled something you set for yourself or work. In work, goals are what determine what you've…how've really performed and provide basis for perform assessment.

Interviewer: How are performance goals set in the organisation? Assigned of employees involved?

Interviewee: Currently the plans are assigned by the supervisor but it is important to also involve employees at all level to identify and agree on set goals and decide on how realistic they are because they are the ones that have to achieve the targets.

Interviewer: Do you think there is a difference in performance effort when specific challenging goals are set/ assigned compared to general goals?

Interviewee: I believe so. If you set a main goal and break it down to small portions that are more realistic than working on a big goals which can overwhelm you and affect your performance.

Interviewer: What motivates you to work?

Interviewee: I am motivated to attain goals set for me, to exceed my expectation, and reward at the end of the day.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: Yes, I do

Interviewer: Please motivate your answer.

Interviewee: I believe there should be a reward for excellent performance when the goal is detailed and agreed by both parties. At least I will know that if I don't get a reward it's because I didn't achieve so and so as agreed. Knowing I will get a reward will also encourage me to work and make sure i achieve my targets.

Interviewer: Do you believe organisations with PMS perform better than those without?

Interviewee: It depends on how well tasks or activity management is from one organisation to another. A company can have a PMS but at the end of the day if tasks are not well planned, it will not serve any purpose.

Interviewer: What are your final views on the role of PMS in organisations and their impact on employee performance?

Interviewee: Basically that it helps employee to plan and execute tasks, and overall to view your performance over a period of time. And even though it is not fully implemented in the company, it is something that management should use to determine employees' performance provided they are being measured on the right KPIs.

Interviewer: Thank you so much for your time

Interviewee: Ok no problem

(End of Interview)

Interviewee: Participant 3

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: 11 months

Interviewer: Is there a performance management system?

Interviewee: Yes

Interviewer: How often is your performance assessed?

Interviewee: Twice a year

Interviewer: How is it done and are you satisfied with the process?

Interviewee: I rate myself first and then my supervisor rates me and we discuss the rating for an agreed rating and total score. Im not entirely satisfied with it because at the end of the day what the supervisor says weighs more than my input. It's almost as if what employees think does not count or add any value.

Interviewer: How well do you understand your roles and responsibilities with regard to performance management?

Interviewee: Somehow I know what im required to do because there is an activity plan that we need to submit on weekly basis but it does not accommodate the unplanned activities and requests from other departments and even the supervisor. Sometimes my work is delayed in the process.

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: Performance feedback points out performance strengths and weaknesses. It thus guides you to improve the areas you are not doing well while also highlighting those that you do well which motivates you to reinforce those things you perform exceptionally.

Interviewer: **In your view, do you think there's a relationship between the performance management systems and employee performance?**

Interviewee: Yes

Interviewer: **What do you think are the factors associated with the success or failure of PMS?**

Interviewee: Objectivity and fairness, consistency and performance evaluation. This can be products of a PMS that is supported by both management and employees otherwise its one-sided and will negatively affect employees perform and morale.

Interviewer: **What role does goal setting play in performance management?**

Interviewee: It creates a clear path of how to achieve the targeted goals, measures attached to goals can be used as success indicators to evaluate the employee's performance against the required effort. It provides basis for performance appraisal.

Interviewer: **How are performance goals set in the organisation? Assigned of employees involved?**

Interviewee: Employees are rarely involved in setting goals. There is limited participation

Interviewer: How does that affect your performance?

Interviewee: It can be stressful because some goals are unrealistic and you're given short time to achieve targets you were not part of setting. Other factors are also not taken in to consideration that hinder performance and at the end of the day, it looks like you've not worked hard enough.

Interviewer: **Do you think there is a difference in performance when specific challenging goals are assigned compared to general goals?**

Interviewee: Yes, it requires exerting more effort to achieve the goals as opposed to easier or unclear goals

Interviewer: What motivates you to work?

Interviewee: I like my work and when I've accomplished my objectives, I have a sense of job satisfaction and worth. The company also provides opportunities to learn and for self development. I also want career growth and I also like the harmonious working relationship I have with my colleagues.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: Yes, rewards motivates an employee to put more effort when such rewards are perceived valuable to the employee

Interviewer: Do you believe organisations with PMS performance better than those without?

Interviewee: Yes, they do simply because performance management systems serve as a mechanism of managing employee performance and obviously an environment in which performance is well managed, productivity will increase.

Interviewer: What are your final views on the role of PMS in organisations and their impact on employee performance?

Interviewee: A well-implemented PMS is crucial for the enhancement of employee performance and ultimately that of the entire organisation when carried out effectively. It does not help bringing in a system that will not serve its purpose which is to enhance performance and motivate employees and reward them accordingly.

Interviewer: Thank you so much

Interviewee: Anytime. (End of interview)

Interviewee: Participant 4

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: I started 1st September 2009

Interviewer: Is there a performance management system?

Interviewee: Yes

Interviewer: How often is your performance assessed?

Interviewee: My performance is currently not assessed.

Interviewer: So how do you know how well you're performing?

Interviewee: Usually im just assigned tasks and I complete them. If something is not done correctly, im asked to redo it. On few occasions im also told I've done well on a certain tasks but there is no formal appraisal where there's scoring involved.

Interviewer: How often would you have like to be appraised?

Interviewee: On a monthly basis or at least we should have quarterly appraisals. That way im continuously aware of my performance and I can improve but now im just told when something is not done right.

Interviewer: How well do you understand your roles and responsibilities?

Interviewee: I'd say average. I don't have a job description but im aware of what I need to do.

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: Performance feedback is very important and plays a big role in the organisation. It guides performance and allows employees to learn by knowing where your weaknesses are.

Interviewer: **In your view, do you think there's a relationship between the performance management systems and employee performance?**

Interviewee: Yes

Interviewer: **What do you think are the factors necessary for the success of PMS?**

Interviewee: I think it's important that people have the right attitude towards their work. If you have a negative attitude it will affect your performance negatively and it's not something that can be provided by the company of the PMS, it needs to come from individuals themselves. Having the right skills and experience is also important as it contributes to the effectiveness of the system

Interviewer: **What role does goal setting play in performance management?**

Interviewee: Setting goals is important because it's what employees should be appraised on and unfortunately that is not happening in the company at the moment. Supervisors need to sit and discuss targets with their employees together and determine which goals they want to achieve and how they are going to go about it. That way everyone will know what is expected of them. It will also enhance teamwork because the team is working towards a common goal.

Interviewer: Do you think there is a difference in performance when specific challenging goals are assigned compared to general goals? For example if your departmental goal or rather if you are tasked to sell five cars in this month alone, will that motivate you to achieve that goals compare to if your task was to generally increase cars sales during the year?

Interviewee: I think there is a difference between when u have a specific goal, it's easier to determine whether or not you've performed as per the agreed target and how well. If my target is five cars and I sell 3 or 7, I will know that I have performance poorly or well and I'd want to challenge myself to always try and best the previous goal. If the goal is general, it will be difficult to determine the exact performance.

Interviewer: What motivates you to work?

Interviewee: What motivates me is that I enjoy talking to people and helping them. I feel good knowing that I helped someone even if it's in a small way.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: Yes, I believe people should be rewarded that have performed exceptionally and deserve it. This will also motivate other employees to work harder as they can see what they can reap.

Interviewer: Do you believe organisations with PMS performance better than those without?

Interviewee: Yes, staff will be more dedicated to the organisation that has a performance management system because they are acknowledged for their work and contribution.

Interviewer: Thank you so much for your contribution

Interviewee: All the best

(End of interview)

Interviewee: Participant 5

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: Two years

Interviewer: Is there a PMS in the organisation?

Interviewee: No

Interviewer: How often is your performance assessed and how?

Interviewee: It's not often assessed as the PMS is currently being implemented

Interviewer: How well do you understand your roles and responsibilities with regard to performance management?

Interviewee: I understand them well.

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: If an employee is continuously given feedback on his or her performance it enables one to understand how their work contributes to that of the organisation and also they get to be encouraged to perform better.

Interviewer: In your view, do you think there's a relationship between the performance management systems and employee performance?

Interviewee: Yes there because the system governs the employees performance, the standards and the entire process is necessary to manage such an employee's performance.

Interviewer: What factors do you think are necessary for the success of a PMS?

Interviewee: Management Support and monitoring. Currently there is hardly time to pay attention to the administrative aspects of the company and it's what's causing the delay in the implementation of the system. It is also important that employees buy-in so that they can participate and want to contribute. Not just for the sake of have a performance system

Interviewer: What role does goal setting play in performance management?

Interviewee: Goal setting provides a drive for employees to perform, because it outlines what needs to be achieved. It therefore it gives a clear idea to the employee of what is expected from him or her

Interviewer: How are performance goals set in the organisation? Assigned of employees involved?

Interviewee: Currently goals are assigned.

Interviewer: Do you think there is a difference in performance effort/motivation when specific challenging goals are set/ assigned compared to general goals?

Interviewee: Yes there is a difference because specific challenging goals give a clear indication of the target and achievement levels than the general goals.

Interviewer: What motivates you to work?

Interviewee: The need to succeed and achieve career growth but also to have a decent life.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: In most cases yes, because once a person is rewarded for good performance it prompts others to improve their performance and also motivates the individual to perform further.

Interviewer: Do you believe organisations with PMS perform better than those without?

Interviewee: I would this think so, as it provides a structure of managing how performance is managed in the organisation, but it also depends on how well the PMS is implemented and supported within a certain organisation. Here the initiative is going slow because theirs is hardly time afforded to the performance management activities since project are priority.

Interviewer: What are your final views on the role of PMS in organisations and their impact on employee performance?

Interviewee: I believe that a PMS provides a fair ground of evaluating how employees are performing in their respective work, a contribution which determines an overall organisational performance at the end of the day.

Interviewer: So it’s definitely something you’d recommend for an organisation?

Interviewee: Yes

Interviewer: Well thank you so much for your input.

Interviewee: Sure

(End of interview)

APPENDIX N

Company: NamPower (Pty) Ltd

Date: 22 March 2012

Affiliation with interviewee: None. There has been no previous association between the interviewer and the participants apart from the initial meeting, on the 20 March 2012 to discuss the research purpose and procedures, during which the participants agreed to part-take.

Interviewee: Participant 1

Interview Setting: The interview was conducted in the participants' offices

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: For almost 3 years now

Interviewer: Is there a PMS in the organisation?

Interviewee: Yes we do. We have reviews twice a year.

Interviewer: Please explain to me how the review process works

Interviewee: Well, employees discuss their performance with their supervisors by comparing the KPIs that were set at the start of the cycle and comparing them to what the employees have achieved. There are also ratings involved and employees rate themselves before the discussion with the supervisor.

Interviewer: Are you given feedback on your performance during that discussion or another time?

Interviewee: During that time but also when I complete other tasks.

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: Very important because im aware of how im performing and if I need to improve rather than just working and not knowing whether or not im doing things right?

Interviewer: How well do you understand your roles and responsibilities?

I know my responsibilities as they are assigned to me by my supervisor and also I have a job description that outlines my tasks.

Interviewer: Are all your tasks assigned to you or are you involved in setting your own tasks?

Interviewee: They are mostly assigned to me

Interviewer: Are you satisfied with that arrangement or would you prefer being involved when setting tasks?

Interviewee: I definitely would like to be involved as im the one that has to perform them. Sometimes im given too many things to do and the time is not enough. If I can have a say I would know what is realistic for me.

Interviewer: **In your view, what do you think is the relationship between the implementation of a performance management system and performance?**

Interviewee: I think having a system makes people work harder because their performance is being measured. If there is no system people will just work for the sake of working

Interviewer: What about the system makes people work harder exactly?

Interviewee: It encourages people because when they perform, they will receive bonus and if your ratings are low, you are paid accordingly or not at all. Everyone wants to get something and would therefore work harder and go the extra mile.

Interviewer: Would you then say there is a relationship between rewards and performance?

Interviewee: Definitely, if people know there are rewards for best performance, they will compete for it rather than if there's nothing.

Interviewer: Would you recommend rewards to the linked to a PMS?

Interviewee: Yes, like I said if there are no rewards, people would just do what needs to be done and not put extra effort. But rewards will motivate them to go the extra mile

Interviewer: What other factors do you think are associated with the success or failure of PMS?

Interviewee: For the performance management system to succeed people need to understand the process and know what is expected of them. Employees should be involved and have a say in their tasks. Communication is therefore important between the supervisors to inform the staff. Management should also provide support as they are the ones setting company goals, they must lead by example. If the process is not applied consistently and objectively across the whole organisation, it will demotivate staff.

Interviewer: Do you believe organisations with PMS performance better than those without?

Interviewee: Yes but it also depends on how it is used. If people are not involved or it's only used at some departments, it will have a negative effect instead.

Interviewer: **What role does goal setting play in performance management?**

Interviewee: When there are goals, people know what to achieve and they will try and achieve them faster. If there are no goals, it's like working a vacuum. Goals are needed to guide performance.

Interviewer: **Do you think there is a difference in performance effort/motivation when specific challenging goals are set/ assigned compared to general goals?**

Interviewee: Excuse me, please repeat the question.

Interviewer: In your view, do you think specific challenging goals are more motivating than general goals? For example is there a difference in effort when asked to sell five cars in March compared to increase car sales this year?

Interviewee: I think so because if you say increase sales this year, I can sell only 5 cars more than the previous year and say I've reached my goals. But if it's per month I know I have to reach a certain number. Even if I don't sell five that month, I can try and do better the next month.

Interviewer: What motivates you to work?

Interviewee: I feel good when I've completed my tasks and my supervisor recognises that. She motivates me to keep performing better. Even though sometimes there is too much work to be done, it's rewarding when it's done. I also have good relationships with my colleagues.

Interviewer: What are your final views on the role of PMS in organisations and their impact on performance?

Interviewee: I think performance management systems are important in every company and can really help improve employees' performance but only if they are used properly or else companies would rather be better without any because they will demotivate employees to perform. Employees must be involved in setting goals and given support from their supervisors and management.

Interviewer: Thank you so much for your willingness to take part in my research

Interviewee: You're welcome! **(End of interview)**

Interviewee: Participant 2

(Start of interview)

Interviewer: **How long have you been employed in this organisation?**

Interviewee: This is my fourth year

Interviewer: **Is there a PMS in the organisation?**

Interviewee: Yes

Interviewer: **How often is your performance assessed and how?**

Interviewee: Every 6 months we have reviews, looking at agreed targets and achieved

Interviewer: **How well do you understand your roles and responsibilities?**

Interviewee: I have a job description and departmental targets which are discussed with our manager

Interviewer: **How are performance goals set in the organisation? Assigned of employees involved?**

Interviewee: Employees are involved

Interviewer: **Does being involved in setting goals contribute to performance? Does it have any effect on your performance?**

Interviewee: Not really as long as the goals are achieved. But at least if you are involved you can determine how realistic they are to achieve them

Interviewer: **How often are you given feedback from your supervisor and how important do you think it is to be given feedback?**

Interviewee: It's important to get feedback to know your progress. We have regular meetings to determine how far we are from achieving our targets.

Interviewer: Do you think your performance would change if you received no feedback?

Interviewee: Not really, I know my work and what I need to do. I always make sure I meet deadlines.

Interviewer: In your view, do you think there is a relationship between a performance management system and performance?

Interviewee: If applied properly, a system can have a positive effect on performance by motivating employees to perform better. Employees need to understand what the system is about and should be used to correct or improve performance, not as a tool to victimise employees, while favouring others.

Interviewer: What other factors do you think are associated with the success or failure of PMS?

Interviewee: Like I said, people need to understand what the use of the systems is. It needs to be fair and transparent with pure intentions. If it's based on relationships between supervisors and employees, it will benefit some employees and disadvantage others, which would mean the system has failed its purpose.

Interviewer: Anything else?

Interviewee: Basically, training people to have the basic skills of conducting appraisals especially the supervisors and managers. Effective communication and objectivity, allowing employees to be involved in the whole process not just during reviews.

Interviewer: What role does goal setting play in performance management?

Interviewee: Having goals directs performance. Employees know what they are working towards and what their performance will be measured against. Without goals, there is not true indication of performance because you don't have a benchmark to compare against.

Interviewer: Do you think there is a difference in performance effort/motivation when specific challenging goals are set/ assigned compared to general goals? For example having a goal to sell 5 cars in March compared to having a goal to increase annual sales

Interviewee: I don't think so. Or rather it depends on individuals. I think many people will just aim for given targets regardless of whether or not they are specific.

Interviewer: What would you say would motivate employees to increase their performance to achieve goals?

Interviewee: Personally, I think performance bonuses drive people to performance. Bonuses are based on the percentage people get from reviews. Obviously everyone wants to get a performance bonus and one would notice people being more serious nearing the period of appraisals for bonuses.

Interviewer: Would you say bonuses are what motivates you or is that just what you've observed generally?

Interviewee: Obviously I also want a bonus because I have needs as everyone else and I have dependants to support.

Interviewer: What else motivates you to work for this orgainsation?

Interviewee: Generally, NamPower is a good company to work for. It's a good environment and many people have good relationship. The only problem is that sometimes there is favouritism among employees and it causes tension which is not necessary. I also enjoy what I do and I try to make the best of it considering one spends most of their days at work.

Interviewer: Do you think there is a relationship between rewards and performance? If there were no performance bonuses, do you think people would still perform?

Interviewee: I believe a salary alone is a reward for work you've done and you'll get it regardless because you have an employment contract. Bonuses and extra benefits are what pushes people to put in extra effort so I would definitely say there is a link. If there are no bonuses, people would do what they are supposed to, nothing more nothing less. Just as no one would work for no salary unless ordered by the law. This is also why rewards should be linked performance appraisals so that people get what they worked for. But it need to be transparent and done by a panel because if you don't have a good relationship with your supervisor, they can be biased and you'll be given a low rating compared to how you really performed.

Interviewer: Do you believe organisations with PMS performance better than those without?

Interviewee: Considered it is done right, fair and transparent, yes

Interviewer: What are your final views on the role of PMS in organisations and their impact on performance?

Interviewee: A performance management system is a necessary tool to track and measure performance. It can identify performers and reward them accordingly. It is also important that employees are given feedback on their performance so that they can work on areas that are weak. I would only advise that appraisal be conducted properly to serve their true purposes.

Interviewer: Thank you very much for your input

Interviewee: Sure, no problem

(End of Interview)

Interviewee: Participant 3

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: Almost a year

Interviewer: Is there a PMS in the organisation?

Interviewee: Yes

Interviewer: What does a performance management system mean to you?

Interviewee: I think it's a system of assessing the performance of employees to see who is really performing and not really working?

Interviewer: How often is your performance assessed and how?

Interviewee: So fair I've only being appraised once. During the last month of my probation, I sat down with my supervisor to discuss my performance.

Interviewer: Were you happy with way in which you were appraised?

Interviewee: Yes, because I was first given a chance to evaluate myself before I discussed with my supervisor.

Interviewer: Was that the only time you've being assessed since you've been in this company?

Interviewee: Yes

Interviewer: Apart from your appraisal, do you receive feedback from your supervisor regarding your performance?

Interviewee: Yes, he tells me when I've done good work and where I've made mistakes

Interviewer: How well do you understand your roles and responsibilities?

Interviewee: Even though I was given a job description when I started, it's not really the work im doing. Im just given duties my by supervisor

Interviewer: **In your view, what do you think is the relationship between performance management system and performance?**

Interviewee: I think if there is a PMS a company will force people to work than just sit around because their work will be monitored.

Interviewer: So you'd agree that organisations with PMS performance better than those without?

Interviewee: Yes

Interviewer: **What do you think are the factors associated with the success or failure of PMS?**

Interviewee: The factors of performance….sorry, please repeat the question.

Interviewer: What factors do you think contribute to the success or failure of performance management systems? What do you think needs to be taken into consideration for a performance management system to be successful in an organisation?

Interviewee: Like me, people that are new in the company should be told about the system and what they will be measured on. The things in my job description are not what I am assigned to do so im not sure what I will be assessed on. There must be a match

Interviewer: What would lead to failure of performance management system?

Interviewee: Lack of knowledge and especially if you and your supervisor don't get along, it can affect what scores you will be given.

Interviewer: **Do you think you can work effectively without goals?**

Interviewee: Yes you can but it's better to have them because they are derived from the company's vision therefore serve as a map to achieving the vision. If there are no goals, we can just be working but not moving forward.

Interviewer: **Does it matter whether goals are assigned to staff compared to when employees are involved in setting goals?**

Interviewee: No, as long as there are goals to lead people

Interviewer: What motivates you to work for this organisation?

Interviewee: I learn a lot from the tasks im given so every time I learn something new. The environment is also welcoming, there's no tension and everyone is friendly.

Interviewer: Are you rewarded for your performance?

Interviewee: I get my salary yes

Interviewer: Is that only form of reward you receive?

Interviewee: Yes, I've not yet received any bonuses but my supervisor thanks me for work I've done well.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: Yes of course I think if employees are given rewards for what they have done, they would try and work better to get the rewards. If I know there is no performance bonus, people would still performance but will not be as motivated. The kinds of rewards companies offer also help to attract people to want to work for that company. People can also leave if they not happy with what they are given

Interviewer: What are your final views on the role of PMS in organisations and their impact on performance?

Interviewee: I think performance appraisals are necessary in companies but many companies do it as a formality which shouldn't be. People must be informed and kept updated with such events so that they not surprised.

Interviewer: Thank you very much for participation

Interviewee: You're welcome! **(End of interview)**

Interviewee: Participant 4

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: Two and a half years

Interviewer: Is there a PMS in the organisation?

Interviewee: We do performance reviews twice a year

Interviewer: Is that the only time your performance is assessed? During reviews?

Interviewee: Yes

Interviewer: How well do you understand your roles and responsibilities?

Interviewee: I know what im required to do and I set my own tasks. So I understand full well

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: If you don't know what you are doing it can be an issue. Im aware of when my work is not up to standard so don't really need to be told by somebody.

Interviewer: In your view, how important are performance management systems in organisations, if at all they are needed?

Interviewee: They are vital tools to determine bonuses but they can also be dangerous if they are not used properly as they can work against some people. Objectivity and communication are key if appraisals are to be good for any company. If appraisals are used a ways to victimized and favour people then they may as well not exist in a company because they will do more damage than good.

Interviewer: What role does goal setting play in performance management?

Interviewee: Setting goals is important as it gives us way of what we need to accomplish. However, many at times our tasks diverge from our goals making it difficult for appraisals to measure our true performance. This is why I say it is important that the process is objective so that factors that divert ours attention can be considered and not just view staff not achieving goals

Interviewer: Do you think goals increase performance?

Interviewee: I wouldn't necessarily say increase per se but rather guide performance.

Interviewer: So you wouldn't say a company that sets and achieves goals performances better?

Interviewee: Obviously being guided by goals will lead to the achievement of company objectives. But how fast it's done depends of other things

Interviewer: Such as?

Interviewee: Individuals also have their own goals. So if they are given goals only directed at the company's visions and not considering the staff, there will be a clash that can lead to delays in achieving those goals. And this is where many companies go wrong, they are so focused on chasing their visions not realizing that employees are the ones that actually do the work and they do have their own personal goals. As long as companies are not creating an environment for employee to also chase their goals, progress of setting goals may not be as planned.

Interviewer: What motivates you to work for this organisation?

Interviewee: I like working on my own, im given the opportunity to be creative and initiate things. The freedom allows me to explore and change things where required. The benefits are also good.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: Definitely, no one will want to work for peanuts. People want to be recognised for their work and know they are appreciated.

Interviewee's phone rings….tape recorder paused.

Note: At this point the participant received an urgent call so we had to end the interview. The participant suggested another time to which the interviewer agreed but only if required. Further communication is this regard will be done telephonically.

(End of Interview)

Interviewee: Participant 5

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: I've been here for over five years

Interviewer: Is there a PMS in the organisation?

Interviewee: Yes there is

Interviewer: How often is your performance assessed and how?

Interviewee: The company conducts performance reviews every six months. I sit with my supervisor and we discuss the responsibilities and tasks competed for the review cycle.

Interviewer: Are you satisfied with the way in which the process is done?

Interviewee: It's ok but…actually not really because sometimes my say is not taken into consideration. The score I get at the end is what my supervisor wants regardless of whether or not im happy or I agree.

Interviewer: How would you change the process to accommodate your input?

Interviewee: The process itself I think is fine but just too subjective and based more on personal relationships between the supervisor and subordinates. I would suggest a 360 degree approach where a person is not only rated by their supervisor but also but colleagues and other people a person reports to. I feel like if your supervisor does not like you or you do not have a good relationship with them then you get low rating on your review meaning the bonus you will get is not what you really deserve. It's not fair

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: Definitely important, one needs to know how well or how bad you are doing. Even though a person knows if they get stuck or don’t understand a certain task, they need to be trained. Sometimes we are not even given feedback after the reviews. We discuss and make plans but it ends there. It looks as if it’s just done of the sake of being done and not really to serve the right purpose.

Interviewer: In your view, what do you think is the relationship between performance management system and performance?

Interviewee: Basically, performance appraisal processes need to be fair and objective or they will negatively affect people’s performance.

Interviewer: What other factors do you think are associated with the success or failure of PMS?

Interviewee: Communication between colleagues and supervisors is also very important. If people are not aware of what’s happening in the company for whatever reason, it creates fear and tension and lack of trust. Communication needs to be open and a platform must be available for the employees to express their opinions. Another thing I realised is also that senior managers need to lead by example and do the talk. Management is responsible for making decision and implementing policies but they do not show commitment or do what they actually say they would do. It creates lack of trust because employee will not believe in what they say in the future. Management need to lead to that people can follow or people will not be interested. This is why reviews here are done for the sake of saying they are done. Feedback is not give and training that has been said will be done is not done. This is not proper management.

Interviewer: Do you think setting goals can play a role here?

Interviewee: What do you mean?

Interviewer: If there were goals set to address the concerns you’ve mentioned regarding performance management systems or other matters in the company, do you think things would be different?

Interviewee: If people truly focus on the goals and break them into minor goals leading to bigger outcomes to solved the problems, it can improve. But if things go on as they currently practiced where objectives are set and diverted and not include people who actually do the work, it won't make any difference.

Interviewer: Do you think there is a difference in performance effort/motivation when specific challenging goals are set/ assigned compared to general goals? For example if your supervisor asks you to sell 5 cars in March, would you work harder to achieve that goal compared to if he just said sell more cars or increase sales this year?

Interviewee: I think when goals are broken down they are easier to work with and measure. If you just say increase sales, I may as well sell one or two cars more than the previous period and claim to have improved. But if I know I have a target for the month, I will push myself. It's also important that the goal is discussed with me because it may be unrealistic for me to sell five cars in one month. I need to have the skills and determination, meaning I have to know what im doing by being trained and ready. Being told to do certain tasks does not necessarily mean achieving them fully.

Interviewer: What motivates you to work for this organisation?

Interviewee: You know, im a family man. I need to make sure that my family is provided for. There's no way I can do that without work and taking a cheque home at the end of the day.

Interviewer: Is salary the only thing that drives you come to work? Do you not have anything else that you would like to achieve or work towards?

Interviewee: Of course everyone wants to climb the corporate ladder so eventually I'll work my way around that. In fact I was supposed to have been there already after such a time in the company but the unfairness of situations have placed some of us in positions where we are being overlooked.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: Not if rewards are not given fairly. You work yourself for the ground and don't even get a pat on your back or get a deserving bonus yet the next person who won't lift a finger gets the bonus.

Interviewer: What are your final views on the role of PMS in organisations and their impact on performance?

Interviewee: That they must be used transparently and justly. People should get what they deserve not what their supervisors say because they don't like them.

Interviewer: Thank you so much for your time and views

Interviewee: My pleasure, all the best for your studies.

(End of interview)

APPENDIX O

Company: Namibia Development Company (NDC)

Date: **26 March 2012**

Affiliation with interviewees: None. There has been no previous association between the interviewer and the interviewees apart from the initial meeting, on the 23 March 2012 to discuss the research purpose and procedures, during which the participants agreed to part-take.

Interviewee: Participant 1

(Start of interview)

Interviewer: How long have you been employed in this organisation?
Interviewee: It's going to be six year now.

Interviewer: Is there a performance management system in the organisation?
Interviewee: I've never heard of such a system in this organisation since I've been here

Interviewer: In that case, how is your performance assessed?

Interviewee: My performance is not actually assessed because there's no time that I sit and discuss with my manager or supervisor and rate my performance. There's no time even to be told how if im doing well or discuss shortcomings so that I can be sent for training. There's just nothing

Interviewer: You're not given performance feedback at all?
Interviewee: No, our supervisor just says do this and do that

Interviewer: How does that impact your performance?

Interviewee: Its very discouraging because you feel like what you're doing is not really important or it doesn't matter to the company. You just work but it makes no difference because you don't know what you're contributing to or working towards. It's like we're just working because you get paid and must do something.

Interviewer: Are there any goals set or do you only work on tasks that have been given to you by your supervisor?

Interviewee: I think goals for the department are set at management level and maybe that's where our tasks are derived but we're not told about them and just do as told. There are no individual set targets that employees work to achieve and we're not even given job descriptions. I was given a job description when I started at the beginning but I was transferred and it's not applicable anymore. Even when I had it, it doesn't say the things I was doing.

Interviewer: How important do you think performance feedback is and how'd you prefer your performance to be assessed?

Interviewee: Definitely it's important because you want to know your progress, you want to know when you're performing well, you want to know when you need to improve. Here there's no such thing, you don't know where you stand. The company must at least conduct performance appraisals like at other companies and give their subordinate feedback. Even if you're not doing well, you can at least discuss and the company should offer training to address the….shortfalls in performance. It's really a problem because we're even just doing things…I mean there are not even policies in place and they are doing things the old way. We need to change, we need to have regular meetings and communication so that we know what it happening.

Interviewer: What recommendations would you give to management regarding performance management systems and why?

Interviewee: Firstly, we need to have a system in place. The current situation is not good where people are not being rated. Other companies like I said conduct performance appraisals that also determine increases and bonuses. If we have a system, I strongly believe people's attitudes will change because it will force people to work hard and they will feel like they are working towards something. Discussing your performance with your supervisor and also being rated by your colleagues in needed, it will also introduce some competition which can be good for the company because people will compete and work.

Interviewer: **What are your views on the relationship between rewards and employee performance?**

Interviewee: If there are rewards….rewards will obviously motivate employees to work harder than they are if they know that at the end of the day their performance will be rewarded. So there is obviously a relationship between rewards as they will increase performance but also it is important that rewards are given fairly to everyone that deserves it. Many times people are disadvantaged because they don't have good relationships with their supervisors and they are given small, I mean low ratings, which is not fair. That is why I would recommend that employees are rated by different people and also they must have a say.

Interviewer: How important do you think it is to be involved in setting goals?

Interviewee: Goals are definitely important and like now, we don't know the goals but we have to performance. If we are involved it will definitely help us know what we are working towards and encourage us to work because when you know you've achieved a target, you feel good and want to achieve more. Now we're just told do this and that but not given any feedback. It is good to also communicate and include the whole department in objectives of the company, not only managers.

Interviewer: Despite all these, what motivates you to work? Why do you keep working for this organisation?

Interviewee: Well, the market is tough and you need to survive. You need money to support yourself and family and also you hope that one day you can make a difference and change how the company is operating.

Interviewer: What are your final views on the role of PMS in organisations and their impact on employee performance? Is it something you think is important?

Interviewee: I strongly believe that we need a performance management system in this company. We also need to update our policies and compared what we're doing to other companies. That way, we can be updated and employees will be more appreciated and motivated to perform.

Interviewer: Thank you so much for your time and input

Interviewee: You're welcome, I hope we can see some changes…(laughs)

(End of Interview)

Interviewee: Participant 2

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: Since November 2008

Interviewer: Are you aware of any performance management system in the company?

Interviewee: Not that I know of no

Interviewer: How often is your performance assessed and how?

Interviewee: We have meetings with the supervisors but we don't really discuss performance, just discuss what we're supposed to do. We just report on the activities and given new responsibilities.

Interviewer: So how do you know how well you're performing?

Interviewee: We don't really have a formal platform where we're told that you're performing like this or like that. If you don't do something right or make a mistake, you'll just be told that this is not right and have do it again.

Interviewer: How'd you prefer your performance to be assessed?

Interviewee: I would prefer having regular discussion with my supervisor where he tells me im performing well or tell me where I need to improve. Even just two and three times in a year is better than just knowing nothing at all. I would at least know where im good and where im not too good so I can also try to look for better opportunities.

Interviewer: How is work assigned to you? Are you given individual tasks at the time or do you have set goals for a certain period that you use?

Interviewee: Sometimes im given something to do that needs to be finished quickly but normally I know when I need to finish my reports and whatever responsibilities I have to do.

Interviewer: Have the tasks just been assigned or were you involved in setting them? Sitting with your departmental head or supervisor and deciding on the targets and timelines?

Interviewee: It depends on what tasks but mostly you're just given the tasks.

Interviewer: **Do you think there is a difference in performance effort/motivation when specific challenging goals are set/ assigned compared to general goals?**

Interviewee: I think…excuse me, what the question again?

Interviewer: **Let me give you an example, if I say sell five cars in March, would that motivate you more compared to if I just said increase sales for the year? In other words do you think specific challenging goals are more motivating and will enhance performance compared to general or broad goals?**

Interviewee: Mhmmm….I think it's better because you know exactly what you need to do when the goals are specific. I will know that I have fulfilled or done what I was supposed to do but if they are general, you don't have a limit or you don't know when to say I have achieved my goal so yes I believe there's difference.

Interviewer: **In your view, do you think there's a relationship between the performance management systems and employee performance?**

Interviewee: Can you explain what you mean by relationship?

Interviewer: Relationship in terms of causality. Meaning do performance management systems lead to or have an impact of employees' performance?

Considering your current situation, do you think performance will increase if a performance system was to be put in place? Do you get what im trying to say?

Interviewee: Oh ok, yes yes I understand now. Yes definitely I strongly believe that.

Interviewer: Why do you say that? Please motivate your answer

Interviewee: Because when there's a system, employees are being monitored and they will perform more meaning they will be more productive and the company will be more profitable.

Interviewer: **What do you think are the factors associated with the success or failure of PMS?**

Interviewee: What do I think are factors?

Interviewer: Yes, what factors do you think are necessary or important in order the performance system to be successful or as you say for it to increase performance and profitability?

Interviewee: Mhm….first I think it's important to set targets and communicate them to the employees. Everyone needs to be aware of what the company is about and what its objectives are so that they share a common understanding or common mission. Then people need to be trained on the basics…they need to know how it works, what is required, how they will be monitored, I mean appraised, when they will be appraised, and so on. The supervisor s and managers must be trained especially because they are the ones that need to motivate the people and appraise them so they have to know the process fully well. If you just have a system in place but not following policies and procedures than there is no way it will increase productivity. It's like being at square one and not thing anything in place. People need to be involved and understand the importance of why it is in place and especially us not having one, it will improve things if it is well understood.

Interviewer: So you believe that organisations with performance management systems performance better than those without?

Interviewee: Yes, I strongly believe that

Interviewer: What motivates you to work?

Interviewee: Well, I want to do something with my life and achieve my goals that I set for myself

Interviewer: What are your final views on the role of PMS in organisations and their impact on employee performance?

Interviewee: First the company must put the system in place and take it from there.

Interviewer: Wow, straight to the point…(Laughs). Well thank so much for you time.

Interviewee: You're welcome

(End of interview)

Interviewee: Participant 3

(Start of interview)

Interviewer: **Thank you for sparing sometime to take part in this research. How long have you been employed in this organisation?**

Interviewee: I've been employed here for two years

Interviewer: **Is there a performance management system in the organisation?**

Interviewee: I've not heard of any since I've been here

Interviewer: **How often is your performance assessed and how? If it's not assessed, how'd you prefer it to be done and how often?**

Interviewee: I wouldn't actually say my performance is monitored. We have meeting to discuss what need to be done but not really like appraisals like in other companies. We don't rate ourselves and discussion with the supervisor. I think it is good to…if we also do such sessions so that we can get feedback from our supervisor regularly.

Interviewer: **Do you think you'd perform differently if you received regular feedback or conducted performance appraisals?**

Interviewee: Yes I honestly believe that because now you don't really know where you stand. If you're told how you're doing you can improve and do better, you can correct your mistakes and do a better job.

Interviewer: **Regardless of there being no performance management system in your organisation, in your view, what do you think is the relationship between the performance management systems and employee performance?**

Interviewee: I think there is a relationship

Interviewer: Please motivate your answer, why do you say there is a relationship? What kind of relationship is there?

Interviewee: If there's a performance management system people will be monitored and they will work hard if they know that they will be measured. So I think the relationship is that if there is a performance management system, people will work hard than if there is no management system and no one is measuring their performance like now. People are just working normally to finish and go home and get paid regardless of the how well you've done your job or completed your responsibilities.

Interviewer: **What factors do you think are important to consider in order for the performance management system to be successful or encourage people to work harder as you've mentioned?**

Interviewee: What is important? How do you mean, please ask again I don't understand.

Interviewer: That's alright. You've mentioned that you believe if there was a performance management system in place, people would work harder because they are being monitored. Apart from the fact that they will be monitored and performance assessed or measured, what factors do you think are important for the system to successfully increase performance? For example, do you think training and communication is important?

Interviewee: Uhm…yes obviously communication is very important so that people know about the systems and how it works and why it is there. Even though there is no system here I think people need to understand how it work, the ratings and be educated.

Interviewer: Anything else apart from communication and educating employees?

Interviewee: Uhm…it is important that everyone in the organisation is being measured and not only some because it will not be fair and it will look like some departments are more important than others. So the organisation needs to be a team and involve all the employees and given equal opportunity.

Interviewer: Do you believe organisations with PMS performance better than those without?

Interviewee: Yes I think so

Interviewer: What motivates you to work for this organisation and in general?

Interviewee: Well I want to grow professionally and climb the corporate ladder. I want to be independent and one day be my own boss

Interviewer: Thank you so much for you input.

Interviewee: Ok thank you.

(End of interview)

APPENDIX P

Company: Namibia Water Corporation (NamWater)

Date: 29 March 2012

Affiliation with interviewees: None. There has been no previous association between the interviewer and the interviewees apart from the initial meeting, on the 28 March 2012 to discuss the research purpose and procedures, during which the participants agreed to part-take

---

Interviewee: Participant 1
(Start of interview)

Interviewer: Thank you so much for agreeing to participate in this research. How long have you been working in this organisation?

Interviewee: I've been here for just over two years. Two years, 3 months

Interviewer: Is there a performance management system in the organisation?
Interviewee: Yes

Interviewer: So how often is your perform assessed and how?
Interviewee: We are supposed to have reviews on quarterly basis but current it's not consistent
Interviewer: So you are regularly given feedback regarding your performance by your supervisor?

Interviewee: Uhm...yes I think so.
Interviewer: And how important do you think it is to be given performance feedback is and does it play a role?

Interviewee: It is very important because if we were not given any feedback you will not know how you're performing. You will not know your shortfalls or means to address them so feedback definitely plays a role.

Interviewer: What kind of feedback do you think is more effective? The kind that employees are more likely to respond to?

Interviewee: What do you mean what kind of feedback?

Interviewer: I mean for example do you think employee will react more to supportive kind of feedback compared to criticism of their performance shortfalls or does it not make difference in performance?

Interviewee: Definitely you want a supervisor who is supportive and has good intentions. If you are constantly told that you not good and always doing things wrong, you will be de-motivated and this will affect your daily performance. You won't even enjoy your work anymore because your self-esteem is low. But if you're given positive feedback, you will be motivated and work put in extra effort.

Interviewer: In your view, do you think there's a relationship between performance management systems and employees' performance?

Interviewee: Yes there is as the performance of individuals is measured on quarterly basis. If there was no means of assessment, I don't think employees would perform or put as much effort as they are now. They are performing knowing that at the end of the day, there are bonuses to be determined and if you do not performance, you don't get a bonus.

Interviewer: So do you think rewards such as the performance bonuses are what actually makes employees to perform? Meaning, if there was a performance management system that is not linked to rewards, it wouldn't increase performance?

Interviewee: Yes because if there are no bonuses, and especially if you're highly motivated by it, it wouldn't make a difference whether or not there is a performance measure because what are they going to use the ratings for if not to determine the percentage of individual bonuses? They must definitely use the ratings to motivate staff even to use them to promote employees otherwise it is no use.

Interviewer: Is that your only source of motivation? What else motivates you to work in this organisation?

Interviewee: One definitely has needs which are fulfilled by the monthly income. However, I also want to grow as a professional individual and learn through experiences.

Interviewer: Alright, what factors apart from rewards, do you think are associated with the success and the failure of a performance management system?

Interviewee: Management need to show commitment to organisational initiates. In this company for example, some managers are not on good terms with one another and it is a very bad example they are setting to their subordinately. They need to work together to make decisions because of these issues important decisions are sometime delayed. The management style in this company needs to change in order for things to change. Another thing, there is the aspect of fairness and objectivity. The performance appraisals are highly depended on the supervisors' input which not necessarily correct. The relationship between the supervisor and subordinates can impact those ratings especially if the relationship is strained. That is a component that is very important to consider because it's the reason sometimes people do feel like appraisal are done correctly and fairly.

Interviewer: Do you think companies with performance management systems perform better than companies without such systems?

Interviewee: Considered that it is applied fairly and objectively, otherwise it may even reduce individuals' performance

Interviewer: What do you think is the role of goal setting in performance management?

Interviewee: Goals give us directions and targets. They give us an indication on how far we are to getting where we need to get. They need to be engaged in performance reviews so that when employees are appraised, they know from the beginning that these are the goals they were meant to achieve.

Interviewer: How are goals set in this organisation? Are you involved in setting goals or are goals just assigned to you?

Interviewee: Mostly they are assigned but we are also involved in some. It just depends

Interviewer: Is there a difference to whether they are assigned or whether you're involved, or is the performance level and motivation to achieve those goals just the same?

Interviewee: It makes no difference because you still have to achieve them

Interviewer: Do you think having specific challenging goals is more motivating than general gaols. Let me give you an example, if I say sell five cars in March, would that motivate you more compared to if I said increase sales for the year without any specific targets?

Interviewee: I think it helps to be specific so that I know exactly what is expected of me. Sometimes if you're not exactly sure or there is no limit you can assume but when your performance is rated, you will not get the score you were expecting.

Interviewer: What are your final views on the role of performance appraisals in organisations and their impact on the employees' performance?

Interviewee: Basically, like we discussed, appraisals need to be fair and objective. People need to be rated by other people and not just the supervisor to be able to get an objective rating. The company needs to have consistent scoring means and consult employees on their ratings.

Interviewer: Thank you so much for your input

Interviewee: Pleasure!

(End of interview)

Interviewee: Participant 2

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: This is my second year. It will be exactly two years next month

Interviewer: Is there a performance system in the organisation?

Interviewee: Yes, and we will be appraised soon

Interviewer: How often are you appraised?

Interviewee: On an annual basis

Interviewer: How important do you think performance feedback? Does it play a role?

Interviewee: Performance feedback is very important and necessary for staff to know how they are doing. I would have liked to get feedback more regularly so that I know how im performing on a regular basis. It's too long to have to wait when everyone is being appraised coz I won't remember what I did like 5 months ago for example.

Interviewer: How well do you understand your roles and responsibilities with regard to performance management?

Interviewee: I understand my roles, I know what is required of me. I know when I have to do what task.

Interviewer: **In your view, do you think there's a relationship between the performance management systems and employee performance?**

Interviewee: Im not sure I get you question but I don't think there is a relationship because in this company, we have performance reviews as formalities. Just so that they can say at the end of the day that they have done the performance reviews to determine individuals' bonuses. But people are not even aware of their score or how the supervisor came to the conclusion. What you have done and how you performed is not what is truly reflected.

Interviewer: **What would you recommend to management so that there is a positive relationship or that it is done correctly? So that having a PMS can yield positive results.**

Interviewee: No, basically just that people must be consulted before scores are given to them. They must discuss with the supervisor and agree on ratings. It must also be clear what they are being assessed on from the beginning, what goals and targets there were that will be used to measure the performance of staff. There's nothing like that.

Interviewer: **Speaking of goals, if I heard you correctly, you said there are no set goals? How do you know what you should work on if there are no goals?**

Interviewee: We have performance contracts that we sign but the work I do is not even what I signed. Sometimes I just do what is assigned to me

Interviewer: **Do you generally prefer to have goals assigned to you or would you prefer being involved in setting goals?**

Interviewee: I prefer to be involved. I want to be assessed on what I agreed on

Interviewer: **Do you think there is a difference in motivation when specific challenging goals are set or assigned compared to general goals?**

Interviewee: Generally goals need to be SMART, it is better to work with goals you can measure, that are specific, that have time limits and that are realistic. Goals that are too broad can be misleading and may even lose focus.

Interviewer: **What motivates you to work? What gives you that drive to be here?**

Interviewee: Well, generally it's a good company to work for, people have good relationships with one another even though I would recommend the company to organize social functions outside the company. It's also motivating to know that we provide a necessity to the public and that makes me want to be here.

Interviewer: Do you think there is a relationship between rewards and performance?

Interviewee: Rewards motivate people, like the performance bonus we get here. If you don't work you get nothing or little and no one will want to get nothing. But I also believe minor things like showing appreciation to employees for their contribution and awarding certificates is also rewarding and will motivate employees to work harder. We don't only have to wait for bonuses , recognition should be done throughout the year.

Interviewer: Do you believe organisations with PMS perform better than those without, and please motivate your answer?

Interviewee: This depends on how well the PMS in a company is applied. Done correctly it would no doubt benefit the company

Interviewer: Thank you so much for input

Interviewee: Pleasure!

(End of interview)

Interviewee: Participant 3

(Start of interview)

Interviewer: How long have you been employed in this organisation?

Interviewee: I've been here since mid 2009, so it's going to be 3 years.

Interviewer: Is there a performance management system in the organisation?

Interviewee: Yes, we have reviews and discuss and performance contracts

Interviewer: How happy are you with that process? Is it fair?

Interviewee: Im happy with it because I also have a say in what I contribute and how I've performed. My supervisor is understanding and reasonable and helps me where I don't understand.

Interviewer: How important do you think performance feedback is? Does it play a role?

Interviewee: Very important indeed, my supervisor is always giving me feedback on assignments so I know how im doing and what I need to do better. It definitely plays a role because it gives me the confidence in my work and I know where im good or what my weaknesses are.

Interviewer: **In your view, do you think there's a relationship between the performance management systems and employee performance?**

Interviewee: Somehow

Interviewer: Please explain. What relationship is there?

Interviewee: Performance management systems are linked to some sort of rewards. These rewards drive staff to perform better than they would if there was nothing to show for it. It can also give an indication, separate those performing and those not doing their work. So somehow knowing that there is a something in place enforces performance.

Interviewer: **What factors do you think are required in order for such a system to enhance performance as you say?**

Interviewee: Sorry, I don't think I get your question

Interviewer: What do you think needs to be done, what factors are important, for example, employee training and development or rewards, to bring about successful results of the performance management system?

Interviewee: Well people definitely need to know about the system and understand its principles. There are people who are not even aware or know what a performance management system is. Maybe they know they should be appraised but that is all. The company needs to educate it employees beyond the yearly assessments. Another thing is senior managers need to be in the boat with the staff on the matter. Not much is done from managers to support and actively engage in this regardless of employees' complains. Some of us are fortunate enough to understand but others who have not had the same experience need to be informed.

Interviewer: **Ok, you mentioned performance targets earlier which I'd assume are detailed goals and due dates? Are these discussed with staff or are goals assigned?**

Interviewee: Mostly they are assigned but there are also staff involvements depending on the level of authority.

Interviewer: **Do you personally prefer to work on goals that have been assigned to you and those you've been involved in setting.**

Interviewee: Well at the end of the day you need to try and achieve them but at least if you're involved you can object to what you may seem out of your reach.

Interviewer: What motivates you to work for this organisation, or in fact generally?

Interviewee: As Im seating here, it is my aspiration to be seating in my own company. To be my own boss. At the moment one is learning and through every experience, you take something away. You see what is done and what can be improved so that one day when you're on your own, you can do things right.

Interviewer: Would you term that self-actualisation? Would you say you're driven more by the internal motivation than external factors or rewards such as salary?

Interviewee: You know, in life it's not always about money. You can be a millionaire and have nothing. You need to be happy and I believe there's nothing that gives you greater satisfaction than having something of your own.

Interviewer: I agree with you on that. What are your views on the relationship between rewards and performance? Whether internal or external?

Interviewee: People look forward to rewards or any kind and if there are rewards at the end of the, people would aim for it of course. Obviously I would exert more energy for rewards than if there was nothing.

Interviewer: Do you believe organisations with PMS perform better than those without?

Interviewee: I believe so yes. But also it will only be effective once the factors I've mentioned have been taken into consideration such as informing the people about the system and management supporting the staff.

Interviewer: Thank you so much for time

(End of interview)

APPENDIX Q Sample Questionnaire Responses (Section 5: Question1)

ID N#	Gender	Department	Age Cat	Tenure	Status	Level	Sect/Qstn N	Response
1	M	Software	2	3.5	P	M	S5/1	Of course its necessary but must be approved by staff
2	F	HR	2	1.5	P	M	S5/1	Quite essential, allows organisations to manage performance and get an indication of the extent org goals are being achieved
3	F	Apps	2	3	P	M	S5/1	Its necessary as it helps the company measure its overall performance
4	F	Admin	2	1.9	P	M	S5/1	Yes
5	M	Software	2	7	P	M	S5/1	Necessary to drive organisation but shouldn't be the only means
6	M	Software	2	3.5	P	H	S5/1	PM/A are necessary, I encourage the use of them
7	F	Finance	2	0.2	T	M	S5/1	PM is the measure of all organisation goals and indeed a necessary function in any orgnisation
8	F	Finance	2	4	P	H	S5/1	Yes
9	M	DW/BI	2	0.5	T	M	S5/1	PM/A are crucial tools that measure performance conformity but to succeed,PMS should be used fairly and objectively
10	M	Systems	2	0.4	T	M	S5/1	A form of encouragement to everyone involved to improve their performance
11	M	Software	2	0.5	T	M	S5/1	To access company performance, its important to know individuals performance
12	M	DW/BI	2	0.5	T	M	S5/1	Yes, but it is important that staff agree with the method or it is useless
13	M	Systems	3	3.5	P	H	S5/1	Yes, if its used for what's its meant to not sideline staff and make them feel like fools
14	F	Apps	2	4	P	H	S5/1	PM helps organsiations to measure efforts and monitor deliverables.
15	M	Systems	3	3.5	P	M	S5/1	Set objectives, manage/coordinate performance, carry out appraisal and helps isolate poor performance
1	M	Corporate Serv	4	20	P	M	S5/1	Its good provided its used in the correct manner
2	F	Finance	2	4	P	H	S5/1	Yes
3	M	ESS	3	n/a	T	H	S5/1	It's a very necessary function and should be ensured in the organisation, not just something copied from other organisations
4	M	Corporate Serv	4	4	P	H	S5/1	Its necessary but the current one is failing
5	F	Finance	4	2	P	M	S5/1	Very important
6	F	Finance	3	4	P	M	S5/1	Maybe
7	M	Corporate Serv	4	n/a	P	H	S5/1	PM is necessary to measure how we are doing
8	F	Finance	4	6	P	M	S5/1	If is it correctly used it can work
9	M	Finance	5	11	P	H	S5/1	Is needed in every company and must be kept alive
10	F	ESS	4	n/a	P	H	S5/1	There is too much bias and subjectivity.It's never applied fairly and to the people who contribute most to the core business
11	F	ESS	3	4	P	H	S5/1	It's the best way in achieving strategic goals, through appraising employees on individual basis
12	M	ESS	3	8	P	H	S5/1	Yes, but it should have an objective
13	M	Finance	2	1	P	M	S5/1	It is taken as a formality and not a toolr to increase employee performance
14	F	Corporate Serv	3	10	P	M	S5/1	No response
15	M	Finance	4	14	P	H	S5/1	It is necessary if it is applied correctly
16	M	Finance	2	0.8	T	H	S5/1	Its very necessary because we see who is doing their work and who is not
17	M	FAM	3	2	T	H	S5/1	Yes
1	F	Finance	2	0.3	P	H	S5/1	If all the basics are covered at first then it is a wonderful tool
2	F	Finance	2	2	P	M	S5/1	Never had one but I believe its necessary
3	F	EDP	3	3	P	M	S5/1	Yes but it does not happen
4	M	ID	4	16	P	n/a	S5/1	It is necessary in any organisation
5	F	HR	2	1	P	M	S5/1	Its very important as it creates a sense of belonging and inspires employees
6	F	MDO	5	n/a	P	M	S5/1	It will separate performers from non-performers even if equally qualified
7	F	HR	2	1	P	M	S5/1	Yes, it provides a transparent platform for promotion and increase
8	F	ID	3	0.7	P	M	S5/1	Appraisal are the only way to effectively measure performance and give indication of annual increases. Its tool that can motivate staff to get out of their comfort zones
9	F	Legal	3	n/a	P	H	S5/1	Provided it is done correctly, can be useful tool in correcting employees behaviour and output
10	F	Finance	4	2.5	P	H	S5/1	It is very necessary to have performance reviews as they will help to improve
11	M	Finance	3	3	P	M	S5/1	No response
12	M	Finance	3	1	P	H	S5/1	PM is required at any organisation. It helps employees perform better and get rid of non-performers
1	M	PID	3	4	P	H	S5/1	Certainly necessary, can only improve if there are proper PMS in place
2	F	LTI	2	0.02	T	L	S5/1	PM/A is an important tool because employees are recognised and where performance lacks, steps such as training can be taken
3	F	O/HR	3	4	P	M	S5/1	Absolutely necessary, feedback on what you've worked hard on is welcomed/needed/essential
4	F	ML	2	0.5	T	M	S5/1	Management should always praise their employees on work well done and motivate them
5	M	II	3	0.7	P	H	S5/1	It is necessary because everybody will know what is expected
6	F	LTI	2	0.1	T	M	S5/1	Yes, it is vital so you see who is working and performing
1	F	HR	5	8	P	M	S5/1	Yes it is necessary but does not always get implemented
2	M	OMD	3	2	P	H	S5/1	Very critical if you really want to know your progress
3	M	HR	4	10	P	H	S5/1	Appraisals work well in environment were management and accountability is taken seriously. PM is a necessary and sufficient condition for effective management
1	M	HR & Admin	5	8	P	H	S5/1	PM when introduced will motivate employees to perform
2	F	Finance	3	4	P	H	S5/1	Its necessary to set goals and implement appraisals. Employees will know their rewards if they achieve
3	M	HR & Admin	20	n/a	P	H	S5/1	A PMS is needed as it helps employees be focused and know expectations, it promotes team work

APPENDIX R Code Manual

CODE MANUAL

Categories	Main Themes (A Priori)	Code	Sub-themes 1	Code	Sub-themes 2	Code
Infrastracture	Communication	COM	Staff Meetings	COM1		
			Feedback	COM2		
Leadership	Leadership	LM	Management Support & Commitment	LM1		
Process Management	Goal Deployment	GD	Clearly Defined Goals/KPIs	GD1		
			Measurable KPIs	GD2		
Motivation	Reward Systems	RS	Fairness	RS1		
Human Resources	Training and	TD				
HR / Infrastrature	Employee Engagement	EE				
Structure	Performance Management	PM	Performance Appraisal	PM1		
HR / Infrastrature	Employees Perceptions	EPP	Fairness	EPP1		
Process Management	Standardisation	STD	Consistency	STD1		
Motivation	Performance-oriented Culture	POC				
Technological	Technological Capacity	TC				
Process Management	Goal Setting	GS				
Categories	Main Themes (Inductive)	Code	Sub-theme	Code		
External Environment	Working Environment	WE	Conducive environment	WE1		
			Diversified environment	WE2		
			Equal gender representation	WE3		
HR / Infrastrature	Interpersonal Relationships	IR	Unity among staff	IR1		
			Working with people	IR2		
			Relations with colleagues	IR3		
Motivation	Recognition	RCG	Certificates	RCG1		
			Recognition of performance	RCG2		
			Thanked / Appreciation	RCG3		
			Considered as humans	RCG4		
Motivation	Motivation	MOT	Internal motivation	IMOT	Moral support	IMOT1
					Solving problems	IMOT2
					Feeling of achievement	IMOT3
					Challenge	IMOT4
					Unity among staff	IMOT5
					Learning opportunity	IMOT5
					Recognition	IMOT6
					Supervisor's guidance	IMOT7
					Diversified environment	IMOT8
					Equal gender representation	IMOT9
					Continuous improvemeny	IMOT10
					Contributing to company goals	IMOT11
					Enjoyment of job	IMOT12
					Encouraged innovation and creativity	IMOT13
					Success	IMOT14
					Career satisfaction	IMOT15
					Meeting deadlines	IMOT16
					Satisfying clients	IMOT17
					Building self reputation	IMOT18
					Good teamwork	IMOT19
					Diversified projects	IMOT20
					PDP and clearly defined goals	IMOT21
					Good working relationships	IMOT22
					Confidence from management	IMOT23
					Self actualisation	IMOT24
					Autonomy	IMOT25
			External motivation	EMOT	Job security	EMOT1
					Remuneration	EMOT2
					Good company	EMOT3
					Timely salary	EMOT4
					Good fringe benefits	EMOT5
Structure	Maturity of PMS	MPMS	Lack of PMS	MPMS1		
Human Resources	Education and Understanding	EU	Common understanding of skills/tasks	EU1		
			Mutual understanding of process	EU2		
			Known expectations	EU3		
			Understandign by Employer	EU4		
			Understand importance of PMS	EU5		
Process Management	Monitoring and Evaluation	ME	Performance tracking	ME1		
			Measuring tools	ME1		
			Ongoing review	ME3		
			Daily/Weekly inspection	ME4		
			Performance Appraisal	ME5		
			Objectivity	ME6		

Category	Main Theme (Inductive)	Code	Sub-theme	Code
External	External Influences	EI	Benchmarking	EI1
			Research other company practices	EI2
Infrastrature	Availability	RA		
Motivation	Contract	PC	Known expectations	PC1
Structure	Performance	PM	Planning	PM2
			Efficient implementation	PM3
			Time saving	PM4
			Flexible to change	PM5
			Productivity	PM6
			Perfomance Appraisal	PM7
HR / Infrastrature	Employee	EE	Involvement of staff	EE1
			Staff buy-in	EE2
			Shared goal	EE3
			Staff morale	EE4
			Consultation	EE5
Leadership	Leadership Models	LM	Management Style	LM2
			Ongoing support	LM3
			Sufficient supervision	LM4
			Maturity & Honesty from Supervisors	LM5
			Expertise guidance	LM6
Personal Attributes	Personal	PA	Personal health	PA1
			Family matter	PA2
			job satisfaction	PA3
			Accountability	PA4
			Dedication	PA5
			Loyalty	PA6
			Determination	PA7
HR / Infrastrature	Employees Perceptions	EPP	Open-mindedness	EPP1
			306 Degree	EPP2
			Accepatnce of staff view	EPP3
			Mutual consent of targets	EPP4
			Autonomy	EPP5
			Career guidance	EPP6
			Transparency	EPP7
			Objectivity	EPP8
Infrastracture	Communication	COM	Open performance discussion	COM3
			Staff consultation	COM4
Process Management	Goal Deployment	GD	Realistic goals	GD3
Motivation	Reward Systems	RS	Transparency	RS2
			Consistent	RS3
Technological	Technological Capacity	TC	User-friendly	TC1
			Time saving	TC2
			Technology	TC3
Structure	Structural setting	SS	No rigid bureacracy	SS1
			Equal gender representation	SS2
			Efficient decision making	SS3
Barriers	Barriers	BAR	Ineffective communication	BAR1
			Reliable performance evaluation	BAR2
			Resistance / non-coorperation	BAR3
			Ineffective planning / implementation	BAR4
			Unfair Reward system	BAR5
			Teamwork / Collective effort	BAR6
			Subjectivty	BAR7
			No staff buy-in	BAR8
			Poor management style	BAR9
			Inadequate skills & knowledge	BAR10
			Lack of staff consultation	BAR11
			Consistency Grading / Scoring	BAR12
			Unplanned activities	BAR13
			Management lack PMS knowledge	BAR14
			Ineffective goal setting	BAR15
			Favouritism	BAR16
			Staff-supervisor relationship	BAR17
			Insufficient time management for PM	BAR18
			Lack of employee engagement	BAR19

APPENDIX S

Research Office

HUMAN RESEARCH ETHICS COMMITTEE (NON MEDICAL)
H111011 Hamumokola

CLEARANCE CERTIFICATE	**PROTOCOL NUMBER H111011**
PROJECT TITLE	The Contributions of Performance Management Systems to Performance in the Namibian Context
INVESTIGATOR(S)	Ms N N Hamumokola
SCHOOL/DEPARTMENT	Wits Business School
DATE CONSIDERED	14 October 2011
DECISION OF THE COMMITTEE	Approved Unconditionally

EXPIRY DATE 31 October 2013

DATE 09 November 2011 **CHAIRPERSON** (Professor R Thornton)

cc; C Callaghan

DECLARATION OF INVESTIGATOR(S)

To be completed in duplicate and **ONE COPY** returned to the Secretary at Room 10005, 10th Floor, Senate House, University.

I/We fully understand the conditions under which I am/we are authorized to carry out the abovementioned research and I/we guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I/we undertake to resubmit the protocol to the Committee. **I agree to completion of a yearly progress report.**

Signature

1 / 12 / 2011
Date

PLEASE QUOTE THE PROTOCOL NUMBER ON ALL ENQUIRIES