

THE PERFORMANCE APPRAISAL FUNCTION

IN SELECTED

SOUTH AFRICAN LOCAL AUTHORITIES

BY

SAGUNA SOOKDEW

DISSERTATION

*Submitted in part fulfilment of the
requirements for the degree of
Master of Arts in the Department of
Public Administration in the Faculty
of Arts at the University of Durban-Westville*

SUPERVISOR : DR D SING

JOINT-SUPERVISOR : DR S MOODLEY

DATE SUBMITTED : OCTOBER 1993



A:980251B

DEDICATION

*To my wife, Shanti and children, Reshma
and Ritesh, for their love, support and
encouragement throughout my studies.*

Truth

Truth is like a vast tree, which yields more and more fruit the more you nurture it. The deeper the search in the mine of truth the richer the discovery of the gems buried there, in the shape of openings for an even greater variety of service.

Mohandas K. Gandhi

(Mahatma Gandhi Centenary, The Gandhi Memorial Committee, Pietermaritzburg, June 1993)

ACKNOWLEDGEMENT

First and foremost, I praise God, the Supreme Being, for granting me the mental ability, courage and fortitude to complete this study.

Several individuals and institutions have assisted directly and indirectly in the development and completion of this dissertation.

I express my sincere gratitude to my supervisor, Dr D Sing for his assistance, guidance and encouragement provided to me during this study.

I am indebted to my joint-supervisor, Dr S Moodley, who so readily and tirelessly provided me with invaluable assistance, guidance and encouragement during the course of my studies.

I am also indebted to the following to whom I extend my sincere appreciation:

- The town clerks of the numerous South African local authorities, and in particular the local authorities of Amanzimtoti, Milnerton, Piet Retief, Port Elizabeth, and Verulam.
- The municipal personnel of the various South African local authorities who responded to my questionnaires.
- Mr JP le Grange, Chief Personnel Officer of the Durban City Council and Mr JC Oosthuizen, Deputy Director: Management Services of the Town Council of Boksburg, for their assistance and response to my queries.
- Mrs Meena Paramanund for her willingness in assisting me with the typing of this dissertation so efficiently.
- Mrs Kasturi Naicker for kindly typing some parts of this dissertation.
- Mr Priya Banwari for his patience and painstaking effort in completing the figures used in this dissertation.
- Mrs Ramola Naidoo for her kindness, encouragement, moral support and spiritual guidance over the years.

- Dr PS Reddy, Mrs Pam Maharaj and Ms Yogi Penceliah for their encouragement and support.
- Miss V Singh for typing the tables for this dissertation.
- The Library staff of the University of Durban-Westville and in particular Mr S Moonsamy, Mr K Harryparshad, Mr J Authar and Miss A Pramlal for their valuable support and assistance.
- The Human Sciences Research Council for assisting me with material in this field of study and for financial assistance which made this study possible.
- The late Mr M Keerath of Isipingo for his generous financial assistance towards this study and for his encouragement.
- To the others, whom I may have inadvertently missed out, thank you.
- Last, but not least, to my late dad Mr Surajballi Sookdew, for instilling in me the inspiration, perseverance and motivation to study.

TABLE OF CONTENTS

	<u>PAGE</u>
<u>CHAPTER ONE</u>	
INTRODUCTION	1
1. Study Plan	1
1.1 Approach	1
1.1.2 Chapter Two	5
1.1.3 Chapter Three	6
1.1.4 Chapter Four	7
1.1.5 Chapter Five	8
1.1.6 Chapter Six	9
1.2 Scope of Study	10
1.3 Method of Study	11
1.3.1 Limitations of the Study	11
1.4 Terminology	13
1.4.1 Personnel Administration	13
1.4.2 Performance Appraisal	15
1.4.3 Local Authorities	16
1.4.4 Administrative Functions, Activities, Processes	18
1.4.5 Gender	18
1.4.6 Use of the term 'System'	18
1.4.7 Questionnaire (Annexure A)	19
 <u>CHAPTER TWO</u>	
<u>PERFORMANCE APPRAISAL AND MUNICIPAL PERSONNEL ADMINISTRATION</u>	
2.1 Introduction	20
2.2 Municipal Administration	21

2.3	Municipal Personnel Administration	25
2.3.1	Generic Administrative Activities	29
2.3.2	Management Activities	36
2.3.3	Functional Activities	37
2.3.4	Auxiliary and Instrumental Activities	38
2.3.5	Legislative Measures on Performance Appraisal	41
2.3.5.1	Labour Relations Act	42
2.3.5.2	Local Government Training Act	43
2.4	Normative Factors and the Performance Appraisal Function	44
2.4.1	Legislative Supremacy	47
2.4.2	Maintenance of Public Accountability	48
2.4.3	Efficiency and Effectiveness	51
2.4.4	Respect for Community Values	55
2.4.5	Ethical Standards	57
2.5	Summary	60

CHAPTER THREE

THEORETICAL PERSPECTIVES OF THE PERFORMANCE APPRAISAL FUNCTION

		65
3.1	Introduction	65
3.2	Objectives	66
3.2.1	To Provide Information for Salary Administration	66
3.2.2	To Provide Information for Promotion	67
3.2.3	To Improve Performance on the Present Job	68
3.3	Purposes	73
3.3.1	The Administrative Purpose	73
3.3.2	The Informative Purpose	74

3.3.3	Development	78
3.3.4	Reward	78
3.3.5	Motivational	78
3.3.6	Personnel and Employment Planning	79
3.3.7	Communication	79
3.4	Characteristics	81
3.5	Approaches	83
3.5.1	Timing of Appraisals	84
3.5.2	The Evaluator (or rater)	84
3.5.3	Factors Selected for Appraisal	84
3.5.4	The System or Technique of Appraisal	85
3.5.5	Subordinate Rating Approach	86
3.5.6	Group Rating Approach	87
3.5.7	Superior Rating of Subordinates	88
3.5.8	Guided Self-appraisal Approach	89
3.5.9	Tell and Sell	90
3.5.10	Tell and Listen	91
3.5.11	Problem Solving	91
3.6	Problems in Appraisal	93
3.6.1	Contamination, Deficiency, Irrelevance and Improper Weighting	94
3.6.2	Lack of Objectivity	95
3.6.3	Lack of Standardisation	95
3.6.4	Opposition to Appraisal	96
3.6.5	System Design and Operating Problems	97
3.6.6	The Halo Effect	97
3.6.7	Leniency or Strictness	98
3.6.8	Central Tendency	99

3.6.9	Ambivalence and Avoidance	101
3.6.10	Format of Appraisals	102
3.7	The Appraisal Interview	105
3.7.1	Level of Employee Participation	107
3.7.2	Helpful and Constructive Attitude of Supervisor	107
3.7.3	Goal Setting	107
3.7.4	Knowledge of Employee's Job Performance	108
3.8	Preparing for the Interview	109
3.8.1	Preparation by the Supervisor	109
3.8.2	Preparation by the Subordinate	113
3.9	Conducting the Appraisal Interview	114
3.9.1	Discussion Methods	116
3.9.2	Ending the Interview	121
3.10	Training in Performance Appraisal	121
3.10.1	Advantages of Rater Training	122
3.10.2	Types of Training	123
3.10.3	Training Techniques and Aids	124
3.11	Summary	127

CHAPTER FOUR

<u>NATURE AND CONTENT OF PERFORMANCE APPRAISAL SYSTEMS</u>		130
4.1	Introduction	130
4.2	Graphic Rating Scales	132
4.2.1	Advantages	137
4.2.2	Disadvantages	137
4.3	Paired Comparison	140
4.3.1	Advantages	142

4.3.2	Disadvantages	143
4.4	Forced Choice	144
4.4.1	Advantages	148
4.4.2	Disadvantages	149
4.5	Critical Incident	150
4.5.1	Advantages	153
4.5.2	Disadvantages	154
4.6	Forced Distribution	156
4.6.1	Advantages	159
4.6.2	Disadvantages	159
4.7	Behaviourally Anchored Rating Scales (BARS)	160
4.7.1	Steps in the Development of BARS	168
4.7.2	Advantages	172
4.7.3	Disadvantages	173
4.8	Management by Objectives (MBO)	175
4.8.1	The MBO Process	178
4.8.1.1	Goal-setting	178
4.8.1.2	Participation	180
4.8.1.3	Judgement	181
4.8.1.4	Performance Standards	182
4.8.1.5	Performance Evaluation	182
4.8.2	Advantages	186
4.8.3	Disadvantages	189
4.9	Summary	193

CHAPTER FIVE

<u>THE PERFORMANCE APPRAISAL FUNCTION IN SOUTH AFRICAN LOCAL AUTHORITIES: AN OPERATIONAL PERSPECTIVE</u>		197
5.1	Introduction	197
5.2	Policy Directives	198
5.3	Organising	213
5.4	Financing	227
5.5	Staffing	232
5.6	Determining Systems and Procedures	239
5.7	Exercising Control	252
5.8	Summary	258

CHAPTER SIX

<u>DEVELOPING AN ACCEPTABLE PERFORMANCE APPRAISAL SYSTEM</u>		265
6.1	Introduction	265
6.2	Features of the BARS system	266
6.3	Features of the MBO system	268
6.4	Basic Characteristics of Performance Management and Development System	270
6.4.1	Setting Objectives	272
6.4.2	Observing and Documenting Performance	273
6.4.3	Training	273
6.4.4	Reviewing Results	274
6.4.5	Planning Subordinate Development	274
6.5	Primary Features and Procedural Steps in the Implementation of the Performance Management and Development System	274
6.5.1	Features	274
6.5.2	Procedural Steps	286

CHAPTER SEVEN

<u>CONCLUSIONS AND RECOMMENDATIONS</u>	292
7.1 Conclusions	292
7.2 Recommendations	302
7.2.1 Conceptual Framework	303
7.2.1.1 Policy Directives	303
7.2.1.2 Organising	304
7.2.1.3 Financing	305
7.2.1.4 Staffing	305
7.2.1.5 Determining Systems and Procedures	307
7.2.1.6 Exercising Control	308
7.2.2 New Performance Management and Development System	310
<u>BIBLIOGRAPHY</u>	312
<u>ANNEXURES</u>	321

LIST OF TABLES, FIGURES AND ANNEXURES

TABLES

1	Example of a Graphic Rating Scale	135
2	Assessment Range of a Graphic Rating Scale	136
3	Paired Comparison Ranking Table	141
4	Staff Budget of some South African Local Authorities for the 1990/1991 Financial Year	228
5	Performance Appraisal Practices in South African Local Authorities	243
6	Meaning of Points used by some Local Authorities	247

FIGURES

1	Municipal Personnel Administration: A Conceptual Framework	28
2	Purpose of Performance Appraisal Systems	76
3	Performance Appraisal to Achieve Behavioural Ends	76
4	Performance Appraisal to Achieve Administrative Ends	77
5	Distribution of Lenient and Strict Raters	100
6	Forced Choice Appraisal	147
7	A Forced Distribution Rating Format	157
8	A Behaviourally Anchored Rating Scale for College Professors	162
9	A BARS Performance Dimension for the Job of Income Tax Advisor	171
10	The MBO Cycle	184
11	The MBO Process	185
12	Simple Structure of Municipal Authority: Employer and Employee Relationships	215

13	A Graphic Representation of Organisational Arrangements for the Implementation of Performance Appraisal	216
14	Organisational Structure of the Personnel Section: Borough of Amanzimtoti	218
15	Organisational Structure of the Training Section: Municipality of Port Elizabeth	221
16	Organisational Structure of the Management Services Department: Town Council of Boksburg	222
17	Organisational Structure of a Town Clerk's Department: Town Council of Piet Retief	224
18	A Graphic Representation of the Percentage of Users per Method	244
19	Model of Performance Management and Development Programme	271
20	Procedural Steps of the Performance Appraisal System	288

ANNEXURES

A	Questionnaire on Performance Appraisal sent to South African Local Authorities	321
B	Appraisal form of the City of Durban	333
C	Appraisal form of the Borough of Pinetown	340
D	Staff Development Programme of the Borough of Verulam	363

SYNOPSIS

THE PERFORMANCE APPRAISAL FUNCTION IN
SOUTH AFRICAN LOCAL AUTHORITIES

by

SAGUNA SOOKDEW

SUPERVISOR : DR D SING
JOINT SUPERVISOR : DR S MOODLEY
DEGREE : MA (PUBLIC ADMINISTRATION)

In this dissertation a study is undertaken of the performance appraisal function in South African local authorities.

Local authorities in South Africa are the third tier of government and are subordinate to the other two tiers, namely, the central and provincial authorities. They are established to render a variety of goods and services to the local community and to contribute to the national goal of community welfare. In the light of changing circumstances in South Africa, communities are becoming more advanced and complex and are placing new demands on local authorities everyday. Therefore, local authorities must ensure that their limited human resources are utilised as efficiently and effectively as possible to achieve an acceptable quality

of life for the local community. Thus, municipal personnel administration plays an important role in contributing to the welfare of the local community.

Municipal personnel administration comprises of several component activities such as personnel provisioning, support functions, training and development, and personnel utilisation functions. Performance appraisal falls within ambit of the personnel utilisation function and plays a pivotal role in promoting the improved productivity of municipal personnel.

In view of the aforementioned, this study investigates the implementation of the performance appraisal function in South African local authorities. The research was necessitated by the fact that local authority employees make up 14,8 percent of public sector employment and up to 70 percent of a local authority's operating budget is allocated for staff expenditure. Therefore, it is important that local authorities have an efficient and effective work force, and one of the ways this can be achieved is through the implementation of the performance appraisal function. Furthermore, very little research has been undertaken on the performance appraisal function as an activity within municipal personnel administration.

Municipal employees must ensure that all activities

constituting the performance appraisal function be implemented in terms of the dictates of the generic administrative, management, functional and auxiliary and instrumental activities. They must also adhere to the normative guidelines which have direct bearing on the performance appraisal function, such as legislative supremacy, maintenance of public accountability, efficiency and effectiveness, respect for community values and ethical standards.

The study undertaken on the performance appraisal function in South African local authorities is viewed from a theoretical and operational perspective as follows:

- performance appraisal and municipal administration;
- theoretical perspectives of the performance appraisal function;
- nature and content of performance appraisal systems;
- the performance appraisal function in South African local authorities; and
- developing an acceptable performance appraisal system for South African local authorities.

The performance appraisal systems at local authorities studied, are primarily viewed within an administrative frame of reference. Particular attention is focused on the generic administrative, management, functional and auxiliary

and instrumental activities, as well as the normative factors of public administration. The efficient and effective utilisation of municipal personnel resources, especially in regard to their placement, development and promotion through the use of the performance appraisal function, is stressed.

In the light of the aforementioned the following recommendations are made:

- (i) that municipal councils and high-ranking officials give due regard to the importance of the performance appraisal function within the context of municipal personnel administration;
- (ii) introduction of the performance management and development programme as postulated in chapter 6;
- (iii) review of performance appraisal on an ongoing basis (at least once a year) within an administrative frame of reference with particular attention to the following:
 - legislative measures;
 - policy directives;
 - organising;
 - financing;

- staffing;
- determining systems and procedures; and
- exercising control;

(iv) that supervisors (appraisers) in municipal departments undergo training to implement the appraisal system and to keep abreast with the latest developments in the field; and

(v) the creation of a separate department or section to deal specifically with the performance appraisal function.

CHAPTER 1

INTRODUCTION

1. STUDY PLAN

1.1 APPROACH

It is imperative that South African local authorities be administered in an efficient and effective manner so that they contribute to the national goal of community welfare.

Since public administration, as an activity, is concerned with the promotion of human welfare and interests, it follows that local authorities should also execute their functions within the context of the public administration paradigm. Public administration comprises of several activities, namely, the generic administrative, management, functional and auxiliary and instrumental activities which must be carried out in any institutionalised framework to achieve community goals.

Since municipal administration is a specialised field of public administration it follows that the processes of public administration would also be used to achieve municipal goals within the municipal environment. Municipal administration comprises of several sub-fields of

activity, such as municipal personnel administration, municipal financial administration and municipal health administration. Municipal personnel administration comprises of several component activities, such as personnel provisioning, support functions, training and development and personnel utilisation functions. The performance appraisal function falls within the ambit of the utilisation function. The performance appraisal function is one of the activities of municipal personnel administration which promotes the improved productivity of personnel. Therefore, the performance appraisal function together with the other municipal activities contribute to the achievement of municipal goals. The generic administrative, management, functional and auxiliary and instrumental activities have to be carried out both efficiently and effectively to achieve the goals of performance appraisal, which are to (Questionnaire 1990:Q3):

- promote employees;
- determine development needs and career growth;
- plan and utilise manpower;
- identify goals, objectives and performance standards;
- update selection and promotion procedures; and
- satisfy legal demands for equal treatment of employees.

In addition, there is a need for well trained personnel with the necessary ability, knowledge, skills and behavioural

attitudes to achieve the goals of performance appraisal.

Research in local government in South Africa has previously focused primarily on the fields of financing, housing, materials administration and training of municipal personnel. However, very little attention has been devoted to the performance appraisal function. Consequently, this research has been undertaken to provide valuable insight into the performance appraisal function in South African local authorities.

The following areas form the basis of the study :

(a) performance appraisal and municipal administration, highlighting, inter alia:

- municipal administration;
- municipal personnel administration; and
- normative factors of public administration.

(b) theoretical perspectives of the performance appraisal function, emphasising:

- objectives;
- purposes;
- characteristics;
- approaches;
- problems;

- interviewing; and
 - training.
- (c) nature and content of performance appraisal systems :
theoretical perspectives.
- (d) the performance appraisal function in South African
local authorities : operational perspectives.
- (e) developing a performance appraisal system within
the following context :
- features of the behaviourally anchored rating
scales (BARS);
 - features of the management by objectives (MBO)
system;
 - basic characteristics of the performance
management and development system; and
 - primary features and procedural steps in the
implementation of the system.

The five chapters, apart from introduction and conclusion,
set out the following areas of the study :

- chapters two and three provide the theoretical
aspects of municipal administration, municipal
personnel administration, the normative factors and the

performance appraisal function;

- chapters four and five provide theoretical perspectives on performance appraisal systems and the performance appraisal function in South African local authorities; and
- chapter six explains the development of a new performance appraisal system.

1.1.2 Chapter 2

Municipal administration is a specialised branch of public administration. It reflects large measures of similarity to the other specialised branches of public administration. This is owing to the fact that the administrative and management processes comprise fundamentally of six main groups, namely, policy-making, organising, financing, staffing, determining systems and procedures and exercising control. Municipal personnel administration is a sub-field of municipal administration, and performance appraisal in turn is a component activity of municipal personnel administration. These specialised fields use the six generic administrative and management processes of public administration to achieve their objectives, whilst the activities contribute to the goal of municipal administration, which is to promote community welfare by

improving the quality of life.

This chapter focuses on municipal administration, municipal personnel administration and the normative factors within the context of the performance appraisal function. The emphasis is on municipal personnel administration, as this area embraces the performance appraisal function.

1.1.3 Chapter 3

The primary function of local authorities is to render the necessary goods and services in such a manner that the result would contribute to the enrichment of the lives of its local community. In order to achieve this objective, local authorities are dependent on the efficient and effective utilisation of personnel resources. It is, therefore, incumbent upon local authorities to exercise circumspection in the recruitment, selection, placement, training, appraisal and control of personnel.

The performance appraisal function is an important activity of municipal personnel administration. Its impact is considered crucial, as municipal personnel are expected to achieve their goals as efficiently and effectively as possible with the limited resources available. In this regard, the performance appraisal function provides the basis for personnel evaluation in relation to work

performance. Therefore, an understanding of the nature and scope of the performance appraisal function is considered essential.

In the light of the above, this chapter discusses the theoretical perspectives of the performance appraisal function, emphasising the following:

- objectives of performance appraisal;
- purposes of performance appraisal;
- characteristics;
- approaches to performance appraisal;
- problems encountered in performance appraisal;
- interviewing skills in performance appraisal; and
- training of appraisers.

1.1.4 Chapter 4

The study of municipal authorities in South Africa has revealed that many different types of performance appraisal systems are currently being used to evaluate the work performance of their employees. Each system has its own advantages and disadvantages, depending upon the specific objectives for which it is intended and the organisational setting within which it is used.

In this chapter the nature and scope of the following

performance appraisal systems are discussed :

- graphic rating scales;
- paired comparison;
- forced choice;
- critical incident;
- forced distribution;
- behaviourally anchored rating scales (BARS); and
- management by objectives (MBO).

1.1.5 Chapter 5

In chapter 4 the theoretical perspectives of the different types of performance appraisal systems have been discussed.

In this chapter the operational perspective of the performance appraisal function in South African local authorities is viewed within an administrative frame of reference. Particular attention is focussed on the following administrative processes:

- policy directives;
- organising;
- financing;
- staffing;
- determining systems and procedures; and
- exercising control.

1.1.6 Chapter 6

It is emphasised that without efficient and effective performance of personnel, no local authority can render public goods and attain public goals. Therefore, it is the task of every municipal employee to ensure continuity of performance. To this end, performance appraisal provides the basis of improved productivity by evaluating job performances.

From the operational perspectives of the performance appraisal function discussed in chapter 5, an attempt is made to formulate an acceptable performance appraisal system that can be used by all South African local authorities. In determining an acceptable system, two fundamental objectives are borne in mind, namely :

- improved productivity or service for the employer; and
- improved quality of working life for the employee.

Within this context the features of both the BARS and MBO appraisal systems are considered relevant. Therefore, a combination of the pertinent aspects of each system are advocated towards an acceptable performance appraisal system.

1.2 SCOPE OF THIS STUDY

Performance appraisal is a capacious field of study. There are many appraisal systems with a variety of applications to satisfy different objectives, as well as many variables which can affect the success of any system within a local authority. Futhermore, in South Africa, emphasis is now towards the better training and application of Black labour, not only in skilled and semi-skilled jobs, but also in supervisory and management positions. Therefore, an acceptable performance appraisal system will assist in upgrading Black labour into these positions.

To cover the entire field of performance appraisal would fall outside the boundaries of this dissertation. For this reason, and for purposes of the survey, the scope of the study was limited to performance appraisal systems in South African local authorities only. The other two tiers of government, namely the provincial and central levels, were excluded.

The objective of this dissertation is not to deny the possible utility of appraisal systems, but rather to determine their format and extent of usage in South African local authorities. From these findings an attempt is made to establish an acceptable performance appraisal system which could be used both efficiently and effectively in

South African local authorities.

1.3 METHOD OF STUDY

As indicated in the bibliography, a number of books, journals, periodicals, theses, papers, reports and official documents that have a bearing on municipal personnel administration, and in particular on performance appraisal, were consulted to complete this dissertation.

Acts, ordinances, by-laws and other relevant official documentation were studied to obtain additional information.

In order to understand the subject from a national perspective, questionnaires were sent to 275 local authorities within the country (see annexure 1). Of these 136 replies were received, representing a response rate of approximately 50 percent. However, this document was used mainly to collect information in an area where there is a dearth of literature. Therefore, it served only as a supplementary source of information.

1.3.1 Limitations of the Study

It is accepted that in a research undertaking of this nature there will always be limitations. Some primary concerns in this regard are:

- the questionnaires which were intended to gather information on the operational aspects of the performance appraisal function were poorly answered by the local authorities. A primary reason advanced in this regard was that the majority of local authorities do not have a performance appraisal system in operation.

- 74 percent of the questionnaires received were poorly completed, with vital gaps in information.

- questions relating to the following aspects were not adequately answered :
 - * number of full-time staff;
 - * total budget per annum;
 - * personnel qualifications;
 - * membership to professional bodies;
 - * organisational structures;
 - * limitations of the system being used by the local authority;
 - * ways to improve the present system; and
 - * financial data on expenditure.

- the major established local authorities of Boksburg, Durban, East London, Kimberely, Port Elizabeth, and

Verulam provided the best inputs in many sections of the questionnaire. They also provided additional information.

- five Black local authorities responded to the questionnaire, namely, Hambanati Town Committee, Ikapa Town Council, Kwanobuhle City Council, Mangaung City Council and Tokoza Town Council.

- only two Indian local authorities in Natal responded, namely, the Boroughs of Stanger and Verulam.

1.4 TERMINOLOGY

The author has endeavoured to maintain the use of current terminology in this dissertation. However, owing to the multiplicity of connotations and definitions of terms used in this dissertation, some clarification is necessary.

1.4.1 Personnel Administration

Stahl (1974:16) defines personnel administration as, "the totality of concern with the human resources", and again as (1974:307) "...an attitude compounded of understanding both the forces which shape manpower needs, supply and problems, and at the same time the importance of human will and personality".

Personnel administration involves the following four activities (Cloete 1985:8) :

- personnel provision functions which includes creation of posts, recruitment, placement, probation, promotion, transfer, and termination of services;
- support functions such as conditions of service, record keeping, settlement of grievances, counselling, employer-employee relationships, research and health, safety and welfare;
- training and development functions which includes induction and orientation; and
- utilisation functions which entails providing work programmes, leadership, discipline and performance appraisal.

Personnel administration is a key activity in the efforts of municipalities to achieve predetermined objectives or goals. One may regard performance appraisal as one of the crucial activities of municipal personnel administration. However, it is different from the other personnel activities as it permeates the entire institution in a manner unsurpassed by other fields of activity (Nigro & Nigro

1977:325).

1.4.2 Performance Appraisal

According to Andrews (1988:294-295) performance appraisal can be described as :

- "(a) ... the personnel activity by means of which the enterprise determines the extent to which the employee is performing the job effectively ;
- (b) ... judgement about the behaviour and effectiveness of its staff ;
- (c) ... a coaching device to help men on all levels of management to improve their performance ; and
- (d) ... any systematic attempt to gauge how well a person is doing his job".

Schuler (1981:221) defines performance appraisal as:

"... a formal, structured system of measuring and evaluating an employee's job-related behaviours and the outcomes to discover how and why the employee is presently performing on the job, and how the employee can perform more effectively in the future so that the institution and society can benefit".

From these definitions, it is evident that performance appraisal is intended to determine the work performance of an employee in order to give recognition to above-average performance, and in so doing, to provide personnel with the external component of motivation, thereby ensuring maximum utilisation of personnel.

Performance appraisal aids in the development of the employee. It is also concerned with the efficient and effective performance of goods and services to achieve institutional goals.

The aforementioned basic considerations must be borne in mind when an institution wishes to develop a performance appraisal system. Only then can the two overall objectives be met, namely,

- improved productivity; and
- improved quality of working life.

1.4.3 Local Authorities

For purposes of uniformity, the terms local authority and municipal authority are used interchangeably.

Local authorities are statutory bodies created to implement local public programmes. They are constituent parts of local government. They derive their authority from a higher source (provincial authority) and are bound by the terms and conditions by which they are created (Speed 1971:1).

The term local authority refers primarily to "the government of cities, villages, boroughs, towns and other organised communities" (Coetzee 1985:27).

In its true dynamic sense the South African local authority is a much more complex and vibrant integer, and can be defined as follows (Botes 1976:90) :

- (a) it is a *unit of government* (local government) with an established boundary; with elected leaders and limited authority, and with taxing and regulatory powers;
- (b) it is an *economic production unit*, supplying goods and services for public consumption;
- (c) it is a *catalyst for human interaction*;
- (d) it is a *social community* as it brings so many people together in the same place;
- (e) it serves as the *font of knowledge* and the education of man; and
- (f) it is the *cradle of civilisation* and the cultural laboratory of man.

Therefore, the local authority is a legal entity, a producer of public services, a catalyst for human interaction and a social system. It is incumbent upon local authorities to harmonise relationships amongst racial, ethnic, religious and economic groups; to generate a healthy economic climate,

and in general, to promote the enrichment of human life (Botes 1976:91).

1.4.4 Administrative functions, activities, processes

Public administration consists of various administrative functions or processes, namely, the generic administrative, management, functional and auxiliary and instrumental functions (Cloete 1985:1). For the purposes of this study the terms administrative functions, activities and processes are used interchangeably.

1.4.5 Gender

For the purposes of uniform gender classification the pronoun 'he' is used in a neuter sense to refer to both sexes.

1.4.6 Use of the term 'system'

The terms systems, methods and techniques are used in personnel administration literature to discuss different approaches to performance appraisal. However, for the purposes of uniformity the term 'systems' is used in this study.

1.4.7 Questionnaire (Annexure 1)

The reference to the questionnaire in this dissertation indicates the relevant question being discussed and the year in which it was sent and received. For example, "(Questionnaire 1990:Q2)" refers to question 2 in the questionnaire.

CHAPTER 2

PERFORMANCE APPRAISAL AND MUNICIPAL PERSONNEL ADMINISTRATION

2.1 INTRODUCTION:

Local authorities are essential and fundamental public institutions in South Africa as they affect the lives of citizens more directly and intimately than any other governmental institution. This phenomenon could be attributed to the fact that people, in their daily activities, regard the central and regional governments as being far removed from the local community level.

Local authorities are established to render a variety of services for a particular community within a prescribed area. The nature and extent of the services rendered are determined by internal and external considerations. As far as internal considerations are concerned, the services rendered will be determined by the needs and expectations of the community, as well as by the ability of the local authority to meet the demands. External considerations such as government policy and historical factors will determine the functions and duties of local authorities (Thornhill 1985:64).

Thus the challenges facing local authorities are complex, as the modern community has a multitude of diverse needs.

Therefore, it should be the objective of every local authority to render goods and services of such a nature that the result would contribute to the enrichment of human life. In order to achieve this objective, local authorities are dependent on, inter alia, the efficient and effective utilisation of personnel resources. It is, therefore, incumbent upon local authorities to exercise great care in the recruitment, selection, placement, training, appraisal and control of personnel (Botes 1976:93, author emphasised).

This chapter primarily focuses on municipal administration, municipal personnel administration and the impact of normative factors on the performance appraisal function.

2.2 MUNICIPAL ADMINISTRATION

In most western democratic countries, more than one tier of government is established. South Africa, as a unitary state, has three such tiers, namely, central or national, regional or provincial and municipal or local governments. According to Stanyer (1980:29), local government belongs to :

"... that sector of the machinery of government that is normally called 'decentralization area administration' ... and means simply that there is a governmental body with a jurisdiction limited to only a part of the total territory of a country".

In order to understand municipal administration, it is necessary to first reflect on the term 'municipal'.

The word 'municipal' is an adjective used to refer to "... a town or city having self-government" (Hornby 1979:565). The word town, city or village are by nature geographical expressions and refer to specific forms of social interaction or habits of utilisation of land (Staney 1980:35).

Botes (1976:90) defines a town as "a place of relative dense population characterised by frequent and meaningful human interactions".

From the above explanations, it is clear that 'municipal' pertains to a town or city having a governing authority. Municipal administration, therefore, is a specific type of public administration found at the municipal or local level of government. Owing to the unique characteristics of each local area, the frame of reference of municipal administration could enjoy differences in emphasis from town to town. The uniqueness of municipal administration could, according to Adlem & du Pisani (1982:100-101), be attributed to certain factors which ultimately provide for the execution and expression of municipal administration as an activity.

These factors affect municipal administration in three specific environments as follows (Adlem & du Pisani 1982:101) :

- (i) External municipal environment : which is affected by such factors as constitutional, statutory, economical, social, historical, cultural, and spatial factors. It is understood that, since municipal authorities form the third tier of government, they are subjected to the statutory arrangements enforced by the central and provincial authorities. Although this may restrict the freedom of movement of the citizens and their elected representatives, all government actions must, however, still be in the eventual interest of the total population of the country.

- (ii) Local political processes : through which authoritative allocation of values are expressed by means of municipal elections. These processes are influenced by, inter alia, voters, pressure and interest groups, political parties, news media and sporting bodies. These groups endeavour to provide inputs for municipal government policy and for furthering the welfare and interests of the local or municipal community;

(iii) Internal municipal environment : which is the machinery and the heart of the municipal government. It is incumbent upon the municipal councillors to provide the frame of reference within which municipal personnel could operate. This frame of reference provides the internal municipal environment for officials to execute their daily tasks.

Municipal administration also implies the efficient and effective rendering of goods and services by the municipal council for the welfare and benefits of the citizens within its jurisdiction. It also means the development, maintenance and improvement of an environment which is conducive to a constructive social interaction and cultural development.

Botes (1976:91) states in this regard:

".... it is also incumbent upon local government to harmonise relationships amongst racial, ethnic, religious and economic groups; to generate a healthy economic climate, and, in general, to promote the enrichment of human life".

The municipal functionaries responsible for executing these activities must possess the necessary qualifications, ability, skills and behavioural attitudes to be able to attain the objectives of local authorities.

Since personnel play an important role in the attainment of goals of municipal authorities, it is necessary to highlight the importance of municipal personnel administration within the context of municipal administration.

2.3 MUNICIPAL PERSONNEL ADMINISTRATION

In order to understand the term municipal personnel administration, it is necessary, first of all, to define the term 'personnel administration'.

In general terms, personnel administration may be described as the process of acquiring and developing skilled employees and of creating organisational conditions which encourage them to put forth their best efforts (Cloete 1985:7).

Stahl (1976:16) defines personnel administration as, "... the totality of concern with the human resources of organisation". While the Encyclopaedia Britannica (1979: 118) defines it as, "... the handling of human nature and to influence on the work situation".

Personnel administration may be defined as, "a well-rounded, planned, executed and evaluated approach to manpower recruitment, use and development" (Shaffer 1963:664).

Personnel administration is a responsibility of all those who manage people, as well as being a description of the work of those who are employed as specialists. It is that part of administration which is concerned with people at work and with their relationships within an institution (Grant & Smith 1969:1).

Every employer, whether it is the state or a private entrepreneur, would like to keep his customers satisfied by rendering the highest possible quality of service at the lowest possible cost. However, this is only possible if the available personnel, who should be suitably qualified to do the work, are utilised to the fullest. This, in turn, is only possible if a well-defined system of personnel administration exists which allows for the dynamics of personnel utilisation. Therefore, personnel administration may be regarded as the key activity in the efforts of institutions of all kinds to achieve determined objectives or goals (Rabie 1985:116).

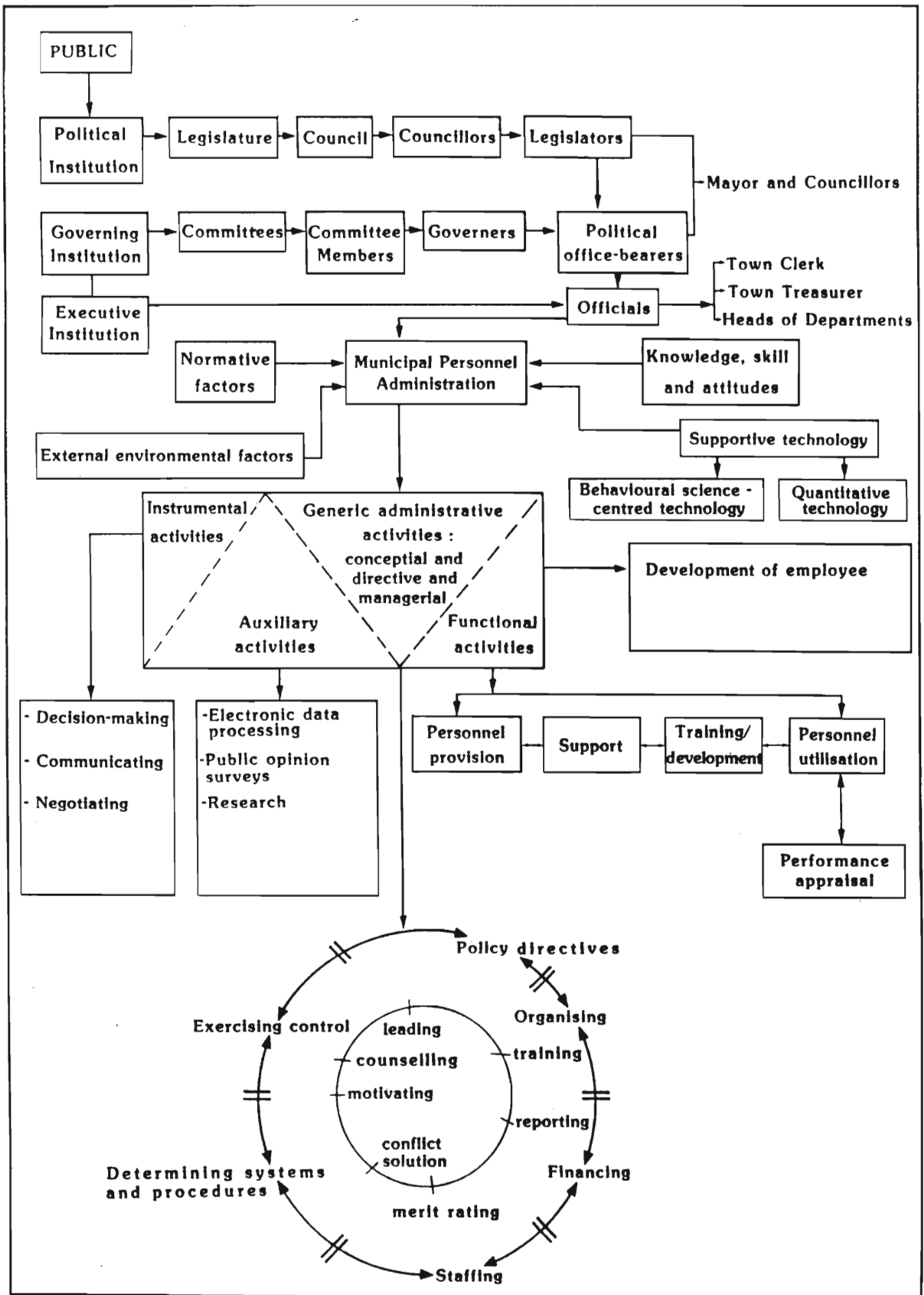
Thus municipal personnel administration may be regarded as one of the primary activities of municipal administration, because without personnel it is not possible for the municipal authority to render the necessary goods and services for the promotion of community welfare.

Therefore, it follows that the municipal functionaries,

within their institutionalised framework, direct their activities towards the achievement of predetermined goals. In doing so, the generic administrative, management, functional and the auxiliary and instrumental activities have to be carried out. These activities are seen in terms of a conceptual frame of reference to municipal personnel administration and is illustrated in Figure 1. It is evident from this figure that performance appraisal forms part of the personnel utilisation function of municipal personnel administration. As such, it is a highly skilled activity because it determines the potential and the future growth of the municipal functionaries.

It should be noted that the functional and auxiliary and instrumental activities can only be undertaken simultaneously with or after the generic administrative and management activities. The functional activities constitute four primary component activities, namely personnel provisioning, support functions, training and development and personnel utilisation. The auxiliary and instrumental activities are essential for the effective and expeditious execution of the generic administrative, management and functional activities (Cloete 1985:8). For example, in the performance appraisal function it may be necessary to gather and analyse information on the various systems of appraisal available to municipalities. It may institute an opinion survey amongst the various municipal departments on the type

FIGURE 1
MUNICIPAL PERSONNEL ADMINISTRATION:
A CONCEPTUAL FRAMEWORK



Adapted from Cloete (1991: 52-53)

of system best suited to a particular municipality.

The four activities, namely the generic administrative, the management, the functional and the auxiliary and instrumental activities shall be discussed hereunder.

2.3.1 Generic Administrative Activities

These are the enabling activities which give direction and scope to the functional and auxiliary and instrumental activities of municipal personnel administration. They constitute the following conceptual and directive functions (Cloete 1981 : 132):

- policy-making;
- organising;
- financing;
- staffing;
- determining systems and procedures; and
- control.

These functions are inter-related, inter-dependent and mutually inclusive. That is, the one function cannot operate without the other and all the functions take place at the same time, although discussions may take place separately (Cloete 1991:50). For example, if a local authority wishes to provide for the functional activity of performance

appraisal, a policy for such a system must be formulated, research must be undertaken to determine whether a uniform system would be acceptable to the municipal functionaries and decisions must be communicated clearly and unambiguously to them. Each of these functions shall be discussed briefly hereunder.

(a) Policy-making:

This process is primarily concerned with the identification of needs and the setting of goals to satisfy community needs. It also entails the statement of intention and the process by which the municipal council and its officials shall strive to attain the intended goal. Specific guidelines are provided in policy statements for the attainment of such goals (Cloete 1978:13).

Similarly, policy directives are required by local authorities for the personnel utilisation function, which comprises of appointments, salary adjustments, promotions, transfers, conditions of service, dismissals and **appraisals**. Some guidelines for municipal personnel policy are provided in acts of Parliament and provincial ordinances.

In respect of performance appraisal, policy statements include such aspects as who should do the appraisal, when it should be done (how often) and how it should be done (i.e.

by observance or interview). It also includes the procedure (of due process) to be followed should an employee find his appraisal to be unsatisfactory (Cloete 1985:137-146).

(b) Organising

This process entails the creation and establishment of the organisational unit or structure and includes, inter alia, aspects such as division of work, delegation of authority, co-ordination and determining of communication channels. These activities bring together personnel to attain specific pre-determined objectives of local authorities (Cloete 1986:78-79).

The personnel administration functions are, in principle, performed by the municipal councils. However it stands to reason that the councillors cannot perform all the functions themselves.

In a fairly small municipality, such as a town council or town board, the town clerk and his subordinates can perform the personnel functions. But in larger municipalities such as boroughs and cities, municipal personnel officers have to be appointed and where necessary assistants have to be provided. Thus a personnel section/division is created, while for the cities, municipal personnel service commissions are created. For example, the Durban Extended

Powers Consolidated Ordinance, 1976 (0.18 of 1976) provides, inter alia, for the establishment of the Municipal Services Commission consisting of not less than three members appointed by the Administrator. The City Council may delegate some of its personnel powers to this Commission.

Therefore, each local authority must determine which department or section should be responsible for the performance appraisal function. Ideally, a local authority should have a separate department or section to carry out this specialised function in order to ensure that the objectives of the performance appraisal function are being achieved efficiently and effectively. Also, the performance appraisal function will be given the full attention it deserves.

(c) Financing

The process of financing in municipal administration entails numerous activities; the primary function being the preparation of the annual budgets of income and expenditure, while some secondary functions include (Cloete 1989:127-139):

- maintaining of funds in appropriate accounts;
- maintaining of proper records for all financial transactions; and

- spending of funds in accordance with approved directives of the municipal council and as stipulated in the provincial ordinances and acts of Parliament.

Local authorities must ensure that they have sufficient funds to implement their performance appraisal system and to remunerate their employees in terms of the findings of the appraisal. Moreover, municipal officials, and more especially the municipal appraisers, must be able to publicly justify their actions. Accountability must be given as local authorities are public institutions and receive their finances, either directly or indirectly, from public funds in the form of rates, taxes or levies (Cloete 1989:127-139).

(d) Staffing

This process entails the provision and utilisation of personnel and covers, inter alia, such activities as the creation of posts, recruitment, selection, placement, remuneration, promotion, training and evaluation or appraisal of personnel (Cloete 1989:127-139).

Trained and experienced personnel (appraisers) are required to execute the specialised activity of performance appraisal. Without trained staff, performance appraisal will

not be applied effectively and it will lose its purpose. This in turn will lead to dissatisfaction amongst the municipal employees (appraisees). In this respect, the Local Government Training Act, 1985 (Act 41 of 1985) plays a significant role. In terms of this Act, the Training Board for Local Government Bodies has been established to provide the necessary training for municipal personnel.

Therefore, to respect the rights, freedom, needs and aspirations of municipal employees, policies in respect of performance appraisal must be fair and just, and must be clearly stated in policy manuals of local authorities (Cloete 1991:53).

(e) Determining Systems and Procedures

The determining of systems and procedures are essential to enable and direct officials to perform their work in an effective and efficient manner so as to attain the specific objectives of municipal personnel administration and thus, also of performance appraisal. These systems are explained and procedures are laid down in regulations, codes and manuals.

The procedures to carry out the performance appraisal function must be clearly stated, well documented and unambiguously worded. This will enable appraisers in local

authorities to perform their tasks as efficiently and effectively as possible and thus achieve the objectives of performance appraisal.

(f) Control

The exercise of control in the public sector has one objective, namely to render account in public of all the actions of public officials (Cloete 1981:184).

Control assures evaluation or appraisal of the results to ascertain whether all the activities have been performed in accordance with specific procedures and within legislative and institutional guidelines (Fayol 1973:103).

If anticipated goals are not being achieved, then control determines the corrective action necessary to remedy the situation (Dimock, et al 1983:228). For example, if the objectives of performance appraisal are not being achieved then an investigation must be carried out to determine the cause, and action must be taken to rectify the situation.

Examples of control measures are, inter alia, determining of measuring standards, written reports, inspections, auditing, cost accounting, statistical returns, instructions and programmes of work (Cloete 1981:185). Of these measuring standards, written reports, inspections, instructions and

programmes of work are most appropriate for the performance appraisal function.

2.3.2 Management Activities

In addition to carrying out the generic administrative activities, municipal officials also have to execute management activities. Within the context of municipal personnel administration these management activities include, inter alia, the following (Cloete 1991:208):

- leading;
- motivating;
- reporting;
- training;
- solving conflicts;
- merit rating; and
- counselling.

These activities are performed at the operational level in every municipal department and are directed towards the achievement of the municipal goal. The management activities together with the generic administrative, functional, and auxiliary and instrumental activities, collectively contribute towards achieving the goal of municipal personnel administration.

2.3.3 Functional Activities

Local authorities are multi-purpose institutions and as such have diversified functional activities to perform (Cloete 1989:113). The functional activities of municipal personnel administration can be divided into the following four categories (Cloete 1985:8):

- personnel provisioning which comprises of creation of posts, recruitment, placement, probation, promotion, transfer and termination of services;
- support functions which includes, inter alia, determination of conditions of service, remuneration, counselling, health, safety and welfare;
- training which consists of induction, on the job training, formal training, seminars and conferences, as well as developing employees; and
- personnel utilisation which incorporates the provision of work programmes, leadership, discipline and performance appraisal.

In order to perform the functional activities of municipal personnel administration, a municipal official must be provided with inter alia, the relevant policy directives and

the necessary financial and procedural requirements (Cloete 1991:241). For example, if the official is to conduct performance appraisal efficiently and effectively, he should be guided by clear and fair policy directives and procedures on how to conduct the appraisal (See also the paragraph on "Policy Directives" in Chapter 5).

2.3.4 Auxiliary and Instrumental Activities

These are the enabling activities which help or aid in the provision of the necessary support services to municipalities so that they may render improved and efficient services to the community. Auxiliary activities comprise of the following (Cloete 1991:223-228) :

- research;
- public opinion surveys;
- legal services;
- record-keeping;
- notification functions;
- information services; and
- provision of infrastructure and materials.

The instrumental activities may be regarded as tangential because they are performed in conjunction with the administrative, management and functional activities, and entail, inter alia, (Cloete 1991:229-235):

- decision making;
- communicating;
- conducting meetings;
- negotiating; and
- provision of: offices;
 - workshops;
 - laboratories;
 - furniture and equipment;
 - motor and other transport;
 - uniforms; and
 - stationery.

The four main activities, namely the generic administrative, management, functional and auxiliary and instrumental activities are all necessary to achieve the primary goal of a local authority, which is the efficient and effective rendering of goods and services for the promotion of community welfare.

In order to attain the goals of municipal administration, specialised component activities must be undertaken, such as municipal personnel administration, municipal financial administration and municipal health administration. Each of these fields require that the generic administrative activities, comprising of policy-making, organising, financing, staffing, determining systems and procedures and

exercising control, should be adapted to its unique environment. These activities provide direction for the achievement of functional activities of municipal personnel administration such as, inter alia, performance appraisal. The importance of the management activities, and auxiliary and instrumental activities cannot be overemphasised and are essential in achieving the goal of municipal personnel administration.

In order to attain the objective of municipal personnel administration as efficiently and effectively as possible, the municipal functionaries must possess specific knowledge, skills and behavioural attitudes, as well as understand and apply appropriate supportive technology and aids.

It is evident from Figure 1 that performance appraisal is part of the personnel utilisation function of municipal personnel administration. Therefore, it is imperative that sound public administration principles and practices be employed in municipal personnel administration so as to achieve maximum efficiency and effectiveness. These principles and practices are governed by certain legislative measures passed by Parliament. Some of the legislative measures relevant to this field of study shall be discussed hereunder.

2.3.5 Legislative Measures on Performance Appraisal

Although local authorities enjoy legislative and executive authority in order to govern and administer a municipal personnel policy, such regulations and personnel codes are subject to the approval of a higher authority, namely, Parliament. In terms of the Republic of South Africa Constitution Act, 1983 (Act 110 of 1983) Parliament is the sovereign power in South Africa and makes laws for peace and good order, and to ensure a sound government (Rabie 1985 : 120). To this extent, local authorities have to adhere to and honour the provisions of acts promulgated by the central government, as well as ordinances passed by the provincial councils. Therefore, local authorities could find themselves in the unenviable position that their personnel policy may be constructed in such a manner so as to meet the specific requirements of their electorate, but yet not be implemented as it could be in conflict with the legislation of the higher authority (Rabie 1985:120).

Municipal personnel administration is subject to the provisions of a number of acts on labour matters passed by Parliament such as, inter alia, Workmen's Compensation Act,

1941 (Act 30 of 1941), Labour Relations Act, 1956 (Act 28 of 1956), Local Government Training Act, 1985 (Act 41 of 1985), Remuneration of Town Clerks Act, 1984 (Act 115 of 1984) and Unemployment Insurance Act, 1966 (Act 30 of 1981) (Cloete 1989:148-150). However, of particular importance to this study are the Labour Relations Act, 1956 (Act 28 of 1956) and the Local Government Training Act, 1985 (Act 41 of 1985). These acts shall be discussed briefly hereunder.

2.3.5.1 Labour Relations Act

The Labour Relations Act, 1956 (Act 28 of 1956) - allows for the formation of trade unions which arbitrate on behalf of its members when disputes arise in respect of unfair performance appraisal or grievance and disciplinary procedures. A prominent trade union within the municipal environment is the South African Association of Municipal Employees founded in March 1921. In order to improve their bargaining powers, local authorities have now formed employers' associations which are registered in terms of the provisions of Act 28 of 1956. This Act is not applicable to town clerks (chief administrative officers) as they have created their own association, namely the Association of Chief Administrative Officers of Local Authorities (Cloete 1989:148-150):

If a municipal employee finds that his performance has been

appraised in an unfair, unjust or biased manner he can seek assistance from the South African Association of Municipal Employees in terms of the above-mentioned Act.

2.3.5.2 Local Government Training Act

The Local Government Training Act, 1985 (Act 41 of 1985) - provides for the training of local authority personnel. Training is necessary in any job situation, be it on-the-job training or formal training. Without acquiring the necessary knowledge and skills in performance appraisal through training, municipal officials will not be able to appraise the performance of their fellow employees efficiently and effectively. Since provision exists in terms of this Act, it is expected that municipal officials would undergo the necessary training so that they are better equipped to execute the specialised activity of performance appraisal.

From the foregoing, it can be seen that municipal personnel administration is governed by a number of acts passed by Parliament. However, each local authority has to make its own arrangements for the execution of its personnel administration functions, which includes, inter alia, the performance appraisal function.

From the aforementioned discussion, it is evident that the

functions of municipal personnel administration are multifaceted, but at the same time in keeping with the objectives of a local authority, and collectively contribute to the improvement of the quality of life of the local citizens.

The way in which personnel functions are executed depends largely on the initiative, motivation, enthusiasm and willingness of the municipal officials. Therefore, to enable officials to improve themselves and to improve their quality, the local authority must, in executing the personnel functions, appropriately provide, inter alia, a staff appraisal system which would assist the officials in the development of their potential qualities. This in turn will promote efficiency and effectiveness in the rendering of goods and services to the community. In doing so, cognisance must be taken of the guiding normative foundations of public administration which also impacts on municipal personnel administration.

The next section focuses on the normative factors pertaining to municipal personnel administration and particularly relevant to the performance appraisal function.

2.4 NORMATIVE FACTORS AND THE PERFORMANCE APPRAISAL FUNCTION

Performance appraisal is a specialised field of activity of municipal personnel administration. As stated earlier,

performance appraisal is the systematic evaluation of an employee's performance on the job and his potential for development.

It is important that municipal officials should not only concern themselves with the execution of performance appraisal, but should also strive to develop and promote an awareness of the purposes for which this unique activity is carried out. In this way, the activities constituting performance appraisal will be better acknowledged and accepted by the functionaries.

This distinctiveness demands that all employees should, apart from performing their duties in accordance with the dictates of the generic administrative, management, functional and auxiliary and instrumental activities, also observe and practise the dictates of the normative factors of public administration that govern their conduct when performing their functions.

Before proceeding to explain the normative factors pertaining to municipal personnel administration, the terms 'normative' and 'normative factors' are explained.

The term 'normative' is derived from the word 'norm'.

The Shorter Oxford Dictionary (1978:1413) defines 'norm' as

a 'rule or authoritative standard'.

The Concise Oxford Dictionary (1976:743) explains 'norm' to mean, 'requirement of a standard quantity to be produced, amount of work to be done, as well as customary behaviour'.

Isaak (1975:4) explains the term 'normative factors' as being, 'moral', 'ethical', 'what ought to be', 'the best state of affairs' and 'standards worth striving for'.

Normative factors could be defined as the specific guidelines, tenets or principles that govern the conduct of public officials when carrying out their duties (Cloete 1981:9).

From the above definitions, it could be accepted that 'normative' prescribes a specific standard of conduct or behaviour considered representative of a specific group of people. In this light, it is expected that the actions of all municipal officials charged with the promotion of community welfare must be founded on the normative factors or guidelines.

These guidelines provide the basis for correct and appropriate behaviour in the work environment in all public institutions. Consequently, municipal officials, and in particular those charged with the execution of the

performance appraisal function, must conform to the specific normative guidelines when executing their duties.

These guidelines, which are derived from the body politic of the state and the prevailing values of society are described hereunder.

2.4.1 Legislative Supremacy

Primarily 'legislative supremacy' is a phenomena prevailing in a political milieu. That is, legislation is passed by political office-bearers who are elected by the electorate to serve in the sovereign authority of the state, e.g. Parliament in South Africa. The legislature has the authority to have the final say in every matter, whether it concerns the central, the provincial or the municipal authority. This is one of the philosophical foundations of South African government and administration (Cloete 1981:9).

Parliament passes legislation which generally provides the broad parameters within which the public officials are expected to act. In other words, it determines the nature and extent of the activity of public institutions, including municipal authorities. The supreme authority over municipal affairs is vested in the municipal council by the relevant acts of Parliament and provincial ordinances. The municipal council is responsible for determining the character and

direction of the municipality. Accordingly, it is also responsible for the determination of policies, rules and regulations for the administration of the municipality.

Therefore, in the performance of their duties, the municipal officials must always bear in mind that the council has the authority to have the final say over their sphere of work. For this reason the officers are expected to carry out their functions, including the performance appraisal function, within rules, regulations and guidelines set by the council. Any deviations from the prescribed norms can only be executed with prior approval of council. For example, a municipal council, as in the case of Port Elizabeth (City Administration Department Guide:1), may prescribe that a full-scale appraisal be conducted annually and that a review appraisal be conducted every six months. Any deviation from this rule must be approved by the relevant council.

Therefore, since the municipal council is vested with authority in regard to the objectives, goals and functions of the municipality, the municipal officials must respect its 'political supremacy' status as the supreme and authoritative body of the municipality.

2.4.2 Maintenance of Public Accountability

Before discussing public accountability in municipal

personnel administration, it is necessary to briefly explain the terms 'public' and 'accountability'.

The Concise Oxford Dictionary (1964:989) defines 'public' as, 'of, concerning, the people as a whole' and 'of, engaged in, the affairs or service of the people'.

Harrap's Mini English Dictionary (1983:403) states that 'public' refers to 'people in general'.

'Accountability' is the obligation to answer for a responsibility that has been conferred. It presumes the existence of at least two parties; one who allocates responsibility and one who accepts it with the undertaking to report upon the manner in which it has been discharged (Van Rooyen 1991:125).

Cloete (1981:18) gives two explanations for this term. Firstly, a municipal official can be held responsible for a particular type of work; that is, the work is entrusted to him and he is afterwards required to give account for the manner in which he carried it out. Secondly, it can be said that a person conducts himself in a responsible way; that is, he respects the value of everything with which he comes into contact as well as those things which are of value to others, e.g. property of others. It is in this second sense that the word accountability holds meaning for the purposes

of public administration and for that matter municipal personnel administration.

Public accountability implies accountability to the public through the legislature. This does not imply that the official should act only as a mechanical apparatus bound by law and regulation to the legislature, like a cog in a wheel. But, it does mean that within the framework approved by the legislature, the official should perform his duties in such a way that it remains possible to render account for all actions (Hanekom & Thornhill 1983:139).

From these explanations, the term 'public accountability' could be explained as the need for all political office-bearers and public officials, including municipal officials, to be held accountable or answerable to the people for their actions or inactions. This means that every local authority personnel has to pursue this objective, because local authorities have been created to provide for 'elected and responsible' government. Responsible government implies that those who have been elected to perform the functions of government can be called to account at all times for the manner in which they have performed their functions (Cloete 1985:98).

In order to ensure that accountability is maintained at all times it is necessary that appropriate organisational

arrangements and control measures be devised and continually reviewed. To this end, municipal officials entrusted with performing the performance appraisal function must ensure that the function is conducted in a fair, just and unbiased manner and that factors such as patronage and nepotism are excluded. If fairness is not exercised, the municipal official can be called to account for his actions.

From the foregoing, it can be seen that accountability in personnel administration is a complex matter and the measures to ensure accountability in the performance appraisal function need to be examined and updated continually. Accountability depends on the performance standards of municipal officials. Therefore, the need for the appraisal of their performance can be justified to ensure that accountability is maintained at all times.

2.4.3 Efficiency and Effectiveness

The concept of efficiency and effectiveness are essential in all administrative actions directed at the attainment of the national goal of community welfare.

In brief, efficiency relates to the manner in which priorities are achieved with the least possible resources.

The Shorter Oxford Dictionary (1961:52) lists the following

meanings of 'efficiency':

- fitness or power to accomplish;
- success in accomplishing;
- adequate power;
- effectiveness; and
- efficacy

The Concise Oxford Dictionary (1964:389) defines 'efficiency' as

- "(being) competent, (or) capable; and
- the ratio of useful work performed to the total energy expended".

Efficiency is the quality of being effective. The word 'effective' is defined as (Shorter Oxford Dictionary 1961:49):

- having the power to act upon objects;
- that is attended with result or has an effect;
- powerful in effect, efficient, effectual; and
- concerned with, or having the function of, carrying into effect, executing or accomplishing.

According to Mundel (1983:14), the term 'effectiveness' is used to describe how well the outputs achieve the desired

goals, and how much results are obtained because of the outputs.

Hoy & Miskel (1987:274) in quoting Chester I. Barnard state that:

"Effectiveness relates to the accomplishment of the co-operative purpose which is social and nonpersonal in character. Efficiency relates to the satisfaction of individual motives, and is personal in character. The test of effectiveness is the accomplishment of common purpose or purposes; ... the test of efficiency is the eliciting of sufficient individual will to co-operate".

Mushkant (1981:36), on the other hand, elucidates the inter-relatedness of efficiency and effectiveness as follows:

"Effectiveness ... is defined in terms of accomplishment of desired objectives. Efficiency is measured in terms of the amount of resources necessary for the full or partial accomplishment of a particular goal or an objective. It is possible but not desirable to be highly efficient while achieving only a low degree of effectiveness. The ideal in practice is a high degree of both efficiency and effectiveness".

From the foregoing, it can be deduced that efficiency and effectiveness relate to the means and ends that are essential in accomplishing the goals or objectives of an institution. In the case of local authorities it is the satisfaction of the needs of the community with the limited resources available at their disposal. Therefore, it is incumbent upon all municipal officials to ensure that the

available resources are used to provide goods and services that are considered to be 'priorities'. That is, priorities are set for each task, and by using the available resources as efficiently and effectively as possible, optimal results can be obtained and each need can be satisfied according to its urgency (priority) (Cloete 1981:32).

Inherent to this preamble, is the maintenance of efficiency and effectiveness as an ongoing process in municipal government and administration. In order to achieve this it is necessary to have trained and qualified personnel who have the necessary skills, knowledge, abilities, motivation and the will to work, in carrying out the objectives or goals of the municipality as efficiently and effectively as possible (Rabie 1985:127).

It is also necessary that municipal officials should evaluate their performances regularly to establish whether they are still sensitive to the many variables influencing the direction of the council's activities. In evaluating his abilities, a municipal official should establish whether he possesses, inter alia, sufficient inherent willpower and motivation to overcome any difficulty in reaching the council's goals; that is, to persevere and be optimistic, to have the ability to keep cool despite provocation and to deal calmly with people of all kinds and temperaments. Furthermore, he should have the ability to foresee the

consequences of his own actions and that of his subordinates (Rabie 1985:127-128).

Thus, the main concern of a municipal council is that all the diversified activities undertaken by the municipality should be co-ordinated in order to facilitate the efficient and effective utilisation of resources, especially personnel resources. The successful operation of the municipality depends not only on the quality of people employed, but also on the quality of their performance, which in turn is dependent on the successful application of a performance appraisal system.

2.4.4 Respect for Community Values

One of the goals mentioned in the preamble to the Republic of South Africa Constitution Act, 1983 (Act 110 of 1983) is that local authorities must contribute to the upholding of Christian values and civilised norms. Christian values may be interpreted to mean *generic religious values* which are guaranteed by 'recognition and protection of freedom of faith and worship' (Cloete 1985:99).

Hoy & Miskel (1987:218-250) give the following explanations to the term 'value':

- generally values define the ends of human behaviour;

- values are shared conceptions of what is desirable;
- they are reflections of the underlying assumptions of culture; and
- values often define what members should do to be successful in an institution.

Values are constitutive of man's personality as well as of the culture in which he operates. Values provide the standards by which he lives, are the basis of his preferences and decisions, and may even give direction and meaning to everything he does (Hanekom & Thornhill 1983:120).

From these definitions and explanations, it emerges that values play a significant role in the existence of man (and the community at large). It shapes his behaviour, the manner in which he lives and his standard of living. Therefore, all actions concerning public affairs have to take cognisance of community values. After all, man's existence is governed by his own values and the values of the culture in which he operates.

In addition, as a social entity the local authority must strive to facilitate human interaction. It must develop, maintain and improve an environment which is conducive to a constructive social interaction and cultural development. That is, it must harmonise relationships amongst racial,

ethnic, religious and economic groups; it must generate a healthy economic climate; and, in general, promote the enrichment of human life. Local government must be willing and prepared to meet this changing pattern of popular demand. It is in part the failure to respond to such demands, which manifest themselves, that account for the uncertainty and dissatisfaction plaguing much of South African urban life to-day (Botes 1976:91).

In solving routine work problems with a balanced mind, the municipal official must be able to identify, gather and analyse data and take the right course of action with due regard to community values on the one hand and safeguarding the image of the local authority on the other. If this objective is not being achieved it will be highlighted in the performance appraisal interview with the municipal official and corrective action can be taken.

2.4.5 Ethical Standards

The Concise Oxford Dictionary (1976:355) explains 'ethics' as, inter alia, 'a set of principles or morals and rules of conduct'.

Thomas (1978:141) argues in this regard that ethics "differs from morality in that conduct may be described as 'moral' when it is maintained or observed as a fact, but conduct

becomes 'ethical' as it rises from fact to ideal".

Hays & Kearney (1983:290-291) define ethics as:

"... 'right conduct', action that can be justified with individual and social standards of right and wrong. Since all public administration is concerned with the complex world of governance, it is necessary to add to our definition the concept of appropriateness : ethics is by nature situational insofar as right conduct means right conduct in particular situations of administration. Ethics may be based upon moral belief, but the test of ethical conduct is being able to act and be decisive in difficult contexts of action".

From these definitions, it is clear that 'ethics' pertains to the ideal conduct of public officials to ensure that their actions uphold such values as required of them and are directed towards the good of the community. As public actions should be rationally defensible, decisions will have to take cognisance of facts to which values or ideals have to be added. That is, decisions should not be based on values or ethical considerations alone.

A Code of Conduct for Local Authorities in Natal was drawn up by the Browne Committee, appointed by the Administrator-in-Executive Committee (Hanekom & Thornhill 1983:122). This code of conduct details the responsibilities of councillors in relation to councils, the officials of councils and the public (Cloete 1989:66) "

The City Council of Johannesburg similarly published an

Ethical Code as recommended by the Institute of Town Clerks of Southern Africa. This Code consists of two parts. Part A is similar to the code of conduct applicable to councillors in Natal, mentioned above. Part B refers to what a local government official should do. For example, within the context of the performance appraisal function, a municipal official should:

- act fairly, justly, and with courtesy and proper efficiency to all members of the public;
- act in accordance with the laws, rules and regulations applicable to his local authority; and
- be loyal to the local authority employing him and to serve it to the best of his ability (Hanekom & Thornhill 1983:122-23).

In 1987 the United Municipal Executive of South Africa (UME) adopted a Code of Conduct for Local Authorities, which states (Cloete 1989:67):

"the primary object of this code is to provide councillors and officials as well as ratepayers who may be interested with guidelines, as to what, from an ethical point of view, is expected of them in so far as their personal behaviour and mutual relationships are concerned". It is stated further that the "basic premise of the code is simply that every councillor and official, when he or she assumes duty at the same time assumes a very special responsibility to his or her local authority and fellow citizens and that this

responsibility should be scrupulously carried out. Personal interest cannot be permitted to play a part in matters concerning the interest and welfare of the community as a whole, and it is the duty of everyone to avoid situations which may require them to compromise their conscience or good name. It is also the duty of everyone not to do anything which may compromise a fellow councillor or official in a like manner".

From the foregoing, it suffices to say that not only councillors and officials, but all municipal personnel must display positive, good, honest and right characteristics in performing their duties. They must not allow themselves to be influenced by unethical practices such as corruption, nepotism and nonconformity. Trust and loyalty are of paramount importance as they are engaged in activities that have a direct bearing on human lives. Therefore, they should always question their actions and evaluate their performance regularly to ascertain whether they are in fact ethically correct and are functioning in the interests of the local authority and the community. Once again, any negativity in this regard will be highlighted in the appraisal interview and the municipal employee can be advised to corrective action.

2.5 SUMMARY

Municipal administration is a specialised field of public administration and is concerned with the provision of municipal goods and services to ensure an acceptable quality

of life. The municipal environments, such as external, political and internal, are influenced by numerous factors such as, inter alia:

- constitutional, statutory, economical, social, historical, cultural and spatial;
- voters, pressure and interest groups, political parties, news media and sporting bodies; and
- rules and regulations, respectively.

These factors create a complex environment within which the municipal authority must recognise, identify and find solutions to the numerous problems faced by the local community. This is determined by the quality of performances executed by municipal personnel.

Municipal personnel administration is a sub-field of municipal administration and is concerned with the optimum provision and utilisation of personnel resources. Within the context of personnel administration is the important function of performance appraisal. The performance appraisal function measures the quality of performance.

Therefore, it is necessary for municipal officials to direct their activities towards the achievement of predetermined

goals, and in so doing, the generic administrative, management, functional and auxiliary and instrumental activities have to be carried out.

The manner in which the quality of performance can be measured is through an appraisal system. Therefore, it is important for local authorities, and more specifically for municipal personnel administration, to adopt a just and viable performance appraisal system. It is only through performance appraisal that the ability and quality of personnel can be ensured.

In addition to displaying good abilities and qualities, it is also incumbent upon municipal personnel to serve in the best interests of the community as efficiently and effectively as possible. In so doing they must bear in mind the guidelines emanating from the normative factors, of which the following are considered to be of paramount importance to this study, namely, legislative supremacy, public accountability, efficiency and effectiveness, respect for community values and ethical standards.

The supreme authority over municipal affairs is vested in the municipal council by acts of Parliament and provisional ordinances. All policies, rules, regulations and by-laws of a local authority are determined by the municipal council. Therefore, the municipal officials must carry out their

functions, including the performance appraisal function, within the rules, regulations and guidelines set by the council to attain predetermined objectives.

Accountability in the performance appraisal function is necessary to ensure that the function is carried out in a fair, just and unbiased manner and that it is free from patronage and nepotism. If these factors are not adhered to, the municipal official can be called to account for his actions. The measures necessary to ensure accountability in the performance appraisal function must be reviewed continually.

The maintenance of efficiency and effectiveness as an ongoing process in municipal personnel administration is necessary to ensure that the municipal officials are achieving the goals of the local authority as required by the municipal council. In order to ascertain that the municipal officials are functioning efficiently and effectively it is necessary to evaluate their performance regularly. This will ensure that they have the required training, skills, knowledge, abilities and the inherent willpower and motivation to overcome any difficulty in reaching the council's goals.

It is required of local authorities, as a social entity, to facilitate human interaction and cultural development.

Therefore in carrying out their daily routine activities, the municipal officials must take decisions with a balanced mind and with due regard for community values. That is, he must ensure that his actions are aimed at the attainment of goals established in accordance with community expectations.

It is also required of municipal officials to maintain ethical standards in the execution of their duties. That is, they must display a positive attitude and ensure honesty and integrity in the performance of their duties. They must not be influenced by unethical practices such as corruption, nepotism and nonconformity.

It is evident from the aforementioned that municipal personnel play a vital role in ensuring the achievement of municipal goals. To this end the evaluation of their performance is highly crucial.

The next chapter, therefore, focuses on the theoretical perspectives of the performance appraisal function.

CHAPTER 3

THEORETICAL PERSPECTIVES OF THE PERFORMANCE APPRAISAL FUNCTION

3.1 INTRODUCTION

The performance appraisal function falls within the ambit of municipal personnel administration. The impact of performance appraisal in local authorities is considered crucial, as municipal personnel are expected to achieve their goals as efficiently and effectively as possible with limited resources. To this end, the performance appraisal function provides the basis for personnel evaluation in relation to work performance. Therefore, an understanding of the nature and scope of the performance appraisal function is an essential part of this study.

In this chapter the theoretical perspectives of the performance appraisal function shall be discussed within the following context:

- objectives;
- purposes;
- characteristics;

- approaches;
- problems;
- interviewing; and
- training.

3.2 OBJECTIVES

The determination and setting out of objectives is essential in any field of study to provide clarity and direction (Clarke 1984:296). The objectives of the performance appraisal function must provide guidelines which contribute positively to the overall goals of the institution. There are a plethora of objectives of the performance appraisal function. The more pertinent objectives are discussed.

There are three basic objectives of the performance appraisal function, namely, to provide information for salary administration, to provide information for promotion and to improve performance on the present job. These objectives and their relationship to the performance appraisal function are discussed hereunder (Kirkpatrick 1982:19-20):

3.2.1 To Provide Information for Salary Administration

Salient factors that should be considered to determine salary increases are :

- the employee's performance, which could be measured by actual results or by results compared to objectives;
- the degree of improvement in performance since the last salary increase;
- the minimum and maximum salary range for the job and where the employee's salary is presently located in the range;
- a comparison of the employee's performance and salary to that of others doing the same or similar jobs; and
- the salary that other institutions are paying employees in the same or similar jobs.

3.2.2 To Provide Information for Promotion

Many programmes include the appraisal of potential as well as performance. Past performance is a good indicator of potential performance in the future. This determines the ability to perform higher-level jobs if the present and future jobs are very much the same. Other factors to be considered are desire, intelligence, personality, emotional stability and leadership skills. An individual may be an outstanding performer and yet not be promotable because the

requirements for success on the present job are different from those for the higher-level job. Similarly, an employee may be performing a job at an average or even unsatisfactory level, but still be promotable because the necessary knowledge and skills are entirely different.

3.2.3 To Improve Performance on the Present Job

The third objective of the performance appraisal function is to improve performance on the present job. To achieve this, past performance is reviewed, and steps are taken to improve future performance.

Some institutions have specially designed programmes to accomplish all three objectives. Moreover, such programmes often fail to accomplish the third one, which is to improve performance on the present job. The main reason is that there is so much emotion involved in the discussion of salary and promotion that it is not possible to be objective about ways to improve present performance.

The primary objectives of the performance appraisal function can be listed as follows (Cloete 1985:137-138):

- (i) Establishing and listing performance standards expected of each member of specific groups of personnel. Such performance standards should be

linked to the overall objectives of the institutions which employ the personnel. Both the quantity and the quality of work expected should be mentioned in the list of standards.

- (ii) Improving the performance of individual employees by identifying shortcomings in their conduct and performance at work. Such shortcomings should be put in writing and employees should, through counselling, be assisted to improve their conduct and performance.

- (iii) Improving, by testing in practice, the requirements for appointment and promotion; for example, testing of the utility or shortcomings of specific qualifications, examinations, training methods and placement practices. Existing maladjustments can thus be identified and eliminated by means of corrective measures.

- (iv) Determining of objective foundations upon which personnel actions can be based. For example, the selection of candidates for promotion, routine or special salary increases, identifying individuals who deserve special awards, and identifying groups who excel or are unsatisfactory performers.

According to Anderson, Young & Hulme (1987:44), a case study on the performance appraisal function was carried out by a major British public sector institution, namely, the Strathclyde Passenger Transport Executive (SPTEx). This institution is responsible for operating the municipal bus service in the Glasgow area. It has a fleet of 900 buses and about 3500 employees. The objectives of this performance appraisal function were found to be future-orientated, namely, to:

- (i) improve effectiveness by encouraging the setting of job targets jointly by employees and their managers, against which future performance can be assessed; by encouraging managers to consider and determine with their employees what additional skill requirements are necessary to meet present job demands and future job demands, arising from, for example, changes in technology and legislation; and by encouraging managers to consider employee succession.
- (ii) alert managers to constraints which may be inhibiting employee performance.
- (iii) give employees a better appreciation of their managers' expectations of their performance and, at the same time, acquaint managers with

subordinates' expectations of them.

- (iv) improve employee job satisfaction through the activation of the first three objectives.

The study found that the main objective was to improve performance in the present job. There has been no intention to link the performance appraisal function to pay or to other tangible rewards or penalties (Anderson, Young & Hulme 1987:44).

Croswell (1991:11) aptly summarises the objectives of the performance appraisal function as follows:

- clarifies performance standards;
- increases trust and communication;
- provides feedback on strengths and weaknesses;
- guides the employee to improved performance;
- develops the employee for greater responsibility; and
- provides input to the process of establishing increments based on merit.

The setting of performance objectives requires the involvement of both supervisor and subordinate. The objectives relate to the performance dimensions that come from the job duties; that is, objectives are specific outcomes or desired results from the incumbent's workplace

behaviour (Croswell 1991:12). For the objectives to be valuable to both the employee and the institution, they must be understood and accepted by the employees and must fit into the overall purposes of the institution. In addition to identifying results that are observable, the objectives should be reasonable, preferably in quantitative terms, although qualitative measurements are acceptable in some cases.

The primary objective of the performance appraisal function is to have an appraisal process that is fair and effective, and which can improve morale and staff performance. Tools such as interviews, questionnaires, policies and procedures are a means to an end (Brown 1988:4) - the end being that staff members believe their accomplishments are recognised, that they are justly rewarded, and that they have an opportunity to improve professionally. The ultimate goal is to ensure that the environment and the quality of the employee are as good as circumstances permit (Brown 1988:4).

In order to achieve the objectives of the performance appraisal function, it is important that the activity is undertaken in an orderly and continuous basis. The results of the performance appraisal function must be recorded meticulously and used purposefully. If the performance appraisal function is conducted as a routine activity without clear goals and without active use of the results

obtained, it is wasted effort. Therefore, the performance appraisal function serves many purposes, and these are discussed hereunder.

3.3 PURPOSES

A systematic performance appraisal function has been adopted by many institutions as a means of helping supervisors to evaluate the work of each employee. This activity has been used most frequently as a basis for selecting candidates for promotion to better jobs or for making 'merit' increases in salaries. They are also useful as a check on the success of recruitment, selection, placement and training procedures. In particular, the performance appraisal of 'new employees' can help determine whether they should be retained at the end of the probationary period (Pigors & Myers 1977:269).

According to Halloran (1983:365) the purpose of the performance appraisal function can be categorised into the administrative and the informative purpose. These shall be briefly discussed hereunder.

3.3.1 The Administrative Purpose

In this regard the performance appraisal function is useful to management as it provides a method of allocating the personnel resources of an institution. The function

provides the basis for determining who should be promoted, transferred or terminated. In some institutions, salaries are determined by the performance appraisal function. They also compel the supervisors to do some constructive thinking about the productivity and value of their subordinates and themselves (Halloran 1983:365).

3.3.2 The Informative Purpose

This purpose serves to inform the employee of the following:
(Halloran 1983:365)

- how he is doing his job;
- what the institution expects from him;
- what he can expect from the institution; and
- what aspects of his work need improvement.

It is a way of helping each employee to perform his present job more efficiently and effectively and also to prepare him for possible advancement and promotion (Halloran 1983:365).

In addition to the administrative and informative purposes, Ralph (1980:145) focuses on the behavioural purpose. This purpose entails behavioural changes which the employee must bring about himself. But the institution, nevertheless, has a great deal of interest in them, because the employee's job behaviour must change for the better or contribute in a

greater way to the institution's interest. It is assumed that the promise of administrative rewards or threat of administrative punishments will effect such change. Although the administrative and behavioural purposes are related, they are distinct in character, and if they are treated as distinct then there is a greater possibility of designing an optimum system (Ralph 1980:145). This concept is depicted in Figure 2.

The distinction between the administrative and behavioural purposes become clearer when the process of these purposes are scrutinised. The behavioural ends require feedback. Performance is appraised and then communicated back to the performer. Without this, change is not expected to take place or will take place randomly (Ralph 1980:146). This process is illustrated in Figure 3.

Administrative purposes, on the other hand, have a different flow. While the evaluator may recommend administrative actions by way of submitting reports, he rarely has the authority to implement them. The authority rests with management. This process is illustrated in Figure 4 (Ralph 1980:146).

In addition to the aforementioned, the following purposes of the performance appraisal function are propounded :

FIGURE 2
PURPOSE OF PERFORMANCE APPRAISAL SYSTEMS

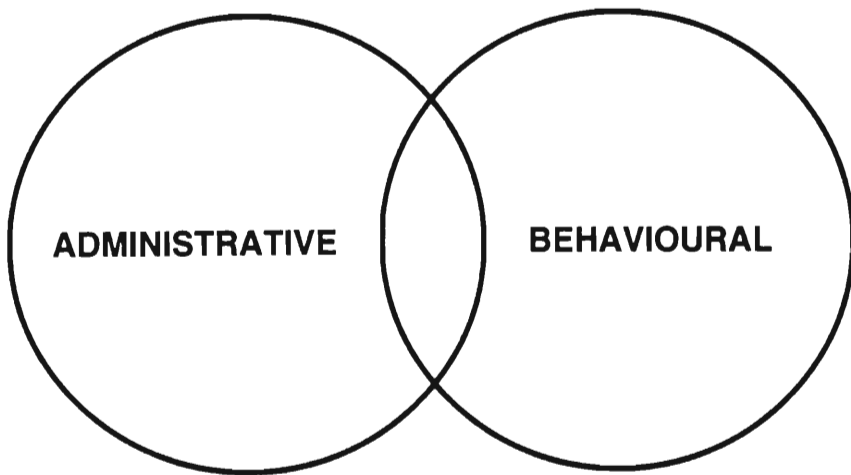


FIGURE 3
PERFORMANCE APPRAISAL TO ACHIEVE
BEHAVIOURAL ENDS

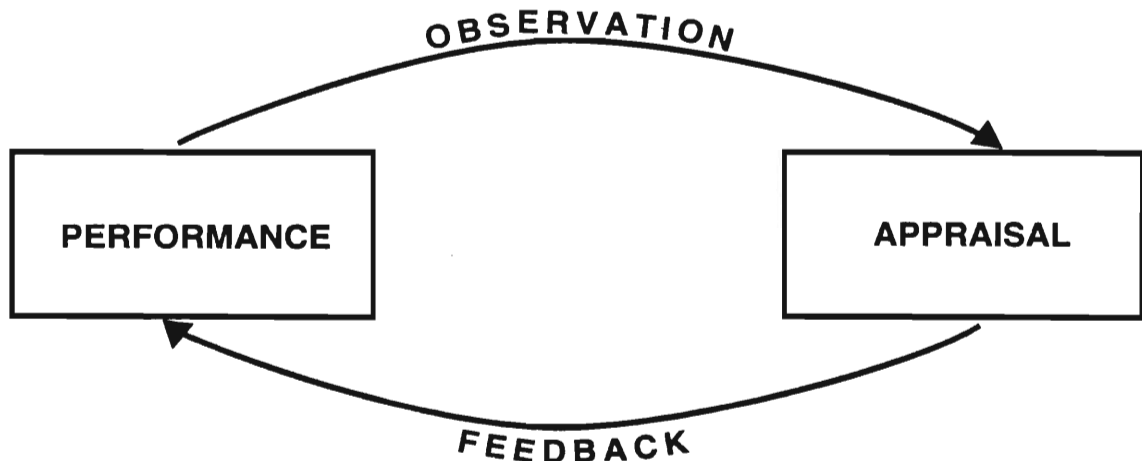
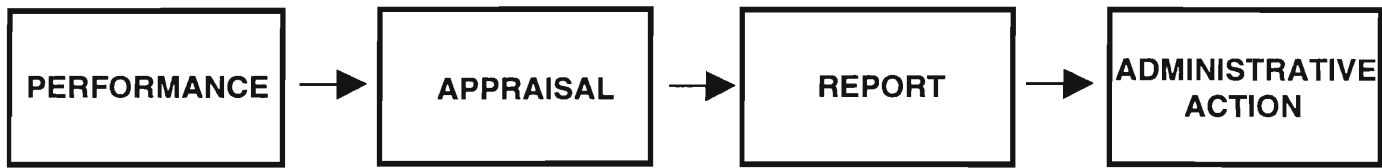


FIGURE 4

PERFORMANCE APPRAISAL TO ACHIEVE ADMINISTRATIVE ENDS



3.3.3 Development

The performance appraisal function can determine which employees need more training and it helps to evaluate the results of training programmes (Ivancevich & Glueck 1989:325). It also helps the subordinate-supervisor counselling relationship, and it encourages supervisors to observe subordinate behaviour to help them and to do a better job of coaching (DuBrin 1981:116).

3.3.4 Reward

It helps the institution to decide on pay increases, promotions and layoffs (Ivancevich & Glueck 1989:325). It reinforces the employee's motivation to perform more effectively by providing feedback on performance (DuBrin 1981:116)

3.3.5 Motivational

The performance appraisal function encourages initiative, develops a sense of responsibility, and stimulates effort to perform better (Ivancevich & Glueck 1989:325). It provides information for human resource planning by identifying individual contributors and supervisors with potential for assuming additional responsibility (DuBrin 1981:116). It also helps to strengthen the employee's personal commitment

to the job (Anderson et al 1987:45).

3.3.6 Personnel and Employment Planning

It serves as a valuable input to skills inventories and personnel planning (Ivancevich & Glueck 1989:325). It helps the subordinate to analyse his own strengths and weaknesses and to relate them to his performance. It also creates a base from which a successful management development programme may emerge (Anderson et al 1987:45).

3.3.7 Communication

The performance appraisal function is a basis for ongoing discussion between superior and subordinate about job-related matters. Through such interaction both parties get to know each other better. In this manner the performance appraisal function serves as a communication function (Ivancevich & Glueck 1989:325).

Tyer (1982:204) & Hyde (1982:294) summarise the purposes of the performance appraisal function as follows :

- promotions, demotions and/or layoffs;
- manpower planning and utilisation;
- identification of goals, objectives and performance standards;

- salary adjustments;
- communication between supervisors and subordinates;
- determination of management development needs;
- updating position description;
- validation of selection and promotion procedures;
- facilitating personal and career growth; and
- satisfying legal demands for equitable treatment of employees.

Therefore, it can be stated that the major purposes of the performance appraisal function are to help make administrative decisions related to compensation, promotion, retention and discharge; to aid in performance counselling and training, and to aid in the development of employees. Many institutions also use performance appraisals for human resource planning purposes, as input into employee information systems and for validation of selection procedures.

From the aforementioned, one can conclude that a properly constructed and maintained performance appraisal function can contribute to employee effectiveness by providing feedback about specific strengths and weaknesses, documenting the fairness of administrative personnel decisions, providing information to guide employee training, development, and placement programmes, and enhancing feelings of responsibility on the job. Since institutional

effectiveness is strongly influenced by individual effectiveness, it is obvious that a good performance appraisal function can improve the overall efficiency and effectiveness of the institution.

3.4 CHARACTERISTICS

A performance appraisal function has clearly identifiable common characteristics and can serve a variety of purposes. The following key characteristics can be identified :

- (a) Participation: high level employee participation results in employees being satisfied with both the appraisal process and the supervisor's observations (Latham & Wexley 1982:150-151). Supervisors and subordinates co-ordinate the development of the appraisal system and monitor its effectiveness (Brown 1988:7).
- (b) Acceptance: of the appraisal process and the supervisor's observations by the employee leads to the supervisor being supportive of the employee (Latham & Wexley 1982:150-151).
- (c) Goals: supervisors and subordinates engage in an ongoing process of setting goals and providing feedback rather than depending only on a once-a-year appraisal

session (Brown 1988:7). Great improvement in performance is achieved by the setting of specific goals with the subordinate (Latham & Wexley 1982:150-151).

- (d) Discussing problems: about the employees current job performance and working toward solutions has an immediate effect on productivity (Latham & Wexley 1982:150-151). The appraisal interview focuses on problem solving and staff development (Brown 1988:7).
- (e) Criticisms: the number of criticisms in an appraisal interview correlates positively with the number of defensive reactions shown by the employee. There appears to be a chain reaction between criticisms made by the supervisor and defensive reactions shown by the subordinate, with little or no change in the subordinate's behaviour (Latham & Wexley 1982:150-151).
- (f) Opinions: if employees are allowed to voice opinions during the appraisal interview, they will be satisfied with the appraisal (Latham & Wexley 1982:150-151).

Croswell (1991:12) has summarised the characteristics of the performance appraisal function as follows:

- performance appraisal is ongoing rather than an event;

- it is participative;
- it is a two-way communication;
- performance appraisal interview takes place face to face;
- appraisal is based on performance criteria and not on personality traits;
- it provides a balanced feedback;
- it is based on job-relevant behaviour;
- it is future oriented;
- it separates performance from potential; and
- appraisal is based on employee's performance and is not compared;

It is evident that, for the performance appraisal function to operate, it has to have certain important characteristics. Without these it is highly probable that its efficacy could be questioned. In carrying out the performance appraisal function numerous approaches are used and these shall be discussed hereunder.

3.5 APPROACHES

Over the years a variety of approaches to appraising performance have been developed by different authors.

According to Hays & Kearney (1983:120-121) these approaches may be grouped around four key factors, namely, timing of

appraisals, the evaluator, factors selected for appraisal and the system or technique of appraisal.

3.5.1 Timing of Appraisals:

This refers to the frequency of formal appraisals. Some institutions appraise employees once a year, while others may appraise more often (usually twice a year).

3.5.2 The evaluator (or rater):

This is usually the employee's immediate supervisor. However, in some institutions supervisory ratings may be reviewed by higher-level administrators or additional appraisal may be done by other evaluators, such as:

- (a) a committee of other supervisors;
- (b) one's peers or fellow workers;
- (c) subordinate appraisal of supervisory personnel; and
- (d) self-appraisal by the employee.

3.5.3 Factors selected for appraisal:

These are of two basic types. The one is trait or person-based appraisal, and the other is performance-based appraisal. The trait-based appraisal is the most common and consists of an appraisal of general factors such as

personality traits and general skills or duties that are not unique to a particular individual or job series based upon specific job requirements or performance standards.

Performance-based factors refer to appraisals that focus upon work behaviour and the results accomplished by an employee. The factors are being adopted increasingly for ensuring a better administrative practice.

3.5.4 The system or technique of appraisal:

This is also of several varied types and differ widely in terms of the purpose they serve best and their administrative efficiency. However, there is a tendency for one or two systems to be used predominately by institutions, such as graphic rating scales, paired comparison, behavioural anchored rating scales and management by objectives. The different types of appraisal systems are discussed in detail in Chapter 4.

Mathis & Jackson (1979:298-307) have also indicated four basic approaches to performance appraisal. These are as follows:

- subordinates rating their superior,

- group methods,
- superiors rating their subordinates, and
- a guided self-appraisal by the employee through the use of the management by objectives (MBO) system of appraisal.

These approaches are discussed briefly hereunder.

3.5.5 Subordinate Rating Approach

This is the most common method being used increasingly in many institutions. The results are used to help supervisors improve themselves or to help assess a manager's leadership potential (Mathis & Jackson 1979:298-307).

There are advantages to this approach. For example, in situations where the supervisor-subordinate relationship is critical, the subordinate's rating can be useful in identifying competent supervisors. It can also help the supervisor to become more responsive to subordinate needs (Mathis & Jackson 1979:298-307).

There are also certain disadvantages. For instance, the supervisor may not be able to manage his subordinates properly but tries only to be good to them. Such persons, without other qualifications, are not good managers. Also supervisors may react negatively to being evaluated by

subordinates. On the other hand subordinates may be afraid of victimisation and as a result they may not provide realistic ratings on their supervisors. Furthermore, the subordinates may resist rating their supervisors because they do not see it as part of their job (Mathis & Jackson 1979:298-307).

3.5.6 Group Rating Approach

This approach can be categorised into two types, namely, group rating by superiors and group rating by peers. These approaches shall be discussed briefly (Mathis & Jackson 1979:298-307).

(a) Group Rating by Superiors

This can either be by committee appraisal or multiple rating system. In the committee appraisal more people know and watch the individual being rated and therefore, more information is made available on that person. This is particularly useful to the institution for promotions or future job placements. The multiple rating approach requires several superiors to separately fill out rating forms on the same subordinate. The results are then tabulated to establish an appraisal for the subordinate.

(b) Group Rating by Peers

The use of peer groups as raters is a special type of group performance appraisal approach and is often carried out on an individual basis to avoid conflicts. This approach is seldom used in a committee form, for example, if a group of workers met as a committee to talk about each other's ratings, then future work relationships might be impaired, the quality of the ratings may be diminished and the possibility of conflicts and alliances will be increased. Therefore, the peer rating approach is best used by summarising individual ratings.

3.5.7 Superior Rating of Subordinates

The third basic approach to appraising suggests that the supervisor is the most qualified person to evaluate or appraise a subordinate's performance on the job more realistically, objectively and in a fair manner. A major reason for this is that the supervisor has a better understanding of what the subordinate should be doing and of the processes he should be using to achieve a certain output. An ideal situation is one in which every subordinate should have only one supervisor. This is referred to as the 'unity of command' (Mathis & Jackson 1979:298-307).

3.5.8 Guided Self-appraisal Approach

A fourth basic approach to appraisal is a system of guided self-appraisal called management by objectives (MBO). It is often used to appraise the performance of managers or higher-level supervisors. MBO specifies the results and performance goals which an individual hopes to accomplish within a specified time. The objectives each manager sets are derived from and are consistent with the overall objectives of the institution (Mathis & Jackson 1979:298-307).

Self-appraisal involves participative goal setting. It requires employees to develop their own goals which would assist the group and the institution as a whole. Setting goals and then analysing successes or failures in goal achievement provides participating employees with valuable opportunities for self-appraisal. This is especially valuable for self-development and for the identification of training and development needs. It permits the employee to assess personal potential and to verbalise his desires for lateral transfer or future promotions (Henderson 1980:170).

Latham & Wexley (1982:152-154) and Jackson & Keaveny (1980:197-198) have listed three approaches to performance appraisal. These are:

- tell and sell;
- tell and listen; and
- problem solving.

These approaches shall be discussed briefly hereunder. (Latham & Wexley 1982:152-154 and Jackson & Keaveny 1980:197-198).

3.5.9 Tell and Sell

The purpose of tell-and-sell is to let employees know how well they are doing (tell), and to persuade the employees to set specific goals for improvement (sell). This approach maximises goal setting and criticism. It is effective for increasing the performance of trainees as well as experienced employees who have been socialised to accept authoritarian leadership. In addition, this approach is efficient in that it takes less time to conduct. However, in this approach the supervisor assumes the role of a judge and approaches the appraisal interview as a one-way communication process. He points out what is right or wrong with the subordinate's performance and specifies solutions to any perceived deficiencies. Since the supervisor does not give the subordinate an opportunity to explain his point of view, this approach can lead to arguments, rejection of the supervisor's recommendations for improvement, and possible outright rejection of the performance appraisal.

3.5.10 Tell and Listen

The purpose of the tell-and-listen approach is to communicate the supervisor's perception of the employee's strengths and weaknesses, and to let the employee respond to these. This approach maximises employee satisfaction with the process. The supervisor actively listens to the employee's attitudes and feelings, encourages the subordinate to speak, paraphrases the employee's statements to ensure understanding and summarises the employee's feelings at the end of the interview. In this way, the subordinate may be more receptive to the results of the appraisal and the suggestions for improvement. Also, the supervisor may discover additional information which could affect both the appraisal and the plan for individual development. But since no specific goals are set there is little subsequent change in the employee's performance.

3.5.11 Problem Solving

This approach allows for :

- employee participation in the appraisal;
- discussing and solving employee problems; and
- setting specific goals.

It combines the steps mentioned in the tell-and-sell and the

tell-and-listen methods and outlines the steps for conducting an effective appraisal. The problem-solving approach is particularly appropriate for peer ratings or self-appraisals because it minimises the role of the supervisor as a judge and at the same time maximises his role as a counsellor; that is, he becomes more a helper than a critic. This approach is effective because by using peer rating or self-appraisal methods a supervisor can focus more attention on ways of helping the subordinate to overcome a problem. The subordinate will also be more committed to implementing the decisions of the appraisal.

The problem-solving approach requires the subordinates to be objective in their self-appraisals and the supervisors to have insight and be good psychologists. The subordinates should also be active participants in suggesting ways to improve performance.

According to Schneier & Beatty (1978:163-164) it is important to compare approaches with the following items before an ideal approach is selected:

- objectives;
- psychological assumptions;
- role of interviewer;
- attitude of interviewer;
- skills of interviewer;

- reactions of employee;
- employee's motivation for change;
- possible gains;
- risks of interviewer; and
- possible results.

It is also important for the rater to ensure that he uses the correct approach for a given situation. This decision could be influenced by whether he wishes to perpetuate existing institutional values or to stimulate initiative from below.

3.6 PROBLEMS IN APPRAISAL

In spite of its deceptive simplicity, its many useful purposes and its underlying objectives, the performance appraisal function, nevertheless, has many problems (Pigors & Myers 1977:272). The main reason for these problems is that the supervisors are reluctant to take the time and trouble to prepare the periodic appraisals of their subordinates, and more especially to discuss the results with them. This reluctance is due to the fact that supervisors feel uncomfortable when placed in a position of being judge (Pigors & Myers 1977:272).

Another reason is that in practice performance appraisals are made, recorded, filed and forgotten. Later personnel

decisions are then made without reference to these appraisals, despite the fact that the whole purpose of performance appraisal is to improve employee performance and to reward such improved performance by promotions, favourable transfers and merit salary increases (Pigors & Myers 1977:272).

Since the performance appraisal function is conducted by people it is frequently subject to a number of errors and weaknesses. The common problems are discussed below under separate headings.

3.6.1 Contamination, Deficiency, Irrelevance and Improper Weighting

The concepts of contamination and deficiency are potential problems with criteria such as records of quantity and quality of output, absences, tardiness, overtime and reprimands (Sauser 1980:14). Employees are often rated on performance factors which are not always completely under their control, such as attendance and quantity of work (Sauser 1980:14). Some appraisal forms also do not include major components of jobs, and therefore, employees may not get credit for performing essential functions (Sauser 1980:14). Irrelevancy occurs when supervisors are forced to rate personality traits of their subordinates, which they believe have no relationship to job performance. This

results in a distorted representation of the employee's true value to the institution (Sauser 1980:14).

3.6.2 Lack of Objectivity

Some supervisors rate their subordinates on the basis of hearsay, first impressions or randomly observed behaviour (Sauser 1980:14). Such practices defeat the purpose of the performance appraisal function. Other supervisors allow biased factors such as the employee's age, sex, race, appearance or personality to affect their appraisals (Sauser 1980:14). This is also improper. Appraisal should be based on first-hand observations of actual behaviours on the job, otherwise they will lack the objectivity essential for a fair performance appraisal system (Sauser 1980:14).

3.6.3 Lack of Standardisation

Interpretation of appraisal statements differ from appraiser to appraiser (Sauser 1980:14). For example, they may not agree on the definition of 'ability to communicate'. Furthermore, what one may see as 'excellent' performance may only be 'fair' to another. Therefore, the appraisal process may be influenced by the appraiser's interpretation of the statements on the appraisal form rather than by the employee's actual job performance. Thus, it is essential that the appraisal form be designed in such a way that all

appraisers can interpret it in the same manner so that meaningful data can be obtained about employee performance (Sauser 1980:14).

3.6.4 Opposition to Appraisal

Most employees fear performance appraisal mainly because of rater subjectivity. By introducing subjective bias and favouritism raters create problems that lead to opposition to most performance appraisal systems. Those that oppose these systems argue that (Ivancevich & Glueck 1989:327) :

- they increase paperwork and bureaucracy without benefiting employees much, as supervisors do not use them in reward decisions;
- supervisors and subordinates dislike the appraisal process and more especially the supervisors have problems with reaching decisions about the performance levels of subordinates;
- subordinates who are not appraised in the top performance category tend to be demotivated and they slow down.

3.6.5 System Design and Operating Problems

Some performance appraisal systems fail because they are not properly designed (Ivancevich & Glueck 1989:328). This can be attributed to the fact that the criteria for appraisal are poor, the system used is cumbersome, or the system is more form than substance. If the criteria used focus mainly on activities rather than output, or on personality traits rather than on performance, the appraisal system may not be well-received. Some appraisal systems are time consuming or require extensive written analysis, both of which are resisted by supervisors. In such cases another system should be determined. Furthermore, some supervisors use the system properly, while others may just haphazardly fill out the paperwork. This problem can be remedied if management supports the performance appraisal system (Ivancevich and Glueck 1989:328).

3.6.6 The Halo Effect

The halo effect is the tendency of most raters to let the rating they assign to one characteristic of the ratee excessively influence their rating on all subsequent traits. Many supervisors tend to give an employee approximately the same rating on all factors (Beach 1985:216).

In other words a high rating on one trait leads

automatically to high ratings on other traits. The statistical consequence of the halo effect is to bring about high intercorrelations among traits that may in fact be somewhat independent of each other (Du Brin 1981:132).

One way of reducing this halo effect is that the supervisor should appraise all subordinates on one dimension before proceeding to the next one. In this way the supervisor is forced to think in specific, instead of overall, terms when appraising subordinates (Ivancevich & Glueck 1989:329).

3.6.7 Leniency or Strictness

Leniency error is the tendency to assign consistently higher ratings to a ratee than is warranted by his performance. In this instance, supervisors see everything about their subordinates as being good. They are, therefore, known as lenient raters. However, one should be careful not to judge a rating as being lenient without first having properly studied the distribution of ratings, the rating content and the scale points (Christierson 1988:13).

According to the South African Defence Force 'Handbook for Efficiency Rating 1972', leniency error also refers to the tendency of the evaluator to rate persons, with whom he comes into close contact, higher than those with whom he does not come into close contact (Richardt 1976:19).

Strictness, on the other hand, is the tendency of supervisors to give consistently low ratings especially to new employees and then gradually raise them - thus making the employee feel good on the one hand and displaying to management their excellence as trainers on the other hand (Richardt 1976:19).

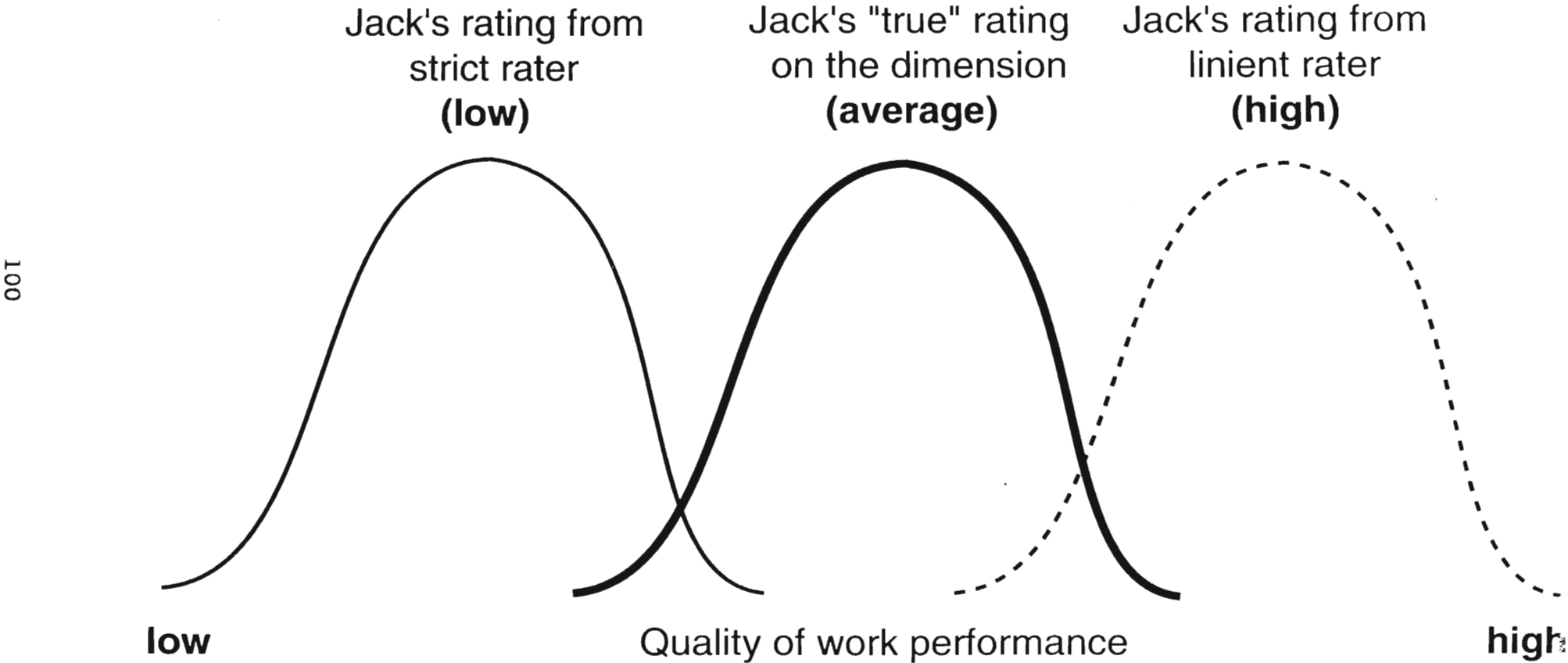
Figure 5 shows the distributions of lenient and strict raters on a dimension called quality of work performance (Ivancevich & Glueck 1989:330). For example, if Jack is an employee working for this type of rater, his ratings will be low if rated by the strict rater and high if rated by the lenient rater. Raters can assess their own strict and lenient rating tendencies by examining ratings and making the necessary adjustments. Another method to reduce strict and lenient ratings is to distribute ratings more or less evenly, thus forcing a normal distribution. For example, 10 percent of the subordinates will be rated excellent, 20 percent rated good, 40 percent rated fair, 20 percent rated below fair, and 10 percent rated poor (Ivancevich & Glueck 1989:330-331).

3.6.8 Central Tendency

Central tendency occurs when the supervisor is reluctant to give a very good or very poor rating to any of his

FIGURE 5

DISTRIBUTION OF LENIENT AND STRICT RATERS



Adapted from Ivancevich & Glueck (1989:330)

subordinates. In an attempt to be fair, the supervisor does not discriminate among different subordinates or among the different areas of performance of an individual. As a result all subordinates receive average ratings (Christierson 1988:14).

This tendency has two main effects. The first is dissatisfaction among subordinates who believe that they are not judged or rewarded according to merit. Secondly, the distribution of ratings in such a manner has an adverse effect on the reliability of these ratings (Christierson 1988:14).

3.6.9 Ambivalence and Avoidance

Often supervisors and subordinates are ambivalent (like and dislike) about participating in the performance appraisal process (Beer & Spector 1985:317). Supervisors feel uncomfortable because their role places them in the position of being both judge and jury. They have to make decisions that affect people's careers and lives in significant ways. Supervisors are also not trained to handle problems that may arise in negative feedback situations, yet they feel personally bound to let subordinates know where they stand. If supervisors are not open with their subordinates, the knowledge that they have been less than truthful keeps them from building a relationship of mutual trust. In short,

supervisors are likely to be extremely ambivalent about the performance appraisal process (Beer & Spector 1985:317-318).

At the same time subordinates are also ambivalent about receiving negative feedback. They would like to discuss the negative aspects of their performance so that they can improve and develop themselves. But, at the same time, they will not want to jeopardise promotions, pay or their own self-image (Beer & Spector 1985:318).

As a result of the prevalence of ambivalence among supervisors and subordinates no real appraisal occurs. They may strive to meet the institution's requirement for appraisal but avoid the difficult issues.

3.6.10 Format of Appraisals

The final source of error or problem is the appraisal format or improperly designed appraisal forms or instruments. This is the result of selecting irrelevant or ambiguous variables for appraisal. For example, personality traits, such as initiative, appearance, dependability, judgement, co-operation and communication, are often selected. While these traits may be important with regard to specific duties and assignments, they bear little relation to performance. Therefore, they are regarded as ambiguous and subjective (Hays & Kearney 1983:127). Also, supervisors do not always

agree on common definitions and measurements for such traits, thus resulting in speculation by the supervisor. This renders the appraisal questionable in terms of its reliability and validity because such appraisals tend to lack consistency and may not reflect actual differences in employee performance (Hays & Kearney 1983:127).

A related instrumental problem is the weighting of factors assessed during the appraisal process. Appraisal systems that use rating scales or checklists tend to assign equal values to each factor appraised. Since all factors are not equally important in performing a job, the resulting appraisal may not be a valid assessment of an employee's performance. For example, a university professor may be appraised equally for teaching, research and public service. But, if he has no opportunity to perform public service functions because of teaching and research obligations, then the tasks and the weights should be realigned (Holley & Jennings 1983:245).

Since jobs are multidimensional, they contain a wide variety of different tasks, some of which defy quantitative measurement. Therefore, rating of irrelevant behaviours or traits and equal weighting of job dimensions can lead to erroneous appraisals (Holley & Jennings 1983:246).

Hyde (1982:320) summarises the problems of performance

appraisals as follows :

- (a) It is sometimes used to measure performance that does not exist which leads to wasted effort and fakery;
- (b) It may measure performance that no one cares about or is only marginally significant in terms of individual and collective work effort;
- (c) It may measure qualities that the employee cannot do anything about, for example, intelligence, cheerfulness, or general personality traits which are not bonafide occupational qualifications;
- (d) It defers the day to day supervisor/subordinate coaching as the annual performance appraisal interview is seen as the preferred setting for feedback;
- (e) It can distort the efficiency of one employee as compared to another because of rater inconsistency and unreliability; and
- (f) It may well measure high performance, that is, a job done in a superior manner, when the job itself is incorrectly designed or unneeded.

These problems can lead to the recognition by employees that

the appraisal system is neither fair nor meaningful.

From the aforementioned, it is evident that the main reason for the failure of performance appraisal systems is that supervisors have a great deal of difficulty in writing useful and objective performance reports for any purpose. They submit appraisals that tend to be very subjective, impressionistic and noncomparable with the reports of other raters. Even strong-minded supervisors with very high standards realise that they will do severe injustice to their good subordinates when their candid reports are compared with raters who have lower standards or are less professional. Often reports submitted on employees reflect primarily the strengths and weaknesses of the rater. The impact of this factor substantially limits the validity and use of any individual performance appraisal. To complicate matters even further, supervisors are often not sure of 'what' is really being rated - their subordinates' work performance or their own writing ability.

3.7 THE APPRAISAL INTERVIEW

Performance appraisals cannot simply be handed to employees or put in their boxes or mailed to their homes, since they serve as a formal basis for discussion of the employee's performance. In an appraisal interview a formal discussion between the employee and the supervisor takes place. It can

either be one of the most unpleasant tasks of a supervisor, or it can be one of the most satisfying. This depends to a great extent on the employee's performance as well as the supervisor's handling of the interview (Halloran 1983:366).

The skills required of a supervisor are many and varied, but the most difficult to master are those used in interpersonal relationships. Supervisors must talk, listen, analyse and negotiate with others. They have at their disposal a most valuable and useful tool, namely, the performance appraisal interview, which requires careful study and application. To be effective as a supervisor requires being effective as an appraiser of performance, and to be effective as an appraiser of employee performance, the supervisor must be able to assess and understand the following (Henderson 1980:114) :

- job requirements;
- short and long term job related goals;
- employee capabilities and energy levels;
- employee goals and demands; and
- on- and off-the-job conflicts that affect workplace behaviour.

Research undertaken to-date reflects that there are several characteristics of effective performance interviews. According to Baker (1984:76) the following are pertinent :

3.7.1 Level of Employee Participation

The more the employee participates, the more satisfied he is likely to be with the interview and the supervisor. Higher participation also generally leads to greater commitment to carrying out performance improvement plans. Therefore, the interview is more effective when the employee is a full working partner in the process and does most of the talking.

3.7.2 Helpful and Constructive Attitude of Supervisor

The supervisor may show support by treating the employee as an equal, providing praise and minimising threats to the individual's self esteem. Negative reactions may also be intensified if the interview is conducted in the presence of others.

3.7.3 Goal Setting

Although limited by the employee's degree of job control and other factors, mutual goal setting is related to greater mutual understanding and perceived fairness, and the employee's desire to improve subsequent performance.

3.7.4 Knowledge of Employee's Job Performance

The supervisor must have adequate knowledge of the employee's job duties and behaviour to present appraisal feedback credibly and effectively. Interviews conducted by supervisors who have limited contact and familiarity with employees and their jobs may not have the best results.

Initiating and carrying out a successful appraisal session requires both interviewing and counselling skills. Interviewing skills normally focus on the ability to gather and assess information relating to job performance. Counselling skills aim at facilitating the achievement of change and the redirection of job behaviour so that it is beneficial to both the individual and the institution. Effective appraisal involves face-to-face interaction between appraiser and appraisee. Conducting these personal interviews and counselling sessions effectively requires an understanding of intra- and interpersonal dynamics.

At an appraisal session anything may happen at any moment. For instance, it could be dull with an occasional nod or a 'yes' or 'no' by the employee, or it could be a bitter and hostile confrontation between supervisor and employee. Since it is difficult to predict the way in which the appraisal session will go, the first requirement, therefore, is to prepare carefully for the interview.

3.8 PREPARING FOR THE INTERVIEW

The performance appraisal interview is too important and serious a matter to be left to chance. Appraisers should not enter an appraisal interview session unprepared. They should know what they want to learn during the interview session, and should not expect to follow some well defined order of events, that is, the interview should not be planned too rigidly. It should be flexible, because it is as much a discussion as it is an interview (Halloran 1983:366).

3.8.1 Preparation by the Supervisor

Before the interview takes place, the supervisor should make the following preparations (Kirkpatrick 1982:52-53; Halloran 1983:367):

(a) Decide on the Best Time

The best time is when both parties are able to spend time together without interruption. The supervisor should, therefore, select the right day and time when neither he nor the employee is likely to be under stress or be tired; mornings are usually best. At least half-an-hour should be allowed for the interview.

(b) Decide on the Best Place

The supervisor should arrange not to be interrupted and should provide a private and comfortable place in which to meet and where both parties can relax.

(c) Prepare the Facilities

The office should be arranged such that the subordinate can feel at ease. Perhaps the chairs should be side by side instead of across the desk from each other. A cup of tea or coffee will help to put the subordinate at ease.

(d) Gather Information and Materials

The supervisor should spend time in reviewing the past records of performance and try to recall what was covered in previous interviews. The information should be readily available during the interview. The supervisor should use facts and not opinions.

(e) Plan the Approach

The supervisor should decide whether to talk about a current event, such as sports, politics or weather, or to begin by stating the purpose of the interview. There is no right or

wrong approach. The objective is to get agreement. Therefore, the supervisor should use whatever approach is most natural and will create the best climate for the interview.

(f) Give Advance Notice

The supervisor should inform the subordinate well in advance to prepare for the interview and to jot down his thoughts.

(g) Focus on Future Objectives

The final aspect of the interview focuses on future objectives and how the supervisor can help the subordinate achieve institutional and personal goals. If properly conducted, the interview can contribute meaningfully to the purposes of performance appraisal.

When preparing for an appraisal interview, supervisors should work through a series of critical questions or issues for each appraisee. These steps include the following (Lawrie 1990:132):

- (i) Deciding on which job functions are central and which specific activities and responsibilities contribute directly to each of these critical

functions. Supervisors must sort out what really matters and isolate activities that contribute to fulfilling the crucial functions of the position.

(ii) Dividing critical position functions and the job activities that support them into three categories namely, critical, very important and important. Supervisors must learn to focus on important job functions and know which activities are associated directly with those functions. Other variables, such as personality, characteristics and activities that are not aimed at important functions, should be omitted from the appraisal.

(iii) Identifying critical incidents. These occur during the appraisal period when the appraisee has either made an outstanding contribution or has suffered a significant failure when trying to fulfil critical, very important or important position functions. These critical incidents should be such that there is no doubt that the event was out of the ordinary and a direct result of the appraisee's behaviour.

(iv) Reviewing previous appraisals, if available, to see how the appraisee has been evaluated before to be certain that all the critical job elements have

been identified.

- (v) Checking with a trusted co-worker. This step is optional, but it is wise to review preparation with another supervisor who knows the job and the appraisee's work and who tells the truth. This person can help ensure that preparation was complete and data were interpreted correctly because of his emotional distance from the issues.

3.8.2 Preparation by the Subordinate

The subordinate should prepare for the interview in the following manner (Kirkpatrick 1982:54):

(a) Gather Information

The subordinate must gather information related to past performance. This should include specific data or activities and accomplishments as well as reasons why certain things were not done or were done incorrectly.

(b) Self-Appraisal

He must complete a self-appraisal if requested by the supervisor.

(c) Work Coverage

He must arrange for work coverage while he is absent from the department or section. This is important because the subordinate can concentrate on the interview and not worry about whether or not the job is being done properly.

3.9 CONDUCTING THE APPRAISAL INTERVIEW

The supervisor must remember that the appraisal interview is to discuss performance, not personality. It is future-orientated rather than past-orientated. Emphasis should be on what the subordinate will do in the future and not on what has been done in the past. However, a discussion of past performance is essential as the basis for future action (Halloran 1983:366).

If it is the employee's first appraisal interview, he should be told about the general purpose of the appraisal and the interview (Halloran 1983:367).

If the performance of an employee has been outstanding, it is often a good practice to make this known at once, because the employee will accept more readily any suggestion or minor criticisms that the supervisor may want to make. However, if performance has been poor, it may be best to

avoid discussing the employee's overall rating at the beginning. It is often best to avoid starting with the past at all (Halloran 1983:368).

If the supervisor opens with a discussion of the employee's future goals and plans, the interview will naturally go onto the areas of improvement in the employee's present performance, and from there it will return to and cover the past. However, if the supervisor opens the interview with a discussion of the employee's past performance, the interview may bog down in a detailed discussion of a particular item and never get beyond the past (Halloran 1983:368).

The following are some specific interviewing techniques which a supervisor may use (Kirkpatrick 1982:58) :

- the supervisor must be open and show the appraisal form to the subordinate;
- he must explain the results of the appraisal and encourage the subordinate to make frank comments as the appraisal may not be accurate. For example, the subordinate may have performed some functions which the supervisor may have forgotten or may not be aware of;
- the appraisal must be tentative and subject to change if the subordinate convinces the supervisor that he was

wrong. The supervisor must not be afraid or ashamed to admit a mistake;

- after completing the discussion, the entire appraisal should be summarised and a copy given to the subordinate so that he has the same information as the supervisor.

These four techniques demonstrate to the subordinate that there is nothing secret about what the supervisor has done. The supervisor simply wants to produce a fair and accurate appraisal which will make it possible to work with the subordinate and help him to improve performance in the future.

3.9.1 DISCUSSION METHODS

At the beginning of the interview the supervisor should attempt to put the subordinate at ease and make him as comfortable as possible. An ideal interview is when both the supervisor and the subordinate make contributions. The entire discussion is about how the supervisor judges the performance of the subordinate and therefore, the participation of both is vital to a successful interview (Halloran 1983:368).

The supervisor may open the interview by asking about the

subordinate's present job and future plans. He then carefully observes the behaviour of the subordinate to assess whether the subordinate has the desirable characteristics. The supervisor should ensure that he understands what the subordinate is saying and should never take for granted that a communication of mutual understanding is taking place. For purposes of clarity the supervisor could ask such questions as: Why? Why not? Could you elaborate on that? or Could you clarify? This will ensure that the supervisor receives the message which the subordinate intends (Lundgren et al. 1978:109).

Thereafter, the supervisor should pause and encourage the subordinate to speak. The subordinate may have questions about his job or the institution as a whole that are not automatically covered by the supervisor at the interview. Therefore, the supervisor should ensure that the subordinate has an opportunity to ask questions that may not have been answered in the earlier part of the interview by the supervisor (Lundgren et al. 1978:109).

However, at times the supervisor has to be more assertive and let the subordinate know how the performance is being viewed and whether it meets the standards of the position. If not, the supervisor must inform the subordinate in what ways it falls short and how it can be improved (Halloran 1983:368).

Cowan (1975:54-55) suggests the following discussion methods for a performance appraisal interview :

(i) Tell the employee about his good points

Appraisals are not intended to be merely negative. However, employees are often not interested in their strengths and tell the supervisor to get on with the negative aspects. This is unacceptable, as it is important for them to hear about their valuable sides, namely, that appraisals do offer something of value to the supervisor and the institution as a whole. Studies have indicated that individuals become more competent through understanding and developing their strengths than through focusing on their weaknesses.

(ii) Admit to the employee

The supervisor should admit to the employee that his judgement is subjective and suggest that the employee consult other supervisors or his peers for supplementary evaluations in order to get a broader picture of himself. Such appraisals can augment, supplement and usefully contradict the supervisor's appraisal. An employee who has not

yet discovered that different people value him differently will discover it through this process.

(iii) Responsibility for development lies with employee

It must be made clear that responsibility for development lies with the employee and not with the supervisor. If the employee wants to change he must take the initiative. A supervisor can predict only his own response to that change, not the response of others. A supervisor has the right to tell an employee what he wants, even to say that if he does not get what he wants, he will select another person for the job. But he has neither the right nor the power to insist - against the employee's will - that basic personality characteristics be changed. A good strategy is to help the employee in the direction he wants to go.

(iv) Be specific when citing examples

A complaint or a compliment should be accompanied by times and dates, and who said what. Without supporting facts, the employee will not know whether the supervisor is just making things up as the interview proceeds. General statements are

unacceptable and for the sake of clarity, the supervisor must be specific in whatever he says.

(v) Keep up-to-date

Appraisals should be made quarterly or as often as possible. People change fast, and appraisals are supposed to help them change. Also, feedback should not be delayed until the appraisal interview. Comments on the employee's performance should be made immediately. Some supervisors give feedback as if they were computers without real-time capacity. They take their appraisal tape off the back shelf and supply the employee with a year's printout in one dose.

In the final analysis, the appraisal interview is a joint problem-solving effort, to which the supervisor and the subordinate have something to contribute. The supervisor should present some favourable or positive information and promise to assist the subordinate in whatever way he can to help the subordinate improve his performance. The subordinate will then have a more positive attitude toward the appraisal interview and will be more likely to attempt corrective behaviour than if he is presented only with negative information during the interview (Halloran 1983:368).

3.9.2 Ending the interview

Once the supervisor has clarified what he intended to cover and likewise, the subordinate has had an opportunity to review the issues that concern him, the interview should then be closed with the assurance of the supervisor's interest and willingness to take up the discussion at another time (Halloran 1983:368-369).

3.10 TRAINING IN PERFORMANCE APPRAISAL

Supervisory development programmes frequently contain sessions specifically tailored to train new supervisors in the art of appraisal. Such programmes have obvious value: since promotions, salary adjustments and terminations are heavily determined by the results of performance appraisal, reducing errors and biases in this activity can have a dramatic impact on the institution's long-term human resource development.

Before discussing the types of training available to supervisors (raters) in this regard, it is necessary to emphasise the impact of training raters (evaluators/appraisers). There are distinct advantages which accrue to the institutions that train evaluators/appraisers.

10.1 Advantages of Rater Training

The training of raters to assist them in achieving better results with the performance appraisal function, has the following advantages (Carroll & Schneier 1982:237-238):

- (a) Training can create a better understanding of what the institution hopes to accomplish with the performance appraisal system.
- (b) It can create a better understanding of the system, the forms and the terminology to be used.
- (c) Rater training may convince the participants that the institution is serious about obtaining useful ratings with the chosen system.
- (d) Training may contribute to consistency among raters, especially when all participants are exposed to the same training materials and the same instructor.
- (e) Training can sensitise raters to appropriate rating strategies and behaviours, thereby improving accuracy. Knowledge of the judgement process and common judgement errors can also improve ratings.
- (f) Finally, training may increase the rater's self-

confidence about his rating skills, as well as improve skill levels through practice and feedback. This in turn may improve motivation and performance of the rating task.

3.10.2 Types of Training

According to Fombrun, Tichy & Devanna (1984:96-97) two types of training are mandatory for effective appraisals to take place. The first concerns objectivity. People are notoriously poor observers and data processors of their own observations. Therefore, training is required to avoid such errors as similarity, social differentiation, halo and contrast effects.

The second type of training concentrates on how to focus on issues rather than personalities, how to generate a climate for problem-solving and how to get consensus regarding action steps. In this regard behavioural modelling has been effective. This approach requires trainees to role-play specific behaviours in front of a group and receive feedback on how well they have performed (Fombrun et al 1984:96-97).

On the other hand, Scarpello & Ledvinka (1988:667-669) state that four kinds of training are necessary to improve the usefulness of performance appraisal systems and gain

employee trust in the system. Firstly, evaluators should be taught to view performance feedback as an on-going process; secondly, they should be taught to minimise errors when completing the performance appraisal form; thirdly, they should be taught how to appraise performance; and finally, they should be taught how to conduct performance review interviews.

In performance appraisal there are essentially two kinds of training. One involves the mechanics of the system, that is, employees are trained in the informational use of the form. The other involves the interpersonal and other skills needed to operate it. Both kinds of training need to be tailored to the specific system, but both are needed in all systems (Mohrman, Resnick-West & Lawler 1989:139).

3.10.3 Training Techniques and Aids

For most institutions, fairly traditional methods will be suitable for performance appraisal training. These include lectures, group interaction exercises, role playing, and individual and group decision-making exercises. Training aids that are invaluable in communicating the training messages are audio-visual presentations (films and tapes), slides, overhead transparencies, case studies, programmed instruction, role-playing scripts, and a wide variety of reading materials (books, pamphlets, outlines, handbooks and

codes). An essential part of the training programme is that the training materials must be current, simulate real-world situations and be easily understood by the supervisors. Although tapes and films are emphasised in the training sessions, cases may also be used. These would require student involvement, leading to increased interest and greater retention of what has been presented (Henderson 1984:310-311).

A training programme may range in length from one to two-hour orientation programme to an extended three- or five-day workshop. Or, it may be a series of workshops over an extended period of time that covers the critical training needs identified during the investigation of the existing appraisal system (Henderson 1984:311). This 'series of workshops' method allows the trainees to practice and apply each step of the appraisal process when they are back on the job before learning the next step in the process. This method also allows the trainees to learn from each other, including some real-life examples of what not to do, as they share their on-the-job experiences at the next training session (Henderson 1984:311).

A performance appraisal training programme may include inter alia the following kinds of training sessions (Henderson 1984:312):

- introduction to performance appraisal;
- supervisor responsibilities in appraising performance;
- influencing behaviour positively;
- proper use of rating instruments;
- documenting workplace behaviour;
- preparing for the performance interview; and
- conducting a performance interview.

In addition, supervisors should be trained not to use performance appraisals as punitive measures. Appraisals should be accepted and used for the purpose of personnel utilisation and development. Appraisals should be seen as 'stocktaking' as far as personnel are concerned (Cloete 1985:145).

Therefore, well designed and properly conducted training programmes can significantly increase the accuracy and effectiveness of the appraisal function. Similar to the entire appraisal function, training should include involvement opportunities. The interaction of participants during training sessions helps to clarify problem areas and to minimise resistance to change. The training session serves as a medium through which employees are able to identify and understand institutional as well as their own requirements. The pitfalls in respect of design, implementation and administration are also recognised. A major goal of performance appraisal training is to bring

these critical issues into the open.

3.11 SUMMARY

This chapter focused on the theoretical aspects of the performance appraisal function. The discussion started with the aims and objectives of performance appraisal, which emphasised the impact of performance appraisal as an important facet of personnel administration. The performance appraisal function served multiple purposes and basically highlighted that a good appraisal system could improve the overall efficiency and effectiveness of the institution. The common characteristics of the performance appraisal function were then highlighted, which included, inter alia, continuity, participation, communication, performance criteria and job-relevant behaviour, feedback and future oriented.

The various approaches to performance appraisal and the methods that make up each approach were also examined. It was emphasised that the rater (supervisor) should use the correct approach for a given situation depending on whether he wishes to continue with existing institutional values or stimulate initiative from the ratee (subordinate).

There were many problems encountered with performance appraisal. These problems are the main reason for

performance appraisal systems failing, namely, that supervisors have great difficulty in writing meaningful and objective performance reports on their subordinates. This consequently creates doubts in the minds of the subordinates that the appraisal system is neither fair nor meaningful.

The appraisal interview was considered important. In this regard, the skills required by the supervisor to conduct interviews, preparation by both the supervisor and the subordinate, how to conduct interviews and the methods used in conducting interviews, were discussed. It was emphasised that the interview was a person to person interaction and therefore, a supervisor had to develop good interpersonal relationship skills for the interview to be successful.

Training in performance appraisal was considered imperative. Aspects such as advantages of rater training, types of training, and techniques and aids in training were discussed. Training in performance appraisal cannot be over-emphasised, because without the necessary training a supervisor will not be able to implement an appraisal system in a proper manner and for the purposes for which it was intended. Therefore, it is important that training programmes should be well designed and conducted in a proper manner, in order to increase the accuracy and effectiveness of the appraisal process.

It must be emphasised that every employer should provide for a system by means of which all its employees are subjected to systematic performance appraisal. There is no infallible system to serve all purposes. Therefore, each institution should establish the purpose for which it requires performance appraisal. Thereafter, the institution must decide on the system best suited for its purpose. Once the system is introduced, care should be exercised to prevent its application from becoming a routine activity and an end in itself. To prevent such a state of affairs, the system and its application should be examined continuously and steps should be taken to ensure its continued validity and relevance. Therefore, the next chapter shall focus on the nature and content of performance appraisal systems.

CHAPTER 4

NATURE AND CONTENT OF PERFORMANCE APPRAISAL SYSTEMS

4.1 INTRODUCTION

Performance appraisal as a function began as early as 1813 when General Lewis Cass of the United States Army, submitted to the War Department what has become famous as the earliest recorded instance of a formal evaluation report. He categorised each of his men as "a good natured man" or " a knave despised by all". Since then performance appraisal programmes have expanded steadily (Lopez 1968:27).

However, it was not until after World War II that earnest and widely-pervasive moves toward formal, regularised written systems of employee appraisal began in America, which were more objective and comprehensive in nature (Hyde 1982:324). By the second half of the twentieth century, emphasis was laid in particular on the improvement of evaluation methods and the possibility of eliminating subjectivity in evaluation. The method which was originally used was the essay-appraisal method which was succeeded in America by the various graphic rating scales, the forced distribution method and the ranking method. In the late

1950s, the critical incident method was made known, which diminished in popularity after Peter Drucker introduced his management by objectives method (Andrews 1988: 296).

During the past fifteen years there has been a significant reform of personnel development with regard to the following (Dercksen 1986:5):

- training;
- motivation;
- career development;
- productivity; and
- performance appraisal.

Owing to the interest and the awareness of the great potential of human resources, research in the above-mentioned personnel activities has escalated and performance appraisal has become one of the most important activities of personnel administration today (Dercksen 1986:5).

There are different types of performance appraisal systems being used by municipal authorities at present. These systems are used to evaluate the work performance of employees, to assist in providing feedback to ratees, and to lessen the administrative burden appraisals place on raters. Each system has its own advantages and disadvantages, depending upon the specific objectives for which it is

intended and the organisational setting within which it is to be used. Appraisal systems can be adapted to the particular needs of a specific institution. Therefore, an effective system should be developed according to the objectives of the institution.

In this chapter, the nature and scope of the various performance appraisal systems are discussed. These performance appraisal systems evaluate personnel by comparing their performance to an 'absolute' predetermined standard or by comparing their performance to that of other ratees.

The following are considered to be typical performance appraisal systems used in public institutions.

4.2 GRAPHIC RATING SCALES

The oldest and the most commonly used method for appraising employee performance is the graphic rating scale. Introduced in 1922, this method uses a scale to denote a range of performance from unsatisfactory to outstanding for each of a number of job dimensions (Holley & Jennings 1983:229). The rater judges the employee's performance on these job dimensions, to obtain an overall score for the appraisal. In an attempt to ensure that the dimensions are job-related and that the overall score reflects performance

on the specific job, weights may be given to each job dimension (Holley & Jennings 1983:229).

The graphic rating scale requires the evaluator to rate the employee's performance along selected traits, behaviours, or outputs on a descriptive scale that ranges from low to high performance. Originally, graphic rating scales consisted of trait labels, brief descriptions of the traits, and scale numbers that defined the level of performance achieved. Later, various modifications were developed and used (Scarpello & Ledvinka 1988:654).

In the typical graphic rating scales, numerical values are assigned to points on the scale; unsatisfactory might be assigned a value of 1, while excellent might be assigned a value of 5 (DuBrin 1981:128). However, behavioural statements rather than numbers are placed at various points along the trait continua. For example, the lowest rating (1) for creativity would be 'rarely has a new idea; is unimaginative'. The highest rating (5) for creativity would be 'continually seeks new and better ways of doing things; is extremely imaginative' (DuBrin 1981:128).

According to Sashkin (1981:88):

"a graphic rating scale instrument identifies a number of categories (usually five to ten), briefly describes each in a few sentences (at most), and presents numerical scales that raters mark to

evaluate the ratee's performance in each category. Scales have from three to twenty points, but five, seven, or ten are most common. Usually very brief verbal labels ('good', 'average', 'poor', etc.) are placed along the scale".

In using the graphic rating scale, a supervisor typically rates subordinates on a number of characteristics, such as: quality of work, initiative, co-operation and knowledge. The rating may be on a four or five-point scale that ranges from bad performance to excellent or outstanding performance (Lundgren, Engel & Cecil 1978:88). In addition to providing for a simple tick to indicate a rating, many graphic rating scales also leave room for comments where a characteristic has been rated as either poor or extremely good. In his comments a supervisor should justify the rating through the use of examples and other explanatory material. After rating each subordinate on each characteristic and including comments where appropriate, the supervisor then obtains a total score for each subordinate. These total scores provide an easy comparison among subordinates, and one that the supervisor would be able to defend, if necessary, unless his comments offered solid justification. Table 1 illustrates an example of a graphic rating scale (Lundgren, Engel & Cecil 1978:88-89).

TABLE 1
EXAMPLE OF A GRAPHIC RATING SCALE

Department: Supervisor:		Date: Person Being Rated:			
Place a tick under the descriptive item that best identifies the person's performance for each characteristic.					
	Poor	Below Average	Average	Above Average	Outstanding
Quality of work					
Initiative					
Co-operation					
Knowledge					
Quantity of work					

The instrument used in this system contains a range of performance qualities and traits, and is employed characteristically in trait-based appraisals. The rater appraises an employee by ticking a box, circling a number or letter, or placing a mark along a continuum line that describes employee performance as being 'outstanding', 'average', or such other descriptive phrases (Hays & Kearney 1983:122).

Cloete (1985:146-147) refers to this method as the 'graphic assessment scale'. According to Cloete these scales consist of:

- (i) a list of personal traits which, after analysis, have been found to indicate the success or failure of individuals in particular jobs and which are then assessed for the purposes of performance appraisal; and

(ii) a series of descriptions which will indicate, from high to low, the degree in which specified traits are displayed by individuals.

The items in the assessment form, which can be designed for purposes of this system, are shown in Table 2 (Cloete 1985:147).

TABLE 2
ASSESSMENT RANGE OF A GRAPHIC RATING SCALE

RELIABILITY	POOR	SATISFACTORY	AVERAGE	GOOD	EXCELLENT
Does the official perform his duties correctly, timeously and completely; can he be relied upon?			X		
KNOWLEDGE					
How well does he know his job and related issues?				X	

This presentation of an assessment range for every trait serves as a guide for the supervisor who makes a cross (X) at the point of the scale which, in his opinion, is the degree to which the employee displays the particular trait. The crosses are later converted to figures according to a standard scale marked on a stencil and which is unknown to the supervisor. The total evaluation of the employee is obtained by adding the figures for the different traits (Cloete 1985:147).

4.2.1 Advantages

The outcome of the rating process produces a performance assessment on each performance category, and the ratings given for each standard can be summed to get an overall assessment of performance (Scarpello & Ledvinka 1988:654).

The graphic rating scale has widespread appeal in work organisations partially because of its ease in administration and interpretation and because it has become an accepted part of our appraisal culture (DuBrin 1981:128).

Graphic scales are simple, inexpensive to devise and easy to administer. Consequently, this accounts for their widespread use. It is the most common method of appraising employee performance in the public sector (Hays & Kearney 1983:122).

In using this system, a rater simply places a tick in the appropriate column, which can later be converted to numerical terms to obtain a rating. In addition, this system makes provision for either good or poor performance (Lundgren et al 1978:88-89).

4.2.2 Disadvantages

Despite the widespread use of graphic rating scales, it has

been difficult to establish their true validity. Sparse evidence exists as to whether or not the performance ratings given to employees correlate significantly with true performance. For example, if a supervisor thinks that his subordinate's overall performance is 'good', does it mean that it is really good (DuBrin 1981:128-9).

A major problem of graphic rating scales is the ambiguity and subjectivity of the traits used for evaluation (Hays & Kearney 1983:122). Such systems typically foster confusion among supervisors regarding what the traits mean and how to measure them. As a result, personnel experts have begun to shift away from the use of this system (Hays & Kearney 1983:122).

Another disadvantage is that the evaluation of the kinds of personal traits that are so commonly used, namely, cooperativeness, personality, attitude and judgement, is a subjective process (Beach 1985:210). Moreover, management is really concerned about job performance. People with different personalities may be equally effective in job performance. Numerical scoring gives an illusion of precision that is really unfounded. The rating scale system is also subject to the well-known errors of halo effect, leniency or strictness, central tendency and interpersonal bias (Beach 1985:210).

Furthermore, some traits or factors are grouped together and the rater is given only one box to tick. Often, the descriptive words used may have different meanings to different raters. Factors or categories such as initiative and co-operation are subject to many interpretations, especially when used in conjunction with words such as 'outstanding', 'average', or 'poor' (Mathis & Jackson 1979:301-303).

Most graphic rating scales still use trait descriptors as performance criteria. However, research on graphic rating scales has shown that the use of such scales results in evaluation errors. They are also low in job relatedness, reliability, and validity. Some problems with graphic rating scales may be caused by the failure to conduct a job analysis before developing an appraisal form. (Scarpello & Ledvinka 1988:654).

Therefore, a major weakness of the system is that it endeavours to quantify qualitative assessments while circumstances under which the traits are assessed are too complicated to allow such a measure of standardisation. Although the system might appear to be scientific, it is, nevertheless, subjective in its evaluations (Beach 1985:210).

4.3 PAIRED COMPARISON

This system requires that each employee be compared, one at a time, with every other employee. The appraiser then selects the better employee in each comparison, and the final rank is determined by the number of times the employee was rated higher than the other employee being appraised (Holley & Jennings 1983:231).

The paired comparison system compares each employee to every other employee in the comparison group. The number of comparisons soon becomes formidable as the number of evaluatees increases. The mathematical formula for obtaining the number of pairs, when N is equal to the number of ratees in the group, is as follows (DuBrin 1981:130):

$$\text{Number of Pairs} = \frac{N(N - 1)}{2}$$

If 10 evaluatees are included, the number of comparisons (pairs) is 45; with 20 evaluatees the number of pairs is 190. One approach to making paired comparison is to print cards with every possible combination of names, two names to a card (Green versus Smith, Green versus Cohen, or Green versus McWorthy). A simpler approach is to print a matrix of all employees in the evaluation group (DuBrin 1981:130-131).

In the matrix, all the items to be compared are listed in both the rows and the columns of a table known as the paired-comparison ranking table (Henderson 1984:164). At the intersection of the rows and columns the appraiser places an "X" where the item is more important or valuable than the item in the column. The item receiving the highest score (i.e. the number of "X"s) is more important or valuable than the item in the column. Table 3 provides an example of a paired-comparison ranking table when different jobs are being compared (Henderson 1984:164-165).

**TABLE 3
PAIRED COMPARISON RANKING TABLE**

Columns	Data Proc. Manager	Data Entry Operator	Executive Secretary	Computer Operator	Systems Analyst	Control Clerk	Programmer	File Clerk	Assistant Director	Messenger	
Rows											Total
Data Processing Manager	-	X	X	X	X	X	X	X	X	X	9
Data Entry Operator		-						X		X	2
Executive Secretary		X	-	X		X	X	X		X	6
Computer Operator		X		-		X		X		X	4
Systems Analyst		X	X	X	-	X	X	X		X	7
Control Clerk		X				-		X		X	3
Programmer		X		X		X	-	X		X	5
File Clerk								-		X	1
Assistant Director		X	X	X	X	X	X	X	-	X	8
Messenger										-	0

Scarpello & Ledvinka (1988:665-6) also refer to a card system. They call it the 'deck-of-cards procedure', which requires the names of all people (employees) who are to be ranked, to be written on separate cards; the cards are then placed in one pile. The evaluator selects two names, compares them with the criterion of interest, and places the 'loser' in a new pile. The 'winner' and a new person are then compared, and so on. The process is repeated until all employees have been ranked from first place to last. This method can also be done by means of a computer programme.

Cloete (1985:146) refers to this system as the man-to-man comparisons. To apply this system, the supervisor must compare subordinates on the basis of specific characteristics or work capacities to identify those individuals who are the best, those who are the weakest, and those who have to be placed on three intermediate levels. With this spectrum of performance as a point of departure, an assessment is made of every employee in the relevant group (Cloete 1985:146).

4.3.1 Advantages

The paired comparison system is simple to use. It compares each employee with every other employee and tabulates the results for an overall ranking (Holley & Jennings 1983:231).

This system allows for highly accurate comparison, and results in more precision than a graphic rating scale system (DuBrin 1981:131).

The paired comparison system helps to alleviate bias in overall or straight ranking through the use of more management comparisons - each ratee to one and only one other ratee at a time, as opposed to all ratees simultaneously (Carroll & Schneier 1982:125).

4.3.2 Disadvantages

While this system is simple for a small number of employees, it is prohibitively time consuming and cumbersome for larger numbers of personnel (DuBrin 1981:131). For example, a seven-employee department requires twenty comparisons, but an eleven-employee department requires fifty-five. The problem mounts when comparisons involve several job behaviours or characteristics. Also, this system does not point out areas which require improvement (DuBrin 1981:131).

The disadvantages of the paired comparison system centre around two factors, namely (Whisler & Harper 1962:209) :

- extensive time is required for the preparation of the pairs of names, the actual rating process, and the summarising of the results ; and

- the rating system has been considered wearying to the raters, particularly if a considerable number of individuals are to be rated.

Thus, as a result of the enormity of the task, the paired comparison system is unpopular with most supervisors.

4.4 FORCED CHOICE

The forced choice system was developed to assess whether a particular trait or behaviour was indicative of a ratee's characteristics (Carroll & Schneier 1982:121). Since rating scales were plagued by leniency error and the halo effect, the forced choice system was developed to help alleviate such problems. To develop a forced choice system, the following procedure has been recommended (Carroll & Schneier 1982:121) :

- (a) descriptions of persons very high and very low in performance are obtained;
- (b) the descriptions are broken into brief, behavioural statements;
- (c) a group of raters use the descriptions to rate a group of ratees;

- (d) a discrimination index is calculated for each statement, to indicate the degree to which the item is found among high performers but not low performers;
- (e) a preference or social desirability index is found for each statement, to assess the degree to which raters feel a statement is desirable; and
- (f) pairs of items are formed, perhaps in a group of four, with all items having a similar preference value but only two possessing high discrimination indices. The other two items are low discriminability - that is, they are ascribed with equal frequency to good and poor workers.

Raters are asked to tick the two items on the list which are most descriptive of the ratee. The score received is the number of discriminating items ticked (Carroll & Schneier 1982:121).

To overcome the tendency of superiors giving subordinates falsely high ratings, a nontransparent and indirect system called forced choice was developed. The rater is forced to choose among several descriptive statements which appear equally favourable or unfavourable (DuBrin 1981-129). The favourability ratings are determined by judges. However,

only one alternative among the several given actually describes effective or ineffective behaviour. The effectiveness of discriminating ability is determined by validation against a job-related criterion, or by the opinion of experts (DuBrin 1981:129).

This system groups statements related to a particular job and requires raters to select from a group of three to five statements, one or more statement(s) that best describes the employee's job-related behaviour, as shown in Figure 6. Each statement is given a weight according to its relevance to the particular job. The rater is not given the weightings and so cannot show favouritism. The employee receiving the highest overall score is judged the best performer, and so on (Holley & Jennings 1983:233).

A simple forced-choice selection may require a rater to choose between the words 'energetic' and 'trustworthy' (Henderson 1984:172). Since both words refer to socially acceptable characteristics, it is considered difficult, if not impossible, for the rater to make a selection that has an intent other than to provide the most accurate description of the ratee. A more complex forced-choice selection requires a rater to select from a list of statements that are most descriptive and least descriptive of the employee's behaviour (Henderson 1984:172).

FIGURE 6

FORCED CHOICE APPRAISAL

From each group of descriptive statements below, mark *MD* beside the statement *most descriptive* of the employee's behaviour, and mark *LD* beside the statement *least descriptive* of the employee's behaviour.

- i Becomes dogmatic about authority.
 Careless in attention to duty.
 No one ever doubts his authority.
 Well adjusted in all phases of activities.
- ii Follows direction closely.
 Inclined to 'gold brick'.
 Criticises unnecessarily.
- iii A go-getter who always does a good job.
 Cool under all circumstances.
 Does not listen to suggestions.
 Drives instead of leads.
- iv Always criticises, never praises.
 Carries out orders by 'passing the buck'.
 Knows job and performs it well.
 Plays no favourites.
- v Constantly seeks new ideas.
 Businesslike in manner.
 Apparently not physically fit.
 Fails to use good judgement.

Upon completion, the items selected as most and least descriptive are grouped together. From these final groupings, 'index of discrimination' and 'index of desirability' scores are developed. In this sense 'discrimination' means the ability of the rating technique to differentiate the effective from the ineffective employee, whilst 'desirability' means the degree to which the quality is valued. These scores purport to identify the degree of successful job performance (Henderson 1984:172).

The major goal of this system is to minimise bias. In theory, the rater acts as a recorder of observed behaviour, not as a judge. In this manner, he will not demonstrate typical patterns of rater bias. In reality, however, individual perceptions of actual behaviour are still an unresolved issue (Henderson 1984:172).

4.4.1 Advantages

The advantages of this system, as submitted by Strauss & Sayles (1980:515), are that :

- it reduces the errors of leniency and the halo effect;
- no training is required to prepare the evaluators to use it; and

- there is some evidence that it correlates more highly with ratings by fellow employees and with objective factors such as productivity.

The forced choice system is useful because raters are forced to choose between what may appear as equally favourable or unfavourable alternatives, thus preventing them from ticking only the most favourable traits for those they favour (Carroll & Schneier 1982:121-122). Since all choices within a group of statements are of similar favourability, a random choice of one or more of these items by a rater will result in choosing only discriminating items about one-half the time, as one-half of the items are discriminators. Central tendency and leniency errors may thus be reduced, since raters must choose between equally good and poor items (Carroll & Schneier 1982:121-122).

4.4.2 Disadvantages

Whilst this system seems to be a job-related, bias-free approach, it is not without problems.

The forced choice system is not well accepted by raters because the preformulated statements greatly reduce their flexibility, and they have difficulty using the statements to provide feedback. Furthermore, the scale is complicated

and costly to develop, and its results have proved to be no more valid than those of the graphic rating scale (Holley & Jennings 1983:233).

There are two elements of this approach that frustrate the supervisor (Lundgren et al 1978:89). The first one is that the supervisor often feels that none of the statements really characterise the subordinate in question. Secondly, the statements carry different weights in the final evaluation. The supervisor does not know what these weights are, and therefore, does not know the final determination of his efforts and the effect that his ratings will have on the future of his subordinates (Lundgren et al 1978:89-90).

A major reason for the limited acceptance of the forced choice system is that it requires substantial development time (DuBrin 1981:129). Furthermore, supervisors are not willing to comply with a system in which they are not aware of the actual rating they are giving their subordinates (DuBrin 1981:129).

4.5 CRITICAL INCIDENT

The critical incident system is different in character from the other systems. It is a system of recording employee actions rather than an actual rating system (Mathis & Jackson 1979:304). It consists of collecting reports of

behaviours that are considered 'critical' in the sense that they make a difference in the success or failure of a particular work situation (Bernardin & Beatty 1984:77). A list of critical incidents is kept during the entire rating period for each employee. Since the critical incident system is not necessarily a rating system, it can be used in conjunction with other systems as documentation of the reasons why an employee was rated in a certain manner (Mathis & Jackson 1979:304).

The critical incident system requires the appraiser to maintain a log, containing observations of what he considers to be both successful and unsuccessful work behaviour on each employee (Langlie 1963:656). It includes the date on which the incident occurred, exactly what took place, and how the incident relates to goal accomplishment (Lambert 1979:13). This gives each supervisor an excellent cumulative record which will assist him in coaching the employee at the next appraisal interview (Lambert 1979:13).

The principal virtue of this approach is that the employee receives continual feedback on performance - whether good or bad. If bad, guidelines for ones improvement could be developed. If good, there is always the opportunity for further improvement. But good feedback is principally an ego builder. The success of the system, therefore, hinges on whether the supervisor discusses each critical incident as

it occurs. If the supervisor simply writes down the incidents in a 'black book' and saves them for some future period of discussion, then this method is not being practically used (Lundgren et al 1978:90).

An example of a positive critical incident is as follows (Henderson 1980:138) :

"18/04 Employee demonstrated a broad range of job knowledge in uncovering the cause of a quality problem with product 'A' that Quality Assurance had been working with for over a month".

An example of a negative critical incident is as follows (Henderson 1980:138) :

"28/07 Employee responded impulsively and with little tact when employee 'Z' refused to work overtime in order to complete a prior assignment".

Strauss & Sayles (1980:515) referred to this system as the 'critical requirement system', and the 'performance record program'. It's use in appraisal involves two major steps. Firstly, a list of critical job requirements is prepared for each job, usually by asking the supervisors of those employees to be evaluated. They are asked to give illustrations of when their subordinates have been outstandingly successful or unsuccessful on the job. Secondly, the supervisors must be trained to be on the look-

out for critical incidents or outstanding examples of success or failure on the part of the subordinate in meeting these requirements. He then lists incidents as he observes them over a period of time, building up a record of 'debits' and 'credits' for each of his subordinates.

The incidents are then classified into general job requirements, reflecting both effective and ineffective behaviours on the job (Bernardin & Beatty 1984:78).

4.5.1 Advantages

A great advantage of this system is that all ratings are based on objective evidence rather than on a subjective evaluation of traits (Richardt 1976:23).

Another advantage is that it is performance-based and relies upon facts, and it also highlights both good and poor performance (Hays & Kearney 1983:123).

When compared to the more traditional systems of appraisal, the critical incident approach does seem to have an advantage especially if the supervisor faithfully follows the steps in the process (Lundgren et al 1978:90). Unlike other systems, it does avoid direct comparisons and does stay away from nebulous terms such as dependability, respect for authority, co-operation and flexibility. Moreover, it

is much easier for a subordinate to understand a specific example of co-operation rather than some subjective mark on a graphic scale about co-operation (Lundgren et al 1978:90-91).

4.5.2 Disadvantages

However, this system also has some disadvantages.

It is expensive to design and can be time consuming to administer. Moreover, it may overemphasise unusual behaviour and overlook the typical or average performance of an employee (Hays & Kearney 1983:123).

According to DuBrin (1981:129) a disadvantage of this system is that the supervisor or other managers might not have been around when the employee did something 'critically good' to record it.

The critical incident system demands continuous and relatively close observations. Many employees consider this type of constant surveillance a threat that is damaging to workplace relationships. Time elapsing between the observed behaviour and its description has a definite impact on the accuracy of the description of what occurred. Here again, the recall ability strongly influences the accuracy and validity of the review (Langlie 1963:656).

Mathis & Jackson (1979:304) highlight the following drawbacks in using the critical incident system:

- the determination of what is a critical incident is not always uniformly understood and applied by all supervisors;
- the requirement that a supervisor on a daily or weekly basis makes notations about each employee's performance is a time-consuming task;
- the critical incident system can result in employees becoming overly concerned about what the supervisor writes about them. Employees may begin to fear the supervisor's 'black book'; and
- this system may result in overly close supervision because supervisors must be present to note 'critical incidents'.

The employees regard the little 'black book' with suspicion and dread the day the book will be hauled out and they will be confronted by the supervisor. In addition, there is a danger that the critical incident system will encourage flashy moments of performance to build a good record at the possible cost of day-to-day competence (Lundgren et al 1978:90).

The critical incident system is time consuming, costly, and requires that the appraiser have good analytical skill and the ability to provide straightforward and honest descriptions (Henderson 1980:139). An appraiser who is an extremely competent writer and analyst may provide a description that can be biased either in favour of or against the appraisee (Henderson 1980:139). However, this does not imply that competent writing skills are undesirable but simply that good writers have an advantage using these systems. On the other hand, employees frequently develop anxiety and hostility when they know that their supervisor is keeping a log on them. To protect themselves, they may hide their actions and keep information from their supervisor which, if known, could lead to a poor performance appraisal (Henderson 1980:139).

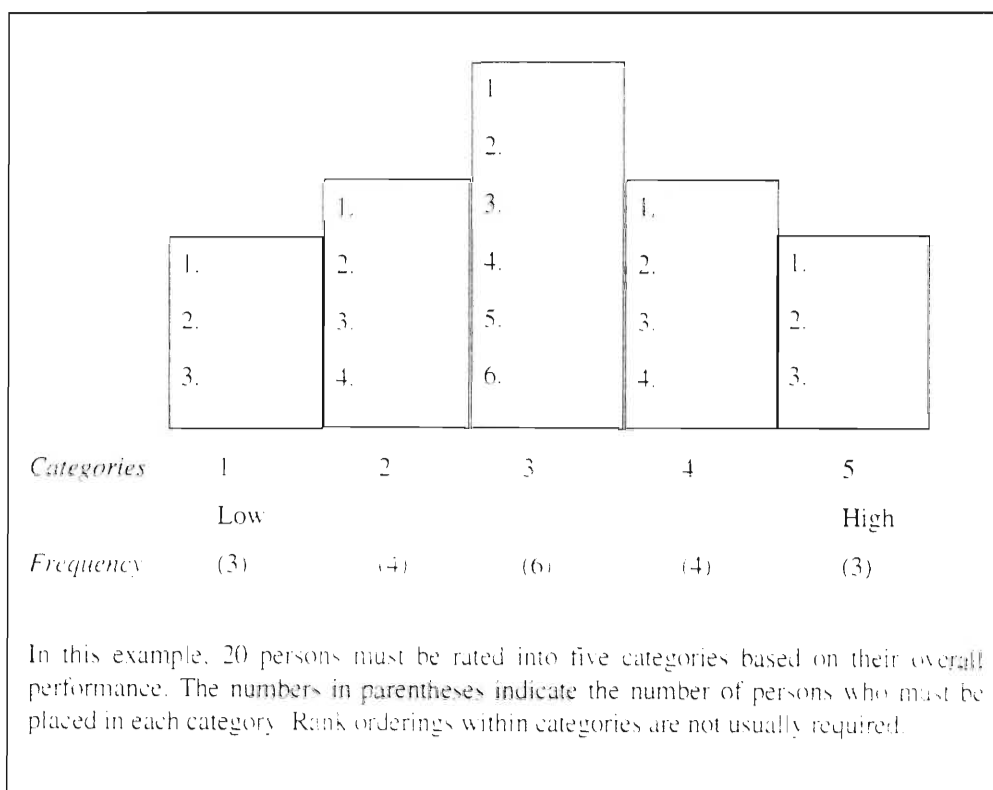
4.6 FORCED DISTRIBUTION

The forced distribution system requires less fine discrimination on the part of raters. In this system the rater places specified portions of the group of ratees into various categories depicting different degrees of performance (Carroll & Schneier 1982:125). For example, there may be five performance categories - excellent, above average, average, poor and unacceptable. A rater may be instructed to place ten percent of the ratees in each of the

highest and lowest categories, twenty percent in the second and fourth categories and forty percent in the middle category (Carroll & Schneier 1982:125). Therefore, it is a system of rank ordering, with ties allowed (i.e., employees can be rated at the same level).

Figure 7 represents an example of the forced distribution system requiring the placement of 20 subordinates into one of five categories (Bernardin & Beatty 1984:111-112).

FIGURE 7
A FORCED DISTRIBUTION RATING FORMAT



This strategy assures that the majority of the ratees will be rated as average and that some will be rated very high or very low. Central tendency and leniency errors are thereby alleviated. However, if the true performance levels of the group do not conform to this normal distribution, errors are made. For example, the entire group may be above or below average in performance. Furthermore, a rating of 'average' in a group of high-performers may be comparable to a rating of 'above average' in a group not performing as well (Carroll & Schneier 1982:126).

The forced distribution system was devised to avoid the tendency of the rater to 'cluster' his assessments round a central point, or to rate all his employees above average. In this method, the rater must distribute his rates along a scale which conforms artificially to a normal frequency distribution (as given in the example above). This makes sense within a large group of workers, but when such a system is applied to a small number of people who have been, supposedly, selected for their ability to do a particular job, such a normal distribution curve would not reasonably be expected to appear (Grant & Smith 1971:87).

Andrews (1988:308) explains it somewhat differently. According to Andrews the name of every employee who is to be evaluated, is placed on a separate card and the cards are then arranged in five groups. The arrangement corresponds to

the distribution, which is established in different categories, for example : 10 percent weak, 20 percent weak to average, 40 percent average, 20 percent average to high and 10 percent high. This compulsory distribution cancels out the so-called central tendency error.

4.6.1 Advantages

According to Holley & Jennings (1983:231), the forced distribution method eliminates errors of excessive leniency or strictness as well as the ambiguity error, and state in this regard that:

"forced distribution attempts to eliminate the problems of inflated ratings and the tendency of raters to give everyone high ratings".

Moreover, this method is easy to explain and to administer.

4.6.2 Disadvantages

The system has some serious drawbacks.

Firstly, the forced distribution system assumes that all groups have the same proportion of average, poor and outstanding employees. Therefore, it has limited application, that is, for small departments with few employees. Secondly, it is overly rigid as it forces raters to assign one-third to the top group, one-third to the

middle, and one-third to the bottom. Thus, for example, if the bottom third are performing acceptably and are, in fact, more productive than the middle third, then the forced distribution system is of no value (Henderson, 1980:141; Holley & Jennings 1983:231).

Hays & Kearney (1983:124) state that the major problem with this system is that the standards or criteria used to evaluate employees are unclear. Therefore, their morale may suffer if they feel that the system is unfair.

Another disadvantage of forced distribution is that a supervisor may resist placing any employee in the lowest (or in the highest) group. Furthermore, difficulties can arise when the rater has to give reasons to the employee for being placed in one group whilst others are in higher groupings. Moreover, with small groups there may be no reason to assume that a normal distribution of performance really exists (Mathis & Jackson 1979:304).

4.7 BEHAVIOURALLY ANCHORED RATING SCALES (BARS)

In recent years a new appraisal system, known as the behaviourally anchored rating scale (BARS), has been developed. The advocates of this appraisal system claim that it provides more detailed and equitable evaluations than any other available system in this field.

The system was introduced by Patricia Cain Smith and Lorne Kendall in a 1963 study sponsored by the National League for Nursing (USA). Since then, there has been numerous changes in scale development and formats proposed for BARS. This system may be described as graphic rating scale with specific behavioural descriptions utilising various points along each scale, as reflected in Figure 8. Each scale represents a dimension or factor considered important for work performance. Typically, both raters and ratees are involved in the development of the dimensions and the generation of behavioural descriptions (Bernardin & Beatty 1984:82-84).

In the BARS system raters must record the behaviours observed on each applicable scale throughout the appraisal period. They must observe a behaviour, decide to which dimension it belonged, and then indicate on the scale the date and details of the incident (Bernardin & Beatty 1984:82-84). The notation of the incident is to be made 'at the effectiveness level' on the scale which is considered most appropriate for that incident on that dimension. The scaling of the effectiveness level of the observation - that is, the place on the page at which the observer recorded the incident - is to be aided by a comparison with the series of illustrative behavioural 'anchors' and generic descriptors (Bernardin & Beatty 1984:82-84). For example, it is clear

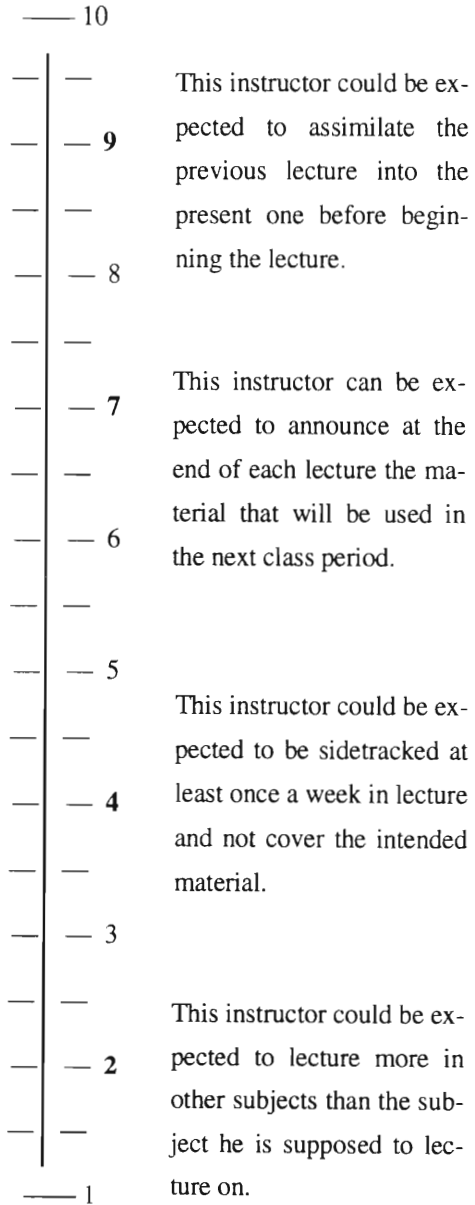
FIGURE 8
A BEHAVIOURALLY ANCHORED RATING SCALE FOR
COLLEGE PROFESSORS

Organisational skills : A good constructional order of material slides smoothly from one topic to another; design optimises interest; students can easily follow organisational strategy; course outline followed.

Follows a course syllabus; presents lectures in a logical order; ties each lecture into the previous one.

Prepares a course syllabus but only follows it occasionally; presents lectures in no particular order, although does tie them together.

Makes no use of a course syllabus; lectures on topics randomly with no logical order.



to say that 'attendance is satisfactory' when there are no more than three absences in a six-month period, than to give attendance as a category and provide boxes labelled from poor to excellent for a rater to tick (Mathis & Jackson 1979:306-307).

As shown in Figure 8, the illustrative behaviours have been previously scaled as belonging to a particular dimension and as representing different effectiveness levels for that dimension. Three dimension-clarification statements define the highest, lowest and midpoint of each scale (on the left side of the scale). The anchoring illustrations must be concrete and specific, and located at irregular intervals along the relevant scale according to effectiveness. The dimensions themselves should be chosen only after considerable discussion of institutional goals and objectives. After a period of observation and incident-recording, the rater could, if necessary, make a summary rating. This summary, together with the notes, serve as a basis for discussion with the ratee and/or as a criterion measure (Bernardin & Beatty 1984:85).

Therefore, from the foregoing information the BARS procedure may be summarised as follows (Bernardin & Beatty 1984:86) :

- observation;
- inference;

- scaling;
- recording; and
- summary rating.

This process seeks to define, clarify and to put into operation the implicit evaluative theory of the rater. The purpose being to encourage observation and explicit formulation of the implications and interpretations of behaviour (Bernardin & Beatty 1984:86).

The major thrust of BARS is to tie appraisals directly to job behaviours that are consistently defined. This thrust is designed to respond to the important legal issues of job-relatedness and less subjective supervisory ratings (Mathis & Jackson 1979:306-307).

Similar to the numerically or adjective-anchored formats, the BARS appraisal format is actually composed of a set of several rating scales, one scale for each of the important aspects of job performance or job dimensions (Carroll & Schneier 1982:103). These job dimensions may include abilities, knowledge, skills, duties, responsibilities, or personal characteristics. Examples in this respect are: knowledge of standard accounting conventions and rules, supervisory skills, work quantity, initiative and attendance. Each job dimension becomes the title of a behaviourally anchored rating scale. The entire set of

scales for any job comprises the BARS format. As opposed to conventional rating scales, BARS are arranged vertically - i.e. from top to bottom. In addition, each scale is usually placed on a separate sheet and is divided from four to nine specific scale values, or scale points. Each scale point defines a degree of job performance on the job dimension that scale represents, ranging from, for example, excellent or exceptional performance at the top to very poor performance at the bottom of a page (Carroll & Schneier 1982:103).

These behavioural statements define, or anchor, the scale at each scale value; thus the term '*behaviourally anchored rating scales*'. Descriptive adjectives, such as 'average' or numerical scale values, when present, are typically located to the left of the behavioural anchors. All BARS contain behavioural anchors, which are often located on the right of the vertical line. These anchors represent a continuum of degrees or levels of performance (Carroll & Schneier 1982:104-105).

If a job is studied and found to contain six distinct and important aspects of performance, or job dimensions, there will be six scales in the BARS appraisal form for the job (Carroll & Schneier 1982:106-107). Each scale will be broken into several scale values, perhaps five, seven, or nine, with each scale value anchored with one or more behavioural

statements. These statements illustrate job performance at that performance level. For each scale, raters could mark the appropriate scale value opposite those anchors which best illustrate a ratee's typical job behaviour during the rating period (Carroll & Schneier 1982:106-107).

Simply stated, the BARS approach is a way of labelling points along a rating scale with behavioural descriptions that represent different levels of performance along the scale (Mohrman Jr, Resnick-West & Lawler 1989:56). For instance, if a scale is meant to measure the dimension of performance quality, then a list of behavioural descriptions is presented from a statement that describes the worst-quality performance to one that describes the best, with all the other statements at appropriate intervals in between. Each description represents a performance level on that line. To measure the quality of an employee's performance, the rater simply circles the description of job behaviour that closely matches actual behaviour. The following is a sample of a BARS instrument (Mohrman et al 1989:56) :

Excellent	7	Develops a comprehensive project plan, documents it well, obtains required approval, and distributes the plan to all concerned.
Very Good	6	Plans, communicates and observes milestones; states week by week where the project stands relative to plans; maintains up-to-date charts of project accomplishments and backlogs and uses these to optimise any schedule modifications that are required.
Good	5	Lays out all the parts of a job and schedules each part; seeks to beat schedule and will allow for slack time; satisfies customers' time constraints; time and cost over-runs occur infrequently.
Average	4	Makes a list of due dates and revises them as the project progresses, usually adding un-foreseen events; instigates frequent customer complaints; may have a sound plan, but does not keep track of mile-stones; does not report slippages in schedule or other problems as they occur.
Below Average	3	Plans are poorly defined; unrealistic time schedules are common; cannot plan more than a day or two ahead; has no concept of a realistic due date.
Very Poor	2	Has no plan or schedule of work segments to be performed; does little or no planning for project assignments.
Unacceptable	1	Seldom, if ever, completes project because of lack of planning, and does not seem to care; fails consistently because of lack of planning, and does not enquire about how to improve.

In using BARS, care must be taken to minimise the following problems (Plachy 1983:59) :

- (a) job components must not be so broad that they mix behaviours of different kinds in the same scale;
- (b) each job behaviour must be distinctly different from the others to avoid overlapping and confusion in interpretation;
- (c) only as many behaviours as are necessary should be identified - 7 to 10 points may be too many; and
- (d) different descriptions of performance should be substituted for adjectival modifications of performance, such as 'extremely' or 'slightly good' performance.

4.7.1 Steps in the Development of BARS

When developing a BARS system a general format which combines techniques used in the critical incident and graphic rating scales is followed. Emphasis is placed on pooling the thinking of people who will use the scale as both raters and ratees. In developing BARS the following five steps should be adopted (Hodgetts 1984:324 & DuBrin 1981:133) :

Step 1 : Collect Critical Incidents

People who have knowledge of the job to be appraised are asked to develop specific illustrations of effective and ineffective behaviour. These critical incidents serve as a foundation for the rest of the development of the appraisal form.

Step 2 : Identify Performance Dimensions

These people are then asked to cluster the incidents into a small set of key performance dimensions, usually between five to ten. Each of these dimensions is then defined. Examples of common performance dimensions include technical competence, knowledge and judgement, operating skill and conscientiousness.

Step 3 : Reclassification of Incidents

Another group of people who are familiar with these jobs is then given the cluster definitions and critical incidents, and asked to review and, where necessary, reassign each incident to the proper cluster. For example, critical incidents associated with knowledge and judgement are put in one group, while critical incidents associated with operating skill are placed in another.

Step 4 : Assigning Scale Values to the Incidents

This second group of people are then asked to rank the critical incident behaviour on a one-to-seven or one-to-nine point scale, that is, representing performance on the appropriate dimension. A rating of one represents ineffective performance, while a rating of seven or nine represents highly effective performance. At this point only those critical incidents which best describe effective and ineffective behaviour are used.

Step 5 : Producing the Final Instrument

The overall instrument is then constructed and used to evaluate the personnel. About six or seven incidents for each performance dimension - all having met both the retranslation and standard deviation criteria - are used as behavioural anchors. The final BARS instrument consists of a series of vertical scales (one for each dimension) anchored by the final incidents. Each incident is placed on the scale according to its mean value.

An example of a BARS for the technical competence dimension for the job of an income tax advisor is shown in Figure 9. Note that the ratings of one through to seven are anchored to specific behaviours engaged in by the tax advisor (DuBrin 1981:134).

FIGURE 9
A BARS PERFORMANCE DIMENSION FOR THE JOB
OF INCOME TAX ADVISOR

Extremely effective performance	7	—	This tax advisor is an expert whose opinions are sought by others in helping them solve tough tax cases.
Effective performance	6	—	This tax advisor is very knowledgeable and up-to-date on difficult (complicated) tax rulings.
Slightly effective performance	5	—	
Neither effective nor ineffective performance	4	—	Works diligently on cases assigned and carries a fair workload.
Slightly effective performance	3	—	Frequently falls behind schedule in getting tax forms into final shape.
Ineffective performance	2	—	Has difficulty with all but the most routine tax forms.
Very ineffective performance	1	—	Offers people very little help beyond what they could do themselves. His work must always be checked by his supervisor.

4.7.2 Advantages

Since BARS emphasises actual behaviours, its format is highly suited for employee development. It also tells the ratee how he compares with others, and it provides data that are relevant for both long and short-term administrative actions (Sashkin 1981:89).

Strauss & Sayles (1980:526) identify three distinct advantages of BARS as follows :

- (a) those who do the rating can participate in developing the scale and are, therefore, more likely to understand and use it;
- (b) since the items are highly specific there is less chance of such errors as ambiguity, excessive leniency and halo effect; and
- (c) this system focuses on behaviour (how the supervisors work) rather than traits (their personalities) or performance (their productivity). Behaviour is often easier for the supervisor to change than either personality or performance, particularly since performance may be affected by factors not under the control of the supervisor.

Thus, behavioural ratings may be particularly useful for coaching or training.

According to Hodgetts (1984:324) there are at least four advantages of BARS, namely :

- (a) since the standards of measurement are clear, the rater easily distinguishes amongst poor, average, good and outstanding performance;
- (b) the instrument is completed by individuals who know the job and the requirements, so the evaluation form has an acceptable level of validity and reliability;
- (c) with a series of five or six performance dimensions, such as job involvement, knowledge and judgement, the rater has a much better idea of what is being rated;and
- (d) the five or six performance dimensions makes it much easier to point out to ratees where they have not performed well and how they can improve in the future.

4.7.3 Disadvantages

While BARS appear to be a promising alternative to other methods, several problems exist with its development and

usage.

Its development requires considerable time, effort and commitment of resources (Holley & Jennings 1983:235). Separate forms must be developed for unrelated jobs, thus creating significant costs for institutions that have a large variety of jobs and only a few employees in each category. Furthermore, developing and preparing the rating scales requires fairly sophisticated statistical analyses, and unless the institution already employs someone with skills for each analysis, a consultant must be hired, resulting in greater costs (Holley & Jennings 1983:236-237).

An important limitation is the restricted use of BARS. At least a dozen people are needed to help develop such a scale. A large number of employees must be performing the job for which the effective and ineffective behaviours are to be identified and the scales developed. Since developing a BARS is both time-consuming and expensive, a large number of people should be engaged in a given job so that the design and construction costs can be spread widely (DuBrin 1981:134).

Since this system emphasises methods rather than results, it may encourage the supervisor to overemphasise the specific behaviours rated. Furthermore, since expected rather than actually observed behaviour is rated, ratees can always deny

the fact that they ever behave as the raters have rated them (Strauss & Sayles 1980:526).

The greatest deficiency of BARS is that, it is neither outcome-directional nor results-directional, and that it fails to make the standard of programme clear. It is a behavioural scale. Behaviours are always activity-oriented, not results-oriented, thus setting up the supervisor for conflict with an employee who can be 'doing' the activity but not accomplishing the desired expectation or result (Plachy 1983:59).

Therefore, it is evident from the above that, although BARS may have many advantages, it has not outperformed other simpler and less costly methods on such criteria as accuracy or reduction of rater errors.

4.8 MANAGEMENT BY OBJECTIVES (MBO)

The management by objectives approach is a management practice that has the potential to change the emphasis from activity to output, and to make the institution effectively productive. This method, popularly known as MBO, has been eagerly adopted and widely implemented during the past 25 years or so, with highly acceptable results (Macdonald 1982:27).

The concept was first propounded by Peter Drucker in his 1954 book, *Practice of Management*, and was implemented in the sixties by a variety of management consultants (Macdonald 1982:27). Since then hundreds of courses and seminars have been held to disseminate the principles and the techniques of MBO. Unquestionably, thousands of institutions and managers have been drawn to its doctrines (Macdonald 1982:27).

Management by objectives involves formal goal setting throughout an institution, from top management to the line workers. It is an applied system of management, based on specific work-goal development, specific achievement measures, and planned follow-up evaluation of goal attainment (Sashkin 1981:107).

Andrews (1988:309) quotes Klingner's definition of management by objectives as a system :

"... that focuses on achieving goal clarity, participative goal setting, employee accountability, and the efficient use of organizational resources".

MBO is result orientated. The supervisor and the employee, who is to be evaluated, set joint goals which the employee concerned must attempt to reach in a specified time. That is, employees are judged by a criterium they are involved with, and a standard which they consider to be both

realistic and reasonable (Andrews 1988:309).

Management by objectives therefore implies that short-term work performance goals are jointly determined, and methods are conceived to improve both the employee's work performance and the effectiveness of the institution. At the end of the specified period, an evaluation is done to determine the success of the team effort in reaching the set goals. Discussions are then held to plan methods for improving performance and for setting goals for the following period. In this way, employees are judged by standards which they have helped to set (Andrews 1988:309).

McConkie (1979) as quoted by Bernardin & Beatty (1984:116) defines MBO as:

"a managerial process whereby organizational purposes are diagnosed and met by joining superiors and sub-ordinates in the pursuit of mutually agreed upon goals and objectives, which are specific, measurable, time bounded, and joined to an action plan; progress and goal attainment are measured and monitored in appraisal sessions which centre on mutually determined objective standards of performance".

The major objectives for a given period of time (e.g. one year) are established by key personnel. They develop plans for the accomplishment of the objectives. Once the objectives have been established, progress reviews are made regularly until the end of the period for which the

objectives were established. At that time, the personnel who established the objectives at each level in the institution meet to evaluate the actual results and to agree on the objectives for the next period (Bernardin & Beatty 1984:116).

MBO has been described as a philosophy of management (Robbins 1978:222). It seeks to minimise external controls and maximise internal motivation through joint goal setting between the manager and the subordinate, and increasing the subordinate's own control of his work. It strongly reinforces the importance of allowing the subordinate to participate actively in the decisions that affect him directly. MBO has an objective in itself. The objective is to change behaviour and attitudes toward getting the job done. In other words it is performance that counts (Robbins 1978:222).

4.8.1 The MBO Process

The MBO process usually comprises of the following five steps:

4.8.1.1 Goal-setting

The first step involves the defining of goals for the employee, which he has to accomplish during a specified

time period. These goals may be initially proposed by the subordinate and approved by the superior, or proposed by the superior after discussion and acceptance by the subordinate. However, the emphasis is on subordinate participation, regardless of who initiates the process (Schneier & Beatty 1978:120).

Goals must be objective and quantifiable. However, if this is not possible, they must at least be clear and specific (Andrews 1988:310). Individual goals must correspond to the goals of the institution concerned. Some institutions grant umbrella responsibility to management personnel for the joint determination of team objectives. They work out a plan of action in which the procedure for reaching the objectives is laid down (Andrews 1988:310).

However, joint goal setting is not enough. An effective MBO programme requires that managers anticipate snags and barriers and that they work out an action plan showing in detail how the goals are to be reached (Strauss & Sayles 1980:531). For example, when a new computer system is to be introduced, personnel must be trained to use it; that is, the manager must plan a training programme, not just for his staff but for himself as well. In addition to performance objectives, subordinates may set *personal development* objectives, which will help them reach their performance objectives. When properly used, an MBO programme sets the

direction for both individual careers and the institution as a whole. However, it requires intensive participation of both managers and subordinates at all levels (Strauss & Sayles 1980:531).

It is important to note that realistic objectives should be set so that that they are easily attainable.

4.8.1.2 Participation

The second step involves the subordinates' participation in the determination of objectives. In other words, subordinates have an active role to play. Therefore, they are less dependent on their supervisors and can use their own initiative (Andrews 1988:310).

In principle, MBO programmes permit subordinates to set goals either by themselves or jointly with their superiors, thus facilitating internalised motivation (Strauss & Sayles 1980:531). The fact that these goals are accepted voluntarily and put in writing increases the sense that a contract has been entered into and this helps to hold individual managers to their commitment. Furthermore, MBO gives subordinates an active role to play, increases their sense of control over their environment, and reduces their dependence on the superior. Finally, by emphasising specific performance rather than character traits, MBO permits

recognition of the innovative manager who gets results by unconventional means (Strauss & Sayles 1980:531-532).

The advocates of MBO consider it important to have subordinates participate in goal-setting. Many feel that there is greater acceptance of goals, and thus greater commitment to achieving them, if the subordinate contributes to their establishment. Therefore, participation may also serve as a means for superiors to save their own time through delegation, that is, by the subordinates developing their own goals and then bringing them to the superior for approval (Carroll & Schneier 1982:143-144).

4.8.1.3 Judgement

The third step involves an evaluation of the performance against the goals initially established. This step is often initiated by a self-appraisal. The subordinate writes a report on how well he has met his objectives. This appraisal is discussed with the superior. The reasons for goals not being met are analysed and discussed (Schneier & Beatty 1978:120).

Since employees are judged by standards which they have helped to determine, they accept the evaluator as a leader and not as a judge. In addition, both work performance and the relationship between the supervisor and his subordinates

are continually revised. In fact, subordinates are consulted by supervisors about suggestions for improving work performance (Andrews 1988:310).

During the year each subordinate's goals are checked to see if the milestones or objectives are being reached. In particular, the superior needs to know how closely the subordinate is coming to attaining these targets, whether any of the goals need to be amended, and the kinds of assistance the subordinate requires to reach the goals (Hodgetts 1984:327).

4.8.1.4 Performance Standards

This step specifies a satisfactory level of performance. Specific standards of performance are mutually developed. The standard is specific and definite and is established for each of the main activities agreed upon in the first step. Standards should be clearly established for each managerial or employee position and should be revised timeously as economic conditions or other variables change (Mathis & Jackson 1979:309).

4.8.1.5 Performance Evaluation

The final step consists of reviewing performance and establishing new goals for the subsequent time period.

The results are measured against goals. At the end of the MBO cycle the superior asks each subordinate to prepare a brief statement of performance. The two then meet to review the subordinate's progress and to establish objectives for the ensuing year (Hodgetts 1984:327).

The employee and the supervisor use the objectives as basis for continuing discussions about the employee's performance. While a formal review session may be scheduled, the employee and the manager do not necessarily wait until the appointed time for performance discussions. Objectives are mutually modified and progress is discussed during the period (Mathis & Jackson 1979:309).

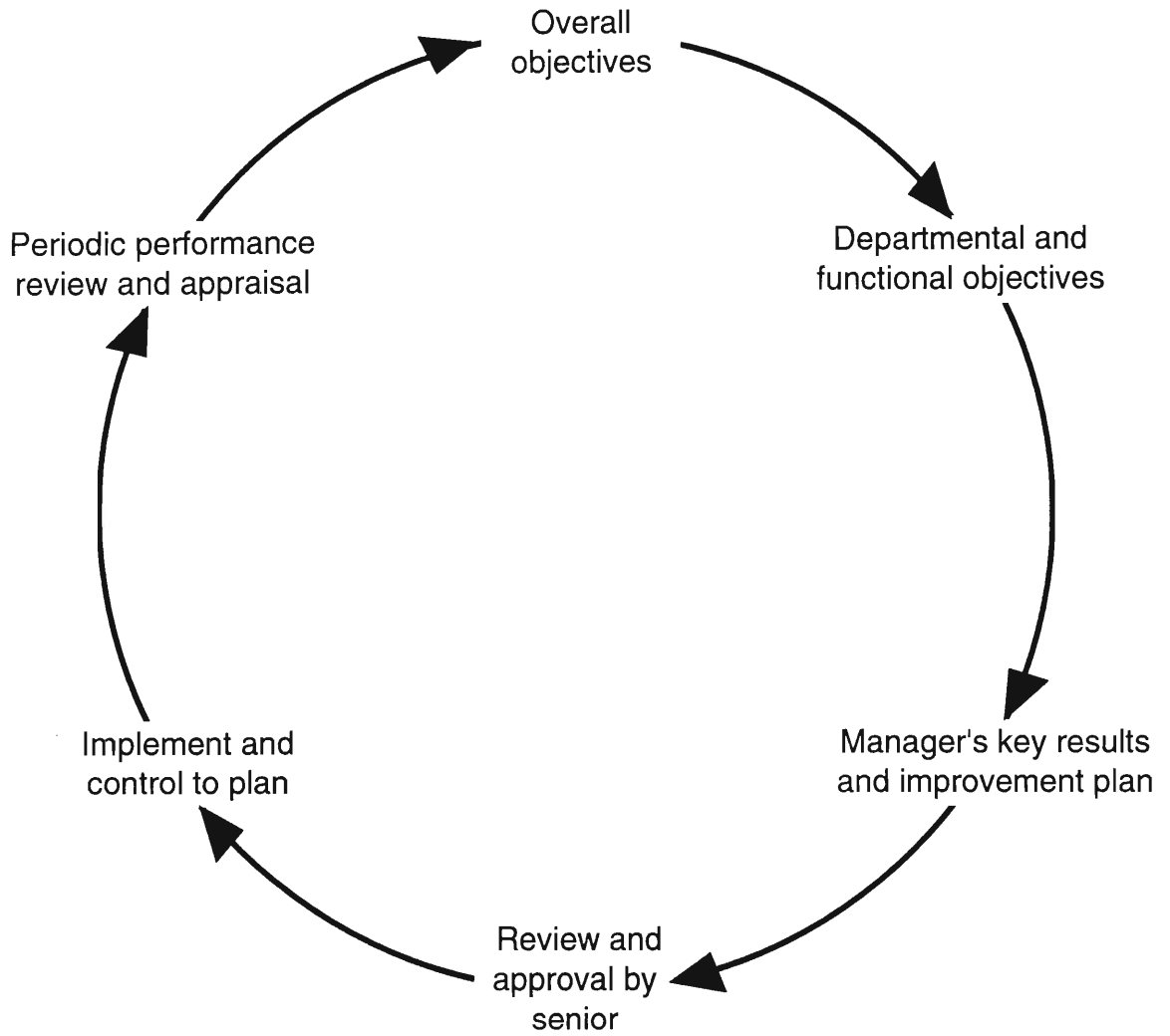
Diagrammatically the MBO process can be depicted in many ways, but two examples are reflected in Figures 10 and 11.

In conclusion, it can be stated that the key features of management by objectives are the following (Beach 1985:221):

- (a) superior and subordinate get together and jointly agree upon and list the principal duties and areas of responsibility of the individual's job;
- (b) the person sets his own short-term performance goals or targets in co-operation with the superior. The superior

FIGURE 10

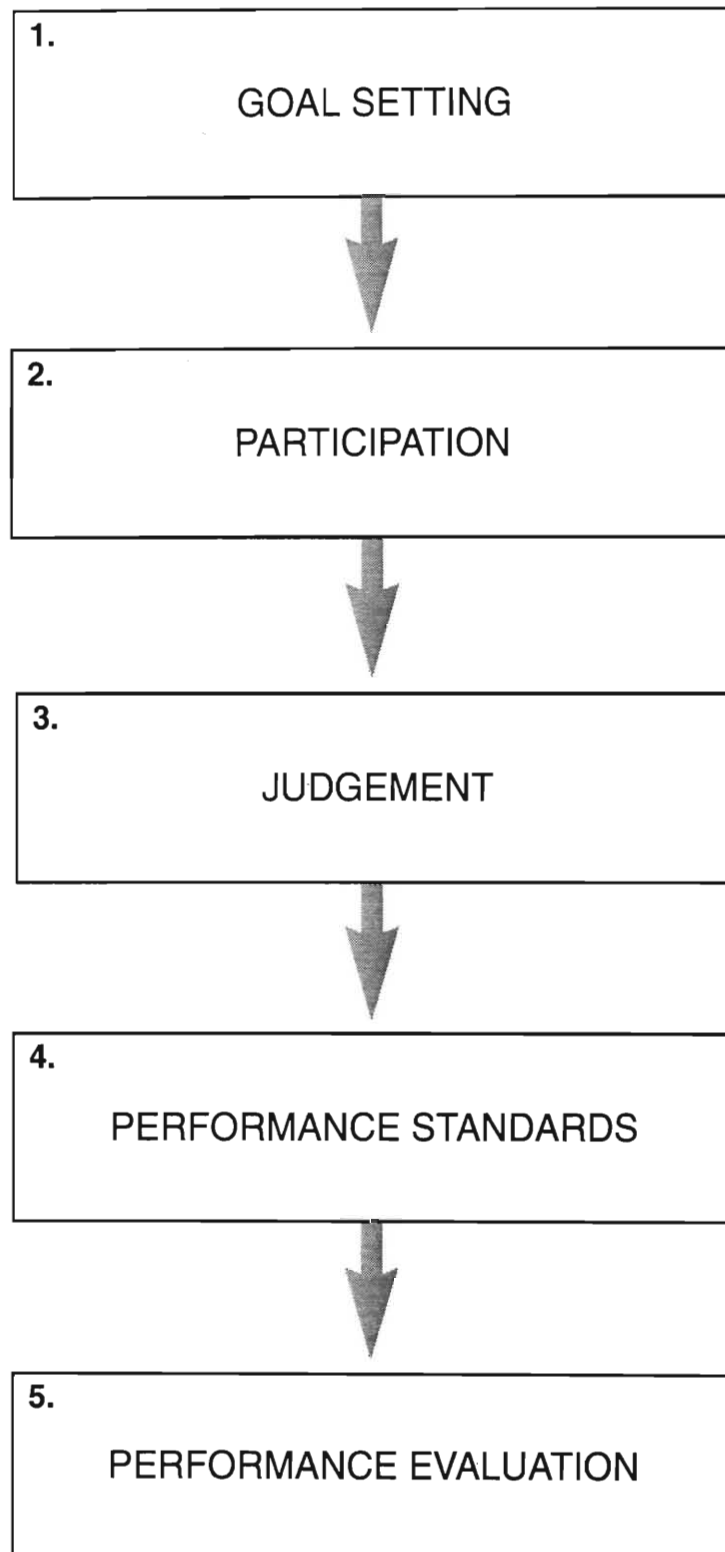
THE M.B.O. CYCLE



Source : Macdonald, C.R.: MBO can work! How to manage by contract, McGraw-Hill Book Company, New York, 1982, p. 32.

FIGURE 11

THE M.B.O. PROCESS



guides the goal-setting process to ensure that it relates to the realities and needs of the institution;

- (c) they agree upon criteria for measuring and evaluating performance;
- (d) from time to time, more often than once per year, the superior and subordinate get together to evaluate progress toward the agreed-upon goals. At these meetings new or modified goals are set for the ensuing period;
- (e) the superior plays a supportive role. He tries, on a day-to-day basis, to help the person reach the agreed-upon goals. He counsels and coaches;
- (f) in the appraisal process the superior plays less the role of a judge and more the role of one who helps the person attain the goals or targets; and
- (g) the process focuses upon results accomplished and not upon personal traits.

4.8.2 Advantages of MBO

MBO has several advantages, particularly with regard to managerial performance appraisal. It sets objectives in

advance, allowing managers to direct or prioritise their activities in a way that will affect their appraisals (Holley & Jennings 1983:237). It highlights the planning function, requiring managers to think ahead and anticipate obstacles. In addition, the appraisal is obviously job related, because the objectives essentially define the most important elements of the job (Holley & Jennings 1983:237). MBO enhances appraisal feedback; since objectives have been established before the appraisal interview, the discussion can focus on problems, ways to improve resources and assistance needed, and future objectives (Holley & Jennings 1983:237).

Hodgetts (1984:327-330) propounds three distinct advantages of MBO, namely :

- (a) there is a joint goal-setting process through supervisor and subordinate participation;
- (b) MBO places a strong emphasis on quantifiable objectives that are tied to a time dimension. For example, performance standards are stated in specific, measurable terms such as percentages, ratios, costs and quality; and
- (c) it encourages the manager to delegate time-consuming activities and to devote his energies to overall

planning and control. With MBO the manager knows what everyone is supposed to be doing. The initial delegation of authority is very systematic. Furthermore, MBO helps the manager to evaluate the subordinates and to establish their good and bad performances. With this information, the manager can then determine what work to delegate to each subordinate in the future.

MBO has the potential to broaden the outlook of managers - to give them a new awareness of the real purpose of their functions and a better appreciation of their individual contributions to the forward progress of the institution (Macdonald 1982:28). MBO, if properly used, can raise the sights of managers who are parochially orientated and extend their time horizons by helping them to set objectives and develop improvement plans for an extended period of time ahead (Macdonald 1982:28).

Andrews (1988:311) summarises the advantages of MBO as follows:

- (i) The opportunity for creative thinking is offered to employees. Both supervisors and employees are stimulated to find better methods for completing work in such a way that the set goals are achieved.

- (ii) Subordinates receive recognition for the way in which they satisfy the prescribed requirements, judged by the weight of the set goals.
- (iii) Experience is gained and applied as a method for reaching the set goals.
- (iv) Employees can do an evaluation of themselves.
- (v) Employees increase their input when they know that their performance is measured and that they will receive compensation for it.
- (vi) Clear goals facilitate judgement and reward achievement.
- (vii) Deficiencies in the functioning of the institution concerned can be identified and improvements can be made.

4.8.3 Disadvantages of MBO

Despite the initial enthusiasm with which many institutions greeted this new approach, experience has shown that MBO has a number of limitations.

In the first place, the theory that subordinates set goals by themselves (or jointly with their supervisors) may turn out to be deceptive (Strauss & Sayles 1980:532). This depends on whether the participative approach, which is required for goal setting by the subordinate, is consistent with the supervisor's ordinary management style. The supervisor who regularly consults with the subordinates finds this new approach quite easy. However, this is not the case with the supervisor who is decisive and direct and never takes time to listen. With such a supervisor, MBO merely makes the subordinate feel less secure because it sets specific goals (Strauss & Sayles 1980:532).

Secondly, since MBO emphasises on measurable standards, it may cause problems in dealing with intangible and unmeasurable aspects of the job. Production, which is measurable, is emphasised over employee development, which is not. As a result of this difficulty, quality may be sacrificed for sheer quantity; trivial items may assume undue importance because they can be counted (Strauss & Sayles 1980:532-533).

Management by objectives is not a panacea. A highly directive, authoritarian manager may find it difficult if not impossible to lead employees in this participative, human-being-centered, supportive style (Beach 1985:223). The subordinate may try to set easily attainable goals in order

to look good when meeting with a supervisor to review progress. If too much weight is placed upon quantifiable goals such as profits, costs and efficiency, qualitative goals such as investment in human resources (training, health and morale builders) may be downgraded (Beach 1985:223).

Moreover, MBO has certain disadvantages when used for allocating salary increases and for promotions. Because goal setting and goal attainment are so individualised, it is difficult to compare the performance of one person with another or to a standard to which everybody is held. In MBO performance standards are personal and not uniform throughout a department. MBO also focuses upon short-term goals and their attainment. It does not concentrate upon identification of traits that would qualify an employee for a new and different job (Beach 1985:223).

MBO is not appropriate for all employees or all institutions (Mathis & Jackson 1979:311). Jobs with little or no flexibility, such as assembly-line work, are not compatible with MBO. An assembly-line worker usually has so little job flexibility that the performance standards and objectives are already determined. Furthermore, the MBO process of setting objectives assumes that an individual's objectives are reasonably compatible with the overall objectives of the institution. Moreover, MBO may be seen as a disguised means

for managerial manipulation since it requires a climate which supports openness and a mutual orientation. When imposed upon a rigid and autocratic management system, MBO may fail. Extreme emphasis on penalties for not meeting objectives defeats the developmental and participative nature of MBO (Mathis & Jackson 1979:311).

Andrews (1988:311) summarises the disadvantages of management by objectives as follows:

- (i) It is possible that the individual, and not the group, will be emphasised. This can result in excessive competition and often unfair preferences. The original goal may become vague.
- (ii) The share which employees have in the determination of objectives can be deceptive and not always in line with management planning.
- (iii) Supervisors may not answer the questions of their subordinates effectively and this can lead to uncertainty as the subordinates will not know precisely what is expected of them.
- (iv) The quality of performance can be sacrificed for quantity when emphasis is placed on measurable work performance, such as production. It is also

difficult to quantify work performance in creative fields.

- (v) Management by objectives puts a high premium on measurable standards which can be easily evaluated. However, serious problems arise when un-measurable aspects are encountered, such as the development of employees.

Although MBO may have been greeted with enthusiasm by many institutions, it nevertheless has limitations in the scope of its application. In conclusion, it can be stated that MBO is potentially a powerful management tool and an effective way for operating the evaluation process. The objectives clarify for employees the behavioural patterns that are desirable on the job and, in the majority of situations, improve employee performance.

4.9 SUMMARY

From the foregoing discussion, it is evident that the choice of an evaluation system is determined by many factors, such as, inter alia:

- the goals of the institution;
- specific goal of the evaluation;
- cost involved in the use of a specific system; and

- training of supervisors for implementation and management.

In this chapter, an overview of the various performance appraisal systems, together with their advantages and disadvantages, has been undertaken. As can be seen several systems have been used to accomplish performance evaluations over the years. These include systems such as, the graphic rating scale, paired comparison, forced choice, critical incident, forced distribution, behaviourally anchored rating scales and management by objectives.

These systems are not without problems, such as excessive subjectivity, frustrations for the rater, subordinates not knowing what the evaluations really mean, and mechanical problems in the systems themselves. The more recently developed systems overcome some of these disadvantages if they are applied diligently. For example, the critical incident system utilises specific examples of behaviour to suggest good or bad behaviour on the part of the subordinates. If these incidents of behaviour are discussed immediately with the subordinate, the critical incident system can be very successful, not only in appraising the performance but in bringing about improvement.

The behaviourally anchored rating scales (BARS) system provides a more detailed and equitable evaluation. In this

system appraisals are tied directly to job behaviours that are consistently defined. These behavioural statements anchor the scale at each scale value. These anchors represent a continuum of degrees or levels of performance. To measure the quality of an employee's performance, the rater simply circles the description of job behaviour that closely matches actual behaviour. However, job behaviours of different kinds should not be mixed in the same scale, and each job behaviour must be different from the others to avoid overlapping and confusion in interpretation. Since BARS emphasises actual behaviours it is suitable for employee development as well as long and short-term administrative actions.

Management by objectives (MBO) is the most recent and more widely acclaimed system of performance appraisal. It is also a method of goal structuring for individual employees. Similar to the critical incident method, MBO depends upon diligent application by managerial personnel in order to be successful. The core of MBO is a set of goals for the employee that is mutually agreed upon by the employee and the supervisor. Periodic meetings between the supervisor and the subordinate establish the degree of progress towards goal accomplishment. If these meetings truly involve give-and-take between a supervisor and the subordinate, rather than being judgemental, then MBO has a chance for success. The subordinate must perceive that his participation in MBO

is worthwhile and also that management is dedicated to and believes in the MBO process.

For any system to be successful, a supervisor must take sufficient time to do appraisals and must be extremely careful to keep bias out of the appraisal process. If this is done, then the appraisal process can be highly beneficial to both the subordinate and the supervisor.

CHAPTER 5

THE PERFORMANCE APPRAISAL FUNCTION IN SOUTH AFRICAN LOCAL AUTHORITIES : AN OPERATIONAL PERSPECTIVE

5.1 INTRODUCTION

The principle reason for the establishment of local authorities, which are independent legal entities, is to give the citizens of that municipality the opportunity to provide for matters that are of a local nature and that affect their everyday lives. Municipal councils are political institutions and therefore, they have to undertake legislative and governmental functions. In addition, they have to supervise the executive and administrative activities of the municipal functionaries. As a body corporate the municipal council is the employer and the appointed officials are its employees.

Local government employees make up 14,8 percent of public sector employment and up to 70 percent of a local authority's operating budget is allocated for staff expenditure (Sing & Penceliah 1989:49). As a result of this enormous cost, it is imperative that a local authority has an efficient and effective work force. One of the ways this

can be achieved is through the performance appraisal function.

In this chapter the practice of the performance appraisal function in South African local authorities is discussed within an administrative frame of reference. Attention is focussed on the following administrative processes:

- policy directives;
- organising;
- financing;
- staffing;
- determining systems and procedures; and
- exercising control.

5.2 POLICY DIRECTIVES

The municipal council, as the highest legislative and policy-making body of a local authority, is responsible for personnel policies, including performance appraisal policies. Cloete (1985:137) states that :

"performance appraisal must contribute to the maintenance and improvement of the effectiveness of the work force".

Therefore, the need for clear policy directives in the performance appraisal function cannot be over-emphasised.

Performance appraisal policies are generally set out in approved personnel regulations of the council. In some instances it is embodied in personnel policy and procedure manuals, for example, City of Durban, Pinetown Municipality, City of East London, and Municipality of Port Elizabeth (Questionnaire 1990:Q1(c)).

The survey undertaken by the researcher, by means of a questionnaire, in respect of performance appraisal, shows that 36 (26 percent) of the 136 respondents have a performance appraisal system. Of these 36 local authorities, only 12 or 33 percent have specific rules and regulations governing their performance appraisal function. This means that 67 percent of the local authorities are implementing the performance appraisal function without any clear policy directives. This raises the question as to whether these local authorities are in fact achieving their aims and objectives successfully with a contented and co-operative workforce. Without formulating relevant policy directives it is possible that staff will not be clear about their objectives, and this could detrimentally affect the overall efficiency and effectiveness of the workforce. The activities of the workforce directly contribute to the achievement of the goal of the municipality, which is municipal welfare.

A review of the performance appraisal policy directives of

local authorities studied provides an understanding of the overall objectives in this regard.

The performance appraisal policy of the City Administration Department of Port Elizabeth is clearly stated in its 'Employee's Guide to Performance Appraisal' as follows:

"It is departmental policy that all employees be appraised in their performance at six monthly intervals through:

- 1.1 a full-scale appraisal on the prescribed form is conducted annually; and
- 1.2 a review of progress related to the appraisal covered in 1.1 above, conducted six months after that appraisal".

The City Council of Durban introduced the 'Merit Rating Scheme' in all its departments on 28 May 1973 (Circular 1973:1). However, over the years this scheme has been reviewed many times and the City Council of Durban has now introduced a new scheme called the 'Performance Appraisal and Development Programme'. The policy of this scheme is based on 'How is he doing?', 'Where is he going?' and 'How can we help?' (Le Grange 1991: Letter).

Whilst there are policy directives for performance appraisal as a whole, there is also a need for policy directives for the component activities constituting the performance appraisal function. For instance, there must be a policy with regard to:

- (a) interviewing procedures (how and when the interview must be conducted);
- (b) by whom and for whom the interview must be conducted;
- (c) training of appraisers;
- (d) due process for unfair appraisals;
- (e) financial provisions for implementing the performance appraisal function;
- (f) organisational arrangements; and
- (g) control measures.

The objectives of performance appraisal, which is also a policy matter, are many and varied. The local authorities which responded to the questionnaire list the following objectives of their performance appraisal function :

(i) Borough of Amanzimtoti

- to generate discussions between management and staff;

- to identify training needs within the council;
- to improve productivity within the council; and
- to assist with career guidance of staff (Kennedy 1990:letter).

(ii) Town Council of Boksburg

- to motivate employees; and
- to serve as criterion for salary adjustment (Oosthuizen 1990:letter).

(iii) City of Durban

- to assess individual employee job performance (how each employee is doing on the job);
- determine individual employee growth potential (where he is going in the organisation); and
- identify specific individual training needs (what input of a training or development nature must be provided to help the individual get there) (Le Grange 1990:letter).

(iv) City of Johannesburg

- to evaluate past period's performance against contracted performance standards (Romart 1990:letter).

(v) Municipality of Pinetown

- to determine performance levels;
- to determine training needs; and
- for manpower planning (Taylor 1990:letter).

(vi) Municipality of Port Elizabeth

- enables staff to know what value is placed on their work and to discuss factors which promote or frustrate job satisfaction;
- provides the opportunity for discussion of career aspirations and developmental needs;
- provides a structure for communication between employees and management;

- helps to clarify what is expected of the employee by management and of management by the employee;
- identifies areas where specific training is needed or desired;
- provides satisfaction and encouragement to the employee who is trying to perform well;
- assists in the overall human resource planning;
- helps to document the basis on which personnel decisions are made;
- facilitates the management of staff in the light of accurate knowledge of each employee's performance; and
- helps to improve the general operation of the municipality and reinforces its team-based and pro-active culture (Beckley 1990:letter).

(vii) Municipality of Milnerton

- to establish whether an employee is correctly placed;
- to test for productivity;

- to test for knowledge of work as well as quality of work (Gerber 1990:letter).

From the aforementioned information, specific career paths can be charted for each employee, and departmental manpower succession and progression plans can be developed based on identified training needs. The end result is the more effective management and utilisation of human resources (Durban Corporation User's Guide 1990:1).

Eighteen or 13 percent of the respondents identified training needs as the most common objective (Questionnaire 1990:Q3). Training is an important component of personnel administration and is a prerequisite for appointment and promotion (Cloete 1985:152). Without training, employees will not acquire the necessary knowledge and skills to carry out their job-related duties as efficiently and effectively as possible. Consequently, this can hinder the progress of their respective departments and can impact on the achievement of the goals of the municipality. Therefore, whilst it is important for a municipal council to adopt a good performance appraisal system, it is also important for the council to adopt or to generate a good training programme for all its employees.

The primary reasons why local authorities conducted

performance appraisal are summarised as follows with the number of local authorities indicated in brackets (Questionnaire 1990:Q3):

- (a) to identify talent or skill of a specific employee in a specific job (13);
- (b) to increase productivity (12);
- (c) to promote employees (12);
- (d) to re-grade employees (9);
- (e) to measure productivity (7);
- (f) to facilitate interpersonal relations and communications (1);
- (g) to determine salary increases (1);
- (h) to measure contracted performance standards (1); and
- (i) for permanent appointment after the six months probationary period (1).

From the aforementioned, it can be seen that local authorities conduct performance appraisal for various

reasons. It is because of these reasons that performance appraisal has become an important tool for personnel administration. It helps, inter alia, in the following functions (Questionnaire 1990:Q5):

- (a) to plan human resources;
- (b) to select and recruit staff;
- (c) to improve communication;
- (d) to point out employees' specific needs for training and development;
- (e) to provide the basis for compensation (i.e. pay increases, promotion and transfers);
- (f) to assess employee potential for future placement;
- (g) to give overall direction of employee potential;
- (h) to determine whether goals of the institution can be achieved;
- (i) to provide analysis or evaluation of unproductive employees; and

(j) to provide a basis for early retirement, retrenchment or dismissal of unproductive employees.

Of these, the five most important functions indicated by the 36 respondents that have an appraisal system, are as follows (Questionnaire 1990:Q5):

- (i) to point out employees' specific needs for training and development (62 percent);
- (ii) to assess employee potential for future placement (47 percent);
- (iii) to give overall direction of employee potential (41 percent);
- (iv) to improve communication (38 percent); and
- (v) to provide the basis for compensation (35 percent).

The need for training has again been highlighted and is regarded as one of the most important functions of performance appraisal by the respondents.

An effective performance appraisal policy should make provision for employees to raise objections or to make

comments in response to their appraisals conducted by their immediate supervisors. Seventy four percent of the respondents allow their employees to raise objections or to make comments (Questionnaire 1990:Q15). For example, the Municipality of Durban makes provision for the employee's comments on the appraisal form under the section called "Supplementary Information" (See Annexure B). The Municipality of Pinetown has a whole section on the appraisal form set aside for an employee's comments, where the employee is allowed to make comments on his appraisal, his career developmental needs and ways of meeting them (See Annexure C).

It is important to take cognisance of comments made by employees as they could provide valuable insight into both the individual and the departmental needs. For instance, such comments could assist management in assessing an employee's potential for future development, or in enhancing or revising its policy to cater for employees' needs with regard to the following:

- training;
- future planning;
- growth potential within the municipality;
- improvement of channels of communication; and
- compensation needs.

In this respect, performance appraisal plays an important role and its need can therefore, be justified. Of the 136 respondents only 28 or 21 percent have categorically stated that performance appraisal is in fact necessary at their municipality. The following reasons have been postulated for this:

- without performance appraisal the town clerk will not be able to ascertain whether staff performance is up to standard, nor will he be in a position to ascertain whether an employee is correctly placed (Grabe 1990:letter);
- performance appraisal encourages useful dialogue between supervisor and employee on a regular basis (Beckley 1990:letter);
- it is a means of providing feedback to both the municipality and the employee (Viviers 1990:letter);
and
- performance appraisal provides an objective instrument for measurement of performance, job descriptions or tasks meted out (Breitenbach 1990:Letter).

Therefore, in the light of the above, it can be seen that performance appraisal is in fact necessary at

municipalities.

Whilst there is a dire need for performance appraisal, those municipalities (26 percent) that do have a performance appraisal system, have limitations in their system. These limitations are listed as follows with the name of the relevant local authority indicated in brackets (Questionnaire 1990:Q24):

- (i) It creates the halo effect (Boksburg Town Council).
- (ii) There is a lack of annual follow-up appraisal (Edenvale Town Council).
- (iii) Appraisal is not done frequently, and is only done by senior personnel (Frankfort Municipality - Orange Free State).
- (iv) There are incorrect perceptions of the system, it is time-consuming, and there is a possibility of detached conduct by appraisers (Keetmanshoop Municipality).
- (v) No promotion on merit is possible without performance appraisal (Town Council of Kempton Park).

- (vi) There are inadequate assessment techniques, and lack of commitment to the system (Borough of Pinetown).
- (vii) Appraisal is not linked to remuneration, and interviewer standards differ (Randburg Municipality).
- (viii) It leads to subjectivity by the appraiser, and there is lack of uniformity (Milnerton Municipality).
- (ix) One appraisal system is universally applied throughout the municipality, and there is no guarantee that it is applied objectively (Uitenhage Town Council).
- (x) There is no definite or uniform system for all local authorities (Swakopmund Municipality).

Improvements proposed to these problems or limitations were cited as follows (Questionnaire 1990:Q25):

- (a) appraisals should be done more frequently and by the immediate supervisors;

- (b) proper training should be provided in conducting appraisals;
- (c) re-training should be provided in appraisal techniques;
- (d) the appraisal form should be adapted such that questions may be more relevant to each individual department; and
- (e) improving the definitions of categories on the appraisal form.

From the aforementioned discussion, it is evident that without properly formulated and clearly directed policies the performance appraisal function is bound to be inefficient and ineffective in varying degrees. Therefore, it is essential for local authorities to determine relevant policy directives (rules and regulations) to govern the performance appraisal function if the goal of municipal community welfare is to be achieved.

5.3 ORGANISING

The success of a performance appraisal function depends to a large extent on the organisational arrangements and the personnel appointed to execute it within a local authority.

An organisational structure must be so designed as to adequately establish relationships between individuals, groups or functions in the common undertaking to achieve the institutional goals (Ritterskamp, Forrest and Ahrens 1968:32).

To highlight this perspective a discussion of the organisational arrangements at South African local authorities studied, is undertaken.

Figure 12 depicts a simple organisational structure of a municipal authority, which includes the locus of the employer/employee relationship (Sing & Penceliah 1989:49).

The organisational arrangements for the implementation of the performance appraisal function varies from municipality to municipality. At the municipalities studied, a majority (31 percent), have senior management, comprising of heads of departments, responsible for the implementation of the performance appraisal function. This is followed by the town clerk's department (22 percent), the personnel department (19 percent), and management services department (8 percent). The remaining 20 percent did not indicate which department is responsible for the implementation of the performance appraisal function (Questionnaire 1990:Q12). This statistical information is represented graphically in Figure 13.

FIGURE 12

SIMPLE STRUCTURE OF MUNICIPAL AUTHORITY: EMPLOYER AND EMPLOYEE RELATIONSHIPS

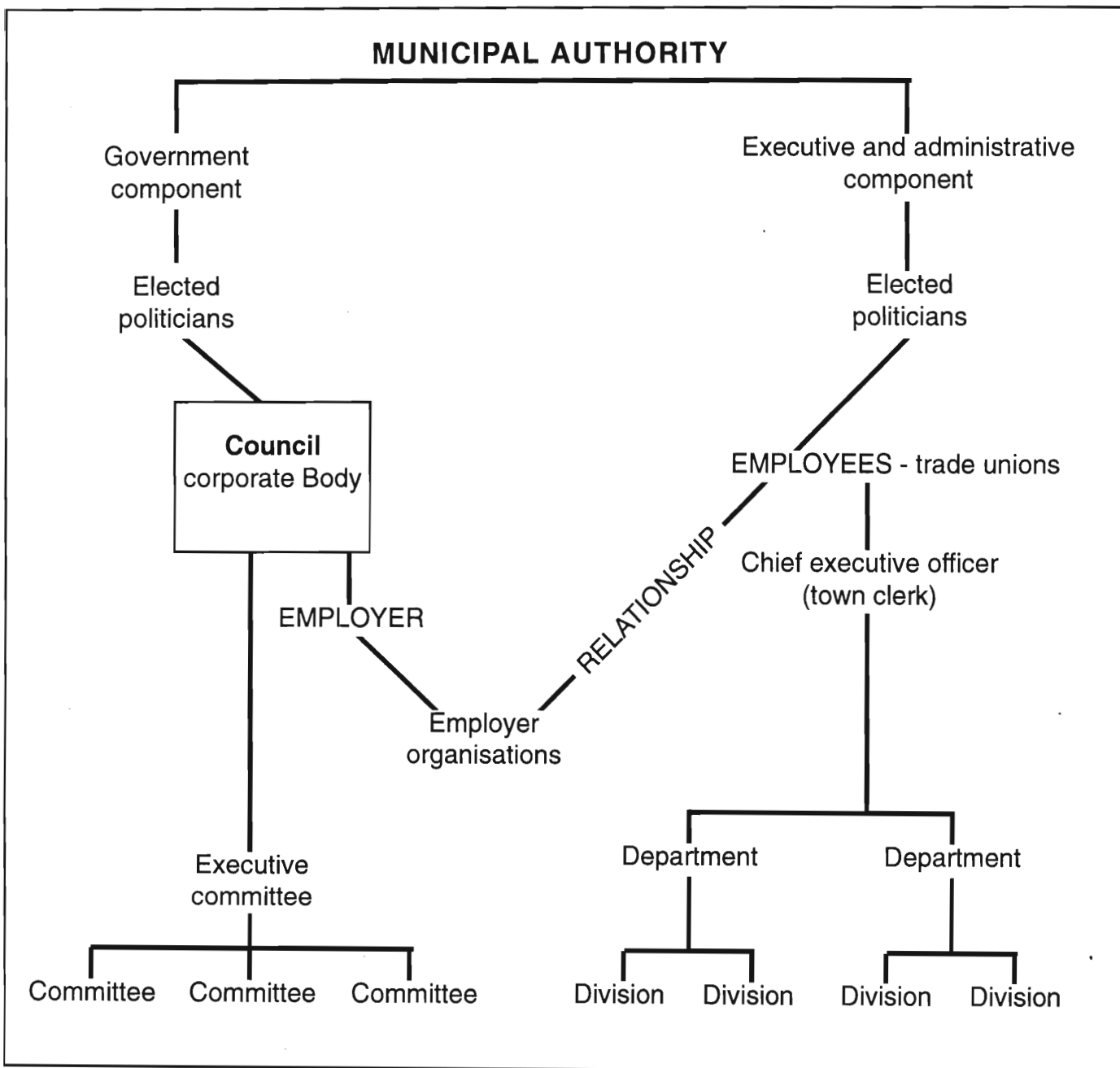
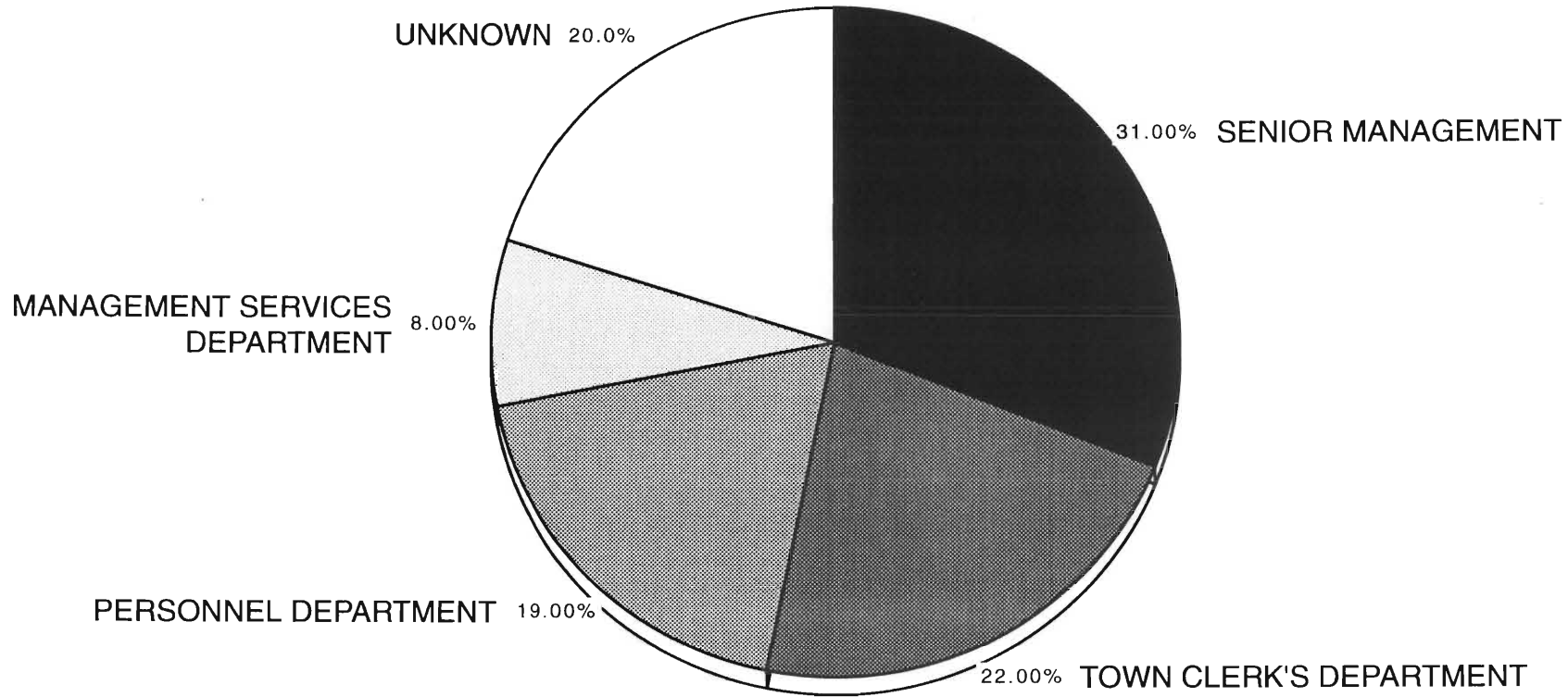


FIGURE 13

A GRAPHIC REPRESENTATION OF ORGANISATIONAL ARRANGEMENTS FOR THE IMPLEMENTATION OF PERFORMANCE APPRAISAL



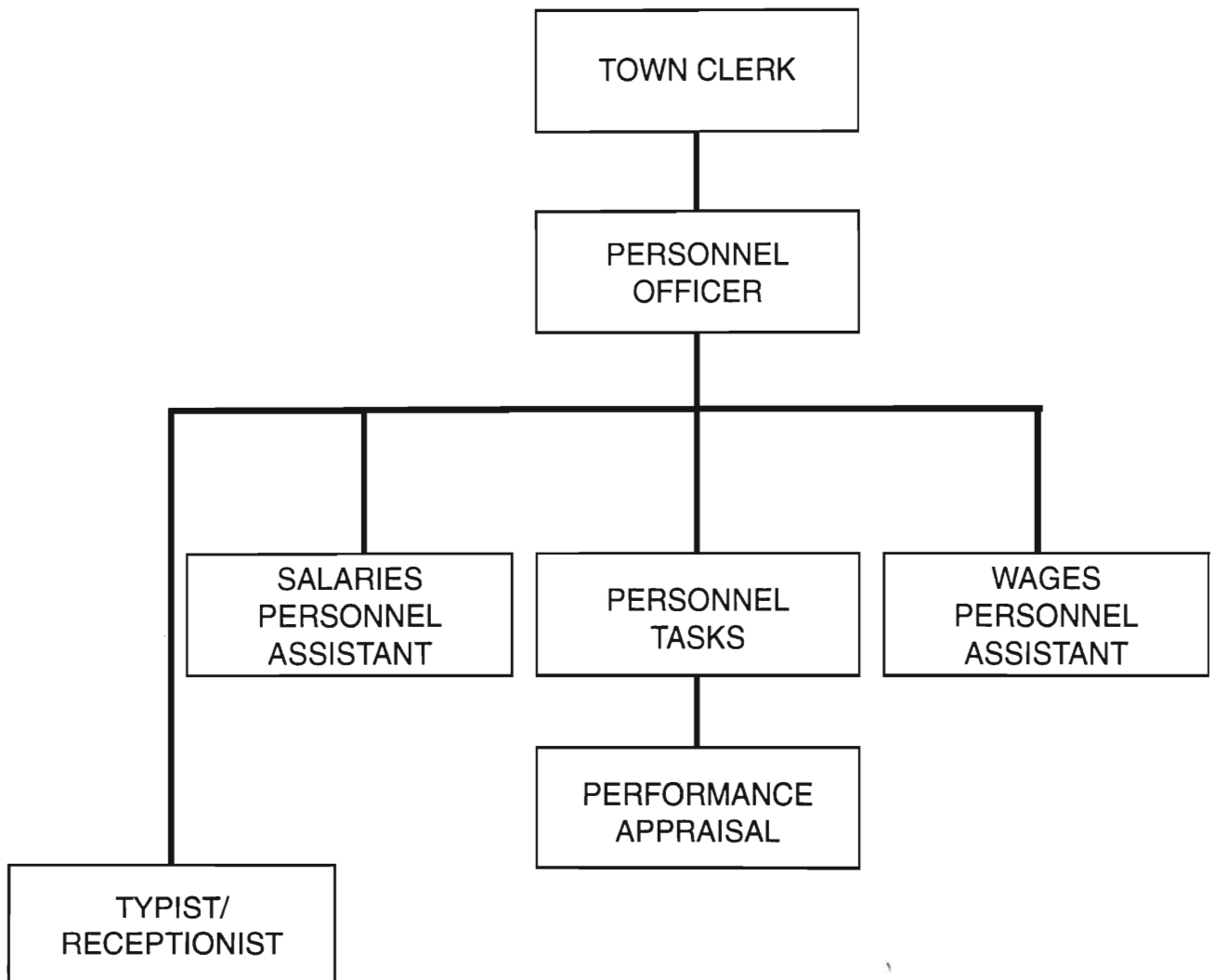
In respect of senior management, the performance appraisal function is a decentralised activity and is performed by the head or supervising officer of each department, within the local authority. For example, the Municipality of Johannesburg has twenty departments and the line manager of each department is responsible for the appraisal of his staff (Romart 1990:letter). Other examples of local authorities where senior management is responsible for the performance appraisal function are, inter alia, Municipality of Cradock, Edenvale Town Council, Municipality of Frankfort, Hambanati Town Committee, Municipality of Lamberts Bay, Municipality of Uitenhage, Borough of Verulam, Borough of Vryheid and Town Council of Warmbaths (Questionnaire 1990:Q12).

The organisational structure of the personnel department at the Borough of Amanzimtoti is reflected in Figure 14. In this structure, the Town Clerk, who is the chief executive officer, is responsible for the implementation of the performance appraisal function. The personnel department, under the control of the Personnel Manager (or Personnel Officer), is responsible for the implementation of the performance appraisal function in addition to the various other personnel tasks. Such a situation has its advantages and disadvantages.

An advantage is that, depending on the size of the local

FIGURE 14

**ORGANISATIONAL STRUCTURE OF THE PERSONNEL SECTION:
BOROUGH OF AMANZIMTOTI**



authority, it may not be economically viable to have a separate department to deal exclusively with the performance appraisal function. Hence, this task is assigned to the personnel department. A disadvantage is that, in addition to carrying out the numerous personnel functions, such as recruitment, selection, placement, training, record keeping and attending to various employee problems, the personnel department has to carry out the performance appraisal function. This creates a doubt as to whether the department is able to carry out this function effectively, and in so doing, whether it is in fact achieving the aims and objectives of the performance appraisal function for which it is intended. Furthermore, the time spent on performance appraisal may not be justified as it may be conducted in a hurried or haphazard manner, thus resulting in disastrous consequences for employees as well as creating dissatisfaction amongst employees.

In comparison to the Borough of Amanzimtoti, the Municipality of Port Elizabeth has a training section under the control of the Personnel Manager. This section is responsible for the implementation of the performance appraisal function. At the head of this section is the Training Manager. Under him there is a Development and Training Officer, a Senior Training Officer, an Assistant Training Officer, a Training Officer and a Clerk Grade I (Beckley 1990:letter). This is simplistically illustrated

in Figure 15.

Examples of other local authorities, that have the performance appraisal function assigned to the personnel department, are Dannhauser Town Board, Municipality of Durban, Municipality of East London, Randburg Municipality and the Town Council of Tokoza (Questionnaire 1990:Q12).

An organisational structure of the Management Services Department of the Town Council of Boksburg is simplistically illustrated in Figure 16. It is interesting to note that, as at 1990, this Town Council had separate establishments in the personnel department for Black and White staff.

Local authorities that have a Management Services Department are well organised because their personnel functions are delegated. For example, at the Town Council of Boksburg there are two sections. The one section, under the control of the Deputy Director: Management Services, deals with productivity and personnel matters. The other is the organisation and workstudy section falling directly under the control of the Director: Management Services. The performance appraisal function is carried out by the section dealing with productivity (Oosthuizen 1991:letter).

At the Municipality of Pinetown, which also has a management services department, performance appraisal is carried out by

FIGURE 15

**ORGANISATIONAL STRUCTURE OF THE TRAINING SECTION:
MUNICIPALITY OF PORT ELIZABETH**

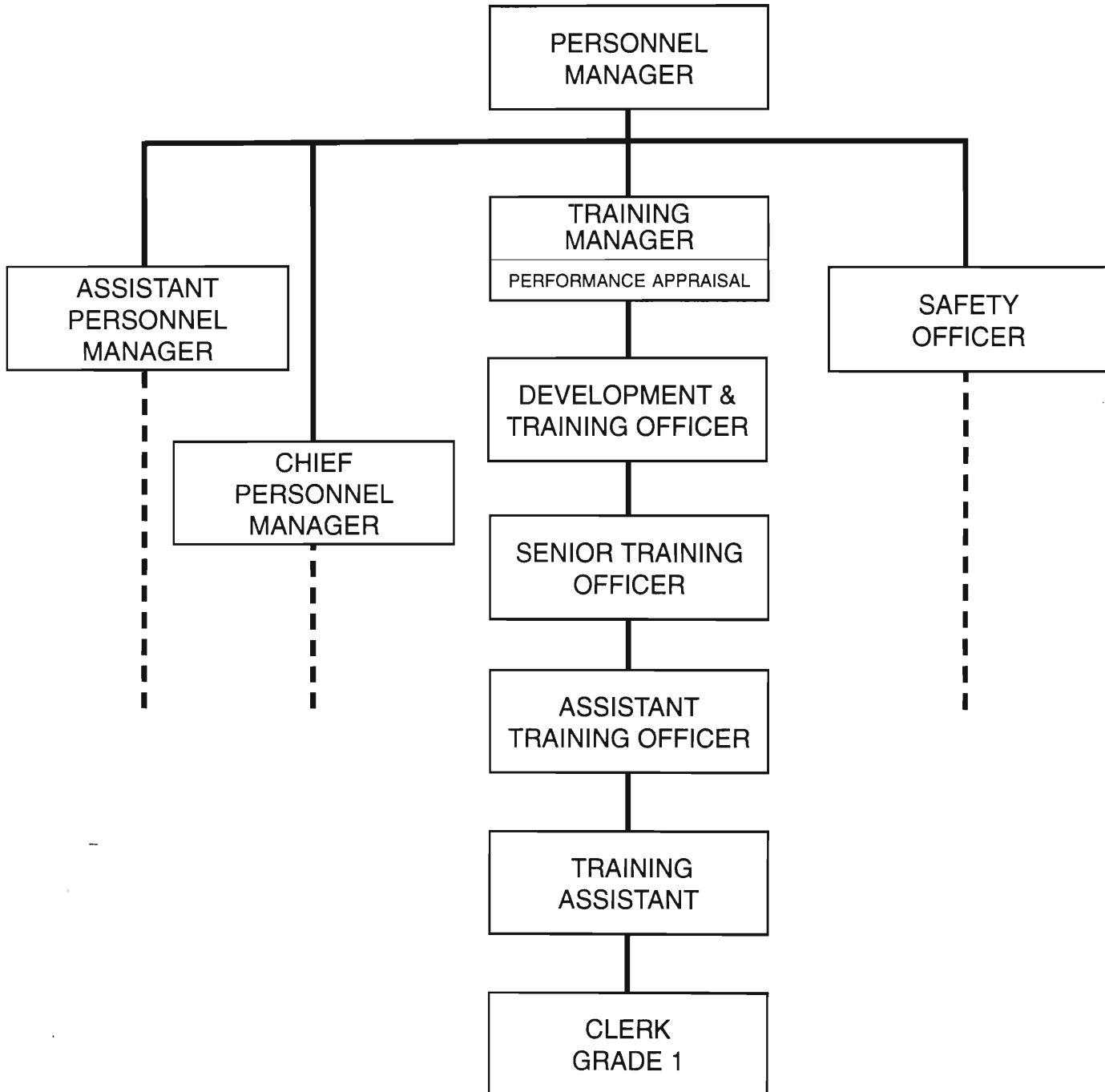
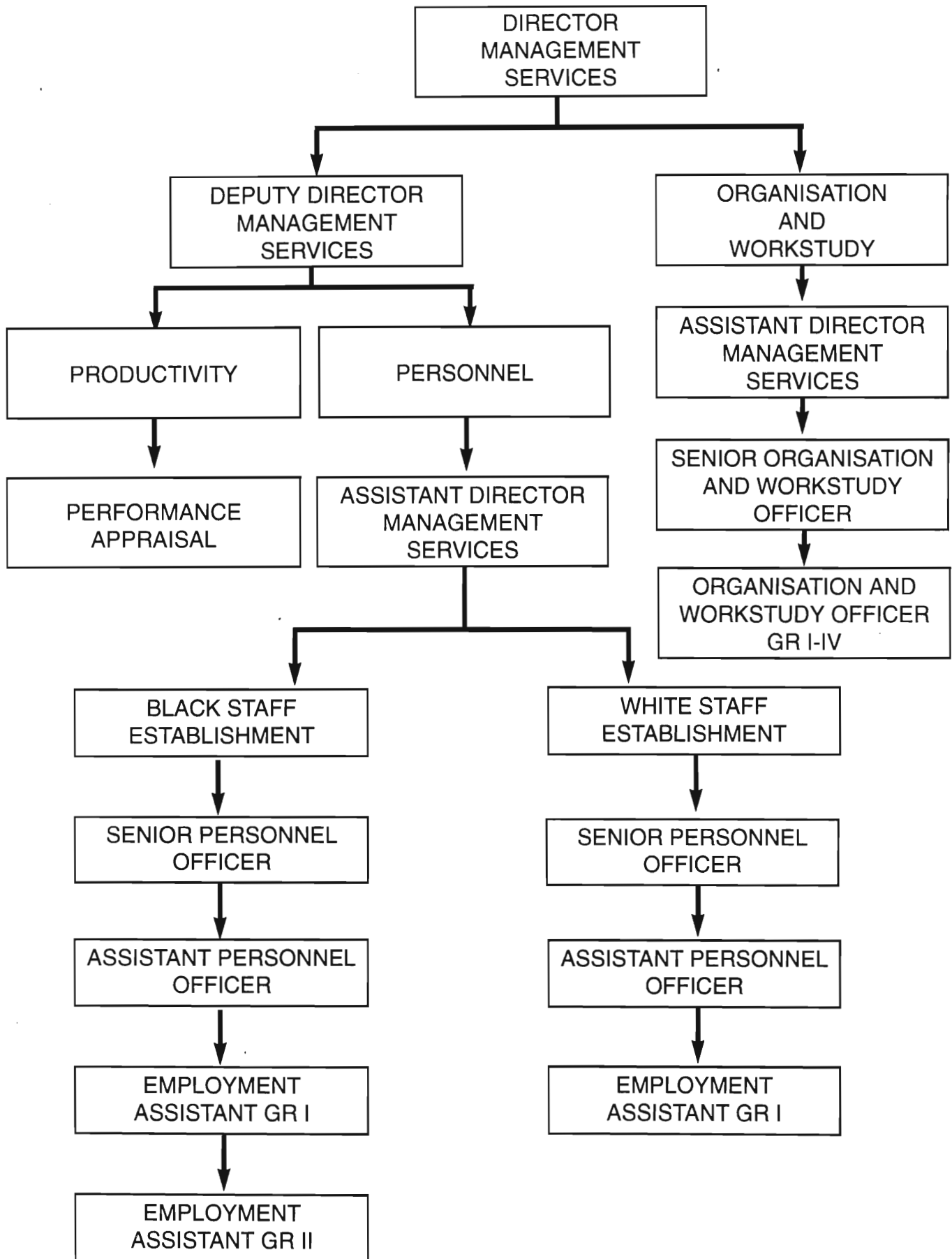


FIGURE 16

ORGANISATIONAL STRUCTURE OF THE MANAGEMENT SERVICES DEPARTMENT: TOWN COUNCIL OF BOKSBURG



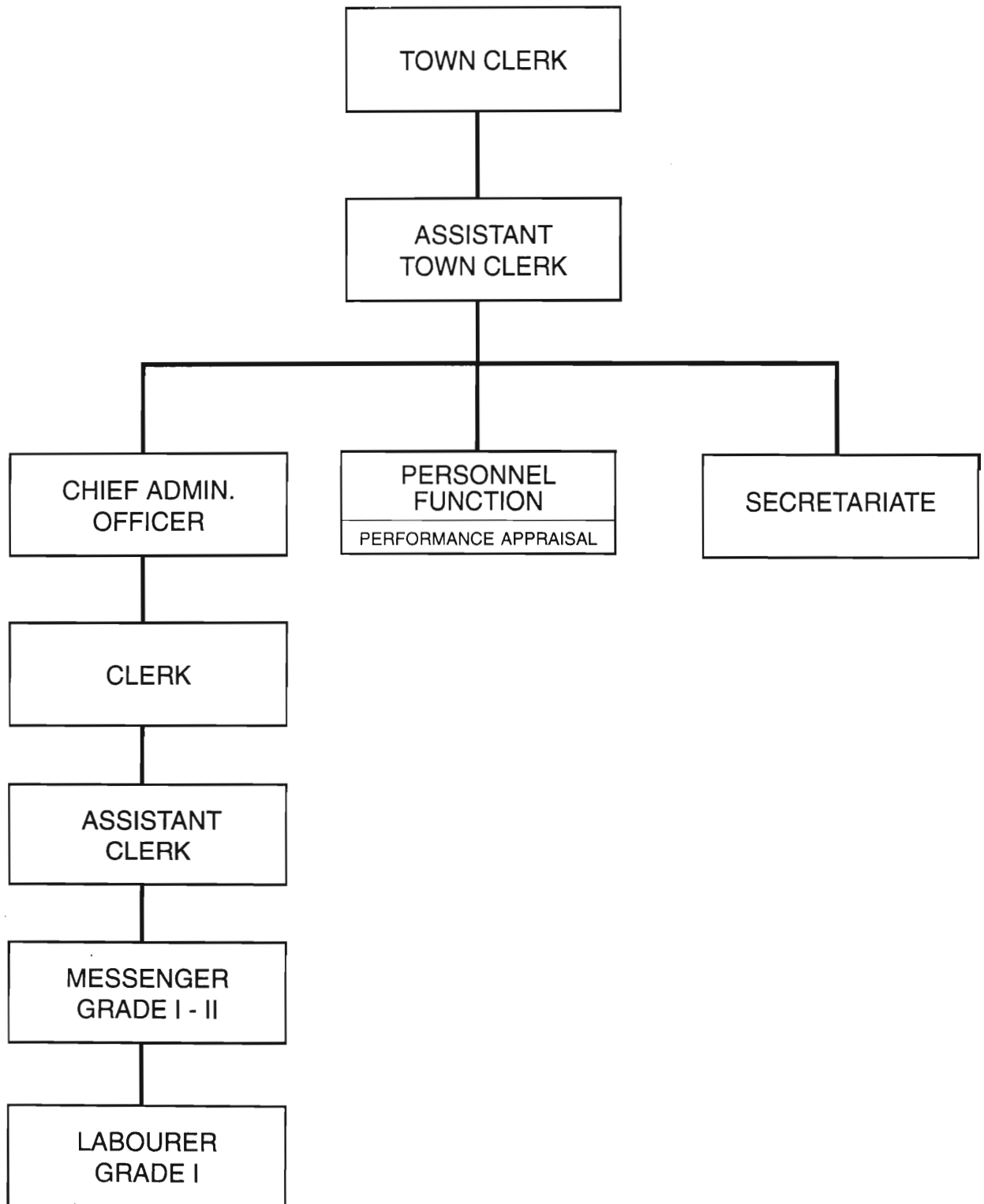
the Manager of Human Resources with the assistance of personnel officers. The Town Council of Kempton Park also has a management services department which carries out the performance appraisal function (Questionnaire 1990:Q12).

An organisational structure of the Town Clerk's Department of the Town Council of Piet Retief is illustrated in Figure 17.

An organisational structure of this nature has all its functions centralised under the control of the Town Clerk. The Town Clerk, with the assistance of an Assistant Town Clerk (where applicable), is responsible for all six administrative processes, namely policy-making, organising, financing, staffing, determining systems and procedures and exercising control. Therefore, he is also ultimately responsible for the performance appraisal function. Such an organisational arrangement is economically viable and justifiably workable only in a local authority which has a small workforce. For example, the Borough of Greytown has a total of 195 full-time staff, while the Town Council of Heidelberg has a full-time staff compliment of 356 people. Examples of other local authorities, where the Town Clerk's Department is responsible for the performance appraisal function, are the following, with the total number of full-time staff indicated in brackets (Questionnaire 1990:Q12) :

FIGURE 17

**ORGANISATIONAL STRUCTURE OF A TOWN CLERK'S
DEPARTMENT: TOWN COUNCIL OF PIET RETIEF**



- Municipality of Barkly East (55);
- Municipality of Milnerton (590);
- Town Council of Nylstroom (195);
- Town Council of Piet Retief (440);
- Municipality of Swakopmund (362);
- Town Council of Tzaneen (649).

The current practice in local authorities is to utilise the personnel section, the town clerk or senior management to perform the performance appraisal function. However, in view of the importance of the performance appraisal function serious consideration should be given to establish a separate division within or outside the personnel section. Such an organisational arrangement must provide for components of the organising function, namely, horizontal division of work, delegation of authority, co-ordination, lines of communication and control measures.

Sound organisational practices dictate that an organisational structure should be arranged so that it allows employees to achieve the key objectives of the municipality, minimise overlapping and duplication of effort and allows work to be uniformly performed by all employees (Ritterskamp et al, 1968:30).

It is evident that sound organisational practices lead to sound and efficient personnel function practices, including

performance appraisal practices. Therefore, personnel should be utilised in accordance with their capacities to perform specific functions and additional training should be provided in this regard. The provision and utilisation of personnel should not be influenced by nepotism¹ and victimisation², but should be undertaken rationally so that employees work to the utmost of their capacities.

In addition, objectives should be achieved with the least expenditure (efficiently), that is with the smallest number of employees. However, this should not be taken to mean that the remuneration of officials should be kept unrealistically low, while the hours of work and work loads are unreasonably excessive. It does, however, mean that, in order to meet the overall requirements of efficiency and effectiveness, measures to promote these qualities have to be applied to each of the numerous personnel functions, including the performance appraisal function. If personnel are efficiently and effectively used, the goal for which they are employed will be achieved and each of them will enjoy a satisfactory working life.

However, an organisational structure to carry out the performance appraisal function, cannot be established and executed without the necessary funds. Financing is essential to ensure the continuity of all personnel functions, including the performance appraisal function, at

local authorities.

5.4 FINANCING

The financing policies of local authorities are generally uniform in all the provinces. This is specified in terms of provincial ordinances and acts passed by Parliament (Cloete 1989:139). About 35 percent of a local authority's revenue income is spent on salaries, wages and allowances, about 30 percent on materials and equipment, and about 25 percent on interest on loans. The remaining 10 percent is spent on services, grants to universities and charitable institutions, domestic matters, and small contributions to reserve or replacement accounts (Cloete 1989:139).

It is evident from the above that the largest expenditure incurred by local authorities is on the staffing function, which incorporates, inter alia, the performance appraisal function. This clearly places a heavy responsibility on the office responsible for the implementation of the performance appraisal function, to ensure the optimum utilisation of the financial resources without losing sight of the efficiency and effectiveness of the performance appraisal function.

Table 4 indicates the staff budget of some local authorities in comparison to their total budget for the 1990/1991 financial year.

TABLE 4

**STAFF BUDGET OF SOME SOUTH AFRICAN LOCAL AUTHORITIES
FOR THE 1990/1991 FINANCIAL YEAR**

LOCAL AUTHORITY	GRADE	TOTAL BUDGET	STAFF BUDGET	PERCENT
Amanzimtoti	7	R 25 643 000	R 11 583 000	45
Boksburg	11	206 371 000	53 998 000	26
Durban	15	2 063 863 000	477 600 000	23
East London	12	211 132 000	68 579 000	32
Heidelberg	7	25 000 000	6 000 000	24
Keetmanshoop	-	12 000 000	4 000 000	33
Milnerton	9	33 808 000	16 751 000	50
Piet Retief	6	12 700 000	3 800 000	30
Pinetown	9	48 573 000	26 777 000	55
Port Elizabeth	14	587 691 000	161 748 000	28
Randburg	11	146 000 000	44 000 000	30

Table 4 reflects the large sums of public money spent on the personnel provisioning and utilisation function by local authorities. In some instances it is very high, for example, 50 percent in the Municipality of Milnerton and 55 percent in the Municipality of Pinetown. However, none of the municipalities could provide actual figures in respect of the amounts spent on the performance appraisal function.

In the Municipality of East London, where the Personnel Department is responsible for executing the performance appraisal function, full use is made of the available finance in order to obtain maximum productivity and minimum expenditure. Strict control of expenditure is exercised on the budget which is maintained within a 5 percent variance of the predicted income and expenditure. The estimates and expenditure for the forthcoming financial year are completed by 28 February, and any requests for funds by the respective departments must be submitted to the municipal council well in advance of this date. For example, finance is made available for the training of subordinates provided a proper motivation is submitted prior to the above-mentioned date (Joyce 1990:6).

In the Municipality of Swakopmund the budget is prepared in terms of the provisions of the Municipal Ordinance, 1963 (0.13 of 1963). Section 243 of the Ordinance states as

follows:

- "1(a) Every head of department shall before the first day of February in every year submit to the town treasurer estimates of the revenue and expenditure of his department for the ensuing financial year.
- (b) Such estimates shall set forth in detail for the department concerned -
- (i) the expected ordinary expenditure to be defrayed from revenue account during the ensuing financial year;
 - (ii) the contributions to be made to the Renewals Fund in terms of regulation 6 of the Sixth Schedule to the Ordinance during the ensuing financial year; and
 - (iii) the expected expenditure on capital works during the ensuing three financial years".

The draft estimates are submitted to the Swakopmund Municipal Council via the Town Clerk and the Management Committee. The Municipal Council then draws up the estimates of revenue and expenditure as provided by Section 159 (3)(b) of the Ordinance (Financial Regulations 1973:1-2).

The Town Council of Piet Retief, which is a Grade 6 local authority, has a total annual budget of R12 700 000 of which R3 800 000 (30 percent) is spent on 440 full-time staff (Questionnaire 1990:Q2, 5 & 6). It has two performance appraisal systems, namely, the comparative method and behaviourally anchored rating scales (Questionnaire

1990:Q26).

Similarly, the Heidelberg Town Council has three systems in operation, namely the comparative method, behaviourally anchored rating scales and management by objectives. It is a grade 7 local authority, and has a total annual budget of about R25 million, of which about R6 million is spent on a total of only 356 full-time staff (Questionnaire 1990:Q2-6). Of this R6 million, 70 percent is spent on personnel provisioning (salaries, wages, allowances and bonuses), 15 percent on training and another 15 percent on equipment (Questionnaire 1990:Q27).

From the above it is evident that these two town councils should consider reviewing their systems and implement one system which will best satisfy their needs as efficiently and effectively as possible. This will not only be cost effective but will save on time and effort, as well.

The only local authority that offers specific training on performance appraisal is the Municipality of East London. Each new line manager receives 10 days of formal management training on the management by objectives performance appraisal system. The cost involved in this training programme is approximately R900 per manager (Questionnaire 1990:Q27).

There are increasing demands from the local community, which compels local authorities to face the challenge of providing more and improved services. This cannot be done by merely increasing the rates and service fees of the citizenry. There has to be a concomitant review of both expenditure and productivity. That is, public funds must be utilised to the maximum potential by improving productivity within a local authority. This can be achieved only by measuring the performance of employees.

Therefore, it is imperative that local authorities determine a specific budget for the performance appraisal function. This would include provision for predetermined activities such as training of evaluators, compensation and salary increases.

In order to execute this function qualified personnel are required with the proviso that they receive ongoing training and be kept informed on the latest developments in the performance appraisal function.

5.5 STAFFING

It is a fact that without personnel an institution cannot attain the objectives for which it is intended. Similarly, the rendering of public services by local authorities requires an efficient and effective personnel corps.

Within the ambit of personnel administration is the performance appraisal function. The performance appraisal function can only be effectively implemented by highly specialised and trained personnel. From the survey undertaken by the researcher, it is found that none of the participating local authorities in South Africa have a separate 'performance appraisal department', to carry out this specialised activity of personnel administration. However, the performance appraisal function is carried out by existing departments within the local authority, for example, the personnel department, the town clerk's department or the management services department (Questionnaire 1990:Q12). Nevertheless, specialised and trained staff are also required within these departments to carry out the various activities comprising the performance appraisal function.

All staff require training to meet the requirements of a specific job and environment. However, some local authorities do not always have the opportunity and facilities to provide the required training. The importance of training is highlighted by the Local Government Training Act, 1985 (Act 41 of 1985). In terms of this Act the Training Board for Local Government Bodies has been established and financial assistance is provided to local authorities by the Local Government Bodies Training Fund (Cloete 1989:154-155). Since such a provision exists, local

authorities are expected to make use of this opportunity to train their staff, especially with regard to the performance appraisal function.

Of the 36 local authorities that responded positively to the questionnaire only 42 percent provide training for appraisers (Questionnaire 1990:Q8). None of the appraisers have any professional qualifications in respect of performance appraisal, and only two are members of the Institute of Municipal Personnel Practitioners (Questionnaire 1990:Q10-11).

In order to be able to rate an employee accurately, appraisers have to maintain sufficient employee contact and have the opportunity for observations. In this respect about 58 percent of the local authorities have indicated that their appraisers do maintain sufficient employee contact and have the opportunity for observations (Questionnaire 1990:Q9). Where such a contact does not exist, it is attributed to the lack of management's commitment to employee development (Taylor 1990:letter).

During the appraisal process many employee problems are brought to the forefront, and the management of local authorities have to deal with these problems systematically to win the co-operation of their staff and thus maintain the efficiency and effectiveness of the personnel corps. Some

of these problems, listed in order of priority by the local authorities, are as follows (Questionnaire 1990:Q6) :

- (a) lack of enthusiasm or motivation to work (44 percent);
- (b) poor communication (36 percent);
- (c) lack of co-operation (36 percent);
- (d) poor training (25 percent);
- (e) inadequate salary (22 percent);
- (f) poor orientation (19 percent);
- (g) job dissatisfaction (19 percent);
- (h) lack of confidence in supervisor or senior manager
(17 percent);
- (i) worker disunity (e.g. language and ethnicity problem)
(14 percent);
- (j) poor working conditions (11 percent); and
- (k) poor placement (8 percent).

In addition to these problems, the Town Council of Edenvale experienced problems relating to knowledge of work, quality of work, accuracy, speed, quantity, attitude and personality traits (Questionnaire 1990:Q6). The Town Council of Piet Retief listed problems relating to lack of leadership skills, lack of initiative, lack of planning and organisation skills and lack of own judgement and decision making skills (Strydom 1990:letter).

The following reasons have been postulated for these

problems:

- (i) (a) Inadequate information on local government;
and
(b) lack of training facilities (du Toit 1990:letter).

- (ii) (a) There is pronounced dissent against performance appraisal as it is designed to first-world standards yet imposed on unskilled labour;
(b) barriers on promotional opportunity lead to lack of enthusiasm and to dissatisfaction;
and
(c) the usually larger number of labourers perceive subjective conduct in the actions of their superiors (Boonzaaier 1990:letter).

- (iii) (a) Low morale of staff; and
(b) staff at all levels tend to compare their salaries with other institutions, who do not offer the fringe benefit package offered by the municipality (Beckley 1990:letter).

- (iv) Lack of confidence in superiors (Laubscher 1990:letter).

- (v) Although employees possess the theoretical knowledge, they find it difficult to apply the theory in practice (Viviers 1990:letter).

To overcome these problems and to strengthen the performance appraisal function, employees should be encouraged to undergo training and to further their studies in relation to their work. Within the content of the performance appraisal function, local authorities also employ the following means to encourage and develop employees (Questionnaire 1990:Q20) :

- regular meetings with employees;
- job rotation;
- self development and career planning;
- interviews and letters to employees;
- self-improvement of interpersonal relationships;
- own initiative; and
- reading and understanding of conditions of service and rules and regulations of the local authority.

In addition, the senior management of local authorities must ensure uniformity, with clear guidelines on the important components of personnel administration, inter alia, (Cloete 1986:146-160):

- recruitment;

- selection;
- placement;
- training and development;
- **appraisal**; and
- conditions of service.

From the foregoing, it is clear that the performance appraisal function is an important activity of personnel administration and as such requires well qualified personnel to perform the various activities within the organisational hierarchy. Cognisance must also be taken of the fact that appraisers could easily commit the local authority to a legal obligation, by way of incorrect appraisal which could lead to unjust transfer or dismissal of the employee. This in turn could prove to be a costly exercise for the local authority. Although no such case is known to have been judged in a court of law in South Africa, this is a common occurrence in overseas countries, such as America and Britain³.

Therefore, it is imperative that personnel practices for the performance appraisal function be placed on a sound footing to ensure greater productivity and a happy and contented work force.

Once personnel arrangements have been finalised, it is necessary to determine systems and procedures to executé the

activities constituting the performance appraisal function.

5.6 DETERMINING SYSTEMS AND PROCEDURES

It is necessary to have appropriate systems and procedures to discharge the diverse activities constituting the performance appraisal function. Without proper systems and procedures employees will not be able to perform their duties effectively, and in so doing, will not be able to attain the policy objectives of the local authority. Therefore, uniform systems and procedures must be determined which will result in the objectives being attained in the shortest time, using the minimum amount of personnel resources and at the least possible cost.

To ensure that an employee's potential is fully utilised, well laid-down procedures should tell him **WHAT** he should do, and **HOW**, **WHEN** and **WHERE** he has to fulfil his duties (Rabie 1985:121). A programme can be devised on a daily, monthly or annual basis or for specific times. For example, every Friday at 14h00 the supervisor (appraiser) must inform his head of department or the town clerk of the progress being made, or of the findings, in the application of the performance appraisal function. In addition, the systems and procedures should tell the employee what literature he should use to improve his performance, as well as the training facilities available to him. In this way the

employee knows how to prepare and equip himself for his present and future positions (Rabie 1985:121).

In this respect the Municipality of Kimberley, at its Merit Seminar for evaluators (appraisers) held in February 1984, clearly states that the procedure to be followed in the execution of one's task or duty must be given in great detail step by step and that it must be simple so that even a new employee will be able to follow it with ease. This rule is stated as follows (Seminar Manual 1984:5) :

"Elke taak/plig soos wat dit op die posbeskrywing verskyn, moet volledig in die prosedurehandleiding omskryf word. 'n Prosedurehandleiding is 'n stap vir stap uiteensetting van hoe die take wat in die posbeskrywing voorkom, uitgevoer moet word. Daar moet ingedagte gehou word dat die prosedurehandleiding die take so duidelik stapsgewys en eenvoudig moet uiteensit dat 'n nuweling in staat moet wees om homself te kan help indien hy slegs daarop aangewese is."

There are several performance appraisal systems being used by South African local authorities. They are as follows:

- Forced choice;
- Comparative Method;
- Graphic Rating Scale;
- Management by Objectives;
- Behaviourally Anchored Rating Scale;
- Essay Method; and
- Critical Incident.

In addition, of the 36 local authorities that have performance appraisal systems, about 33 percent have their own 'in-house' system of appraisal. Examples of the 'in-house' system are as follows :

- (a) in Naboomspruit Town Council appraisal is done on a day to day comparative method through direct supervision with the budget as the norm, against which individual as well as departmental performance is measured (Botha 1990:letter);
- (b) in the Volksrust Town Council performance appraisal is conducted on an individual basis by supervisors of different departments (Clarke 1990:letter);
- (c) in the Municipality of Welkom appraisal is by means of a basic questionnaire, completed by the supervisor, to indicate whether a salary increase should be granted or not (Otto 1990:letter); and
- (d) the Borough of Stanger conducts appraisal only for new employees on a monthly basis for the six-month probationary period. Thereafter, no formal appraisal is carried out (Byrnes 1990:letter).

The type of appraisal systems used by 36 local authorities, is indicated in Table 5, and is summarised as follows:

METHOD	NUMBER OF LOCAL AUTHORITIES	PERCENTAGE
In-house	12	33
Forced Choice	8	22
Comparative	5	14
Graphic Rating Scale	5	14
MBO	3	8
BARS	1	3
Essay	1	3
Critical Incident	1	3
TOTAL	36	100

This breakdown is also represented graphically in Figure 18.

The nature and scope of procedural applications at South African local authorities is largely influenced by the type of the performance appraisal system being used.

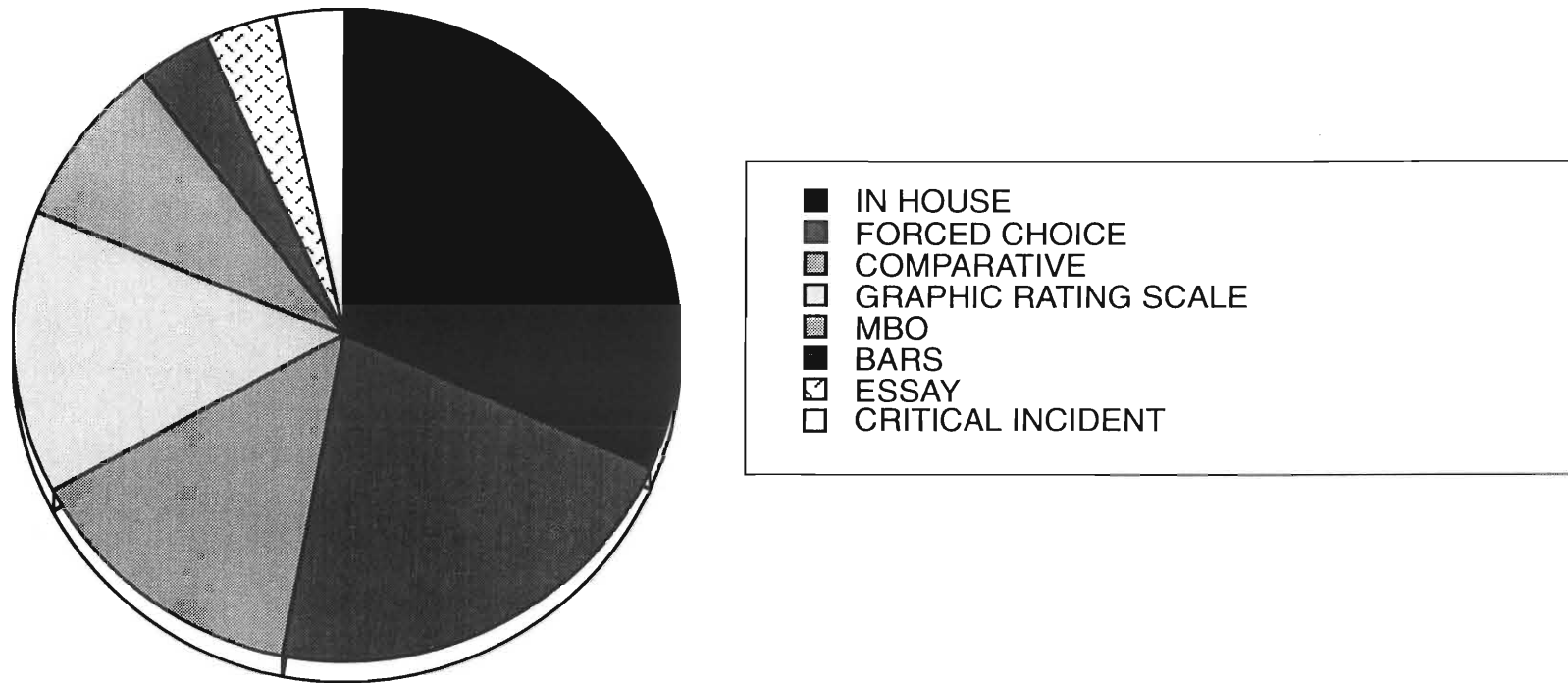
Of the 36 local authorities that have appraisal systems, 47 percent reported that the formal appraisal procedure is an annual activity. Eleven percent reported that it is done on a half-yearly basis, while the same number reported that it is done both annually and half-yearly for different grades or levels of employees. At the Municipality of Johannesburg, appraisal is done half-yearly for higher grade employees, and annually for the lower labour grades (Questionnaire 1990:Q2).

TABLE 5
PERFORMANCE APPRAISAL PRACTICES IN SOUTH AFRICAN
LOCAL AUTHORITIES

Name of Local Authority	PERFORMANCE APPRAISAL SYSTEMS							
	Inhouse	Forced Choice	Comparative Method	Graphic Rating Scale	MBO	BARS	Essay Method	Critical Incident
Amanzimtoti		x						
Barkley East	x							
Bloemfontein	x							
Boksburg		x						
Cape Town	x							
Cradock	x							
Dannhauser				x				
Durban				x				
East London					x			
Edenvale		x						
Frankfort (OFS)							x	
Greytown		x						
Hambanati						x		
Heidelberg			x					
Jansenville	x							
Johannesburg								x
Keetmanshoop				x				
Kempton Park			x					
Kimberley				x				
Kwanobuhle	x							
Lamberts Bay	x							
Milnerton		x						
Nylstroom	x							
Piet Retief			x					
Pinetown		x						
Port Elizabeth		x						
Randburg		x						
Roodepoort	x							
Stilfontein			x					
Swakopmund					x			
Tokoza	x							
Tzaneen			x					
Uitenhage				x				
Verulam	x							
Vryheid					x			
Warmbaths	x							

FIGURE 18

A GRAPHIC REPRESENTATION OF THE PERCENTAGE OF USERS PER METHOD



The Hambanati Town Committee and the Heidelberg Town Council conduct appraisals quarterly (or every 3 months) (Questionnaire 1990:Q2).

Four local authorities namely, Edenvale Town Council, Kwanobuhle City Council, Roodepoort City Council and Warmbaths Town Council, conduct appraisal at the end of the first six months for employees on probation. At the Town Council of Uitenhage appraisal is conducted every two months during the six-month probationary period (Questionnaire 1990:Q2).

In the Borough of Greytown, the Municipality of Cradock and the Town Council of Nylstroom appraisal is only done as and when required (Questionnaire 1990:Q2).

Only one local authority, namely, the Municipality of Swakopmund, reported that appraisal is done on a monthly basis (Questionnaire 1990:Q2).

Fifty three percent of the 36 local authorities reported that performance appraisal is conducted for all levels and categories of employees. Another 36 percent reported that this is done for certain grades or categories of employees only (Questionnaire 1990:Q16). About 67 percent of the local authorities allow their employees to sign the

appraisal form, thus giving them an opportunity to view their appraisal and to make comments or raise objections (Questionnaire 1990:Q14). This ensures a measure of transparency and openness in the performance appraisal function. Furthermore, it encourages an employee to become involved in his development or career plan and helps to secure his commitment to his work performance.

The procedure used in allocating a score to an appraisal item differs from municipality to municipality. Fifty nine percent use an adjective such as excellent, good, average, poor or very weak. Another 25 percent use a numerical rating scale of 1-5, 1-10 or 1-20, while 8 percent use a percentage score of 10-100 percent and an equal number use a letter description such as a, b, c, d (Questionnaire 1990:Q4). Where a rating scale is used, the value (meaning) of points allocated also differs from municipality to municipality. The value of points in such cases is given in Table 6 (Questionnaire 1990:Q5):

-

As can be seen, three different types of rating scales are used. It is recommended that local authorities standardise their rating scales, in order to maintain uniformity and simplicity.

Respondents were asked to indicate whether regular formal appraisal interviews form an integral part of their

TABLE 6
MEANING OF POINTS USED BY SOME LOCAL AUTHORITIES

Boksburg Town Council		Dannhauser Town Board
1 = Weak		1-2 = Poor
2 = Under Average		3-4 = Weak
3 = Satisfactory		5-6 = Average
4 = Above average		7-8 = Good
5 = Outstanding		9-10 = Excellent
Edenvale Town Council		Milnerton Municipality
1 = Weak		1-4 = Poor
2 = Below average		5-8 = Satisfactory
3 = Average		9-12 = Average
4 = Good		13-16 = Good
5 = Excellent		17-20 = Excellent
Piet Retief Town Council		Randburg Municipality
1-2 = Poor		1-2 = Very poor
3-4 = Satisfactory		3-4 = Poor
5-6 = Average		5-6 = Average
7-8 = Good		7-8 = Above average

appraisal schemes. It is found that interviews are carried out only in 31 percent of the schemes, while in another 36 percent appraisal is done purely on past observations by the appraiser. In the case of interviews, prior notice is given to the subordinate, but the period of notice differs from two days to one or two weeks (Questionnaire 1990:Q17).

Where past observations are used, two local authorities considered it to be a fair assessment, while another two responded negatively (Questionnaire 1990:Q18). Appraisal is used in the Borough of Greytown solely to determine whether a new employee is suitable for permanent appointment and whether he is correctly placed (Grabe 1990:letter); and in the Borough of Vryheid all employees know that their performance is measured for the past year (without being interviewed) (Kotze 1990:letter). In the latter case, appraisal based on past observations lacks objectivity.

The Personnel Officer in the Borough of Amanzimtoti felt that one of the most important points of having a performance appraisal system is to generate discussion between the manager and his subordinates on their present, past and future performance, and on goals, aims and objectives. However, this is not permitted by an appraisal scheme based on past observations (Kennedy 1990:letter).

The typical procedure with regard to conducting the

appraisal interview is quoted from the "Manager's Guide to Performance Appraisal" of the Municipality of Port Elizabeth as follows:

(a) Preparation

- (i) give the employee one week's notice of his appraisal interview;
- (ii) give the employee a copy of 'An Employee's Guide to Performance Appraisal' and ask him to prepare for the interview;
- (iii) clarify the employee's specific duties and responsibilities; and
- (iv) review his performance in these areas during the whole period under review.

(b) The Interview

- (i) try to put the employee at ease as he may be feeling apprehensive and anxious;
- (ii) explain the purpose of the interview; and
- (iii) emphasise that the employee's participation

is essential if the full benefit of the interview is to be gained.

(c) Completing the Appraisal Form

- (i) reach agreement with the employee on which aspects of his job are the most important and why;
- (ii) ask the employee to describe his performance in these areas;
- (iii) give feedback to the employee on what you see as:
 - his strengths and achievements; and
 - the areas where improvement is needed;
- (iv) tell the employee how you have rated him on each item;
- (v) discuss possible ways of bringing about the required improvements;
- (vi) ask the employee for any problems which he encounters on the job;
- (vii) discuss and reach agreement on specific

action to be taken to rectify or reduce each problem;

- (viii) ask the employee whether there are any other issues he wishes to discuss;
- (xi) agree on a follow-up date to review progress;
- (x) ask the employee to sign the form. He may comment on any aspect of the interview if he wishes;
- (xi) thank the employee for his participation and express your confidence in his ability to achieve the agreed upon goals. Offer your assistance if needed; and
- (xii) pass on the performance appraisal form to your manager for his signature and comments.

The above procedure, laid down by the Municipality of Port Elizabeth, is explicit and easy to follow. This could serve as an example to other local authorities in drawing up their procedure on similar lines, thus making it easy for their supervisors or line managers to apply it in practice.

In applying systems and procedures, control is obviously

necessary to ensure that staff are carrying out their functions in terms of the procedure laid down. To this end, control evaluates and examines the extent to which the objectives of the performance appraisal function are being achieved.

5.7 EXERCISING CONTROL

The process of control is intended to ascertain and verify that the performance appraisal function being conducted in a local authority is attaining its goals as efficiently and effectively as possible.

The generic administrative processes, namely, policy-making, organising, financing, staffing, determining systems and procedures and exercising control, act as control measures within the administrative framework of local government legislation. Guidelines in respect of the performance appraisal function are contained in the approved personnel regulations of most local authorities. In addition, many local authorities have policy and procedure manuals which facilitate control (Questionnaire 1990:Q1(c)).

The organisational arrangement provides the structure for the performance appraisal activity. Within the parameters of this structure the components of effective organising,

namely, division of labour, delegation of authority, co-ordination, co-operation and communication are applied. The nature of the organisational structure provides built-in controls. For example, performance appraisal is initially conducted by a subordinate's immediate supervisor and is moderated by the supervisor's immediate superior, who then submits the appraisal form to the Head of Department for comments, after which it is given either to the Town Secretary or the Town Clerk for final consideration by the Municipal Council. This step by step submission from the supervisor to the Council is a control mechanism to ensure that the appraisal has been conducted in a fair and just manner, and as objectively as possible (Questionnaire 1990:Q12).

It is evident from the foregoing discussions that the largest expenditure incurred by local authorities is on the staffing function, which includes, inter alia, the performance appraisal function. In some instances it is as high as 55 percent, for example, in the Municipality of Pinetown. Therefore, it is the prerogative of the section responsible for the performance appraisal function within a local authority to ensure the optimum utilisation of the available financial resources to obtain the maximum productivity. Strict control of the budget is essential as local authorities obtain their finances from public funds and are, therefore, answerable to the public, that is,

public accountability must be maintained at all times. It is essential that local authorities determine a specific budget for the performance appraisal function to provide for the evaluation of employee performance on a regular basis.

The appraisal personnel play a vital role in the performance appraisal function. Therefore, the need for staff to be well-trained, motivated and enlightened in the performance appraisal function is highly essential as a control measure. Staff must keep abreast of the latest developments in the performance appraisal field. To this end, they should be members of recognised professional bodies that are directly concerned with the performance appraisal function. However, this is not the case with South African local authorities. None of the personnel, directly concerned with the performance appraisal function, have any professional qualifications in this regard, nor do they belong to any professional 'appraisal' institutions. Only two local authorities have indicated that some of their appraisers are members of the Institute of Municipal Personnel Practitioners (Questionnaire 1990:Q11). Therefore there is the need to stress both qualification and training requirements for the performance appraisal function.

Procedures for exercising control over the performance appraisal function are laid out either by the Personnel Department (for example, the Borough of Amanzimtoti), the

Training Department (for example, the Municipality of Port Elizabeth), or the Management Services Department (for example, the Town Council of Boksburg) (Questionnaire 1990:Q12). However, it is appropriate to ensure that all performance appraisal procedures are written down and compiled into a procedure manual for easy reference. This in turn will ensure that control over the performance appraisal function will be maintained at all times. Most local authorities operate within procedures laid down and approved by the Municipal Council, although not all have formulated an acceptable procedure manual (Questionnaire 1990:Q1(c)).

The procedures must make provision for, inter alia, feedback of results, meaningful due process and follow-up appraisals as control measures. A majority of the local authorities, namely 72 percent, provide their employees with feedback of the results obtained from their appraisals. In this way employees are made aware of their assessment and can make meaningful contributions in improving their performance (Questionnaire 1990:Q19).

Local authorities should also provide for meaningful due process as a control measure. This will afford employees the opportunity to pursue their grievances and to have them addressed objectively. In this regard, 78 percent of the local authorities provide for meaningful due process. Of these, 50 percent have stated that grievances are handled by

a Grievance Committee, 39 percent by Senior Management, 7 percent by a Staff Advisory Committee and 4 percent by Disciplinary Code (Questionnaire 1990:Q21). This measure ensures that employees have the opportunity for fairness and justice.

In their Staff Development Programme, the Borough of Verulam clearly sets out the procedure for a right of appeal in respect of their appraisal system as follows (See Annexure D):

- "1. All reportees have the right of appeal if they are not satisfied with the assessment of their performance.
2. The appeal must be recorded when the reportee notes the comments of the reporting officer for the quality concerned and also in the final comments of the reportee.
3. The Head of Division will then decide if the appeal is justified and amend the assessment as required.
4. If the reportee is still not satisfied, the matter will be referred to the Moderating Body and then to the Central Merit Committee, if necessary."

Follow-up appraisals are also important to determine whether employees have met or are meeting the goals established during the original appraisal. In this regard, 58 percent, of the local authorities perform follow-up appraisals (Questionnaire 1990: Q22).

At the Municipality of Port Elizabeth the following steps

for a follow-up appraisal are given in their 'Manager's Guide to Performance Appraisal' (See Annexure E):

- "1. Discuss with the employee to what extent the goals were reached to the required performance standards.
2. Ask the employee how his development has been helped as a result of working on these goals.
3. Review the relevance and usefulness of the training and development activities undertaken by the employee.
4. Set new goals for the employee using a new Goal Setting and Review Form."

Follow-up appraisals are beneficial to both management and staff. Management can determine whether a subordinate is performing satisfactorily and achieving the goals of the municipality to qualify for promotion, transfer or salary increase. The subordinate, on the other hand, can determine whether he has improved his performance since the last appraisal and whether he is functioning as efficiently and effectively as possible to achieve the desired goals of the municipality.

Thus, control, as is apparent, is highly essential. If the goal of the performance appraisal function is not being achieved efficiently and effectively, then a review of the control measures is necessary.

The control of finances for the performance appraisal

function in local authorities is essential, because much of their revenue is received from the public by way of rates, taxes and service fees. Since finances are required for the execution of the performance appraisal function, control has to be exercised to ensure that money is not being wasted and that the activity is being performed efficiently and effectively. In addition to control being exercised by the internal auditors, auditing of local government finances is undertaken by the Auditor-General or by auditors registered in terms of the Accountants' and Auditors' Act, 1951 (Act 51 of 1951), and approved by the Auditor-General (Cloete 1989:130). This measure is undertaken to enforce accountability.

5.8 SUMMARY

The performance appraisal function is one of the many municipal personnel activities carried out by municipal functionaries to attain the overall goal of the local authority, which is community welfare. The importance of this function is stressed by the fact that without personnel a local authority will not be able to function at all. In order to ensure that it has an efficient and effective personnel corps, the local authority has to conduct the performance appraisal function.

To be able to efficiently and effectively execute the

performance appraisal function, the enabling generic administrative processes, comprising of policy-making, organising, financing, staffing, determining systems and procedures and exercising control, and the management processes are essential. The performance appraisal function is an interpersonal relationship between superior and subordinate. It is a humanistic endeavour.

In order to ensure that this interpersonal relationship is maintained, proper policy and procedure regulations must be formulated and laid down in manuals, so that the supervisors can follow them carefully and thus maintain their rapport with the staff. In this regard the municipalities of Durban, East London, Kimberley, Port Elizabeth, Swakopmund and Verulam have properly laid down policy and procedure guidelines either in the form of manuals or guides (Questionnaire 1990:Q1(c)). These manuals or guides must be clear, comprehensive and unambiguously worded, and must be reviewed from time to time to ensure greater clarity and direction.

However, 33 percent of the local authorities studied do not have proper policy guidelines (Questionnaire 1990:Q1(c)). Without clear guidelines it is possible that the performance appraisal function can be executed in a superficial and subjective manner. This inevitably leads to a breakdown in communication between supervisors and subordinates in

municipal departments. Therefore, the need for proper and concise policy guidelines cannot be overemphasised.

The organisational structures differ from municipality to municipality depending on the size and locality of the municipality. The number of personnel employed in the organisational structure also differs according to the size of the local authority. The department or section responsible for the implementation of the performance appraisal function varies from local authority to local authority. But none of the local authorities have a specific department or section to carry out the performance appraisal function.

It is suggested that greater emphasis and importance be attached to the performance appraisal function to ensure fair and equitable labour practice. Therefore, local authorities should consider creating a separate department or a section within an existing department, to specifically carry out the performance appraisal function.

It is obvious that the performance appraisal function cannot be executed without the necessary funds. Therefore, provision has to be made on a local authority's budget for this purpose. The largest expenditure of a local authority is on the staffing function which incorporates, inter alia, the performance appraisal function. But since a local

authority's revenue is derived from public funds, the need for proper control of expenditure is essential to ensure that the municipal personnel are functioning as efficiently and effectively as possible with the least amount of financial resources. Squandering of public funds is unacceptable and local authorities must be justified in budgetting for large sums of money. Since the performance appraisal function is considered to be an important activity of municipal personnel administration, it is essential that local authorities determine a specific budget for this endeavour.

To carry out the performance appraisal function effectively, highly specialised and trained staff are required. Therefore, the training of appraisers in municipal departments cannot be overemphasised. It is found that only about 42 percent of the local authorities provide training for their appraisers (Questionnaire 1990:Q8) and none of them have any professional qualifications in the field of performance appraisal (Questionnaire 1990:Q10). Thus, local authorities should encourage their employees, and more especially the appraisers, to undergo training and to further their qualifications. In this way the activities constituting the performance appraisal function will be placed on a sound footing and this will ensure an efficient and effective work force.

After the staffing function has been finalised, it is then necessary to determine the systems and procedures required to carry out the performance appraisal function. Without properly formulated systems and procedures the municipal employees will not be able to achieve the policy objectives of performance appraisal, and thus, also of the local authority as a whole. The systems and procedures must be well documented, informative and easily understood. This will assist the employee to prepare and equip himself for his present job as well as for future positions.

At present, eight different types of performance appraisal systems are being used by South African local authorities (Questionnaire 1990:Q2). Also the period of appraisal, the level or categories of staff for whom appraisal is done, the score allocation and the rating scale differ amongst local authorities. Therefore, it is postulated that a uniform system and procedure manual should be drawn up for all municipal employees, thus making it easy for them to apply these in practice. This will lead to efficiency and effectiveness in their work and will ultimately help local authorities to render more efficient services to their local communities.

In drawing up systems and procedures, it is obvious that control has to be exercised to ensure that the systems and procedures are adhered to at all times. In this respect,

the central and provincial authorities in South Africa have subjected local authorities to stringent legislative provisions. To provide for efficient and effective municipal government and administration, proper policy-making, organising, staffing, systems and procedures development and control are required. Money is involved in every activity of every municipal official. Should such an activity be performed haphazardly, money will be wasted. However, it is useless to be strict in financial matters and to neglect control over the other extensive activities of local authorities, such as performance appraisal.

Local authorities are facing new demands everyday in the light of changing circumstances in South Africa, and it is their prerogative to provide the necessary services as best as they could with the available limited financial and personnel resources. This is indeed a challenge to local authorities in the dawn of a 'new' South Africa.

FOOTNOTES

1. Nepotism

The term nepotism is derived from the Italian word nepoti which means nephew, or in a broader sense, family. The principle of nepotism became ensconced in the practice of popes who appointed relatives to senior positions, both ecclesiastical and secular, such as those of bishops, cardinals and princes (Coulton 1947:129).

Nigro (1951:202) states in this regard:

"Public appointments were often considered sinecures which fell to the victorious party to dispose, as it saw fit, the rewards among the leaders' supporters, friends or family members (nepotism)".

2. Victimisation

This occurs when a supervisor recommends one of his subordinates for promotion whom he thinks is suitable for the post, that is, he favours this particular subordinate from amongst all the others, without conducting a proper appraisal of the subordinate's performance. He thus victimises other subordinates, one of whom could be a better candidate for the post (Pigors & Meyers 1969:409).

3. (i) Case Example 1

Brito v. Zia Company (1973).

Performance appraisal ratings resulted in the layoff of a disproportionate number of Spanish-surnamed employees. The court concluded that the practice was illegal because:

- (a) the ratings were based on subjective supervisory observations;
- (b) the ratings were not administered and scored in a controlled and standardized fashion; and
- (c) some raters had little daily contact with the ratees (Henderson 1984:340).

(ii) Case Example 2

Using performance ratings for determining personnel layoffs was found to be a violation of Title VII of the Civil Rights Act when an employer failed to validate the appraisal methods according to the Equal Employment Opportunity Commission (EEOC) guidelines. The evaluations were judged invalid because they were based on subjective observations (two or three evaluators did not observe the employee on a daily basis), and evaluations were not administered and scored under controlled and standardised conditions. The courts ordered the company to reinstate the employees with nominal back pay and required the company not to use performance ratings until they had been validated (Schneier 1977:19).

4. Due process

Refers to the mechanism or means by which grievances can be pursued and addressed objectively (Encyclopaedia Americana 1965:384).

CHAPTER 6

DEVELOPING AN ACCEPTABLE PERFORMANCE APPRAISAL SYSTEM

6.1 INTRODUCTION

Fundamental to the performance appraisal function is the application and utilization of different performance appraisal systems. In Chapter 3 a theoretical perspective was provided on the performance appraisal function followed by a discussion in Chapter 4 of the nature and content of performance appraisal systems. A discussion on the operational aspects was given in Chapter 5. Leading from these discussions, an attempt will be made to formulate an acceptable performance appraisal system which could be applied in South African local authorities.

The new system can be designed on a combination of factors from behaviourally anchored rating scales (BARS) and management by objectives (MBO). An integrated system of such a nature has not been developed for use by local authorities. For purposes of this dissertation, such a system is labelled as the "Performance Management and Development System".

The first part of this chapter focuses on the primary features of BARS and MBO (see Chapter 4 par. 7 & 8), after which the important characteristics of the new appraisal system is described and explained.

6.2 FEATURES OF THE BARS SYSTEM

The salient features of BARS which can be incorporated into the new system, are the following:

- (a) The behaviourally anchored rating scale is a series of behaviour descriptions that explain a range of performance behaviours on a rating scale (Bernardin & Beatty 1984:82).
- (b) It ties appraisals directly to the job behaviours that are consistently defined and easy to understand. It avoids vague terms such as 'initiative' and 'co-operation'. For example, it is clear to say that 'attendance is satisfactory' rather than differentiating attendance from poor to excellent (Mathis & Jackson 1979:306-307).
- (c) BARS is composed of a set of several rating scales, with each scale value anchored with one or more behavioural statements, which illustrate job performance at that performance level. For each scale,

raters could mark the appropriate scale value opposite those anchors which best illustrate an employee's typical job behaviour during the appraisal period (Bernardin & Beatty 1984:85).

(d) In using BARS the following pitfalls must be avoided (Plachy 1983:59):

- job components must not be so broad that they mix behaviours of different kinds in the same scale;
- each job behaviour must be distinctly defined to avoid overlapping and confusion in interpretation;
- only as many behaviours as are necessary should be identified; and
- different descriptions should be substituted for adjectival terms such as 'extremely' or 'slightly good' performance.

The advantages of incorporating these salient features of BARS into the new system are:

- it emphasises actual behaviours and thus avoids subjectivity and personality traits;

- its format is highly suited for employee development;
- it tells the employee how he compares with others;
- it provides data for long and short-term administrative actions;
- since behaviours are specifically defined there is less chance of errors such as halo, leniency, central tendency and ambiguity; and
- most importantly it allows for employee participation in the appraisal process.

6.3 FEATURES OF THE MBO SYSTEM

The salient features of MBO which can be incorporated into the new system, are the following:

- (a) It focuses on output rather than performance (Macdonald 1982:27).
- (b) It is based on specific work-goal development, specific achievement measures and planned follow-up evaluation of goal attainment (Sashkin 1981:107).

- (c) Short-term work performance goals are jointly determined by management and employees (Andrews 1988:309).
- (d) MBO is a systems approach to managing an institution, where all key management personnel contribute their maximum in achieving the overall objectives (Robbins 1978:222).
- (e) Superior and subordinate get together, more often than once a year, to evaluate progress towards the agreed-upon goals, and new or modified goals are set for the ensuing period (Halloran 1983:374-375).
- (f) The superior plays a supportive role, rather than being a judge, by helping the employee reach the agreed-upon goals. He counsels and coaches (Andrews 1988:310).
- (g) MBO focuses upon results accomplished and not upon personality traits (Hodgetts 1984:327).

Therefore, the main feature of MBO is that it allows subordinates to set goals either by themselves or jointly with their superiors which facilitates internalised motivation.

Furthermore, MBO gives subordinates an active role to play,

increases their sense of control over their environment and reduces their dependence on the superior. Moreover, by emphasising specific performance rather than character traits, MBO permits recognition of the innovative manager.

Consequently, it is felt that by incorporating the aforementioned salient features of BARS and MBO into the new performance appraisal system it will serve as an acceptable system for use in South African local authorities. This is considered to be relevant in terms of a local authority's commitment to serve the community by enhancing and motivating its work force. Through such a programme it can achieve this objective efficiently and effectively.

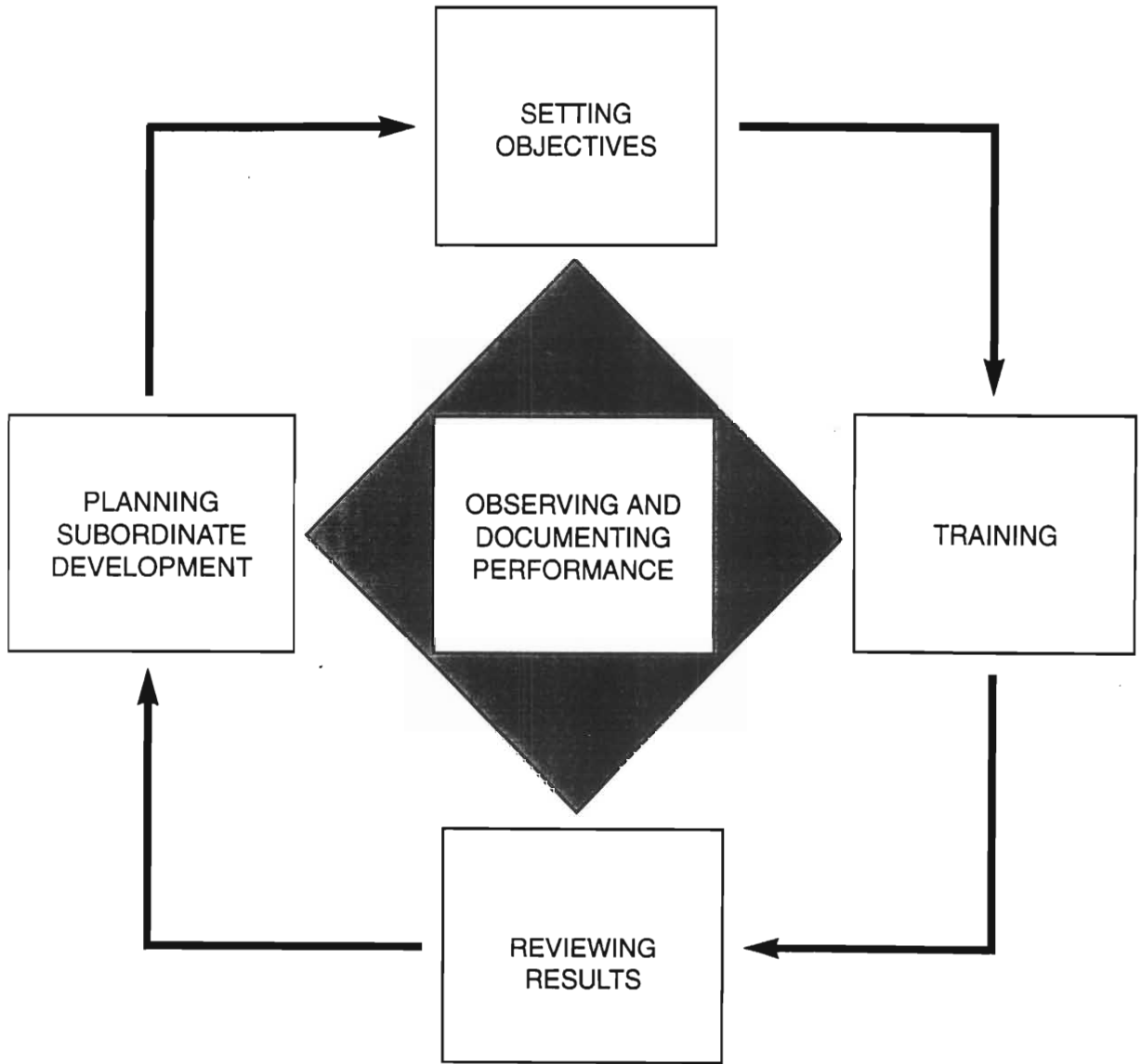
This new system can be appropriately used in conjunction with a computer programme. This will allow for expeditious capture, storage and retrieval of information contained on the appraisal form. Furthermore, the computer programme can easily analyse the data and produce the relevant reports.

6.4 BASIC CHARACTERISTICS OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

The following essential characteristics pertinent to the Performance Management and Development System (PMDS) shall be discussed (see Figure 19):

FIGURE 19

MODEL OF PERFORMANCE MANAGEMENT AND DEVELOPMENT PROGRAMME



- setting objectives;
- observing and documenting performance;
- training;
- reviewing results; and
- planning subordinate development.

6.4.1 Setting Objectives

Before implementing a performance appraisal system, it is necessary to first determine the objectives of the performance appraisal system of the local authority. These objectives are (Questionnaire 1990:Q1(b)) :

- to identify talent or skill of employees;
- to evaluate employee development and training;
- to act as a basis for promotion, re-grading and salary increases;
- to improve performance;
- to measure productivity; and
- to facilitate interpersonal relations and communications.

These objectives must be communicated to the municipal employees so that they are aware of what is expected of them to achieve these objectives.

6.4.2 Observing and Documenting Performance

In this regard, supervisors need to observe and document performance of their subordinates as accurately and systematically as possible. This information will be used in the final evaluation of the employee's overall performance. The information must be collated on a specifically designed form, such as a "Progress Discussion Form".

6.4.3 Training

The evaluation of an employee's performance will determine his placement in a department. Once this is achieved, it is necessary that employees receive on-going training. The training activity will ensure that the necessary skills are acquired and that they will become better equipped to execute their tasks. This in turn will result in improved performance. The role of the supervisor (training officer) is of considerable importance in this regard. He is entrusted with a vital and responsible role of appraising a fellow employee's performance. Accordingly, the inability of a supervisor to compile useful and objective reports on his subordinates reflect adversely on his ability to train, develop, and utilise personnel. Furthermore, without the necessary training, supervisors tend to become subjective in their appraisal, thus leading to errors such as halo, leniency and central tendency.

6.4.4 Reviewing Results

On completion of the initial appraisal, it is necessary to have a review appraisal to ascertain whether an employee has improved his performance.

6.4.5 Planning Subordinate Development

The review appraisal will help to determine subordinate development, that is, in which areas he needs to improve himself, what are his training needs and what programmes or educational courses he can follow to enhance his development.

In the following discussion the primary features and procedural steps in the implementation of the Performance Management and Development System shall be highlighted.

6.5 PRIMARY FEATURES AND PROCEDURAL STEPS IN THE IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

6.5.1 Features

The Performance Management and Development System focuses on a number of features, which shall be discussed hereunder.

(a) Personnel Particulars

This aspect provides for the personnel details of the employee and should be as informative as possible. It should contain the following information:

- (i) employee's name and employment number for easy identification;
- (ii) date of first appointment and position to which employed to give an indication as to how long the employee has been with the local authority and what progress he has made since inception;
- (iii) present position, grade and date appointed to present position to determine whether employee qualifies for appraisal and if so to what grade he can be promoted to;
- (iv) name of employee's department and section or division for identification by the appraisal department/official or appraisal committee.
- (v) declaration by the employee to the effect that:

"I have read this document and discussed its contents with my supervisor. My signature means that I have been advised of my performance".

Such a declaration will safeguard both the employee and the supervisor. The supervisor cannot be accused of favouritism or of being biased and the employee on the other hand cannot deny that he has been appraised unfairly as he acknowledges the appraisal by signing the form;

- (vi) appraised by: Supervisor/Appraiser, date and signature. This will help to consult the supervisor/appraiser should problems arise or when discrepancies are found in the appraisal. Also the supervisor/appraiser cannot deny the assessment because he completes the form in his own hand writing and signs it;

- (vii) approved by: Manager or Head of Department, remarks, date and signature. This serves as a control measure to ensure that the appraisal has been executed in a fair and just manner. It also allows the manager or

head of department to add his own comments about the employee which might assist the appraisal officer/committee; and

- (viii) final assessment done by personnel/appraisal officer or appraisal committee, remarks, date and signature. As with all approvals, the final appraisal must be signed by the officer delegated with this authority, before it can be implemented.

(b) **Behavioural Aspects**

Specific behavioural aspects of an employee must be assessed regularly. This can be done by using a five-point scale such as the following:

<u>Score</u>	<u>Rating</u>
1	Does not meet with the requirements
2	Needs improvement
3	Meets requirements
4	Exceeds requirements
5	Far exceeds requirements

The rating could also be accompanied by explanations, by way of examples to justify the assessment.

The following are considered to be important behavioural aspects:

(i) Knowledge of Work

The extent to which an employee shows aptitude, insight, diligence and devotion to his work and does his best to make a positive contribution. This includes relevant training, skills and experience. It also emphasises that knowledge of the normative guidelines of public administration is important because municipal personnel serve the needs of the community through the utilisation of public funds. Therefore they are accountable to the public for their actions or inactions.

(ii) Working Capacity

The extent to which the employee succeeds in maintaining the set norms, and the quantity and quality of work in terms of volume, promptness, accuracy, thoroughness and neatness. The local authority personnel must strive to satisfy the needs of the community

with the limited resources available at their disposal.

(iii) Planning Ability

The employee's effectiveness in establishing necessary plans for the operation of his section or for himself, that is, setting objectives, schedules and work loads. The efficiency and effectiveness with which this is done, will have a direct bearing on the objectives of the local authority. The planning focus must consider the political supremacy of the municipal council and the needs and goals it sets for the welfare of the local inhabitants. The planning activity should further the mission statement of the local authority. Since the available resources are limited, it is incumbent upon all municipal personnel to provide the goods and services that are considered to be priorities to ensure an acceptable quality of municipal welfare.

(iv) Organising Ability

The ability of the employee to prepare and

plan his own workload and his section's or unit's workload in terms of replacements, document flow, maintaining files, and submitting reports and requisitions accurately and promptly. In doing so, efficiency, effectiveness and accountability must be maintained at all times. That is, the municipal employee must ensure that the goals of the division is achieved as cost effectively as possible.

(v) Control Ability

The extent to which the employee establishes and maintains effective reporting and control systems, that is, setting realistic performance standards, evaluating work performance and taking corrective action. Furthermore, his ability to control costs and his awareness for cost-effectiveness. The municipal employee must be aware that the needs of the community will always be greater than the available resources. Therefore, it is imperative that the employee maintains accountability by using the available resources to achieve optimum results with the least possible costs.

(vi) Management of Resources

The extent to which the employee effectively maintains facilities and manpower resources entrusted to him. This includes his ability to give clear instructions or explanations of what is expected from employees, keep staff informed about matters that affect them, train and develop staff, ensure that correct systems and procedures are adhered to, and set and review priorities regularly. In effect, the employee must be responsible and answerable for his actions.

(vii) Problem-solving and Decision-making

The employee's ability to solve routine work problems and take decisions pertaining to his work with balanced judgement. That is, his ability in identifying, gathering and analysing data and taking the right course of action, with due regard for the body politic and community values on the one hand and safeguarding the image of the local authority on the other hand.

(c) Physical Characteristics

This section assesses an employee's physical characteristics related to his work, such as the following:

(i) Mental Ability

The extent to which the employee can think for himself, conceive new ideas and present his ideas clearly and forcefully either verbally or in writing. Included in this category are his learning ability, intellectual capacity, memory, insight, creativity, reasoning, judgement and foresight.

(ii) Physical Ability

The extent to which the employee disposes of the necessary health, physical strength, endurance, fitness, sensory ability and appearance required by the job.

(iii) Responsibility

His reliability, honesty, punctuality,

thoroughness and accuracy in performing his duties. The extent to which he uses his own discretion, makes independent decisions and accepts accountability for his own actions and decisions.

(iv) Adaptability

The employee's ability and willingness to successfully adapt to changing circumstances, particularly in terms of attitudes between personnel as well as with the public. In the changing South Africa, adaptability of personnel is considered to be a high priority item.

(v) Public Relations

His ability to effectively deal with members of the general public without any 'come backs' or complaints, and his ability to actively set out to obtain and maintain the goodwill and co-operation of the public.

(vi) Interpersonal Relationships

The employee's ability to establish and

maintain the best co-operation and attitude towards supervisors, colleagues and subordinates. This appears largely from his leadership, self-reliance, tact, impartiality, firmness coupled with goodwill, and the ability to engender loyalty, to stimulate enthusiasm for work and to foster a team spirit. Where an employee has the opportunity to control staff, his guidance and instruction of subordinates and his capacity to approach and manage people tactfully should also be taken into account. The emphasis on the normative factors should be underlined.

(vii) Communication

His ability to effectively communicate either verbally, such as, effective speaking and speech-making, or in writing, such as, report writing or letter writing.

(d) Development

This section entails the development plan, that is, how the local authority can help develop the

employee. Development techniques or training needs for the present job and for future assignments will be determined in this section. A list of needs should be provided and the supervisor or appraiser should prioritise three areas in which specialised training would significantly improve the employee's job performance. This list could contain, inter alia, the following needs:

1. Effective speaking []
2. Report writing []
3. Conducting meetings effectively []
4. Budgeting or Forecasting []
5. Effective management of resources []
6. Effective supervision []
7. Materials handling []
8. Planning and organising []
10. Interpersonal skills []
11. Recruitment and selection techniques []
12. Grievance handling []
13. Record-keeping and statistics []
14. Task structuring []

This list is by no means exhaustive. It could be extended or adapted to suit the individual needs of local authorities.

(e) General Comments

This section provides for supplementary information or general comments by both the supervisor and the employee. The supervisor may record any over-riding or additional responsibilities or items which the employee was required to perform during the appraisal period and which are not recorded elsewhere on the appraisal form.

Similarly, the employee may also record any comments (agreement or disagreement) which he feels are significant regarding the appraisal.

6.5.2 Procedural Steps

The appraisal procedure must not be a display of appreciation for good work done or, on the other hand, an opportunity to reprimand the employee for poor performance. It should rather serve as an opportunity to offer the employee advice and counselling regarding the strengths and development needs of the employee's performance.

There are seven procedural steps to be followed in the

completion of the performance appraisal form as illustrated in Figure 20. These shall be discussed hereunder:

Step 1

The supervisor (appraiser) of a municipal department completes the 'Progress Discussion Form'¹) at an interview with the subordinate (appraisee).

Step 2

The form is sent to the supervisor's immediate superior for moderation to ensure that bias is minimised or eradicated completely. The superior could be the head of the municipal department, or the town clerk in the case of a small local authority. In some instances, the form is also moderated by the regional and central merit committees of the local authority, if there are such committees.

Step 3

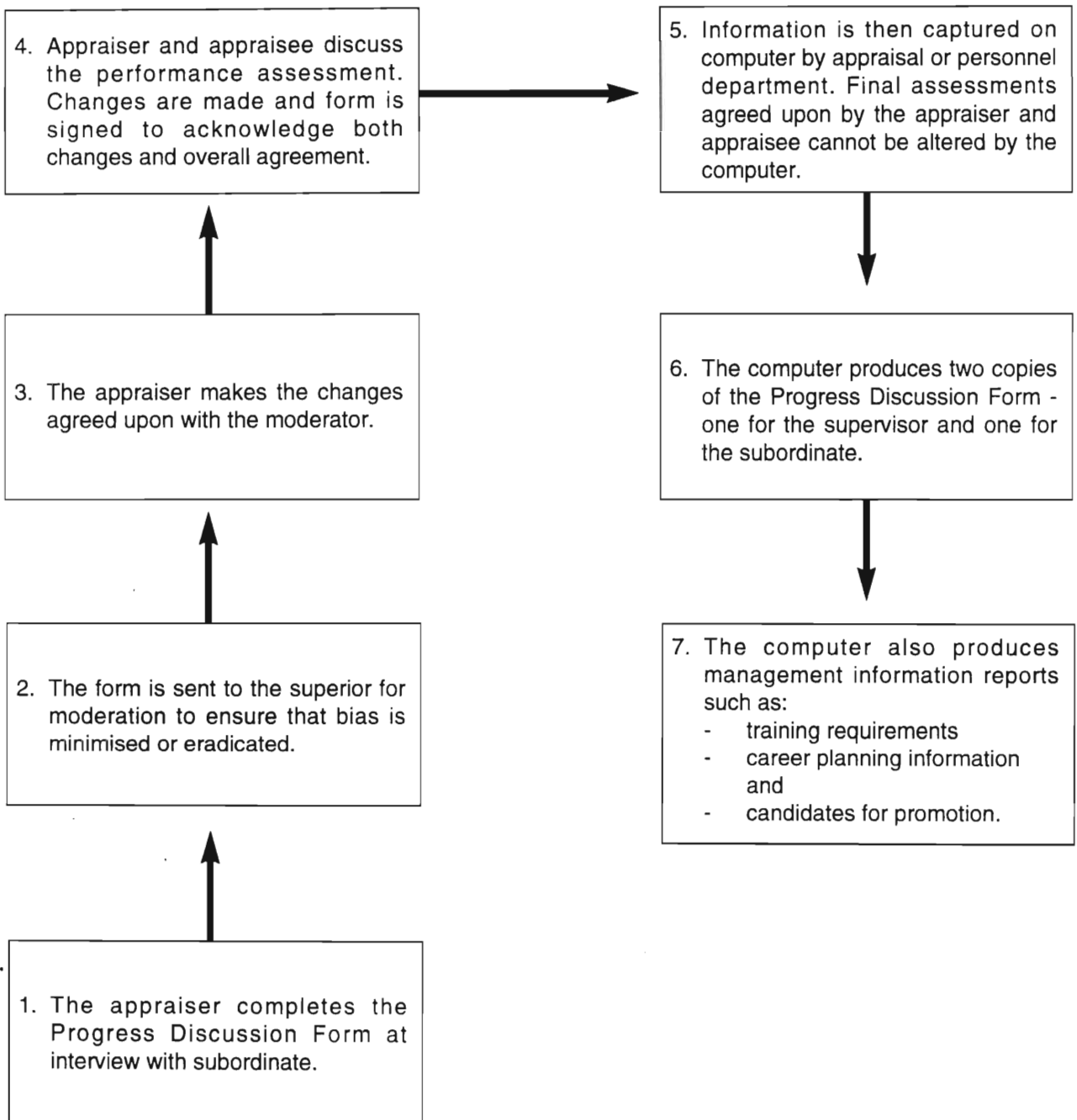
The appraiser makes the changes agreed upon with the moderator(s).

Step 4

The appraiser and appraisee discuss the various performance

FIGURE 20

PROCEDURAL STEPS OF THE PERFORMANCE APPRAISAL SYSTEM



assessments. Where appropriate, changes are made and the form is signed by both the appraiser and the appraisee to acknowledge the changes, as well as overall agreement.

Step 5

The information is then captured on computer by the appraisal department. Final assessments agreed upon by the appraiser and appraisee cannot be altered on the computer unless this is again reviewed jointly.

Step 6

The computer produces two copies of the Progress Discussion Form - one for the appraiser and the other for the appraisee. This form can be used to record ongoing feedback on performance.

Step 7

Computerised management information reports are produced to provide for the following:

- training requirements;
- career planning information; and
- candidates for promotion.

As the name suggests, this system is aimed at the development and motivation of the employee. It is envisaged that, by combining the afore-mentioned features of behaviourally anchored rating scales and management by objectives, the new 'Performance Management and Development System' will be an acceptable system for South African local authorities.

This system ensures that the necessary action is taken to improve weak points in the performance of the employee. Furthermore, since specific objectives are set, it has motivational value for both the employee and the supervisor as they now work for the achievement of the specific objective of the local authority. Moreover, information for administrative decisions on, for example, salaries, wages, bonuses, promotions, transfers and separations can be viewed collectively by this system of appraisal.

The system will be beneficial to both the local authority and its employees. By improving the quality of its employees through this system, the local authority will be able to satisfy the needs of its local community more efficiently and effectively.

FOOTNOTE

1. In order to remove any negativity that the word 'appraisal' may arise in the minds of employees (appraisees), it is suggested that the appraisal form be called the 'Progress Discussion Form'. This label conveys that the appraisal session is a discussion meeting which can be both warm and friendly, rather than one of fault finding.

CHAPTER 7

CONCLUSIONS AND RECOMMENDATIONS

7.1 CONCLUSIONS

The principal reason for the establishment of local authorities is to promote the general welfare of local citizens. Inherent in this objective is the local authority's responsibility for the greatest measure of spiritual and material well-being of its citizens. Public administration, as an activity, is concerned with the promotion of human welfare and interests in general. Therefore, local authorities, as one category of public institutions, are responsible for government and administration within their area of jurisdiction. This field of endeavour, which is appropriately designated as municipal administration or local government administration, is a specialised branch of public administration. Thus, municipal administration utilises similar infrastructures, processes, activities, attitudes, skills and knowledge as public administration, to improve the quality of life of the local citizenry. Consequently, like other public institutions, local authorities may only achieve their goals if they prescribe to the fundamental norms of public administration.

Local government administration is a comprehensive and complex field of activity comprising of several sub-fields of activities. One such sub-field is personnel administration, which plays an important role in local government administration. Local authorities must provide goods and render services with a great deal of circumspection because numerous demands are made on their limited resources. They can only achieve success in this regard if they have a well trained and motivated work force. This in turn, can be achieved only through the implementation of an efficient and effective performance appraisal system.

Within the scope of municipal personnel administration falls the activity of performance appraisal. The ultimate purpose of performance appraisal is to determine how successfully employees have met set standards. The requirements of a successful performance appraisal system are, inter alia, the following (Lundgren et al 1978:95) :

- set acceptable performance standards;
- ensure clear communication of the goals to all employees;
- provide unbiased feedback of employee performance;

- determine fair comparison of performance to standards;
and
- ensure communication of performance results back to the employees.

Over the years several traditional systems have been used by local authorities to accomplish performance appraisal. These include systems such as the graphic rating scale, forced choice, comparative method, essay method and critical incident. Some local authorities have their own 'in-house' method of appraisal. All these systems are not without problems such as subjectivity, frustrations for the person doing the appraisal, subordinates not knowing what the evaluations really mean and problems in the implementation of the systems themselves. In addition, there are other problems such as the halo effect, leniency or strictness, central tendency, and ambivalence or avoidance.

The new system as postulated in chapter 6, namely, the Performance Management and Development Systems (PMDS), will overcome these problems if it is applied diligently. As the name suggests, it is the management of employee performance whilst at the same time it is aimed at the development of the employee. The combination of these two factors is considered necessary to improve the overall productivity and performance of local authority personnel.

The PMDS moves away from the traditional trait- or personality-based appraisal systems which is being used by local authorities. These traditional systems have not provided adequate information to either managers or employees on how to improve performance. These systems have produced defensiveness and rigidity on the part of both the manager and subordinates and does not adequately provide for feedback.

Consequently, the new approach provides a broad-based emphasis on retraining employees in the appraisal process on a large scale.

The success of the new system depends largely on individual levels of commitment, communication, co-operation, human interaction, trust, and understanding of one's own expectations and those of others. It also argues for the changing of deeply held attitudes, perceptions and practices impacting on the role definition of a supervisor. It focuses on the supervisor and his impact on human resources management.

The performance appraisal systems currently used in local authorities have met with limited success. The new Performance Management and Development System offers a useful framework for doing things differently and avoiding

the many problems that have been encountered in the past in the implementation and assessment of performance appraisal systems.

The activity of performance appraisal comprises of four specific processes, namely :

- generic administrative;
- management;
- functional; and
- auxiliary and instrumental processes.

The generic administrative processes of policy-directives, organising, financing, staffing, determining systems and procedures and exercising control, as well as the management functions, are fundamental to the efficient and effective execution of the functional, auxiliary and instrumental activities. The generic administrative and management processes are the enabling functions which determine the nature and scope of the functional processes.

The functional processes of performance appraisal comprises of:

- interviewing of appraisees;
- evaluation of performance; and
- training of appraisers.

Essential to the execution of the generic administrative, management and functional processes are the auxiliary and instrumental processes comprising of inter alia, research, public opinion surveys, providing legal services, decision making, communicating, negotiating and conducting meetings. These neutral activities provide valuable support to municipal officials in the performance of their duties.

Municipal officials must, therefore, possess the necessary knowledge, skills and attitude to enable a high degree of proficiency in their work. With increasing technology, several aids, such as computers and word processors assist the officials in the expeditious execution of their tasks.

Within the general framework of local authority ordinances the municipal councils determine their own rules and regulations for the performance appraisal function. As a result these rules and regulations differ from one local authority to another with regard to policies and procedures. Whilst some local authorities have a policy and procedure manual, this research has shown that a significant percent of others do not have a specific policy and procedure manual. It is essential for every local authority to formulate and provide a policy and procedure manual. This must be clearly set out, unambiguously worded and well documented for easy reference by municipal officials.

The organisational arrangements for the implementation of the performance appraisal function also differs from local authority to local authority. These may either be a centralised, decentralised or a combination of both systems. An example of a centralised system is the town clerk's department, and that of a decentralised system is the management services department or senior management comprising of heads of the respective municipal departments. An example of a combination of both systems is the personnel department. A majority of the local authorities (39%) have a decentralised system, as it is considered to be an effective system and ensures a greater measure of control. This is not the case with a centralised system, where, for example, the Town Clerk is personally responsible for the performance appraisal function in addition to the numerous other functions he has to perform. As a result, appropriate attention is not given to the performance appraisal function.

The performance appraisal function cannot be established and executed without the necessary finances. Therefore, money has to be made available on the local authority budget to perform this important function. As was evident, the largest expenditure incurred by local authorities is on the staffing function, which includes expenditure on the performance appraisal function. This places a heavy burden on local

authorities to ensure the optimum utilisation of the financial resources without losing sight of the efficiency and effectiveness of the performance appraisal function.

The hallmark of an efficient and effective performance appraisal function lies in the calibre of personnel employed to perform this function. To ensure proper direction and control highly specialised and trained personnel are required. They must possess the proper knowledge, skills and attitudes. In addition, they should have relevant qualifications, such as a Diploma in Personnel Administration which covers performance appraisal, and which is offered by technikons in South Africa.

In the sample of local authorities studied, it was found that none of their appraisers have any professional qualifications in respect of performance appraisal. Furthermore, with the exception of two local authorities, almost all personnel are not members of recognised professional institutes, either locally or abroad. Personnel from only two local authorities are members of the Institute of Municipal Personnel Practitioners of South Africa. The lack of staff training may be attributed to the fact that performance appraisal is not regarded as a high profile function by local authorities.

The determination of systems and procedures ensures that the

various activities constituting the performance appraisal function are executed to achieve its goal. Since there are several systems of appraisal being used by South African local authorities and in order to overcome variations in appraisal and the errors in rating, local authorities are encouraged to adopt the more modern approach to performance appraisal as proposed in chapter 6.

The process of control ascertains and verifies whether the performance appraisal function at local authorities is being executed as intended and whether it is in fact attaining the goals for which it is intended. Control is exercised both internally and externally. Internally, the generic administrative and management processes play a vital role in enabling and directing the performance appraisal function, and in so doing ensures control. For instance, the nature of organisational structures of local authorities provide built-in checks by way of moderating the appraisal sequentially by the superior, head of department, the town clerk and finally by the municipal council.

Internal control is also exercised when staff are well-trained, motivated and constantly kept abreast of the latest developments in the performance appraisal field. To this end, appraisers in municipal departments should be encouraged to become members of recognised professional bodies which are directly concerned with the performance

appraisal function. This research has found that none of the appraisers in municipal departments are members of such a body or institution.

External control is exercised by the Auditor-General. External control is essential to ensure that fairness, objectivity and accountability prevail at all times. It also ensures that appraisals are not done in a biased manner and it eradicates problems such as excessive leniency, central tendency and halo effect. Since finances are required for the execution of the performance appraisal function, auditing has to be carried out to ensure the optimum utilisation of the financial resources. In this regard, external auditors from the Auditor-General's Office or independent auditors appointed by him, annually carry out an audit of local authority finances and submit reports on their findings to the municipal council. The council in turn reports to the provincial authorities and to Parliament. In the final analysis, it is incumbent on all municipal officials to defend their actions publicly. They must maintain public accountability at all times in the execution of their duties. The ultimate acceptance or rejection of the municipal council and its actions are in the hands of the municipal electorate.

Therefore, it is incumbent that every local authority has a highly motivated, efficient and effective work force. This

can only be achieved by an appropriate and highly successful performance appraisal function, which can enhance effectiveness by providing useful data upon which to base decisions about personnel actions and employee development and placement.

In conclusion, performance appraisal is not an isolated issue, but is in fact a daily reality of an employee's working life. Performance appraisal determines his job satisfaction, the recognition he receives, his career progress, the financial rewards and most importantly, his success. It must be emphasised that performance management is a human process and it is a means to an end and not the end in itself. The formal aspects of appraisal are present only to encourage appropriate behaviour. It is important that the manner in which employee performance is managed benefits both the subordinate and the supervisor.

7.2 RECOMMENDATIONS

The recommendations arising from this research is aimed at two aspects. The first is within the purview of the conceptual framework as discussed in Chapter 2, and other is the new performance appraisal system.

7.2.1 CONCEPTUAL FRAMEWORK

The following recommendations are advanced for consideration in terms of the conceptual framework which focuses on the enabling generic administrative processes of policy directives, organising, financing, staffing, determining systems and procedures and exercising control.

7.2.1.1 Policy Directives

Policy directives for the implementation of the performance appraisal function should be clearly formulated, well documented and unambiguously worded in a policy document emphasising, inter alia, the following:

- definition of the performance appraisal function and its policies;
- training of appraisers;
- standards for evaluating performance;
- due process for unfair appraisals; and
- evaluating and improving the performance appraisal function on a continued basis.

7.2.1.2 Organising

Organisational structures for the performance appraisal function should be decentralised under an appraisal department which can serve as the official appraisal unit by:

- establishing and staffing an organisational structure for the performance appraisal department;
- selecting, appointing and developing specialist appraisal officers or appraisers in the functions of, inter alia, interviewing, objective form filling, grievance handling, training and standards for evaluating performance;
- exercising horizontal division of work, delegation of authority to the appraisers, co-ordination of the performance appraisal function within the municipal departments, lines of communication and control measures;
- formulating clearly and concisely the objectives of the performance appraisal function;
- minimising overlapping and duplication of effort by the various municipal departments; and

- ensuring uniformity of the performance appraisal function by the appraisal department.

7.2.1.3 **Financing**

Local authorities should make provision for adequate financial resources for the establishment and maintenance of the Performance Management and Development System by:

- determining a budget for the performance appraisal function;
- emphasising and monitoring expenditure control; and
- providing financial rewards for excellent appraisers as well as excellent performers;

Local authorities have to ensure the optimum utilisation of the financial resources without losing sight of the efficiency and effectiveness of the performance appraisal function.

7.2.1.4 **Staffing**

Local authorities must recognise the importance of appraisers and their valued contribution to the performance

appraisal function by :

- promoting the professional status of appraisal personnel;
- providing incentives schemes to appraisal personnel to obtain recognised qualifications in performance appraisal;
- encouraging appraisers to become members of recognised institutions, such as the Institute of Municipal Personnel Practitioners;
- conducting seminars or educational courses for appraisers to keep abreast of the latest developments in the field of performance appraisal;
- encouraging personnel to uphold the highest ethical and moral standards in the execution of the performance appraisal function;
- providing financial assistance to appraisal personnel to undergo training as offered by the Training Board for Local Government Bodies;
- requesting the Training Board for Local Government Bodies to establish a training scheme and offer a

certificate of proficiency in performance appraisal;
and

- reviewing remuneration and conditions of service of appraisal personnel to encourage and promote a highly efficient and effective appraisal team.

7.2.1.5 Determining Systems and procedures

The municipal council must ensure that the implementation of systems and procedures in the performance appraisal function contributes efficiently and effectively to its goals by:

- determining uniform work procedures for the performance appraisal function to enhance communication and co-ordination in this function;
- setting out procedures clearly in a manual to facilitate the use of the performance appraisal function such as how, when and by whom the appraisal interview must be conducted;
- stating grievance procedures;
- reviewing the procedures regularly to keep abreast of changing circumstances and to ensure their relevance within the dynamic performance appraisal

environment; and

- ensuring that the responsibility for performing each step of the appraisal procedure is clearly defined for the expeditious execution of the performance appraisal function.

7.2.1.6 Exercising Control

The process of control must ascertain and verify whether the performance appraisal function is achieving its goals as efficiently and effectively as possible and in so doing is achieving the policy objectives of the local authority by:

- evaluating, reviewing and amending the implementation of the generic administrative and management processes to ensure that these processes are optimally contributing to the attainment of the performance appraisal goals;
- producing a well documented work procedure and policy manual to facilitate control;
- establishing an organisational structure which ensures sound organisational arrangements for the performance appraisal department, as well as providing built-in checks and balances;

- exercising performance auditing procedures in the performance appraisal function to ensure that the financial resources of local authorities are being utilised both effectively and efficiently as possible whilst maintaining public accountability;
- setting standard times for conducting the appraisal in all departments within a local authority, for example, either half-yearly or annually;
- establishing predetermined criteria for the implementation of the performance appraisal function;
- ensuring that provision is made for feedback of results, meaningful due process or means of pursuing grievances, and follow-up appraisals;
- making provision for employees to sign the appraisal form and to raise objections or make comments on their appraisals;
- encouraging appraisal personnel to undergo training and to take educational courses so that they are better equipped to cope with the demands for greater efficiency and effectiveness in the performance appraisal function; and

- ensuring that all appraisal personnel abide by the ethical and normative guidelines of public administration.

7.2.2 NEW PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

The designing of the new performance appraisal system is based on a combination of factors from behaviourally anchored rating scales (BARS) and management by objectives (MBO). It is postulated that a combination system of such a nature will be beneficial to local authorities in South Africa and could be easily applied by local authority personnel. Such a system has not been previously developed for use by local authorities.

The salient features of BARS and MBO which could be combined to develop this new system have been discussed in Chapter 6. It has been suggested that this new system be called "Performance Management and Development System". This is a more participative approach whereby the supervisor and subordinate work closely together towards the achievement of the objectives of the local authority. It has motivational value for both the supervisor and the subordinate and it can identify weak as well as good points in the performance of an employee. This in turn helps in administrative decisions with regard to training, promotions, transfers or salary increases.

Personnel are the vital resources of any institution. Their impact is keenly felt within the planning and developing phases of any operation. When developing a performance appraisal system it is of paramount importance to involve those personnel who will be responsible for implementing the system. The involvement of appropriate personnel is critical to its success. Such an approach infuses commitment which ultimately ensures success of the system. This necessitates that management, supervisors and subordinates of a local authority provide inputs from inception to completion of the system.

The new appraisal system incorporates the above-mentioned factors. Therefore, it is regarded as a more suitable system of appraisal for South African local authorities.

The aforementioned recommendations should be viewed as a strategy which reflects the ideal or ultimate goal to enable the performance appraisal function to be carried out with due regard to the efficient and effective execution of the generic administrative, management, functional and auxiliary and instrumental processes, as well as the normative factors of public administration.

The initiation, development and implementation of these recommendations will undoubtedly serve the interests of all local authorities in South Africa.

BIBLIOGRAPHY

1. PUBLISHED SOURCES

1.1 BOOKS

ADLEM WLJ & DU PISANI A 1982. Stedelike politiek en administrasie : 'n inleiding. Pretoria : Haam opvoedkundige Uitgewery.

ANDREWS Y 1988. The personnel function, First Edition, Educational Publishers, Pretoria.

BEACH DS 1985. The management of people at work, Fifth Edition, Macmillan Publishing Company, New York.

BEER M & SPECTOR B 1985. Readings in human resource management, The Free Press, New York.

BERNARDIN HJ & BEATTY RW 1984. Performance appraisal : assessing human behavior at work, Kent Publishing Company, Boston.

BROWN RD 1988. Performance appraisal as a tool for staff development, Jossey-Bass Publishers, San Francisco.

CARROLL SJ & SCHNEIER CE 1982. Performance appraisal and review systems : the identification, measurement and development of performance in organisations, Scott, Foresman and Company, Illinois.

CLOETE JJN 1985. Accountability in local government and administration, Orientation of municipal councillors and leading municipal officials in a new dispensation for local authorities, Edited by W A J Coetzee, University of Durban-Westville, Durban.

----- 1989. South African local government and administration, J L van Schaik, Pretoria.

----- 1981. Introduction to public administration, First Edition, J L van Schaik, Pretoria.

----- 1986. Introduction to public administration, Second Edition, J L van Schaik, Pretoria.

----- 1978. Local government administration, J L van Schaik, Pretoria.

----- 1985. Personnel administration, First Edition, J L van Schaik, Pretoria.

----- 1991. Public administration and management, J L van Schaik, Pretoria.

COETZEE WAJ 1985. The municipal councillor in municipal government and administration: An introductory perspective, Orientation of municipal councillors and leading municipal officials in a new dispensation for local authorities, edited by WAJ Coetzee, University of Durban-Westville, Durban.

COULTON GG 1947. Medieval panorama, University Press, Cambridge.

DIMOCK ME, DIMOCK GO & FOX DM 1983. Public administration, Fifth Edition, Holt, Rinehart and Winston, New York.

DuBRIN AJ 1981. Personnel and human resource management, D van Nostrand Company, New York.

FAYOL H 1973. The administrative theory of the state. Papers on the science of administration, edited by L Gulick & L Urwick, New York : Institute of Public Administration.

FOMBRUN CJ, TICHY NM & DEVANNA MA. Strategic human resource management, John Wiley & Sons, New York.

GRANT JV & SMITH GJ 1969. Personnel administration and industrial relations, Longman Group Limited, London.

HALLORAN J 1983. Applied human relations : an organisational approach, Second Edition, Prentice-Hall, Englewood Cliffs, New Jersey.

HANEKOM SX & THORNHILL C 1983. Public administration in contemporary society : a South African perspective, Macmillan South Africa, Johannesburg.

HAYS SW & KEARNEY RC 1983. Public personnel administration, Prentice Hall, New Jersey.

HENDERSON R 1980. Performance appraisal : theory to practice, Reston Publishing Company, Virginia.

HENDERSON RI 1984. Performance appraisal, Second Edition, Prentice Hall, Virginia.

HODGETTS RM 1984. Modern human relations at work, The Dryden Press, Tokyo.

HOLLEY WH & JENNINGS KM 1983. Personnel management : functions and issues, The Dryden Press, New York.

HOY WK & MISKEL CG 1987. Educational administration : theory, research and practice, Third Edition, Random House, New York.

ISAAK AC 1975. Scope and methods of political science, The Dorsey Press, Illinois.

IVANCEVICH JM & GLUECK WF 1989. Foundations of personnel : human resource management, Fourth Edition, Richard D Irwin Inc., Boston.

JACKSON JH & KEAVENY TJ 1980. Successful supervision, Prentice Hall, New Jersey.

KIRKPATRICK DL 1982. How to improve performance through appraisal and coaching, AMACOM, New York.

LAMBERT C 1979. Field sales performance appraisal, John Wiley & Sons, New York.

LATHAM GP & WEXLEY KN 1982. Increasing productivity through performance appraisal, Addison-Wesley Publishing Company, Massachusetts.

LAWSHE CH, KEPHART NC & McCORMICK EJ 1962. The paired comparison technique for rating performance of industrial employees, Performance appraisal - research and practice, Edited by TL Whisler & SF Harper, Holt, Rinehart and Winston, New York.

LUNDGREN EF, ENGEL WJ & CECIL EA 1978. Supervision, Grid Inc., Ohio.

MACDONALD CR 1982. MBO can work! How to manage by contract, McGraw-Hill Book Company, New York.

MATHIS RL & JACKSON JH 1979. Personnel : contemporary perspectives and applications, Second Edition, West Publishing Company, St. Paul.

MOHRMAN AM Jr., RESNICK-WEST SM & LAWLER III EE 1989. Designing performance appraisal systems, Jossey-Bass Publishers, San Francisco.

MUNDEL ME 1983. Improving productivity and effectiveness, Prentice Hall, Englewood Cliffs, New Jersey.

NIGRO FA (Ed.) 1951. Public administration : readings and documents, Rinehart and Company, New York.

NIGRO FA & NIGRO LG 1977. Modern public administration, Fourth Edition, Harper and Row, New York.

PIGORS P & MYERS CA 1969. Personnel administration, McGraw-Hill Book Company, New York.

----- 1977. Personnel administration : a point of view and a method, Eighth Edition, McGraw-Hill Kogakusha Limited, Tokyo.

RABIE A 1985. The role of municipal councillors in effective and efficient personnel utilisation, Orientation of municipal councillors and leading municipal officials in a new dispensation for local authorities, Edited by W A J Coetzee, University of Durban-Westville, Durban.

RITTERSKAMP JJ, FORREST LA & AHRENS BC (Eds.) 1968. Purchasing for educational institutions, Teachers College Press, New York.

ROBBINS SP 1978. The administrative process : integrating theory and practice, Prentice Hall, Englewood Cliffs, New Jersey.

----- 1978. Personnel - the management of human resources, Prentice-Hall, Englewood Cliffs, New Jersey.

SASHKIN M 1981. Assessing performance appraisal, University Associates, California.

SCARPELLO VG & LEDVINKA J 1988. Personnel/human resource management : environments and functions, PWS-Kent Publishing Company, Boston.

SCHNEIER CE & BEATTY RW 1978. Personnel administration today: readings and commentary, Addison-Wesley Publishing Company, Massachusetts.

SCHULER RS 1981. Personnel and human resource management, West Publishing Company, New York.

SPEED J 1971. Municipal administration in South Africa, Natal Municipal Association, Durban.

STAHL OG 1974. Public personnel administration, Seventh Edition, Harper and Row, New York.

STANYER J 1980. Understanding local government, Martin Robertson, Oxford.

STRAUSS G & SAYLES LR 1980. Personnel : the human problems of management, Fourth Edition, Prentice-Hall, Englewood Cliffs, New Jersey.

THOMAS R M 1978. British philosophy of administration : a comparison of British and American ideas, 1900 - 1939, Longman, London.

THORNHILL C 1985. Devolution of power to local authorities : implications for the municipal councillor, Orientation of municipal councillors and leading municipal officials in a new dispensation for local authorities, edited by W A J Coetzee, University of Durban-Westville, Durban.

WHISLER TL & HARPER SF 1962. Performance appraisal : Research and Practice, Holt, Rinehart and Winston, New York.

1.2 PERIODICALS AND JOURNALS

ANDERSON G, YOUNG E & HULME D 1987 : Appraisal without form-filling, Personnel Management (February).

BAKER HK 1984 : Two goals in every performance appraisal, Personnel Journal, (63:9 September).

BOTES J 1976 : Challenges to local authorities in the modern community, SAIPA journal of public administration (11:3 September)

CLARKE PJ 1984 : Performance evaluation of public sector programmes, Administration, (32:3).

COWAN J 1975 : A human-factored approach to appraisals, Personnel Journal, (52:1 January - February).

HYDE AC 1982 : Performance appraisal in the post reform era, Public Personnel Management Journal, (11:4).

LAWRIE J 1990 : Prepare for a performance appraisal, Personnel Journal, (69:4 April).

LOPEZ FM 1968 : Evaluating employee performance, Public Personnel Association Bulletin, Chicago.

McCONKIE ML 1979 : A clarification of the goal-setting and appraisal process in MBO, Academy of Management Review, (4:29).

MUSHKANT M 1981 : How useful is statistical decision theory to the practising planner. SAIPA journal of public administration (16:1 March).

PLACHY RJ 1983 : Appraisal scales that measure performance outcomes and job results, Personnel, (60:1 May - June).

RALPH PM 1980 : Performance evaluation : one more try, Public Personnel Management, (9:3).

SAUSER WI 1980 : Evaluating employee performance : needs, problems and possible solutions, Public Personnel Management, (9:1 January - February).

SCHNEIER CE 1977 : Multiple rater groups and performance appraisal, Public Personnel Management Journal, (6:1 January - February).

SING D & PENCELIAH Y 1989 : Developments in labour relations at the local government level, South African Journal of Labour Relations, University of South Africa, Pretoria (13:4 December).

TYER CB 1982 : Employee performance appraisal in American State Governments, Public Personnel Management Journal, (11:3).

VAN ROOYEN LPS 1991 : Responsibilities of civil servants entrusted with the management of public funds in South Africa, SAIPA journal of public administration (26:2 June).

1.3 DICTIONARIES

The Concise Oxford Dictionary of Current English, 1964 : Fifth Edition, The Clarendon Press, Oxford.

The Concise Oxford Dictionary of Current English 1976 : Sixth Edition, The Clarendon Press, Oxford.

Harrap's Mini English Dictionary 1983 : Harrap Ltd., London.

HORNBY AS 1979 : Oxford advanced learner's dictionary of current english, New Edition, Oxford University Press, Oxford.

The Shorter Oxford Dictionary 1978 : Clarendon Press, Oxford.

The Shorter Oxford Dictionary 1961 : Clarendon Press, Oxford.

1.4 ENCYCLOPAEDIAE

ENCYCLOPAEDIA AMERICANA 1965 : Volume 9, Americana Corporation, New York.

ENCYCLOPAEDIA BRITANNICA 1979 : Macropaedia Vol.14, Encyclopaedia Britannica Inc., Chicago.

ENCYCLOPAEDIA BRITANNICA 1979 : Macropaedia Vol.15, Encyclopaedia Britannica Inc., Chicago.

LANGLIE TA 1963 : Performance appraisal (Merit rating), The Encyclopedia of Management, edited by C Heyel, Reinhold Publishing Corporation, New York.

SHAFFER CL 1963 : Personnel administration, The Encyclopedia of Management, edited by C Heyel, Reinhold Publishing Corporation, New York.

1.5 GOVERNMENT PUBLICATIONS

1.5.1 ACTS OF PARLIAMENT

Republic of South Africa Republic of South Africa Constitution Act 32 of 1961, Section 84.

----- Republic of South Africa Constitution Act 110 of 1983, Section 30.

----- Provincial Government Act 69 of 1986, Section 22.

1.5.2 COMMISSION AND MUNICIPAL COUNCIL REPORTS AND OTHER OFFICIAL DOCUMENTS

CHRISTIERSON VAB 1988 : A comparison of three work performance rating scales, National Institute for Personnel Research, Human Sciences Research Council, Pretoria.

Municipality of Kimberley 1984 : Meriete seminaar vir evaluateerders, February.

Municipality of Swakopmund : Financial Regulations GK6 of 1973.

2. UNPUBLISHED SOURCES

2.1 OFFICIAL DOCUMENTS

JOYCE DB 1990 : Position charter progress meetings record, East London Municipality Training Department, October.

Municipality of Port Elizabeth 1989 : City Administration Department's Guide to Performance Appraisal.

City of Durban, Departmental Circular No. 8146 dated 6 July 1973.

City of Durban, Durban Corporation User's Guide, 1990.

OFFICIAL CORRESPONDENCE

Letter ref. 20/F/3 dated 19 December 1990 from the Personnel Officer (Kennedy G T) : Borough of Amanzimtoti.

Letter ref. P1.1 dated 22 November 1990 from the Deputy Director: Management Services (Oosthuizen J C) : Town Council of Boksburg.

Letter ref. JPLG/NC dated 20 December 1990 from the Chief Personnel Officer (Le Grange J P) : City of Durban.

Letter ref. 6/2/1/2/7 dated 15 January 1991 from the Personnel Department (Romart M A) : City of Johannesburg.

Letter ref. WESTV.VRS dated 20 November 1990 from the Human Resources Department (Taylor A G) : Municipality of Pinetown.

Letter ref. 116/2 DB/LdIM dated 14 November 1990 from the Director of Administration (Beckley D A) : Municipality of Port Elizabeth.

Letter ref. 5/1/1/2/1-nc dated 9 November 1990 from the Town Clerk's Office (Gerber P M) : Milnerton Municipality.

Letter ref. TT/7/v/L1389/F166 dated 3 December 1990 from the Town Clerk's Office (Grabe J W) : Borough of Greytown.

Letter ref. S.I(u)/835 dated 13 November 1990 from the Town Secretary's Office (Viviers H J) : Town Council of Uitenhage.

Letter ref. 10/1/4/1 dated 20 November 1990 from the Town Secretary's Office (du Toit A) : Heidelberg Town Council.

Letter ref. 2/2/1 dated 26 November 1990 from the Town Clerk's Office (Boonzaaier P J) : Keetmanshoop Municipality.

Letter ref. B1/1 dated 23 November 1990 from the Town Clerk's Office (Laubscher J A L) : Municipality of Swakopmund.

Letter ref. 10/1/3(4) dated 8 November 1990 from the Town Secretary's Office (Kotze P D) : Borough of Vryheid.

Letter ref. 10/1/1 (3246) dated 20 November 1990 from Town Secretary's Office (Strydom W A) : Town Council of Piet Retief.

Letter ref. 11/2/1 (2428) dated 12 November 1990 from the Town Clerk's Office (Botha CMJ) : Town Council of Naboomspruit.

Letter ref. 12/3 dated 16 November 1990 from the Town Secretary's Office (Clarke K de V) : Volksrust Town Council.

Letter ref. 5/1/1/1/2 dated 21 November 1990 from the Management Services Department (Otto PL) : City of Welkom.

Letter ref. 4527/5/1/1/90 (EGP) dated 4 December 1990 from the Town Clerk's Office (Byrnes WT) : Borough of Stanger.

Letter ref. 57/1 dated 13 November 1990 from the Town Secretary's Office (Breitenbach S G) : Nylstroom Town Council.

2.3 THESIS

RICHARDT AJ 1976 : Performance appraisal systems and practices in different South African organisations, Unpublished MBL dissertation, University of South Africa, Pretoria.

DERCKSEN JW 1986 : Performance appraisal : a critical review, Unpublished MBA dissertation, University of Pretoria, Pretoria.

2.4 PAPERS

CROSWELL F (Managing Director:Wilson Learning) 1991 : Performance appraisal - its impact on remuneration summary, the Dawn of the 1990's Remuneration - Strategic Options, Conference held at Johannesburg Sun, Johannesburg, 11 - 12 June.

ANNEXURE A

**QUESTIONNAIRE ON PERFORMANCE
APPRAISAL SENT TO SOUTH AFRICAN
LOCAL AUTHORITIES**



DEPARTMENT OF STUDENT AFFAIRS

29 October 1990

The Town Clerk
City/Borough/Town of :

Dear Sir

INFORMATION PERTAINING TO PERFORMANCE APPRAISAL SYSTEMS AT SOUTH AFRICAN LOCAL AUTHORITIES

The attached questionnaire pertains to the field of performance appraisal, which, *inter alia*, includes the following primary functions :

- (a) to provide information that allows the employee and the supervisor to evaluate performance in relation to job and organisational objectives ;
- (b) to identify areas for improvement and development opportunities and ;
- (c) to plan future activities.

This area has not been thoroughly researched previously and consequently I am collecting and compiling information with a view to pursue research in this field of study towards a masters degree (M A). This research topic is registered with the Human Sciences Research Council. Therefore, I shall be obliged if you could kindly complete the questionnaire and return to me by 30 November 1990 or at your earliest convenience. The expeditious completion and submission of the questionnaire will greatly facilitate the analysis and interpretation of the information contained therein.

Copies of relevant literature, such as rules, regulations, manuals and guides would be most welcome.

Your co-operation in this regard will be greatly appreciated.

Yours faithfully

S. SOOKDEW
CHIEF RECORDS OFFICER
(STUDENT)

DR. D. SING
SENIOR LECTURER
(SUPERVISOR)

QUESTIONNAIRE

PART A

PLEASE COMPLETE THE FOLLOWING :

1. Name of Local Authority : _____
2. Grade of Local Authority : _____
3. Total Population : _____
4. Total Number of Full-Time Staff : _____
(Please include staff at all levels of the hierarchy)
5. Total Budget Per Annum : _____
6. Total Personnel/Staff Budget P.A. : _____
7. Contact Person/Questionnaire Completed By : _____

INSTRUCTIONS :

- (a) Please indicate answers to questions by placing a cross (X) in the appropriate box or by writing in the space provided ;
- (b) You may place a cross in more than one box where applicable ;
- (c) Any additional information or comments considered pertinent to a question/s should be reflected on a separate page.

QUERIES :

If any clarification is required please contact :

1. Mr S.Sookdew : Tel. 820-2253 (031) - Bus.
824788 (031) - Home
2. Dr D.Sing : Tel. 820-2219 (031)

OR leave message with

3. Miss M.Bhana (Secretary) : Tel. 820-2210 (031)

PART B

QUESTIONS :

1(a). Type of Appraisal System being used by your Local Authority.

- (a) Graphic Rating Scales (GRS)
- (b) Essay Appraisal
- (c) Comparative Method
- (d) Critical Incident Technique
- (e) Forced Choice Method
- (f) Behaviorally Anchored Rating Scales (BARS)
- (g) Management By Objectives (MBO)
- (h) Other (specify) _____

1(b). What are the objectives of the Performance Appraisal System :

1(c). Are there specific rules and regulations governing Performance Appraisal :

- YES NO

(If yes, please enclose a copy of the rules/regulations)

2. How often is Performance Appraisal conducted by your Municipality :

- (a) monthly

- (b) quarterly
- (c) half-yearly
- (d) annually
- (e) other (specify) _____

3. Reason/s for conducting Performance Appraisal :

- (a) to promote employee
- (b) to re-grade employee
- (c) to identify talent or skill of a specific employee in a specific job
- (d) to determine training needs
- (e) to measure productivity
- (f) to increase productivity
- (g) other (specify) _____

4. How are the results of performance appraisal quantified :

- (a) numerically (1 - 10)
- (b) by a percentage (10 - 100%)
- (c) by a letter (a,b,c,or d)
- (d) by an adjective (excellent,good,average,or poor)
- (e) other (specify) _____

5. If a Rating Scale is used please indicate meaning of points :
(e.g. 9 and 10 = excellent, 5 and 6 = average, 1 and 2 = poor/
unsatisfactory etc)

(a) _____

(b) _____

(c) _____

(d) _____

(e) _____

6 (a). Which of the following employee problems were discovered
during performance appraisal :

(a) poor communication with public and co-workers

(b) lack of co-operation

(c) lack of enthusiasm/motivation to work

(d) poor working conditions

(e) poor orientation

(f) poor placement

(g) poor training

(h) in-adequate salary

(i) job dissatisfaction

(j) worker disunity (e.g. language & ethnicity problem)

(k) lack of confidence in supervisor/senior management

(l) other (specify) _____

6 (b). Give reasons for answers in 6(a) above :

7. In your opinion, does performance appraisal help to :

- (a) plan human resources
- (b) select and recruit staff
- (c) improve communication
- (d) point out employees' specific needs for training and development
- (e) provide the basis for compensation (i.e. pay increases, promotion and transfers)
- (f) assess employee potential for future placement
- (g) give overall direction of employee potential
- (h) determine whether goals of institution can be achieved
- (i) provide an analysis/evaluation of unproductive workers
- (j) provide a basis for early retirement/retrenchment/dismissal of unproductive workers
- (k) all of the above
- (l) other (specify) _____

8. Does your municipality provide training for appraisers

YES

NO

9. (a) In your opinion, do appraisers in your municipality maintain sufficient employee contact and have the opportunity for observations to be able to rate accurately

YES

NO

(b) If no, give reasons

10. What are their qualifications to execute performance appraisal

11.(a) Do they belong to any recognised/professional body

YES

NO

(b) If yes, state which

12. Which department/branch/division is responsible for the implementation of performance appraisal

13. What is the organisational hierarchy of the above department
(Enclose a diagram/sketch of the hierarchial structure if available)

14. Are your employees allowed to sign the appraisal form

YES

NO

15. Are employees allowed to raise objections or make comments in response to their individual appraisals

YES

NO

16. (a) Is performance appraisal conducted for all levels and categories of employees

YES

NO

(b) If no, state for which level or categories this is done

17. (a) Are employees interviewed prior to completing the appraisal form

YES

NO

(b) If yes, are they given prior notice of the interview

YES

NO

(c) If so, for what period

18. (a) Is the appraisal form completed purely on past observations by the supervisor

YES

NO

(b) If yes, do you consider this to be a fair assessment (give reasons)

19. (a) Are your employees provided with a feedback of the results obtained from their appraisals

YES

NO

(b) If no, give reasons

20. Are your employees encouraged to strengthen their weaknesses through :

(a) training

(b) education

(c) other(specify) _____

21. (a) Does your municipality provide for meaningful due process, i.e. do your employees have the means for pursuing their grievances and having them addressed objectively

Yes

NO

(b) If yes, please state how this is done (e.g. through a Grievance Committee or senior management etc.)

22. (a) Does your municipality perform follow-up appraisals to determine whether the employee has met the goals established during the original appraisal

YES

NO

(b) If no, do you think it is feasible to have a follow-up review (please explain)

YES

NO

23. Do you think that a performance appraisal system at your municipality is in fact necessary

YES

NO

Comments :

24. What, in your opinion, are the major limitations of the performance appraisal system being used by your municipality

25. What improvements do you propose on your present system

26. What is the annual budget of the Performance Appraisal Department/Branch/Division _____

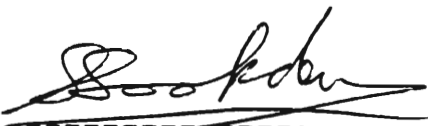
27. Give a breakdown of the categories of expenditure (e.g. personnel provisioning, training, equipment, etc.) and the amount spent for each in percentage (%)

<u>CATEGORIES</u>	<u>%</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
	----- 100% -----

E N D

NB : PLEASE ENCLOSE SPECIMEN COPIES OF WORKING DOCUMENTS

Your co-operation in completing this questionnaire is greatly appreciated. I thank you most sincerely for your time and effort.



S. SOOKDEW (STUDENT)

ANNEXURE B

**APPRAISAL FORM OF
THE CITY OF DURBAN**

Durban City Council



PERFORMANCE APPRAISAL & DEVELOPMENT PROGRAMME

GENERAL INSTRUCTIONS

(Throughout this document where the word "he" is used this applies to male and female employees).

This document is divided into three main sections viz. HOW IS HE DOING? WHERE IS HE GOING? and HOW CAN WE HELP? Under each heading appears detailed instructions on how to complete that particular section. Please read these instructions carefully before filling in the questionnaire.

It is absolutely vital that the appraisal be objective and accurate. When completing the section on JOB PERFORMANCE, it is essential to adhere to the following guidelines:-

(1) Develop a standard for comparison. Using the employee's duty schedule, think of other employees in similar jobs. How does the employee under consideration compare with the best of them? How does he compare with the poorest among them? Statistically there will be an even distribution of ratings around the "average", that is, some will fall above and below, and probably a very small proportion will end up being rated on the minimum and maximum degrees of some factors.

(2) Avoid these pitfalls:

Halo Effect -

This is a tendency to allow a general impression based on **one** aspect of a person's performance to influence the assessment of other aspects. This will result in either over-rating or under-rating.

Error of Leniency -

This arises when, in the more important or desirable traits (as perceived by the rater), an employee is rated more highly than is warranted on those particular aspects rather than on his **overall** performance.

Error of Central Tendency -

This is the reluctance to make extreme judgements (i.e. Outstanding/Below Desired Standards) the effect being that ratings tend to concentrate around the "average" or mid-point of a scale. Statistically this is improbable.

Specific Rater Errors -

Some raters are too harsh or too lenient.

Employee's Name: Service No.:
(Please Print)

Position Title: Grade:

Department Section:

Date Appointed to Present Position:

Appraisal Completed by (Immediate Supervisor)
(Please print and sign)

Appraisal Reviewed by (Manager)
(Please print and sign)

I confirm that the contents of this document have been discussed with me by my Immediate Supervisor, and comments that I wished to make recorded inside under the heading SUPPLEMENTARY INFORMATION.

Employee's Signature: Date:

HOW IS HE DOING?

JOB PERFORMANCE

Read carefully through each job factor and enter your assessment with a cross (X) in the applicable block in column one. Use the key in column 2 to decide where each cross is to be placed, noting the abbreviation that appears in the diagram e.g. S L = Satisfactory Low; O = Outstanding etc.
After scoring all relevant factors (but never less than seven), enter your Overall Assessment in one of the five blocks comprising column 2.

JOB FACTORS	OVERALL ASSESSMENT															
1 Planning How effective is he in establishing necessary plans for the operation of his unit or for himself, i.e. setting objectives, schedules, work loads, etc.? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px; text-align: center;">O</div> <p style="text-align: center;">OUTSTANDING</p> <p style="font-size: small;">He greatly exceeds the standards normally expected on the job. (N.B. Very few attain this level of excellence.)</p>										
O	SH	S	SL	BDS												
2 Organisation How effective is he in organising and co-ordinating (a) his own workload? (b) His unit's workload? (refers to procedural methods, planning for replacements, document flow, work scheduling, maintaining files, submitting reports, requisitions etc. accurately and promptly.) <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	O	SH	S	SL	BDS						
O	SH	S	SL	BDS												
O	SH	S	SL	BDS												
3. Delegation How effective is he in defining and delegating responsibility to others, and in monitoring results, i.e. follow-up of deadlines, progress reviews, etc.? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px; text-align: center;">SH</div>										
O	SH	S	SL	BDS												
4 Control How effective is he in establishing and maintaining effective reporting and control systems, i.e. setting realistic performance standards, evaluating work performance, and taking corrective action? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	<p style="text-align: center;">SATISFACTORY HIGH</p> <p style="font-size: small;">The employee is doing a full, complete, and satisfactory job. Performance is what is expected of a fully qualified and experienced person in this position.</p>										
O	SH	S	SL	BDS												
5 Development of Subordinates How effective is he in training staff to meet job requirements, developing their skills and appraising and counselling subordinates? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS											
O	SH	S	SL	BDS												
6 Direction of Workforce How effective is he in using people to achieve his unit's objectives e.g. how effective is he in maintaining discipline, high work standards and morale, and in motivating staff? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS											
O	SH	S	SL	BDS												
7 Public Relations How effective is he in dealing with members of the general public e.g. are there "come backs" of any kind, complaints, etc.? Does he actively set out to obtain and maintain the goodwill and cooperation of the public? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	O	SH	S	SL	BDS						
O	SH	S	SL	BDS												
O	SH	S	SL	BDS												
8 Interpersonal Relationships - Lower levels? How effective is he in establishing - Same level? and maintaining working relation- ships in the Corporation at - Higher levels? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	O	SH	S	SL	BDS	O	SH	S	SL	BDS	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px; text-align: center;">S</div> <p style="text-align: center;">SATISFACTORY</p> <p style="font-size: small;">Meets the standards of the job. While some parts of the job are performed very satisfactorily, these are balanced by weaknesses in others. Performance is "generally satisfactory."</p>
O	SH	S	SL	BDS												
O	SH	S	SL	BDS												
O	SH	S	SL	BDS												
9 Cost Control What is his record in regard to control of costs e.g. is he conscious of the need for cost reduction? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px; text-align: center;">SL</div>										
O	SH	S	SL	BDS												
10 Management of Resources How well does he maintain facilities and manpower resources entrusted to him? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	<p style="text-align: center;">SATISFACTORY LOW</p> <p style="font-size: small;">Meets the standards of the job generally, but in the performance of some responsibilities is below desired standards. Performance is considered to be "satisfactory but somewhat marginal."</p>										
O	SH	S	SL	BDS												
11 Communication (a) Speech? How effectively does he communicate in: (b) Writing? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	O	SH	S	SL	BDS						
O	SH	S	SL	BDS												
O	SH	S	SL	BDS												
12 Quantity of Work How successfully does he or his unit meet requirements in regard to the amount and timeliness of work performed? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px; text-align: center;">BDS</div>										
O	SH	S	SL	BDS												
13 Quality of Work To what extent does the quality of the work put out by himself or his unit measure up to requirements? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS	<p style="text-align: center;">BELOW DESIRED STANDARDS</p> <p style="font-size: small;">Does not meet desired standards in a number of important responsibilities, but overall performance is not considered so unsatisfactory that he should be taken off the job at the present time.</p>										
O	SH	S	SL	BDS												
14 Problem Analysis How effective is he in actioning solutions to problems e.g. in identifying, gathering and analysing data? <table style="margin-left: auto; margin-right: auto; border: none;"> <tr> <td style="border: 1px solid black; padding: 2px; text-align: center;">O</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SH</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">S</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">SL</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">BDS</td> </tr> </table>	O	SH	S	SL	BDS											
O	SH	S	SL	BDS												

JOB FACTORS						USE SAME SCORING KEY AS ON PREVIOUS PAGE.	
15 Decision Taking		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL		<input type="checkbox"/> BDS
Is he able to take decisions?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL		<input type="checkbox"/> BDS
How sound are his decisions?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL		<input type="checkbox"/> BDS
To what extent does he accept responsibility for these decisions?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL		<input type="checkbox"/> BDS
16 Problem Solving		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL		<input type="checkbox"/> BDS
How effective is he in identifying problems, recognising and correctly evaluating important factors, and in taking timely action?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL		<input type="checkbox"/> BDS
17 Initiative		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL		<input type="checkbox"/> BDS
Is he a self starter, i.e. seeks additional responsibility, proposes improvements etc.?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL	<input type="checkbox"/> BDS	
18 Creativity		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL	<input type="checkbox"/> BDS	
Is he imaginative and original in his job e.g. is he/she successful in introducing improved procedures an applications?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL	<input type="checkbox"/> BDS	
19 Technical Competence		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL	<input type="checkbox"/> BDS	
What is the level of his/her technical job competence?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL	<input type="checkbox"/> BDS	
How effectively does he apply such technical expertise in his job?		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL	<input type="checkbox"/> BDS	
20 Enter any other relevant factor here:		<input type="checkbox"/> O	<input type="checkbox"/> SH	<input type="checkbox"/> S	<input type="checkbox"/> SL	<input type="checkbox"/> BDS	

WHERE IS HE GOING?			
GROWTH POTENTIAL			
Evaluate the employee's capacity to learn, develop, apply knowledge and experience, and handle broader and higher future responsibilities. Consider trends in his performance, effectiveness on work assignments, ability to adapt, capacity to attain objectives through people, personal interest in self development and likelihood of handling a bigger job.			
NOTE: The rating below reflects growth potential at the time of evaluation only. This may change over time.			
	WELL ABOVE AVERAGE		BELOW AVERAGE
Exceptional capacity to learn, develop and absorb knowledge and experience. Capable of moving to high positions of broader responsibility in the Corporation.		Capable of less than average growth and development. Learns more slowly and is unable to profit from experiences as quickly and easily as those of average growth potential. Progress in the Corporation will be gradual.	
	ABOVE AVERAGE		WELL BELOW AVERAGE
Capable of better than average growth and development. Learns and absorbs experience more easily than a typical person. Capable of progressing to higher and broader levels of responsibility more quickly than average.		Learns slowly and largely by experience on the job. Requires considerable development to advance to higher or broader levels of responsibility.	
	AVERAGE		UNABLE TO ASSESS - RECENTLY ASSIGNED
Learns new things and applies knowledge and experience in the manner of a typical person. Capable of advancing at a normal pace in the Corporation but will probably not achieve promotion to positions of very high responsibility except in unusual cases.		Generally, an employee who has been appointed within 4 months preceding this audit does not have sufficient experience on the job to be effectively evaluated.	

HOW CAN WE HELP

DEVELOPMENT PLAN

FOR PRESENT JOB	FOR FUTURE ASSIGNMENTS
<p>Every effort should be made to determine what formal training, on-the-job coaching, or experience is necessary to assist the individual to improve his performance.</p> <p>This may entail reassigning him to a different supervisor, or placement in a definite job rotation programme. The responsibility for designing and implementing such action rests with the manager or supervisor concerned.</p> <p>The employee may also be encouraged to study further in his own time, and assistance is available under the Corporation's Assisted Education Scheme.</p>	<p>Shortcomings in regard to performance and future promotability should be given full consideration. On-the-job coaching, rotation training or specific tasks need to be outlined to meet the time objective set in connection with promotability. If an employee is classified as Above Average, or Well Above Average in growth potential, longer range planning should take place to broaden him for higher future assignments. Department managers should confer with other managers regarding possible avenues of promotion for the employee concerned.</p>

DEVELOPMENT TECHNIQUES

To assist you in determining what development techniques would improve the employee's job performance, refer to the factors that were rated S, SL or BDS in the section HOW IS HE DOING. For example, if the employee is poor on, say, Communication, then he would benefit by attending a training course in either Effective Speaking or Report Writing depending on where the emphasis needs to be placed.

TRAINING NEEDS

Number in order of priority any **three** areas in which specialised training would significantly improve the employee's job performance.

- | | |
|---|--|
| <p>1. Effective Speaking <input type="checkbox"/></p> <p>2. Report Writing <input type="checkbox"/></p> <p>3. Conducting Effective Meetings <input type="checkbox"/></p> <p>4. Skills of Negotiation <input type="checkbox"/></p> <p>5. Understanding the Black Worker <input type="checkbox"/></p> <p>6. The Zulu Language in the Workplace <input type="checkbox"/></p> <p>7. Communication between Supervisor and Work Unit <input type="checkbox"/></p> <p>8. Systems Analysis (Computer related) <input type="checkbox"/></p> <p>9. Using Personal Computers Effectively <input type="checkbox"/></p> <p>10. Learning to Operate a Word Processor <input type="checkbox"/></p> <p>11. Budgeting / Forecasting <input type="checkbox"/></p> <p>12. Finance for Non-Financial Managers <input type="checkbox"/></p> <p>13. Effective Management Techniques <input type="checkbox"/></p> <p>14. Managing by Objectives <input type="checkbox"/></p> <p>15. Effective Supervision <input type="checkbox"/></p> <p>16. Customer Care - Dealing with the Public <input type="checkbox"/></p> <p>17. Critical Path Analysis <input type="checkbox"/></p> <p>18. Planned Maintenance Scheduling <input type="checkbox"/></p> <p>19. Safety Management & Loss Control <input type="checkbox"/></p> <p>20. Work Study Methods <input type="checkbox"/></p> <p>21. Quality Circle Applications <input type="checkbox"/></p> <p>22. Project Management <input type="checkbox"/></p> <p>23. Materials Handling <input type="checkbox"/></p> | <p>24. Warehousing <input type="checkbox"/></p> <p>25. How to Compile a Video/Slide Programme <input type="checkbox"/></p> <p>26. Recruitment and Selection Techniques <input type="checkbox"/></p> <p>27. Appraisal of Employee Performance <input type="checkbox"/></p> <p>28. Grievance Handling <input type="checkbox"/></p> <p>29. Industrial Relations Update <input type="checkbox"/></p> <p>30. How to Instruct <input type="checkbox"/></p> <p>31. Organisation Planning and Development <input type="checkbox"/></p> <p>32. Security Needs Analysis <input type="checkbox"/></p> <p>33. Assertiveness Training <input type="checkbox"/></p> <p>34. Job Evaluation Training <input type="checkbox"/></p> <p>35. Assessing Shop-Floor Training Needs <input type="checkbox"/></p> <p>36. Corporation Orientation and Induction <input type="checkbox"/></p> <p>37. Routine Personnel Administration <input type="checkbox"/></p> <p>38. Archival Record-keeping and Statistics <input type="checkbox"/></p> <p>39. Secretarial Skills <input type="checkbox"/></p> <p>40. Improving English Communication Skills (Library) <input type="checkbox"/></p> <p>41. Situational Leadership <input type="checkbox"/></p> <p>42. Task Structuring <input type="checkbox"/></p> <p>43. Planning and Organising <input type="checkbox"/></p> <p>44. Time Management <input type="checkbox"/></p> <p>45. Interpersonal Skills <input type="checkbox"/></p> <p>46. Other (specify) <input type="checkbox"/></p> |
|---|--|

NB: P.T.O.

NOTE

Because information on training needs is separated and forwarded to the central Training Section independently of the performance appraisal, it is vital that the following personal particulars are again entered below:

Employee's Name: Department:

Service Number: Section:

Position Title: Grade:

[Empty rectangular box for notes or additional information]

ANNEXURE C

APPRAISAL FORM OF THE BOROUGH OF PINETOWN



Borough of Pinetown Munisipaliteit

Town Clerk's Office
Kantoor van die Stadsklerk
P.O. Box/Posbus 49
Pinetown 3600

PERFORMANCE ASSESSMENT

NAME	COY No.
	AGE:
POSITION	DEPARTMENT:
	GRADE
DATE ENGAGED	DATE APPOINTED TO PRESENT POSITION:

<u>OVERALL PERFORMANCE:</u>	%	
ASSESSED BY:	DATE:	SIGNATURE:
REVIEWED BY:	DATE:	SIGNATURE:

<p>EMPLOYEE'S COMMENTS: Any comments on the assessment you have been given, your career development needs and ways of meeting them.</p>
<p>I have read this document and discussed its contents with my superior. My signature means that I have been advised of my performance.</p>
<p>SIGNATURE: _____ DATE: _____</p>

<p>APPROVED:</p> <p>a) Head of Department Signature: _____</p>	<p>Remarks:</p>
<p>b) Personnel Official: Signature: _____</p>	<p>Remarks:</p>

ASSESSMENT OF PERFORMANCE IN PRESENT POSITION

	S C O R E			
FACTORS	1 DOES NOT MEET MIN. REQUIREMENTS	2 NEEDS IMPROVEMENT	3 MEETS REQUIREMENTS	4 EXCEEDS REQUIREMENTS
1. JOB KNOWLEDGE Consider: Relevant training, skills and experience.	Cannot carry out tasks independently. Considerable gaps in knowledge.	Limited understanding of the job. Still has much to learn to do the job satisfactorily.	Has a good all-round knowledge of the job.	Very well informed on all aspects of the job.
2. QUANTITY OF WORK Consider: The volume and speed of work.	Slow and wastes time.	Output marginal. Needs frequent supervision.	Turns out required amount of work, but seldom more.	Does more than is expected with little supervision.
3. QUALITY OF WORK Consider: Accuracy, thoroughness and neatness.	Consistently makes errors and pays little attention to the job.	Work requires frequent checking. Tends to be careless.	Standard of work is completely acceptable.	Very good quality. Exceeds required standards.
4. ORGANISING ABILITY Consider: The way in which he prepares and plans his work.	Disorganised. Seldom plans and prepares.	Erratic. Needs help in planning and organising his work.	Planning and preparation of work meets the required standard.	Consistently methodical. Gets good results through careful planning and preparation.
5. DEPENDABILITY Consider: The extent he can be relied upon to carry out instructions and be left to work on his own.	Seldom follows instructions. Shirks work.	Tends to deviate from instructions. Requires constant supervision.	Can be relied upon to follow instructions under normal supervision.	Completely reliable. Good understanding and execution of instructions.
6. ATTENDANCE Consider: Absenteeism, time-keeping and absence from work place.	Frequently absent and/or late without valid reason.	Time-keeping and/or attendance tends to be erratic.	Acceptable time-keeping and attendance.	Seldom absent or late, and then only with good reason.
7. SAFETY (Where applicable) Consider: Safety and housekeeping consciousness.	Reckless disregard for safety and housekeeping.	Sometimes takes risks and disregards housekeeping instructions and procedures.	Safety conscious and usually takes steps to prevent accidents. Keeps work place clean and tidy.	Continually safety conscious and takes active steps to ensure that his work place is safe and tidy.
8. INTER PERSONAL RELATIONSHIPS Consider: Co-operation & attitude towards supervisors, colleagues and subordinates.	Quarrelsome, unco-operative, critical, irritates others and causes conflict.	Difficult to work with, Tends to be unpredictable and moody.	Usually tactful and co-operative, meets others half-way.	Congenial, helpful good influence on team morale.
9. PROBLEM-SOLVING/ DECISION-MAKING Consider: Problem solving and the ability to take the right course of action.	Unable to solve routine problems in his job. Evades even simple decisions.	Tends to be illogical, and requires help with decision-making.	Can be relied upon to solve normal work problems and majority of decisions are acceptable.	Able to solve non-routine problems and consistently makes correct decisions.
10. EXERCISE OF INITIATIVE Consider: The degree of resourcefulness displayed by the employee without prompting.	No imagination — does only what he is told. Has great difficulty in adjusting to new procedures and duties.	Seldom tries to improve job. Slow to master new procedures and duties.	Generally sound. Thinks and acts on his own initiative and contributes some useful ideas.	Able to improve job and regularly makes useful suggestions. Develops and implements new ideas and methods.
11. SUPERVISION (WHERE APPLICABLE) Consider: Ability to effectively utilise and develop subordinates.	Has no control over others.	Frequently leaves leadership to others. Tends to be indecisive. Experiences problems in handling the team.	Average supervisory ability, motivates adequately and gets reasonable co-operation. Has difficulty in exceptional cases.	Good leader. Has support of the team. Shows keenness in the training and development of subordinates.

S					
<u>5</u> FAR EXCEEDS REQUIREMENTS	WEIGHTING 1 - 5 (a)	RATING 1 - 5 (b)	I ACTUAL SCORE (a) x (b)	II POSSIBLE SCORE (a) x 5	COMMENTS (as necessary)
Exceptional knowledge of his own job. Good knowledge of related jobs.					
Consistently high volume of work. Requires minimum supervision and works well under pressure.					
Exceptionally high quality of work. Extremely neat, accurate and thorough.					
Outstanding organizer. Able to cope with a variety of unusual situations in a consistently methodical manner.					
Completely reliable and is prepared to tackle any job and complete it regardless of personal inconvenience.					
Virtually faultless attendance and time-keeping.					
Rigorously adheres to safety and housekeeping standards. Actively promotes safety consciousness and good housekeeping practices.					
Exceptionally good team worker. Goes out of his way to promote good relations.					
Exceptionally discerning, shows outstanding insight and continually makes very sound decisions.					
Displays considerable initiative. Exceptionally resourceful; a keen and enthusiastic introducer of sound new ideas.					
Outstanding leader. Gets the best out of others through his enthusiasm and confidence. Considers training and development to be one of his principal tasks.					
Average Rating					
TOTALS			I	II	

$$\frac{I}{II} \times 100 = \boxed{} \%$$

ASSESSMENT SUMMARY

a) STRENGTHS: (Factor Score > 4)	TRAINING & DEVELOPMENT PLAN
1. _____	
2. _____	
3. _____	
4. _____	
b) WEAKNESSES: (Factor Score < 2,5)	
1. _____	
2. _____	
3. _____	
4. _____	

GENERAL COMMENTS:-

ANNEXURE D

STAFF DEVELOPMENT PROGRAMME OF THE BOROUGH OF VERULAM

BOROUGH OF VERULAM
STAFF DEVELOPMENT PROGRAMME

REPORTEE _____ YEAR: _____

NAME: _____

RANK: _____

DIVISION: _____

OFFICE: _____

REPORTING OFFICER

NAME: _____

RANK: _____

1. Definition

A Staff Development Programme is an appraisal of the performance and conduct of a subordinate by his supervisor covering a given period, based on evidence recorded or supplied through the mutual collaboration of both the subordinate and his superior and directed at the determination of a fair and true image of the subordinate's quality of service as it is reflected in each of the following prescribed characteristics which may emerge during the given development period:

- 1.1 Responsibility
- 1.2 Insight
- 1.3 Human Relations
- 1.4 Organisation
- 1.5 Productivity

2. Aim

The aims of the Staff Development Programme are implicit in this definition and are:

- 2.1 to promote the development of staff;
- 2.2 to provide a means of work and personnel control;
- 2.3 to facilitate the implementation of all the other elements of supervision - planning, motivation, organisation, co-ordination and training;
- 2.4 to be used for merit assessment purposes and to ensure that justice is done to the officers in this regard; and
- 2.5 to promote the interests of the Board.

3. It is clear, therefore, in view of these aims, that the supervisor is entrusted with a vital and responsible role. Accordingly, the inability to compile useful reports on his subordinates objectively can only reflect adversely on the supervisor's ability to train, develop, utilise and to become thoroughly acquainted with his personnel. In the final analysis, this inability will count against him in his own Staff Development/Efficiency Report.

4. Compilation of development programme

The Development Programme must be compiled by the reportee's immediate supervisor in consultation with the reportee.

5. Applicability of questions

It must be noted that certain questions have been indicated as applicable only when reportee is a supervisor of persons in classified posts.

6. Reporting Procedure

- 6.1 The programme is designed as a continuous appraisal of the reportee's performance with a view to developing and maximising the reportee's abilities and skills.
- 6.2 The supervisor (reporting officer) must therefore consult the programme on an ongoing basis to see how the reportee is performing with regard to the prescribed characteristics (See 1) by answering the questions associated with these characteristics.
- 6.3 The reportee's performance must be compared to that which would normally be expected of a satisfactory officer in that particular post. This comparison is the crux of assessing performance.
- 6.4 Any incidents occurring during the year under review which indicate that the reportee's performance is either better than satisfactory or unsatisfactory should be recorded in the comments/reference column adjacent to the appropriate question. All entries must be dated.
- 6.5 Should an unsatisfactory performance be recorded, this must be discussed with the reportee immediately in order that he/she may be given the opportunity of rectifying the situation and improving his/her performance. Remember that an unsatisfactory performance should not be recorded unless it has previously been discussed with the reportee.
- 6.6 The reporting officer must make every effort in assisting the reportee to improve his/her performance e.g. training and creating situations for the reportee to show improved performance, and once performance has improved, the facts must be recorded in the appropriate comments block.
- 6.7 Both the reporting officer and the reportee are required to certify, every quarter (3 months), that the programme is being compiled on an ongoing basis (See page 1 for the Development Guide).
- 6.8 While it is not expected of the reporting officer to cover all questions every quarter, it is his responsibility to ensure that all questions have been covered by the end of the reporting period i.e. 31 DECEMBER.

- 6.9 At the end of the reporting period the reporting officer must, in consultation with the reportee, consider each question in the programme together with the incidentation recorded during the year, and honestly and objectively determine whether the reportees performance is better than satisfactory, satisfactory or unsatisfactory and only then tick the appropriate block. Remember an assessment of better than satisfactory or unsatisfactory may not be recorded without incidentation.
 - 6.10 This final assessment must be completed, signed and dated by both reporting officer and reportee and submitted to the Head of Division on or before 31 January of the year following the period under review.
 - 6.11 Once the Head of Division has commented on the reportees performance, the programme must be returned to the reportee to note the comments of the Head of Division.
 - 6.12 The now completed programme must then be returned to the Town Clerk's Department by the end of February for the necessary action.
7. Right of Appeal
- 7.1 All reportees have the right of appeal if they are not satisfied with the assessment of their performance.
 - 7.2 The appeal must be recorded when the reportee notes the comments of the reporting officer for the quality concerned and also in the final comments of the reportee.
 - 7.3 The Head of Division will then decide if the appeal is justified and amend the assessment as required.
 - 7.4 If the reportee is still not satisfied the matter will be referred to the Moderating Body and then the Central Merit Committee, if necessary.

RESPONSIBILITY

Conduct and behaviour calculated to protect and promote the prestige and interests of the Board.

	COMMENTS/REFERENCES OF REPORTING OFFICER
<p>1. His/her insistence upon correctness, accuracy and proper rounding off of his/her work can be described as</p> <p>Better than satisfactory <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p>	
<p>2. His/her action towards the promotion of the interests/ image of the Board can be described as</p> <p>Better than satisfactory <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p>	
<p>3. The extent to which he/she can be relied upon to carry out directives and Council resolutions can be described as</p> <p>Better than satisfactory <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p>	
<p>4. The extent to which he/she succeeds in devoting his/her attention to his/her work can be regarded as</p> <p>Better than satisfactory <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p>	

COMMENTS/REFERENCES OF
REPORTING OFFICER

5. His/her willingness to make use of opportunities (inside and outside his/her sphere of work) to equip himself/herself better for his/her work can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

6. His/her ability to complete his/her normal duties without unnecessary aid or consultation can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

7. His/her willingness to accept responsibility can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

COMMENTS/MOTIVATION ON THE OFFICER'S RESPONSIBILITY

HEAD OF DIVISION/SECTION

DATE

REPORTING OFFICER

DATE

NOTED BY REPORTEE

DATE

INSIGHT

Vision and clear thinking, coupled with a balanced, considered approach to matters, and an officer's ability to make use of his knowledge, qualifications, experience, common sense and aptitudes in connection with his work.

1. His/her proven ability to understand the significance and importance of the tasks he/she has to perform can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

2. His/her knowledge of existing work procedures can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

3. His/her ability to apply the procedures and/or regulations relating to his/her work, can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

4. His/her ability to come up with new ideas that are feasible can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

COMMENTS/REFERENCE OF REPORTING OFFICER

COMMENTS/REFERENCES OF REPORTING OFFICER

5. His/her ability to think independently can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

6. His/her ability to apply new methods/procedures can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

N.B. IN RESPECT OF SUPERVISORS ONLY

7. His/her ability to make quick and acceptable decisions can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

HEAD OF DIVISION/SECTION DATE

REPORTING OFFICER

DATE

NOTED BY REPORTEE

DATE

HUMAN RELATIONS

The ability of an officer to establish and maintain the best co-operation with fellow-officers and the public at all levels. This appears largely from his leadership, self-reliance, tact, impartiality, firmness coupled with goodwill, and the ability to engender loyalty, to stimulate enthusiasm for the work and to foster a team spirit. Where an officer has had the opportunity to control staff, his guidance and instruction of subordinates should also be taken into account.

1. His/her disposition/conduct towards his/her colleagues can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

2. His/her ability to maintain good human relations in difficult situations can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

3. His/her ability to accept valid criticism in a good spirit can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

4. His/her ability to assume leadership can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

COMMENTS/REFERENCES OF REPORTING OFFICER	

COMMENTS/REFERENCES
REPORTING OFFICER

N.B. IN RESPECT OF SUPERVISORS ONLY

5. His/her conduct/disposition towards his/
her subordinates can be regarded as

Better than satisfactory _____

Satisfactory _____

Unsatisfactory _____

6. His/her ability to inspire his/her
subordinates can be described as

Better than satisfactory _____

Satisfactory _____

Unsatisfactory _____

7. His/her ability to exercise authority/
tactfully reprimand his/her subordinates
can be described as

Better than satisfactory _____

Satisfactory _____

Unsatisfactory _____

COMMENTS/MOTIVATION ON THE OFFICER'S
HUMAN RELATIONS

HEAD OF DIVISION/SECTION

DATE

REPORTING OFFICER

DATE

NOTED BY REPORTEE

DATE

ORGANISATION

The ability to plan and arrange the systematic execution of work so as to obtain the maximum production with the minimum expenditure of energy and time.

1. His/her ability to organise his/her work in such a way as to obtain maximum productivity can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

2. The extent to which he/she succeeds in dealing with matters in order of their importance can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

3. His/her ability to perform under pressure, a variety of tasks without losing control can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

4. His/her ability to approach and complete a task systematically can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

COMMENTS/REFERENCES OF
REPORTING OFFICER

COMMENTS/REFERENCES OF REPORTING OFFICER

N.B. IN RESPECT OF SUPERVISORS ONLY

5. His/her ability to adapt himself/herself to changing circumstances by re-organisation can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

6. His/her ability to cope with difficult working conditions or emergencies (e.g. absence of staff, increased workload) can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

7. His/her ability in the optimum utilisation of his/her subordinates according to their abilities can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

COMMENTS/MOTIVATION ON THE OFFICER'S ORGANISATION

HEAD OF DIVISION/SECTION

DATE

REPORTING OFFICER

DATE

NOTED BY REPORTEE

DATE

PRODUCTIVITY

The amount of work performed by an officer (within a specified period), with due regard to its complexity and quality.

1. The quality of his/her work in general, taking into consideration the time devoted to it can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

2. His/her ability to maintain a high standard of work can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

3. His/her ability to keep his/her work up to-date under all circumstances can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

4. His/her drive and ability to persevere in spite of hindrances can be described as

Better than satisfactory

Satisfactory

Unsatisfactory

COMMENTS/REFERENCES OF REPORTING OFFICER

COMMENTS/REFERENCES OF REPORTING OFFICER	

COMMENTS REFERENCES OF
REPORTING OFFICER

5. His/her ability to utilise productively official time can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

6. His/her conscientiousness can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

7. His/her eagerness to do more than is expected of him/her can be regarded as

Better than satisfactory

Satisfactory

Unsatisfactory

COMMENTS/MOTIVATION ON THE OFFICER'S PRODUCTIVITY

HEAD OF DIVISION/SECTION

DATE

REPORTING OFFICER

DATE

NOTED BY REPORTEE

DATE

BOROUGH OF VERULAM

HIGHLY CONFIDENTIAL

MERIT REPORT

(1 January to 31 December 19)

1. PERSONAL PARTICULARS (To be completed by Personnel Division)

SURNAME:	
FIRST NAMES:	
DIVISION:	
OFFICE:	
DATE OF ENTRY INTO RANK:	AGE:
SALARY:	SALARY SCALE:
DATE ATTAINED:	INCREMENTAL DATE:
QUALIFICATIONS:	

2. PROCEDURE TO BE FOLLOWED

2.1 Personnel Division

2.1.1 The reportee's Staff Development Programme must be attached to this document and both forwarded to the Chairman of the Moderating Body (i.e. Head of Division concerned) before 15 March of the year following the period under review.

2.2 Moderating Bodies

2.2.1 The moderating bodies will consist of the Head of Division (Chairman), his deputy, the Reporting Officer concerned.

2.2.2 This body will moderate the assessments of the various reporting officers in respect of all reportees. It will also where necessary and possible collect additional motivation and examine any appeals submitted by reportees in respect of their assessments.

2.2.3 The Moderating Body makes recommendations to the Central Merit Committee in respect of merit awards, re-assessment or any other action which may be regarded as desirable.

2.2.4 The Chairman must fill in the comments of the moderating body, sign and date the report and return to the Town Clerk before 30 April of the year following the period under review for submission to the Central Merit Committee.

2.3 Central Merit Committee

2.3.1 The Central Merit Committee will consist of the Town Clerk as Chairman, the Deputy Town Clerk as Vice Chairman, Heads of Section. The Senior Administrative Assistant will act as Secretary of the Committee, and representatives of the Union.

2.3.2 The functions of the Central Merit Committee will be to consider the recommendations of the Moderating Body and to confirm or reject the merit awards, promotability, suitable placing, re-assessment etc. of each candidate. This Committee will also examine any appeals submitted by reportees in respect of their assessment.

2.3.3 The report of the Central Merit Committee must be tabled for consideration by the Council at its last meeting in May.

3. Cut off points

	<u>Employees</u> (28 Questions)	<u>Supervisors</u> (35 Questions)
Better than satisfactory	46 - 56	57 - 70
Satisfactory	28 - 45	35 - 56
Unsatisfactory	0 - 27	0 - 34

4. Meritorious Cash Awards

Those officers obtaining a better than satisfactory merit performance rating as set out in this programme to the extent that those officers whose mark is equal to or better than 46 out of 56 for employees and 57 out of 70 for supervisors, be awarded a cash award equal to 10% of the minimum notch of the first leg of the standard scale on which the officer is/was at the time of such performance.

TOTAL POINTS SCORED FOR THE FIVE QUALITIES	
--	--

RECOMMENDATIONS OF MODERATING BODY

SIGNATURE OF TOWN CLERK

DATE: _____

CENTRAL MERIT COMMITTEE

APPROVED:

YES	NO
-----	----

SIGNATURE OF TOWN CLERK

DATE: _____

PERIOD 1 JANUARY TO 31 DECEMBER 19

COMMENTS ON OVERALL PERFORMANCE

SIGNATURE OF REPORTING OFFICER

RANK

DATE

SIGNATURE OF HEAD OF DIVISION/
SECTION

RANK

DATE

COMMENTS OF REPORTEE

SIGNATURE

RANK

DATE

COMMENTS OF HEAD OF DIVISION

SIGNATURE

DATE

NOTED BY REPORTEE

DATE

SCORE

BETTER THAN SATISFACTORY

_____ X 2 =

SATISFACTORY

_____ X 1 =

UNSATISFACTORY

_____ X 0 = _____

TOTAL

RECEIVED BY PERSONNEL DIVISION

ANNEXURE E

**A MANAGER'S GUIDE TO
PERFORMANCE APPRAISAL -
CITY OF PORT ELIZABETH**

CITY OF PORT ELIZABETH

A MANAGER'S GUIDE TO PERFORMANCE APPRAISAL

Why do Performance Appraisals?

The aim of performance appraisal is to improve organisational effectiveness through improvement in individual performance.

Benefits of Performance Appraisal

The appraisal interview should:

- * clarify what is expected of the subordinate. It is an opportunity to discuss his/her function, responsibilities and priorities.
- * help manager and subordinate assess the latter's performance in the above areas.
- * provide an opportunity to review the subordinate's accomplishments and to give recognition for these.
- * help manager and subordinate identify areas where improvement in performance is needed.
- * provide an opportunity for the subordinate to give the manager feedback on problems and difficulties which he/she experiences.
- * provide an opportunity for manager and subordinate to jointly decide on action to take to improve the subordinate's performance and to deal with problems and difficulties affecting performance.
- * help identify activities which will be useful for the subordinate's future development.
- * help identify and plan the employee's career path.

The appraisal interview requires time and effort from both manager and subordinate but the intended rewards are:

- * motivation for the employee to improve performance, benefiting the employee, the manager and the organisation as a whole.
- * provision of data forming a more objective base for personnel decisions such as promotion, training, job design, remuneration, etc.

Conducting the Appraisal Interview

Preparation

1. Prepare the Employee
 - 1.1 Give the employee one week's notice of the appraisal interview.
 - 1.2 Give the employee a copy of "An Employee's Guide to Performance Appraisal" and ask him/her to prepare for the interview.

2. Prepare Yourself

- 2.1 Clarify the employee's specific duties and responsibilities.
- 2.2 Review his/her performance in these areas during the whole period under review.

THE INTERVIEW

1. Opening the Discussion

- 1.1 Try to put the employee at ease. He/she is probably feeling apprehensive.
- 1.2 Explain the purpose of the interview.
- 1.3 Emphasise that the employee's participation is essential if the full benefit of the interview is to be gained.

2. The Performance Appraisal Form

- 2.1 Review duties and objectives.
- 2.2 Reach agreement with the employee on which aspects of his/her job are the most important and why.
- 2.3 Ask the employee to describe his/her performance in these areas.
- 2.4 Give feedback to the employee on what you see as:
 - his/her strengths and achievements
 - the areas where improvement is needed

in the performance of these duties/achievement of these objectives.
- 2.5 Tell the employee how you have rated him/her on each item.
- 2.6 Discuss possible ways of bringing about the required improvements.
- 2.7 Ask the employee for any problems which he/she encounters on the job, or any relevant issues he/she wishes to discuss.
- 2.8 Discuss and reach agreement on specific action to be taken to rectify or reduce each problem.
- 2.9 Discuss assessment of potential for promotion, if any.
- 2.10 Agree on a follow up date to review progress.
- 2.11 Ask the employee to sign the form. He/she may comment on any aspect of the interview if he/she wishes.

MAKE A LIST OF POINTS FOR CONSIDERATION AT THE APPRAISAL INTERVIEW

PERFORMANCE APPRAISAL

ESTABLISHMENT NAME

(Appraisal for the second six months of the appraisal period)

Employee's name Man No.

Position Period in this position

Date of Review

Review Period (from) (to)

Performance review summary:

(Comment on the employee's performance for the period under review - highlighting any major performance changes.)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

Training and development review:

(In view of the training and development needs that have been identified, what specific action is recommended or has been taken.)

.....

.....

.....

.....

.....

.....

.....

.....

Employee's comments: SEE R13A TO 11/1/79

.....
.....
.....

Appraised by Reviewed by
(signature) (signature)

Position Position

Date Date

Employee's Signature Date

(Your signature does not necessarily signify your agreement with the review, merely that the review has been discussed with you.)

PERFORMANCE APPRAISAL

SECRET

MANAGEMENT

Aims

The aims of the Performance scheme are as follows:-

- * To establish the current level of performance in the job.
- * To seek ways of improving the job.
- * To identify potential for development.

Benefits

- * Relations between Supervisor and subordinate can be considerably improved as a result of the two-way communication reinforced by the appraisal interview.
- * The employee's superior gains a greater appreciation of his subordinate's job - and his difficulties - plus a greater understanding of the subordinate himself.

Employee Details

EMPLOYEE
NAME:

MAN
NO.:

ENGAGEMENT
DATE:

ENGAGEMENT
POSITION:

PRESENT
POSITION:

DATE APPOINTED
TO THIS POSITION:

DEPARTMENT:

DIVISION:

REVIEWER:

REVIEWER'S
POSITION TITLE:

DATE EMPLOYEE
ASSIGNED TO
THIS REVIEWER:

General Note

This review is an official document and contains personal information regarding an employee. Its contents may not be disclosed to persons not previously authorised and involved with this review.

Method of Rating

The employee is rated by an "X" placed in the vertical review columns.

The section "Additional Review" standards is also completed by placing an "X" in the appropriate column.

DUTIES AND OBJECTIVES
UNDER REVIEW

DESCRIBE BRIEFLY the major duties and responsibilities of the employee. Current objectives should also be reviewed.

ACTUAL PERFORMANCE REVIEW

COMMENT on employee's ACTUAL PERFORMANCE against each duty or objective. Suggest how performance can be improved.

EMPLOYEE RATING

Does not meet Requirements	Usually meets Requirements	Fully meets Requirements	Exceeds Requirements
----------------------------	----------------------------	--------------------------	----------------------

RECORD HERE the ACTION DECIDED ON TO RECTIFY a problem area and improve performance, e.g. Training, Systems Design, Job Re-design, etc.

OVERALL PERFORMANCE

Your assessment should be based on the importance of the preceding ratings in this employee's work, and not the average of these ratings.

In the prefixed section the assessor looked at key areas on the actual performance and objectives. The purpose of the following section is to establish what characteristics influence the work performance.

<u>ADDITIONAL REVIEW STANDARDS</u>	Does not meet Acceptable Standard	Meets Acceptable Standard
DEPENDABILITY: Can be relied upon to see the job through		
INITIATIVE: Willing to perform work assignments without prompting from superior		
RESPONSIBILITY: Ability to accept responsibility for own actions and decisions		
HUMAN RELATIONS: Capacity to approach and manage people tactfully		
ADAPTABILITY: The ability and willingness to success fully adapt to changing circumstances		
JUDGEMENT: Does the employee show foresight usually arriving at clear, well balanced conclusions?		
CREATIVITY: Does the employee conceive new ideas and then put them into practice?		
PRESENTATION OF IDEAS: Does the employee present his ideas clearly and forcefully, either verbally or in writing?		
Ability, drive and determination to implement a decision.		

(I) ADDITIONAL RESPONSIBILITIES

Discuss and record any overriding/additional responsibilities which the employee was required to perform during the review period:-

.....
.....
.....
.....
.....

(II) SIGNIFICANT INTERVIEW COMMENTS

Record any additional items brought up by you or the employee during the discussion which are not recorded elsewhere in this document.

.....
.....
.....
.....
.....

(III) EMPLOYEE REVIEW

The employee may record any comments (agreement or disagreement) which he feels are significant regarding the review.

.....
.....
.....
.....

(Your signature does not necessarily signify your agreement with the review, merely that the Review has been discussed with you.)

.....
EMPLOYEE'S SIGNATURE

(IV)

MANAGEMENT REVIEW

COMMENTS

.....
.....
.....
.....
.....

.....
SIGNATURE OF APPRAISER

PERFORMANCE APPRAISAL

SUPERVISORS

Employee's Name Man. No.
Position Period in
Date of review this position
Review period (from) (to)

Factors under Review

List briefly the main duties and responsibilities, plus objectives previously agreed between the Supervisor and the employee

Actual Performance

Indicate the employees actual performance on each factor under review and suggest how he can improve his performance

Method of Rating

The employee is rated by an "X" placed in the vertical review columns.

	Does not meet Requirements	Usually meets Requirements	Fully meets Requirements	Exceeds Requirements
<p>EVALUATION OF POTENTIAL</p> <p>Discuss and appraise any of the following factors:-</p> <p><u>Leadership:</u></p> <p>Does the employee show the ability or the potential to take charge of a situation and to direct and control group activities in a satisfactory manner?</p>				
<p><u>Analytical Ability:</u></p> <p>Does the employee analyse problems into manageable pieces for logical sequence of attack?</p>				
<p><u>Judgement:</u></p> <p>Does the employee show foresight usually arriving at clear, well balanced conclusions?</p>				
<p><u>Initiative:</u></p> <p>Does the employee anticipate needs, start action, assume responsibility?</p>				
<p><u>Creativity:</u></p> <p>Does the employee conceive new ideas and then put them into practice?</p>				
<p><u>Presentation of Ideas:</u></p> <p>Does the employee present his ideas clearly and forcefully, either verbally or in writing?</p>				
<p>Ability, drive and determination to implement a decision.</p>				

	Does not meet Requirements	Usually meets Requirements	Fully meets Requirements	Exceeds Requirements
OVERALL PERFORMANCE (All employees) Your assessment should be based on the importance of the preceding ratings in this employee's work, and not the average of these ratings.				

ACTION TO IMPROVE PERFORMANCE

(Indicate also specific training necessary to help the employee improve performance)

.....

In your opinion has the employee reached his/her highest level of competency?

Yes No

If not, indicate positions you believe the employee is promotable to:
 (you may use your discretion as to whether or not this section should be discussed with the employee in the interview)

1.
2.
3.

Appraised by (Supervisor)		Reviewed by (Division/Department Head)	
Position	Date	Position	Date.....

Employee's comments

.....

.....

Employee's signature Date

(Your signature does not necessarily signify your agreement with the review, merely that the review has been discussed with you.)

PERFORMANCE APPRAISAL

OTHER STAFF

Employee's Name Man. No.
 Position Period in
 Date of review this position
 Review period (from) (to)

<p><u>Method of Rating:</u></p> <p>The employee is rated by an "X" placed in the vertical review columns</p>	Does not meet Requirements	Usually meets Requirements	Fully meets Requirements	Exceeds Requirements
<p>SECTION 1</p> <ol style="list-style-type: none"> 1. Knowledge of job : To what extent does the employee demonstrate a sound, theoretical and practical knowledge of his work 2. Responsibility fulfillments : How effectively are administrative procedures carried out? Consider standing work procedures, policies, practices, etc. . 3. Co-operativeness : How well does the employee get on with others? 4. Dependability : Consider the extent to which you can rely on the employees' honesty, trustworthiness, loyalty and maturity 5. Mental Alertness : To what extent is the employee quick to "cotton on"? 6. Industry : Consider the employees' keenness and interest, energy and perseverance. 7. Initiative : Does the employee make an effort to improve procedures, to seize opportunities? 8. Flexibility : Consider the employees' ability to take other people's views into account when making decisions. 				

	Does not meet Requirements	Usually meets Requirements	Fully meets Requirements	Exceeds Requirements
<p>9. Motivation : Consider the efforts which the employee makes to overcome delays and have tasks completed quickly and effectively?</p> <p>10. Analytical Ability : Consider the employees' ability to analyse problems into manageable pieces, or to identify the true problem. (Rate this only where applicable.)</p> <p>11. Communication : Consider the employees' ability to express his thoughts clearly and concisely in speech or writing.</p> <p>12. Work Attitude : Willing to work, has enthusiasm for the job.</p> <p>13. Amount of supervision required by the employee.</p> <p>14. Accuracy : Consider the employee's work performance with regard to accuracy of the work produced during the period under review.</p>				
<p>Overall Assessment : Your assessment should be based on the importance of the preceding ratings in this employee's work and not the average of these ratings.</p>				

SECTION 2

CONSTRUCTIVE ADVICE : Given to employee with a view to further training and development:

.....
.....
.....
.....
.....
.....
.....
.....

SECTION 3

EMPLOYEES' COMMENTS:

.....
.....
.....
.....
.....

SECTION 4

Employees' signature Date

(Your signature does not necessarily signify your agreement with the review, merely that the review has been discussed with you.)

Signature of Appraiser Date

Position

Reviewed by Date
(signature)

Position