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An investigation of antecedent factors of organisational performance in selected local municipalities in the Vaal region

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2025
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https://hdl.handle.net/10539/50196
Masikwana, Sinovuyo. (2025). An investigation of antecedent factors of organisational performance in selected local municipalities in the Vaal region [Master's dissertation, University of the Witwatersrand, Johannesburg]. WIReDSpace. https://hdl.handle.net/10539/50196

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ACKNOWLEDGEMENT

I would like to thank God and my ancestors for the gift of life and making all this a possibility.

My utmost gratitude goes to my supervisor, Dr Thelela Ngcetane-Vika for your support and guidance. You have been an able guide most of all inspirational. Thank you for your patience and believing in me throughout this journey.

Many thanks to my family and friends, it was through their support, sacrifice and encouragement that this study became a reality. My sincere gratitude goes to my mother Nodathini Georgina Masikwana for always believing in me and encouraging me through my academic life. Enkosi!

TABLE OF CONTENTS

CHAPTER ONE: ORIENTATION OF THE STUDY 1

1.1 INTRODUCTION AND BACKGROUND OF THE STUDY 1

1.2. PROBLEM STATEMENT 3

1.3 RESEARCH PURPOSE 4

1.4 RESEARCH OBJECTIVES 4

1.4.1 Empirical objectives 4

1.4.2 Research questions 5

1.5 THEORETICAL FRAMEWORK 5

1.6. CONCEPTUAL MODEL RATIONALISATION AND HYPOTHESES STATEMENT 6

1.5.1 Hypotheses statements 7

1.6 RESEARCH METHODOLOGY 8

1.6.1. Research approach 8

1.6.2. Research design 8

1.6.3. Sampling Design 8

1.6.4 Data collection and procedure 8

1.7 DATA ANALYSIS AND STATISTICAL APPROACHES 8

1.8 ETHICAL CONSIDERATIONS 8

1.9 CHAPTER CLASSIFICATION 9

1.10 CHAPTER SUMMARY 10

CHAPTER TWO: LITERATURE REVIEW OF THE STUDY'S CONSTRUCTS 11

2.1. INTRODUCTION 11

2.2 THEORETICAL UNDERPINNING 11

2.2.1. The resource-based view theory 11

2.2.2. Application to the study 12

2.3 REVIEW OF LITERATURE ON THE STUDY'S CONSTRUCT 12

2.3.1. Organisational culture 12

2.3.2. Resource allocation 16

2.3.3. Ethical leadership 19
2.3.4 Employee performance 21
2.3.5 Organisational performance 25
2.4 CHAPTER SUMMARY 29
CHAPTER THREE: RESEARCH METHODOLOGY 31
3.1 INTRODUCTION 31
3.2 RESEARCH PHILOSOPHY 31
3.2.1 Positivism paradigm 32
3.3 RESEARCH APPROACH 32
3.3.1 Quantitative Research Approach 33
3.3.2 Rationale for Adopting Quantitative Research Approach 33
3.4 RESEARCH DESIGN 33
3.4.1 Descriptive and Correlation Design Research Design 34
3.4.2 Rationale for Adopting Descriptive and Correlation Research Design 34
3.5 POPULATION AND UNIT OF ANALYSIS 35
3.5.1 Population 35
3.5.2 Unit of Analysis 35
3.5.3. Sample frame 35
3.5.4. Sample size 35
3.6 SAMPLING 37
3.7 DATA COLLECTION METHODS 38
3.8 DATA ANALYSIS 38
3.8.1 Data Analysis Technique 39
3.9.2 Reliability assessment 39
3.9.3 Validity analysis 40
3.9.4 Hypothesis testing 41
3.10 LIMITATIONS, FEASIBILITY AND POSITIONALITY 42
3.10.1 Limitations 42
3.10.2 Feasibility 42
3.10.3 Positionality 42
3.11 ETHICAL CONSIDERATION 43

3.11.1 Ensure Approvals....43
3.11.2 Ensure informed consent is given....43
3.11.3 Ensure confidentiality and anonymity....43
3.12 CHAPTER SUMMARY....44
CHAPTER FOUR: DATA ANALYSIS RESULTS....45
4.1 INTRODUCTION....45
4.2. SAMPLE CHARACTERISTICS....45
4.2.1 Gender....45
4.2.2. Age group....46
4.2.3 Work experience....47
4.2.4. Municipality....48
4.3. DESCRIPTIVE STATISTICS....49
4.3.1. Organisational culture (OC)....50
4.3.2. Resource allocation....50
4.3.3. Ethical leadership (EL)....51
4.3.4. Employee performance (EP)....52
4.3.4. Organisational performance (OP)....54
4.4. NORMALITY....54
4.5. RELIABILITY....55
4.6 EXPLORATORY FACTOR ANALYSIS....56
4.7. VALIDITY ANALYSIS....60
4.7.1. Convergent Validity....60
4.7.2. Discriminant Validity....61
4.8. CONFIRMATORY FACTOR ANALYSIS (CFA)....62
SOURCE: AUTHOR'S COMPILATION....63
4.9. STRUCTURAL EQUATION MODELLING (SEM)....63
4.10 CHAPTER SUMMARY....66
CHAPTER FIVE: DISCUSSION OF FINDINGS....67
5.1 INTRODUCTION....67
5.1. DISCUSSION OF RESULTS PERTAINING TO HYPOTHESES....67
5.2. CHAPTER SUMMARY....71

CHAPTER SIX: CONCLUSION AND RECOMMENDATIONS 71
6.1 INTRODUCTION 71
6.2 CONCLUSIONS RELATED TO THE STUDY'S EMPIRICAL OBJECTIVES 71
6.2.1 Conclusions related to objective one 72
6.2.3 Conclusions related to objective two 72
6.2.3 Conclusions related to objective three 73
6.3 IMPLICATIONS FOR PRACTICE 73
6.4 LIMITATIONS OF THE STUDY 74
6.5 RECOMMENDATIONS FOR FUTURE RESEARCH 75
6.6 FINAL REMARKS 76
REFERENCES 77
APPENDICES 92
APPENDIX A: QUESTIONNAIRE 92
APPENDIX B: ETHICAL CLEARANCE CERTIFICATE 97
APPENDIX C: CONSENT LETTER 99

ABSTRACT

South African local municipalities are important governmental spheres that are mandated to provide adequate service to local communities. This strategic objective highlights their crucial role as a vital conduit for addressing the socio-economic challenges that plague South African society, which is characterized by high unemployment and inadequate service delivery. Those deficiencies are primarily found in municipalities that perform poorly, which, despite their importance, appear to be lacking in terms of fulfilling their constitutional mandate. Given the presented rationalisation, this study seeks to explore the strategic drivers of municipal organizations' performance objectives. Particular attention was paid to three key factors, namely, organisational culture, ethical leadership, and resource allocation, as determinants of employee and organisational performance. The study focused on the selected municipalities in the Vaal region, which encompasses the Emfuleni, Lesedi, and Sedibeng municipalities. The study employed a quantitative approach, informed by the positivist paradigm, using a combination of descriptive and correlational designs. A simple random sample technique was used to collect data from 400 municipal employees using a structured questionnaire. Hypotheses were formulated, and SEM was used to test them. All four were supported, outlining the organisational culture, resource allocation, and ethical leadership as critical antecedents of employee performance, while the latter was established to positively influence organisational performance.

Keywords: Organisational culture; resource allocation; ethical leadership; employee performance; organisational performance; Emfuleni, Lesedi, and Sedibeng municipalities

CHAPTER ONE: ORIENTATION OF THE STUDY

1.1 INTRODUCTION AND BACKGROUND OF THE STUDY

This study investigates the antecedents of organisational performance in selected local municipalities within the Vaal region. Municipalities are areas where local governments exercise governance within defined geographic areas. Their key prerogative is to provide adequate service to local communities (Sibonde & Dassah, 2021:12). Service delivery is broadly defined as the capability to render adequate services to local communities by either local, provincial, or national governments (Sibanda, 2017:317). Such services include infrastructure maintenance, road maintenance and repair and access to water and electricity. Key to achieving this mandate is a municipality's ability to perform optimally. Thus, organisational performance refers to the successful implementation of strategies to achieve institutional objectives (Randeree & Al Youha, 2009). Importantly, attaining and sustaining such institutional objectives rests on implementing several strategic practices. In this study, core contributing factors to optimise municipal organisational performance include culture (organisational), resource allocation and ethical leadership. These drivers are important because they boost credibility, integrity, employee morale and public trust in ethical leadership (Sidani, 2024). Resource allocation facilitates the effective implementation of operational activities designed to sustain municipal mandates through human capital and financial capabilities Maritan & Lee, 2017). Moreover, a sound organisational culture reinforces a conducive working environment, one that is entrenched in ethical and professional attributes, and fosters a sense of service excellence.

Local municipalities play a crucial role in enhancing citizens' living conditions as part of their mandate. Akinboade et al. (2014:2) emphasise that these municipalities are tasked with various key functions, including infrastructure development, public services provision and community welfare. Through effective governance and local initiatives, municipalities contribute significantly to creating a conducive environment for residents, fostering community development and addressing the specific needs of their constituencies. Such a positive contribution is evident through the provision of water and sanitation, electricity, solid waste removal, community services, roads, street lighting and fire, to name a few (Thornhill & Cloete, 2014:5). The provision of these services underlines the importance of local municipalities as facilitators of adequate living conditions (Mubangizi, 2019:555). The effective implementation of the outlined strategic role of municipalities is possible by implementing several factors and allocating input resources, which would strengthen the organisational performance of local municipalities in sustaining sound and efficient service delivery (Sibonde & Dassah, 2021:12).

The strategic importance of local municipalities is centre on key pillars such as (1) the establishment of municipalities (Chapter 7); (2) the constitutional mandate; (3) the performance management; (4) the municipal Shift strategy, (5) MSA regulations, and (6) the consequences management framework for poorly compliant municipalities. These respective frameworks shape the holistic direction and monitoring of adequate service delivery within the municipalities. This view is salient given that the constitution, in its formulation, establishes the different spheres of government (three to be precise) in an effort to regulate and monitor performance optimisation (Karsten & van der Bank, 2025). Thus, municipalities, through their constitutional mandate, are obligated to ensure the sound governance of their structures to manage their operations effectively, thereby ensuring that proper service delivery is provided to local communities (Masiya et al., 2021). This aspect is upheld through the effective management and monitoring of municipal ecosystems by establishing accountability mechanisms and fostering continuous improvement of governance and operations. This is very important, given that many South African municipalities are embroiled in scandals where accountability and proper performance management are lacking (Nyika & Mohangi, 2023). Therefore, instilling a cultural basis upon which municipality stakeholders embrace a cultural demarcation that exhibits adherence and compliance with rules and regulations, as well as the pursuit of excellence, could underpin the drive for service excellence.

Despite contributing to the above socio-economic objectives, Sibanda (2017:317) suggests that managing socio-economic imperatives remains challenging for the South African local government. This issue could be attributed to several operations and structural challenges. The main ones include needing more expertise and capability development, poor organisational structure and budget planning (Kontsiwe & Visser, 2019:1334). This is particularly the case in the Emfuleni, Lesedi and Sedibeng local municipalities, some of the most poorly run municipalities in the Vaal region of the Gauteng province. These municipalities' challenges are multifaceted, from operational to structural, notably, dysfunctional operations, maladministration, poor procurement practices, and a lack of proper management capacity, factors that hinder efficient service delivery, particularly in areas such as waste management and employee performance (Pieterse, 2021:11). Critical to the aforementioned argument are notable cases of poor performance crippling some local municipalities. Examples include the Ngwathe Local Municipality in the Free State, where council dissolution was driven by the ineffective provision of basic services, such as sewage spills and financial mismanagement (Ludidi, 2025). In the Northwest, the Ditsobotla Local Municipality was placed under administration for the ninth time due to repeated financial mismanagement and a collapse in service delivery (Banda, 2025). Lastly, the Maluti-A-Phofung Local Municipality was reported by the Auditor General for its

inability to provide its 2025 financial statement, highlighting the poor governance structure within the municipality (AfricaNewsroom, 2025). These selected cases highlight the severity of inadequate performance within local municipalities in providing basic services, such as waste management, road maintenance, and infrastructure upkeep.

Against this background, this study will focus on these three municipalities due to their well-documented poor management and inadequate service delivery to local communities. Given the discussion above, the study proposes ways to improve organisational performance in a municipal setting, particularly in Emfuleni, Lesedi and Sedibeng local municipalities.

1.2. PROBLEM STATEMENT

Various studies have documented the strategic importance of South African local municipalities (Monkam, 2014:275; Manyaka & Sebola, 2015:674; Munzhedzi, 2021:21; Ramaano, 2021:47). However, despite the importance of local municipalities, various operational challenges hamper their service delivery prerogative. Notable challenges facing municipalities include a lack of expertise and capability development, poor organisational structure and budget planning, dysfunctional operations, maladministration, poor procurement practices, and a lack of proper management capacity, to name a few, which correlate to efficient service delivery, with aspects such as poor waste management, notwithstanding employee performance. Furthermore, municipalities face operational and structural hindrances, such as a lack of resource planning, corruption, and wasteful expenditure (Pieterse, 2021:11). The plurality of these challenges has a direct influence on these municipal organisations' abilities to perform their duties optimally, which further results in their inability to function adequately (Pancasila, Haryono & Sulistyo, 2020:387). This view is particularly critical, given the numerous structural and operational-related challenges the Emfuleni local municipality has faced over the years. Prominent cases of these dysfunctions include, amongst others, financial mismanagement and distress, resulting in the municipality failing to meet its contractual obligations with institutions such as Eskom. The continuous inability to provide basic maintenance work in and around cities, as evidenced by mounting waste and sewage, and persistent potholes, contributes to poor, substandard conditions. This multitude of well-documented evidence underscores the systematic governance failure that impacts employees' performance and subsequent organisational failure.

Given the highlighted issues contributing to poor organisational performance in local municipalities, the study suggests changing municipal organisational culture while ensuring sufficient resource allocation and embracing a more ethical-driven leadership as a strategic drive to boost employee performance objectives.

The adoption of these aspects is vital in boosting organisational performance in South African municipalities (Mpofu & Hlatywayo, 2015:133; Sibonde & Dassah, 2021:1; Nama, Daweti, Lourens & Chikukwa, 2022:42; Ndou & Agbenyegah, 2022:41). Pursuing the suggested nexus is relevant because it provides a different perspective on drivers of municipal performance by exploring the role of changed organisational culture, resource allocations and promoting ethical leadership as determinants of organisational performance through the mediating role of employee performance in the Emfuleni, Lesedi and Sedibeng municipalities. This association is critical given the dearth of empirical evidence that explored aspects similar to the present study's framework.

This observation is pertinent because Manyaka and Sebola (2015:674) examine the challenges linked to the performance management of South African municipalities, noting that the greatest challenge facing these municipalities was the successful rollout of the performance management system across all levels of the municipal institutions. Shava and Chamisa (2018:1) examine cadre deployment policy and its impact on performance. Masiya, Davids and Mangai (2021:97) investigated drivers of municipal performance by focusing on aspects such as an unsupportive institutional environment, negative power struggles, over-regulation, political interference, a tense and bureaucratic environment, lack of coherent management systems, absence of a culture of excellence, poor skill utilisation, poor oversight mechanisms, weak capacity to engage in collaborations and lack of trust between councillors from different political parties. Lastly, Mello and Thabayapelo (2021:59) examine the relationship between performance management and development systems and employee motivation at the Mahikeng local municipality. Therefore, the study aims to fill the established research gap by proposing the adoption of the identified predictive aspects (improved organisational culture, resource allocation, and ethical-driven leadership) to optimise employee and organisational performance in the Emfuleni, Lesedi, and Sedibeng municipalities.

1.3 RESEARCH PURPOSE

The study aims to investigate the antecedent factors of municipal organisational performance in the Vaal region.

1.4 RESEARCH OBJECTIVES

The following empirical objectives and research questions are formulated based on the stated purpose.

1.4.1 Empirical objectives

The study formulates the following empirical objectives:

1) to determine the perception of municipal employees on the level of organisational culture, resource allocation and ethical leadership and employee performance.
2) to analyse the relationship between performance management practices (organisational culture, resource allocation and ethical leadership) and employee performance in the Emfuleni, Lesedi and Sedibeng municipalities.
3) to establish the association between employee performance and organisational performance in the Emfuleni, Lesedi and Sedibeng municipalities.

1.4.2 Research questions

The following questions are derived from the above empirical objectives:

1) What is the relationship between performance management practices (organisational culture, resource allocation, and ethical leadership) and employee performance in the Emfuleni, Lesedi, and Sedibeng municipalities?
2) What is the relationship between employee performance and organisational performance in the Emfuleni, Lesedi and Sedibeng municipalities?
3) What is the perception of municipal employees about organisational culture, resource allocation, ethical leadership, employee performance and organisational performance.

1.5 THEORETICAL FRAMEWORK

The resource-based view (RBV) is considered suitable for the theoretical grounding of the study and will be discussed in detail in Chapter Two. Premised on Barney's (1991) work, the RBV calls for developing core and strategic resources. These tangible and intangible resources are difficult for competitors to replicate, with the sole objective of improving and sustaining organisational performance objectives.

Linking the RBV's premise to the present study, it is argued that municipalities' abilities and capabilities to develop tangible competencies in effective and efficient resource allocation in financial, human capital and technology adoption can stimulate employee and organisational performance. Similarly, exploiting intangible gains in adhering to and promoting a strong environmental culture couched on principles of effective leadership, professionalism, ethical practices and employee empowerment could foster employee and organisational performance. Additionally, effective leadership traits anchored on human or employee-centredness could boost staff morale and stimulate a sense of belonging and empowerment. These attributes are central to heightening organisational success.

1.6. CONCEPTUAL MODEL RATIONALISATION AND HYPOTHESES STATEMENT

The study proposes to test a model to determine the influence of the identified factors that could contribute to better employee and organisational performance. The surge in exploring the antecedents of effective performance management is well-documented. Based on Frederick Taylor's scientific management theory, which was popular in the late 19th and early 20th centuries, the human relations movement brought attention to the social and psychological aspects of the work environment, leading to its evolution (Zarrin, Schoenfelder and Brunner, 2022). Behavioural psychology theories have significantly contributed to understanding behaviour and reward processes. Subsequently, strategic management theory began to influence performance management.

This premise supports the rationale behind evaluating the study's identified drivers of municipal organisational performance. In its generic conceptualisation, performance management refers to activities designed to monitor, persuade and evaluate employees' work-related performance as well as organisations' capabilities to meet or exceed their performance objectives (Riyanto, Endri & Herlisha, 2021; Grossi, Kallio, Sargiacomo & Skoog, 2020; Kalogiannidis, 2020). There are various practices which have been identified as factors contributing to sustaining performance management across any South African municipal organisation's ecosystem. These include training and development (T&D), employee motivation, employee commitment, organisational culture, ethical leadership and both individual and institutional trust (Esau 2016:686; Gaffoor & Cloete 2010:1; Luthuli et al., 2019:117; Mpofu & Hlatywayo 2015:133; Nama et al., 2022:43; Ndevu 2019:1; Sibonde & Dassah 2021:1; Riyanto *et al.,* 2021:161; Ndou & Agbenyegah 2022:41; Skosana, Maleka & Ngonyama-Ndou 2021:1). Gaffoor and Cloete (2010:1) identified human resources, information technology, organisational structure and strategy and leadership, as important practices to stimulate organisational performance.

Against this backdrop, the study opted to focus its attention on organisational culture, resource allocation and ethical leadership as critical driving factors of employee and organisational performance within a South African municipal setting. The selection of these predicting constructs is based on the rationale that they are vital components that play a fundamental role in employee development and empowerment in any organisational environment, notwithstanding the predictive role that employee performance plays in achieving organisational goals (Utin & Yosepha, 2019; Guo, 2022; Ndou & Agbenyegah, 2022).

It is against the aforementioned justification that the study's conceptual model (Figure 1.1) is conceptualised. It comprises three predicting constructs: organisational culture, resource allocation and ethical leadership, with employee performance as a mediator and organisational performance as an outcome.

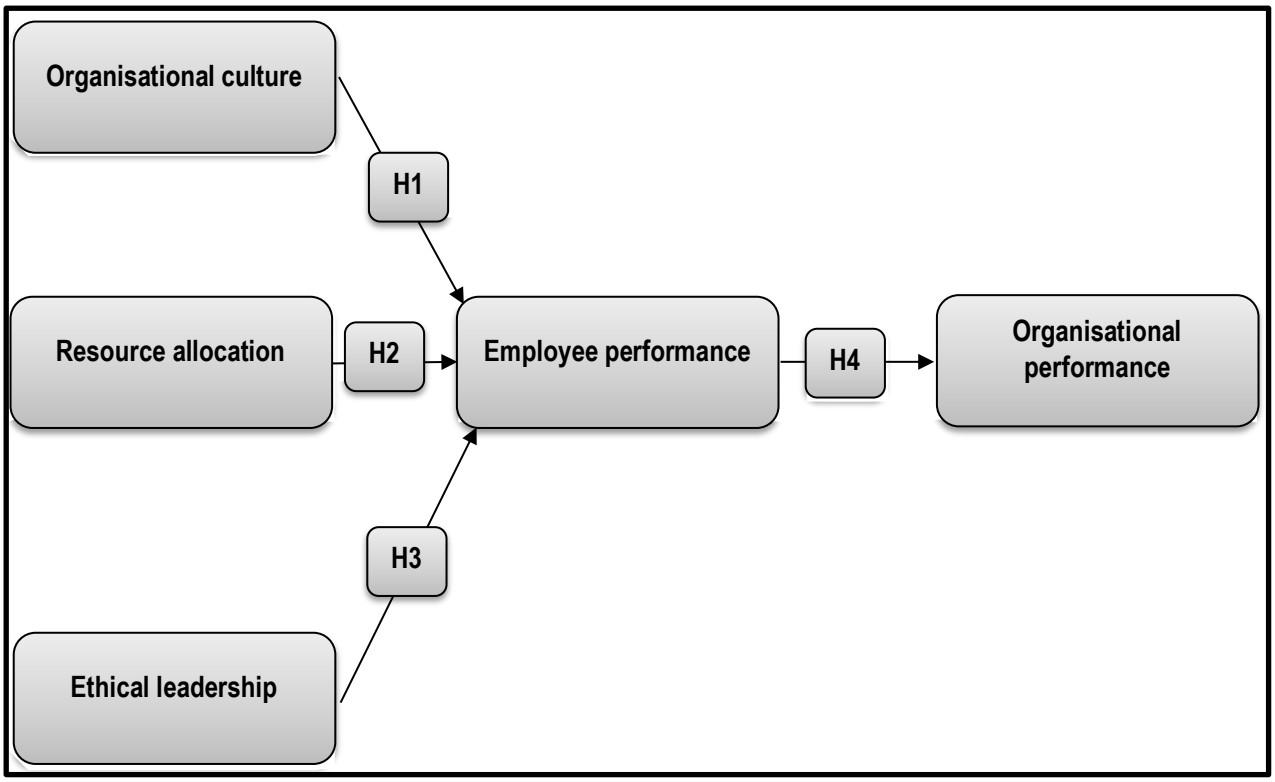


Figure 1.1. Conceptual Framework

Source: Author's conceptualisation

1.5.1 Hypotheses statements

The following hypotheses are proposed:

H_1: Organisational culture exerts a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities.

H_2: Resource allocation exerts a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities.

H_3: Ethical leadership exerts a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities.

H_4: Employee performance exerts a positive influence on organisational performance in the Emfuleni, Lesedi and Sedibeng local municipalities.

1.6 RESEARCH METHODOLOGY

1.6.1. Research approach

The study is quantitative in nature because it seeks to establish the predictive association between the identified drivers of employee and organisational performance in the Emfuleni, Lesedi, and Sedibeng local municipalities. A detailed explication of the research methodology is offered in Chapter Three of this study.

1.6.2. Research design

The study employs a combination of descriptive and correlational research designs. The descriptive design aims to assess the employees' perceptions of organisational culture, resource allocation, ethical leadership, and employee and organisational performance. In contrast, the correlational design examines the predictive relationships between these constructs.

1.6.3. Sampling Design

Sampling design refers to a plan of action to select a study sample. It consists of the target population, sampling framework, size, and technique (Lohr, 2021:1). These aspects are elaborated in the study's Chapter Three.

1.6.4 Data collection and procedure

The data were collected using a structured survey questionnaire distributed in person using a drop-and-collect method.

1.7 DATA ANALYSIS AND STATISTICAL APPROACHES

The data are analysed using the Statistical Package for the Social Sciences (SPSS) to conduct descriptive analysis and covariance-based structural equation modelling (SEM) using the Analysis of Moment Structures (AMOS) version 29. The hypotheses are tested using regression analysis to determine the predictive influence of the predictor constructs on the mediator and outcome. The psychometric properties, which establish the reliability and validity of the constructs, are addressed in Chapter Four.

1.8 ETHICAL CONSIDERATIONS

The study adhered to ethical principles by upholding the following guidelines:

- **Ethical clearance**

Ethical clearance was obtained (see Appendix A), which granted the researcher permission to conduct the study.

- **Voluntary participation and informed consent**

No respondents were forced to partake in the study without their consent.

- **Confidentiality and anonymity**

The confidentiality and anonymity of the respondents were maintained, with no identifier included in the study or questionnaire.

1.9 CHAPTER CLASSIFICATION

The study comprises five chapters, which are structured as follows:

Chapter 1: Introduction and background to the study

This chapter provides an introduction and background to the study. The problem statement, the research objectives, theoretical grounding and methodology are discussed.

Chapter 2: A literature review on the constructs

This chapter reviews the relevant literature on the study's constructs.

Chapter 3: Research methodology and design

This chapter addresses the aspects of research methodology and techniques employed to collect data.

Chapter 4: Data analysis and results.

This chapter discusses the data analysis results and their subsequent interpretation.

Chapter 5: Discussion of the Findings

This chapter discusses the study's findings derived from the obtained results

Chapter 6: Conclusion and recommendations.

This chapter addresses the conclusions and recommendations derived from the results obtained.

1.10 CHAPTER SUMMARY

This chapter introduces the study, which sets the scene for the overall research angle. The problem and objectives, as well as research questions, are addressed. The RBV was identified as the theoretical underpinning framework of the study. The rationalisation of the study's conceptual framework and proposed methodology, as well as the data analysis procedures, is also articulated. The next chapter focuses on the literature review of the study's constructs.

CHAPTER TWO: LITERATURE REVIEW OF THE STUDY'S CONSTRUCTS

2.1. INTRODUCTION

The previous chapter presented an orientation to the study, focusing on laying the foundation for the research by outlining its problem, key objectives and questions, as well as the theoretical underpinnings and methodology. This chapter reviews the literature on the study constructs, beginning with a discussion of the RBV theory and its suitability for the study. The chapter concludes with a review of the literature on the constructs.

2.2 THEORETICAL UNDERPINNING

This section focuses on the RBV theory and its application to the study.

2.2.1. The resource-based view theory

The RBV theory, developed by Barney (1991) and built on Penrose's seminal work (1959), is a strategic management framework that calls for developing core and hard-to-imitate tangible and intangible resources to boost performance and achieve a desired level of competitive advantage by an organisation. The theory emphasises leveraging both tangible and intangible resources that possess four key attributes: they must be valuable, rare, inimitable, and non-substitutable (VRIN) (Kraaijenbrink, Spender & Groen, 2010). Table 2.1 outlines the VRIN principle.

Table 2.1: VRIN principle

VRIN principle	Description
Valuable	Offers the capability to exploit opportunities and minimise threats
Rare	Scarcity of the resources to competition
Inimitable	Complexity and difficulty to replicate by competition
Hard to substitute	Limited possibility for substitution

Source: Wernerfelt (1984)

Table 2.1 illustrates the strategic role of the RBV theory in enhancing an organisation's competitive aspirations.

The RBV theory has been primarily employed in strategic management studies, emphasising the development of robust and agile strategies designed to exploit micro- and macro-environmental opportunities (Lockett, Thompson, & Morgenstern, 2009). Its applicability extends further to management disciplines such

as leadership and human capital development, strategic planning, organisational behaviour, operations and supply chain management, to name a few (Kraaijenbrink et al., 2010; Mahoney & Pandian, 1992).

2.2.2. Application to the study

As articulated in the previous chapter (One), the RBV theory is suitable for grounding the study theoretically because of its essence and premise, which cuts across management disciplines. In applying the RBV to the study's purpose, it could be argued that as an intangible capability, developing a strong organisational culture and ethical leadership embedded in core principles such as professionalism, employee empowerment and collaboration, service excellence, respect and fairness and adherence to ethical practices could lay the foundation for building strong competencies which could result in a conducive working environment for municipal employees that promote and value excellence. Furthermore, effective capacity building in ensuring adequate resource allocation in training and development, financial viability and technology integration are critical core skills and expertise required to perform operational duties effectively. The seamless integration of these tangible and intangible resource optimisation correlates with sustained employee performance, boosting organisational success.

2.3 REVIEW OF LITERATURE ON THE STUDY'S CONSTRUCT

This section discusses the study's constructs in organizational culture, ethical leadership, resource allocation, and employee and organisational performance. The aspects central to this review include the definition, importance, and outcome factors.

2.3.1. Organisational culture

Organisational culture is defined by Schein (1985) and Wilson (2001) as the beliefs and values that underpin an organisation, exerting intangible influences on its employees. This culture serves as a critical catalyst for fostering employee competency and professionalism. Kariuki and Reddy (2019) view it as the bedrock of effective management principles, characterised by norms, morals and ethical behaviour essential for organisational success (Pauzuoliene & Mauriciene, 2012). Moreover, Goffee and Jones (2003) refer to it as the networked, fragmented, mercenary and communal cultures, offering nuanced insights into organisational dynamics.

Based on the presented review of definitions, the present study's operational definition aligns with Mbigi (2005) and Hofstede, Hofstede and Minkov (2010), who describe it as conformance to a set of dimensions,

such as collectivism, hierarchy, and interpersonal relationships. These perspectives enrich our comprehension of organisational culture within diverse contexts, advocating for culturally sensitive approaches to leadership and management. The significance of the organisational culture is addressed next.

- **Importance of organisational culture**

An effective organisational culture is not just a desirable choice, but a strategic necessity for businesses seeking to remain competitive and thrive in today's fast-paced business world. This assertion is consistent with Gusdorf's (2009) view, who emphasised that organisational culture plays a crucial role in determining the long-term performance of an enterprise. A well-functioning organisational culture is like a compass that permeates every aspect of a company's operations, influencing employee behaviour, decision-making procedures and overall output (Bonzet & Frick, 2019).

Also, Padhi (2017:77) established that a strong organisational culture contributes positively to employee satisfaction and performance. This observation underscores the importance of fostering a robust culture that empowers employees through training activities to enhance their human capital and unlock their full potential. Mohd, Julan and Besar (2020:81) further support this view, arguing that good culture is a vital tool that strengthens organisations' productivity due to its role in developing human capital equipped with significant knowledge and know-how required to satisfy customers and clients' expectations. Lastly, Bonzet and Frick (2019) underscore the pivotal role of a robust organisational culture in driving employee performance by shaping behaviour and attitudes (Kinicki & Fugate, 2012; Miggels & Rulashe, 2022).

Thus, investing in skill development is crucial for enhancing an institution's core resources and achieving its performance objectives related to delivering quality services. In other words, organisations that embrace their employees are more likely to perform better and feel empowered and valued by their organisation.

Drawing from the review, strong-cultured companies, such as those employing municipal workers, empower their workforces by equipping them with the knowledge and skills to use resources efficiently. In this regard, organisations may improve employee competency and professionalism by cultivating a positive culture that promotes learning, cooperation and innovation. The outcome factors on the empirical adoption of organisational culture is discussed next.

- **Outcome factors of organisational culture**

Organisational culture plays a pivotal role in shaping various aspects of organisational performance, including innovation capability, employee performance, knowledge conversion and organisational commitment.

Bhuiyan, Baird and Munir (2020) conducted a study revealing a positive association between adhocracy culture and innovation capability in firms. Similarly, Ober (2020) found a positive correlation between organisational culture and employee performance in Nigerian insurance companies, emphasising the role of employee-friendly cultures in fostering personal work satisfaction and positive perceptions.

A study by Hong, Guo, Chen and Li (2022) emphasised the multifaceted nature of organisational culture, encompassing values, norms, rituals and language, among others. The study underscored the significant influence of founders, employees and managers in shaping organisational culture, while acknowledging the evolution of distinctive cultures within each firm. Additionally, Heinze and Heinze (2020) highlighted the impact of adhocracy culture on knowledge conversion and corporate performance, particularly in Chinese-centric contexts.

Pradana, Silvianita, Syarifuddin and Renaldi (2022) explored the effect of organisational culture, teamwork and organisational development on organisational commitment. The findings indicated direct and significant impacts of organisational culture, teamwork and organisational development on human capital and organisational commitment. Moreover, human capital mediated the relationship between these factors and organisational commitment. Furthermore, Liu, Tsui and Kianto (2021) investigated the mediating role of knowledge management in the relationship between organisational culture, structure, strategy and organisational effectiveness. Their study demonstrated the importance of considering mediating variables in evaluating the impact of organisational factors on effectiveness. Similarly, Zhang, Liu and Gao (2024) examined how organisational culture functions relate to organisational performance, with human resource capability as a mediator and environmental uncertainty as a moderator.

Tortorella et al. (2021) reviewed the effect of organisational culture on economic performance, suggesting a positive relationship between adaptive culture and long-term financial performance. They advocated for proactive adaptability culture, emphasising cooperation and collaboration among top managers to align corporate vision and strategic directions for organisational advancement. Chowdhury et al. (2021) emphasise its critical role in facilitating the effective adoption of quality management, while Bhuiyan et al. (2020) highlight its significance in organisational change and corporate social responsibility initiatives. Pan et al. (2022) also elucidate its profound influence on workers, organisational reputation, performance and overall effectiveness. Two primary schools of thought characterise the discourse surrounding organisational culture. The first, epitomised by Cadden et al. (2020), conceives organisational culture as a system of shared values, norms and beliefs within a corporation.

Research indicates that organisational culture significantly influences employee commitment (Martínez-Caro et al., 2020). Subcultures within organisations, such as those promoting innovation and support, have positively impacted employee commitment. Additionally, constructive cultures have been associated with increased job commitment, highlighting the role of organisational culture in fostering employee loyalty and engagement.

Research conducted in South Africa has drawn attention to the importance of organisational culture in influencing various aspects of performance. For example, studies conducted by Matoti and Makola (2019) showed how organisational culture affects employee performance and creativity in South African companies. These studies highlight the importance of cultivating a culture that promotes innovation, teamwork and flexibility to thrive in the nation's cutthroat economic climate. Furthermore, studies in South Africa by Naidoo and Ukpere (2019) and Balogun et al. (2020) studied the impact of corporate culture on employee commitment and effectiveness. These studies emphasise the importance of companies fostering a culture that aligns with employees' beliefs and aspirations.

Organisational culture has significantly impacted job satisfaction (Pradana et al., 2022). Constructive cultures, characterised by reduced role stressors, have been linked to higher levels of job satisfaction (Rusu & Avasilcăi, 2020). Conversely, organisational relationship conflicts have been found to decrease job satisfaction (Jalal, 2016). Understanding the interplay between organisational culture and job satisfaction is essential for promoting employee well-being and retention.

Innovation is the process of translating new ideas into value-creating products or services. Organisational culture plays a crucial role in fostering innovation (Oriade, Osinaike, Aduhene & Wang, 2021). Oriade et al. (2021) argue that organisational culture and the innovation process (transforming new concepts into valuable goods and services) are closely related. Tran (2021) believes that a culture that values innovation is often linked to a company's commitment to an encouraging environment, R&D and strategic direction. Furthermore, creativity is greatly influenced by the degree to which organisational culture and people's desires for belonging, authority and achievement converge (Tran, 2021). This knowledge highlights the importance of understanding how organisational culture promotes or hinders innovation for companies seeking to remain competitive in a changing environment. By linking this innovation imperative to performance management strategies such as employee motivation, commitment, performance, and training and development, the critical role that fostering a culture of innovation plays in driving organisational success is clearly demonstrated. The employees can acquire the skills they need to innovate through effective training and

development programmes and their commitment to innovation efforts will be driven by a culture that fosters motivation and commitment, which will improve employee performance and organisational outcomes (Tran, 2021). Therefore, organisations can adapt and thrive in a rapidly changing environment by aligning performance management procedures with a culture of innovation.

Arguably, organisational culture profoundly influences leadership styles and effectiveness, with certain cultures aligning more closely with transformational leadership approaches characterised by vision articulation and high-performance expectations (Akanji et al., 2020). Additionally, corporate culture strongly impacts a leader's ability to handle change and employee turnover. This interdependence emphasises the importance of considering corporate culture and leadership dynamics when developing performance management plans. A company's performance and productivity are directly affected by employee turnover, which is closely tied to leadership and organisational culture (Oriade et al., 2021). Excessively high turnover rates can damage organisational morale, weaken team cohesion and disrupt operations, all impacting performance results (Cadden et al., 2022). On the other hand, a high-performing workplace culture and strong leadership may reduce the likelihood of employee turnover and increase engagement, loyalty, and retention (Szydło & Grześ-Bukłaho, 2020). Therefore, performance management techniques can be modified to create a conducive work environment, enhance employee happiness and ultimately maximise organisational performance by recognising the critical impact of organisational culture and leadership on employee turnover. Resource allocation is discussed next.

2.3.2. Resource allocation

Resource allocation refers to allocating available and required resources to enable personnel to perform their duties and tasks effectively (Abid, Manzoor, Farooq, Farooq & Hussain, 2020:2815). It can also be categorized into two levels: corporate and business levels. The former involves management's decision to assign resources to an organisation's geographical areas, business branches, or departments. At the same time, the latter focuses on planning and assigning resources to meet an organisation's internal strategies and operations (Maritan & Lee, 2017). The intangible allocation of resources, in terms of developing solid, cordial, and quality rapport between employees, is vital for instilling and establishing a conducive working environment (Trihatmoko & Novela, 2022).

According to Amjad et al. (2021), resource allocation toward information technology (IT) infrastructure, such as software, tools and hardware, is essential for facilitating efficient knowledge management processes. Up-to-date software tools and hardware can streamline knowledge sharing, storage and retrieval, enhancing

employee productivity and organisational performance. For instance, implementing collaborative platforms, knowledge repositories and data analytics tools can enable employees to access and utilise knowledge effectively, leading to improved decision-making and innovation (Varadaraj and Al Wadi, 2021). Allocating resources toward fostering a conducive organisational culture is imperative for promoting knowledge-sharing and employee collaboration. This may involve investing in training programmes, incentives and recognition mechanisms encouraging knowledge-sharing behaviour. A supportive culture that values learning and innovation can boost employee morale and engagement, ultimately enhancing organisational performance.

Anwar and Abdullah (2021) believe resource allocation towards optimising organisational structure can enhance knowledge management processes by facilitating communication, coordination and collaboration among different departments and teams. This may involve restructuring workflows, defining clear roles and responsibilities and implementing effective communication channels. An agile and adaptable organisational structure can facilitate the flow of knowledge across the organisation, leading to improved problem-solving capabilities and overall performance. Amjad et al. (2021) argued that allocating resources toward human resource development is essential for building a skilled and motivated workforce capable of driving innovation and performance. This may include investing in training and development programmes, mentorship initiatives and talent management strategies. Organisations can enhance their capacity to innovate, adapt to change and deliver superior performance by equipping employees with the necessary skills and knowledge.

Resource allocation should strike a balance between technical infrastructure (e.g., IT systems) and social infrastructure (e.g., organisational culture, command structure, human resources) (Varadaraj and Al Wadi, 2021). While technical infrastructure enables efficient knowledge management processes, social infrastructure nurtures a collaborative and innovative culture that supports knowledge sharing and utilisation. Allocating resources effectively across both dimensions ensures a holistic approach to knowledge management, thereby maximising organisational and employee performance (Al-Swidi, Gelaidan and Saleh, 2021).

- **Outcome of resource allocation**

Resource allocation, a fundamental aspect of strategic management, plays a pivotal role in shaping organisations' performance and competitive advantage (Trihatmoko & Novela, 2022). Despite its significance, research specifically focused on the outcomes of resource allocation adoption within organisations remains relatively sparse. This literature review aims to synthesise existing knowledge on the outcomes associated with adopting resource allocation practices in organisations, drawing insights from

scholarly works across various disciplines such as strategic management, organisational behaviour and finance (Varadaraj & Al Wadi, 2021). Studies indicate that effective resource allocation processes improve organisational performance and sustain competitive advantage. By aligning resources with strategic priorities and investing in high-potential projects, firms can achieve superior financial results and outperform competitors. Furthermore, strategic resource allocation enables organisations to capitalise on emerging opportunities and navigate competitive threats more effectively (Bardolet et al., 2011).

Adopting dynamic resource allocation practices enhances organisational adaptability and flexibility in response to changing market conditions and internal dynamics. Organisations that effectively reallocate resources based on performance feedback and environmental shifts demonstrate greater resilience and agility (Levinthal, 2017). This adaptability enables firms to seize new opportunities swiftly and mitigate risks associated with resource misallocation. Research suggests robust resource allocation processes facilitate better alignment between organisational goals and resource allocation decisions (Busenbark et al., 2017). When resources are allocated in accordance with strategic priorities and objectives, firms are more likely to achieve their intended outcomes and strategic milestones. Moreover, strategic resource allocation fosters a shared understanding of organisational priorities across different firm levels, enhancing coordination and coherence in implementation efforts (Sengul & Obloj, 2017).

Effective resource allocation practices stimulate innovation and support organisational growth initiatives. By allocating resources to research and development (R&D) activities and strategic investments, firms can drive innovation, develop new products or services and expand into new markets (Maritan & Lee, 2017). Furthermore, strategic resource allocation enables organisations to balance investments in core business operations with exploratory initiatives, fostering a culture of innovation and experimentation (Leiblein et al., 2017). Resource allocation decisions influence stakeholder perceptions and create value for shareholders, employees, customers and other stakeholders. When resources are allocated efficiently and transparently, stakeholders perceive the organisation as well-managed and are more likely to support its strategic initiatives (Bardolet et al., 2017). Conversely, misallocating resources can erode stakeholder confidence, leading to reputational damage and a decline in trust (Busenbark et al., 2017).

Disciplined resource allocation practices foster organisational learning and continuous improvement (Leiblein et al., 2017). By systematically evaluating resource allocation decisions and performance outcomes, firms can identify best practices, learn from past mistakes and refine their allocation strategies over time. This

iterative learning process enhances decision-making and strengthens the organisation's strategic execution capabilities (Maritan & Lee, 2017). Ethical leadership is reviewed next.

2.3.3. Ethical leadership

Ethical leadership is defined as a manager or leader's ability to display moral norms, professionalism and good working practices underpinned by appropriate conduct and trust in leading subordinates (Piccolo *et al.,* 2010). A leader's moral identity and characteristics demonstrate their sense of professionalism and management aptitudes, which are key in enforcing discipline and performance-related results (Sarwar, Ishaq, Amin & Ahmed, 2020:8). Ethical leaders entrust and motivate their subordinates to take up responsibilities essential to their personal and professional development (Sarwar *et al.,* 2020:5).

Ethical leadership has been demonstrated to yield substantial benefits for both public and private entities. Pansiri et al. (2021) demonstrate their ability to reduce employee absenteeism and misconduct while enhancing job satisfaction and performance. Nevondwe et al. (2014) assert that ethically inclined managers are better positioned for career advancement. Hence, it is a fundamental cornerstone for effective organisational functioning, particularly in regions with corruption. However, Heres and Lasthuizen (2010) argue that most research on ethical leadership, particularly in the United States, predominantly focuses on the corporate sphere, neglecting broader societal and organisational influences. Similarly, ethical studies in Africa tend to concentrate on the private sector, overlooking the significant impact of the public sector on individuals.

Before World War II, fostering students' character through moral education was deemed integral to intellectual development, as noted by Naidoo (2012). However, this emphasis waned in public administration as society increasingly prioritised tolerance over adherence to a singular moral code. Menzel (2015) surveyed members of the National Association of Schools of Public Affairs and Administration (NASPAA) and found that ethics education has equipped public officials with the tools to navigate moral dilemmas in their careers, fostering an awareness of ethical challenges and a sense of duty in serving the public.

Scholars widely discuss ethical leadership as a potential remedy for organisational corruption and ethical lapses. Brown, Trevio and Harrison (2015) define it as demonstrating morally appropriate behaviour through personal actions and interpersonal interactions and encouraging such behaviour among followers through communication and decision-making. Cheteni et al. (2017) define ethical leadership as a distinct leadership

style that prioritises altruistic motives over self-serving ones. According to Brown et al. (2015), ethical leaders serve as models of ethical behaviour, inspiring followers through their actions and decisions.

Yukl (2018) argues that leader behaviour aimed at improving one performance aspect may have unintended consequences for another. For instance, granting employees decision-making authority may boost motivation and job satisfaction. Still, it could potentially reduce efficiency if it leads to a focus on customer service at the expense of productivity. While ethical leadership discussions often intersect with transformational and charismatic leadership paradigms, Brown et al. (2015) note that ethical leadership entails explicit communication of ethical standards, aligning organisational decisions with ethical principles and reinforcing the importance of ethical conduct. Moreover, Okagbue (2012) highlights the role of social influence in fostering ethical behaviour, emphasising the importance of effective transformational leadership.

In South Africa, ethical leadership holds significant importance, particularly in the context of the country's historical and socio-political challenges (Okagbue, 2012). Ethical leadership is essential for fostering trust, accountability and integrity within organisations, especially in light of past corruption and unethical behaviour in both the public and private sectors. For example, research by Chedondo (2019) explores the role of ethical leadership in driving organisational effectiveness and social responsibility in South African organisations. They argue that ethical leadership is crucial for establishing stakeholder trust and cultivating a culture of integrity and transparency. Additionally, studies by Fujimoto and Uddin (2021) emphasize the significance of leadership in addressing social inequality and fostering inclusive growth in South Africa. Against this background, South African organisations have increasingly recognised the business case for ethical leadership, with initiatives such as the King IV Report on Corporate Governance advocating for ethical leadership practices and principles. The King IV Report emphasises the importance of ethical leadership in promoting good governance, risk management and corporate citizenship.

- **Outcome of ethical leadership**

Ethical leadership plays a pivotal role in shaping organisational culture and employee behaviour. Banks, Fischer, Gooty and Stock (2021) suggest that individuals draw upon ethical perspectives such as justice, relativism, egoism, utilitarianism and deontology when making ethical decisions. These perspectives encompass moral equity, contractualism and relativistic judgments, offering unique viewpoints on ethical judgment processes. Saha et al. (2020) explore the concept of an ethical climate within workplaces, emphasising its importance in mitigating employee delinquency. They define an ethical environment as the collective perception of an organisation's ethical rules, practices and procedures. Ethical leaders foster such

an environment by prioritising ethical standards over immediate organisational goals and modelling ethical behaviour for employees.

Lin et al. (2020) assert that leaders shape an organisation's ethical or unethical environment through their goals, problem-solving approaches, behaviour, incentive allocation and principles in employee management. Consistency in prioritising ethical principles sends a clear message to employees about organisational values, whereas inconsistent behaviour undermines trust and adherence to ethical norms. Frameworks for measuring ethical leadership have gained prominence since the early 2000s, with the development of instruments like the Ethical Leadership Scale (ELS) by Ahmad, Gao, and Hali (2017). The ELS evaluates leadership qualities such as integrity, fairness, accountability and consideration towards others, reflecting key principles outlined by Al Halbusi et al. (2021). It provides a reliable and comprehensive assessment tool for evaluating the effectiveness of ethical leadership.

Discussions surrounding ethical leadership underscore its significance in promoting organisational integrity and public trust. Ayeni (2015) highlights the correlation between organisational performance and the quality of public administration, emphasising the role of ethical leadership in shaping institutional processes. However, challenges persist, as observed by Khan and Rasheed (2014), who note pervasive unethical behaviours and corruption in African public services. While initiatives like those in Botswana demonstrate progress toward ethical governance, the broader context necessitates continued efforts to instill and uphold ethical standards. Employee performance is discussed next.

2.3.4 Employee performance

Employee performance refers to an employee's ability to perform their contractual tasks and duties effectively and efficiently (Diamantidis & Chatzoglou, 2019). Prahinski and Benton (2004:43) view it as an employee's ability to meet or exceed their contractual obligations in terms of the established key performance objectives. Thus, the study defines employee performance as an individual's capability to perform their duties and responsibilities in such a way that translates to the effective delivery of core objectives in terms of adhering to the organisation's stated objectives. Hendri (2019:1208) provides evidence suggesting that employee performance influences job satisfaction and organisational commitment, reinforcing the importance of continuous learning. Employees performing at their optimal levels contribute positively to the quality of services provided by local governments (Dewi, Azam, & Yusoff, 2019:1373).

Based on the above elaboration, one could argue that those employees performing at optimal levels contribute to their firm's success. Therefore, businesses must equip staff with the necessary training and resources to facilitate effective and efficient performance.

According to Diamantidis and Chatzoglou (2019), employee performance pertains to the actions, productivity and effectiveness with which employees execute assigned tasks. Firms commonly set performance targets for individual employees and the organisation, aiming to deliver high value to consumers, minimise waste and operate efficiently. Shoss and Vera (2012) suggest that individual employee performance encompasses task-level effectiveness, quality and efficiency. For instance, a salesperson may be required to make a specific number of calls to potential leads per hour, with a certain percentage resulting in closed sales. Similarly, a manufacturing worker may have standards for product quality and hourly output. Consequently, individual performance directly impacts team and organisational performance. When some staff members struggle to meet expectations or deliver subpar work, other team members may need to compensate, or tasks may require redoing.

Employee performance refers to an employee's ability to fulfill their duties and obligations. According to Alsyouf, Al-Aomar, Al-Hamed and Qiu (2011), employee performance is measured using quality indicators, quantity, time, cost-effectiveness, supervision, and interpersonal impact as a manifestation of how employees maintain self-esteem, reputation, and cooperation between co-workers. Performance management is a crucial aspect of organisational functioning, involving the continuous process of identifying, measuring and enhancing the performance of individuals and teams (Nguyen, Yandi & Mahaputra, 2020). Employee engagement plays a pivotal role in performance management, with engaged employees demonstrating higher levels of commitment, dedication and discretionary effort (Loan, 2020). Engaged employees align with organisational goals, leading to improved individual and team performance, ultimately contributing to organisational success.

Employee engagement encompasses cognitive, emotional and behavioural aspects, reflecting employees' beliefs, feelings and actions toward their work and organisation (Albrecht, Bakker, Gruman, Macey & Saks, 2015). Studies have shown that engaged employees outperform their counterparts by 20%, emphasising the significance of fostering engagement within the workforce (Paais and Pattiruhu, 2020). The drivers of employee engagement include the nature of work, opportunities for development, rewards and recognition, effective relationships, two-way communication and inspiring leadership. Organisations need to tailor

engagement strategies to individual needs, providing meaningful work, opportunities for growth and supportive leadership to enhance employee engagement levels.

Human Resource Management (HRM) encompasses a range of policies and practices designed to effectively manage an organisation's human resources. This includes functions such as human resource planning, job analysis, recruitment, selection, compensation, performance appraisal, training and development, and labour relations (Sabuhari, Sudiro, Irawanto, and Rahayu, 2020). The importance of employee performance within this framework cannot be overstated. Kuswati (2020) describes HRM practices as managing human resources to achieve organisational goals. Employee performance is a critical component of organisational success and is influenced by HRM practices.

Career planning and development are integral aspects of HRM that significantly impact employee performance. Paais and Pattiruhu (2020) define career planning as formulating career goals and developing a plan to achieve them, while career development focuses on enriching an organisation's human resources in alignment with individual and organisational needs. Research by Hassan (2016) highlights a positive relationship between HRM practices such as career planning and employee performance.

Training and development initiatives also play a crucial role in enhancing employee performance. Armstrong (2006) defines training as a systematic approach to acquiring knowledge and skills to improve task effectiveness. A Study by Hassan (2016) underscores the positive relationship between training and employee performance, emphasising its significance in improving organisational outcomes. These findings highlight the importance of investing in employee development to improve performance.

Performance management (PMT) in modern organisations plays a critical role, often compared to an infinite game rather than a finite one, as commonly illustrated in sports. This distinction is crucial, as PMT aim not to achieve victory but to sustain relevance and foster continuous organisational improvement. Rooted in applied behaviour analysis, PMT emphasises strategic interaction and rational decision-making, echoing principles from economic philosophies that prioritise trust and welfare. Understanding PMT's significance lies in its role in shaping workplace environments to maximise employee potential, operational efficiency and organisational profitability (Daniels & Bailey, 2014).

- **Outcome of employee performance**

Effective performance management practices yield positive outcomes for organisations. Engaged employees contribute to increased productivity, improved team performance, talent retention, enhanced stakeholder

value and better organisational performance (Sugiarti, 2022). Furthermore, engagement and communication play vital roles in fostering a competitive advantage for organisations, with high engagement positively impacting productivity and organisational success (Hoole & Bonnema, 2015). Clear, consistent and timely communication enhances employee engagement and productivity. Regular feedback and performance discussions are essential components of performance management, fostering transparency, trust and accountability within organisations. Empowering employees through participation in decision-making and providing opportunities for development leads to increased productivity and organisational effectiveness.

Authentic leadership is critical in driving employee engagement and performance. Authentic leaders inspire trust, create meaningful relationships and provide supportive management, increasing employee motivation and commitment (Winton, Whittington & Meskelis, 2022). Organisations must invest in developing authentic leaders who can effectively manage performance, provide constructive feedback and foster a culture of continuous improvement (Sapta, Muafi & Setini, 2021). Adopting effective HRM practices has tangible outcomes on employee performance and organisational success. As an HRM component, compensation encompasses various extrinsic rewards offered to employees in recognition of their work.

Performance appraisal, another critical HRM practice, involves evaluating and communicating an employee's job performance. Studies by Hassan (2016) and Mohamed (2014) reveal a positive correlation between performance appraisal and employee performance, highlighting its role in improving organisational effectiveness. Moreover, research by Shaukat et al. (2015) and Bowra et al. (2012) underscores the significance of performance evaluation in enhancing perceived employee performance, particularly in the banking sector. Rewards and recognition initiatives also improve employee performance and motivation (Bowra et al., 2012; Shaukat et al., 2015). Studies by Murphy (2015) and Baskar et al. (2015) highlight the effectiveness of rewards in enhancing performance, emphasising the importance of acknowledging and appreciating employee efforts.

Adopting robust performance management systems (PMS) yields multifaceted benefits for organisations. Empirical studies emphasise the correlation between devolved decision authority and PMT success, where effective decentralisation empowers managers to enact meaningful changes (Ammons & Roenigk, 2020). However, the success of PMT hinges not only on structural changes but also on managerial attitudes, as evidenced by the illusion of transparency (I-T) phenomenon, which underscores the importance of clear communication and feedback processes (Schaerer & Swaab, 2019). Moreover, Performance Management encompasses systematic assessment methodologies rooted in behavioural analysis, which offer actionable

insights into individual and organisational performance dynamics, paving the way for targeted interventions and continuous improvement.

2.3.5 Organisational performance

Organisational performance refers to the process of implementing strategies to achieve institutional objectives (Randeree & Al Youha, 2009). According to Cho and Dansereau (2010), it further denotes an organisation's capability to achieve its performance objectives based on its set goals. An organisation's performance is achieved when its set objectives are met according to the expectations and requirements of its stakeholders (Kassem et al., 2018). Furthermore, organisational performance is determined by several internally controllable and externally uncontrollable factors. Thus, organisations must manage their key performance indicators to sustain their competitiveness and success (Bakotić, 2016:119).

Organisational performance is a multifaceted concept explored through various lenses in the literature (Zuñiga-Collazos et al., 2021). Traditionally, it has been gauged predominantly through financial metrics such as return on assets (ROA), return on equity and return on sales. These indicators reflect the fulfilment of an organisation's economic objectives in financial terms, primarily catering to the interests of shareholders and investors. However, this narrow conception of business performance overlooks crucial aspects beyond financial metrics. For instance, operational indicators focus on key success determinants that directly impact financial outcomes (Martínez-Caro et al., 2020). Effectiveness measures extend beyond financial gains to include reputation, survival and achievement of goals relative to competitors. The interrelation between operational effectiveness, organisational effectiveness and financial performance underscores the holistic nature of assessing organisational performance.

Scholars have continuously debated the adequacy and relevance of organisational performance measures (Scherbaum et al., 2016). Chan et al. (2016) criticise existing measures for their limited perspective, primarily focusing on subjective outcome measures. Additionally, concerns have been raised regarding biases in assessing the effects of strategic alignment on financial indicators (Walters et al., 2018), as well as on organisational goals and perceived effectiveness (Chan & Reich, 2019). Lingle and Schiemann (2018) argue that organisations adopting balanced performance measurement systems outperform those that do not. Moreover, integrating financial and non-financial measures is deemed essential for accurate assessment. This emphasises the critical role of performance measurement quality in determining the impact of strategic alignment on organisational outcomes. Organisational performance is a pivotal aspect that influences the success and sustainability of any entity, whether it is a business, institution, or government agency. Scholars

and practitioners have long recognised the significance of evaluating and enhancing organisational performance (Demeke & Tao, 2020).

At its core, organisational performance reflects how much an entity accomplishes its stated goals and objectives (Robbins, 2015). This achievement is crucial for ensuring the continued existence and success of the organisation (Bakotić, 2016). Without meeting these objectives, an organisation risks stagnation or decline, as it becomes unable to fulfil its mission or serve its stakeholders effectively. Performance in this regard serves as a compass, guiding the direction and efforts of the organisation toward desired outcomes and milestones. Regular assessment of performance against objectives allows for course correction and strategic refinement, ensuring alignment with stakeholders' evolving needs and expectations.

Evaluating performance enables organisations to assess how efficiently they utilise resources to achieve desired outcomes. This includes financial resources, human capital, technology and other assets. Optimal resource allocation maximises productivity and minimises waste, enhancing operations' overall efficiency and effectiveness. Through performance analysis, organisations can identify resource surplus or deficiency areas, reallocating resources as needed to optimise performance outcomes. Moreover, efficient resource utilisation fosters sustainability, reducing environmental impact and promoting responsible stewardship of resources for future generations (Demeke & Tao, 2020).

Organisational performance is intricately linked to stakeholder satisfaction, including customers, employees, shareholders and the broader community (Crook et al., 2016). Meeting or exceeding stakeholders' expectations is vital for maintaining support and trust. Satisfied stakeholders are more likely to remain loyal, advocate for the organisation and contribute positively to its success. Conversely, dissatisfaction can lead to disengagement, negative publicity and, ultimately, loss of competitive advantage. Therefore, ongoing assessment of stakeholder satisfaction through performance evaluation is essential for nurturing relationships, fostering loyalty and sustaining organisational success in the long term.

High organisational performance often translates into a competitive advantage in the marketplace (Griffin, 2020). This advantage can manifest in various forms, such as increased market share, profitability and brand reputation. By consistently outperforming competitors, organisations can differentiate themselves and attract customers, talent and investment opportunities. Moreover, a strong performance track record enhances credibility and trust, positioning the organisation as a reliable partner or provider in the eyes of stakeholders. However, maintaining a competitive advantage requires continuous improvement and innovation to stay ahead of evolving market dynamics and emerging competitors.

Organisations operating in dynamic environments must continuously monitor and improve their performance to adapt to changing circumstances (Demeke & Tao, 2020). Performance evaluations provide valuable insights into areas that require adjustment or innovation. Organisations can proactively respond to external threats and capitalise on emerging opportunities by identifying strengths and weaknesses. Furthermore, an adaptive approach to performance management fosters resilience, enabling organisations to navigate uncertainty and volatility with agility and confidence. By embracing change as a constant, organisations can position themselves for long-term viability and relevance in an ever-evolving business landscape.

- **Outcome of organisational performance**

Organisational performance extends beyond its internal operations, influencing various stakeholders and the broader socio-economic landscape. One key outcome is financial performance, encompassing profitability, return on investment and revenue growth. Financial success is vital for sustaining operations and fuelling future growth, as highlighted by Guccione and Richard (2019). A robust financial performance ensures stability and provides resources for further investment in innovation, talent and expansion initiatives. This measures efficiency and effectiveness in utilising resources to achieve strategic objectives. Additionally, strong financial performance enhances the organisation's ability to attract investors and creditors, facilitating access to capital for future endeavours. This, in turn, contributes to organisational resilience and competitive advantage in the marketplace.

Moreover, high organisational performance often translates into a robust market standing. This entails an augmented market share, enhanced brand recognition and increased customer loyalty, as emphasised by Odongo, Wang, Suntu and Bishoge (2019). Such a strong market position is indicative of effective performance management practices. By consistently delivering value to customers and outperforming competitors, organisations can solidify their presence in the marketplace and capitalise on growth opportunities. Furthermore, a positive reputation in the market can attract top talent, foster partnerships and open doors to new business ventures. Overall, a strong market standing is a testament to the organisation's ability to meet market demands and deliver superior value to stakeholders.

Successful organisations create value for various stakeholders, not just shareholders. This value creation extends to employees, customers, suppliers and the community at large, as proposed by Freeman (2019). Enhanced stakeholder relations contribute to long-term sustainability and organisational success. Organisations can build trust, foster collaboration and mitigate conflicts by prioritising the needs and interests

of diverse stakeholders. This, in turn, leads to enhanced employee engagement, customer satisfaction and supplier loyalty, ultimately driving overall organisational performance. Moreover, organisations that actively engage with their communities and contribute to social causes can enhance their brand reputation and attract socially conscious consumers and investors.

Furthermore, organisational performance fosters innovation and growth by promoting experimentation, risk-taking and investment in research and development. As Porter (1985) noted, innovative companies are better equipped to seize emerging opportunities and tackle evolving challenges, thus maintaining a competitive edge. By fostering a culture of innovation and creativity, organisations can continuously adapt to changing market dynamics and stay ahead of the curve. Investing in R&D leads to the development of new products and services and improves operational efficiency and effectiveness. Additionally, organisations encouraging risk-taking and experimentation create an environment where employees feel empowered to explore new ideas and initiatives, driving long-term growth and success.

Additionally, high-performing organisations exhibit resilience in adverse circumstances and demonstrate agility in adapting to changing market conditions. This adaptability, as highlighted by Crook et al. (2016), ensures long-term viability and success, even in turbulent environments. Organisations can minimise risks and capitalise on opportunities by proactively identifying and responding to market disruptions. Moreover, organisations prioritising agility and flexibility can quickly pivot their strategies, reallocate resources and innovate in response to changing customer preferences and competitive pressures. This proactive approach not only helps organisations weather economic downturns and industry shifts but also positions them for sustainable growth and competitiveness in the long run. Overall, organisational resilience and agility are critical capabilities that enable companies to thrive in the face of uncertainty and complexity (Demeke & Tao, 2020).

2.4. RESEARCH GAP RATIONALISATION

Table 2.1 provides a review of recent selected studies that sought to explore the drivers of organisational performance within the South African municipality setting.

Table 2.1: Selected empirical studies on South African municipalities

Title	Authors	Year
Ethical leadership in promoting efficient service delivery:	Mpontshane & Holtzhausen	2024

evidence from eThekwini Municipality, KwaZulu-Natal		
The Impact of Ethical Leadership on the Service Delivery at uMhlathuze Local Municipality	Mahohoma & Sihlangu	2024
Contextualising the factors influencing human resource development in municipalities	Cloete	2023
Management and leadership considerations for managing effective monitoring and evaluation systems in South African municipalities	Yekani, Ngcamu & Pillay	2024
Knowledge Management as a Catalyst for Sustainable Human Resource Management in South African Municipalities	Cloete	2025
Ethical leadership and organisational commitment as key determining factors of strategic objectives: A case study of a municipality in the Mpumalanga Province of South Africa	Shabangu	2024

Source: Author's Compilation

Table 2.1 above presents selected studies conducted seeking to explore antecedents of organisational performance within local municipalities in South Africa. From the presented body of empirical evidence, it can be observed that these studies probed various structural and operational aspects, such as ethical leadership, knowledge management, and human resources, among others, as determinants of organisational performance. This further underscores the importance of analysing key factors that facilitate municipal

performance objectives, enabling their sound operation and providing adequate services to the local community. What appears to be lacking is the combined interplay of the organisational culture, resource allocation and ethical leadership as predictors of employee performance. This omission in evaluating the strategic contribution of these identified factors cannot be understated, as they are critical elements that form the basis of any municipal organisation in facilitating its overall operations. Therefore, the present study contributes to the existing body of empirical literature in the field by proposing an integrated model that identifies key performance indicators that could serve as a diagnostic tool to enhance municipal performance.

2.5 CHAPTER SUMMARY

This chapter provided a comprehensive review of the literature pertaining to the key constructs of our study, namely organisational culture, resource allocation, ethical leadership and employee and organisational performance. The discussion of the RBV, identified as the foundational theory of this study, highlighted the strategic and scholarly relevance of the predicting constructs as key enabling factors to employee and organisational performance. The next chapter, Chapter Three, addresses the study's research methodology.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 INTRODUCTION

The previous chapter reviewed the existing literature regarding the antecedent factors of municipal organisational performance, as well as the theoretical underpinning of the RBV theory. This chapter focuses on the research design and methodology used in the primary research. Methodology refers to a research project's overarching strategy and rationale (Creswell & Creswell, 2009:203). It is important because it provides scholarly guidance for conducting a study efficiently. This chapter discusses the research philosophy, approach, design, strategy, sampling, data collection, data analysis and ethical considerations within the empirical study. Research methodology is vital as it offers an organised and methodical framework that guarantees the findings' validity, dependability and trustworthiness. It further ensures that a well-articulated methodology improves the accuracy and generalisability of the study by precisely defining the research design, sampling strategies and analytical procedures (Saunders et al., 2019). This advances knowledge and ensures that the research findings are reliable and applicable to broader contexts. The following sections discuss the research methods and philosophy.

3.2 RESEARCH PHILOSOPHY

Bell, Warren, and Schmidt (2022) state that philosophy is a set of assumptions and beliefs that guide the generation of knowledge. Since all research aims to generate knowledge, philosophy plays an important role in research. Ultimately, philosophy improves the calibre and significance of research findings by offering a fundamental framework that guarantees the study is rigorous, cohesive and in line with larger theoretical viewpoints (Azari & Rashed-Ali, 2021). Bell et al. (2022) argued that researchers, consciously or unconsciously, make assumptions that affect how research is formed, how data are collected and how data are analysed. The importance is thus derived from an understanding of well-thought-out and consistent assumptions that constitute a solid research philosophy, enabling researchers to design a coherent research project in which all research elements work together (Azari et al., 2021). Various research philosophies exist, such as positivism, interpretivism, constructivism, critical theory, post-positivism, pragmatism, phenomenology, realism and postmodernism. Each paradigm is based on distinct assumptions about the nature of reality, knowledge and the methods appropriate for generating valid and reliable insights.

However, given the empirical nature of the research problem, a positivism paradigm was used because the study seeks to establish the predictive causal association between the study's constructs in organisational

culture, ethical leadership and resource allocation on employee and organisational performance. The measurability of the stated causal predictive relationships from the established hypotheses can only be pursued through a quantitative approach, which is relevant in generalising the study's results to similar municipal contexts with the same characteristics.

3.2.1 Positivism paradigm

As outlined previously, the study adopted the positivist paradigm in generating knowledge regarding the antecedent factors of municipal organisational performance in the Vaal region. The need for information and knowledge free from human perception and bias makes positivist philosophy essential, as it focuses on rigorous scientific empirical methods aimed at generating pure data and facts (Creswell & Creswell, 2003). The importance of positivist philosophy lies in urging researchers to remain neutral and avoid influencing their research results. Since the researchers are unaffected, the theory aligns well with this study, allowing the collected findings to be summarised in detail to address the research question. In this study, the research question investigates the drivers of employee and organisational performance by adopting aspects such as organisational culture, ethical leadership and resource allocation. With the help of this method, empirical data can be rigorously examined, producing dependable and broadly applicable insights on the antecedent elements influencing organisational performance in the context of local governments in the Vaal Region.

3.3 RESEARCH APPROACH

A research approach refers to guidelines for conducting a research project (Mohajan 2017:3). Creswell and Creswell (2003) highlighted that research methodology encompasses the comprehensive design of a research study, incorporating elements such as the selection of research methods, procedures for data collection and techniques for data analysis. In agreement, Hendren et al. (2023) recognised three primary research methodologies: qualitative, quantitative and mixed methods. They elucidated that qualitative research is non-numeric, focusing on narratives and descriptions, while quantitative research employs statistical and numerical analysis. Mixed methods, as noted, integrates both approaches. In alignment with the empirical nature of the study, a quantitative research methodology was chosen to investigate the relationship between positive orientation and insurance brokers' work performance, considering the mediating role of work engagement.

Qualitative research is grounded in the interpretivist paradigm and aims to understand how participants perceive and experience a particular phenomenon (Creswell & Creswell, 2017). It comprises case studies, phenomenology, Ethnography, narrative, and grounded theory. Quantitative research is derived from the positivism paradigm and deductive reasoning, which is ideal for ascertaining predictive relationships. It involves various designs such as descriptive, correlation and survey, to name a few (Basias & Pollalis, 2018). Lastly, mixed methods combine the qualitative and quantitative research methods (Hendren et al., 2023). It offers a holistic approach to solving specific phenomena by addressing the qualitative and quantitative spectrums (ibid).

Given the purpose of this study, which is to investigate the antecedents of organisational performance in the Vaal area, the quantitative approach is deemed suitable because it aims to establish the causal relationships between the identified predicting constructs and the outcome through a structured survey questionnaire.

3.3.1 Quantitative Research Approach

According to Flick (2022), a quantitative approach is an empirical, data-driven academic inquiry that uses numeric data to explore relationships. In concurrence, Saunders and Darabi (2024) state that quantitative research follows the positivism philosophy where available numeric data are utilised to experiment with theory in a deductive manner. Similarly, the quantitative approach utilises data collection techniques such as surveys and structured questionnaires.

3.3.2 Rationale for Adopting Quantitative Research Approach

The research will employ a quantitative approach to rigorously measure key constructs, such as organisational performance, performance management and resource allocation in the Vaal region. This method ensures objective analysis by quantifying variables and facilitating statistical examination. The quantitative approach is particularly suitable for this study, as it enables data collection from a broad sample, thereby enhancing the generalisability of the findings to a larger population (Kumar, 2020). Given the scope of the study involving employees from three municipalities—Emfuleni, Midvaal and Lesedi—a quantitative approach proves instrumental in efficiently gathering and analysing data to draw meaningful and representative conclusions.

3.4 RESEARCH DESIGN

A research design is defined as an action plan that provides methods to gather and analyse data Hendren et al. (2023). It is an overarching plan that links conceptual research questions to relevant and achievable

empirical research. In other words, the research design sets the procedures for the data needed, the methods for collecting and analysing that data and how all of this will answer the research question. Kazdin (2021) defines research design as a detailed framework that guides data collection and analysis to address specific research questions. It consists of several techniques: correlation, experimental, causal-comparative and survey research. This study employed a combination of descriptive and correlational designs.

3.4.1 Descriptive and Correlation Design Research Design

A descriptive research design aims to describe the current state of the identified variables. These research designs aim to provide systematic information about the phenomena and researchers do not usually start with hypotheses but may develop hypotheses after collecting data (Dannels, 2018). The analysis and synthesis of data provide testing of hypotheses and collecting information systematically requires careful selection of the units under study and careful measurement of each variable. The correlation design seeks to establish the predictive relationship between one or more variables and another set (ibid).

3.4.2 Rationale for Adopting Descriptive and Correlation Research Design

The descriptive research design will be employed because it enables research to be conducted in the natural environment of the respondents, thereby ensuring the collection of high-quality and honest data (Sileyew, 2019). Since the sample size of descriptive studies is often large, data collection can be performed quickly and inexpensively (Bakker, 2018). One of the greatest strengths of descriptive research is that it allows you to analyse the facts and gain insight into the antecedent factors of municipal organisational performance in the Vaal region. Similarly, the correlation design aims to establish the relationship between constructs, notwithstanding its ability to determine the strength of the predictive association between variables (Flick, 2022).

The study employed a survey method to achieve a descriptive design, using a structured questionnaire to collect data from professionals operating in local municipalities in the Vaal region. The survey design allows for efficient collection of data from a geographically dispersed area, specifically the Vaal region, which encompasses the Emfuleni, Lesedi and Sedibeng municipalities. The survey's structured format ensures consistency in data gathering across diverse respondents. It facilitates a systematic study of the relationships between organisational culture, ethical leadership, resource allocation, employee performance and organisational performance. Furthermore, the survey design is practical for assessing the perceptions and experiences of a relatively large sample, providing a comprehensive overview of the municipalities' dynamics. The correlation, on the other hand, aimed to determine the influence of the study's constructs on its

predictors, as well as the mediating and outcome variables. It also determined the strength of these proposed associations.

3.5 POPULATION AND UNIT OF ANALYSIS

This section deliberates on the population and the unit of analysis.

3.5.1 Population

The population refers to a group of individuals or objects that are the subject of a scientific inquiry (Saunders & Darabi, 2024). It is a well-defined collection of individuals or entities that share similar characteristics. Each individual or specific population usually has a standard, binding characteristic or trait (Kumar, 2020). The target population is the complete set of people or things from which researchers can extrapolate their findings. It is defined as the study's population, which is a group of respondents on whom the study focuses (Creswell & Creswell, 2009). The population for this study consists of management officials, ranging from supervisors to junior, middle, and senior management, working in Emfuleni, Lesedi, and Sedibeng local municipalities. The estimated number of respondents across the three municipalities is approximately 462 (Municipalities of South Africa, 2023).

3.5.2 Unit of Analysis

A unit of analysis is the target population of a particular study (Creswell & Creswell, 2009). In this study, the unit of analysis will comprise employees with five or more years of experience, ranging from supervisors to junior, middle, and senior management, who operate in the selected municipalities and were willing to participate in the survey.

3.5.3. Sample frame

A study's sample frame is defined as a list of all the population's units from which the sample is extracted (Maree, 2015). In this study, the list of respondents was obtained from the respective municipalities' human resource departments.

3.5.4. Sample size

A study's sample size refers to the number of sample units used in a study (McDaniel & Gates, 2013).

Given the known population size of 462, the sample size can be calculated using the web-based sample size calculator. The calculation of the sample size involves the population size (N= 462), the confidence interval (95%), and the margin of error (5%) (Arifin, 2018). Given:

Population Size (NN) = 462

Confidence Interval (Z-score for 95% confidence) ≈ 1.96

Margin of Error (EE) = 0.05 (5%)

The probability (PP) can be assumed to be 0.5 for maximum variability.

Sample Size = $\frac{462^2 \times 1.96^2 \times 0.5 \times (1-0.5)}{0.05^2 \times (462-1) + 1.96^2 \times 0.5 \times (1-0.5)}$

$(46^2 * 1.96^2 * 0.5 * (1 - 0.5)) / 0.05^2 * (462 - 1) + 1.96^2 * 0.5 * (1 - 0.5)$

Calculating:

Sample Size = 462 × 3.8416 × 0.250.0025 × 461 + 3.8416 × 0.25

Sample Size = 0.0025× 461+3.8416× 0.25462 × 3.8416 × 0.25

Sample Size=444.9811.1524+0.9604

Sample Size=1.1524+0.9604444.981

Sample Size=444.9812.1128

Sample Size=2.1128444.981

Sample Size≈210

Sample Size≈210

Therefore, the calculated sample size is approximately 210.

Additionally, the historical sample size determination approach was used to determine the study's sample size. Previous South African studies on drivers of organisational performance in local municipalities were used as a reference point to determine the sample size. Table 3.1 presents the selected empirical studies.

Table 3.1: Historical sample size

Title of the study	Author(s)	Sample size
The Service Delivery and Budget Implementation Plan in South Africa: A Case Study of Uphongolo Local Municipality	Kgobe and Mkhize (2024)	150

The Collision of Politics and Administrative Dichotomy in Implementing the National Development Plan: A Perspective on South Africa's Local Government	Delphus and Hulisani (2024)	200
Navigating the Minefield of Political Interference on Effective Leadership in Water and Sanitation Service Delivery	Mabotha and Ngcamu (2024)	320
Factors that Influence the Performance Management System in KwaZulu-Natal Municipalities	Khumalo and Marie (2024)	400

Source: Author's compilation

Based on the previous sample sizes from the selected current studies, it could be observed that the sample sizes range from N=150 to N=400. Therefore, the present study set its sample size at N = 362.

3.6 SAMPLING

Sampling refers to selecting a representative sample from a population (Creswell & Creswell, 2009:203). Although simple random sampling is better at reducing sampling bias (Hair, Page, & Brunsveld, 2019), given the nature of this study, a convenience sampling approach will be employed for respondent selection. Given the availability of the sample frame, the sampling approach used in this study was simple random sampling, in which every sample had an equal chance to be selected. Table 3.1 presents the sampling technique used.

Table 3.1: Simple random technique used

Numerical order	#1	#2	#3	#4	#XX	#XX	#400
#1	012	101	587	247	8716	580	254
#2	284	243	586	471	4889	436	504
#XX	472	108	237	453	2581	589	979
#XX	034	048	305	309	297	005	192
#400	534	597	271	487	874	548	457

Source: Author's compilation.

Each respondent was given a random number (four digits). The random selection was done based on the combined total of three-digit numbers (for instance, 012). Since the sample size was n=400, any combination exceeding 400 was not considered:

- Respondent #1 will be (012 will be 12, based on the ordinal sequence).
- Respondent #2 will be (101) until the 400th.

Finally, this sample size of n = 400 is sufficient, as it aligns with the parameters used to determine the sample's suitability when using SEM through covariance-based techniques, which require a large sample to obtain accurate results. This could be anything above 105 (Piriyakul et al., 2021). In this study, a sample of n=400 was deemed sufficient to base the analysis on, as it provides a representative sample of the targeted population.

3.7 DATA COLLECTION METHODS

The primary study employed a quantitative research approach. In this regard, the quantitative study will utilize a survey as its primary research instrument. In this study, data were collected using a structured questionnaire divided into four sections (see the appendix for the full questionnaire). Section A elicited the organisation's profile. Section B pertained to the demographic information of the respondents. Sections C and D pertain to the descriptive information of the constructs of the study (organisational culture, resource allocation, ethical leadership, employee performance, and organisational performance). Organisational culture was measured using a 13-item scale derived from Verma, Pratima, and Mohapatra, Siddharth (2020:123). Resource allocation was measured using a six-item scale from Donkor, Donkor and Kwarteng (2018:88). Ethical leadership was measured using a ten-item scale from Junaidi (2023:1). Employee performance and organisational performance were measured using a seven-item and a six-item scale derived from Nuhu, Baird and Appuhami (2016:67), respectively. These constructs were measured using a five-point Likert scale, anchored by 1 (strongly disagree) and 5 (strongly agree). A Likert scale is a commonly used tool in survey research for measuring attitudes, opinions, or perceptions (Kumar, 2020). The scale is structured in five scales, including 1= Strongly Agree, 2= Agree, 3= Neutral, 4= Disagree and 5= Strongly Disagree. Each point on the scale represents a distinct level of agreement or satisfaction, enabling nuanced responses. The five-point Likert scale provides a balance between providing enough response options for meaningful differentiation while still being easy for respondents to understand and use effectively

To ensure a comprehensive representation of the target population, the survey was administered electronically or in paper format, depending on the preferences and accessibility of the municipal officials. The survey was accompanied by clear instructions and an explanation of the study's objectives to encourage accurate and thoughtful responses. The data collection process will involve collaboration with municipal authorities to facilitate access to officials and encourage their participation. The use of convenience sampling aims to maximise response rates and ensure the collection of meaningful insights from those officials who are readily available and willing to contribute. The collected data will be treated with confidentiality and the anonymity of respondents will be maintained.

3.8 DATA ANALYSIS

This section outlines the data analysis procedures employed in the study. It is important because it provides evidence-based evidence on the research assumptions (hypotheses). It consists of reliability and validity analysis, as well as hypothesis testing through regression analysis.

3.8.1 Data Analysis Technique

According to Patton (2014: 451), data analysis involves making sense of textual and image data. For the sake of the quantitative study, descriptive statistics were used and survey responses will be used to determine the respondents' responses towards the phenomenon under investigation. Descriptive statistics will be presented using graphs, tables and pie charts. The presentation and display of data involve creating organised, compressed representations of information that assist in the conclusion-drawing process.

3.8.1.1 Quantitative data analysis

According to Kumar (2020), descriptive statistics is a data analysis method used to describe the essential elements of the information in the research. The study also employed inferential statistics. Inferential statistics can be defined as a field of statistics that uses analytical tools to draw conclusions about a population by examining random samples (Kumar, 2020). Inferential statistics aims to make generalisations about a population. The analysis will be conducted using SPSS, a statistical analysis software known for its power and ability to handle complex analyses, such as factor analysis, logistic regression and cluster analysis (Flick, 2021). The study will conduct regression analysis, a set of statistical processes for estimating the relationships between a dependent variable and one or more independent variables. This determines the antecedent factors of municipal organisational performance in the Vaal region.

Under inferential statistics, the Analysis of Variance (ANOVA) test is usually conducted (Walliman, 2021). A two-way ANOVA test is a statistical test used to determine the effect of two nominal predictor variables on a continuous outcome variable (Creswell, 2021). ANOVA is a statistical examination of the differences between all variables used in an experiment. Since the study aims to investigate the effect of two nominal predictor variables on a continuous outcome variable, a two-way ANOVA test is particularly suitable for this purpose. This statistical test allows for the assessment of the interaction effect between the two predictor variables, as well as their individual effects on the outcome variable. By conducting ANOVA, the study can determine whether there are statistically significant differences in the outcome variable across different levels of the predictor variables.

3.9.2 Reliability assessment

Constructs' reliability refers to the consistency of items assessing the variable to measure what it is supposed to measure (Akib & Ghafar 2015:64). In this study, reliability was assessed using the Cronbach alpha coefficient, which is designed to assess the consistency and reliability of a study's constructs' items. The

Cronbach alpha coefficient must be equal to or above 0.70 and 1.00, as recommended by Vaskea, Beaman and Sponarski (2017:163).

Test-retest reliability refers to the degree to which a particular tool yields consistent results for the average person under different circumstances. The study ensured test-retest reliability by distributing the questionnaires on the same day within the same demographic, but at different times, and then comparing responses collected on different days. Furthermore, inter-rater reliability refers to the extent to which two or more individuals assessing similar circumstances achieve comparable results. In this study, respondents were allowed to provide independent ratings on equal interval scales. The correlation obtained guarantees reliability or consistency between ratings.

Finally, internal consistency reliability refers to the extent to which the objects of a tool present the same results. Internal consistency reliability was ensured through the use of a similar research methodology and a preliminary study conducted before the main research, which helped refine the data collection processes.

3.9.3 Validity analysis

Validity refers to the extent to which measurement instruments accurately measure what they are intended to analyse (Bolarinwa 2015:196). It is measured using content validity and construct validity. The study will conform to these criteria.

3.9.3.1 Content validity

Content validity determines the extent to which a study's measurement instruments are identified to measure a construct and are valid in their conceptualisation and content (Bolarinwa, 2015). In this study, content validity was established through a pilot study, during which approximately 50 questionnaires were collected, primarily to assess their level of validity and reliability. The primary purpose of the pilot study is to assess the validity of the measurement instruments used. By administering the questionnaires to a smaller sample size before the main data collection phase, researchers can identify any potential issues with the clarity, relevance, or comprehensiveness of the questionnaire items. This process enables revisions to be made to the measurement instruments, thereby enhancing their content validity and ensuring they effectively capture the intended construct, which produces meaningful data for analysis.

3.9.3.2 Construct validity

Construct validity measures the extent to which a variable assesses what it is aimed to measure (Peter 1981:134). This study evaluated construct validity through two aspects: convergent and discriminant validity.

3.9.3.3 Convergent validity

Convergent validity analyses how constructs' items converge well (Peter, 1981). In this study, item-to-total correlation and item-loading values were measured, whose scores must be equal to or above 0.5 to ensure that the content of the item in the variable is assessed at least 50% of what it is meant to ascertain.

3.9.3.4 Discriminant validity

Discriminant validity analyses the degree to which constructs differ from each other (Fornell and Larcker, 2016:221). It is determined using the Fornell and Larcker criterion, which is designed to compare the square root of the average variance extracted (AVE) and the correlation of the latent construct factors.

3.9.4 Hypothesis testing

The study's hypotheses will be tested using SEM using the Analysis of Moment Structures (AMOS) statistical software. SEM is a statistical method used to test and validate complex relationships among variables in a research model (Field, 2018). The following hypotheses are stated:

H_1: Organisational culture exerts a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities

H_{01}: Organisational culture does not exert a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities;

H_2: Resource allocation exerts a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities;

H_{02}: Resource allocation does not exert a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities;

H_3: Ethical leadership exerts a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities;

H_{03}: Ethical leadership does not exert a positive influence on employee performance in the Emfuleni, Lesedi and Sedibeng local municipalities;

H_4: Employee performance exerts a positive influence on organisational performance in the Emfuleni, Lesedi and Sedibeng local municipalities;

H_{04}: Employee performance does not exert a positive influence on organisational performance in the Emfuleni, Lesedi and Sedibeng local municipalities.

The SEM analysis in this study will examine the proposed relationships between organisational culture, ethical leadership, resource allocation, employee performance and organisational performance. The software will estimate how well the proposed model fits the collected data, allowing researchers to validate or refine the hypotheses. AMOS provides various fit indices, such as chi-square, Comparative Fit Index (CFI) and root mean square error of approximation (RMSEA), which assist in evaluating the model's goodness-of-fit (Field, 2018).

3.10 LIMITATIONS, FEASIBILITY AND POSITIONALITY

3.10.1 Limitations

The study has several limitations that could limit its effectiveness. First, this study is limited by its geographical scope and location. It is concentrated on the local sphere of government situated within the Vaal, the southern part of the Gauteng province in South Africa. Expanding the scope to other municipalities within the Vaal region, such as the Midvaal and nearby provinces, could offer more interesting results. Secondly, the fact that the study only focuses on performance management practices, while identifying several, might limit respondents' perception if the selected practices are not prevalent in the municipality.

3.10.2 Feasibility

The research reported in this study will be quantitative in design and methodology, seeking to propose the antecedents of employee performance in the Vaal area. To determine the feasibility of this research project, the study will be conducted to assess the legibility of the concepts to be used, the adequacy of the methodology, and the research questionnaire for measurement.

3.10.3 Positionality

Positionality refers to the researcher's awareness and acknowledgment of their own social, cultural, and personal background, beliefs, biases, and perspectives, as well as how these factors may influence the research process and findings (Creswell, 2021). The researcher remained neutral and objective throughout the study. This was achieved by ensuring that the researcher did not exercise undue influence or have a conflict of interest during data collection. This was achieved by granting the respondents time and space to engage with the questionnaire's content. Some were given two weeks to complete, while others opted to do

so within the time they received it. In essence, no undue influence or pressure was exerted on the respondents, and they were free not to contact the researcher in instances where they missed the submission deadline. Also, in writing the study's chapters and sections, information and data were collected and interpreted fairly without plagiarising.

3.11 ETHICAL CONSIDERATION

Ethical considerations in research encompass a range of principles and practices to ensure the protection, dignity and welfare of individuals involved in the research process (Kumar, 2020). This includes obtaining informed consent from participants, maintaining the confidentiality of their information, treating participants with respect and sensitivity, minimising potential harm, ensuring fairness and equity in participant selection and treatment, disclosing and managing conflicts of interest, and complying with relevant laws, regulations, and ethical guidelines. Ethical considerations are crucial for maintaining the integrity and credibility of research, as well as promoting trust and transparency within the research community (Flick, 2022). Ethical considerations are of utmost importance in a qualitative inquiry investigating the antecedents of employee performance in the Vaal area. Informed consent and confidentiality will be obligatory.

3.11.1 Ensure Approvals

The study obtained all the required ethical approvals from the Higher Degree Research Ethics Committee of the Wits Faculty of Commerce, Law and Management within the School of Governance.

3.11.2 Ensure informed consent is given

Obtaining informed consent from respondents is crucial for conducting ethical research. This letter, in accordance with Sekaran and Bougie (2013:67), will clearly outline the voluntary nature of participation and emphasise participants' right to withdraw from the study at any time without consequence. Once fully informed, participants will be asked to sign the consent letter to acknowledge their voluntary agreement. This process will ensure that participants understand the nature of the research and provide their consent freely and willingly, thereby upholding ethical standards in the research process.

3.11.3 Ensure confidentiality and anonymity

Confidentiality and anonymity will be ensured by not requiring participants to provide their names for any answers they provide. Neither the respondents' telephone numbers nor the personal information collected will be disclosed to anyone. The study will ensure the disassociation of names from answers during the data

analysis process by using codes, and simultaneously allow participants to retain ownership of the valid information and ensure their independence in deciding, for ethical reasons.

3.12 CHAPTER SUMMARY

This chapter deliberated the research methodology chosen for this study, focusing on the antecedents of organisational performance in selected local municipalities within the Vaal region. The nature of the research objectives prompted the use of quantitative research methodology. The methodology enabled the statistical comparison and analysis of variables, as well as the drawing of inferences based on empirical data. The next chapter will, therefore, discuss, interpret, and present the findings of the study owing to the stipulations prescribed by the chosen research methodology.

CHAPTER FOUR: DATA ANALYSIS RESULTS

4.1 INTRODUCTION

This chapter presents the results of an analysis of data on employee performance factors and their impact on organisational performance. First, the chapter presents sample characteristics and demographic information results. Secondly, descriptive statistics for the constructs are presented and this is followed by an analysis of the normality of the data distribution. Furthermore, the chapter presents an analysis of the reliability and validity of the various measurement scales employed. Lastly, the chapter presents SEM, tests the hypotheses formulated and discusses the results in line with the literature.

4.2. SAMPLE CHARACTERISTICS

The study aimed to understand the factors influencing employee performance and their subsequent impact on organisational performance in selected South African municipalities. Data were collected from employees of these municipalities using an online questionnaire. A total of 233 responses were received through a convenience sampling method. However, upon reviewing the responses, it was found that 28 were incomplete, as the respondents had only completed the demographic section and did not complete the entire questionnaire. These incomplete responses were excluded from the analysis, resulting in a final sample of 205 valid and usable responses. Further screening revealed no additional missing values, ensuring the integrity of the dataset used in this study.

4.2.1 Gender

Figure 4.1 presents the gender statistics, illustrating the distribution of the sample by gender.

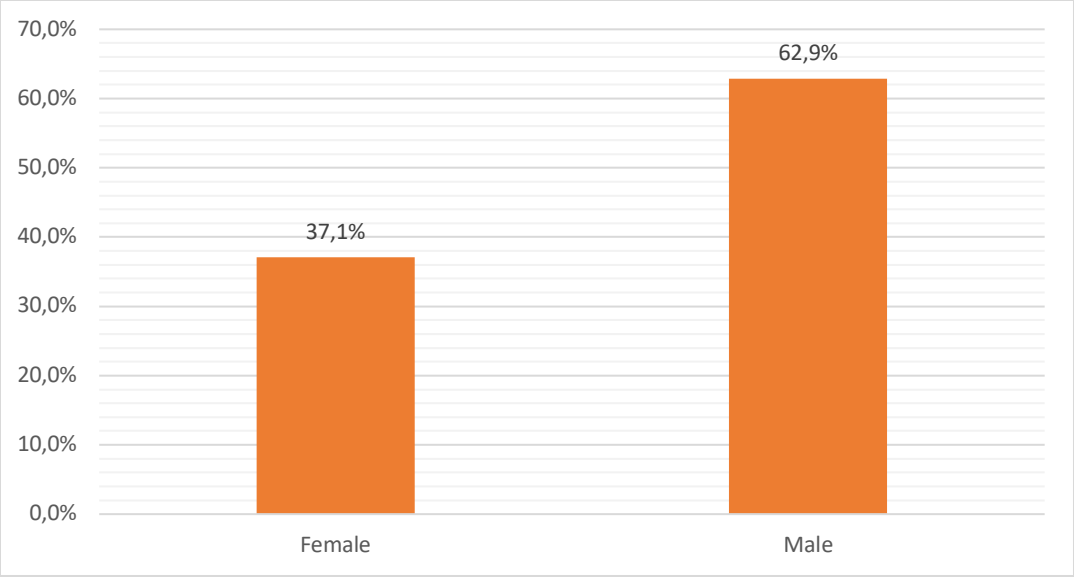


Figure 4.1: Gender

The gender distribution of the sample, as illustrated in Figure 4.1, indicates that a higher proportion of respondents were male, accounting for 62.9% of the sample, while 37.1% were female. It is essential to note that no assumptions were made about the gender of respondents, and, as such, the gender distribution is not expected to influence the study's results. Additionally, since a convenience sampling method was employed, the gender distribution reflects the characteristics of the respondents who were readily available and willing to participate in the survey.

4.2.2. Age group

Figure 4.2 presents the distribution of age groups within the sample.

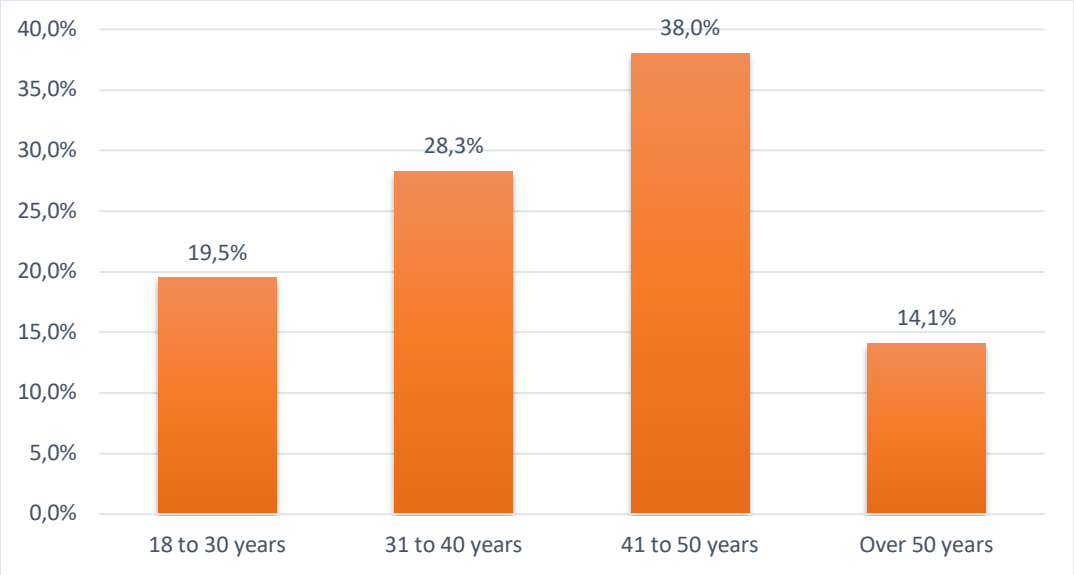


Figure 4.2: Age group

The age group distribution of the sample, as shown in Figure 4.2, reveals a diverse range of participants. The largest proportion of respondents falls within the 41 to 50 age group, comprising 38% of the sample. This is followed by the 31- to 40-year age group, which accounts for 28.3% of participants. Younger respondents, aged 18 to 30, represent 19.5% of the sample, while those over 50 make up 14.1%. This distribution suggests that the study captured a broad spectrum of experiences and perspectives, with a significant representation of middle-aged individuals.

4.2.3 Work experience

The distribution of the sample according to the number of years a respondent has been working with the municipality is summarised in Figure 4.3.

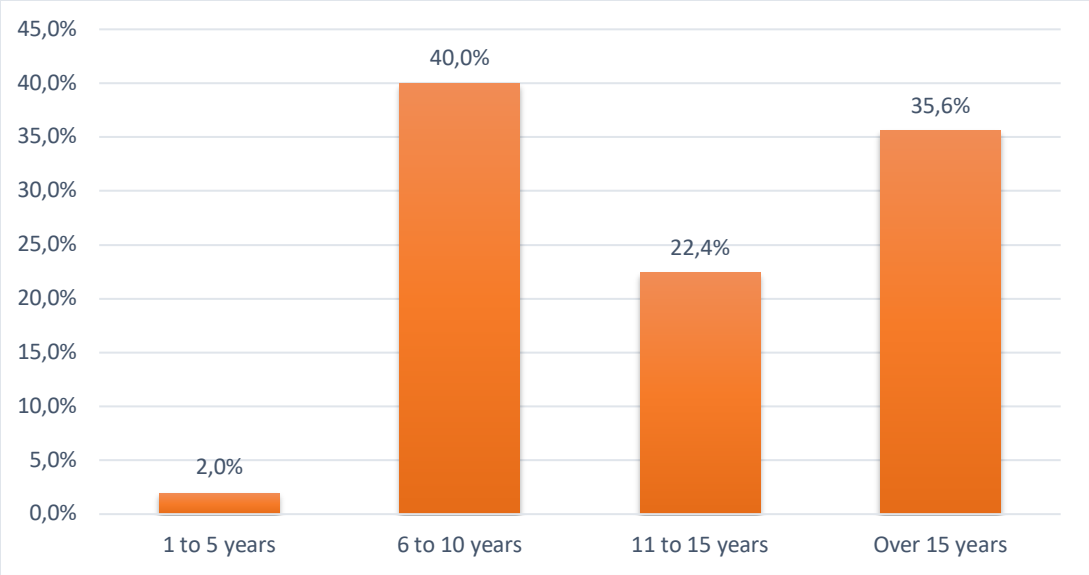


Figure 4.3: Experience

The distribution of respondents by years of service with the municipality indicates that the majority of respondents have substantial experience in their roles. Specifically, 40% of respondents have been employed with the municipality for 6 to 10 years and 35.6% have been employed for over 15 years. Those with 11 to 15 years of experience account for 22.4% of the sample, while only a small percentage (2%) have been employed with the municipality for 1 to 5 years. This distribution highlights that the study predominantly engaged individuals with significant tenure, providing insights from experienced employees who are likely to understand the organisational dynamics within the municipalities.

4.2.4. Municipality

The study collected data on the respective municipalities where the respondents were employed. Results are summarised in Figure 4.4.

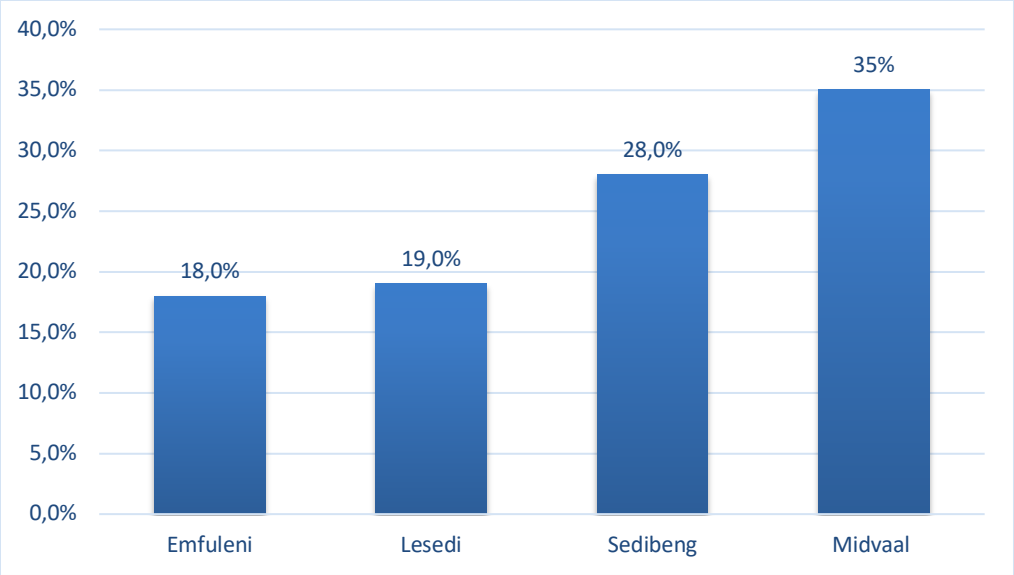


Figure 4.4: Municipality

The study collected data from respondents across three different municipalities. The distribution shows that 35.0% of respondents work for the Midvaal municipality, making it the most represented municipality in the sample. Sedibeng Municipality follows this with a representation of 28%, followed by Emfuleni, which accounts for 19% of the participants and Lesedi, which represents 18% of the respondents. This fairly even distribution across the three municipalities ensures that the perspectives and experiences of each are well-represented in the study, allowing for a comprehensive analysis of perceived performance across different municipal contexts.

4.3. DESCRIPTIVE STATISTICS

This section presents descriptive statistics for the constructs used in the study (organisational culture [OC], resource allocation [RA], ethical leadership [EL], employee performance [EP] and organisational performance [OP]). The 5-point Likert scale was used to assess the statements. The study employed descriptive statistics, including mean and standard deviation, to provide a summary overview of the distribution of responses. These statistics also helped to generalise the extent to which respondents agreed or disagreed with the given statements. For a 5-point Likert scale, a mean value below 3 suggests disagreement, a mean between 3 and 3.4 suggests a tendency to neither agree nor disagree, and a mean above 3.5 suggests agreement with the statements. A higher standard deviation (above 1.0) indicates that there was significant variability in responses, both in terms of agreements and disagreements.

4.3.1. Organisational culture (OC)

As a construct, organisational culture measured respondents' perceptions of the culture within their respective organisations. Table 4.1 provides a summary of item descriptive statistics for organisational culture.

Table 4.1: Descriptive statistics for organisational culture

Item	Minimum	Maximum	Mean	Std Deviation
OC1	1	5	**3.43**	**1.108**
OC2	1	5	**3.48**	**1.046**
OC3	1	5	**3.26**	**1.137**
OC4	1	5	**4.21**	**.886**
OC5	1	5	**4.21**	**.769**
OC6	1	5	**4.12**	**.777**

Source: Author's compilation

The descriptive statistics for the organisational culture (OC) construct, as shown in Table 4.1, reveal generally positive perceptions among respondents regarding the culture within their respective municipalities. The overall mean values for the OC items range from 3.26 to 4.21, indicating that respondents tend to agree with the statements assessing organisational culture. Specifically, the highest mean is observed for OC6 (mean = 4.21), suggesting strong agreement, while OC3 has the lowest mean (mean = 3.26), indicating a slightly lower but still positive perception.

The standard deviations for these items vary between 0.777 and 1.137, with several items (OC1, OC2 and OC3) showing standard deviations above 1.0. This indicates a high level of variability in responses, suggesting that while many respondents agreed with the statements, there was still some diversity in opinions about the organisational culture within their municipalities.

Overall, the data suggests that respondents view the organisational culture positively, but there are varying degrees of agreement among them.

4.3.2. Resource allocation

As a construct, resource allocation measured respondents' perceptions of how resources are allocated within their respective organisations. Table 4.2 provides a summary of descriptive statistics for the resource allocation items.

Table 4.2: Descriptive statistics for resource allocation

Item	Minimum	Maximum	Mean	Std Deviation
RA1	1	5	**3.55**	**.941**
RA2	1	5	**2.86**	**1.076**
RA3	1	5	**3.66**	**.858**
RA4	1	5	**3.44**	**1.035**
RA5	1	5	**3.67**	**.964**
RA6	1	5	**3.57**	**1.062**

Source: Author's compilation

The descriptive statistics for the resource allocation (RA) construct, as presented in Table 4.2, suggest a mixed perception among respondents regarding how resources are allocated within their respective municipalities. The mean values for the RA items range from 2.86 to 3.67. Specifically, RA2 has the lowest mean (mean = 2.86), indicating a tendency towards disagreement or dissatisfaction with certain aspects of resource allocation. In contrast, RA5 has the highest mean (mean = 3.67), suggesting a slightly more positive perception.

The standard deviations for these items are relatively high, ranging from 0.858 to 1.076, indicating considerable variability in respondents' views. This high variability suggests that while some respondents may perceive resource allocation positively, others have significantly different experiences or opinions, leading to a broader spread in the data.

Overall, the findings indicate that respondents have diverse and somewhat mixed perceptions of resource allocation within their organisations, with no strong consensus emerging from the data.

4.3.3. Ethical leadership (EL)

As a construct, ethical leadership measured respondents' perceptions of the ethical leadership situation within their respective organisations. Table 4.3 provides a summary of descriptive statistics for the items related to ethical leadership.

Table 4.3: Descriptive statistics for ethical leadership

Item	Minimum	Maximum	Mean	Std Deviation
EL1	1	5	**3.31**	**1.145**
EL2	1	5	**3.87**	**.865**
EL3	1	5	**3.85**	**.870**
EL4	1	5	**3.79**	**.887**
EL5	1	5	**3.36**	**.952**
EL6	1	5	**3.23**	**1.002**
EL7	1	5	**3.38**	**.955**
EL8	1	5	**2.84**	**.983**

Source: Author's compilation

Descriptive statistics reflect varied perceptions among respondents regarding the ethical leadership within their respective municipalities. The mean values for the EL items range from 2.84 to 3.87, indicating differences in how respondents view the ethical behaviour of their leaders.

EL2 has the highest mean (mean = 3.87), suggesting that respondents generally agree that ethical leadership is strong within their organisations. On the other hand, EL8 has the lowest mean (mean = 2.84), indicating a tendency towards disagreement or dissatisfaction with this particular aspect of ethical leadership.

The standard deviations, ranging from 0.865 to 1.145, suggest moderate response variability across the items. This variability indicates that respondents have differing experiences or opinions regarding ethical leadership, with some perceiving it positively and others less so.

Overall, the data suggests that while certain aspects of ethical leadership are viewed positively by respondents, there are also areas where perceptions are less favourable, reflecting a range of experiences and opinions within the sample.

4.3.4. Employee performance (EP)

Employee performance in this study measured the perceived performance of employees in terms of their contextual performance (CP), task performance (TP) and counterproductive work behaviour (CWB). Table 4.4 summarises descriptive statistics per item.

Table 4.4: Descriptive statistics for employee performance

Item	Minimum	Maximum	Mean	Std Deviation
TP1	1	5	**4.50**	**.738**
TP2	1	5	**4.46**	**.703**
TP3	1	5	**4.39**	**.709**
CP1	1	5	**4.46**	**.717**
CP2	1	5	**4.45**	**.925**
CP3	1	5	**4.36**	**.916**
CWB1	1	5	**4.12**	**.861**
CWB2	1	5	**4.30**	**.819**
CWB3	1	5	**4.19**	**1.064**

Source: Author's compilation

Descriptive statistics for the employee performance construct indicate that respondents perceive employee performance positively across task performance, contextual performance and counterproductive work behaviour.

The mean values for task performance items (TP1, TP2 and TP3) are high, ranging from 4.39 to 4.50, indicating strong agreement that employees perform well in their tasks. Similarly, the contextual performance items (CP1, CP2 and CP3) also show high mean values, ranging from 4.36 to 4.46, suggesting that respondents view employees as performing effectively in broader organisational contexts.

For counterproductive work behaviour, the mean values are all positive, ranging from 4.12 to 4.30. This suggests that respondents perceive relatively low levels of counterproductive behaviour among employees, indicating a generally positive view of employee conduct.

The standard deviations, which range from 0.703 to 1.064, indicate relatively low variability in responses, suggesting a strong consensus among respondents regarding the high levels of employee performance.

Overall, the data reflect a positive perception of employee performance across the different dimensions measured in this study.

4.3.4. Organisational performance (OP)

Respondents' perceptions of organisational performance were noted, and a summary of results is presented in Table 4.5.

Table 4.5: Descriptive statistics for organisational performance

Item	Minimum	Maximum	Mean	Std Deviation
OP1	1	5	3.12	1.133
OP2	1	5	2.82	1.168
OP3	1	5	4.07	.816
OP4	1	5	4.10	.819
OP5	1	5	3.73	.957
OP6	1	5	3.95	.742

Source: Author's compilation

The descriptive statistics for the organisational performance reveal a range of perceptions among respondents regarding the performance of their respective municipalities. The mean values for the OP items range from 2.82 to 3.95, suggesting mixed views on organisational performance.

OP4 has the highest mean (mean = 4.10), indicating that respondents perceive this aspect of organisational performance more favourably. In contrast, OP2 has the lowest mean (mean = 2.82), indicating a tendency towards disagreement or dissatisfaction with this particular performance aspect.

The standard deviations, which range from 0.742 to 1.168, suggest moderate response variability. This indicates that while some respondents view their organisation's performance positively, others have different experiences or opinions, leading to a broader distribution of responses.

Overall, the data indicate that respondents have varied perceptions of organisational performance, with certain areas being viewed more positively than others. The overall results reflect agreement and dissatisfaction among respondents concerning different aspects of their organisation's performance.

4.4. NORMALITY

Normality was assessed using descriptive statistics for composite scores of the constructs. Composite scores were calculated by averaging the items within each construct. Skewness and kurtosis statistics are used to assess the normality of a dataset by examining the shape of its distribution. Skewness measures the

asymmetry of the data; a value within the range of -2 to +2 indicates a symmetric distribution. Kurtosis measures the sharpness of the peak of the distribution; a kurtosis value within the range of -2 to +2 indicates a normal distribution (Hair et al., 2010). Values significantly different from zero for either skewness or kurtosis indicate deviations from normality, which can affect the validity of statistical tests that assume a normal distribution.

Table 4.6: Descriptive statistics

Construct	N	Mean	Std Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std Error
OC	205	3.7870	.68293	-.840	.170	1.991	.338
RA	205	3.4577	.66327	-.507	.170	1.564	.338
EL	205	3.4530	.66870	-.319	.170	.679	.338
EP	205	4.2228	.69672	-.357	.170	-.107	.338
OP	205	3.6317	.65927	-.499	.170	1.225	.338

Source: Author's compilation

Descriptive statistics in Table 4.6 indicate that all variables have skewness and kurtosis values within the range of -2 to +2, suggesting an approximately normal distribution (Hair et al., 2010). Therefore, the study conducted further analysis using parametric tests. The following sections present a reliability analysis.

4.5. RELIABILITY

Cronbach's alpha was computed for each scale to assess the internal consistency, ensuring that items within each construct reliably measure the same underlying concept. A Cronbach's alpha value above 0.70 indicates acceptable reliability, with higher values reflecting stronger internal consistency (Hair et al., 2010). Scales with low alpha values were reviewed, and poorly performing items were considered for removal to enhance reliability. Results are summarised in Table 4.7.

Table 4.7: Reliability analysis

Scale	Original number of items	Number of items after adjustment	Deleted items	Cronbach's alpha
Organisational culture (OC)	6	6	None	**0.800**
Resource allocation (RA)	6	6	None	**0.752**
Ethical leadership	8	8	None	**0.848**
Employee performance (EP)	9	9	None	**0.840**
Organisational performance (OP)	6	6	None	**0.782**

Source: Author's compilation

The reliability analysis in Table 4.7 shows that all the measurement scales demonstrate good internal consistency, as evidenced by Cronbach's alpha values ranging from 0.752 to 0.848. No items were deleted from the scales, indicating that the original items effectively measured their respective constructs. Specifically, the ethical leadership and employee performance scales demonstrate the highest reliability, with alpha values of 0.848 and 0.840, respectively. The resource allocation scale, with an alpha of 0.752, also meets the acceptable threshold, indicating consistent and reliable measurements across all scales. The following section presents the exploratory factor analysis (EFA).

4.6 EXPLORATORY FACTOR ANALYSIS

EFA is a statistical technique used to uncover the underlying structure of a set of observed variables by identifying latent factors that explain the correlations among the variables (Hair et al., 2010). EFA aims to reduce the dimensionality of the data and help refine measurement scales by grouping related items. The first step in conducting EFA is to assess the sample's adequacy, ensuring that the data are suitable for factor analysis. This is done using the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity. In this study, as shown in Table 4.8, the KMO measure of sampling adequacy was 0.899, indicating excellent suitability for factor analysis as it exceeds the minimum threshold of 0.60 (Field, 2018). Bartlett's test of sphericity was also significant ($\chi^2 = 4598.395$, $df = 595$, $p < 0.001$), suggesting that the correlations among the variables are sufficiently large for factor analysis. Based on these results, the sample is considered adequate for conducting EFA.

Table 4.8: Sample adequacy test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		**.899**
Bartlett's Test of Sphericity	Approx. Chi-Square	**4598.395**
	Df	**595**
	Sig.	**.000**

Source: Author's compilation

After confirming the sample adequacy, the next step in conducting EFA involved selecting the factor extraction method. Principal component analysis (PCA) was chosen as the extraction method to identify the key components driving the relationships among the variables. The decision on the number of factors to extract was guided by the Eigenvalue criterion, where only components with an Eigenvalue of at least 1 were retained for further analysis (Field, 2018). As shown in Table 4.9, five components were ultimately extracted, explaining 60.2% of the total variance. This indicates that the extracted components capture a substantial portion of the underlying structure within the dataset, offering a clear representation of the measured key dimensions.

Table 4.9: Explained variance

Component	Rotation Sums of Squared Loadings		
	Total	**% of Variance**	**Cumulative %**
1	5.006	14.303	14.303
2	4.914	14.040	28.343
3	3.876	11.074	39.417
4	3.791	10.830	50.248
5	3.473	9.922	60.170
Extraction Method: Principal Component Analysis.			

Source: Author's compilation

After extracting the factors, factor rotation was performed using the Varimax rotation method. Factor rotation enhances the interpretability of the factor structure (Hair et al., 2010). Varimax, an orthogonal rotation method, maximises the variance of squared loadings across the factors, helping to achieve a clearer

distinction between the factors by reducing cross-loadings (Field, 2018). This improves the interpretability of the factors by concentrating the loadings within specific factors.

In this study, the criterion for retaining items within each factor was that only items with factor loadings of 0.5 or higher were retained, indicating a strong association with the respective factor (Hair et al., 2010). Items with factor loadings below 0.5 were eliminated to ensure that only the most relevant items were included in each factor. The following factor structure emerged:

Factor 1: Organisational Performance (OP): This factor consisted of five items with high loadings, but one item (OP5) was eliminated due to a factor loading below 0.5.

Factor 2: Organisational Culture (OC): All six items loaded highly onto this factor and no items were eliminated, indicating a strong and coherent measure of organisational culture.

Factor 3: Employee Performance (EP): This factor retained all nine items, each with a factor loading above 0.5, confirming the robustness of this scale in measuring employee performance.

Factor 4: Ethical Leadership (EL): Out of the original eight items, only five loaded highly onto this factor, while three items (EL2, EL5 and EL7) were eliminated due to low loadings. This refined the factor to better capture the essence of ethical leadership.

Factor 5: Resource Allocation (RA): Five items loaded highly onto this factor, with one item (RA1) being eliminated due to a loading below 0.5, ensuring that the retained items accurately represent the concept of resource allocation.

Through this process of factor rotation and item elimination based on loadings, the factor structure was confirmed, resulting in a more precise and interpretable set of factors that reflect the underlying constructs of the study.

Table 4.10: Component matrix

Rotated Component Matrix[a]					
	Component				
	1	2	3	4	5
OC1		**.844**			
OC2		**.767**			
OC3		**.832**			
OC4		**.753**			
OC5		**.783**			
OC6		**.730**			
RA2					**.625**
RA3					**.504**
RA4					**.664**
RA5					**.714**
RA6					**.668**
EL1				**.722**	
EL3				**.520**	
EL4				**.539**	
EL6				**.624**	
EL8				**.713**	
TP1			**.756**		
TP2			**.790**		
TP3			**.697**		
CP1			**.779**		
CP2			**.591**		
CP3			**.596**		
CWB1			**.539**		
CWB2			**.518**		
CWB3			**.611**		
OP1	**.645**				

OP2	**.552**				
OP3	**.731**				
OP4	**.731**				
OP6	**.615**				
Extraction Method: Principal component analysis Rotation Method: Varimax with Kaiser Normalisation					
a. Rotation converged in 8 iterations.					

Source: Author's compilation

4.7. VALIDITY ANALYSIS

This study assessed the validity of the constructs, focusing on both convergent and discriminant validity.

4.7.1. Convergent Validity

The study assessed convergent validity using the Average Variance Extracted (AVE) for each factor. Convergent validity refers to the degree to which the items within a factor correlate and measure the same underlying construct (Field, 2018). AVE is used to assess this by calculating the average variance extracted by a factor from its associated items relative to the amount of variance due to measurement error (Hair et al., 2010). An AVE value of 0.50 or higher signifies good convergent validity, indicating that the factor accounts for at least 50% of the variance in its items (Hair et al., 2010). In this study, AVE was computed to confirm that the items within each factor adequately converge on the intended construct, thereby supporting the validity of the measurement model. Results are shown in Table 4.11.

Table 4.11: Convergent validity

Construct	Number of items	Average variance extracted (AVE)	Composite reliability
OC	**6**	**0.51**	**0.78**
RA	**5**	**0.64**	**0.74**
EL	**5**	**0.51**	**0.77**
EP	**9**	**0.55**	**0.84**
OP	**5**	**0.58**	**0.72**

Source: Author's compilation

The results show that all constructs demonstrate acceptable convergent validity, as their Average Variance Extracted (AVE) values exceed the recommended threshold of 0.50. Specifically, resource allocation and organisational performance exhibit strong AVE values of 0.64 and 0.58, respectively, indicating that these constructs capture a significant portion of the variance in their associated items. The other constructs, including organisational culture, ethical leadership and employee performance, also meet the AVE threshold, with values ranging from 0.51 to 0.55, confirming adequate convergent validity. Furthermore, composite reliability scores for all constructs range from 0.72 to 0.84, indicating good internal consistency across the measurement scales.

4.7.2. Discriminant Validity

Discriminant validity was assessed using the Fornell-Larcker criterion, which involves comparing the square root of the AVE for each construct with the correlations between that construct and others (Hair et al., 2010). Discriminant validity is confirmed when the square root of the AVE for a construct is greater than its correlation with any other construct, indicating that the construct is more strongly associated with its own items than with those of other constructs (Field, 2018).

As shown in Table 4.12, the square root of the AVE for each construct is listed on the diagonal of the correlation matrix. In contrast, the correlations between constructs are presented in the off-diagonal elements of the matrix. For discriminant validity to be confirmed, each diagonal value (representing the square root of the AVE) should be larger than any value in its corresponding row or column (representing correlations with other constructs) (Hair et al., 2010).

Table 4.12: Discriminant validity

	OC	RA	EL	EP	OP
OC	**0.71**				
RA	.630**	**0.80**			
EL	.614**	.780**	**0.71**		
EP	.636**	.587**	.673**	**0.74**	
OP	.651**	.597**	.627**	.695**	**0.76**
**. Correlation is significant at the 0.01 level (2-tailed).					

Source: Author's compilation

The square root of the AVE for organisational culture (OC) is 0.71, which is greater than its highest correlation with any other construct (0.651 with OP). Resource allocation (RA) shows a square root of AVE of 0.80, which is also higher than its strongest correlation (0.780 with EL). Ethical leadership (EL) has a square root of AVE of 0.71, which exceeds its highest correlation (0.780 with RA). Employee performance (EP) has a square root of AVE of 0.74, surpassing its highest correlation (0.695 with OP). Organisational performance (OP) has a square root of AVE of 0.76, higher than its strongest correlation (0.695 with EP).

Since the square root of the AVE for each construct is greater than its correlations with other constructs, discriminant validity is confirmed, indicating that each construct is distinct from the others in the model.

4.8. CONFIRMATORY FACTOR ANALYSIS (CFA)

CFA was conducted in this study to confirm the factor structure identified in the EFA. While EFA is exploratory and helps identify the underlying factor structure, CFA tests and validates this structure by specifying the number of factors and their relationships with observed variables (Hair et al., 2010). The goal was to ensure that the factor structure identified through EFA remained valid when tested using CFA.

In this case, the fitness of the CFA model was not assessed, as the focus was solely on confirming the factor structure rather than evaluating model fit at this stage (Hair et al., 2010). Therefore, further model fit assessments will be conducted during SEM, where the full measurement and structural models will be evaluated.

The factor structure is visually represented in Figure 4.5, which illustrates the covariances between factors, the relationships between latent variables (factors) and their associated observed variables (items) and the factor loadings of each item. The covariances indicate the relationships between the factors, while the factor loadings represent the strength of association between each latent variable and its corresponding observable items.

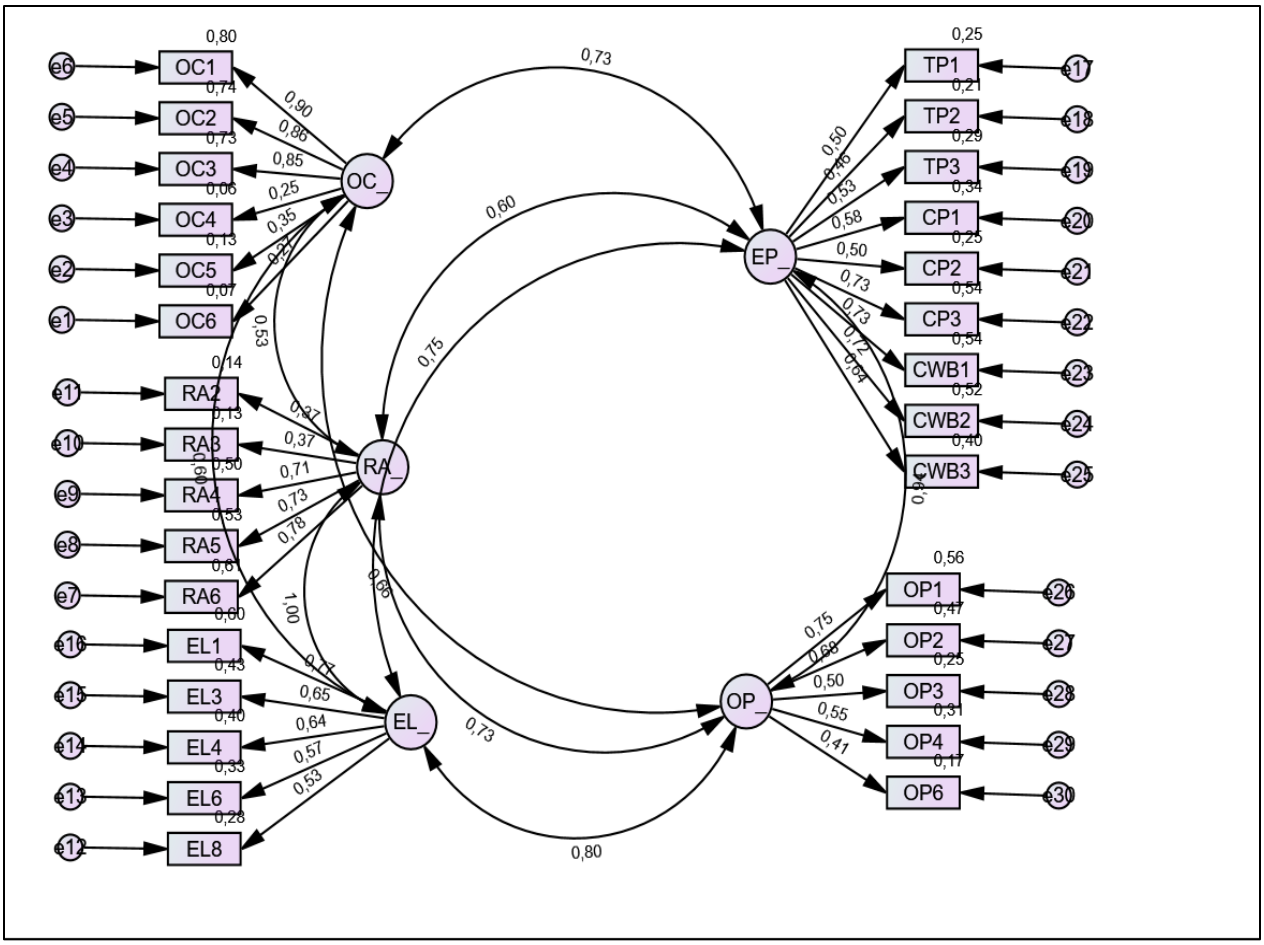


Figure 4.5: CFA Model

Source: Author's compilation

The results of CFA confirmed the factor structure initially identified in EFA, validating that the constructs are well-represented by their respective items. With this validation, the study proceeded to SEM, using the measurement model confirmed in CFA to assess the relationships between constructs and test the overall theoretical model.

4.9. STRUCTURAL EQUATION MODELLING (SEM)

The SEM was conducted using AMOS 29 to evaluate the hypothesised structural equation model. Various fit indices were used to assess how well the model fits the data. Initially, the Chi-square (χ^2) test was performed, which traditionally assesses model fit. However, it is acknowledged that this test can be overly sensitive to large sample sizes, often leading to significant results even with reasonably fitting models (Hair et al., 2010). Therefore, additional fit indices were considered to provide a more comprehensive evaluation of model fit.

One key metric evaluated was the CMIN/DF ratio, which represents the Chi-square value divided by the degrees of freedom. A CMIN/DF ratio of less than 3 generally indicates a good fit (Hair et al., 2010), signalling that the model adequately represents the data.

Several other fit indices were examined beyond the chi-square and CMIN/DF ratio. The goodness-of-fit index (GFI) measures the proportion of variance and covariance in the data that the model accounts for. The normed fit index (NFI) compares the fit of the hypothesised model to a null model. The Comparative Fit Index (CFI) adjusts for sample size and compares the fit of the hypothesized model to a baseline model. Incremental Fit Index (IFI) and Tucker-Lewis Index (TLI) both assess the improvement in fit compared to a null model. The Relative Fit Index (RFI) measures the relative improvement in fit compared to a baseline model. Finally, the RMSEA was examined, with values less than 0.05 indicating a good fit, values between 0.06 and 0.10 suggesting an acceptable fit and values above 0.10 indicating a poor fit. The RMSEA indicates how well the model would fit the population's covariance matrix.

The model was initially evaluated using these indices, and based on the results, adjustments were made to improve the model fit. This process involved modification indices, which suggested where revisions could be made to enhance the model's performance. Table 4.13 summarises the fit indices for the initial and final models after these improvements, demonstrating how the adjustments led to a better-fitting model.

Table 4.13: Summary of model fit indices

Fit Index	Recommended Value	Initial structural model	Final model
Goodness-of-fit (GFI)	**Less than 0.80 (No fit)**	0.710	**0.813**
	Between [0.80-0.90] (acceptable)		
	Above 0.90 (Perfect fit)		
Normed fit index (NFI)	**Less than .80 (poor)**	0.750	**0.875**
	Between [0.80-0.90] (acceptable)		
	Above 0.90 (good)		
Comparative fit index (CFI)	**Less than 0.90 (poor)**	0.712	**0.943**
	Above 0.90 (good)		

Fit Index	Recommended Value	Initial structural model	Final model
Incremental fit index (IFI)	**Less than 0.90 (poor)**	0.734	**0.912**
	Above 0.90 (good)		
Root mean square error of approximation (RMSEA)	**Less than 0.05 (good)**	0.093	**0.062**
	Between [0.06-1] (acceptable)		
	Above 1 (poor)		
Chi-square (χ2 /DF)	**Less than 3 (good)**	4.134	**2.012**
	Between [3-5] (acceptable)		
	Above 5 (poor)		
Tucker-Lewis Index (TLI)	**Less than 0.80 (poor)**	0.756	**0.899**
	Between [0.80-0.90] (acceptable)		
	Above 0.90 (good)		
Relative fit index (RFI)	**Less than 0.80 (poor)**	0.693	**0.863**
	Between [.80-.90] (acceptable)		
	Above .90 (good)		

Source: Adapted from Hair et al. (2010)

The final SEM demonstrated acceptable fit indices, indicating a good model fit and reliable result. Table 4.14 outlines the improvements made to achieve this fit.results

Table 4.14: Model improvements

			M.I.	Par change
e30	<-->	OC	13.116	0.08
e26	<-->	e31	4.022	0.017
e25	<-->	e29	4.1	0.046
e24	<-->	e26	5.046	0.093
e23	<-->	e32	6.944	0.095

			M.I.	Par change
e23	<-->	e27	6.684	0.121
e23	<-->	e24	7.861	0.122
e22	<-->	OC_	4.498	0.058

Source: Author's compilation

As shown in Table 4.14, some errors were allowed to covary to enhance model fit. The SEM results are presented in Table 4.14, confirming the model fit.

Table 4.14: SEM results

Hypothesis				Estimate (β)	S.E.	C.R.	P value	Decision
H1	**EP_**	**<---**	**OC_**	0.171**	0.048	2.162	0.031	**Supported**
H2	**EP_**	**<---**	**RA_**	0.403***	0.047	3.813	***	**Supported**
H3	**EP_**	**<---**	**EL_**	0.198**	0.099	2.2	0.028	**Supported**
H4	**OP_**	**<---**	**EP_**	0.957**	0.399	5.463	***	**Supported**
***Coefficient is significant at the 0.01 level; **Coefficient is significant at the 0.05 level								

Source: Author's compilation

4.10 CHAPTER SUMMARY

This chapter presents the study's results, which focus on analysing the antecedents of organizational performance and the subsequent impact of employee performance in selected South African municipalities. Utilising a sample of 205 respondents from three municipalities, the study assessed the reliability and validity of the measurement instrument, confirming that the scales were reliable and valid. The final measurement model was confirmed using CFA. The next chapter (Five) discusses the results of the hypothesis testing and draws parallels with established empirical evidence.

CHAPTER FIVE: DISCUSSION OF FINDINGS

5.1 INTRODUCTION

This chapter discusses the study's results based on the analysis performed in the previous chapter (Four). It addresses the study's supported hypotheses by juxtaposing them with previously established empirical evidence that either supports or contrasts the findings obtained.

5.1. DISCUSSION OF RESULTS PERTAINING TO HYPOTHESES

This section discusses the study's hypotheses and results, aligning them with previous empirical studies. Table 5.1 recaps the hypothesis testing results.

Table 5.1: Hypotheses Testing Results

Hypothesis				Estimate (β)	S.E.	C.R.	P value	Decision
H1	**EP_**	**<---**	**OC_**	0.171**	0.048	2.162	0.031	**Supported**
H2	**EP_**	**<---**	**RA_**	0.403***	0.047	3.813	***	**Supported**
H3	**EP_**	**<---**	**EL_**	0.198**	0.099	2.2	0.028	**Supported**
H4	**OP_**	**<---**	**EP_**	0.957**	0.399	5.463	***	**Supported**
***Coefficient is significant at the 0.01 level; **Coefficient is significant at the 0.05 level								

Source: Author's compilation

- **Hypothesis 1 (H1): Organisational culture exerts a positive influence on employee performance in the Midvaal, Emfuleni, Lesedi and Sedibeng local municipalities**

The results of the SEM analysis indicated that organisational culture has a positive influence on employee performance ($\beta = 0.171$, $p < 0.031$). This finding supports Hypothesis 1, confirming that a positive organisational culture enhances employee performance in these municipalities. This result suggests that when municipalities foster an organisational culture that promotes shared values, norms and practices that align with employee expectations and job roles, employee performance improves. This underscores the importance of cultivating a work environment where trust, collaboration and innovation are emphasised, which can lead to improved job satisfaction and productivity.

This result is consistent with findings from previous studies, such as Bhuiyan et al. (2020), who observe a positive association between certain types of organisational culture (e.g., adhocracy culture) and innovation

capability in firms. Similarly, Ober (2020) found that supportive organisational cultures positively influenced employee performance in Nigerian insurance companies. In the South African context, this result reinforces the need for municipalities to create a culture that supports continuous improvement and ethical behaviour to drive employee performance.

- **Hypothesis 2 (H2): Resource allocation exerts a positive influence on employee performance in the Midvaal, Emfuleni, Lesedi and Sedibeng local municipalities**.

The SEM results also supported Hypothesis 2, indicating a strong positive influence of resource allocation on employee performance ($\beta = 0.403$, $p < 0.001$). This finding emphasises that effectively allocating resources, such as adequate staffing, equipment and financial support, is crucial in enhancing employee performance in these municipalities. This suggests that municipalities that strategically allocate resources to meet operational demands and support employee tasks are better positioned to achieve higher performance levels. Adequate resource distribution ensures that employees have the tools and support necessary to carry out their responsibilities effectively, leading to improved job performance.

This finding aligns with previous research by Trihatmoko and Novela (2022), who highlight the significance of resource allocation in achieving organisational success and competitive advantage. In the South African municipal context, where resource constraints often hinder service delivery, effective resource allocation is crucial to enhancing employee performance and, ultimately, the quality of public services.

- **Hypothesis 3 (H3): Ethical leadership exerts a positive influence on employee performance in the Midvaal, Emfuleni, Lesedi and Sedibeng local municipalities**

The SEM results confirmed that ethical leadership has a positive influence on employee performance ($\beta = 0.198$, $p < 0.028$). This result indicates that ethical leadership, characterised by integrity, fairness and accountability, significantly improves employee performance in the targeted municipalities. This result suggests that when leaders in municipalities prioritise ethical conduct and decision-making, it fosters a work environment where employees feel valued and motivated, leading to higher performance levels. Ethical leadership can help mitigate challenges such as corruption, favouritism and misconduct, which are common issues in many public sector organisations in South Africa.

This finding is consistent with the work of Banks et al. (2021), who emphasise the importance of ethical leadership in shaping employee behaviour and performance. Additionally, Saha et al. (2020) highlight that

an ethical climate within organisations reduces delinquency and promotes positive employee outcomes. In the South African municipal context, where ethical challenges are prevalent, promoting ethical leadership is crucial for enhancing employee performance and fostering public trust in local government operations.

- **Hypothesis 4 (H4): Employee performance exerts a positive influence on organisational performance in the Midvaal, Emfuleni, Lesedi and Sedibeng local municipalities**

Lastly, the SEM results strongly supported Hypothesis 4, showing a significant positive influence of employee performance on organisational performance ($\beta = 0.957$, $p < 0.001$). This result suggests that higher levels of employee performance directly contribute to improved organisational performance in these municipalities. This implies that municipalities with well-performing employees can deliver better services, achieve operational goals more effectively and enhance overall organisational outcomes. The link between employee performance and organisational performance highlights the need for municipalities to invest in employee development, training and performance management systems to drive organisational success.

This result aligns with the findings of Sugiarti (2022), who emphasises the positive outcomes of effective performance management practices, including increased productivity and enhanced organisational performance. In the South African municipal context, where service delivery is often scrutinised, improving employee performance is essential for achieving better organisational results and meeting the needs of communities. Table 5.2, below, presents a comparative evaluation of the results obtained in relation to previously established studies.

Table 5.2: Selected empirical studies on South African municipalities

Title	Authors	Year	Results obtained
Ethical leadership in promoting efficient service delivery: evidence from eThekwini Municipality, KwaZulu-Natal	Mpontshane & Holtzhausen	2024	Ethical leadership fosters efficient service delivery, whereas unethical leadership practices hinder service delivery.
The Impact of Ethical Leadership on the Service Delivery at uMhlathuze Local Municipality	Mahohoma & Sihlangu	2024	Unethical malpractices erode public trust and employee motivation, whereas ethical leadership positively influences

			employee performance.
Contextualising the factors influencing human resource development in municipalities	Cloete	2023	Various HR development challenges negatively impact organisational performance.
Management and leadership considerations for managing effective monitoring and evaluation systems in South African municipalities	Yekani, Ngcamu & Pillay	2024	Inconsistent monitoring and evaluation, as well as poor leadership and management commitment, are detrimental to municipal performance.
Knowledge Management as a Catalyst for Sustainable Human Resource Management in South African Municipalities	Cloete	2025	Lack of knowledge management and poor leadership result in sub-standard employee performance and hinder organisational sustainability
Ethical leadership and organisational commitment as key determining factors of strategic objectives: A case study of a municipality in the Mpumalanga Province of South Africa	Shabangu	2024	Ethical leadership and commitment are critical drivers of organisational performance

Source: Author's Compilation

Table 5.2 above presents selected recent studies conducted seeking to explore antecedents of organisational performance within local municipalities in South Africa. These studies underline the strategic merit of some of the identified constructs in ethical leadership, employee performance, and organisational performance. Several studies (Mahohoma & Sihlangu, 2024; Shanangu, 2024; Mpontshane & Holtzhausen, 2024) further confirm the role of ethical leadership as an important antecedent of municipal performance. Therefore, the presented results broaden the existing empirical body of evidence by advancing the discussion through their ability to add further determinants of organisational performance, particularly by highlighting the mediating role of employee performance.

5.2. CHAPTER SUMMARY

SEM was then employed to test the hypotheses formulated. The results of this study provided strong empirical support that the key antecedents to employee performance are organisational culture, resource allocation and ethical leadership. In addition, it was further confirmed that employee performance has a positive influence on organisational performance in South African municipalities. These findings have important implications for municipal management, particularly in enhancing employee performance and organisational effectiveness through strategic initiatives that promote a positive culture, ethical leadership and effective resource management. These results also contribute to the broader literature on public sector performance in developing countries, emphasising the unique challenges and opportunities present in the South African context. The following chapter provides the conclusion to the study.

CHAPTER SIX: CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

This chapter presents conclusions derived from the results obtained regarding the study's primary finding on the antecedent variables of organisational success in selected municipalities in the Vaal area, focusing on how these factors impact employee performance. This conclusion summarises the study's key results and discusses the practical consequences for municipal administration and makes strategic recommendations for future research in this area.

6.2 CONCLUSIONS RELATED TO THE STUDY'S EMPIRICAL OBJECTIVES

This section presents the conclusions of the study's empirical objectives.

1) to determine the perception of municipal employees on the level of organisational culture, resource allocation and ethical leadership) and employee performance.
2) to determine the relationship between performance management practices (organisational culture, resource allocation, and ethical leadership) and employee performance in the Emfuleni, Lesedi, and Sedibeng municipalities.
3) to determine the association between employee performance and organisational performance in the Emfuleni, Lesedi and Sedibeng municipalities.

6.2.1 Conclusions related to objective one

The descriptive statistical results revealed interesting findings about employees' perceptions of the study-identified constructs. The findings indicate diverse opinions regarding organisational culture in the municipalities. This suggested that municipal employees view the organisational culture positively, but there are varying degrees of agreement among them. A similar conclusion regarding employees' views of resource allocation to optimise their day-to-day activities can be drawn. It was revealed that respondents may perceive resource allocation positively, while others have significantly different experiences or opinions. This means that respondents have diverse and somewhat mixed perceptions of resource allocation within their organisations, with no strong consensus emerging from the data.

This variability indicates that respondents have differing experiences or opinions regarding ethical leadership, with some perceiving it positively and others less so. Overall, the data suggests that while certain employees view ethical leadership positively, others have less favourable opinions.

The descriptive statistics for the employee performance construct indicate that respondents perceive employee performance positively in terms of task performance, contextual performance and counterproductive work behaviour. This suggests a strong consensus among respondents regarding the high levels of employee performance. Lastly, some respondents view their organisation's performance positively, while others have different experiences or opinions, leading to a broader distribution of responses. Overall, the data indicate that respondents have varied perceptions of organisational performance, with certain areas being viewed more positively than others. The overall results reflect agreement and dissatisfaction among respondents concerning different aspects of their organisation's performance.

6.2.3 Conclusions related to objective two

Three antecedent factors - organisational culture, resource allocation and ethical leadership - were discovered to influence employee performance in municipal organisations strongly. Understanding these connections is crucial for municipal leaders seeking to improve governance efficiency and service quality. Respondents reported that a well-aligned organisational culture, in which employees' expectations correspond with the organisation's basic principles, may significantly improve job satisfaction, motivation and productivity. Furthermore, this research emphasises proper tools, equipment and financing for high staff performance. Municipalities that manage resources well assign them based on strategic goals and ensure

that employees have the required assistance, allowing them to fulfil performance standards more easily. Municipalities that prioritise resource fairness and strategic planning can address current operational demands while fostering a work environment that sustains employee engagement over time. Additionally, ethical leaders foster a culture where people feel appreciated and their efforts are recognised, resulting in greater performance and morale. Given the issues of corruption and political meddling faced by South African towns, ethical leadership fosters openness and accountability, increasing employee satisfaction and public trust in municipal administration.

The study concludes that ethical leadership, resource allocation and organisational culture are key drivers that must be built upon because of their ability to foster employee performance within a municipal environment.

6.2.3 Conclusions related to objective three

The study found a significant association between employee performance and overall organisational performance. This further demonstrates the strategic nature of employees in advancing organisational performance objectives. Moreover, enhanced staff performance directly correlates to better service delivery, operational efficiency and public satisfaction in municipalities. As key agents of service delivery, employees' performance directly impacts municipal service quality. As a result, governments that prioritise staff performance as a strategic aim are better positioned to accomplish operational objectives while improving the overall service quality. In light of the presented elaboration, the present study concludes that employee performance is an important contributing factor to organisational performance.

6.3 IMPLICATIONS FOR PRACTICE

The study's results have important ramifications for municipal leaders and management strategies. Municipalities can enhance employee performance and, consequently, organisational results by addressing the key factors of organisational culture and ethical leadership. Based on the study's findings, detailed recommendations for practical implementation are provided below.

- **Fostering a positive organisational culture**

Municipal leaders prioritise creating a strong, positive organisational culture that encourages shared values, open communication, inclusion and cooperation. Practical approaches include creating seminars and training sessions that emphasise fundamental values, ethics, and the significance of open communication. Implementing feedback tools that enable workers to express concerns or share ideas may increase

engagement and foster a culture of continuous improvement. Cultivating such an atmosphere enhances employees' sense of belonging, pushing them to work more successfully towards organisational goals.

- **Optimised resource management**

Ensuring effective and equitable resource allocation is critical to great employee performance. Municipalities should conduct regular resource allocation evaluations and make adjustments to meet evolving operational needs. Priority should be given to areas requiring immediate care, such as infrastructure upkeep, staffing and equipment availability. Strategic resource management improves employees' performance, reduces operational disturbances and promotes long-term organisational sustainability.

- **Promoting ethical leadership**

Ethical leadership is an essential component of effective municipal management. Municipalities can consider implementing leadership training programmes that emphasise ethical decision-making, openness and accountability. Clear regulations for ethical conduct and frequent evaluations of leaders' adherence to these principles can help build the organisation's ethical framework. Ethical leaders set the standard for acceptable behaviour, impacting employee morale and creating a work environment based on trust and respect. Ethical leadership is especially crucial in the public sector, as executives are held accountable to their employees and the communities they represent.

- **Continuous investment in employee development**

Investing in staff development is crucial for maintaining high performance. Municipalities can conduct targeted training programmes, workshops and skill-development initiatives consistent with their strategic objectives. Employees who receive regular performance reviews and constructive feedback may better track their development and identify growth opportunities. Encouraging professional growth improves individuals' skill sets and instills a sense of purpose, both critical for organisational success.

6.4 LIMITATIONS OF THE STUDY

While the study provides valuable insights, certain limitations should be considered when interpreting the results.

Cross-sectional design: The study's cross-sectional design only provides a snapshot of variable interactions at a particular moment, making it difficult to determine causation. Longitudinal studies would allow researchers to look at how changes in organisational culture, resource allocation and leadership practices affect employee performance over time, providing a complete picture of causal links.

Potential for response bias: As the data collection relied on self-reported survey responses, there is a risk of response bias, where participants may have answered questions in ways they perceived to be favourable rather than entirely accurate. Future studies might incorporate objective performance metrics or mixed-method approaches, combining quantitative and qualitative data to reduce response bias and validate findings.

6.5 RECOMMENDATIONS FOR FUTURE RESEARCH

Given the limitations noted above, the following recommendations are proposed for future research to build upon the findings of this study and further explore the factors influencing municipal performance.

Consider a longitudinal approach to study the influence of organisational culture, resource allocation and ethical leadership on employee performance and outcomes across time. This method would provide insights into the long-term implications of management methods, enabling more accurate judgments regarding causality.

Collect data from numerous sources, including employees, management and external stakeholders, to reduce response bias and improve the validity of findings. This multi-perspective approach may provide a more thorough understanding of how municipal actions affect performance.

Examine contextual differences across municipalities: Comparative studies can reveal how regional characteristics affect employee and organisational performance. Future studies may reveal specific difficulties and context-specific effective practices, leading to a more nuanced understanding of municipal performance in South Africa.

Explore additional antecedent elements: Including technology resources, personnel engagement and leadership styles in a study might provide a more comprehensive knowledge of the elements influencing municipal success. Exploring these additional characteristics may provide useful insights for towns seeking to implement more comprehensive performance improvement measures.

Qualitative research methodologies, such as interviews and focus groups, can provide a more in-depth understanding of employee experiences and perspectives. This technique may uncover contextual aspects and individual experiences that quantitative approaches may not capture, resulting in a more comprehensive knowledge of the interactions between organisational practices and employee performance.

6.6 FINAL REMARKS

This study provides valuable insights into the antecedent elements influencing employee performance and, by extension, organisational success in South African municipalities. By finding substantial links between organisational culture, resource allocation, ethical leadership and employee performance, this study emphasises the relevance of strategic management techniques in improving municipal performance. The findings support the idea that organisational culture, resource allocation and ethical behaviour at the leadership level are critical to producing a productive workplace. Municipal leaders can create a work environment that fosters strong staff morale and productivity, thereby immediately enhancing organisational outcomes. As a result, municipalities can enhance their service delivery and fulfil their strategic goals more effectively, thereby positively impacting their communities.

The study's findings imply that targeted management interventions in culture buildings, resource allocation, ethical leadership and staff development can have a significant impact on organisational efficacy. Municipalities, as key agents of public service delivery, should utilise these insights to enhance their operational capacity and fulfil their commitments to the public. Local governments in South Africa can make progress towards more robust and effective municipal institutions by consistently focusing on employee performance and committing to ethical and efficient management practices.

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APPENDICES

APPENDIX A: QUESTIONNAIRE

SECTION A: DEMOGRAPHIC INFORMATION

Gender

Gender	**Tick**
Male	
Female	
Prefer not to say	

Age group

Age group	**Tick**
18 to 30 years	
31 to 40 years	
41 to 50 years	
Over 50 years	

Work experience

Years	**Tick**
1 to 5 years	
6 to 10 years	
11 to 15 years	
Over 15 years	

Municipality

Municipality	**Tick**
Emfuleni	
Lesedi	
Sedibeng	
Midvaal	

SECTION B: FACTORS AFFECTING EMPLOYEE PERFORMANCE

For each of the following, indicate the extent to which you agree or disagree with statements as they pertain to employee performance factors (organisational culture, ethical leadership and resource allocation). The statements are assessed on a 5-point scale (1= strongly disagree, 2= disagree, 3= neutral, 4= agree, 5= strongly agree).

Organisational culture

Statement	**1**	**2**	**3**	**4**	**5**
Employees share a common understanding of the organization's values.					
There is a strong sense of teamwork within the organization.					
The organization promotes open communication across all levels.					
Innovation and new ideas are encouraged within the organization.					
The organization supports a work environment that values diversity.					
Management consistently upholds the organization’s cultural values.					

Resource allocation

Statement	**1**	**2**	**3**	**4**	**5**
Resources are allocated efficiently to meet organizational goals.					
Employees have access to the tools and equipment needed for their tasks.					
The organization ensures fair distribution of resources across departments.					
Budget allocation is aligned with the organization's priorities.					
There is transparency in how resources are distributed within the organization.					

The organization regularly reviews and adjusts resource allocation based on needs.					

Ethical leadership

Statement	**1**	**2**	**3**	**4**	**5**
Leaders in this organization set an example of ethical behaviour.					
Leaders make fair and balanced decisions.					
Leaders demonstrate honesty and integrity in their actions.					
Leaders hold employees accountable for ethical conduct.					
Leaders communicate the importance of ethics in the organization.					
Leaders treat all employees with respect and dignity.					
Leaders are transparent in their decision-making processes.					
Leaders encourage open discussions about ethical issues.					

SECTION C: EMPLOYEE PERFORMANCE

For each of the following, indicate the extent to which you agree or disagree with statements as they pertain to your performance at work. The statements are assessed on a 5-point scale (1= strongly disagree, 2= disagree, 3= neutral, 4= agree, 5= strongly agree).

Statement	**1**	**2**	**3**	**4**	**5**
Task Performance					
I consistently meet the quality standards required for my job tasks.					
I complete my work efficiently and within the required time.					
I effectively prioritize tasks to achieve work goals.					
Contextual performance					
I willingly assist others in the workplace when needed.					
I take initiative to solve problems that arise during my work.					
I actively contribute to a positive work environment.					
Counterproductive work behaviour					
I avoid unnecessary conflicts with colleagues.					

I refrain from actions that could harm the organization.					
I do not engage in activities that could reduce my work efficiency.					

SECTION D: ORGANISATIONAL PERFORMANCE

For each of the following, indicate the extent to which you agree or disagree with statements as they pertain to the perceived performance of your organisation. The statements are assessed on a 5-point scale (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree).

Statement	**1**	**2**	**3**	**4**	**5**
The municipality consistently delivers high-quality public services.					
The municipality meets its financial performance targets.					
The municipality effectively manages infrastructure development and maintenance.					
The municipality responds promptly to community needs and concerns.					
The municipality demonstrates innovation in addressing local challenges.					
The municipality consistently delivers high-quality public services.					

APPENDIX B: ETHICAL CLEARANCE CERTIFICATE

CERTIFICATE OF COMPETENCE IN RESEARCH ETHICS

Name: Sinovuyo Masikwana

Student/Staff No: 788760

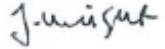
Date of Certification: 20 February 2024- 19 February 2027 (This certificate is valid for a period of three years)

TRAINED BY:

PROF. JASPER KNIGHT

(RESEARCH ETHICS)

SIGNATURE:



UNIVERSITY OF THE
WITWATERSRAND
JOHANNESBURG

ISSUED BY:

DR. ROBIN DRENNAN
(DIRECTOR: RESEARCH
OFFICE)

SIGNATURE:



This certificate is confirmation of successful completion of a training course in Research Ethics for Non-Medical human research, based upon achieving a minimum level of competence in different assessment tasks.

APPENDIX C: CONSENT LETTER

EMFULENI
LOCAL MUNICIPALITY
Vaal River City, the Cradle of Human Rights

SHARED SERVICES CLUSTER
HUMAN RESOURCES DEPARTMENT
Tel: +27 16 950 5838
E-mail: solr@emfuleni.gov.za

P.O. Box 3

c/o Klasie Havenga Street and
Frikkie Meyer Boulevard
VANDERBIJLPARK
1911

Web: www.emfuleni.gov.za

10 October 2024 Ref: S. Roets

To Whom It May Concern

RE: Approval to Conduct Research at ELM viz.. Mr. S Masikwana

This serves to confirm that **Mr Sinovuyo Masikwana** has been granted permission to conduct research at Emfuleni Local Municipality (ELM) in pursuance of his dissertation in **Masters of Management** titled "The antecedent factors of organizational performance: The case of selected local municipalities in the Vaal Region"

ELM is granting Mr Masikwana and possible associates, access to its premises and relevant personnel in designated Departments (and related Units) for the purposes of conducting this research.
The research access will terminate automatically and immediately upon the completion of the research period as stipulated.

The general rules and regulations of the ELM Code of Good Conduct will be binding on Mr. Masikwana whilst on the premises of ELM.

This includes any confidentiality obligations imposed by the research project as agreed.

Breach of any such prescripts may result in immediate termination of the research access approval and ELM will reserve its rights to take any concomitant mitigating action where necessary.

ELM accordingly wishes Mr Sinovuyo Masikwana well in his research endeavour.

Approved/~~Not Approved~~,

Training Manager: S Roets **Date** 10/10/2024

Midvaal Local Municipality
PO Box 9, Meyerton, 1960
Tel: 016 360 7400
Fax: 016 360 7519
www.midvaal.gov.za

Tel: 016 360 7411 * Fax: 086 502 2834 * E-mail: mm@midvaal.gov.za

OFFICE OF THE MUNICIPAL MANAGER

Our Ref: 17/2/R

18 July 2024

Sinovuyo Masikwana

E-mail: 788760@students.wits.ac.za

Dear Sinovuyo

REQUEST FOR PERMISSION TO DO ACADEMIC RESEARCH

Your request received on 18 July 2024 has reference.

Thank you for choosing Midvaal Local Municipality to participate in your study.

Topic: "**Antecedent factors of organisational performance**"

Permission is hereby granted to do your research in Midvaal Local Municipality.

Yours faithfully,

A M GROENEWALD
MUNICIPAL MANAGER

Sedibeng District Municipality
Corner Leslie and Beaconsfield Avenue, Vereeniging
PO Box 471, Vereeniging, 1930
Gauteng, Republic of South Africa
Tel: +27 016 460 3201
e-mail: bettyp@sedibeng.gov.za
Website: www.sedibeng.gov.za

Office of the Municipal Manager

Sedibeng District Municipality

7 Emerald Cresent

SE2

Vanderbijlpark

1900

11 November 2024

Dear Mr Sinowuyo Masikwana.

Thank you for reaching out and providing detailed information about your research project titled "***Research on the antecedent factors of organisational performance: the case of selected local municipalities in the Vaal region.***" We appreciate your commitment to addressing crucial issues concerning governance and service delivery in our municipalities.

I am pleased to grant you permission to conduct your research at the Sedibeng District. We recognize the importance of academic inquiry in identifying challenges and proposing solutions to improve governance and service delivery in our communities.

Regarding confidentiality, we appreciate your adherence to ethical principles, including informed consent, anonymity, and ensuring the confidentiality of participants. It is imperative to uphold these principles to maintain the integrity of your research and protect the privacy of individuals involved.

Should you require any assistance or cooperation during your research, please do not hesitate to contact us. We trust that your study will be conducted with professionalism and integrity, reflecting the highest standards of academic research.

We wish you all the best in your research endeavours and look forward to the outcomes that will benefit our local government and community.

Yours in Good Governance,

Mr FM Mathe

Date: 11/11/2024