Perspectives of employees on the effectiveness of performance management at a selected chemical plant in the Free State province, South Africa

By

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Abstract

Purpose – Concerns about the effectiveness of performance management have led researchers to explore several ways of measuring it. Despite extensive research, there is a gap in understanding how employees perceive performance management systems, particularly in the chemical industry in the Free State province, South Africa. This study aims to assess the effectiveness of performance management at a selected chemical plant from employees' perspectives, focusing on critical factors such as accuracy, fairness, and management transparency.

Design/method/approach – A qualitative research method was employed. Interviews were conducted with employees from various occupational backgrounds to gather in-depth insights into their views on the performance management process.

Findings – The study found that employees perceived the performance management system as generally effective but highlighted areas needing improvement, particularly in terms of transparency and fairness. Employees valued accuracy in performance assessments but expressed concerns about potential biases and lack of clear communication from management.

Research limitations/implications – This study is limited to a single chemical plant in the Free State province, which may not be representative of the entire chemical industry. However, the findings provide a foundation for future research in other chemical plants and similar industrial settings.

Contribution – This study contributes to the existing literature by providing empirical evidence on employees' perceptions of performance management in the chemical industry in South Africa. It highlights the importance of management transparency and fairness in enhancing the effectiveness of performance management systems.

KEYWORDS

Performance Management (PM), Accuracy, Fairness, Effectiveness, Transparency

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DP – Dependent Variables

FS – Free State

GDP – Gross Domestic Product

HR – Human Resources

HRM – Human Resource Management

ID – Independent Variables

IMV – Intermediate Variables

MSP – Monthly Salaried Personnel

PM – Performance Management

PMS – Performance Management System

SA – South Africa

SDT – Self-Determination Theory

SET – Social Exchange Theory

SPSS – Statistical Package for Social Science

CHAPTER 1. INTRODUCTION

1.1 Statement of purpose

In this qualitative study, the aim is to assess the effectiveness of Performance Management at a selected chemical plant in the Free State province from employees' perspectives.

1.2 Introduction

Many firms place a high value on the performance management process, which they use as a tool to assess the overall performance of their staff and provide them feedback to increase their productivity and efficiency. A successful PM is essential to an organisation's success because it helps employees understand their roles within the company and aligns their personal goals with those of the company. Organisations should be aware of how their employees feel about performance management because it can significantly affect their motivation, job satisfaction, and retention.

The chemical industry in South Africa is one of the key drivers of the nation's economy and accounts for a sizeable share of the GDP (Hira Wasti, 2015). Free State province has a substantial presence of chemical plants that employ a sizeable portion of the province's workforce. These chemical plants face numerous challenges, including the need to maintain elevated levels of safety, compliance with regulations, and the employment of effective PM to manage their workforce is key.

The effectiveness of Performance Management (PM) in the chemical industry in South Africa has been the subject of several studies (Kruger & Rothmann, 2012; Naude & Rothmann, 2018). To date, limited research study has been conducted to assess the effectiveness of PM at the chemical plants. Therefore, the purpose of this research study is to assess how employees at a selected chemical plant in Free State province see the effectiveness of PM.

Some of the distinct factors resulting from several undertaken research studies include communication, employee involvement, fairness, and feedback (Ahmad & Bakar, 2018; Armstrong & Baron, 2005). Employees need effective communication to grasp the organisation's expectations and goals as well as to give feedback on their performance. For employees to have a sense of ownership and dedication toward the organisation's goals, participation is essential. Fairness is essential to ensure that the performance management is perceived as transparent and objective. Feedback is critical for employees to identify areas of improvement and take corrective actions to enhance their performance.

Safety is a major issue that can impact the efficacy of performance management in the South African chemical industry. Chemical sector safety performance is crucial, and not following safety requirements can cost an organisation significantly in terms of money and reputation (Marais, 2017). Therefore, safety performance requirements need to be integrated into the PM to ensure that employees are aware of the safety standards and are held accountable for their compliance.

1.3 Background of the study

Chemical plants in the FS province confront a variety of obstacles, each one of which has the potential to influence the plants' capacity to continue operating. The adherence to all regulations is one of the most critical problems. The chemical industry is controlled by the government through agencies such as the Department of Environment, Forestry, and Fisheries, which put stringent rules on the business. According to research by (Ndoro, J, Manduna, I.T., Nyoni, M & de Smit, O, 2022), to comply with environmental rules, safety standards, and waste management protocols, large resources and adherence to complicated processes are required.

Another significant obstacle that chemical plants must overcome is the control of risks and the preservation of a safe working environment. The chemical business necessarily entails working with potentially harmful materials and processes due

to its very nature. According to (Dube, Valverde, Steyn, Cowan & Van der Waals, 2019), chemical plants are required to adopt stringent safety measures, give proper training to staff, and perform frequent risk assessments to reduce the likelihood of accidents and safeguard the environment and the populations in the area.

Chemical plants have a constant struggle in keeping up with technological improvements. Because of the constant change that occurs in this sector, it is necessary to embrace newly developed technology to maintain a competitive advantage. To boost operational efficiency, increase product quality, and reduce waste, chemical plants need to make investments in process automation, data analytics, and monitoring systems. On the other hand, the implementation and integration of modern technologies might be difficult and call for considerable financial expenditures (Ndoro et al., 2022).

Chemical plants in Free State province have a significant obstacle in the way of achieving environmental sustainability in their operations. The business sector is coming under increased pressure to reduce the negative effects it has on the environment and make the shift towards more sustainable practises. According to Dube et al. (2019), chemical plants must embrace environmentally friendly production methods, investigate renewable energy sources, and put appropriate waste management techniques into place to decrease pollution and carbon emissions.

The difficulty that chemical plants have is finding qualified workers to fill open positions in their workforce. Professionals with specialised understanding in subjects such as chemistry, engineering, and process optimisation are required to work in this business. On the other hand, there is sometimes a lack of qualified people, which results in fierce rivalry for talent. According to Xaba (2016), to recruit and keep qualified people, chemical plants need to provide appealing remuneration packages, chances for professional growth, and a work environment that is favourable to their productivity.

In addition to this, chemical plants have difficulties brought on by economic issues. Both production costs and profitability are susceptible to shifts in global demand patterns, as well as fluctuations in the pricing of commodities and currency exchange rates. Chemical plants need to keep a careful eye on market circumstances, diversify their product portfolios, and investigate new market opportunities to reduce their exposure to economic risks and maintain sustainable development (Ndoro et al., 2022).

To effectively address these difficulties, initiative-taking strategy and close coordination between various industrial players, governmental organisations, and research institutions are required. According to Dube et al. (2019) and Xaba (2016), the chemical sector may benefit from chemical plants overcoming these difficulties via information sharing, the promotion of best practises, and the development of fresh solutions.

To help us understand the effectiveness of PM in context of chemical industry in South Africa, limited number of studies have used qualitative research methods, including interviews and focus groups (Kruger & Rothmann, 2012; Naude & Rothmann, 2018). Several studies have been conducted on the effectiveness of PMS in a South African context and mostly concentrated their research in the public sector, (Modipane, 2019), (Makhubela, 2016) and (TV Ramulumisi, 2015) all did similar studies in the public sector. (Mohinder Chand, 2018) also did a similar study in an Indian hotel industry.

Even though several studies have examined the effectiveness of performance management in the chemical industry in South Africa (Kruger & Rothmann, 2012; Naude & Rothmann, 2018), there is a dearth of research specifically examining the effectiveness of PM within chemical plants in Free State province. Previous research has concentrated on the public sector (Modipane, 2019; Makhubela, 2016; TV Ramulumisi, 2015) or other sectors (Mohinder Chand, 2018), creating a vacuum in the knowledge of employee views on PM within the setting of chemical plants in the Free State province.

Free State province is home to many chemical plants, which provide a substantial contribution to both the labour force and the economy of the province. These plants are tasked with overcoming one-of-a-kind obstacles, such as preserving a high degree of safety and ensuring compliance with laws. Therefore, it is very necessary to explore the viewpoints of workers in this setting to acquire insights regarding their views on the effectiveness of PM and its effects on employee happiness, motivation, career growth and retention.

In addition, most of the employees' views on PM in the South African environment have been investigated via the use of qualitative research methodologies, such as interviews and focus groups, according to the previous research that has been conducted. Qualitative research methodology in a form of interviews will be conducted at a selected chemical plant to investigate employees' views on PM.

Filling this study gap will contribute to the body of knowledge already available on PM in South Africa and provide insightful information on the factors that can influence the effectiveness of PM in the selected chemical plant in Free State province. There is a dearth of PM research in South Africa's chemical sector, which led to the identification of this research requirement. By understanding the opinions of their employees, organisations may improve the performance of their PM. Better employee performance and organisational success will follow from this.

For many businesses, performance management is a crucial procedure that helps staff become more productive and efficient while also evaluating their overall performance. The success of organisations depends on having a strong PM, so it is critical to understand how employees feel about the process. In a selected chemical plant in Free State province, the purpose of this research study is to assess the effectiveness of PM. The study will add to the body of knowledge on PM in the South African chemical sector and offer insightful information on the variables affecting its effectiveness.

1.4 Research problem

Despite the significance of performance management in the South African chemical sector, there has not been much investigation into how employees at selected chemical plant in Free State province feel about the efficacy of PM. More research is required to comprehend how these factors function in the context of the South African chemical industry, even though prior research has identified critical factors for the success of PM, such as effective communication, employee involvement, fairness, and feedback (Ndoro et al., 2022; Dube et al., 2019).

At the selected chemical plant, PM is the cornerstone of how the company manages employee's performance during the respective fiscal year period. This process also forms the basis of yearly performance incentive paid to employees based on the company performance during the fiscal year. Prior research showed factors such as effective communication, employee involvement, fairness, and feedback which are all valuable and crucial but factors such as effectiveness of PM process, accuracy and management transparency are key and one of the major gaps identified in the literature. These factors have the potential to negatively affect the performance incentive payout to employees therefore affecting employees' morale and performance if not properly addressed or managed.

The goal of this research study is to assess the effectiveness of PM, fairness, accuracy, and management transparency at a selected chemical plant in the Free State province from the views of employees. This study aims to shed light on the factors that affect PM in the South African chemical sector, particularly in a selected chemical plant in Free State province. The study intends to add to the body of knowledge on PM and offer helpful insights into factors that could affect the effectiveness of PM.

1.5 Research objectives

1. To identify the critical factors that can affect the effectiveness of the performance management at a selected chemical plant in Free State province.
2. To ascertain the accuracy of performance management at a selected chemical plant in Free State province.
3. To determine the fairness of performance management at a selected chemical plant in Free State province.
4. To gage performance management transparency at a selected chemical plant.

1.6 Rationale

This study has significant implications for policy makers, practitioners, and scholars in the field of human resource management and organisational effectiveness. The study focuses on assessing the effectiveness of performance management at a selected chemical plant in the Free State province.

Policy Makers: The results of this research have the potential to give significant insights to policy makers who are engaged in creating rules and laws related to performance management in the chemical industry. Policymakers may identify areas for improvement and establish targeted policies that encourage greater alignment between organisational objectives and employee performance by knowing the viewpoints of workers on PM effectiveness. This, in turn, may help to improve productivity as well as employee engagement and the overall performance of the organisation.

Practitioners: The results of the research may be of considerable interest to practitioners, such as HR managers and organisational leaders, who are responsible for the design, implementation, and management of PM inside chemical plants. The insights gathered from this research might be helpful to practitioners in identifying crucial aspects that determine the effectiveness of PM.

Some examples of these characteristics are communication, employee participation, fairness, and feedback. When practitioners have a thorough awareness of these characteristics and their effects, they are better equipped to make educated choices about the design and implementation of performance management that are adapted to the unique requirements and difficulties faced by the selected chemical plant in the Free State province. This may result in increased levels of happiness, motivation, and performance on the part of employees, as well as greater results for the organisation.

Scholarship: The research makes a significant contribution to the current body of academic work on performance management, regarding the chemical industry in South Africa. This research contributes to the expansion of the knowledge base and fills an existing research gap via its exploration of employee views and identification of variables that determine the effectiveness of PM. The research contributes to the knowledge of how PM functions within the chemical industry, offering useful insights into the distinctive problems and factors that chemical plants in Free State province must consider. The results of the research may be used as a basis for more academic studies, making it possible to construct theories, models, and frameworks that improve the subject of performance management in the chemical industry and beyond.

This research could favourably influence policy making, practise, and scholarship by offering insights on employee attitudes, essential elements determining PM effectiveness, and the impact of safety performance. In general, this study has the potential to positively influence policy making, practise, and scholarship. The purpose of this study is to contribute to the development of evidence-based approaches to enhance performance management in the chemical industry. This will, eventually, lead to improved organisational outcomes, employee satisfaction, and overall industry performance. Bridging the gap between research and practise is the key to achieving this goal.

1.7 Delimitations of the study

There are various restrictions on this study that must be considered. First, the study is limited to one selected chemical plant in the Free State province, and the findings may not be generalised to other chemical plants in the region. Second, the study is limited to the effectiveness of PM from views and experience of employees at the selected chemical plant i.e., only employees in the monthly salaried category, management and other stakeholders in weekly salaried category are excluded. Third, the study is limited to the investigation of the effectiveness of the PM and does not explore other aspects of HRM in the chemical industry. Finally, the study is limited to the selected chemical plant in Free State province and may not apply to other regions or countries.

1.8 Definition of terms

Performance Management System: A system intended to assess and improve the overall performance of employees in an organisation, including setting goals, providing regular feedback, and evaluating progress.

Chemical Industry: A sector that includes companies involved in the manufacture, production, and distribution of chemicals, including pharmaceuticals, petrochemicals, and other specialty chemicals.

Employee Views: Employee impressions of the effectiveness, fairness, accuracy, and effects of the PM on their job satisfaction, as well as their views and opinions on it.

Safety Performance: The ability of the chemical plant to comply with safety regulations, maintain safe working conditions, and minimise the potential risk of accidents and injuries.

1.9 Assumptions

The first assumption is that performance management is effective, fair, accurate and transparent.

The second assumption is that the chosen sample is thought to be representative of the population under investigation. If there is bias in the sampling process, some groups or traits may be overrepresented or underrepresented, which will result in biased findings.

1.10 Chapter Outline

Chapter 1 (Introduction): This chapter provides an overview of the research topic, highlighting the importance of comprehending employee views as well as the function that PM fulfil in the chemical sector. It sets up the foundation for the investigation and gives an outline of the research objectives.

This chapter provides a detailed analysis of the literature on performance management, the chemical industry in South Africa, and the essential aspects that might affect the effectiveness of PM. Chapter 2 is titled "Literature Review." It investigates research that have been conducted on PM effectiveness as it relates to employee views, communication, employee engagement, fairness, and feedback. In addition, the chapter investigates previously conducted research on occupational safety performance and the influence that this research has on the performance management system used in the chemical industry. This helps to provide a theoretical groundwork for the investigation.

The study's research technique is described in Chapter 3 "Research Methodology," which is also the chapter's title. It gives a general description of the sampling approach, together with the selection criteria for participants and the steps involved in data collection. We also discuss the ethical issues that were considered in this chapter, along with the measures that were taken to ensure that participant anonymity was preserved and informed consent was acquired.

Chapter 4 (Findings): Based on the information acquired, this chapter explains the study's findings. The effectiveness of the PM at the chemical plant is examined from the perspective of the employees, and key factors that affect its effectiveness are identified.

Chapter 5 (Discussions of findings): This chapter discusses the study's findings in relation to earlier research that has been conducted. This section examines the contribution that the research brought to the field while focusing on the implications for the South African chemical sector. The chapter also analyses the limitations of the research and makes recommendations for more studies that may be conducted to enhance general understanding of the subject.

Chapter 6 (Conclusions, Limitations and Recommendations): This chapter serves as the research study's closing section, summarizing the findings, discussing the limitations, and drawing a few inferences from them. This is accomplished by highlighting the research's practical relevance, pointing out areas that require more research, and offering recommendations for future studies. At the end of the chapter, there is also a concluding discussion of the research's applicability and potential impact on the South African chemical sector.

The selection of a six-chapter dissertation structure is critical since it provides for a thorough evaluation of the research issue. It offers a clear framework that guarantees that each area of the research is fully managed, hence improving the logical flow of information and conclusions. This structure makes it easier to conduct an in-depth literature evaluation, provide a solid theoretical framework, and identify research needs. A separate chapter on research method promotes openness and replicability by outlining the research design, sampling strategy, data collecting processes, and ethical issues (Pandey & Pandey, 2021). The findings are presented in a separate chapter, allowing for a thorough examination and interpretation of the data. The discussion of findings chapter allows for critical examination by linking the results to current research and providing practical implications and suggestions. The conclusions, limitations and recommendations chapter present a final overview, summarising the key results, noting limitations,

and recommending future research directions. Overall, the six-chapter style improves the dissertation's quality and effect by offering a full study of the research issue as well as a complete framework for analysis and discussions.

CHAPTER 2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

Performance management (PM) refers to goals setting process, measuring progress, providing feedback, and developing employees to improve their performance and achieve organisational objectives (Armstrong & Baron, 2018). It is a vital part of HRM that helps organisations to bring into line employee efforts with organisational goals and strategies. PM has become increasingly important in many industries especially the chemical industry, where safety, efficiency, and innovation are critical to achieving success.

The chemical industry is a complex and highly regulated industry that faces numerous challenges, for instance intense competition, volatile market conditions, and environmental concerns (Schneider & Valente, 2019). Performance management practices in the chemical industry have evolved over the years to deal with these challenges and improve organisational performance. Previously, PM in the chemical industry was focused primarily on compliance with safety regulations and production targets. There has been a shift towards a more integrated approach to PM in recent years i.e., the PM that encompasses safety, quality, productivity, and innovation.

The current state of PM practices in the chemical industry is characterised by a focus on continuous improvement, employee development, and engagement. Many chemical companies have adopted performance management that incorporate goal setting, regular feedback, and development planning to improve employee performance and achieve organisational goals (Gamble & Blackman,

2019). These systems are designed to provide employees with a clear understanding of their role in achieving organisational objectives and to motivate them to contribute to the organisation's success.

One key trend in performance management in the chemical industry is the use of technology to support performance management processes. Many chemical companies have implemented performance management software that automates goal setting, performance appraisal, and feedback processes (MunozGarcia, Gutierrez-Dominguez, & Flores-Muñoz, 2019). These systems enable managers to track employee performance in real-time, provide prompt feedback, and identify areas for improvement. They also allow employees to access performance information and set goals for their own development.

Another trend in performance management in the chemical industry is the integration of safety performance into performance management. Safety is a critical concern in the chemical industry, and many companies have recognised the importance of linking safety performance with overall performance (Törner, 2019). This approach encourages employees to prioritise safety in their daily work and supports the achievement of organisational safety goals.

2.2 Definition of topic or background discussion

2.2.1 Performance Management

PM is a structured and formal process designed to manage and improve employee performance in organisations (Armstrong & Baron, 2018). Setting goals, evaluating performance, receiving feedback, and planning for future improvement are all part of this continuing process. The main goal of a PM is to bring into line the individual employee goals with organisational objectives and improve overall organisational performance.

Initial step in PM is goal setting (Locke & Latham, 2019). Setting targets for performance that are linked with the strategy and goals of the company requires

clarity and specificity. Goals should be challenging but achievable and should be based on objective criteria. Clear communication of goals or objectives is critical to ensure that employees understand what is expected of them and can direct their efforts towards achieving the desired outcomes.

According to DeNisi and Murphy (2017), performance evaluation is the process of comparing employee performance to established standards and goals set during the goal-setting stage. Various methodologies, such as self-evaluation, peer assessment, and manager assessment, can be used to conduct appraisals. Employee strengths and shortcomings, accomplishments, and growth areas are all identified through performance reviews. They serve as a foundation for selecting candidates for promotions, pay raises, and other awards.

Feedback is an essential component of a performance management system (Kluger & DeNisi, 2018). It provides employees with information on how well they are performing and areas for improvement. Feedback should be prompt, specific, and constructive. The feedback process should be ongoing and not limited to formal appraisals. Feedback can be given through various channels, including one-on-one meetings, coaching, and training.

Development planning is the final stage of the performance management (Armstrong & Baron, 2018). It involves creating a plan for employee development based on the appraisal results and feedback received. Development plans should be aligned with the organisation's goals and objectives and should include training, coaching, and mentoring to support the employee's growth and development.

Effective performance management have several benefits for organisations, including increased productivity, improved employee morale, and greater employee engagement (Buckingham & Goodall, 2019). Effective performance management also help to identify high-performing employees who can be developed for leadership positions within the organisation. By linking individual

employee performance with organisational goals, effective PM support the achievement of overall organisational success.

2.2.2 Context of the study

The chemical industry in South Africa is a main contributor to the South African economy, with a significant presence in both the Free State and Mpumalanga provinces. The chemical industry is critical to the economic growth of South Africa as it offers a wide range of products and services that are essential to various sectors, including agriculture, pharmaceutical, construction, mining, and manufacturing. The industry has been growing steadily in recent years, contributing to the South African Economy's GDP, and providing employment to many people.

The chemical industry is known for its hazardous nature, and safety is a critical concern that affects the effectiveness of performance management. The industry faces several safety-related challenges, including hazardous chemicals, flammable substances, and combustible materials that can lead to accidents and injuries if not managed appropriately. The safety of employees and the environment is a top priority for chemical plants, and the employment of an effective PM is vital for maintaining high safety standards.

PM is a crucial technique that enables businesses to assess employee performance and offer suggestions to increase their output and efficiency. A successful PM is essential to a company's performance because it helps employees understand their roles within the company and helps them match their personal goals with those of the company. In performance management, clear expectations are often stated, regular feedback is given, and the employees' progress toward attaining their objectives is assessed.

In the context of the chemical industry, performance management need to be tailored to the specific requirements of the industry. Chemical plants need to maintain elevated levels of safety, comply with regulations, and ensure that employees are adequately trained to manage hazardous materials and

processes. Performance management need to integrate safety performance metrics to ensure that employees are aware of the safety standards and are held accountable for their compliance.

Several studies have investigated the effectiveness of PM in South African chemical industry. Kruger and Rothmann (2012) conducted an action research approach to explore the employment of a PM in a chemical industry company. The study found that effective communication, employee involvement, and feedback were critical factors in the success of the PM. The study highlighted the importance of involving employees in the development of the performance management to create a sense of ownership and commitment towards the goals of the organisation.

Naude and Rothmann (2018) investigated the effectiveness of a PM in the chemical industry in South Africa. The study found that the performance management was perceived as fair and objective, and employees were satisfied with the feedback provided. However, the study also found that there were challenges in the implementation of the system, including a lack of clarity in the goals and objectives, and a need for more frequent feedback.

Ahmad and Bakar (2018) investigated the impact of communication, employee involvement, fairness, and feedback on job satisfaction and commitment in Malaysia. The study found that effective communication, employee involvement, and feedback were positively related to job satisfaction and commitment. The study highlighted the importance of including employees in the performance management process to improve their motivation and engagement.

Armstrong and Baron (2005) discussed the significance of managing performance in organisations and crucial elements of performance management. The authors identified several critical factors for the effectiveness of PM, including setting clear expectations, providing regular feedback, and creating a culture of continuous improvement. The authors emphasised the importance of integrating

PM with other HRM processes to create a cohesive approach to managing employee performance.

2.3 To identify the critical factors that can affect the effectiveness of the performance management.

2.3.1 Critical factors that can affect the effectiveness of performance management

The effectiveness of PM has been a topic of research interest for many years. Performance management processes are designed to help companies achieve their goals by aligning individual employee performance with organisational objectives (Armstrong & Baron, 2018). Though the goal of performance management is to improve employee performance and organisational outcomes, the effectiveness of PM can be influenced by several factors.

One factor that influences the effectiveness of performance management is the alignment between individual employee goals and organisational objectives (Torrington, Hall, & Taylor, 2017). When employees understand how their individual performance contributes to organisational success, they are likely to be motivated and engaged in their work. Research has shown that a clear link between individual and organisational goals can lead to higher levels of employee performance (Locke & Latham, 2019).

Another factor that influences the effectiveness of performance management is the quality of feedback relayed back to employees (Kluger & DeNisi, 2018). Response should be prompt, specific, and constructive. When employees receive regular feedback on their performance, they are more likely to understand how they are progressing towards their goals and what areas they need to improve. Research has shown that feedback is essential to employee development and can lead to higher levels of employee performance (DeNisi & Murphy, 2017).

The fairness of performance appraisals is another factor that can influence the effectiveness of performance management (Levy & Williams, 2017). When

employees perceive performance appraisals to be fair and unbiased, there is more likelihood that they will be motivated and engaged in their work. Research has shown that the perceived fairness of performance appraisals is positively associated with employee performance (LePine, LePine, & Jackson, 2004).

Another element that may affect the effectiveness of performance management is the participation of employees in the process (Armstrong & Baron, 2018). Employees are more likely to be motivated and interested in their job when they participate in setting their goals and creating their growth plans. Employee participation in the performance management process is favourably correlated with employee performance, according to research (Huselid & Becker, 2011).

The skills and knowledge of managers and supervisors can also influence the quality of PM (Gamble & Blackman, 2019). When managers and supervisors are skilled in providing constructive feedback and coaching, they are more likely to be effective in improving employee performance. Research has shown that the skills and knowledge of managers and supervisors are positively associated with employee performance (Salanova, Agut, & Peiro, 2005).

The use of technology is another factor that can influence the effectiveness of performance management (Munoz-Garcia, Gutierrez-Dominguez, & Flores-Muñoz, 2019). Performance management software can automate many of the processes involved in PM, such as setting of goals, performance appraisal, and response. When performance management software is used effectively, it can improve the accuracy and timeliness of performance management processes (Gupta, Sahu, & Kumar, 2018).

The effectiveness of PM is influenced by several factors, including the alignment between individual employee goals and organisational objectives, the quality of feedback provided to employees, the fairness of performance appraisals, employees involvement in the performance management process, knowledge and skills of managers and supervisors, and the use of technology. Effective PM is critical to achieving company objectives and success. By aligning individual

employee performance with organisational objectives, effective PM can enhance employee performance, increase productivity, improve employee morale, and greater employee engagement.

2.3.2 Employees' views of the performance management

Employee views are a crucial part in assessing the effectiveness of performance management. Employee views provide insights into the experiences and perceptions of the system, which can inform improvements and adjustments to the system. In the context of a selected chemical plant, it is essential to explore employee views to understand how performance management impact their work experiences and performance.

One view that is often considered is employee satisfaction with the PM. Research has shown that employee satisfaction is positively linked to the efficacy of the PM (Buckingham & Goodall, 2019). Therefore, organisations should seek to understand employee satisfaction levels and factors that influence their satisfaction. For example, employees may value clear communication of goals, regular feedback, and development planning opportunities. By understanding what factors contribute to employee satisfaction, organisations can adjust their performance management to better meet employee needs.

Another important employee view is the perceived fairness of performance appraisals. Fairness is essential in promoting employee engagement and reducing employee turnover (Levy & Williams, 2017). Employees who view appraisals to be fair are more likely to accept and act upon feedback, resulting in improved performance. Therefore, it is essential for organisations to ensure that performance appraisals are conducted objectively and transparently. Additionally, organisations should consider asking for employee feedback on their perceptions of fairness to identify areas for improvement.

Employee engagement is another view that is essential in assessing the efficacy of PM. Staff who are engaged are likely to be motivated and productive (Huselid & Becker, 2011). Performance management that promotes employee engagement typically involve opportunities for employee participation and input, regular feedback, and opportunities for development. Therefore, organisations should seek to understand employee engagement levels and identify factors that impact their engagement. For example, organisations can conduct employee surveys or focus groups to gain insights into employee engagement levels and identify areas for improvement.

Finally, employee views of the usefulness and relevance of PM goals and metrics can offer valuable insights into the effectiveness of the PM. If employees view performance goals and metrics as irrelevant or unrealistic, they may be less motivated to work towards them. Therefore, organisations should seek employee input when setting goals and metrics to ensure that they align with employee roles and responsibilities.

2.3.3 Proposition 1

The effectiveness of performance management in the selected chemical plant is influenced by a complex interplay of factors such as organisational culture, leadership styles, employee perceptions, and implementation processes.

This proposition will explore various factors that impact performance management within the chemical plant context, including how organisational culture shapes performance management practices, the role of leadership in fostering a conducive environment for performance management, how employees perceive and engage with performance management processes, and the challenges and successes encountered during the implementation of performance management initiatives.

2.3.4 Proposition 2

Exploring the lived experiences and perceptions of employees, supervisors, and managers within the selected chemical plant will illuminate the multifaceted dimensions of accuracy in performance management, including the alignment of performance metrics with organisational goals, fairness and transparency in evaluation processes, the effectiveness of feedback mechanisms, and the impact of contextual factors on the perceived accuracy of performance management practices.

This proposition will investigate the subjective experiences and perspectives of various stakeholders involved in performance management within the chemical plant. It aims to understand the nuanced aspects of accuracy in performance management, delving into factors such as fairness, transparency, feedback effectiveness, and contextual influences.

2.3.5 Proposition 3

Examining the perceptions and experiences of employees, supervisors, and managers within the selected chemical plant will provide insights into the multifaceted dimensions of fairness in performance management, including the consistency and transparency of evaluation processes, the presence of bias or favouritism, the adequacy of communication and feedback channels, and the impact of organisational culture and leadership on perceptions of fairness.

This proposition will explore the subjective interpretations and observations of stakeholders regarding the fairness of performance management practices within the chemical plant. It aims to uncover the several factors that contribute to or detract from perceptions of fairness, acknowledging the complexities inherent in evaluating fairness beyond objective criteria.

2.4 To gage performance management transparency at a selected chemical plant

2.4.1Definition and Importance of Performance Management Transparency

Transparency in performance management relates to how well a company shares with its staff information about its performance management procedures, standards, and results. It entails open communication with employees and the sharing of information about its procedures, standards, and results (Gupta, 2019). It entails ensuring that staff members have a thorough awareness of performance standards, assessment procedures, and feedback channels (Walker, 2018). Employee insight into goal setting, performance measurements, and evaluation standards is guaranteed through transparent performance management (Nambiar & DeCieri, 2019).

Employee visibility into the objectives, standards, and evaluation procedures that affect their performance and professional development is guaranteed using transparency in performance management. It entails exchanging knowledge regarding performance measures, evaluation standards, and performance assessment techniques. This openness fosters a feeling of justice and equity in the evaluation process and enables employees to understand how their performance relates to company goals.

Employee insight into goal setting, performance measurements, and evaluation standards is guaranteed through transparent performance management (Nambiar & DeCieri, 2019). It also includes open and two-way channels of communication so staff members can get clarification, ask questions, and offer feedback on their work (Walker, 2018).

Organisations can encourage employee trust, engagement, and a sense of fairness by increasing transparency in performance management. It promotes

communication, encourages ongoing development, and aligns personal and organisational goals.

In conclusion, performance management in the chemical industry is critical to achieving success in a challenging and highly regulated environment. Performance management in the chemical industry must prioritise safety, efficiency, continuous improvement, and innovation to achieve organisational objectives. Companies in the chemical industry use various performance management practices, such as the use of safety metrics, performance metrics, performance management software, and employee training and development, to support performance management. Effective performance management in the chemical industry is critical to achieving organisational success and staying competitive in a rapidly changing market and employees' views on the effectiveness of PM is also important for chemical companies to know and be able to improve their overall PM.

2.4.2 Proposition 4

Exploring the perspectives and experiences of employees, supervisors, and managers within the selected chemical plant will provide insights into the transparency of performance management practices, including the clarity and accessibility of performance criteria, the openness of evaluation processes, the consistency of communication regarding performance expectations and outcomes, and the perceived fairness of decision-making related to performance assessment and rewards.

This proposition will investigate the subjective perceptions and observations of stakeholders regarding the transparency of performance management within the chemical plant. It aims to understand how transparent the performance management processes are perceived to be, considering factors such as communication, accessibility of information, and fairness in decision-making.

2.5 ANALYTICAL FRAMEWORK

The analytical framework provides a structured approach to analysing the perspectives of employees on the effectiveness of performance management at the selected chemical plant, considering several factors that may influence their perceptions within the organisational context.

Concepts/Variables:

Employee Perspectives: Views, attitudes, and beliefs of employees regarding performance management.

Effectiveness of Performance Management: Perceptions of how well performance management processes achieve intended outcomes.

Organisational Context: Factors within the chemical plant that may influence perceptions of performance management effectiveness, such as leadership, organisational culture, communication, and resources.

Categories/Codes:

Alignment with Goals and Expectations: Employee perceptions of how well performance management aligns with organisational goals and individual expectations.

Clarity and Communication: Clarity of performance expectations, feedback, and communication channels within the organisation.

Fairness and Equity: Perceived fairness of performance evaluation processes, including transparency, consistency, and absence of bias.

Development and Support: Opportunities for employee development, training, and support within the context of performance management.

Impact on Motivation and Job Satisfaction: Effects of performance management practices on employee motivation, job satisfaction, and morale.

Relationships and Patterns:

Exploring how perceptions of fairness and equity influence overall effectiveness ratings.

Investigating the role of organisational communication in shaping employee perspectives on performance management.

Examining differences in perspectives based on employee demographics, job roles, or length of tenure.

Theoretical Underpinnings:

Use theories of organisational behaviour, such as expectancy theory or equity theory, to understand employee motivation and reactions to performance management.

Draw on literature related to organisational culture and leadership to explore how these factors may impact perceptions of performance management effectiveness.

Analytical Techniques:

Conduct thematic analysis to identify recurring themes and patterns in employee perspectives.

Use qualitative coding techniques to categorise and analyse qualitative data collected from interviews, focus groups, or surveys.

2.5.1 Theoretical Framework

Goal-setting theory, proposed by Edwin Locke and Gary Latham, suggests that specific and challenging goals lead to higher performance when they are accepted, accompanied by feedback, and facilitated by organisational support. This theory posits that employees are more likely to be motivated and perform

better when they have clear and challenging performance goals and receive regular feedback on their progress.

Social Exchange Theory, developed by George Homans and later expanded by Peter Blau, posits that social behaviour is driven by the principle of reciprocity, where individuals seek to maximise rewards and minimise costs in their interactions with others. In the workplace context, employees engage in an exchange relationship with the organisation, investing their efforts and contributions in exchange for rewards such as recognition, career advancement, and financial compensation.

Expectancy Theory, proposed by Victor Vroom, suggests that individuals are motivated to act in certain ways based on their expectations of the outcomes associated with their actions. This theory emphasises the importance of three key factors: expectancy (the belief that effort will lead to performance), instrumentality (the belief that performance will lead to rewards), and valence (the value attached).

Agency Theory, originating in economics and organizational theory, focuses on the relationship between principals (such as shareholders or employers) and agents (such as employees or managers) and examines how conflicts of interest between the two parties can impact organizational behaviour and performance. In the context of performance management, Agency Theory helps to understand how employees' actions and behaviours may be influenced by their interests and incentives.

Psychological Contract Theory refers to the unwritten expectations and obligations that exist between employees and their employers, based on mutual understandings, promises, and commitments. This theory emphasizes the importance of trust, fairness, and reciprocity in the employment relationship and provides insights into how breaches or violations of the psychological contract

can affect employee attitudes and behaviours, including their perceptions of performance management effectiveness.

By integrating these theoretical perspectives, the qualitative research study can explore the complex dynamics underlying employees' perspectives on the effectiveness of performance management at the selected chemical plant in the Free State province, South Africa. These theories provide valuable frameworks for understanding the motivational factors, social exchanges, and psychological processes that shape employees' experiences and perceptions of performance management practices within the organisational context.

2.5.2 Conceptual Framework

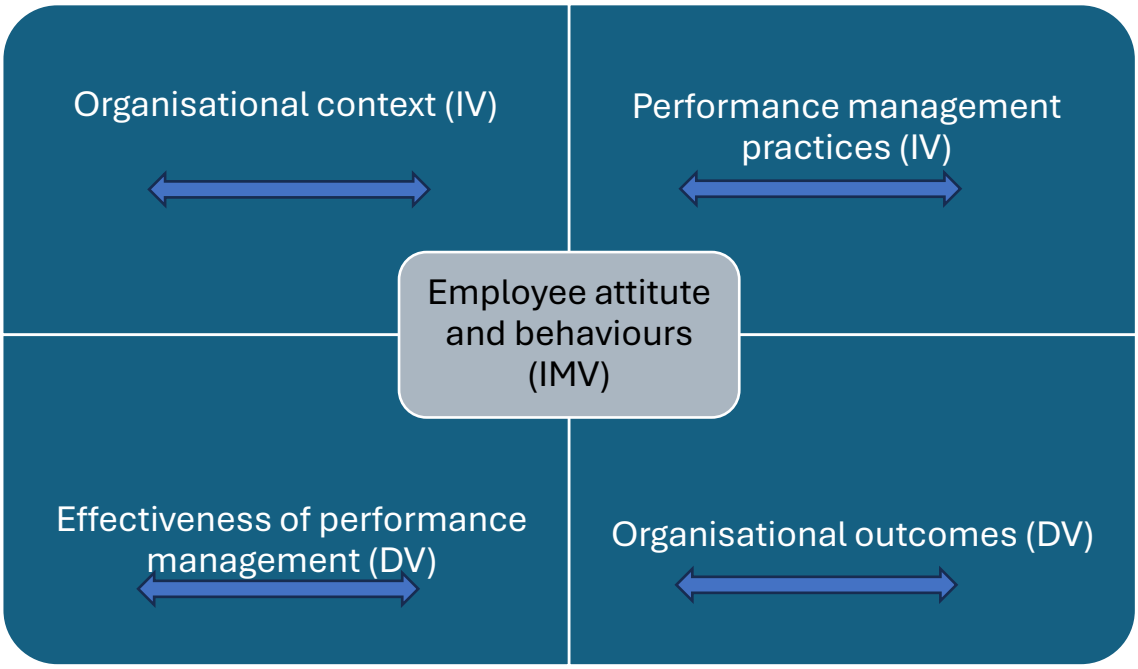

Figure 2.1: Conceptual Framework (Source: Own)

This qualitative research study aims to explore the views of employees regarding the effectiveness of performance management (PM) at a selected chemical plant by examining several key components. These components provide a holistic

framework for understanding the factors that can affect the implementation and effectiveness of performance management. The key components examined in this study include organisational context, performance management practices, employee attitudes and behaviours, and organisational outcomes.

Organisational context refers to both external and internal factors that influence effectiveness of PM. External factors include industry trends, market conditions, and regulatory requirements that shape the operational environment of the chemical plant. Internal factors include organisational culture, leadership styles, and available resources within the plant.

Performance management practices refer to processes and techniques used to manage and improve employee performance. These practices include goal setting, performance appraisal, feedback, and development planning. Effective performance management practices are critical to achieving organisational objectives and success.

Employee attitudes and behaviours refer to the way employees perceive and respond to performance management practices. Employees in the chemical industry may have certain expectations about the rewards attached to their performance they will receive, such as bonuses, increases, promotions or other form of recognition. These attitudes and behaviours can be influenced by several factors, such as the perceived fairness of appraisals, the quality of feedback provided, and the general involvement of employees in the performance management process.

Organisational outcomes refer to the results achieved through effective performance management practices. These outcomes include increased productivity, improved employee morale, greater employee engagement and overall employees' satisfaction. Effective performance management practices can also help to identify high-performing employees who can be developed for leadership positions within the organisation.

Effectiveness of PM is influenced by several factors within each of these components discussed below.

2.5.2.1 Organisational Context

Effectiveness of PM is influenced by both internal and external factors. External factors include industry trends, market conditions, and regulatory requirements. For example, the chemical industry is highly regulated, and companies must comply with numerous safety regulations to ensure the safety of their employees and the environment (Gupta, Sahu, & Kumar, 2018). Performance management in the chemical industry must, therefore, prioritize safety performance to ensure that employees are following safety procedures and that safety goals are achieved.

Internal factors that influence the effectiveness of PM include organisational culture, leadership, and resources. Organisational culture refers to all aspects that shape the behaviour of employees within the organisation i.e., shared values, beliefs, and practices. A positive organisational culture is the one that values employee development and growth. Leadership also plays a pivotal role in shaping the effectiveness of PM. Effective leaders provide clear guidance and direction to employees, communicate employee performance expectations, provide feedback, coaching and support employees' development. Resources, such as technology and training programs, can also support the effectiveness of PM.

2.5.2.2 Performance Management Practices

Effective performance management practices are critical to achieving organisational objectives and success. These practices include goal setting, performance appraisal, feedback, and development planning.

Clear and Specific Goals: Goals should be aligned with organisational objectives and communicated clearly to employees to ensure employees understand employer expectations.

Objective Criteria: Goals should be based on objective criteria to ensure that employee performance is measured consistently and fairly throughout the process.

Regular Feedback: Regular feedback should be provided to employees to support employee development and improve performance.

Employee Involvement: Employees should form part of the PM to ensure that performance goals are relevant and achievable.

Managerial Skills: Management (Managers and Supervisors) should have the required knowledge and skills needed to provide feedback and coaching effectively.

2.5.2.3 Employee Attitudes and Behaviours

Employee attitudes and behaviours can influence the effectiveness of performance management. These attitudes and behaviours can be influenced by several factors, such as the perceived fairness of performance appraisals, the quality of feedback provided, and the involvement of employees in the PM. Employees' perceptions of fairness of the PM can play a critical role in their overall evaluation of the system's effectiveness. Factors such as the transparency of the process, consistency in application, and the alignment of goals with that of the organisation can affect how fair employees perceive the system to be.

Research has shown that the perceived fairness of performance appraisals is positively associated with employee performance (LePine, LePine, & Jackson, 2004). Fair performance appraisals can enhance employee trust and motivation, leading to higher levels of performance. The quality of feedback provided to employees is also important. Feedback should be prompt, specific, and constructive to enable employees to understand their strengths and areas for improvement. When employees receive regular feedback, they are more likely to understand how they are progressing towards their goals and what areas they need to improve. Research has shown that feedback is essential to employee

development and can result in higher levels of performance in employees (DeNisi & Murphy, 2017).

Employee involvement in the performance management process is also critical. When employees participate in setting their goals and developing their development plans, they are likely to be motivated and more engaged in their work. Research has shown that employee involvement in the performance management process is positively associated with employee performance (Huselid & Becker, 2011). Employee involvement can also enhance employee commitment and satisfaction, leading to increased levels of employee retention and overall organisational success.

2.5.2.4 Employee Well-being and Mental Health

The impact of Performance Management (PM) practices on employee well-being and mental health in high-stress industries, such as the chemical sector, is a multifaceted issue. In these environments, the rigorous demands and inherent risks can significantly affect the psychological and emotional state of employees. Gupta, Sahu, and Kumar (2018) acknowledge the unique challenges in the chemical industry, where performance appraisal systems must balance operational efficiency with employee welfare. The intensity of work and the high stakes involved in chemical processing can lead to stress and anxiety, impacting overall mental health and job satisfaction.

Huselid and Becker (2011) discuss the importance of strategic human resource management, emphasizing workforce differentiation. This approach is critical in high-stress industries as it allows for the recognition of diverse employee needs and the tailoring of PM practices to address these differences effectively. By acknowledging that employees have varied thresholds for stress and pressure, organizations can develop more empathetic and supportive PM systems. Such systems can contribute positively to mental health by fostering a work environment that recognises and supports individual differences.

Kluger and DeNisi (2018) delve into the complexities of feedback interventions, a crucial aspect of PM, and describe them as a double-edged sword. In high-stress environments, feedback needs to be managed sensitively. While constructive feedback can be a powerful motivator and tool for improvement, it can also exacerbate stress and anxiety if not delivered appropriately. The manner and context in which feedback is given can significantly influence an employee's mental well-being. Therefore, it is crucial for feedback to be constructive, clear, and coupled with support mechanisms that aid in personal and professional development.

LePine, LePine, and Jackson (2004) highlight the distinction between challenge and hindrance stress, noting their different relationships with exhaustion, motivation, and performance. In the chemical industry, where the nature of work can be inherently challenging, it is crucial to distinguish between stress that motivates and stress that hinders. PM practices should aim to create an environment where challenges are seen as opportunities for growth and development rather than as overwhelming obstacles. This perspective can reduce exhaustion and negative mental health outcomes while promoting a learning culture.

2.5.2.5 Organisational Outcomes

Effective performance management practices can lead to several organisational outcomes, including increased productivity, improved employee morale, and greater employee engagement. Effective performance management practices can also help to identify high-performing employees who can be developed for leadership positions within the organisation.

Increased productivity is one of the key outcomes of effective performance management practices. When employees understand how their individual performance contributes to organisational success, they are likely to be motivated and more involved in their work. Research has shown that a clear link between

individual and organisational goals can result in higher levels of employee performance (Locke & Latham, 2019).

Improved employee morale is another outcome of effective performance management practices. When employees receive regular feedback and have the sense that their performance contribution is valued, they are likely to feel satisfied and committed to their work. Research has shown that employee satisfaction and commitment are positively associated with employee performance (García Sánchez & Martínez-Fuentes, 2017).

Employee engagement is also an outcome of effective performance management practices. When employees have a sense that their performance is recognized and appreciated, they are likely to be more engaged and committed to achieving organisational goals. Research has shown that employee engagement is positively associated with employee performance (Macey & Schneider, 2008).

In conclusion, the conceptual framework for the effectiveness of PM in the chemical industry consists of several key components. These components include the organisational context, performance management practices, employee attitudes and behaviours, and organisational outcomes. Effective performance management practices are critical to achieving organisational objectives and success. By aligning individual employee performance with organisational objectives, effective PM can lead to increased levels of employee performance, increased output, improved employee morale and employee engagement.

2.5.2.6 Comparative Analysis

Performance Management (PM) practices in the chemical industry, when compared to other high-risk industries like oil and gas or nuclear energy, reveal both unique and common approaches to managing risk, safety, and employee performance. The chemical industry, known for its complex processes and hazardous nature, places a strong emphasis on safety and regulatory compliance within its PM frameworks. This focus aligns with that of the oil and gas and nuclear

sectors, which also operate under strict safety regulations due to the high risks associated with their operations. García-Sánchez and Martínez-Fuentes (2017) emphasize the role of internal social capital in enhancing employee outcomes within high-performance work systems, which is a critical factor across all these industries. The development and nurturing of internal social networks and trust within organizations contribute significantly to the effective implementation of PM practices, especially in environments where safety and efficiency are paramount.

In the oil and gas industry, there is a significant emphasis on operational safety and environmental responsibility, like the chemical sector. However, the oil and gas industry often deal with additional challenges such as geopolitical factors, market volatility, and the exploration of new energy sources. These factors require a PM approach that is not only focused on safety and compliance but also on adaptability and innovation. Huselid and Becker (2011) highlight the importance of workforce differentiation and strategic human resource management, which can be particularly relevant for the oil and gas industry in managing its diverse and often globally dispersed workforce.

On the other hand, the nuclear energy sector, while sharing the chemical industry's emphasis on safety and regulatory compliance, tends to have a greater focus on precision and long-term risk management due to the potentially catastrophic consequences of accidents. The nuclear industry's PM practices often involve rigorous training programs, continuous monitoring, and a culture of safety that permeates all levels of the organisation. The approach here is less about rapid adaptability and more about meticulous planning and error prevention.

Kluger and DeNisi (2018) provide insights into the complexities of feedback interventions, which are a crucial component of PM in all high-risk industries. Effective feedback mechanisms are essential for continuous learning and improvement, especially in environments where errors can have dire consequences. In the chemical, oil and gas, and nuclear industries, feedback is not just a tool for performance improvement but also a critical safety mechanism.

It helps in identifying potential hazards, improving processes, and ensuring that safety protocols are followed diligently.

Each of these industries, while sharing a common thread of prioritizing safety and regulatory compliance, adopts its unique set of PM practices tailored to its specific operational challenges and environmental concerns. The integration of internal social capital, workforce differentiation, strategic human resource management, and effective feedback mechanisms play a pivotal role in shaping the PM landscape across these high-risk industries. These elements collectively contribute to not only managing employee performance but also ensuring the overall safety and sustainability of operations in these critical sectors.

2.5.2.7 Challenges and Barriers

In the chemical industry, addressing the challenges and barriers to effective Performance Management (PM) is crucial for enhancing organisational efficiency and employee satisfaction. Werner and DeSimone (2019) emphasize the complexities involved in human resource development, which are pertinent in navigating the intricate landscape of PM in the chemical sector. Resistance to change is a significant barrier in this context. It stems from a natural human inclination to maintain the status quo, often exacerbated by a lack of understanding or perceived threats to job security and familiar working patterns. This resistance can be mitigated by engaging employees in the change process, offering clear communication about the benefits of the change, and providing support throughout the transition.

Cultural factors also play a pivotal role in the effectiveness of PM. In diverse work environments, diverse cultural backgrounds and values can influence perceptions of performance standards, feedback, and motivation strategies. Understanding and respecting these cultural differences is crucial for the development of an inclusive PM system that caters to a diverse workforce. Ndoro et al. (2022) and Dube et al. (2019) demonstrate the importance of contextual understanding in research, which can be analogously applied to PM in the

chemical industry. Recognizing the unique environmental, social, and economic contexts within which employees operate can lead to more tailored and effective PM practices.

Moreover, training gaps present a significant challenge in the chemical industry. The rapid advancement of technology and evolving industry standards require continuous learning and development. However, constraints such as limited resources, time, and access to relevant training can hinder the effective implementation of PM systems. Addressing these training gaps requires a strategic approach to learning and development, one that aligns with the industry's needs and leverages modern learning methodologies.

Overcoming the challenges of resistance to change, cultural factors, and training gaps in the chemical industry requires a multifaceted approach. It involves strategic planning, inclusive practices, continuous learning, and adaptability to ensure the effectiveness of PM systems. These efforts contribute not only to the growth and development of the workforce but also to the overall success and sustainability of the organization in a competitive and rapidly evolving industry landscape.

2.5.2.8 Literature review to identify all relevant theories, concepts, and constructs on views of employees on the effectiveness of PM in a chemical industry.

PM is a set of processes and tools used by different organisations to measure and improve employee performance (Aguinis, 2019). The PM can include goal setting, performance appraisal, feedback, and development planning (Aguinis, 2019). In chemical industries, PM is used to improve employee performance in various areas such as safety, which is key to the chemical industry, quality, and productivity (McKinnon & Singh, 2013).

Self-Determination Theory (SDT) is a theory of human motivation and personality that emphasizes the importance of satisfying three basic psychological requirements, i.e., autonomy, competence, and relatedness (Deci & Ryan, 2000).

According to SDT, people are inherently motivated to engage in activities that satisfy these needs, and fulfilling these needs leads to intrinsic motivation, wellbeing, and optimal performance (Deci & Ryan, 2000). Several studies have shown the importance of autonomy, competence, and relatedness in motivating employees and promoting their performance (e.g., Wang & Li, 2019; Deci et al., 2017).

Job satisfaction is a positive or negative evaluation of one's job and work environment (Judge et al., 2017). Job satisfaction for employees is affected by several factors, including the design and implementation of the PMS (Judge et al., 2017). In chemical industries, PMS that are well-designed and effectively implemented can enhance employees' job satisfaction by providing clear expectations, feedback, and opportunities for growth (McKinnon & Singh, 2013).

Psychological empowerment refers to the extent to which individuals feel a sense of control and influence over their work environment (Spreitzer, 1995). It is related to job satisfaction, motivation, and performance (Spreitzer, 1995). A well-designed PMS that supports employees' psychological empowerment can enhance their motivation and performance by providing them with autonomy, feedback, and opportunities for growth (Aguinis, 2019).

Organisational justice refers to the fairness and equity of procedures and outcomes in an organisation (Greenberg, 1990). It is related to employees' attitudes, behaviours, and well-being (Greenberg, 1990). The design and implementation of PMS can affect employees' perceptions of organisational justice, which, in turn, can affect their attitudes and behaviours towards the organisation (Colquitt et al., 2013).

According to Bass and Riggio (2006), transformational leadership is a leadership approach that encourages and inspires people to realize their greatest potential. Vision, inspiration, intellectual stimulation, and individualized care are all things that transformational leaders offer their people (Bass & Riggio, 2006). Other research (such as Yu et al., 2020; Liu et al., 2018) have demonstrated the

significance of transformative leadership in fostering employees' motivation and performance across a variety of industries).

Literature suggests that the design and implementation of PM can affect employees' job satisfaction, psychological empowerment, and perception of organisational justice. SDT, job satisfaction, psychological empowerment, organisational justice, and transformational leadership are some of the relevant theories, concepts, and constructs that can help organisations to design and implement effective PM in the chemical industry.

2.5.2.9 Examining the effectiveness of PM in a chemical industry from the views of employees

It is important to consider several theories and concepts to assist to explain employees’ experiences and views regarding PM to enable us to get more understanding of the factors that influence the effectiveness of PM from an employees’ perspective in a chemical industry. This can help organisations to design and implement systems that are more engaging, motivating, and supportive for their employees. Some theories and concepts that could be relevant include:

Expectancy Theory: According to this notion, workers will be more driven to work hard if they think their efforts will pay off in the form of incentives or recognition. Employees' incentive to use PM and enhance their performance may be explained by this idea, especially if they think doing so will result in concrete rewards in the form of recognition. (Vroom, 1964).

Self-Determination Theory: This theory suggests that individuals are motivated to engage in activities that fulfil their basic psychological needs for autonomy, competence, and relatedness. From the perspective of employees, this theory could help to explain how PM that support their autonomy, provide opportunities for skill development, and foster positive relationships with managers and colleagues can be more effective and engaging. (Deci & Ryan, 2000).

Social Exchange Theory: This theory suggests that social relationships are built on a system of exchange, where individuals give and receive resources (such as information, support, or rewards) in a reciprocal manner. From the views of employees, this theory could help to explain how their perceptions of fairness, trust, and exchange in the performance management process can influence their engagement and commitment. (Blau, 1964).

Goal-Setting Theory: This theory suggests that setting specific and challenging goals can motivate individuals to improve their performance. From the perspective of employees, this theory could help to explain how the goal-setting process within performance management can influence their engagement and motivation, particularly if the goals are seen as meaningful, achievable, and aligned with their interests and values. (Locke & Latham, 2002).

This can help organisations to design and implement systems that are more engaging, motivating, and supportive for their employees. Theories and concepts have been widely studied and accepted in the literature, but there are some inconsistencies or contradictions that need to be addressed in this research.

2.6 Summary

The literature review in the provided chapter comprehensively explores the intricacies and evolution of performance management (PM) in the chemical industry. It highlights the transition from a focus on safety and production targets to a more comprehensive approach encompassing safety, quality, productivity, and innovation. The review underscores the role of technology in enhancing PM processes and the importance of integrating safety performance. It also delves into the impact of PM practices on employee development, engagement, and the alignment of individual goals with organizational objectives, emphasizing the need for clear communication, regular feedback, and employee involvement in PM processes.

Furthermore, the review identifies key factors influencing PM's effectiveness, such as managerial skills, fairness of appraisals, and the use of technology. It emphasizes the importance of understanding employee perspectives on PM, particularly regarding its fairness, transparency, and relevance to their roles. The review concludes with the significance of PM in achieving organizational success, particularly in a high-risk industry like chemicals, where aligning employee efforts with strategic goals and ensuring safety are paramount. This comprehensive analysis provides valuable insights into the complex dynamics of PM in the chemical industry and its critical role in fostering a safe, productive, and innovative work environment.

CHAPTER 3. RESEARCH METHODOLOGY

3.1 Introduction

The research methodology chapter will include the following key components. Research Design: This involves making decisions about the overall structure and plan of the study. This study will be through conducting interviews and the choice of relevant data gathering techniques and statistical analyses will be based on the research plan. Sampling: Sampling procedure to be followed will ensure the sample is representative of the population and capable of being generalised. Data Collection: Interviews will be conducted to collect the data from the participants. Data Analysis: Data analysis, conclusion, and interpretation: This step will be the final analyses of the outcomes from the survey, and it makes inferences from the data.

3.2 Research approach

This study employs qualitative research techniques to explore performance management in a chemical industry setting, focusing on a specific category of employees. A targeted group of 20 to 30 employees will be interviewed, following the guidance of Pandey and Pandey (2021) and Mishra and Alok (2022), who underscore the efficacy of qualitative methods in extracting rich, detailed data.

3.3 Research design

The research will use a qualitative study approach and data will be gathered through interviews. The interview findings will be analysed using appropriate software where required. To ascertain the overall effectiveness and the views of the PM by the employees, accuracy and fairness of performance management will be measured independently and combined.

3.4 Data collection methods

Data will be gathered through interviews with monthly salaried personnel, a subgroup within the employee population. This approach aligns with the principles outlined by Lê and Schmid (2022), Liamputtong (2020), and McEwan (2020). The use of statistical analysis tools like SPSS, as suggested by Sürücü and Maslakci (2020), will add rigor to the study, ensuring the credibility and dependability of the findings. Green (2019) emphasises the importance of ethical considerations in such research endeavours.

3.5 Population and sample

3.5.1 Population

The population for this research will encompass various occupational groups within the On-sites division of the company such as planners, maintenance, process, project personnel and supervisors. Focusing exclusively on monthly salaried personnel who are part of the performance management system ensures a relevant and targeted study population. This diversity in roles allows for a comprehensive understanding of the performance management system's impact across different job functions and levels within the organisation (McEwan 2020).

3.5.2 Sample and sampling method

For the sampling method, the study will employ a purposive approach, selecting monthly salaried personnel from these varied occupational groups. The intent is to gain diverse perspectives on the performance management system's effectiveness, fairness, and overall impact. Interviews will be the primary data collection method, providing rich, in-depth insights into the employees' experiences and perceptions. This approach aligns with the methodologies outlined by Mishra and Alok (2022), ensuring the sample's representativeness and the validity of the findings. A sample size of twenty employees in the monthly salaried category from various occupational groups was used for the study.

3.6 The research instrument

Interview questions made up of several structured questions will be used. This instrument has been used in previous studies e.g., Sharma et al. (2016), Colquitt (2001) and Modipane, P.I., Botha, P.A., & Blom, T. (2019) but there is limited data where it has been used in a chemical plant environment. There is vast data where it has been used extensively in a public health sector and shortcomings is that although health sector is also critical as it deals with people’s lives, chemical plant’s operation is critical and safety incidents can have massive impact to the environment, loss of lives and damage to infrastructure.

3.7 Procedure for data collection

Follow ethical guidelines and obtain informed consent from participants. Provide them with necessary information about the research purpose, procedures, confidentiality, and their rights as participants. The data collection for the study will be administered through conducting interviews. This data collection instrument will be pretested to ensure credibility and dependability of the results. It will then be organised and stored for analysis which will be processed using statistical techniques and software where required.

3.8 Data analysis strategies and interpretation

Discourse analysis method will be used to analyse the data gathered from the interviews. Discourse analysis includes both linguistic and communicative interpretation and analysis. It seeks to expose the hidden meanings, social constructs, and power relationships that language contains. The method will assist in gaining insights into the social, cultural, and ideological dimensions of the phenomenon being studied.

3.9 Quality Assurance

Quality assurance in qualitative research is essential for ensuring the rigor, trustworthiness, and credibility of the study findings. By implementing quality assurance measures will enhance the trustworthiness, credibility, and dependability of the findings, thereby contributing to the overall credibility and impact of the research. The following are some essential quality control procedures that will be used in this qualitative research:

- Methodological Rigor: Adhere to established qualitative research principles and methodologies, such as transparency, reflexivity, and methodological coherence. Clearly articulate the research aims, objectives, and methods in the study protocol or research proposal.

- Data Collection Procedures: Develop clear and systematic procedures for collecting qualitative data, including protocols for conducting interviews or focus groups, observation guidelines, and strategies for ensuring data quality and integrity (such as audio recording and detailed field notes).

- Sampling Strategies: Use purposeful sampling techniques to ensure diversity and representativeness in the participant sample. Consider factors such as demographic characteristics, organisational roles, and relevant experiences related to the research topic.

- Data Analysis Transparency: Document and transparently report the process of data analysis, including coding procedures, thematic development, and interpretations of findings. Use established qualitative analysis software or tools to facilitate systematic coding and organisation of data.

- Member Checking: Engage participants in member checking or validation activities to ensure the accuracy and credibility of research findings. Present preliminary findings to participants for feedback and validation, allowing them to confirm or challenge interpretations.

- Triangulation: Employ multiple sources of data (e.g., interviews, observations, documents) and data collection methods to enhance the validity and reliability of findings. Triangulation helps corroborate findings from various sources and mitigate potential biases or limitations associated with any single data source.

- Reflexivity and Transparency: Reflect on the researchers' own biases, assumptions, and preconceptions throughout the research process. Maintain reflexivity by documenting and transparently reporting the researchers' roles, positions, and potential conflicts of interest.

3.9.1 Transferability

The findings of this qualitative study may be transferable to other chemical plants or industrial settings with similar characteristics, such as organisational structure, workforce demographics, and cultural context. While the study focuses on a specific chemical plant in the Free State province, South Africa, the insights, and perspectives obtained from employees regarding performance management effectiveness may resonate with employees in similar work environments elsewhere.

By providing rich descriptions of the research context, including the unique features of the chemical plant and the broader socio-economic context of the Free

State province, researchers can enhance the transferability of their findings. Exploring commonalities and differences between the study findings and those from related research conducted in similar contexts can also support the transferability of insights and contribute to a broader understanding of performance management practices in industrial settings.

However, it is important to acknowledge that the transferability of findings may be influenced by contextual factors unique to each organisation or geographical location. Therefore, researchers should exercise caution when applying findings from this study to vastly different contexts and consider conducting additional research to explore the applicability of insights in diverse settings.

3.9.2 Credibility

Credibility is a crucial aspect of qualitative research, especially when exploring subjective experiences and perspectives such as employees' views on performance management effectiveness. Ensuring credibility involves establishing trustworthiness, transparency, and the accuracy of the research process and findings. Credibility considerations ensures that the findings accurately represent employees' perspectives on performance management effectiveness, contributing meaningfully to the understanding of performance management practices in industrial settings within the Free State province, South Africa. To establish credibility, several key considerations are addressed:

- Researcher Transparency: The researcher transparently acknowledges their background, biases, and potential conflicts of interest, allowing readers to understand the researcher's perspective and assess its influence on the study.
- Participant Selection: Clear criteria are outlined for participant selection, ensuring representation of diverse perspectives within the chemical plant. Detailed descriptions of participant characteristics enhance transparency and relevance.

- Data Collection Methods: The research employs well-designed data collection methods, such as interviews or focus groups, to capture the richness and depth of employees' perspectives on performance management. Transparent descriptions of these methods demonstrate methodological rigor.
- Member Checking: Participants are engaged in member checking activities to validate the accuracy and interpretation of their responses, enhancing the credibility of the findings.
- Triangulation: Data triangulation is utilized by collecting data from multiple sources and methods, corroborating findings across various sources and providing a comprehensive understanding of the research topic.
- Reflexivity: The researcher critically reflects on their biases, assumptions, and preconceptions throughout the research process, transparently documenting reflexivity to acknowledge their influence on the study.
- Rich Description: Detailed descriptions of the research context, including the chemical plant's organisational structure, culture, and performance management practices, allow readers to understand the nuances of the research context and participants' experiences within it.

3.9.3 Dependability

Dependability in qualitative research refers to the consistency and stability of the research process and findings over time and across different conditions or contexts. Ensuring dependability involves establishing reliability in data collection, analysis, and interpretation, as well as providing transparency and accountability in the research process. Several key strategies are employed to enhance dependability:

Consistency in Data Collection: Standardised data collection procedures are implemented to ensure consistency and reliability in gathering information from participants. Clear protocols for interviews, focus groups, and observations minimise variability in data collection practices.

- Data Triangulation: Data triangulation is utilised by collecting information from multiple sources and methods, such as interviews, observations, and document analysis. This approach enhances the dependability of the study by corroborating findings across various sources and providing a more comprehensive understanding of the research topic.
- Peer Debriefing and Audit Trails: Peer debriefing and review are sought from colleagues or experts in qualitative research to assess the dependability of the research process and findings. Detailed audit trails documenting decisions made during data collection, analysis, and interpretation enhance transparency and accountability.
- Member Checking: Participants are engaged in member checking activities to validate the accuracy and interpretation of their responses. By involving participants in the verification process, the dependability of the findings is enhanced, ensuring that they accurately reflect participants' perspectives.
- Reflexivity and Transparency: Researchers engage in reflexivity throughout the research process, critically reflecting on their assumptions, biases, and decisions. Transparent documentation of reflexivity acknowledges how the researchers' perspectives may have influenced the study and its findings, enhancing dependability.

By employing these dependability strategies, the qualitative study ensures that the research process and findings are consistent, dependable, and trustworthy. This enhances confidence in the accuracy and stability of the findings, contributing to a meaningful understanding of performance management practices in industrial settings within the Free State province, South Africa.

3.10 Ethical considerations

Ethical considerations in qualitative research are fundamental to ensure the research's integrity and protect the participants' welfare. These considerations encompass informed consent, confidentiality, privacy, fairness, and appropriate data use. Informed consent involves thoroughly briefing participants about the

study's aims, their involvement, and any potential risks or benefits, ensuring they understand and agree to participate willingly. It also includes their right to withdraw from the study at any time without repercussions. Confidentiality is crucial, as it involves safeguarding participants' personal information and ensuring it is not disclosed to unauthorised entities. This protection extends to maintaining participants' privacy, ensuring they do not experience any intrusion or discomfort during the research process. Fairness in research practices is essential, ensuring all participants are treated equally and that the research design does not favour or disadvantage any group. Lastly, ethical data use mandates that the collected data is used solely for the research's intended purposes and not misused in any manner. These ethical principles, as outlined by Liamputtong (2020) and Green (2019), are integral to conducting responsible, respectful, and credible qualitative research.

Table 1 Consistency table: research questions, propositions, data collection and data analysis

RQ #		Research Question or Objective	Prop #	Proposition	Data collection detail	Data analysis method
1		To identify the critical factors that can affect the effectiveness of the performance management at a selected chemical plant in Free State province	1	The effectiveness of performance management is influenced by a complex interplay of organisational culture, leadership styles, employee perceptions, and implementation processes	Interview questions (9, 10 & 11)	As outlined in paragraph 3.7
2		To ascertain the accuracy of performance management at a selected chemical plant in Free State province	2	Exploring the lived experiences and perceptions of employees, supervisors, and managers within the selected chemical plant will illuminate the multifaceted dimensions of accuracy in PM, including the alignment of performance metrics with organisational goals, fairness and transparency	Interviews questions (1 & 2)	As outlined in paragraph 3.7

				in evaluation processes, the effectiveness of feedback mechanisms, and the impact of contextual factors on the perceived accuracy of performance management practices		

RQ #		Research Question or Objective	Prop #	Proposition	Data collection detail	Data analysis method
3		To determine the fairness of performance management at a selected chemical plant in Free State province	3	Examining the perceptions and experiences of employees, supervisors, and managers within the selected chemical plant will provide insights into the multifaceted dimensions of fairness in performance management, including the consistency and transparency of	nterviews questions (3, 4, 5, 6, 7 & 8)	As outlined in paragraph 3.7

				evaluation processes, the presence of bias or favouritism, the adequacy of communication and feedback channels, and the impact of organisational culture and leadership on perceptions of fairness		
4		To gage performance management transparency at a selected chemical plant	4	Exploring the perspectives and experiences of employees, supervisors, and managers within the selected chemical plant will provide insights into the transparency of performance management practices, including the clarity and accessibility of performance criteria, the openness of evaluation processes, the consistency of communication regarding performance expectations and outcomes, and the	Interviews questions (12, 13, 14 & 15)	As outlined in paragraph 3.7

				perceived fairness of decision-making related to performance assessment and rewards		

3.11 Summary

After carefully considering the various components outlined in the research methodology chapter, it is evident that thorough planning and execution are essential for the success of this study. By emphasising research design, sampling procedures, data collection methods, and analysis techniques, we aim to ensure the integrity and reliability of our findings.

Through conducting interviews and employing relevant data gathering techniques, we strive to gather comprehensive data that accurately represents the population under study. Additionally, the sampling procedure has been crafted to ensure the sample's representativeness and the potential for generalisation of the findings.

As we proceed with data collection, the interviews conducted will serve as a vital source of information, enabling us to delve deeper into the subject matter and gather insights directly from participants. Subsequently, our focus will shift towards data analysis, conclusion, and interpretation, where we will meticulously analyse the gathered data, draw meaningful conclusions, and derive valuable insights that contribute to the advancement of knowledge in our field.

Each component outlined in our research methodology chapter plays a crucial role in shaping the trajectory of our study. By adhering to rigorous methodologies and sound research practices, we endeavour to produce findings that are not only robust but also contribute significantly to the body of knowledge in our area of inquiry.

CHAPTER 4. FINDINGS

4.1 Introduction

Diving into this discussion about performance evaluations, it seems like employees at the chemical plant have a lot to say. They have shared their thoughts on everything from the reliability of the system to how it impacts their morale and motivation. It is like a mixed bag of perspectives! On the topic of reliability, some feel the evaluations accurately reflect their efforts, while others have reservations. Safety measures are a sticking point, with employees wanting a more individualised approach rather than the current group setup. The connection between performance and outcomes is crucial. Some see it, some do not, echoing what we found in the literature.

On the fairness factor, employees seem to appreciate being involved in the process, especially when it comes to goal-setting. But not everyone feels they have an equal voice, pointing to room for improvement. And not forgetting the balancing act in the chemical industry, where safety is non-negotiable but needs to align with other performance measures. Feedback and development were in the spotlight too. While some are content, there is a call for more specificity and relevance in performance assessments. Seems like a gap between what is intended and what is happening in terms of professional growth.

On transparency, it is also a mixed bag. Some feel well-informed, while others are left in the dark. That lack of clarity could be causing a bit of speculation and mistrust, according to the literature. Employee participation and voice – it is not just about being assessed; they want a seat at the assessment table. Some feel heard, others not so much. A structured approach to involvement could be the way to go.

On managerial communication, effective communication is a key player here. Some managers are nailing it, others not so much. The 'why' behind decisions is just as important as the 'what,' echoing the literature's insights. Promptness and

proactivity in communication, well, there is evidence of room for improvement. Timely feedback and clear next steps matter a lot. It seems like a little more initiative in communication could go a long way.

Lastly, the impact on morale and motivation. When the PM system is perceived as fair and effective, it is a morale booster. But any setbacks in the process can lead to demotivation. And finally, aligning with organisational values and goals. It is not just about individual performance; it is about contributing to the bigger picture. Some see the connection, others not so much. In conclusion, it looks like there is a lot of valuable feedback here. Improving communication, ensuring fairness, and aligning with organizational goals could be the keys to taking our performance management system to the next level.

4.2 Findings

4.2.1 Reliability of Performance Evaluation

The reliability of performance evaluations is a bedrock of any effective PM system. The qualitative data collected reflects a range of trust levels in the system's accuracy. Several employees expressed neutrality, which may denote either a lack of experience with the system's feedback or a hesitation to commit to a definitive viewpoint without further evidence. This neutrality aligns with Ahmad and Bakar (2018) who found that communication clarity and method accuracy are vital for employee satisfaction with PM systems.

Conversely, the degrees of agreement and disagreement reveal that while some employees find the evaluations reliable, others express reservations. This dichotomy could be indicative of inconsistent application of performance criteria or a lack of understanding about the evaluation metrics, a concern also reflected in Armstrong and Baron's (2018) work, which underscores the importance of clear goal setting in PM.

The literature suggests that employee trust in PM systems is intricately linked with the systems' perceived accuracy and fairness (Armstrong & Baron, 2005;

Naude & Rothmann, 2018). If employees feel that the performance ratings are not a true reflection of their efforts or outcomes, this could lead to disengagement and a drop in performance. Kruger and Rothmann (2012) stress that belief in the system's fairness and accuracy is crucial for PM effectiveness, suggesting that the mixed responses could point to underlying issues in the PM process that need addressing.

Employees expressed mixed views on the performance management outcomes accuracy with most employees highlighting that the PM produce reliable performance ratings as part of their job description although most employees are of the view that safety measurements incorporated in the performance management should be managed individually or per department and not per group as is currently the norm. Employees feel that safety have the potential to affect their overall performance ratings whereas it was not in their direct control or because of their actions.

4.2.2 Correlation Between Performance and Outcomes

The qualitative nature of this study allowed for an in-depth exploration of the correlation between performance evaluations and tangible outcomes such as pay, promotions, and recognition. Through a series of interviews, employees shared their diverse experiences and perceptions, revealing a nuanced understanding of how performance metrics impact their professional rewards.

Employees indicated that the percentage scores received in their performance evaluations were directly linked to their annual salary increases and potential promotions. This finding underscores a preference among employees for certain performance measurements, particularly safety, to be managed on an individual or departmental basis, given its significant impact on their overall scores. This variability in preference highlights a discrepancy between employees' understanding of performance metrics and their practical application, a common challenge in performance management (PM) as noted by Modipane (2019).

The data aligns with Expectancy Theory (Vroom, 1964), suggesting that employees who perceive a clear connection between evaluations and rewards are more likely to be motivated. This is supported by Locke and Latham (2019), who emphasize the importance of linking performance and outcomes to enhance employee motivation. However, the interviews revealed that not all employees perceived this connection, which could negatively affect their performance and engagement levels. This inconsistency mirrors findings by Naude and Rothmann (2018), who reported challenges in aligning PM outcomes with evaluations, despite employees valuing feedback.

Furthermore, some employees expressed concerns that the PM system did not fully capture all aspects of their performance or lacked transparency in outcome determination. This sentiment is consistent with literature advocating for a transparent and equitable PM system to ensure employees feel valued and fairly treated (Ahmad & Bakar, 2018).

The study also highlights the complexity of PM in the chemical industry, where balancing safety performance with productivity and other measures is critical (Marais, 2017). The need for such a balance adds layers of complexity to how employees perceive the relationship between their performance and the outcomes they receive.

4.2.3 System Fairness

The concept of fairness within the performance management (PM) system is multifaceted, touching on various aspects from employee involvement to the ethical application of the system. The responses from the employees highlight a nuanced view of PM fairness. Some employees feel that the system is implemented fairly, while others express scepticisms, mirroring the split noted by Ahmad and Bakar (2018) regarding the perceived fairness of PM systems.

Employees highlighted their involvement in the performance management from the initial phase because they are afforded the opportunity to have input into their

performance evaluations during performance discussions sessions. The goals set for the fiscal year in their PM are discussed with them before they are finalised and loaded onto the electronic system giving them the opportunity to do their self-evaluation and interact with their managers. This afford them the opportunity to challenge any goal put forth by managers that is deemed unfair or unrealistic. Most employees noted that the PM is been used consistently although some highlighted that they would have preferred to have more interventions with their managers during the performance review period. This way it will afford them the opportunity to proactively address any gaps or shortcomings and not wait for end of the period to know about them. Employees expressed mixed views when it comes to prejudice in the PM with some expressing unfairness in the system while some were satisfied with the entire system. Some of the issues on fairness expressed by employees was on the issue of safety being incorporated per group and not per individual departments. Some employees have cited some reservations with the safety statistics and how they are calculated in determining their overall score on safety, but overall employees are satisfied with the information used to create the PM. They see this as a joint discussion between managers and themselves because they form part of goal setting.

Overall, all employees expressed the views that the PM is accurate as they are afforded the opportunity to rate themselves first before final ratings by their managers and they have the opportunity during the discussions to gage any discrepancies between their own scoring and that of their managers. They see the performance management upholding moral and ethical principles.

A core element of this perceived fairness is the degree of employee involvement in the PM process. According to Armstrong and Baron (2005), allowing employees to have input can significantly impact their acceptance and perception of the PM system. The data shows that not all employees feel they have a voice in the PM process, suggesting room for improvement. This is a sentiment echoed by Naude and Rothmann (2018), who identified consistent employee involvement as a cornerstone of PM success.

Another dimension of fairness pertains to the consistency of PM applications and potential biases. The divergence in employee responses could be indicative of inconsistent experiences with the PM system, which can stem from a variety of factors, including manager bias or a lack of standardised processes. As DeNisi and Murphy (2017) assert, the objectivity of the appraisal process is a key determinant of its fairness. If employees perceive any form of prejudice or favouritism, the integrity of the entire PM system can be compromised.

The alignment of the PM system with moral and ethical principles is a topic highlighted by both the interviews data and the literature. Employees' perception of the PM system's ethical standing can significantly influence their trust and engagement with the process (Levy & Williams, 2017). Discrepancies in this area could be reflective of broader organisational culture issues that need to be addressed.

4.2.4 Feedback and Development

The quality of feedback and its role in fostering professional development stand out as critical elements of an effective PM system. The data from the chemical plant employees shows that while some are satisfied with the feedback they receive, there is a recognised need for improvement in how performance assessments account for individual contributions.

The literature supports the importance of constructive feedback in PM systems. Kluger and DeNisi (2018) stress the role of feedback in enhancing performance, suggesting that feedback should be prompt, specific, and actionable. The interviews responses suggest that while the PM system at the selected chemical plant does provide feedback, there may be issues with its specificity and relevance to individual development needs.

The effectiveness of PM in fostering professional development is a recurring theme in the literature, with Armstrong and Baron (2018) emphasising development planning as a critical phase of the PM cycle. Employees who feel

that their contributions are overlooked or that the PM system does not cater to their professional growth may become disengaged, which can have a ripple effect on their overall productivity and morale.

The data suggests a gap between the PM system's intention and its execution in terms of development. This misalignment can have far-reaching implications for retention and succession planning, as high-performing employees may seek growth opportunities elsewhere if they feel undervalued or stagnant within the current system.

4.2.5 Transparency in Performance Management

Transparency is a critical factor in performance management (PM), profoundly affecting employee trust and buy-in. The qualitative data from the selected plant suggests that employees' perceptions of transparency in the PM process are varied, with some sensing a clear and open communication channel, while others are in the dark about how decisions are made and communicated. This variation in perception can have a significant impact on the employees' engagement with the PM process and their overall trust in the system.

Transparency in PM is not merely about sharing information; it is about ensuring that the information shared is understood and accepted by employees. This involves clarity around performance metrics, the evaluation process, and how performance outcomes are tied to rewards and recognition. The literature on PM emphasises the importance of transparency, with Nambiar and DeCieri (2019) suggesting that employees are more likely to engage with and commit to a system they understand and trust.

The interviews data shows that while some employees feel well-informed, others do not, which could lead to perceptions of PM being a closed, opaque process. Some employees highlighted that they are afforded the opportunity to raise any concerns during reviews so that they can be proactively assisted to improve and address any shortcomings. Mid-year reviews give them the opportunity for self-

reflection and realignment if required. This aligns with Walker (2018), who highlights that a lack of transparency can lead to mistrust and reduced motivation among employees. When employees are unsure about the PM processes or feel that information is being withheld, it can lead to speculation and a feeling that the system may not be working in their best interest.

4.2.6 Employee Participation and Voice

The theme of employee participation and voice is closely related to transparency but focuses on the active involvement of employees in the PM process. The responses show that employees at the selected plant desire a more participatory role in their evaluations, wanting not just to be assessed but to be a part of the assessment process itself.

Employee participation is recognised in the literature as a key component of an effective PM system. Armstrong and Baron (2018) argue that when employees participate in the goal setting and evaluation processes, they are more likely to be committed to the outcomes. The ability to voice concerns and contribute to discussions about performance is also tied to the concept of procedural justice, where the fairness of the process is as important as the fairness of the outcomes (Levy & Williams, 2017).

The variation in responses regarding the ability to challenge PM conclusions and engage in the evaluation process suggests that some employees feel they have a voice, while others do not. This discrepancy could reflect a need for a more structured approach to employee involvement in the PM process, one that allows for consistent and meaningful participation across all levels of the organisation.

4.2.7 Managerial Communication and Justifications

Managerial communication and the justifications for decisions made during the performance management (PM) process are pivotal in shaping employee perceptions and attitudes towards the system. In the qualitative study of the selected chemical plant, employees have expressed varied experiences with the

clarity of managerial communication. This disparity is not just a matter of informational clarity, but also of perceived rationale behind PM decisions, which ties into the employees' understanding and agreement with the PM outcomes.

The PM literature underscores the importance of effective communication from management as a critical component of a successful PM system (Armstrong & Baron, 2005; Ahmad & Bakar, 2018). Managers play a crucial role in translating organisational goals into understandable and relevant performance metrics for their teams. The responses from employees suggest that some managers at the selected chemical plant are more effective communicators than others, which can lead to inconsistencies in how the PM process is perceived across different departments or teams.

Employees who feel that managerial communication is clear and the reasons behind decisions are justifiable tend to show higher levels of trust and commitment to the PM system (Naude & Rothmann, 2018). In contrast, a lack of clear communication and justifications can lead to confusion, frustration, and a perception that the PM system is arbitrary or biased. This resonates with the views of DeNisi and Murphy (2017), who highlighted that the understanding of the 'why' behind PM decisions is as important as the 'what'.

The study’s findings also draw attention to the need for managers to not only communicate the outcomes of performance appraisals but also to provide a clear rationale for these outcomes. Employees need to see the link between their performance and the evaluation they receive; a gap in this link can undermine the perceived integrity and fairness of the entire PM process. The justifications provided by management are crucial for employees to feel that their performance is being evaluated on a fair and consistent basis.

4.2.8 Promptness and Proactivity in Communication

The timeliness and proactivity of communication following performance evaluations are also significant indicators of the PM system's efficiency and

effectiveness. Employees' responses from the selected chemical plant indicate a spectrum of satisfaction levels regarding how promptly and proactively feedback and other PM-related information are communicated after performance discussions.

Literature on PM highlights the importance of prompt feedback as a driver of employee performance improvement (Kluger & DeNisi, 2018). When feedback is delayed, the opportunity to make immediate improvements is lost, and the relevance of the feedback can be diminished as the context and details of the performance in question may no longer be fresh in the employee's mind.

Moreover, proactivity in communication is an essential aspect of maintaining the momentum of the PM process. Employees expect not just to receive feedback but also to understand the next steps and how they can act on the feedback provided. Initiative-taking communication can foster a culture of continuous improvement and development, which is highly valued in PM systems (Armstrong & Baron, 2018).

The selected chemical plant employees' reflections on promptness in communication suggest that there are delays in relaying information post-discussions. This can lead to uncertainty and hinder employees' ability to respond effectively to the feedback. An initiative-taking approach to communication, where managers not only share feedback but also initiate follow-up discussions and offer support for development activities, could significantly improve the PM process.

Managerial communication and the justification of PM decisions, coupled with the promptness and proactivity of communication, form the backbone of the perceived effectiveness and trustworthiness of the PM system. The qualitative data from the employees in the selected chemical plant highlights that improvements are needed in these areas.

To enhance the PM system, managers at the selected chemical plant could benefit from training in effective communication strategies, focusing on clarity, justification of decisions, and prompt feedback mechanisms. Integrating these improvements into the PM process could lead to a more transparent, trusted, and effective system. This approach would align with the literature, which suggests that clear, justifiable, and prompt communication is essential for a PM system that supports organisational goals and employee development.

4.2.9 Impact of PM on Employee Morale and Motivation

The perceived effectiveness and fairness of the Performance Management (PM) system are pivotal in shaping employee morale and motivation, a theme resonant with the experiences of employees at the selected chemical plant. The qualitative data underscores the nuanced impact of PM processes on employee attitudes towards their work and the organisation. This impact directly ties into the foundational principles of motivation theories, such as Maslow's hierarchy of needs and Herzberg's two-factor theory, which emphasise the importance of recognition, achievement, and fair treatment in fostering employee motivation and satisfaction.

Employees' reflections suggest a direct correlation between their perceptions of PM fairness and their levels of engagement and enthusiasm for their roles. When employees perceive the PM system as fair and effective, it enhances their sense of value within the organisation, thereby boosting morale and motivation. This is in line with the findings of Armstrong and Baron (2005), who noted that a transparent and fair PM system could significantly contribute to heightened employee morale and motivation by aligning individual achievements with organisational acknowledgment and rewards.

Conversely, any perceived discrepancies or injustices within the PM process can lead to demotivation and disengagement, affirming the critical role of PM in maintaining an energised and motivated workforce. This aligns with the work of

Kluger and DeNisi (2018), who highlighted the detrimental impact of inadequate feedback and recognition on employee motivation.

4.2.10 Alignment with Organisational Values and Goals

The theme of alignment with organisational values and goals emphasises the importance of ensuring that the PM system reflects and reinforces the broader objectives and ethical standards of the organisation. Employees at the selected chemical plant expressed varying degrees of perception regarding the congruence of the PM system with organisational values, especially in areas critical to the chemical industry, such as safety, regulatory compliance, and operational efficiency.

The literature underscores the importance of aligning PM systems with organisational goals to foster a unified direction and purpose among employees (Armstrong & Baron, 2018). This alignment is particularly crucial in industries like the chemical sector, where safety and compliance are not just operational priorities but also integral to the organisation's ethical responsibilities and societal expectations.

Employees' perspectives on the alignment between the PM processes and the organisation's strategic goals reflect the critical nature of embedding organisational values into every aspect of the PM system. When employees see their performance evaluations and development plans as directly contributing to broader organisational objectives, such as safety improvement and regulatory adherence, it can significantly enhance their commitment and satisfaction with their roles. This observation is supported by Naude and Rothmann (2018), who found that a clear linkage between individual performance metrics and organisational objectives is essential for a meaningful and effective PM system.

4.2.11 Effectiveness of performance management system

Reflections from most employees suggest that the performance review accurately reflect the work effort they put forth although some think some of the

work put forth does go unnoticed in some instances. They mentioned that there are sometimes tasks that are not included on the PM that they are required to perform, and these tasks do not add anything to their overall PM score because they were not included during the initial goal setting and not forming part of key performance areas (KPA). All employees highlighted that their individual performance evaluations do contribute to their respective departments because the managers get measured on the overall success of their respective departments. Their individual contributions to their respective departments do assist in the overall success of the departments and the company. Employees highlighted their overall performance assessment as being effective as they have managed to reach most of their set goals and satisfied with their overall ratings.

4.3 Summary

The exploration of the Performance Management (PM) system at the selected chemical plant revealed significant insights across various themes, including the reliability and fairness of performance evaluations, the impact of managerial communication, and the promptness of feedback, all of which influence employee morale, motivation, and the system's alignment with organisational values and goals. Employees' varied perceptions of these elements highlight the critical need for enhanced clarity, fairness, and engagement within the PM process. This chapter underscored the importance of a transparent, participative, and effectively communicated PM system that aligns with the broader strategic objectives of the organisation, particularly emphasising safety, and compliance in the chemical industry. Addressing the identified gaps and reinforcing the strengths of the PM system can lead to improved employee satisfaction, motivation, and overall organisational performance, fostering a culture of continuous improvement and alignment with core organisational values.

CHAPTER 5. DISCUSSION OF FINDINGS

5.1 Introduction

This concluding chapter synthesises the findings of our qualitative study conducted at a selected chemical plant in the Free State province, South Africa, focusing on the effectiveness of the Performance Management (PM) system. Through an in-depth analysis of employee perceptions across various dimensions ranging from the reliability of performance evaluations to the alignment of the PM system with organisational values, this research has illuminated the complex interplay between PM practices and employee morale, motivation, and organisational commitment. Drawing on the rich qualitative data gathered, this chapter aims to weave together the themes explored, reflect on the implications of our findings for both theory and practice, and chart a course for future research in this vital area. In doing so, we seek to contribute to a deeper understanding of how PM systems can be optimised to support not only the strategic objectives of organisations within the chemical industry but also the development and well-being of the employees who are pivotal to their success.

5.2 Discussion of the Findings

5.2.1 To identify the critical factors that can affect the effectiveness of the performance management at a selected chemical plant.

The reliability of performance evaluations is foundational to any PM system's effectiveness. Employees' varying degrees of trust in the system's accuracy reflect a broader concern about the objective measurement of performance. This variance points to a potential misalignment between employees' understanding of performance criteria and how these criteria are applied. Literature underscores the importance of clear goal setting in PM (Armstrong & Baron, 2018), suggesting that transparent and well-communicated performance metrics are essential for fostering trust in the evaluation process. Furthermore, Ahmad and Bakar (2018) highlight that communication clarity and method accuracy are vital for employee

satisfaction with PM systems. The mixed responses from employees at the selected plant suggest that enhancing the clarity and consistency of performance evaluations could significantly improve the PM system's perceived reliability.

System fairness, encompassing aspects such as employee involvement in the PM process and the ethical application of the system, is another critical factor affecting PM effectiveness. The nuanced views on PM fairness among employees indicate a spectrum of experiences, from perceived equitable treatment to scepticism about the system's impartiality. This finding resonates with Armstrong & Baron (2005), who argue that employee input significantly affects their acceptance of the PM system. Moreover, the literature points to the detrimental effects of perceived biases or favouritism on the system's integrity (DeNisi & Murphy, 2017). Ensuring consistent application of PM procedures and fostering an environment where employees feel their voices are heard and valued could mitigate concerns about fairness and bolster the system's effectiveness.

Managerial communication and the provision of justifiable reasons for PM decisions are essential for shaping employees' perceptions of the PM system. Effective communication from management plays a crucial role in translating organisational goals into understandable and relevant performance metrics (Ahmad & Bakar, 2018). The study's findings suggest that disparities in managerial communication effectiveness could lead to inconsistencies in how the PM process is perceived across different teams. Ensuring that managers are equipped with the skills to communicate clearly and provide rational justifications for PM decisions is crucial. This approach aligns with the views of Naude & Rothmann (2018), emphasizing the importance of understanding the 'why' behind PM decisions to foster trust and commitment to the system.

Finally, the alignment of the PM system with organisational values and strategic goals, particularly around safety, regulatory compliance, and operational efficiency, is fundamental to its effectiveness. Employees' perceptions of the PM system's congruence with broader organisational objectives highlight the strategic importance of embedding organisational values into the PM process.

This alignment is critical in industries like the chemical sector, where safety and compliance are paramount (Marais, 2017). Naude and Rothmann (2018) support this view, noting that a clear linkage between individual performance metrics and organisational goals is essential for a meaningful PM system. Enhancing this alignment could not only improve the PM system's effectiveness but also reinforce employees' sense of purpose and commitment to the organisation's success.

5.2.2 To ascertain the accuracy of performance management at a selected chemical plant.

The qualitative data gathered from the employees at the selected chemical plant highlights a spectrum of perceptions regarding the PM system's accuracy. Employees' experiences and opinions suggest a nuanced understanding of accuracy, not merely in terms of numerical precision but also in reflecting the true essence of their contributions and efforts. This aligns with the broader literature on PM, where the accuracy of performance evaluations is seen as a cornerstone of effective PM systems (Armstrong & Baron, 2005). The accuracy is not just about the right numbers but about capturing the comprehensive performance narrative of each employee.

One of the key factors affecting the perceived accuracy of the PM system is the clarity and relevance of the performance criteria used. Armstrong and Baron (2018) emphasise the importance of clear goal setting in PM, highlighting that employees need to understand what is expected of them and how these expectations align with the organisational goals. The mixed responses from the selected plant employees reflect a need for clearer communication of performance expectations and criteria, which could help in improving the perceived accuracy of the system.

Another critical aspect is the method of performance evaluation. Ahmad and Bakar (2018) highlight that the method's transparency and fairness directly impact its perceived accuracy. Employees at the selected plant expressed

concerns over the evaluation process, suggesting a potential mismatch between their understanding of their performance and how it is evaluated by the system. This discrepancy can lead to perceptions of inaccuracy, undermining the system's credibility. Ensuring that the evaluation method is not only transparent but also consistently applied can help in enhancing its perceived accuracy.

The role of managerial communication in the accuracy of PM cannot be overstated. Effective communication from managers regarding performance evaluations and feedback is crucial (Naude & Rothmann, 2018). Employees' trust in the PM system's accuracy is significantly influenced by how well managers communicate performance feedback and the rationale behind performance ratings. Disparities in managerial communication effectiveness noted suggest an area for improvement. Enhancing managerial skills in communicating performance feedback accurately and constructively could bridge the gap between perceived and actual performance, thereby improving the system's overall accuracy.

Moreover, the integration of feedback mechanisms where employees can discuss and, if necessary, contest their evaluations is vital for a system's accuracy. Such mechanisms ensure that the PM system is not a one-way street but a dynamic process allowing for adjustment and refinement based on actual performance and contributions. This participatory approach to PM can enhance the system's accuracy by incorporating multiple perspectives and reducing biases.

5.2.3 To determine the fairness of performance management at a selected chemical plant.

Determining the fairness of the Performance Management (PM) system within the context of a selected chemical plant reveals insights into the critical dynamics between employee perceptions and the systemic structures of evaluation and recognition. Fairness in PM is a multidimensional construct that encompasses not only the equity of the evaluation process but also the transparency of criteria, the objectivity of assessments, and the inclusivity of employee voices in the PM

cycle. These elements collectively influence the workforce's morale, engagement, and trust in the organisational leadership and systems.

The qualitative findings from the selected plant employees underscore a nuanced landscape of perceived fairness within the PM system. This perception of fairness or the lack thereof directly impacts employee motivation and satisfaction, aligning with Armstrong and Baron's (2005) assertion that fairness in PM is crucial for the system's effectiveness and acceptance by employees. Employees' trust in the fairness of the PM system is intrinsically linked to their belief in the system's ability to assess their performance and contributions accurately and equitably.

A significant factor affecting perceptions of PM fairness is the clarity and consistency in the application of performance criteria. The literature suggests that clear goal-setting and transparent criteria are foundational to PM system fairness (Armstrong & Baron, 2018). Employees at the selected plant expressed concerns over inconsistencies and ambiguities in how performance criteria are applied more especially on safety, pointing to a gap between the PM system's intended fairness and its perceived implementation. This discrepancy underscores the need for a more standardised and transparent approach to performance evaluations, ensuring that all employees are assessed against the same criteria in the same manner.

Furthermore, employee involvement in the PM process appears as a vital aspect of perceived fairness. The ability to contribute to one's performance evaluation, set personal goals aligned with organisational objectives, and receive prompt, constructive feedback is indicative of a fair PM system. However, the varied experiences of employees at the selected plant regarding their involvement in the PM process reflect a potential area for improvement. This finding aligns with Ahmad and Bakar (2018), who highlight that employee participation is essential for enhancing the perceived fairness and effectiveness of PM systems.

The issue of potential biases and the objectivity of the PM process also plays a critical role in the system's perceived fairness. Employees' scepticism regarding

biasedness whether based on personal relationships, departmental differences, or other non-performance related factors can significantly undermine the PM system's credibility. Ensuring that the PM process is free from undue biases and that all employees are evaluated on an equal footing is crucial for maintaining the system's integrity and fairness.

Moreover, the alignment of the PM system with moral and ethical principles, as well as its consistency with the broader organisational culture and values, is essential for its perceived fairness. Employees expect the PM system not only to be fair in its technical application but also to reflect the organisation's commitment to ethical standards and practices. Discrepancies in this area could highlight broader organisational culture issues that need to be addressed to enhance the PM system's overall fairness.

5.2.4 To gage performance management transparency at a selected chemical plant.

Gauging the transparency of the Performance Management (PM) system at a selected chemical plant sheds light on the pivotal role transparency plays in the effectiveness and acceptance of PM practices by employees. Transparency within PM encompasses the clarity with which goals, expectations, and criteria are communicated; the openness of feedback and evaluation processes; and the visibility of how performance outcomes are linked to rewards and recognition. This transparency is fundamental to building trust between employees and management, fostering a culture of openness, and enhancing the overall engagement and commitment of the workforce.

The qualitative insights gathered from the employees at the selected plant reveal varying perceptions of transparency within the PM system, highlighting areas of strength and opportunities for improvement. Employees' experiences point to a critical understanding that transparency is not merely about the availability of information but also about the accessibility and relevance of this information to their individual roles and contributions. This aligns with the broader literature on

PM, which emphasises the importance of transparency in fostering a supportive and motivating work environment (Nambiar & DeCieri, 2019). Transparency in PM practices encourage employees to engage more fully with the PM process, understanding not just what their goals are but also why these goals matter and how they align with the organisation's strategic objectives.

A key component of PM transparency identified in the study is the communication of performance evaluations and feedback. Employees at the selected plant expressed a desire for more prompt, specific, and actionable feedback that would enable them to understand their performance in relation to expectations and to identify areas for improvement. The literature supports this finding, suggesting that effective feedback is a crucial element of a transparent PM system, as it directly affects employees' ability to adjust and enhance their performance (Kluger & DeNisi, 2018). The feedback mechanism, therefore, stands as a testament to the system's transparency, influencing employees' perceptions of fairness and their motivation to improve.

Moreover, the study highlights the importance of involving employees in the PM process as a facet of transparency. When employees are actively involved in setting their performance goals and could discuss and reflect on their evaluations, the PM system is perceived as more transparent and fairer. This participatory approach not only demystifies the PM process but also empowers employees, making them active contributors to their own evaluation and development. This is consistent with the literature, which suggests that employee participation enhances the perceived transparency and fairness of the PM system (Armstrong & Baron, 2018).

Additionally, the linkage between performance outcomes and rewards is a critical area where transparency is gauged. Employees' perceptions of the clarity and fairness with which performance outcomes are translated into tangible rewards such as promotions, pay raises, and recognition play a significant role in the effectiveness of the PM system. The transparency of this linkage reinforces employees' trust in the PM system and motivates them to achieve their

performance targets. The study's findings echo the literature, which underscores the necessity of transparently communicating how performance outcomes are decided and rewarded (Ahmad & Bakar, 2018).

5.3 Summary

The primary goal of the study was to understand and improve performance management (PM) at a selected chemical plant. The study explored various dimensions such as effectiveness, accuracy, fairness, and transparency in the PM system. Firstly, ensuring that performance evaluations are reliable is crucial for the PM system to work well. Employees need to trust that their performance is being measured accurately, which means clear communication about performance expectations and metrics is vital. Additionally, the fairness of the system, including employee involvement and ethical application, is essential for employees to feel valued and motivated.

Communication from managers is key; they need to explain performance decisions clearly to build trust. Aligning the PM system with organisational goals, especially around safety and efficiency, is also important for employees to feel connected to the company's mission. Regarding accuracy, it is not just about getting the numbers right but also about capturing the essence of employees' contributions. Clear performance criteria and transparent evaluation methods are crucial for employees to understand how their performance is being assessed.

Fairness is multidimensional, involving transparency, consistency, employee involvement, and absence of biases. Employees must believe that everyone is evaluated fairly and that their voices are heard in the process. Transparency is essential for employees to understand goals, receive feedback, and see how performance links to rewards. Open communication and employee involvement in goal setting and evaluation contribute to a more transparent and empowering PM system. Overall, building trust through clear communication, fairness, and

transparency is essential for an effective performance management system that motivates and engages employees.

CHAPTER 6. CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

6.1 Introduction

The study has led to profound revelations regarding the intricacies of Performance Management (PM) system. It has uncovered a labyrinth of critical factors that influence its effectiveness, emphasising the delicate balance required to navigate employee performance in a manner perceived as fair, accurate, transparent, and in alignment with organisational goals. The diverse perspectives of employees regarding the reliability of performance evaluations, the transparency of the PM process, and its alignment with the organisational values have illuminated the multifaceted challenges inherent in implementing an effective PM system.

What stands out notably from the findings is the undeniable need for heightened communication and engagement between management and employees. It became clear that fostering improved communication channels and deeper engagement initiatives is essential to enhancing the perceived accuracy and fairness of the PM system. Moreover, the study underscored the pivotal role of transparency within the PM processes, especially in the conduct of performance evaluations, feedback provision, and the linkage of outcomes to rewards. We have learned that actively involving employees in the PM process is paramount, suggesting that participatory approaches hold the key to unlocking greater effectiveness.

The study lights the way forward for the selected chemical plant. It beckons the selected chemical plant to cultivate a PM system that not only serves the strategic

objectives of the organisation but also that resonates deeply with the employees' expectations for fairness, clarity, and recognition.

6.2 Conclusion

The study conducted has yielded insightful findings on the critical factors influencing the effectiveness of the Performance Management (PM) system. It has underscored the complexity of managing employee performance in a manner that is perceived as fair, accurate, transparent, and aligned with organisational goals. The nuanced perceptions of the employees regarding the reliability and fairness of performance evaluations, the transparency of the PM process, and the extent of alignment with organisational values highlighted the multifaceted challenges inherent in implementing an effective PM system.

The findings revealed a clear need for enhanced communication and engagement between management and employees to improve the PM system's perceived accuracy and fairness. Furthermore, the study emphasised the importance of transparency in PM processes, particularly in how performance evaluations are conducted, feedback is provided, and outcomes are linked to rewards. The active involvement of employees in the PM process emerged as a crucial element for fostering a sense of fairness and engagement, suggesting that participatory approaches to performance management can significantly boost the system's effectiveness.

The study illuminates the path forward for the selected chemical plant: to cultivate a PM system that not only supports the strategic objectives of the organisation but also resonates with the employees' expectations for fairness, clarity, and recognition. By addressing the identified gaps and using the strengths of the current PM system, the organisation can enhance employee motivation, satisfaction, and performance, thereby ensuring a more productive, engaged, and aligned workforce.

6.3 Limitations

The study conducted at the selected chemical plant offers valuable insights into the effectiveness of the Performance Management (PM) system from the employees' perspective. However, several limitations must be acknowledged to contextualise the findings accurately. Firstly, the study's qualitative nature, while rich in detailed narratives, limits the generalisability of the findings to other contexts or industries. The specific challenges and perceptions identified may be unique to the organisational culture, industry standards, and operational procedures at the selected plant.

Secondly, the reliance on employee perceptions to gauge the PM system's effectiveness, fairness, and transparency may introduce bias. Employees' responses could be influenced by individual experiences, relationships with management, and individual expectations from the PM process, potentially skewing the data towards subjective interpretations rather than an objective assessment of the PM system.

Additionally, the study did not extensively explore the managerial perspective on the PM system, which could provide a more holistic understanding of the PM process's challenges and opportunities. This limitation restricts the depth of analysis concerning the alignment between management intentions and employee perceptions, a crucial aspect of evaluating PM system effectiveness.

6.4 Recommendations

Based on the study's findings, several recommendations can be made to enhance the PM system at the selected chemical plant. First, improving communication around PM processes is critical. This involves not only clarifying performance criteria and expectations but also providing prompt, specific, and actionable feedback to employees. Establishing regular, structured feedback sessions can help bridge the gap between management and employee perceptions of performance.

Second, increasing transparency within the PM process is recommended. This could be achieved by involving employees more actively in setting performance goals, developing evaluation criteria, and understanding how performance outcomes are linked to rewards. Transparently sharing the rationale behind PM decisions can also enhance trust in the system.

Third, addressing the perceived fairness of the PM system is essential. Implementing standardised procedures for performance evaluations and ensuring these are applied consistently across all departments can mitigate concerns about biases and favouritism. Additionally, creating avenues for employees to voice concerns or appeal evaluation outcomes can further bolster the system's perceived fairness.

Fourth, aligning the PM system more closely with organisational values and strategic goals, especially in areas critical to the chemical industry like safety and compliance, can enhance the system's relevance and effectiveness. This alignment ensures that performance evaluations reflect not only individual achievements but also contributions to broader organisational objectives.

6.5 Future Studies

Future research could address the limitations of the current study by incorporating a more diverse range of perspectives, including those of managers and HR professionals involved in the PM process. This would offer a more balanced view of the PM system's effectiveness and the challenges and opportunities it presents.

Longitudinal studies could also be beneficial, tracking changes in employee perceptions and the PM system's effectiveness over time, especially following the implementation of recommended changes. Such studies could provide insights into the long-term impact of modifications to the PM system on employee performance, satisfaction, and organisational success.

Additionally, comparative studies involving other plants within the same organisation or across different organisations in the chemical industry could offer a broader understanding of PM practices and their effectiveness in various contexts. These studies could help identify industry-wide trends, best practices, and innovative approaches to performance management.

6.6 Summary

This chapter has outlined the limitations of the current study, acknowledging the constraints that bound the research findings to a specific organisational and industrial context. Despite these limitations, the study offers valuable insights into the perceived effectiveness, fairness, and transparency of the PM system at the selected chemical plant, highlighting areas of strength and opportunities for improvement.

The recommendations provided aim to address the identified gaps, suggesting ways to enhance communication, increase transparency, ensure fairness, and align the PM system more closely with organisational values. These recommendations are designed to support the development of a PM system that not only meets organisational objectives but also resonates with employee expectations and fosters a motivated, engaged, and high-performing workforce.

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APPENDIX (A) Permission letter to conduct research.

Air Products South Africa (Pty) Ltd
Reg. No. 1969/003571/07
Silver Stream Business Park
1st Floor, Building 3, 10 Muswell Road South,
Bryanston, 2191
Private Bag 784090, Sandton, 2146
T +2711.570.5000 F +2711.570.5281
www.airproducts.co.za

06 October 2023

RE: PERMISSION TO CONDUCT RESEARCH

To whom it may concern,

Air Products SA (Pty) LTD grants Tshepo Gare, who is completing a Master of Business Administration at the University of the Witwatersrand (2577995), permission to conduct research at our organisation.

We have been briefed on the aim and purpose of the study titled *"Assessing the effectiveness of performance management at a selected chemical plant in Sasolburg."* Furthermore, we understand that all information shared about our organisation, including the research participants, will be strictly confidential, and anonymity will be ensured.

Regards,

Charles Dos Santos
General Manager – On-Sites

APPENDIX (B) Ethics Clearance Certificate

Graduate School of Business Administration
University of the Witwatersrand, Johannesburg

Wits Business School

Wits Business School Ethics Committee
Constituted under the University Human Research Ethics Committee (Non-Medical)

Ethics Clearance Certificate

Ethics protocol number: WBS/BA2577995/277

This certificate is only valid with a legitimate ethics protocol number and signed by the Researcher (below)

This certificate is only valid if accompanied by formal permission from the relevant stakeholder(s).

Project title	Perspectives of employees on the effectiveness of performance management system at a chemical plant in the Free State province, South Africa
Investigator / Researcher	Mr Tshepo Gare
Nature of Project	MBA (Research Article)
Decision of the Committee	Approved, provided stakeholders and participants are guaranteed anonymity and confidentiality.
Issue Date of Certificate	2023/10/13
Expiry date	Date of submission of the project / research report
Chairperson	Dr Pius Oba +27 11 717 3976 +27 82 733 6587 pius.oba@wits.ac.za

Declaration by Researcher

One copy must be signed by the Researcher and returned to the Chairperson of the Wits Business School Ethics Committee.

I fully understand the conditions under which I am authorized to carry out the abovementioned research and I guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I undertake to resubmit the protocol to the Committee.

Signature

26/10/2023
Date:

APPENDIX (C) The participant information sheet

Dear Sir / Madam

My name is **Tshepo Gare**. I am a Master's student in **Business Administration** at the University of the Witwatersrand, Johannesburg. My supervisor is **Dr Jenika Gobind**. I am conducting a research study about effectiveness of performance management. The study title is Perspectives of employees on the effectiveness of performance management at a selected chemical plant in the Free State province, South Africa.

I am inviting you to take part in an interview. If you decide to take part, your participation in this research study will last about a period of one year. The research activity will take place at your convenient time and space.

With your permission, I would like to record the activity. This data will be stored in a password protected computer for one year and/or deleted after one year. Only the researcher will have access to the data. During the research activity, I will not ask for personal information about you.

They will be confidential and anonymous. When I share the results of the research study, I will not include your name or anything else that could identify you. With your permission, other researchers may use the data collected from this research study, but your name and any personal information will not be used or passed on. If you decide to take part in the research study, it should be because you want to volunteer. You do not have to take part. You can stop being in the study at any time. You do not have to answer any questions if you do not want to. You will not get any direct benefits if you choose to join the research study. You will not lose any services, benefits, or rights you would normally have if you decided not to join. Taking part in the research study will not cost you anything. You will not be paid for being in this research study.

The risks for this research study are no more than what happens in everyday work life. This research study will be written up as a research report. The report will be available on the university library website. If you would like to receive a summary of this report, I will be happy to send it to you.

If you have any questions during or afterwards about this research study, feel free to contact me or my supervisor on the details listed below. If you have any concerns or complaints about the ethical procedures of this research study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za.

Yours sincerely,

Researcher: Tshepo Gare, 2577995@students.wits.ac.za, 0836476840

Supervisor: Dr Jenika Gobind, jenika.gobind@wits.ac.za, 011 717 3761

APPENDIX (D) Participant agreement form

Title of project: Perspectives of employees on the effectiveness of performance management at a selected chemical plant in the Free State province, South Africa

Name of researcher: Tshepo Gare

I, (*Refer Attached Signatories*), agree to participate in this research project.

I agree to the following:

(Please circle the relevant options below)

The research study was explained to me. I understand what this study is about.	(YES)	NO
I understand that I can volunteer to take part in the study.	(YES)	NO
I agree that the interview/focus group/other activity may be audio recorded.	(YES)	NO
I agree that direct quotations from my interview/focus group/other activity may be used by the researcher in their research report/ manuscript/book chapter.	(YES)	NO
I agree that my participation will remain anonymous (my name or other identifying data will not be used by the researcher in their research report/manuscript/book chapter)	(YES)	NO
I agree that other researchers may use the information I provide in my interview/focus group/other activity (depending on their own ethics clearance being obtained) but my name and any personal information will not be used or passed on.	(YES)	NO

..... (signature)
..... (name of participant)
..... (date)

..... (signature)
T. SHEPO GARE (name of researcher/person seeking consent)
..... (date)

Occupation	Date	Signature
Junior F. Eng.		
Senior Mgr		
Planner		
Admin Assistant		
TRAINING COORDINATOR		
Receptionist		
Electrical Engineer		
Mech. Fitter		
Snr Field Eng		
PROCESS ENG.		
Plant Supervisor		
Support System Eng		
Plant Sup		
Admin Sup		
Process Controller		
ENGT - MANAGER		

APPENDIX (E) Instrument

Actual Instrument (Interview Questions)

The performance outcomes accuracy factor

1. In your own view, do you think the performance evaluations produce a reliable performance rating?
2. Do you think your performance results (pay, promotion, reward, and/or recognition) directly correlated with your annual performance evaluation?

Performance management system fairness

3. What are your thoughts on the PM's performance evaluation?
4. In your opinion, do you think the PM has been used consistently?
5. In your experience, has there been any prejudice in the PM?
6. In your opinion, do you think the information used to create the PM accurate?
7. Have you been able to challenge the PM's conclusion about your performance? Please explain.
8. Has the PM upheld moral and ethical principles? Please share your experience.

Effectiveness of Performance Management system

9. In your opinion, do you think your performance review accurately reflect the work effort you put forth?
10. In your view, do you think your performance evaluation adequately account for your contributions to the department?
11. Considering your performance, was your performance assessment effective?

Performance Management Transparency

12. In your opinion, has your management been open and honest with you in their communications?
13. Has the manager fully described the PM?
14. How plausible were the manager's justifications for the PM?
15. Has the manager promptly relayed PM information post discussion?