

ACKNOWLEDGMENTS

I would like to thank the Department of Social Development for allowing me to conduct this study in the department. Without your support this study would not have been possible.

To my supervisor, Dr Edmarie Pretorius, I would like to thank you for your humble and wise academic support.

To Mrs. Oliver, Mr. Mokati, Mr Matjoi and Ms Ngesimane: I am grateful for your humane support. Without your support this research would not have been possible.

Lastly, I am grateful to Ms. Maseara Fosa for her guidance and support.

Through your support I have grown to understand the world of work at a higher level.

DECLARATION

I, Nkeletseng Mamaraisane Sekese hereby, declare that this research report is my own, unaided work and that I have given full acknowledgement to the sources that I used.

.....

Nkeletseng Mamaraisane Sekese

.....

Date

DEDICATION

This report is dedicated to my husband, Matete, for his unconditional support and love, and for the sacrifices he has made. Without you I would not have come this far.

I also dedicate this report to the Matete and Sekese families situated in Maseru and Mophale's hoek district, Lesotho. Their patience, love, support and sacrifice were a pillar of strength for my academic journey.

ABSTRACT

The use of performance appraisal systems for employees is far from new. It has been recognised that performance has to be managed in order for the organisation or government department to meet its goal effectively. The main objective of this system is to ensure that all employees or jobholders know and understand what is expected of them. It also includes managing poor or unacceptable performance by giving guidance where needed, while still recognising and awarding outstanding performance. However, do employees have a clear understanding of and information about the system and do they real benefit from the system?

The researcher conducted this study in order to explore the perceptions of employees with regard to the effectiveness of the performance appraisal system within the Department of Social Development in two districts. Its aim was to make recommendations for improving the system in relation to the most important themes or aspects that the employees (appraisers and appraisees) have highlighted.

The proposed research project adopted a qualitative research approach and was exploratory in nature. A multiple case study research design was used. Participants consisted of employees of the Department of Social Development from two districts in the Free State who are appraisers and appraisees. Purposive sampling, which is a type of non-probability sampling, was used to select appraisers, while convenience sampling was used to select appraisees. A semi-structured interview schedule was used in one-to-one interviews to explore issues and gather information.

The main findings of the study are that Social Development employees understand the importance of implementing a performance appraisal system in the workplace. They revealed that they still want the system to continue in the Department. However, their main concern is the practical implementation of the system, and they reported that it needs to be improved. They have suggested many areas that need to be improved in order for the system to be more effective and to achieve its main purpose within the Department.

Keywords

Employee, Performance appraisal, Appraisee, Appraiser, Effectiveness

Table of Contents		
Number		Page
	Acknowledgements	i
	Declaration	ii
	Dedication	iii
	Abstract	iv
	CHAPTER ONE: INTRODUCTION	1
1.1	Introduction	1-2
1.2	Statement of the problem and rationale for the study	2-3
1.3	Scope of the study	3-4
1.4	Purpose of the study	4
1.5	Research methodology	4
1.6	Limitations of the study	4
1.6.1	Pre-testing of the research tool	4-5
1.6.2	Nature of the sample	5
1.6.3	Socially desirable responses	5
1.6.4	Articulation of themes	5
1.6.5	Unavailability of participants	6
1.7	Organisation of the report	6
	CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK	
2.1.	Introduction	7
2.2.	Historical background of performance appraisal	7-8
2.3.	The context of performance appraisal and performance management	8-10
2.4	Objectives of performance appraisal	10-11
2.5	The purpose and value of performance appraisal systems	11-12
2.5.1	Performance appraisal as a system for managing organisational performance	12
2.5.2	Performance appraisal as a system for managing employee performance	12
2.5.3	Performance appraisal as a system for integrating the management of the organisation and employee performance	12-13
2.6	Different approaches to the performance appraisal system	14-15
2.6.1	Comparative approach	15
2.6.2	Traits /attributes approach	15

2.6.3	Behavioural approach	16-18
2.6.4	Outcomes-based approach	18
2.6.5	Balanced scorecard approach	18
2.6.6	Team-based performance approach	19
2.7	Ethical issues in performance appraisal systems	20-21
2.8	Performance appraisal standards	21-23
2.9	The performance appraisal process	23-27
2.10	General considerations in respect of performance appraisal interviews / assessments	27
2.10.1	A firm appraisal	28
2.10.2	Confidentiality	28
2.10.3	Fair assessment: external factors affecting performance	28
2.11	Skills required in implementing performance appraisal systems	29
2.12	Challenges of performance appraisal systems	29-30
2.12.1	Rating errors	30
2.12.2	Leniency and severity errors	30
2.12.3	Central tendency and range restriction errors	31
2.12.4	Recency errors	31
2.12.5	Halo and horn errors	31
2.12.6	The fundamental attribution bias	32
2.13	Strategies to enhance the effectiveness of performance appraisal systems	32
2.13.1	Use of behavioural-based methods	32
2.13.2	Training of appraisers and appraisees in performance appraisal	32
2.13.3	Providing ongoing feedback	33
2.13.4	Being objective	33
2.13.5	Employee participation	33
2.13.6	Appraiser–appraisee relationship	33-34
2.14	Performance appraisal within government departments, including Social Development	34-36
2.15	Performance cycle	36-38
2.17	Summary	38
CHAPTER THREE: RESEARCH METHODOLOGY		
3.1	Introduction	39
3.2	Research question	39
3.3	Aim and objectives of the study	39

3.4	Research approach and design	40
3.5	Sampling	40-41
3.6	Research instrument	41-42
3.7	Pre-testing of the research instrument	43
3.8	Method of data collection	43
3.8.1	Advantages and disadvantages of the semi-structured interview	44
3.9	Verification of data collected	44-45
3.10	Data analysis	45-46
3.11	Ethical considerations	46
3.11.1	Confidentiality	46-47
3.11.2	Voluntary participation	47
3.11.3	Avoidance of harm or non-maleficence	47-48
3.11.4	Avoidance of deception	48
3.11.5	Submission of research proposal to the ethics committee	48
3.12	Summary	48
	CHAPTER FOUR: PRESENTATION AND DISCUSSION OF FINDINGS	
4.1	Introduction	49
4.2	Profile of the participants	49
4.3	Factors of the performance appraisal system that were perceived to be useful.	49-50
4.3.1	Experience in terms of participation	51
4.3.2	The value of the performance appraisal system	51-54
4.3.3	The impact of performance appraisal system on service delivery	54
4.4	Challenges encountered with the implementation of performance appraisal system	54-55
4.4.1	Staff demoralisations	55
4.4.2	Lack of training in regard to appraisal system	55
4.4.3	Lack of developmental training	56
4.4.4	Conflict and tension	56
4.4.5	Ignorance about the performance appraisal system	57
4.4.6	Leniency and severity	58
4.4.7	Lack of uniformity	58-59
4.4.8	Unfairness of the system	59-60
4.4.9	Quality assurance committee	60
4.4.10	Undeserved rewards	60-61
4.5	Suggestions from employees regarding the performance appraisal system	61
4.5.1	Do away with cash bonus	61-62
4.5.2	Provide training in the performance appraisal system	62-63

4.5.3	Set clear standards and objectives for performance appraisal	63
4.5.4	Frequency of appraisal	63-64
4.5.5	The system should be user-friendly and accommodating	64
4.5.6	Communicating the system	64-65
4.6	Summary	65
	CHAPTER FIVE: MAIN FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	
5.1	Introduction	66
5.2	Main findings	66-69
5.3	Conclusions	69-71
5.4	Recommendations	71
5.4.1	Training for employees	71
5.4.2	Establishment of clear standards	71-72
5.4.3	Conducting appraisal discussions	72-73
5.4.4	Participation of employees	73
5.4.5	Development and training of employees	73
5.4.6	Recommendations for future research	73-74
6	Conclusion	74
	REFERENCES	75-78
	APPENDICES	
	Appendix A: Informed Consent form	79
	Appendix B: Participation information sheet	80
	Appendix C: Semi-structured interview schedule	81
	Appendix D: Ethics Clearance Certificate	82
	Appendix E: Letter of permission to do the research	83
	LIST OF FIGURES	
	Figure 2.1. Purpose of performance appraisal	
	LIST OF DIAGRAMS	13
	Diagram 2.1. Example of the traits approach	15
	Diagram 2.2. Approaches and techniques of performance appraisal systems	20