UNIVERSITY OF KWAZULU-NATAL

Performance Management and Development System for Senior Managers in the Public Service: A Case Study of the KwaZulu-Natal Department of Education

by

Devan Singh

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ABSTRACT

The performance management and development system for senior managers in the South African Public Service, the focus of this study, was introduced in 2002 with a view to improve productivity, individual and organisational performance. In Provincial Education Departments, the Member of the Executive Council, responsible for education, is entrusted with the responsibility of promoting the mandate of the government-of-the-day, namely, quality basic public education. Responsibilities and functions are consequently delegated to senior managers of the Department and performance is managed through a performance contract that is legally binding. This contractual performance-oriented relationship between the executing authority and the accounting officer is monitored and evaluated, and is enforced with either rewards or sanctions.

In the South African Public Service, the performance management and development system has been prompted by the transformative agenda set for the public service since 1995, and the public service is expected to operate within the New Public Management (NPM) paradigm with a focus on achievement of measurable results and acceptable levels of service delivery. This meant that there had to be a shift from bureaucratic rule-driven approaches in public service management to a results-oriented approach to government performance. Furthermore, the goal-directed approach was replaced with an outcomes-based approach. The pursuit of goals did not necessarily result in the improvement of performance in the organisation.

With the introduction of the performance management and development system for the senior management service in the public service, an infrastructure of systems and elaborate processes were introduced, such as drawing up of performance agreements, agreeing on what has to be delivered, designing work plans and appraising performance. Managers must undergo quarterly performance reviews by their supervisors and capacity deficits are addressed through training and development to enhance skills and knowledge. Performance is appraised annually in

April of each year. The performance management and development system is focuses on individual and institutional performance.

The performance of several managers in the public service cannot be deemed as optimal. The matriculation results in the KwaZulu-Natal Department of Education have been progressively declining since 2004. The performance of learners in KwaZulu-Natal especially in nationally conducted systemic evaluation tests for grade six in 2005 relating to numeracy and literacy indicated that the average performance has been 36 and 38 percent respectively. The statistics is reflective of a sample of learners. Moreover, the performance of grade 6 learners in tests conducted by the United Nations Educational, Scientific and Cultural Organisational (UNESCO) in conjunction with the Southern African Consortium for Monitoring Educational Quality (SACMEQ) show that the performance of learners is less than satisfactory. On the other hand, the performance of managers is considered as fully effective.

The public service overall and the KwaZulu-Natal Department of Education in particular, are complex organisations and often, the causal relationship between individual and organisational performance is not easily evident. Measuring and managing performance is therefore incongruent. The disjuncture between individual performance and organisational performance is the import of this study.

Studies conducted particularly by the Organisation of Economic Co-operation and Development (OECD) refer in the main to either organisational performance or performance of member countries. This research study has been prompted by several studies undertaken by departments in the public service and the Public Service Commission (PSC) whereby performance is investigated within the context of optimal productivity and service delivery improvement.

The study of the performance management and development system in the KwaZulu-Natal Department of Education is underpinned by goal-setting theory and the principal-agency theory. The fundamental principle of the goal-setting theory is that an agency, organisation or government department sets a series of goals and objectives, and these goals and objectives are aligned to direct the performance of the organisation. The goals of the department are cascaded from the executive authority

through to all employees. The expectation is that, through a process of collaboration, co-ordination and endeavours of commitment, the goals of the Department can be achieved. The principal-agency theory purports that the responsibility and authority for the production of public goods and public services are delegated to public managers by the executive authority and accountability for results is managed by performance contracts, rewards and sanctions.

The research strategies employed for this study were both qualitative and quantitative. For the qualitative strategy, data was gathered through interviews and observation and for the quantitative strategy, a purpose-designed questionnaire was used to examine and report on causal relationships. Appropriate statistical techniques were used to analyse the gathered data.

Emanating from the data analysed, the study found that not all managers take cognisance of the goals that direct performance management in Education. Moreover, poor performance of the organisation is attributable to employees being neither rewarded, nor sanctioned for good or poor performance respectively. Further, there are no consequences when the organisation performs poorly. It has also been found that the performance management and development system as it is applied to senior managers in Education was conducted as a matter of compliance. Whilst managers have acknowledged that individuals' performance impact on the overall performance of the organisation, they however, refused to take ownership and responsibility for the poor performance of the organisation.

The individualistic nature of the performance management and development system contributes to shifting of responsibility and accountability within the organisation. With this in mind, certain recommendations have been made. A new theoretical model is proposed to integrate performance of the organisation and performance of individuals with a view to increasing productivity. This perspective on performance management will however, require further research. All senior managers ought to have fixed-term performance contracts not exceeding five years, renewable if acceptable levels of performance are rendered. It is also recommended that external moderators should be

enlisted to perform moderation of scores obtained during the performance appraisal process to ensure that objectivity is upheld.

Managing the performance of senior managers particularly in the South African Public Service, and demanding greater accountability are crucial to achieving organisational results and fulfilling the mandate of government. The performance of the KwaZulu-Natal Department of Education can improve with stricter adherence to the tenets of performance management, emphasis on monitoring performance, demanding higher levels of accountability for resources employed and rewarding managers for good organisational performance whilst sanctioning poor performance.

DECLARATION

I, Devan Singh, student registration number 7811245 hereby declare that:

- The research report in this thesis, except where otherwise stated, is my own original work;
    - This thesis has not previously been submitted for any degree or examination at any other university;
- This thesis does not contain unauthorised sources of information such as, graphs, pictures and data;
- This thesis does not contain other persons' writing, without being acknowledged;
- In cases where, other written information have been quoted, then such sources:
    - have been re-written, and the general import has been referenced;
    - where the exact words have been used, the text has been placed inside quotation marks and referenced and
- This thesis does not contain text, graphics or tables downloaded from the internet, unless specifically acknowledged and the source detailed and the site referenced in the bibliography.

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Devan Singh   Date

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DEDICATION

I wish to dedicate this thesis to my parents Hira and Moonie Singh, my wife Pureni and my daughters Prelisha and Rulleska Singh for their support and encouragement and for being pillars of strength throughout my studies over the last thirty years. Without their loving support, it would have been more challenging to accomplish my academic aspirations.

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ACRONYMS

ANC:	African National Congress
CMC:	Core Management Criteria
DPSA:	Department of Public Service and Administration
ECD:	Early Childhood Development
ELITS:	Education Library Information Technology Service
FET:	Further Education and Training
GET:	General Education and Training
HoD:	Head of Department
HR:	Human Resource
HRSS:	Human Resource Support Service
IGR:	Intergovernmental Relations
KRA:	Key Results Area
KZN:	Province of KwaZulu-Natal
KZNDoE:	KwaZulu-Natal Department of Education
M and G:	Management and Governance
MEC:	Member of the Executive Council
MBO:	Management by Objectives
MPSA:	Ministry of Public Service and Administration
MST:	Mathematics, Science and Technology
MTEF:	Medium-Term Expenditure Framework
NATED:	National Education
NEPA:	National Education Policy Act
NPM:	New Public Management

NSNP:	National Schools Nutrition Programme
OECD:	Organisation of Economic Co-operation and Development
PDP:	Personal Development Plan
PFMA:	Public Finance Management Act
PMDS:	Performance Management and Development Systems
PMS:	Performance Management Systems
PPBS:	Planning, Programming and Budgeting System
PSC:	Public Service Commission
PSCBC:	Public Service Co-ordinating Bargaining Council
RSA:	Republic of South Africa
SACMEQ:	Southern African Consortium for Monitoring Education Quality
SAPA:	South African Principals' Association
SASAM:	South African School Administration System
SDR:	Service Delivery Review
SG:	Superintendent-General
SMART:	Specific, Measurable, Attainable and Time-bound
SMS:	Senior Management Service
SMS:	Strategic Management Support
SPSS:	Statistical Package for Social Sciences
SWOT:	Strengths, Weaknesses, Opportunities and Threats
UNESCO:	United Nations Educational, Scientific and Cultural Organisation
WPTPS:	White Paper on Transforming the Public Service
WPTPSD:	White Paper on Transforming Public Service Delivery

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CHAPTER ONE

Overview and Background of the Study

1.1   INTRODUCTION

The thesis focuses on the Performance Management and Development System for senior managers in the South African Public Service, and the *locus* of the study is the KwaZulu-Natal Department of Education. *Chapter one* provides an overview of the research area and sets the parameters for the topic under investigation. The South African Public Service provides the main reference point, since the introduction and implementation of the performance management and development system as a policy is intended for the entire public service. The study focused on the Senior Management Service (SMS) in the KwaZulu-Natal Department of Education. Observations were made and certain conclusions were drawn. Performance management is a shift from pursuing bureaucratic compliance in terms of financial management and management of human resource systems, to focussing on achievement of stated or predetermined targets, measurable outputs and ultimately outcomes. The shift in emphasis is on producing results with funds allocated by the *fiscus*. Introduction of a performance management and development system in the public service in 2002 emanated from the fact that simply relying on bureaucratic processes and financial management does not lead to results (Hughes 2003: 157).

In this chapter, the problem statement is expatiated, the reasons for conducting the research are stated and the key questions are outlined. The objectives of the study are also enunciated in the introductory chapter.

The performance management and development system known as PMDS in the public service is underpinned by key legislation, which includes amongst others, The Constitution of the Republic of South Africa, 1996, National Education Policy Act, 1996 and the Public Finance and Management Act, 1999.

The KwaZulu-Natal Department of Education is the focal location of this research study, which is discussed in detail in subsequent chapters of the literature review. The participants of the study have also been identified and documented in the empirical component of the research.

1.2   OUTLINE OF THE RESEARCH TOPIC

Within the South African context, performance management and development in the Public Service has received greater emphasis since the advent of democracy in 1994.

Performance management is a well co-ordinated data-oriented approach to controlling the work that people do in the work environment. To maximise performance, employees should be continuously reinforced positively (Layton 2002: 27).

The success of a performance management and development system depends on getting employees to understand the shared vision of the organisation, collecting data on employee performance, managing the data and using the data to improve individual and organisational performance (Ketel and van der Molen 2008: 66). The data gathered can be used, to either sanction employees who performance poorly or to positively reinforce employees who show marked improvement in performance. It is also used to identify gaps in performance and to take corrective action where necessary. Sanctions can take the form of punitive actions and positive reinforcement can be tangible incentives such as a performance bonus.

Sangweni, Chairperson of the Public Service Commission (2003: 20) states that performance management is much more than performance appraisal. It requires the involvement of all, in the accomplishment of the agencies stated goals and objectives. To appraise an individual for performing the scheduled activities, taking into account the overall performance of the organisation, is denial of the fact that the individual is part of a greater whole.

The objective of any public service performance management and development system is to maximise the utilisation of scare resources, improve service delivery and provide much needed services to the citizens at best value, especially in a developmental state such as South Africa (van der Waldt 2004: 39).

Osborne and Gaebler (1992: 146-151) succinctly demonstrate the purpose of a performance-oriented approach to government in relation to the following statement:

"If you do not measure results, you cannot tell success from failure;
 If you cannot see success, you cannot reward it;

If you cannot reward success, you are probably rewarding failure;

If you cannot see success, you cannot learn from it;

If you cannot recognize failure, you cannot correct it; and

If you cannot demonstrate results, you cannot win public support".

However, the critical challenge of this approach as posited by Osborne and Gaebler (2002: 146-151) is that it is easier to assess the performance of an organisation or an agency. It is often difficult to quantify and assess the performance of each individual in the organisation especially where individuals function in a support or managerial role.

Nevertheless, measuring the performance of government in quantitative ways indicate a shift of focus from financial management and accounting for how resources are expended; to an approach where results are specified and performance is closely monitored (Schick 1998: 123). Fundamentally, the emphasis is on collecting data on non-financial information as is committed in government departments' budgets than simply adhering to compliance in respect of financial policies, as outlined in the tenets of the Public Finance Management Act, 1999; Audit Act, 2004 and financial management systems (Cameron 2009: 920). This approach shifts from the previously held view that good financial management according to generally acceptable accounting principles, are the panacea to good governance. The difficulty that emerges in respect of this axiom is that measurement of success or failure is at the organisational or institutional level and accountability is not reduced to the level of the individual. The individual-institutional interface continues to pose a challenge to levels of productivity in the workplace. However, it may be premised on the assumption that, if every individual performs to the optimum, then the organisation will automatically demonstrate favourable results which in effect impacts positively on productivity (Gabris and Mitchell 1985: 312). Norton and Kaplan (1996: 7) found that financial measures of efficiency, effectiveness and the economical use of resources are not necessarily akin to achieving the strategic objectives.

Since 1994, the South African Government has been continuously evaluating the role of the State in providing cost-effective services to the majority of people who were in the past excluded from the benefits from such services. The State has come to realise that resources are finite and that the demands made on it are

enormous, and therefore effective, efficient and economical use of resources is mandatory.

In an environment where resources are limited and with ever-increasing demands from the public, governments are expected to tangibly demonstrate results produced from their policies, programmes and allocated funds. These initiatives are carried out to show confidence in the systems of governance and attract financial support, investment as well as public assurance (Osborne and Gaebler 1992: 154). While profit is the reward for good business practice in the private service, the ultimate goal in the public service is optimising productivity, enhancing service delivery and upholding the vote of the electorate.

South Africa as a developmental state has to use resources judiciously to continuously improve the performance of government. The intention is aimed at improving the quality of lives of people, particularly those that have been historically disenfranchised and marginalised. To improve the delivery of services in the public service, performance management and performance monitoring of both individuals and government departments has to become key features of government's ongoing service delivery programme. Using resources efficiently and economically to provide public services effectively, are key tenets of The Constitution of the Republic of South Africa, Act, 1996. With limited resources, government has to adopt a systematic approach to performance improvement. Setting performance objectives, measuring performance, collecting and analysing data and using data has the potential to improve performance. Timely reporting on performance is critical to addressing challenges that emerge from time to time (Layton 2002: 27).

1.3   THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996

Since the advent of a post-apartheid Constitutional democracy, the newly inaugurated South African government had to set upon a new course to improve service delivery and optimize outputs with a view to addressing the imbalances of the past. There has to be judicious use of scare resources to maximize service delivery and improve the quality of life of all citizens. The Constitution of the Republic of South Africa, 1996, highlights the values and principles that define the manner and context in which public administration ought to function.

In this regard, The Constitution of the Republic of South Africa, 1996, section 195(1) under the basic values and principles governing public administration, requires that:

(a)   A high standard of professional ethics be promoted and maintained;

(b)   Efficient, economic and effective use of resources be promoted;

(c)   Public administration be development orientated;

(d)   Services be provided impartially, fairly, equitably and without bias;

(e)   People's needs be responded to, and the public be encouraged to participate in policy-making;

(f)   It be accountable and transparent by providing the public with timely, accessible and transparent information;

(g)   It be accountable, transparent by providing the public with timely, accessible and accurate information;

(h)   Good human-resource management and career-development practices, to maximise human potential be cultivated; and

(i)   Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation."

The Constitution of the Republic of South Africa, 1996, enjoins that the Public Service conducts itself in an ethical and professional manner, and that the ethical conduct of both public representatives and public officials be above reproach. Mismanagement of public finances, fraud and corruption undermine the state's capacity to deliver much needed services to under-developed areas and to maintain service levels in developed areas (Sing 2009: 68).

The acquisition of public finance for service delivery relies on revenue gathered by the state through different modes of taxation in the interest of procuring public goods for the benefit of all its citizens. Financial resources which subsequently extend towards funding all other resources must, without any contraction, be used efficiently, effectively and economically taking into account that it is neither infinite nor limitless (Madue and Mahwai 2008: 365).

With South Africa being in the embryonic phase of its development, the Government has to give due cognisance to development needs in terms of

infrastructure, governance systems and the development of its human capital. Investment in the afore-said would ensure that the state sets the sight of its trajectory for development.

A developmental state must be able to address the challenges of poverty, social and economic deprivation and general well-being of all the people with special emphasis on the poor. Since government is the trustee of public interest, it has to take cognisance of the needs of the public, and be able to deliver the public goods and public services that people themselves cannot deliver. This requires making well-thought out judgements on behalf of the people (Kakabadse and Kakabadse 2006: 8).

Providing services without fear or favour is cardinal to the success of any public service and any degree of partiality on the part of employees or organs of State is an avenue for social instability. Notwithstanding the political and other affiliations of its employees, the delivery of services must never be compromised on the grounds of partiality or prejudice.

In a democracy, government is based on the will of the people, and as such it must serve the needs of the people. For this to happen, government has to consult with the citizenry on matters that affect the people and consequently address the needs of people (*Batho Pele* Handbook 2003: 126). There has to be openness and transparency regarding decisions made on behalf of the people. Deviating from this principle, particularly in a democracy, undermines the will of the people and may lead to the ousting of a particular government.

Fundamental to improving service delivery, is the development of human resources, with emphasis on the role of senior managers, in the Public Service (McLennan and Orkin 2009: 1038). The Constitution of the Republic of South Africa, 1996, prescribes managing performance, particularly from the perspective of providing services and ensuring public accountability. In terms of the Batho Pele Principles, it behoves all managers to oversee carefully that all employees under their charge provide services at the best level possible (White Paper on Transforming Public Service Delivery 1997).

Transforming the Public Service as envisaged by The Constitution of the Republic of South Africa, 1996, means that service delivery improves, people who were

previously excluded from receiving services benefit, and that with time, numerically, the employee profile is also representative of the population it serves.

With the advent of a new democratically constituted government in South Africa since 1994, a plethora of transformative legislation was introduced to either remove the apartheid legacy and to promulgate new progressive and development-oriented legislation to ameliorate the injustices of the past. Amongst the newly introduced injunctions, was the White Paper on Transformation of the Public Service of 1995 (WPTPS) which spells out a vision for the new public service in South Africa. A vision that was committed to transforming the Public Service so that it would be able to deliver quality services to all South Africans.

The vision has been captured as follows:

> "The Government of National Unity is committed to continually improve the lives of the people of South Africa through a transformed public service which is representative, coherent, transparent, official, effective, accountable and responsive to the needs of all people. It is therefore necessary that the new public service is goal and performance-orientated, efficient and cost-effective"

> (White Paper on Transformation of the Public Service, Chapter 2, 1995).

The vision of a public service as enunciated in this White Paper further reinforces the provisions in section 195 of the Constitution of the Republic of South Africa, 1996. The shift in emphasis, however, is that the state has to become a performance and goal-oriented organisation. Setting of goals, managing and measuring performance moves the public service away from merely administering public functions to also performing, managing and accounting for public functions (Marais, Human and Botes 2008: 390). Accountability and transparency are important if the spirit of openness as enunciated in the Constitution of the Republic of South Africa, Act 1996 is to prevail. The KwaZulu-Natal Department of Education as an agent of government had to also comply with the transformative agenda. Implementation of the performance management and development system is critical to improving service delivery and to holding managers accountable, as is evident in the KwaZulu-Natal Department of Education (Cohen and Eimicke 2002: 9).

As such, since 1 April 2002, every employee in the South African Public Service is expected to submit to a performance management system referred to as

Performance Management and Development System (Public Service Senior Management Service Handbook 2003: section 3) (Government Employees Performance Management and Development System 2003). All employees, without exception, contract with their supervisors by way of performance contracts. Through powers delegated to the supervisors by the Head of Department, managers are expected to oversee the performance of co-workers. In the case of the Head of Department, supervision vests with the respective Minister at a national level or with a Member of the Executive Council (MEC) at a provincial level (Public Service Regulations, Government Notice R. 1 of 5 January 2001, part viii B1).

1.4 NATIONAL EDUCATION POLICY ACT, 1996

The National Education Policy Act, 1996 (NEPA), commits the Minister of Education to develop a performance management system. Section 8(1) of the Act states that the minister has to:

> "direct that the standards of education provision, delivery, and performance throughout the republic be monitored and evaluated annually or at specified intervals, with the object of assessing progress in comply with the Constitution and with national education policy".

Performance management at this level refers to overall performance of the education department as an agent of service delivery, specifically as it refers to the business of public education, namely, teaching and learning. Policies, systems and procedures together with concomitant structures have to be put in place to continually assess and evaluate the performance of the education service. Moreover, a monitoring and evaluation system is used to provide data on whether the system is indeed responding to the educational needs of beneficiaries. Other forms of research, such as this one, reported to be embarked upon to signify the causative factors that contribute towards good performance or those factors that exacerbate poor performance are presently given due consideration.

The National Education Policy Act, 1996 section 8(3) (4) further emphasises that the Department of Education must undertake monitoring and evaluation of its policies after setting up information management systems to gather and consequently analyse data. This must be done collaboratively in conjunction with the provincial education departments. It is worth mentioning that this performance refers to the macro-system level performance and not a micro-system level

performance that is, performance concentrated on individuals. Since the performance of the macro-system and that of the organisation rely on the performance of individuals and teams, the individuals' performance is nevertheless inherently linked to the performance of the system. Sangweni (2003: 20) asserts that senior managers by virtue of the positions they hold and the influence they exercise are ultimately responsible for institutional success of failure. This research focuses on the performance of individuals and their contribution and impact on organisational and systemic performance in the KwaZulu-Natal Department of Education.

1.5   PUBLIC SERVICE ACT, 1994

Emanating from the Public Service Act, 1994 is the Public Service Regulation. The intention of this regulation is to operationalise the Public Service Act, 1994. In Part viii of the Regulation, it is stated that state departments must manage the performance of employees in a supportive and consultative manner to enhance organisational efficiency and effectiveness. Systems must be developed and implemented to enhance accountability for the resources allocated and for the results produced. The performance management process has to be linked to the overall strategic direction of the department (Government Notice: R 785 of 28 June 2004). This discussion is a significant focus for the thesis.

According to Dr RC Lubisi, Head of Department of the KwaZulu-Natal Department of Education (Interview, 15 October 2009), the performance management and development system had to place emphasis, amongst others, on development as well, since not all employees at management level were for historical reasons adequately competent to perform the functions for which they were appointed. The system had to also recognise outstanding performance and respond in a positive way to inadequate performance (Government Notice: R 785 of 28 June 2004).

1.6   PUBLIC FINANCE MANAGEMENT ACT, 1999

The Public Finance Management Act, 1999 (PFMA) places an onerous obligation on the accounting officer to align activities and spending of finances in the Department with clearly defined objectives and targets, and to provide reports on the achievements of these objectives and targets at both provincial and national levels. Furthermore, in this regard, section 27 (4) of the Act states that:

> "When the annual budget is introduced in the National Assembly or a provincial legislature the accounting officer for each department must submit to Parliament or the provincial legislature, as may be appropriate measurable objectives for each of the main divisions within the department's vote. The relevant treasury may consolidate these submissions and consolidate them into one document".

The purpose of submitting measurable objectives to Parliament and the provincial legislatures is to ensure that the budget allocated to specific programmes and projects demonstrate desired outputs and outcomes that can be systematically and quantitatively measured, monitored evaluated and reported on. The objectives were in keeping with the New Public Management Paradigm, a monetarist approach that was introduced in the public service to emphasize a renewed focus on the measurement and management of performance and to raise the level of accountability (Haque 2000: 600). In a democracy, accountability to the electorate through parliament and other accountability agencies are important to monitor the activities and actions of the government-of-the-day.

However, this is easily possible when employees are mainly responsible for delivering a service that is of immediate benefit to the citizenry through the setting of key deliverables aimed at maximising performance. However, the full extent of their responsibilities may be difficult to capture. It is often difficult to evaluate the performance of employees who merely provide a support function. Kellough (in Ban and Riccucucci 2002: 182) proffers that it is sometimes difficult to identify meaningful work performed by certain employees. Not all employees work products are easily discernable. This makes it challenging to objectively evaluate performance, and it can degenerate into subjective assessment of personality traits such as "dependability," "honesty," "diligence," "initiative", and "co-operativeness". Florkowski and Lifton (1987: 54) support this view when it is stated that, not all public goods can be quantified into discrete and measurable outputs and production functions cannot always be specified. Furthermore, the inability to collect performance data makes analysis of productivity in the public service rather onerous and sometimes almost impossible.

Eminent scholars under the aegis of the Harvard University: Kennedy School of Govermente came together and presented a position paper to American governors,

making a case for the use of performance-based government, wherein it was stated that:

> "Performance management is a powerful means by which government agencies can advance their missions and strengthen democracy"

(Memorandum by the Executive Session on Public Service Performance Management Harvard University Kennedy School of Government 2001: 25).

The Executive session by the Kennedy School of Government cautions against using performance management as an incentive scheme. It should rather be used to communicate and motivate staff to perform optimally. Accordingly, Ketelaar *et al* (2007: 24) noted that dialogue on performance was critical to avoid "gaming" particularly where rewards and sanctions were high. Staff can be motivated without rewards, if the goals are attainable. However, this perspective is not always popularly upheld in the work place because staff often views performance management within a monetary context instead of appreciating the holistic development perspective.

This suggests that the activities of a Department and the work performed by individuals have to be aligned to the overall goals and objectives of government agency or department such as that of the KwaZulu-Natal Department of Education. Ketelaar *et al* (2007: 24) found that there is a causal relationship between individual and organisational performance. Collectively, all activities need to be linked to the overall strategic direction of a Department. However, it is not always possible to quantify objectively all activities that are carried out in the performance of a department's function. Many employees play a support function and their activities are not always directly related to the provision of a particular service or the production of any goods. Holmstrom (1982: 324) identified that employees, particularly in the public service, provide two kinds of services: one being, supplying inputs for production (activity) and the other is processing information for decision-making (support). This dichotomy has severe implications for incentives and incentive schemes. It is arguably easier to incentivise the former than the latter.

Notwithstanding this, it does not absolve employees from supporting the overall strategic direction of a department. Departments must have outcomes-focused goals so that whatever an individual does finds resonance in the outcomes of the

department. However, activity-focussed goals could leave some employees out of the performance loop.

In 1998, the Minister of Public Service and Administration introduced performance agreements for members of the Senior Management Service with the specific intention of linking performance appraisals with the objectives of departments and providing constant feedback (Cameron 2009: 924-927).

1.7 PERFORMANCE MANAGEMENT AND DEVELOPMENT IN THE KWAZULU-NATAL DEPARTMENT OF EDUCATION

Performance agreement mentioned above meant that Senior Managers, that is, all levels from that of Director to that of Superintendent-General in the KwaZulu-Natal Department of Education had to subscribe to the prescripts of the performance management and development system as articulated by the Department of Public Service and Administration. This provision also applies to all provincial and national departments.

1.7.1 KwaZulu-Natal Department of Education

The KwaZulu-Natal Department of Education is one of the largest departments in the country with a learner population of 2.7 million and it employs one hundred and sixteen thousand people of whom 87 000 are educators (KwaZulu-Natal Department of Education, Annual Performance Plan 2008/09: 40).

The KwaZulu-Natal Department of Education has set for itself the following vision, mission and goals:

1.7.1.1 Vision

The vision of the KwaZulu-Natal Department of Education is highlighted as follows:

"A well-educated and highly skilled citizenry" (KwaZulu-Natal Department of Education, (Strategic Plan 2010/11 – 2014/15: 9).

It is an idealistic vision which is supposedly meant to inspire and galvanise employees to higher levels of performance. It is an external rather than an internal organisational vision. Reference in the vision statement is made to the wider society rather than to the KwaZulu-Natal Department of Education *per se.* It is not an organisational vision statement but rather a political vision and employees would struggle to identify with this type of vision statement. Identification and ownership of a vision statement requires that it has personal and abiding meaning for the

employees and if it does not, it is seen as a transitory slogan whose essence is quickly lost.

1.7.1.2 Mission

The mission of the KwaZulu-Natal Department of Education is:

"To provide equitable access to quality education for the people of KwaZulu-Natal"

(KwaZulu-Natal Department of Education, Strategic Plan 2010/11 2014/15: 9).

The KwaZulu-Natal Department of Education aspires to provide access to quality education so that the lives of the people would improve. Access to school, particularly for learners between the ages of six and fifteen, is enshrined in the Constitution of the Republic of South Africa, 1996. However, providing equitable access implies that conditions experienced by learners including barriers to learning, exacerbated by poverty, physiological and/or other social conditions should be ameliorated to facilitate the accessing and completion of schooling.

1.7.1.3 Strategic Goals and Objectives of the KwaZulu-Natal Department of Education

The KwaZulu-Natal Department of Education has set for itself the following goals (KwaZulu-Natal Department of Education Strategic Plan 2010/11 2014/15: 42-43):

- "Broaden access to education and provide resources;
- Improve school functionality and educational outcome at all levels;
- Develop human resource capacity and enhance skills;
- Develop schools into centres of community focus, care and support
- Ensure good corporate governance, management and an efficient administration; and
- Promote national identity and social cohesion".

The strategic goals provide the impetus for the KwaZulu-Natal Department of Education to steer itself in a particular direction. As mandated by the Constitution of the Republic of South Africa Act, 1996, education has to be provided to both young and old citizens. For historical reasons, the masses of the previously disenfranchised population of South African were denied access to quality education that would have provided the platform for them to improve the quality of their lives. Much emphasis has been placed on Adult Basic Education and Training since 1994. Learners need to acquire the requisite knowledge, skills, attitude,

values that would enable them to face the rigorous challenges of living in the twenty first century. Every employee in the KwaZulu-Natal Department of Education, irrespective of his/her station should be geared towards providing relevant and quality education.

As a learning organisation, the KwaZulu-Natal Department of Education has to upgrade continuously the skills and knowledge of its employees to keep abreast of a constantly changing socio-economic environment. It requires a sense of personal mastery as postulated by Senge (1990: 142) that a special level of proficiency and expertise is necessary, particularly in the professional functioning of officials so that their actions and behaviour may contribute to the provision of quality public education.

The Department envisages transforming its institutions, namely, schools and further education and training colleges into centres of community development, care and support. A community development approach signifies that the Department has taken notice of the fact that educational outcomes cannot be improved without addressing the social and economic challenges confronted by communities. This is a compensatory approach to addressing not only the social deficits in terms of language and cognitive skills, but to also addressing the physical needs of children.

For the Department to ensure that it is able to provide relevant and quality education, it has to equip all its employees with the necessary skills and knowledge. Training and development have to be fore-grounded, so that staff are suitably trained and adequately qualified to carry out their responsibilities. Swilling (2008: 25) warns that while knowledge may be deemed as the modern currency, it has to be accompanied by a "capabilities approach". The capacities of public service institutions such as schools must be developed or else the goals of a developmental state may not be realised.

Considering that resources are limited, the Department has to raise levels of efficiency and effectiveness to ensure that resources are employed economically and at best value. This is has to be done to release essential resources to address physical degradation, particularly of infrastructure through many years of neglect and the low levels of skills particularly amongst members of the teaching fraternity.

The Department also commits itself to addressing organisational inefficiencies resulting from resources being wasted, which could otherwise be used to improve educational outcomes and consequently the quality of education in the province.

The fractious history of South Africa has polarised the people to such an extent that there is not a common national identity and a sense of patriotism. It is hoped that by bringing children and adults together for a single purpose, namely quality public education, that a common national identity would be fostered. This initiative would eventually lead to social cohesion and nation building.

Section 29 (1) of The Constitution of the Republic of South Africa, 1996, states:

- "Everyone has the right to basic education, including adult basic education; and
- To further education, which the state, through reasonable measures must make progressively available and accessible".

The KwaZulu-Natal Department of Education as an agency of provincial government is entrusted with the function of education. Its Constitutional mandate is to provide quality public education to all learners in the province from funds provided by the State. To comply with the said mandate, the KwaZulu-Natal Department of Education has created elaborate structures and has employed 116000 people to deliver public education. The majority of persons employed are professionals who have qualifications that permit them to either teach or support the learning and teaching processes. The other members of staff provide the necessary administrative or management support.

A distinction is made in respect of staff employed according to the Public Service Act, 1994 and those employed in accordance with the Employment of Educators Act, 1996. The former prescribes the terms and conditions of employment for staff that perform largely administrative functions, and the latter for professional staff, who in the main support the business of teaching and learning. Members of the Senior Management Service are employed in accordance with the Public Service Act, 1994 and concomitant regulations that guide their functioning and operations.

The Single Public Service as mooted by the Minister of Public Service and Administration, through the Public Administration and Management Bill, is about bringing all three spheres of government, namely, local, provincial and national under a single administration regulatory framework. It aims to regulate the

conditions of employment and facilitate easy career mobility between all three spheres. Levin (2010: 10) writes that the objective of the Public Administration and Management Bill, *inter alia* is to provide for systems, practices and procedures to regulate public personnel and public administration in all three spheres of government. It will be a lengthy process requiring much consultation, which has the potential to change the landscape of the Public Service. Although, this is not the thrust of this thesis, but it is worth mentioning the implications of this contemporary approach, since it will in the future have far-reaching consequences for public service performance management systems.

Taken collectively, the performance management and development system constitutes designing of jobs, appraisal in the form of job analysis, work behaviour, rating, feedback, training and development.

1.8 RATIONALE FOR THE TOPIC

Discussed below are a few issues that provide the rationale for the topic.

1.8.1 Matriculation Results Since 2004

The Department of Education sets amongst its goals: quality education and an organization focused on results and high performance. However, the matriculation results over the last five years indicate the contrary. Tabulated below are the matriculation results from 2004 to 2007.

TABLE 1.1: 2004-2007 MATRICULATION RESULTS

CANDIDATES	2004	2005	2006	2007
Number of candidates who wrote	**110 631**	**120 397**	**125 777**	**148 093**
Number of candidates who passed	**81 827**	**84 842**	**82 442**	**94 421**
Number of candidates who passed with Senior Certificate	**60 877**	**63 837**	**63 341**	**72 978**
Number of candidates who passed with endorsement	**20 950**	**21 005**	**19 101**	**21 443**
Pass Percentage	**73.9 %**	**70.4 %**	**65.6 %**	**63.8 %**
Percentage with Senior Certificate	**55.0 %**	**53.0 %**	**50.4 %**	**49.3 %**
Percentage with Endorsement	**18.9 %**	**17.4 %**	**15.2 %**	**14.5 %**

Adapted from KwaZulu-Natal Department of Education Examination Results 2004 to 2007

Table 1. 1 above refers to matriculation results in the KwaZulu-Natal Department of Education from 2004 to 2007 and table 1.2 below refers to matriculation results for the years 2008 and 2009.

TABLE 1.2:   **2008 AND 2009 MATRICULATION RESULTS FOR NATIONAL CURRICULUM STATEMENT (NCS)**

CANDIDATES	2008	2009
Number of candidates who wrote	142 756	132 176
Number of candidates who passed	82487	80704
Number of candidates who passed with Bachelor	26179	26287
Number of candidates who passed with Diploma	30331	31406
Number of candidates who passed with High Certificate	25936	22719
Number of candidates who passed	82 487	80 704
Percentage with Bachelors	18.33%	19.88%
Percentage with Diploma	21.24%	23.76%
Percentage with Higher Certificate	18.16%	17.18%
Passed Percentage	58.8%	61.3%

Adapted from KwaZulu-Natal Department of Education Examination - Results 2008 to 2009

The reason for presenting two separate tables is because the curriculum changed and the examination for 2008 and 2009 was on the new National Curriculum Statement (NSC), and not the previous National Education 550 (Nated 550) curriculum. Table 1.1 refers to Nated 550 curriculum results from 2004 to 2007 and Table 1.2 refers to the National Curriculum Statement results of 2008 and 2009. The above-stated tables indicate that there has been a decline in the results over the last six years from 73.9% in 2004 to 61.3% in 2009. It has to be acknowledged that, whilst the number of learners sitting for matriculation examinations has been steadily increasing, the number of learners passing and the quality of passes judged on the number of matriculation endorsements or Bachelors level passes in grade 12 has been gradually declining. Given that the primary function of the KwaZulu-Natal Department of Education is to achieve acceptable levels of educational outcomes, the performance of learners judged by the pass rate and

rate of endorsements in the matriculation examinations since 2004 is not an encouraging situation. Similarly, the performance of learners in the Grade 6 Systemic Evaluation examination and the Southern African Consortium for Monitoring Educational Quality (SACMEQ) of 2005 is notably poor.

In an address to a selected cohort of principals from throughout the Republic of South Africa, President Jacob Zuma highlighted the following:

"In recent international tests for Grade 6 literacy, South Africa scored 302, while the international average was 500. In the mathematics test for Grade 8, South Africa came last with a score of 244, while the average was 467. In the same test, our neighbour Botswana scored 365" (Speech of the President of the Republic of South Africa 27 August 2009).

President Zuma was referring to SACMEQ II results and alluded that South African learners fared poorly even when compared with Mozambique, which is comparably a small and under-developed country.

According to the Budget Statement of 2008/09 financial year, an allocation of almost 40 percent of the entire provincial government budget which translated to R21.389 billion was entrusted to the KwaZulu-Natal Department of Education (Budget Statement, 2008/09: 153). This allocation is supported by well-articulated policies to set the trajectory for a performance-based and results-oriented public service organisation. However, the KwaZulu-Natal Department of Education is having little success in delivering quality public education and achieving educational outcomes comparable with the rest of the continent.

1.8.2   Systemic Evaluation Results

Despite the trajectory set by the numerous policies promulgated since 1994 to deal with the transformation of education and despite the allocation of large sums of money to education in the Province of KwaZulu-Natal, the results have been a disappointment. Besides the matriculation results, the educational outcomes of the grade 6 systemic evaluation results of 2005 for the province is also evidence that, the state of education is not healthy.

Systemic evaluation is a nationally initiated monitoring, evaluation and quality assurance programme that seeks to assess whether learners in grades 3, 6 and 9 are achieving the desired educational outcomes. A team of assessors from each province tested a sample of learners from randomly selected schools. In 2005,

5643 learners out of a possible 253 987 learners in grade 6 were tested, in KwaZulu-Natal. These learners were randomly selected from 169 schools. The schools were from both well-resourced urban schools to poorly resourced rural schools. The results indicate that the learners are not performing as expected. There can be a series of reasons for this. Paramount among these is the performance of officials responsible for the delivery of education in the province.

Reported below is a summary of the educational outcomes of the grade 6 intermediate phase systemic evaluation results in KwaZulu-Natal:

TABLE 1.3:   GRADE 6 SYSTEMIC EVALUATION RESULTS OF 2005

LEARNING AREA	OUTCOME
1. Language of Learning and Teaching	68 percent did not receive the requisite pass mark of 30 percent.
2. Mathematics	82 percent did not achieve the requisite pass mark of 30 percent.
3. Natural Sciences	59 percent did not achieve the requisite pass mark of 30 percent.

Summarised from: Grade 6 Intermediate Phase Systemic Evaluation Report, December 2005: 78-94

The results of the systemic evaluation tests, as reflected in the Grade 6 Intermediate Phase Systemic Evaluation Report (2005: 78-94), indicate that **sixty eight percent** of the learners did not obtain the minimum pass mark of **thirty percent** in the Language of Learning and Teaching. **Eighty two percent** failed to obtain the minimum pass mark of **thirty percent** in Mathematics and only **forty one percent** obtained at least a minimum pass mark in the Natural Sciences. Overall, the performance of learners is poor, despite the fact that the pass requirement is a low **thirty percent**. The core function of the KwaZulu-Natal Department of Education is teaching and learning. The results bear testimony to the fact that the performance of the KwaZulu-Natal Department of Education when adjudged against the performance of learners, especially in grade 6 is not satisfactory. The most important indicator that any education system uses when judging overall performance is to assess the performance of learners.

1.8.3 Southern African Consortium for Monitoring Educational Quality (SACMEQ)

Some countries in the African Union like Mozambique and Swaziland with far less resources fared better than, South African learners in the Southern African Consortium for Monitoring Educational Quality (SACMEQ) surveys. In 2007, SACMEQ worked with the United Nations Educational, Scientific and Cultural Organisation (UNESCO) to elicit the performance of East and Southern African Grade 6 learners particularly in reading and mathematics.

The mean score comprising of learners deemed to fall into category of low socio-economic status and of learners in the high socio economic status category for 14 countries were as follows:

TABLE 1.4:   MEAN SCORE ON SACMEQ II GRADE 6 READING AND MATHEMATICS BY COUNTRY

	READING		MATHEMATICS	
No	Countries	Mean Score	Countries	Mean Score
1	Seychelles	582.0	Mauritius	584.6
2	Kenya	546.5	Kenya	563.3
3	Tanzania	545.9	Seychelles	554.3
4	Mauritius	536.4	Mozambique	530.0
5	Swaziland	529.6	Tanzania	522.4
6	Botswana	521.1	Swaziland	516.5
7	Mozambique	516.7	Botswana	512.9
8	**South Africa**	**493.3**	Uganda	506.3
9	Uganda	482.4	**South Africa**	**486.3**
10	Zanzibar	478.2	Zanzibar	478.1
11	Lesotho	451.2	Lesotho	447.2
12	Namibia	448.8	Zambia	435.2
13	Zambia	440.1	Malawi	432.9
14	Malawi	428.9	Namibia	430.9
	AVERAGE	**500**	**AVERAGE**	**500**

Adapted from Indicators on SACMEQ website (www.sacmeq.org/indicators.htm)

In April 2002 a performance management and development system was introduced for all public servants so that performance and productivity levels of employees could be improved in government departments. However, the matriculation results, the systemic evaluation results and the results from SACMEQ indicate that organisational performance has declined. However, a cautionary note has to be sounded that poor performance by learners is not solely because of poorly managed performance management systems. A multiplicity of other factors can and will contribute to poor performance by learners. These are *inter alia,* poorly qualified educators, paucity of resources, socio-economic contextual factors and lack of commitment. The caveat is that these variables were not incorporated into the research.

The matriculation results over the last six years as well as the grade 6 systemic evaluation results and SACMEQ II results of 2005 indicate that organisational performance is unsatisfactory. The performance of the organisation is directly linked to the performance of individuals. Holmstrom (1982: 325) opines that non-co-operative behaviour yields inefficient outputs and outcomes.

The Senior Management Service (SMS) comprising those who hold posts directors and above in the KwaZulu-Natal Department of Education are responsible for performance of employees in the Department. They are also accountable for the performance of the organisation as a whole and by extension, they are invariably accountable for the performance of learners. Their performance both individually or severally will affect the overall performance of the organisation.

1.8.4 Performance of Managers

The results of the matriculation examinations, the Systemic Evaluation results for grade 6 in 2005 and SACMEQ II results can be used as indicators for the performance of the organisation (Marais *et al* 2008: 382). These results are not satisfactory; however, when they are juxtaposed against the performance of managers in the KwaZulu-Natal Department of Education, the narrative that emerges is counter-intuitive. The managers are seen to be performing very well, yet the organisation's performance can best be described as mediocre. This research study therefore addresses the maladies of poor performance in the department.

TABLE 1.5: SUMMARY OF PERFORMANCE EVALUATION SCORES OF SENIOR MANAGERS IN THE KWAZULU-NATAL DEPARTMENT OF EDUCATION 2008/09

PERFORMANCE DISCRIPTORS	RATING OF MANAGERS	PERCENTAGE
Unacceptable level of performance	0	0%
Performance not fully effective	0	0%
Fully effective performance	49	89.1%
Performing significantly above expectation	6	10.9%
Outstanding performance	0	0%
TOTAL NUMBER OF SENIOR MANAGERS MODERATORED	55	100%

Source: KwaZulu-Natal Department of Education; Minutes of Moderation Committee Meeting -15 September 2009 (Disclosed for research purpose)

Table 1.5 indicates the assessment scores of senior management service members after moderation on 15 September 2009. Of the 88 senior management members, the moderation committee received 55 assessments for moderation. From the scores submitted 89.1 percent were fully effective and 10.9 percent were performing significantly above expectation. Nobody was performing at either outstanding, performance not fully effective or unacceptable level of performance. The contradiction is that either the managers are performing fully effectively or significantly, above expectation levels, yet the performance of the organisation is not satisfactory.

1.9 REPORT OF THE AUDITOR-GENERAL

The Public Audit Act, 2004 requires that all public institutions be audited. In the 2005/2006 financial year the KwaZulu-Natal Department of Education received a qualified audit opinion from the Office of the Auditor-General. The primary reasons for the qualified audit opinion were that source documents for certain transactions were not presented, certain services were procured without following tender procedures and there were certain unauthorised expenses (KwaZulu-Natal Department of Education, Annual Report 2005/2006: 104). According to the KwaZulu-Natal Department of Education Annual Report (2007/08: 60) the Department received an unqualified audit report. This indicates that the KwaZulu-Natal Department of Education complied with the provisions on the Public Finance

Management Act, 1999 by setting up systems that support compliance. However, the overall performance of the Department when adjudged against the performance of learners in the matriculation examinations, the Grade 6 systemic evaluation and SACMEQ II results fails to reflect similar concomitancy. There is often a fallacious argument that when a Department's financial systems are well established and financial management is strengthened then improved performance of the organisation is automatic (Pollitt 1990: 1). As evidenced by the matriculation results tabled above and the systemic evaluation results of Grade 6, the performance of learners is not improving. An unqualified audit report therefore does not in way signify that the Department is meeting it goals and objectives and that the quality of teaching and learning is improving. The core business of the KwaZulu-Natal Department of Education, as reflected in its goals and objectives is teaching and learning (KwaZulu-Natal Department of Education, Strategic Plan 2010/11-2014/15: 42-43).

Information on performance information reflected on pages 45 to 55 in the Annual Report of 2007/08 of the KwaZulu-Natal Department of Education show vast anomalies. For example, the target set for implementing the South African School Administration, a computerised school administration system, the target for the financial year was 1260 schools yet the achievement indicated is 629 schools. This was a deviation of 631schools for which funding was set aside but not utilised. It was also reported that of the proposed target of 1957 schools that can be contacted electronically, only 689 schools were reached. This means that 1268 schools that were to have also received e-mail connectivity were denied access to this form of electronic communication. This anomaly suggests that individuals entrusted with the responsibility to deliver certain services are not performing their duties thus affecting the performance of the organisation as reflected in the Annual Report of 2007/08.

1.10   REASON FOR THE STUDY

In the light of the above-mentioned discussion, the study would be conducted so that the researcher will be able to:

▪   Obtain an in-depth understanding of the provisions regarding performance management and development systems for the senior management service,

as applied to all government departments and more specifically how this relates to the KwaZulu-Natal Department of Education;

- Establish whether the performance management and development system enhances organisational efficiency, effectiveness and accountability in the appropriation and use of resources and the achievement of results;

- Establish the suitability of the current form of the performance management and development system for the public service;

- Ascertain the efficacy of the system for monitoring and evaluating performance;

- Establish whether an alternative form of performance management and development system can be mooted;

- Investigate the process of application of the policy and the consequences for delivery on its core mandates and;

- Inform the performance management and development environment in the public service in general, and the KwaZulu-Natal Department of Education in particular.

1.11   PROBLEM STATEMENT

Hilliard (1995: 3) points out that when government departments are not able to measure their overall performance accurately, it becomes difficult to measure the performance of public servants appropriately. Smith (1990: 56) points that "there are rarely absolute yardsticks by which to judge the performance of public organisations". In the case of the KwaZulu-Natal Department of Education, as with any other organisation, the contribution of each employee, particularly managers, has to impact on the overall performance of the department. The performance management and development system according to van der Waldt (2004: 39) is aimed at harnessing the endeavours of everybody in the organisation so that the strategic goals and concomitant results are achieved. The question and challenge however, is whether this is happening in the KwaZulu-Natal Department of Education.

Behn (2003: 589) argues that performance measurements are used to control employee behaviour. A performance management and development system seeks

to control the behaviour of employees to accomplish organisational goals and to meet specified targets and outcomes. To ensure that employees are performing to their optimum managers rely on behavioural control devices, such as performance contracts linked to incentive schemes to bring out the best in employees. Performance management systems are intended to control employees to perform better, to achieve organisational goals and objectives, and to improve organisational outputs and consequently outcomes (van der Waldt, 2004: 39). As part of the overall performance management system, fixed-term performance contracts may also be used as a tool to increase individual and organisational performance within a career-based system in the public service thus ensuring that no one takes a "free ride" (Ketelaar *et al* 2007: 17).

In an address at the provincial conference of the South African Principals Association (SAPA) in Limpopo on 9 June 2006, the former Minister of Education, Pandor stated that:

> "A startling phenomenon is a fact I have observed in the past two years. There are hundreds of school principals and teachers throughout the country who appear satisfied with mediocrity. These are those schools that consistently perform below par despite every effort by government and by district officials. Given the massive investment that our country makes in education, we ask ourselves the hard question. Can South Africa continue to afford failing schools, failing leadership and failing educators"?

Minister Pandor's statement reflects the frustration and exasperation felt by politicians on the matter of poor educational outcomes by the education system as a whole. The questions that need to be raised are: is it because of a lack of resources, or is it because of the lack of commitment and poor performance by employees?

The hypothesis on which this study was been premised, is that, a performance management and development system is meant to optimise worker performance and improve service delivery. It is also used to identify gaps in performance and take corrective action. However, a study by the Public Service Commission found that on the PMDS was not being implemented satisfactorily (Sangweni 2003: 21).

The matriculation results over the last six years which is seen as a barometer to gauge the performance of the public education system in South Africa, has been

declining. The systemic evaluation results for grade 6 in 2005 show that learners are performing poorly. This then begs the question, is the performance management and development system in the KwaZulu-Natal Department of Education doing what it is designed to do, that is, improve performance? One of the goals of the KwaZulu-Natal Department of Education is to improve educational outcomes yet the main outcome by which the Department's overall performance may be judged namely, learner performance, has been notably poor. It can be said that the performance management system has failed to provide leverage to improve individual and organisational performance.

This study was conducted with the quest to find out whether the design and implementation of the policy on performance management and development system has indeed optimised the performance of the senior managers and whether it has collectively aided in the attainment of organisational goals that support the core mandate of the KwaZulu-Natal Department of Education.

1.12   BROAD PROBLEMS TO BE INVESTIGATED

The performance management and development system has been in effect since April 2002, the main purpose has been to improve productivity and organisational performance and this study will:

- Examine linkages between performance of the Senior Management Service and the performance of the KwaZulu-Natal Department of Education to ascertain whether the Department's goals are being achieved;

- Establish whether there is correlation between the performance of operational units and organisational outcomes;

- Ascertain whether the performance appraisal system focuses on the behaviour of the Senior Management Service or whether it focuses on the performance of the Senior Management Service; and

- Investigate whether the design features of performance management and development systems support the achievement of strategic organisational goals.

-

1.13 KEY QUESTIONS TO BE ANSWERED

The under-mentioned set of key questions will guide the focus of the study:

- What is the relationship between individual competency and organisational effectiveness?

- Does the performance management system enhance organisational efficiency, effectiveness and economical use of resources?

- Has the performance management system promoted a results-driven organisational culture in the KwaZulu-Natal Department of Education?

- Is there a relationship between individual performance and organizational objectives?

- Are careers managed in ways to promote a results-focused organization?

- Are there systems and processes in place to monitor and evaluate performance?

1.14 OBJECTIVES OF THE STUDY

The study has been undertaken with the following objectives in mind:

- To examine the relationship between individual competence and performance and organisational effectiveness;

- To investigate whether the performance management and development systems enhances organisational efficiency, effectiveness and economical use of resources;

- To determine whether the performance management system promotes a results driven organisational culture;

- To establish whether there is a hiatus between individual performance and organisational objectives;

- To elicit whether the developmental needs of the individuals are satisfied; and

- To establish whether the performance of managers is monitored for accountability.

1.15   STRUCTURE OF THE THESIS

The structure of the thesis maps the flow of each chapter, and presents a short summation of the essence of each chapter. The thesis is structured as follows:

Chapter 1: Overview and Background of the Study

Chapter one of the research provides an overview of the study and outlines the need for the research, the objectives of the research as well as the key questions to be answered. It also sketches the background that gave rise to the study. The problem statement and the location of the research site are also established in this chapter. *Chapter one* also focuses on some of the legislative mandates that guide the performance management and development system in the KwaZulu-Natal Department of Education.

Chapter 2: Key Concepts and the *Batho Pele* Principles

This chapter clarifies the key concepts used in the thesis so that the performance management paradigm is demystified. An understanding of the key concepts and principles is germane to understanding the full import of the content of the thesis. There exists a litany of concepts in respect of performance management and development systems in the literature reviewed, and each concept conveys a certain meaning when used in a specific context. The significance of the *Batho Pele* Principles is also elucidated. The *Batho Pele* Principles formed part of the South African government's agenda of transforming the public service and improving service delivery. Incorporation of the *Batho Pele* Principles into the performance agreements of senior mangers indicates that customer care and customer satisfaction is crucial and central to managers' roles and functions. *Batho Pele* is not a stand-alone policy and it should be incorporated into the daily operations of managers, and is ancillary to the performance management and development system.

Chapter 3: Conceptual and Theoretical Perspectives

Chapter three provides the conceptual and theoretical perspectives that underpin the research and also reviews relevant literature pertaining to the study. The goal-setting and the principal agency theories, and their relationship to the research topic are expounded in detail. Conceptual and theoretical perspectives provide insight and understanding into the research area.

Chapter 4: Relationship between Public Administration, Public Management and Performance Management

Chapter four examines the inter-relationship between Public Administration, Public Management and the Performance Management and Development System, and how each is informed by the other. An examination of these paradigms is crucial to understanding the genesis and location of the performance management and development system in the public service in general, and in the KwaZulu-Natal Department of Education in particular.

Chapter 5: Research Methodology

Chapter five outlines the methodology that has been embarked upon to conduct the research. Setting the parameters at the outset for the manner in which the research was conducted was important for the integrity and outcome of the research results. The methodology employed was both quantitative and qualitative. Further details are provided in this chapter with regards to the questionnaire, the processes of collecting data, the tools and techniques used for analysis and the statistical methods.

Chapter 6: Data Presentation, Analysis and Interpretation

In chapter six, the primary data that had been gathered via interviews and questionnaires are presented, together with analyses and interpretations supported by other research and literature. The interpretation and analysis of the data endeavours to answer the key questions posed in chapter one.

Chapter 7: Conclusions and Recommendations

This chapter concludes the research report. Several recommendations are made for either future research or practical application. Amongst the recommendations, is a proposed model for managing the performance of the Senior Management Members. The model integrates individual performance with organisational performance.

1.16   SUMMARY

Defining the parameters around which the research is conducted, assisted in focusing on the topic under investigation. The arena of performance management and development system is wide and covers an array of themes, topics and concepts that need constant and further investigation and interrogation. Setting out

the framework for the thesis has guided the researcher to focus on the topic and to engage meaningfully with the salient issues pertinent to performance management and development in the public service. The objectives, problems to be investigated, and the key questions to be answered set the parameters for the area under investigation, namely, the performance management and development system, and it assists to maintain the focus of the research.

The education service is a very complex environment and it is often difficult to quantify the performance of the organisations that make up this service. Hughes (2003: 159) states that managers defend their performance or lack thereof by stating that the benefits accumulated particularly by public service oriented organisations is difficult to quantify and that empirical measurements do not present a true picture of what they actually achieve. This may be a "cop-out" in terms of accepting responsibility for poor performance.

The measure of the performance of an organisation is almost always done in terms of the achievement of managers' results, even though there are limitations in the measurement of results in certain complex organisations such as education (Hughes 2003: 160-161).

As indicated earlier, the matriculation results since 2004 in the KwaZulu-Natal Department of Education has been declining, the systemic evaluation results of grade six learners as reported in the Grade 6 Intermediate Phase Systemic Evaluation Report of 2005 (78-94) indicates that learner performance has been unsatisfactory. The SACMEQ II results of 2007 for Grade 6 reading and mathematics show that South Africa in comparison to other Eastern and Southern African countries has been performing poorly. Commentators lament that despite the vast expenditure in education, educational outcomes in South Africa compared to its neighbours, is far below standard.

Although managers are subject to a performance management and development system, the outcome of their performance seems not to reverberate throughout the system. It is expected that an investigation into the performance management and development system will elicit whether the system is in fact achieving the desired objective of improving performance and enhancing productivity.

Chapter one clearly delineates several issues that prompted the reasons for conducting the research and also systematically presents the framework that would

guide and direct the research. The ensuing chapters delineate certain key concepts and principles, reviews contemporary literature, spell out the methodology, present the data and eventually make some pertinent recommendations for application and further research.

CHAPTER TWO

Key Concepts and the *Batho Pele* Principles

2.1   INTRODUCTION

Elucidations of the key concepts that are integral to the research are important for an understanding of what will ensue in the subsequent chapters. An articulation of the different concepts such as performance management, performance appraisal and performance measurement will assist in demystifying the performance management and development paradigm. Managing the performance of employees is to control employee behaviour to meet the organisations pre-determined objectives. Appraisal is a technique used by management to assess the observed level of performance of employees towards meeting the stated objectives or the determined strategies as advocated by Kellough (in Ban and Ruccucci 2002: 183). Performance measurement is associated with the measurement criteria applied to ascertain how much of work has been performed, and whether the work has been meaningful or not. Quantity, quality, cost and time measurements are used to adjudge the amount and value of work performed.

The policy intentions of the White Paper on Transforming Public Service Delivery as promulgated in 1997 were to transform the work ethic, work culture and organisational culture of the public service, and to introduce a set of principles that would place the citizen at the centre of public service delivery in the country. The policy had implications for the way in which managers performed their work. In this regard, *Batho Pele* – "Putting People First" was the clarion call made to all public servants. There are eleven principles that foreground the citizen as the centre of service delivery. They are highlighted in the following order:

- Consultation;

- Service standards;

- Access;

- Information;

- Courtesy;

- Openness and transparency;

- Dealing with complaints;

- Leadership and strategic direction;

- Innovation and service excellence; and

- Service delivery impact.

Clarification of the key concepts and principles that are used in the research will assist in arriving at an understanding of the import of the thesis. A plethora of terms and terminologies combine to form the register of the performance management and development system arena, and an elucidation will further enhance the understanding of the research report.

2.2 PERFORMANCE MANAGEMENT

Performance management is about controlling the behaviour of employees and managers alike, and it refers to the processes involved in advancing progress that an individual or an organisation makes towards meeting stated targets or objectives respectively (Hughes 2003: 157). According to van der Waldt (2004: 39) performance management is an approach to management that integrates the contribution of managers and employees towards achieving an organisation's strategic goals. Performance management also refers to the many processes and systems that are established to manage performance in the organisation as a whole, in sections, in teams and individually (van der Waldt 2004: 39). The emphasis is on control to ensure implementation of organisational strategy to attain predetermined objectives and desired outcomes (Smith and Goddard 2002: 248). Effective performance management means performance planning, budgeting, implementation performance monitoring and evaluation and performance appraisal and reporting.

To demystify the performance management and development system for senior managers in the South African Public Service, Sangweni (2003: 20) writes that performance management is much broader that performance appraisal. It is a systematic process, involving employees to enhance organisational effectiveness while at the same time aspiring to meet the goals of the organisation. Accordingly, the writer states that; "It is therefore a comprehensive approach to performance that includes planning work and setting expectations, continually monitoring performance, developing the capacity to perform, periodically rating performance in a holistic fashion and rewarding good performance Sangweni" (2003: 20-21).

Traditionally, the focus by government has been on the budget and the quantum of public finances spent on various policies and programmes (Ketel and van der Molen 2008: 68). However, over the last two decades, the emphasis has shifted from management of resources and processes to measurement of outputs and outcomes (OECD 1997: 9-10). This point is a significant focus and milestone of this research. Two of the main obstacles to productivity measurement in government are the interdependence of government departments and the lack of operational and performance data to analyse productivity (Florkowski and Lifton 1987: 54).

2.3   PERFORMANCE APPRAISAL

Performance appraisal in the public service is a process of eliciting whether the employee has delivered on the outputs as stated in the work plan of the performance agreement. The delivery of the outputs is contingent upon the employer providing the necessary resources and creating an enabling environment to deliver on the outputs.

Performance appraisal is a feature of management control and the review of performance leads to acknowledgement, recognition and reward or alternatively can result in punitive action. The main purpose of appraisal is to improve productivity (Lovrich *et al* 1983: 24).

Daley (1992: 39) posits that performance appraisal is a management technique used in judgemental workforce decisions such as promotion, demotion, retention, transfer and pay. It is also used for employee development, through a process of feedback and training.

In research conducted by Lovrich *et al* (1983: 24) it was found that public service employees preferred that the supervisor and employee jointly rate previous year's performance and set goals for the coming year as compared to the traditional approach where the supervisor had the sole responsibility for assessing performance.

Vasu *et al* (1990: 336) state that performance appraisal is a form of measurement that attempts to evaluate employee work output. Since it is closely associated with salary and promotion decisions, it is therefore viewed, as a way of distributing rewards and punishment in an organisation. If performance appraisal is not dealt-with, in a fair and equitable manner, it can affect employee motivation and reaching organisational objectives.

Human resource management practices are placing more and more emphasis on performance appraisal systems.

Vasu *et al* (1990: 340) state that:

> "Performance appraisal can be an important tool in defining work that the organisation and its members have been designed to perform and help to evaluate the contribution of organisational members towards that end".

McConkie (1979: 33) in citing McGregor states that the most frequent complaint posited against the traditional approach to appraisal is that the manager is expected to "play God" in judging the personality of co-workers. The appraisal process is a one way conversation of what was expected and what was achieved. If there are no objective measurable outputs then process of appraisal could become "beauty contests". Outputs and outcome must be realistic and specific to the context in which the employee operates to counteract "sandbagging" by managers.

A way of counteracting the traditional approach to performance appraisal is for managers and co-workers to establish measurable and realistic outputs for which performance can be measured.

2.4   PERFORMANCE INFORMATION

In a results-oriented government, performance information aids governments to measure progress towards achieving their policy and programme goals, and it also provides information on which policy initiatives are working and which ones are not. When more and better quality information on the performance of programmes and departments are available, it has the potential to facilitate improved decision-making. Performance information increases the scope for accountability and transparency to the public and to oversight authorities (Lonti and Woods 2008: 72).

2.5   PERFORMANCE STANDARDS

Performance standards according to van der Waldt (2004: 63), is a specific level of performance, which is then used as a benchmark to assess other work performance. Performance standards indicate the standard that has to be achieved in respect of a certain type of work. It follows that it is an expected level of performance, in regards to a particular performance indicator, for a particular financial year and funding-level that has significance for the organisation. Performance standards are reflective of commitment to service, as it identifies the level of performance linked with the availability of funds. Service standards

particularly as they pertain to the Service Delivery Improvement Plan is enunciated at the outset, that is at the beginning of the financial year, and forms the yard stick for measuring the performance of a government department (*Batho Pele* Handbook 2003: 97).

2.6   PERFORMANCE BUDGETING

In the case of government, the budget is a financial plan, and it is expected that accountability can be provided in a political system, comprising of parliament and other oversight authorities such as the Office of the Auditor General (Lee and Johnson 1977: 10).

Budgeting often demands the making of policy choices driven by the insufficiency of funding. Funds are always in short supply, and therefore, finances have to be carefully managed to maximise efficiency and effectiveness. Efficiency is achieved by linking the policy-making process with the resources needed to make the policy a reality. The focus is on the goods and services to be delivered rather than merely calculating and concentrating on the input costs (Walker and Mengistu 1999: 30).

Since the 1960s, the planning, programming and budgeting system (PPBS) has been used. The planning, programming and budgeting system according to Golembiewski and Rabin (1997: 490) is elaborated as:

> "a rational decision-making technique which may be used to make more systematic decisions, given a set of objectives and the information at hand".

In the planning, programming and budgeting system, the emphasis is on the long-term outcomes rather than the short-term activity-based benefits. It is a process by which objectives and resources are combined to achieve a cohesive programme of action of government (Golembiewski and Rabin 1997: 491). This type of budgeting gives due consideration to the pursuit and achievement of policy objectives.

Since the introduction of budgetary reform in 1999, planning, programming and performance budgeting system has been in vogue in South Africa. Multi-year budgeting was introduced to remove uncertainty from the planning and forecasting process. The Medium Term Expenditure Framework (MTEF) was introduced where budgeting is done on a tri-annual basis (Walker and Mengistu 1999: 23). The first year entailed the actual allocation of funds and the two outer years are projections of possible allocations. Although, budgeting is done on a tri-annual basis, allocations are done annually. Multi-year budgeting has been an elusive myth in

South Africa since all budgets are prepared annually and the outer year projections are not in line with what is ultimately requested or received. However, it does entice accounting officers to plan programmes and projects in anticipation of receiving projected allocations. The myth was clearly observed in the 2009/10 financial year due to the global financial meltdown and poor revenue outlook in South Africa. Budgets were drastically cut instead of being increased as projected in the previous years, and this had serious if not deleterious effect on service delivery.

Of late, there has been a shift from programme budgeting to performance budgeting. This is an important consideration since it places renewed focus on performance management and the quest to optimise productivity of employees in the public service. According to Golembiewski and Rabin (1997: 289), while programme budgeting was effectiveness oriented, performance budgeting was efficiency oriented. Policy-makers have to choose between different alternatives to achieve the desired goals after having carefully conducted cost benefit analyses and impact-assessment studies to ascertain the most efficient route to follow in policy implementation. Lee and Johnson (1977: 9) state that in performance-based budgeting, the focus is on holding managers accountable and demanding efficiency of actions through a performance management system.

Performance-based budgeting in the public service began in America in the 1960s under the Planning Programme Budgeting System (PPBS) (de Woolfson Jr. 1975: 390). The intention of the Planning Programme Budgeting System was to shift the *locus* of budgeting from annual reviews to medium-term projections through programmes based on outputs rather than inputs (Bevan 1983: 730). Behn (2003: 590) states that the evolution of the Planning Programme Budgeting System to performance-based budgeting shifted the focus away from line-item expenditure to either performance purpose or to specific performance targets.

It is significantly noted; that since 1996, National Treasury has adopted, with some amendments, a Planning Programme Budgeting System to give budgets a structural framework and set the trajectory for performance-based budgeting. The current performance-base budgeting system provides foundational guidelines for performance management systems with all government departments. While it is easy to measure and assess the performance of a department from a performance-based budgeting perspective, this however, is not clearly evident when compared

with the performance of individuals within departments. Accordingly, Telleria *et al* (2002: 339) found in their research that the team-based approach to performance management had the effect of integrating all businesses processes to produce goods or provide services. The performance of individuals, especially those who perform support and administrative functions cannot be easily measured. The actions of individuals singularly do not support the strategy of the organisation. It needs collective action.

2.7 PERFORMANCE MEASUREMENT

Van der Waldt (2004: 49) provides a definition of performance measurement and states that:

> "Measurement is the yardstick by which the value of productivity improvement can be quantified and assessed".

A performance measure is a variable or an indicator that takes on past and future values, where past values reflect achievement and future values indicate performance targets. Performance measures quantify achievement of measurable objectives however, it is important to note that there may not be a strict one-to-one correspondence between performance measures and measurable objectives. Often complex formulas are used to arrive at performance measure indicators. Greatbanks (2007: 847) states that performance measurement in the public service can at times be unfit for purpose.

A series of performance measures determined by the Department of Basic Education in conjunction with the provincial departments of education form the set of core measures for the education service transversally. Each province may also determine provincial performance measures to track programmes that are unique to the province. Collectively these systemic indicators give a balanced and objective view of the performance of the Department as a whole. These high-level measures track performance in the areas of equity, efficiency, adequacy, access, output, quality, outcomes and impact (National Treasury and Department of Education Manual 2006: 81-82).

Critics of performance measurement cite that it may be a fleeting fantasy to which public service organisations only pay "lip service" (Patton *et al* 2002: 298).

2.8　　　PERFORMANCE INDICATORS

Allied to the setting of goals, is the setting of key performance indicators that provide the route map for assessing and evaluating whether the goals set are actually being achieved or not (Marais *et al* 2008: 379). Performance indicators are measures used to describe whether a programme or project is achieving its objectives or not (van der Waldt 2004: 3). They are seen as milestones. Binnendijk (2000: 6) writes that performance indicators are intended for the purpose of measuring progress in implementing activities and achieving results. Performance indicators shape thinking by focusing on what constitutes organisational performance (Barnetson and Cutright 2000: 280). Education agencies have to focus on educational outcomes and employment agencies on unemployment.

Performance indicators can be used in dysfunctional ways and can be the basis of manipulative organisational behaviour when used for the purpose of incentives and punishments (Barnetson and Cutright 2000: 281). Performance can be measured in several ways, using measures of cost, quality, quantity and time. Some of the performance measures are discussed below.

2.8.1　　　Inputs

Inputs are resources that are used to produce goods or services. Paying salaries, purchasing supplies and equipment are essential for the production of public goods or services (Keehley and Abercrombie 2008: 31). Without these resources obtained either from the taxpayer or from other sources, the process of providing public goods and services would not be possible. Eventually, the inputs utilised and the series of outputs produced must result in the stated outcomes of the organisation. This is often easier said than done. Economical use of resources ensures that input costs are minimised (Bates 1993: 16).

2.8.2　　　Outputs

Van der Waldt (2004: 21) avers that outputs are direct products or services, which can be measured in units. Keehley and Abercrombie (2008: 31) define it as "units of work produced by expending resources and completing the process". Outputs are the quantified statements of the goods and services produced by departments for communities, such as access to treatment at primary health clinics, disbursement of social welfare payments and pass rate of learners in the National Senior Certificate examinations. Output indicators measure quantity, that is, numerical volume and answers the question how much (Fryer *et al* 2009: 481). It

measures the quantum of products or services provided or number of beneficiaries. Output indicators are volume-driven. Outputs are the production of tangible enumerable goods and services, for example, number of schools built, learners passed matriculation examinations or learners benefiting from the national school nutrition programme. Inputs are the resources ploughed into strategies and programmes. Impact refers to the benefits derived from the implementation of policies and programmes. An interesting statement made by Keehley and Abercrombie (2008: 29) that:

> "Organisations assume that if enough of the right outputs are generated over time they will achieve their outcomes".

The above quotation implies that organisations do not produce outcomes, but premise the achievement of outcomes through the attainment of outputs (Behn 2003: 594).

2.8.3 Outcomes

Outcome indicators measure the achievement of goals and objectives. It ascertains to what extent the stated goals have been objectives achieved. Buckmaster (1999: 188) states that outcomes are the intended effects of what is done for people. Outcomes are the results that government wants to achieve, such as a reduced crime rate and increased employment opportunities which are in line with the articulated vision of the government-of-the-day. Outcomes are typically goals to be achieved over a period of time (Keehley and Abercrombie 2008: 29). Outcomes are achieved over a relative medium to long-term period.

Buckmaster (1999: 188) also contends that outcomes can be differentiated at three levels, namely: initial, intermediate and long-term. Initial outcomes are immediate benefits of either policy or programmes, intermediate outcomes have at least a year-long delay before the benefit is apparent and long-term outcomes are benefits derived long after the expiry of a year.

2.8.4 Impact

Impact indicators examine changes that take place. After the implementation of policies, programmes and projects, certain changes are expected. Impact indicators measure the desirable and undesirable changes that have taken place (National Treasury and Department of Education Manual 2006: 81-82).

2.8.5   Economy

Economy often refers to the acquisition of inputs of appropriate quantity and quality at the lowest cost (Glynn *et al* 1994: 246). All relevant costs of inputs should be included in any assessment of economy. These inputs can relate to human and financial resources, facilities, assets, information, time and various consumables. An economic measure is therefore, the ratio of the costs of the inputs in relation to the expected value of those costs (OECD 1994: 37). Fenwick (1995: 111) on the other hand, acknowledges that the most substantial definitions of economy are problematic because the quality, specification and contribution may be disputed. In practice, economy can be compromised between costs and quality. Although there is no consensus about what economy should mean, one could proceed from the basis that economy denotes the link between cost and quality, aligned to that institutions priorities and objectives (Fenwick 1995: 111). Bates (1993: 16) argues that economy ensures that input costs are kept at a minimum.

2.8.6   Efficiency

Efficiency indicators measure productivity and cost effectiveness. It examines cost, speed of doing work, turnaround times, timeliness and wastage. Efficiency denotes the relationship between inputs and outputs. An efficient activity produces the maximum output for any input received: it has minimum input for any given quality and quantity of services provided (OECD 1997: 60). Efficiency is measured in accordance with the following discussion:

Output-input ratio: The larger the ratio, the more output per unit of input and therefore, the more efficient the operation, be it an activity or programme. Efficiency can be improved in the following way (Fenwick 1995: 111-112);

- Increasing output for the given input;

- Increasing output by a larger proportion than the proportionate increase in input;

- Decreasing input for the same output; and

- Decreasing input by a greater proportion than the proportionate decrease in output.

The afore-mentioned ways of improving efficiency are linked to the following factors that indicate improved productivity through (van Niekerk 1989: 5-14):

- Output and input both increase but output increases at a much faster rate;

- Output and input both decrease but output decreases at a much slower rate;

- Output remains unchanged while input decreases;

- Output increases while input remains unchanged; and

- Output increases while input decreases.

The above discussion reflects that there are many ways of calculating efficiency, using either cost per unit, which is, using an input-output ratio or measuring input in monetary terms. Efficiency is a relative concept in that its measurability is not as absolute as productivity. Lane (2000: 244) states that to arrive at a decision on efficiency is matter of comparison over a period. Bates (1993: 16) on the other hand, argues that efficiency is about achieving maximum output with minimum input and costs sufficient to be effective. Effectiveness in the public service implies that adequate levels of public goods are produced or appropriate levels of services are in fact provided.

The concept of efficiency has two dimensions, that is, a technical dimension and an allocative dimension. The technical or operational efficiency refers to the input-output ratio compared against a standard ratio, which is considered optimal. Lonti and Woods (2008: 17) state that both input and output efficiency can be defined. Output efficiency refers to maximising output for a given set of inputs and input efficiency focuses on minimising inputs for a given set of outputs.

Allocative efficiency refers to using inputs in optimal proportions giving due regard for their cost and production technology. When technical and allocative efficiencies are combined, it results in economic efficiency. In order to measure efficiency in the public service, one of two ways can be used. It may examine the way resources are allocated and then trace technical inefficiencies by identifying opportunities for improvements in the ways resources are converted into outputs. Alternatively, it may identify inefficiencies in the mix of production factors. The first examines the product or service and the second, the processes involved in producing the product or providing the service.

Lonti and Woods (2008: 17) suggest that efficiency can also be achieved through

exploiting economies of scale. This however, may not be possible, given that public service organisations are constrained by political principals and legal requirements.

2.8.6.1   Measuring Efficiency

Measurement of input requires data on both costs and volume of public service provision. The problem though is that it is not straightforward, to measure the input and output variables for efficiency or productivity analysis as the provision of public services are complex activities with multiple inputs and outputs.

Given the difficulty of measuring efficiency in the public service, it resorts to measuring activities. These activities in education, for example, would be the number of school visits made by school superintendents of education. It becomes a challenge to merge performance measurement solutions imported from the private service into the public service (Greatbanks 2007: 848).

Outputs can be measured at different levels. Micro-level outputs go to the extent of capturing the output of both individuals and of organisational teams. Whereas intermediate measures capture outputs at the policy service level, macro measures capture outputs at the government-wide level. Macro efficiency measurement of output may be useful to distinguish trends but is less useful for managerial purposes. Typically, macro-level data encompass a diffused set of activities of numerous units. However, managers should only be accountable for concrete outputs that are controlled by the units they manage. Macro-level data cannot assist with understanding where efficiency problems occur, and therefore this information cannot tell managers where intervention may be necessary. On the other hand, micro-level measurement has more to offer to public managers since this micro-level focus is required if we want to gain an understanding of the underlying causes of inefficiency (OECD 1997: 14).

Lonti and Woods (2008: 18) state that measuring outputs can cause cheating or "gaming" particularly when output measures directly affect monetary or career incentives. This can happen in one of two ways: data can be deliberately captured in a misleading way or organisational behaviour can be adapted specifically in order to change the output measures regardless of other perverse consequences. Input measurement is simpler than output measurement. Accounting systems are institutionalised measurement for the input side.

Lonti and Woods (2008: 18) further state that for costs to be imputed to outputs, it is not only necessary to maintain a system of accrual accounting but also to maintain a management accounting system that splits out all costs to separate

outputs. This requires a complex financial system in government agencies to record all the costs of all the outputs produced.

Measuring efficiency presents its own set of challenges. One of the major challenges is that efficiency results are dependent on numerous "technical" judgements which are often more political than technical in nature. Effectiveness on the other hand, refers to the extent to which an activity or programme achieves its intended objectives. Its exclusive focus is outputs, outcomes and impacts (Glynn *et al* 1996: 246). Even if goods and services are provided economically and efficiently but do not achieve their intended objectives, resources will be wasted (OECD 1997: 61). Another dimension of effectiveness is the extent to which goods and services meet the needs and desires of the community the public service purports to serve (Epstein 1992: 66).

Epstein (1992: 167) states that in determining efficiency, an institution looks inwardly at its own operations to ascertain whether it is producing a reasonable amount of goods and services for each rand spent. Effectiveness, from a public management perspective looks to the public to determine whether the outcomes are making a meaningful impact in mitigating conditions in the community. Effectiveness focuses on whether public programmes reach their stated goals (Lane 2000: 244).

Effectiveness in service delivery demands more than sound technical and managerial skills. Social, economic, political and infrastructural factors demand attention as well. Studies in effectiveness should focus on epidemiological trends, impact and customer satisfaction.

It is therefore evident that economy, efficiency and effectiveness embody relationship between costs, resources, inputs, outputs, outcomes and impacts. These processes are all value-based (Fenwick 1995: 114 and Jones 1996: 90). Value-for-money based on economy, efficiency and effectiveness are in terms of Chapter 10 of The Constitution of the Republic of South Africa, 1996 guiding principles and values governing public administration.

2.8.7   Effectiveness

According to Osborne and Gaebler (1992: 356) effectiveness is the extent to which a policy, programme or project yields the stated or desired outcomes. Whilst efficiency is the measure of the quantity of a particular output, effectiveness on the

other side of the coin is the quality of the said output. Efficiency is about matter and effectiveness is about meaning. From this perspective, the effectiveness of public goods produced and services provided must give meaning to the lives of people (Osborne and Gaebler 1992: 352).

2.8.8 Equity

According to van der Waldt (2004: 11), the state has to ensure that all members of society, particularly the most vulnerable, also improve the state of their well-being. State resources have to be distributed equitably to address historical imbalances, particularly in respect of wealth.

Equity indicators measure whether imbalances are addressed and these imbalances could have arisen because of historical factors or the failure to appropriately implement previous policy initiatives. Historical factors refer to neglect by governments or abdication of responsibilities. Willcocks and Harrow (1992: 144) assert that equity is guarding against discrimination and it is about levelling the playing field. However, for equity to prevail, fair discrimination or affirmative action is encouraged.

2.8.9 Quality

Quality indicators provide insight into changes that are perceived to have taken place in institutions and individuals (Kusek and Rist 2004: 69). In the main, it measures perception on the part of customers, stakeholders and the expectation of groups. Quality is the aggregate of reliability, accuracy, courtesy, competence, responsiveness and completeness with reference to the product or the service provided. Van der Waldt (2004: 68) states that when the definition of quality has a customer-focus, it is about meeting and exceeding the expectation of customers. According to Kusek and Rist (2004: 69), the public service should be cautious about using too many qualitative means because firstly, it documents perception and secondly, it is difficult to verify since it is based on perceptions. Quality indicators are difficult to frame and rely on the co-efficiency of other indicators.

2.8.10 Adequacy

Adequacy indicators measure the resources invested to accomplish certain outcomes that are defined in policy statements. It deals with the sufficiency of resource allocation and scarcity of resources. If the resources to achieve specific

goals, objectives and outcomes are inadequate then the potential for the policy implementation to fail will be very high. Indicators of adequacy focus on how adequate the service is in terms of the basic resources needed to deliver the service. Adequacy indicators reflect whether the service passes minimum standards of decency and sufficiency (National Treasury and Department of Education Manual 2006: 81).

2.9 TARGET

A target according to the International Fund for Agricultural Development (http;//www.ifad.org/evaluation/guide) is "…a specified objective that indicates the number, timing and location of that which has to be realised". It is a quantifiable indicator of the goods or services that an organisation wants to produce or provide at a specific point in time with the resources available. Target setting is closely related to the strategic design, planning and budgeting process of especially, public service organisations. Setting of targets usually begins with a baseline indicator and moves towards a desired level. In this way, the starting point is knowledge and familiarity of the organisation's focus and vision, and the achievement or lack thereof is measurable. When setting targets, it always important to consider the resources available for the realisation of the target (Kusek and Rist 2004: 91). The authors Kusek and Rist (2004: 92) purport that when setting targets, it has to be borne in mind that the desired outcome is sometimes long term, complex and difficult to achieve. It is important that there is flexibility in setting targets and that due cognisance has to be taken of the fact that internal or external circumstances may change without warning, thus affecting budgets and other resources. This may require that the targets are re-set. Political games are often played with targets. Sometimes the targets are set too low which enables the achievements to be met with ease and other times, the targets are moved or shifted to fit the performance goal.

2.10 ACCOUNTABILITY

The concept accountability means, answerability for ones actions or inactions and to be responsible for the consequences thereof (Roberts 2002: 658). The consequences can be positive or negative. The public servant, be it a political representative or an administrator, is expected to plan strategically for the direction in which a department wishes to pursue. Roberts (2002: 659) refers to this as direction-based accountability. The outputs and outcomes to be achieved in

pursuance of goals and objectives are referred to as performance-based accountability. The development of laws, rules and regulations, which have the purpose of regulating, constraining and guiding behaviour, is called procedure-based accountability. Collectively, Roberts (2002: 659) calls these three types of accountabilities: firstly, the administrative model of accountability. This model offers comprehensive coverage on all aspects of what a government department is expected to do. Secondly, direction-based accountability provides the framework for establishing goals and objectives in line with the aims of the political or executive authority and aspirations of constituents. Lastly, performance-based accountability means setting the specifications for outputs and outcomes so that results can be measured in accordance with set goals, objectives and the norms of management practice. Procedure-based accountability sets the laws and rules for the manner in which officials must conduct themselves to ensure a high standard when functions are executed.

2.10.1 Accountability and Trust

The public model of accountability is not without its critics. Harmon (in Roberts 2002: 659) presented paradoxes of the model of accountability. The author upholds the view that it neglects the idea of agency and the responsibility of public officials in their personal capacity in favour of public accountability and obligation.

Accountability has its roots in trust and distrust relationship. Trust and distrust between administrators and politician can be understood at different levels of a continuum. As a result of different patterns of trust and distrust, accounting had to take on a different method. Performance management is seen as a strategy to deal with the trust-distrust relationship (Robbins 2000: 506).

Peters (1993: 249) refers to trust as the "X-factor" in any relationship. The glue holds the relation together. It is believed that the higher the level of trust, the lower the level of accountability and *vice-versa*. Where the levels of trust are high the levels of accountability are low and where the level of trust is low, levels of accountability are high (Hughes 2003: 250-251). Consequently, it is assumed especially in public service organisations, that if the level of trust is high, the levels of accountability is much lower and if the levels of trust is low, the need for accountability is much higher (Hood 1995: 94). Can it however be assumed, that the performance management and development system was introduced to mitigate

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the perception of the poor trust-accountability relationship evident in the Public Service?

The figure below depicts the trust-accountability relationship and illustrates the concept.

FIGURE 2.1: TRUST-ACCOUNTABILITY RELATIONSHIP
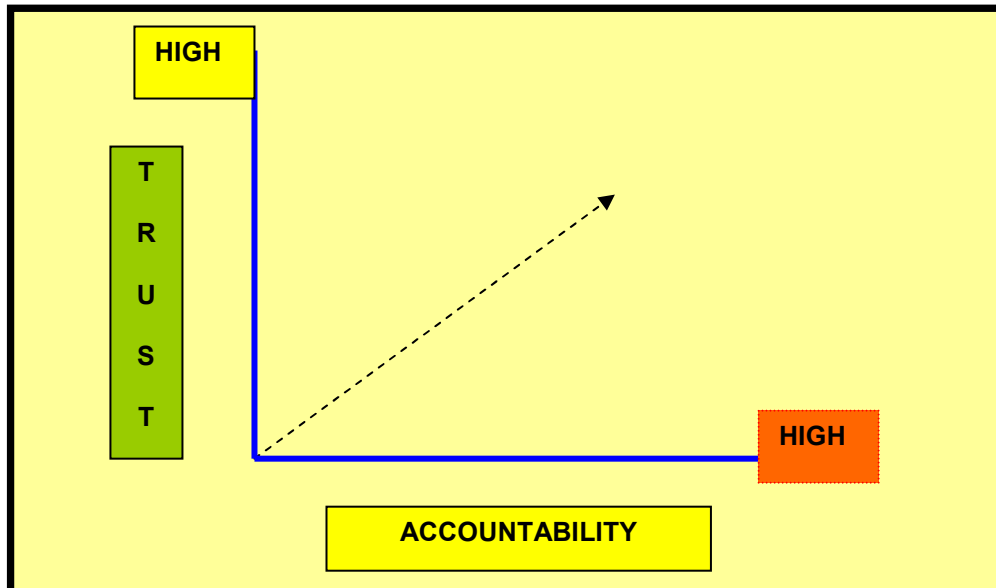
Author's diagram

2.10.2   Impact of Accountability

Accountability is critical to any performance-driven approach to the management of public resources. Accountability takes place at several levels. It takes place at operational or business unit level and also at the level of oversight authorities such as the Auditor-General and the National Assembly. Schacter (2000: 9) posits that failed accountability can be at the core of public service dysfunction. When there is a break in accountability mechanisms between a supervisor and a co-worker, this can ultimately lead to the entire team or unit becoming dysfunctional. There has to be systems, structures and strategies for accountability to happen at every level of public service organisations. Managers must take cognisance of the fact that access to information on public expenditure and public programmes are the pillars of South Africa's public administration value system (Section 195 of The Constitution of the Republic of South Africa Act, 1996).

Accountability of public administration according to Haque (2000: 599) has been a matter of grave concern in all societies and civilisations. Since the forced

introduction of public service reforms by donor agencies and international financial institutions such a the World Bank and International Monetary Fund especially on developing countries, the principles and practice of the business service was adopted in the public service.

Accountability changed from one of delivering public goods, maintaining neutrality and guaranteeing equality and justice to one of ensuring efficiency, outcome, competition, value-for-money and customer orientation (Haque 2000: 600).

According to Kooiman and Eliassen (1987: 80) accountability can also be an obstacle to performance management because of structural constraints and the rigidity and inappropriateness in regards to accountability procedures. Instead of being facilitative, it can actually be inhibitive thus affecting effective performance.

2.10.3   Accountability Standards

Haque (2000:601) argues that traditionally the purpose of governance was to achieve socio-economic progress, law and order, poverty alleviation, employment creation and general public well-being, which was underpinned by values such as impartiality, equality, integrity, fairness, welfare, citizenship and justice. However, with new public management paradigm espoused by Reagan and Thatcher in the 1980s, a new set of rubric such as efficiency, economy, competition and value-for-money and performance-related pay was unleashed onto the public service. Haque (2000: 601) goes on to state that the private service ethos invaded the functionality of the public service. It follows then that the diction changed from public service management to enterprise management (Osborne and Gaebler 1992: 17).

This paradigm shift implied that governments instead of being answerable for the welfare of citizens, citizens' rights, poverty eradication, impartiality, fairness, representation and justice, are becoming more and more accountable for accelerating economic growth, boosting efficiency and productivity, encouraging competition, maximising profit and ensuring cost-effectiveness Haque (2000: 601). Accountability has become instrumental in nature where the emphasis is on procedural economic criteria such as efficiency and productivity rather than on substantive public concerns such as equality and representation.

The New Public Management approach has propelled government from playing a more active, direct and leading role to a role that is passive, indirect and facilitative. Furthermore, Haque (2000: 602) laments that this approach poses certain

challenges to public accountability. The indirect role, using agencies to deliver services results in the services delivered being intangible, immeasurable and unverifiable. It is much easier to verify the activities of a government, housing agency when it is directly involved in the building of houses as compared to when it is contracted out to private service firms.

It follows from the preceding discussion that the main objectives of performance management are to improve accountability and results of the public service (Hughes 2003: 250). Improving public service productivity and efficiency, as well as enhanced responsiveness of the public service, are considered important goals. Performance management focuses more on assisting reallocation of resources and putting them to effective use rather than finding direct savings on the budget.

Accountability does not imply simply providing information or answering questions to oversight authorities, but includes setting goals, reporting on results and there being consequences of getting things right or wrong, including rewards or sanctions as appropriate.

Proper accountability is perceived to be threatened by failure to specify the goals and purposes of the organisations and programmes. Corporate planning, programme management and budgeting and associated mechanisms such as monitoring and evaluation are intended to reduce this risk. There is also a threat to accountability if reporting mechanisms are complex and cumbersome.

The Public Finance Management Act, 1999, enforces accountability as well as financial controls. Emanating from the tenets of this milestone legislation, annual reports are now the key performance reporting documents and are required to provide information to enable Parliament to make a fully informed judgement on the performance of a department or agency.

2.11   MONITORING AND EVALUATION

According to Kusek and Rist (2004: 15), monitoring and evaluation are designed to answer the question, "so what". This question is begged after policies have been put in place, activities have been undertaken and outputs produced. Since the KwaZulu-Natal Department of Education is expected to tangibly demonstrate results produced from their policies, programmes and projects undertaken from the allocated funds, monitoring and evaluation is fundamental to all activities undertaken in the organisation.

Moorman and Wells (2003: 5) argue that the primary reason for implementing performance monitoring and evaluation systems is to gather data that can be utilised to improve the performance of the workforce. Monitoring, measuring and evaluating the performance of individuals and consequently the organisation, has to be a key feature of any service delivery programme.

The education service has to also ensure that its goals, objectives and targets are being realized. This therefore requires constant monitoring and evaluation of its policies and programmes. In addition, the provincial departments must account to the national Department of Education, the national and provincial treasury and the public at large regarding the management of public resources.

Obtaining value-for-money is more than direct fiscal savings, it also constitutes the way in which the department goes about its day-to-day business to maximise outputs. The department must take cognisance of the fact that while resources are limited and in short supply, there is an ever-increasing demand for quality service that must be provided by the state. It therefore becomes imperative to concentrate on areas of efficiency savings. Tasks should be carried out efficiently, in other words, they do not have to be repeated or done without purpose. The increased savings for the state are then invested back into the community to improve the quality of service to the citizenry. This means that officials have to work tirelessly and concentrate on improving effectiveness and efficiency without using additional resources. Money being in short supply means that more needs to be done with less, whilst at the same time improving the quantity and quality of services rendered. Performance of senior managers must be such that their creativity, ingenuity and resourcefulness are extolled to the optimum, lending themselves to improved service delivery and achievement of the goals of the Department. Alternate cost-effective modes of providing services must be sought and applied. Improving systems and processes as well as streamlining and improving procedures will not only reduce costs, but will also improve the quality of services rendered. Senior managers and their colleagues must strive at all times to get best value-for-money that is allocated to them to deliver services. Managing performance and utilizing resources aimed at maximising benefit to all customers is what senior managers ought to strive towards. If plans are designed to meet the goals of the Department and if operational and implementation plans are fully

focused to meet the goals of the Department, then managers find it easier to account for performance.

2.12 TRAINING AND DEVELOPMENT

Training traditionally refers to the acquisition of skills through continuous practice to perform ones work competently. Grobler *et al* (2002: 315) state that training and development have seven key objectives. These are listed as: improving employee performance, updating skills, preventing obsolescence, solving problems, job orientation, career advancement and personal growth. Development focuses on a broad range of skills and training focuses on specific technical skills to conduct certain tasks (Grobler *et al* 2002: 314). Employees who perform unsatisfactorily are the ones that are identified for training. Training is also provided to those who do not have the skills to be competent on the job. When employees do not perform at an expected level or an expected standard, they become prime candidates for training so that the core skills can be acquired to perform competently. Training cannot solve all the challenges associated with poor performance however, it can minimise ineffectiveness.

Despite training being propositioned as the "panacea" for poor performance, Olowu and Adamolekum cited in a paper presented by van Dyk-Robertson and Professor Abdullah at the 6th Annual Pan African Conference of Ministers of Public Administration (2009: 47), a scathing response was made on approaches to training in public service training institutions. The authors argued that:

- Training is viewed as an event and not part of the organisations growth and development;

- Trainees are selected on the basis of organisational politics and patronage rather than on the basis of addressing skills deficits in specific individuals;

- Trainers are often incompetent on skills transfer;

- Curricula and models are borrowed from the private service;

- Relevance is compromised by the classroom-based academic-style of teaching; and

- Training evaluation focuses on assessing "happiness" levels rather than on skills, knowledge attitudes and job performance.

It can be argued that development is much broader than training. It focuses on higher level skills such as decision-making, planning, organising, communicating, motivating and developing interpersonal relationships. Development is ongoing whereas training is for a specific period (Grobler *et al* 2002: 314-15).

Besides skills, training and development for effective performance of work employees should also be provided with other life skills so that work performance and productivity are also enhanced. Employee assistance programmes coupled with development or training is underpinned by the theory of salutogenesis. This theory according to Boninelli and Meyer (2004: 309) presupposes that an individual can be either healthy or ill. A healthy individual will have the skills to cope with work stress and the demands of a job, whereas an ill employee will not be able to cope. Having the various life skills required to perform ones work, makes one a more effective person no matter what the situation demands.

2.13   *BATHO PELE* PRINCIPLES

In 1997 the then Minister of Public Service and Administration, Zola Skwewiya introduced the White Paper on Transforming Public Service Delivery, which is commonly referred to as the *"Batho Pele"* White Paper. *Batho Pele*, a *Sesotho* word means "Putting People First". The main thrust of this principle is that the public service function economically and efficiently in order to give citizens the best possible value-for-money. It is noted that the White Paper on Transforming Public Service Delivery, 1997 is an approach to transform the way public services are delivered.

In this regard, Khoza (2002: 33) argues that:

> *"Batho Pele* is not an end in itself, but a means designed to achieve the broad objective of transformation in the public service, as well as in the country as a whole. In essence, *Batho Pele's* success and pace will significantly be influenced by the determinants of broad social transformation".

The social transformation that Khoza refers to is one of changing the way in which public services were delivered in the past. Under the A*partheid* regime, there was systematic denial of services to the majority of people of the land and the level of services provided was of poor quality. People were treated shabbily and their human dignity was often trampled upon. Whilst quality of public services is often influenced by various challenges, it should however be purpose-specific, timely,

and responsive to the needs of the users. It also includes a professional and respectful relationship between service providers and service users.

The introduction of the White Paper on Transforming Public Service Delivery in 1997 was not to be viewed as an exercise in public relations. It was a deliberate strategy to instil a culture of accountability, performance orientation and a caring nature by public servants. Its intention was to raise accountability levels and introduce a performance management culture in the Public Service. The strategy aims to develop public servants who are service-oriented, striving for excellence and to commit to continuous service delivery improvement. The White Paper on Transforming Public Service Delivery when customised by different government departments was the platform for the Citizen's Charter which is seen as a semi-formal contract between government and the public (Bates 1993: 30).

The eleven principles embraced by the KwaZulu-Natal Provincial Administration hopes to focus the business of public servants to deliver quality services so that the pride of the community is upheld. It also hoped to consequentially change the way business was done. The principles of *Batho Principles* are aimed at changing organisational culture from one that has been disengaged to an engaging organisational culture that seeks ways and means of continuously improving individual performance, and consequently improving organisational performance. The *Batho Pele* Principles cannot be dealt with separately from the ethos, culture and performance of the organisation.

2.13.1   Consultation

Consultation is integral to the way modern public organisations are managed and it lends credibility to planning (*Batho Pele* Handbook on Service Delivery 2003: 126). On the principle of consultation, it is clearly stated that:

> "Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered" (White Paper on Transforming Public Service Delivery 1997).

There are several ways of consulting customers. Some strategies are simple and inexpensive whilst others are more costly and often take longer. Consultation can range from formal written questionnaires and surveys to informal consultation such as face to face interviews, meetings with focus groups and suggestion boxes. Each

method will depend on the individual circumstances of the department or sections within departments and the characteristics of customers (*Batho Pele* Handbook on Service Delivery 2003: 144).

Consultation should be undertaken in a systematic way and consultation plans should be included in the Service Delivery Improvement Plan of a department or component. A budget should be provided to enable proper consultation with customers to take place. The White Paper on Transforming Public Service Delivery (1997) states that:

> "Consultation will give citizens the opportunity of influencing decisions about public services, by providing objective evidence which will determine public service delivery priorities" (White Paper on Transforming Public Service Delivery,1997 Section 4.1.1).

Consultation can also help to foster a more participative and co-operative relationship between the providers and users of public services. It is important that consultation covers the entire range of existing and potential customers. Therefore, at the outset, all existing and potential customers who access the services provided should be clearly identified and categorized. These should include groupings of organized labour, business, religious as well as community based and cultural office-bearers. It is however, essential that consultation should include the views of those who have been previously denied access to public services. Section 4.1.2 of the White Paper on Transforming Public Service Delivery (1997) states that particular effort must be made to include the views of those who have been previously disadvantaged or who, due to geography, language barriers, fear of authority or any other reason, have previously found it hard to make their voices heard. Sensitivity should always be shown in the consultation process so as not to impair the dignity of people by compromising unnecessary personal information.

Consultation according to the White Paper on Transforming Public Service Delivery (1997) should include canvassing customers on their needs and views on the level, quality and choice of services provided, as well as the setting of standards, access to services and also the level of satisfaction with regards to the services rendered. It is important that staff is made aware of the results of the process of consultation to ensure awareness of how the services are perceived. These results must be taken into account, in the preparation of a service delivery improvement plan.

Consultation should not lead to the raising of unrealistic expectations. It should provide an understanding of the public's most pressing needs and then to find the resources to address these needs. The principles of *Batho Pele* should not be seen as a separate entity from Government's overall strategy of improving public service delivery. It forms part of the performance management and development system, which is emphasized in the introductory typology of this thesis.

2.13.2   Service Standards

Citizens should be told what level and quality of public service will be delivered in accordance with perceived expectations. Given that the taxpayer is the provider of salaries and resources for the effective and efficient provision of public services, a certain level and quality of public service is expected. The White Paper on Transforming Public Service Delivery (1997) defines service standards as:

> "Commitments to provide a specified level and quality of service to individual customers at any given point in time. Standards are different from targets, which express longer term aims for the ultimate level and quality of service to be achieved".

Standards are the minimum norm for respective departments and components. Service standards must be relevant and meaningful to users and they must be expressed in terms that are relevant and easily understandable. Section 4.2.1 of the White Paper on Transforming Public Service Delivery (1997) states that:

> "Standards must also be precise and measurable so that users can judge for themselves whether or not they are receiving what was promised".

Some standards will deal with processes for example, how long it will take to reply to a query, whilst others will focus on outcomes. Service standards must be set at a level, which is demanding but at the same time realistic. Standards set must relate to both line function and customer interaction or satisfaction. It must be possible to measure key aspects such as standards in terms of quality, quantity, cost and time. Standards set need to be specific, measurable, challenging and realistic, and should reflect those issues that are most important to service issues. The standards set have to be validated independently by the users themselves.

It is proposed that service standards meet with the approval of the relevant Member of Executive Council (MEC) before they are adopted. The Superintendent-General

must inform the MEC of the service standards that are being set. The service standards are part of the performance management system and sets out the indicators by which a department can be measured. Section 4.2.4 of the White Paper on Transforming Public Service Delivery (1997) outlines that:

> "Service Standards must be published and displayed at the point of delivery and communicated as widely as possible to all potential users so that they know what levels of service they are entitled to expect and can complain if they do not receive it".

Provincial government should publish performance standards and the performance against standards of each department must be regularly measured with the results published at least once a year and more frequently where appropriate. Accordingly, Smith (1990: 54) writes that publishing results is in effect, an attempt to address all levels of accountability.

Annually, performance standards must be reviewed to ascertain whether they are being met, and to progressively raise the bar each year. The purpose of announcing a set of performance standards is to give an undertaking of the level of performance that a client can expect from a department or a service centre. Allen-Ile *et al* (2007: 404) state that it is a way of highlighting the responsibility that public servants have towards ensuring a high level of service delivery.

In an evaluation of the implementation of the principle of service standards as enunciated by the White Paper on Transforming Public Service Delivery (1997) that was conducted in 131 government departments both provincially and nationally by the Public Service Commission, it was found that (Public Service Commission Report 2005: 20):

- Departments focused on what was easy to measure rather than on the substantive deliverables for which they were responsible;

- Departments were spending an inordinately high amount of time trying to meet unrealistic standards and forgetting about their core functions; and

- Standards were developed away from the delivery sites and those responsible for delivery were not intimately involved in the delivery of services.

It is evident from the afore-going discussion that many government departments are implementing the principle of service standards simply as a matter of compliance rather as a means for improving services by constantly measuring the services provided. This gap is emphasized as a key focus area, amongst others in the research.

2.13.3 Access

All citizens should have equal access to the services to which they are entitled. It is ironical that whilst some South Africans enjoy public services that can only be described as "first world", others have no or little access to the services provided. One significant factor affecting access is proximity to these services. In the past era, all services were concentrated in urban areas and excluded the rural poor who travelled long distances at high costs and time to enjoy access. Increasing access, according to Sekoto and Straaten (1999: 107) is aimed at rectifying a previously untenable situation of uneven distribution of existing services.

Access for people with disabilities must be given due cognizance including those who do not have a good command of the languages of business. Access can range from physical access such as ramps for the disabled and the elderly, proximity of services to customers, social access including having a good understanding of customers' needs, language and culture, as well as a positive attitude of staff towards better service delivery. Addressing these issues will result in a better, more customer-focused service. Public service organisations need to demonstrate that targets have been set and met, and what policies and processes are in place for improving access to services. The issue of removal of both internal and external barriers to provision of better services is a key determinant to be noted.

2.13.4 Information

Providing information to the public is about keeping the public informed. Citizens should be given full and accurate information about the public services they are entitled to receive. In this regard, the White Paper on Transforming Public Service Delivery (1997) states that:

> "Information is one of the most powerful tools at the customer's disposal in exercising his or her right to good service".

This principle is about informing customers the range of services they have a right to receive and how to go about accessing these services. It is also about informing

customers on changes to existing services and a focus on the availability of new services. It is important to ensure that all those who need it, especially, those who have been previously excluded from the receipt of public services, receive information. This is captured in the White Paper on Transforming Public Service Delivery (1997 Section 4.5.1) which clarifies that:

> "The consultation process should also be used to find out what customers and potential customers need to know, and then to work out how, where and when the information can best be provided".

The above policy position further elaborates that the information must be provided in a variety of media and languages to meet the differing needs of different customers. Every opportunity should be used to provide information to customers in way that is simple to understand and free of jargon. Written information should be tested in the largest audience for readability and comprehensibility. The department should disseminate a Service Commitment Charter to all their customers. The content of the charter has to be developed following consultation with and feedback from customers. Information about services should be available at the point where service delivery takes place and other arrangements should be made for users who are located far from the point of delivery. Regular visits should be made to remote communities to disseminate information.

Dissemination of information allows citizens to carefully monitor service delivery as it pertains to the public service as well as keeping a watchful eye on public expenditure. These variables could have a powerful positive effect on the attitude and behaviour of public officials. The timely dissemination of accurate information is an abiding tenet of *Batho Pele*.

2.13.5 Courtesy

The essence of this principle is that citizens must be treated with courtesy and consideration. It is generally accepted that courtesy and regard for the public is one of the fundamental duties of the public service. This principle means that customer care in its broadest sense, from addressing customers politely in an appropriate language, to doing everything possible to assist them to receive the highest standards of service, is an expression of courtesy. The White Paper on Transforming Public Service Delivery, (1997: Section 4.4.5) states that:

"The performance of staff who, deal with customers must be regularly monitored, and performance which falls below the specified standards should <u>not</u> be tolerated".

Both senior and junior members of staff have a duty to ensure that the behavioural norms of their departments are in accordance with the principles of *Batho Pele*. The Senior Management Service need to be able to demonstrate that they are personally encouraging, monitoring and enforcing good customer-care and that they receive negative and positive feedback on levels and quality of courtesy and helpfulness provided. Customers' perceptions of the level of courtesy should be measured regularly, steps taken to address any problems identified and the results fed back to both customers and staff.

In a study conducted by the Public Service Commission on the application of the principle of courtesy, the following emerged (Report on the Evaluation of the Implementation of the *Batho Pele* Principle of Courtesy Public Service Commission 2009: 27-28):

- Only a few departments that participated in the study, rated performance in implementing the *Batho Pele* principle of courtesy as good;

- 2% rated their performance as good in a self assessment questionnaire;

- 50% percent as above average;

- 23% percent as average; and

- 2% below average and 23% did not score themselves.

The above exposition is an indication that government departments are performing poorly in the implementation of the principle of courtesy. The main challenges facing the departments that participated in the study were a lack of dedicated persons to implement the principle of courtesy. Staff lacked understanding of how the principle should have been implemented. This affected the operationalisation of the principle. Management had little influence in championing the implementation of the principle of courtesy since it is viewed as frontline staff responsibility. Implementing the principles of *Batho Pele* is not part of the performance management system of government departments and is seen as an "add-on" to the day to day activities of departments (Report on the Evaluation of the Implementation of the *Batho Pele* Principle of Courtesy Public Service Commission

2009: 27-28). This viewpoint could be seen as a serious anomaly for public institutions and the reputation of the public service.

2.13.6 Openness and Transparency

Citizens should be told how national and provincial government departments function, costing and budgeting and who is in charge. This is the hallmark of democratic governance, and is fundamental to the public service transformation process. Being open and transparent is about letting your customers know whether you are achieving the promised standards of service, what resources are consumed and how non-delivery is addressed.

The White Paper on Transforming Public Service Delivery (1997: Section 4.6.3) suggests that Annual Reports should be published to citizens setting out the following key information in simple language:

- Staff members, employers and details of senior staff;

- Performance against targets for improving service delivery and savings as well as increased efficiency;

- Resources consumed and income received;

- Targets for the following year; and

- Names and contact numbers for further information.

Knowing who does what, where and with how much will not only boost the image of the public service, it will also inspire public confidence amongst the citizens.

2.13.7 Dealing with Complaints

Public Service organisations need to demonstrate that:

"If the promised standard of service is not delivered, citizens will be offered an apology, a full explanation and a speedy and efficient remedy, and when complaints are made citizens should receive a sympathetic, positive response" (White Paper on Transforming Public Service Delivery 1997: Section 4.7.3).

When things go wrong, it is important to put appropriate mechanisms in place to deal with them. When a complaint is received, it is an indication (White Paper on Transforming Public Service Delivery 1997: Section 4.7.3) that the citizens are not satisfied with the standard of service being provided, and it becomes incumbent

upon the managers to establish ways of measuring all expressions of dissatisfaction. Complaints should be welcome as it provides an opportunity to improve service and to remedy identified weaknesses. Systems and procedures need to be established for citizens to lodge their complaints and for complaints to be dealt with adequately. It should include accessibility, speed, fairness, confidentiality, responsiveness, review and training of staff. Access means that the complaints system must be well publicised and easy to use. Complaints, no matter how trivial must be dealt with promptly and all complaints must be investigated so that services may be improved. Taking complainants into the confidence of the public servant would allow free flow of information and trust between the public and the public service.

2.13.8   Value-for-Money

In the public service, value-for-money can be termed as "proxy for profit". Public service institutions whose primary purpose is to provide high quality goods and services to the public may pursue this issue as normative guidelines (Jones 1996: 897). Value-for-money can be defined as the economic acquisition of resources and their efficient utilization to realize the objectives of an institution, simultaneously achieving economy, efficiency and effectiveness (Rouse and Putterill 2003: 801-802).

Section 195 of The Constitution of the Republic of South Africa, 1996, makes it abundantly clear that the public service must provide services in a manner that promotes; "efficient, economical and effective use of resources". Amongst the eight cardinal principles enunciated in the White Paper on Transforming Public Service Delivery (1997), "value-for-money" is integral to service delivery. One of the key aims of *Batho Pele* is to find ways to simplify procedures and to eliminate wastage and inefficiency. All departments are required to identify areas where efficiency savings will be found, and ensuring service delivery improvement from such savings.

Public services should be provided economically and efficiently in order to give citizens the best possible value-for-money. This is in accordance with the prescripts of the Public Management Finance Act, 1999, a paradigm synonymous with the New Public Management (Pollitt 1996: 82). While much attention has been paid to improving the financial management capabilities of managers in the public service,

concomitant attention has not been given to human resource management (Pollitt 1996: 82).

Departments must be able to demonstrate performance-driven results especially through the re-configured Service Delivery Improvement Plans that they are getting the best possible value and quality for money against the resources available to them. It is should be noted that this is not always a financial consideration. It also includes meeting customer needs by using all resources, staff, skills and materials in a cost-effective and productive manner whilst ensuring the best quality. Financial and other risks must be carefully quantified and systematically managed. Financial management and control must be strengthened to prevent fraud and corruption. Procurement processes must ensure value-for-money with quality goods at best prices.

2.13.9 Leadership and Strategic Direction

Further to the eight principles discussed above, there are three additional principles embraced by the KwaZulu-Natal Provincial Administration. Organisations that do well in serving their customers can demonstrate that they have leaders who lead by example, set the vision and ensure that the strategy for achieving the vision is owned by all who are properly deployed throughout the organisation (Brewster *et al* 2010: 59). Good leadership is a critical ingredient for an organisation to be successful. Good leaders take an active role in the success of the organisation.

Good leaders ensure that they set out and form partnerships with other components and organizations serving the same customers and that they actively involve and support the community or their customers in meeting their needs and expectations. Leaders particularly in the public service, have to ensure that there is good and proper monitoring of all aspects of performance on an individual, team and at the organizational level. The role of leaders in an organisation is to ensure that resources are used wisely and all customers and stakeholders are given the opportunity to regularly scrutinize performance against results.

In accordance with the prescripts of the Public Finance Management Act, 1999 the general responsibilities, among others, of the Accounting Officer is highlighted as follows:

"….ensuring that the department, trading entity or constitutional institution has and maintains effective, efficient and transparent systems of financial and risk management and internal control".

As illustrated in the afore-going extract, one of the aims of the White Paper on Transforming Public Service Delivery (1997) is to find ways to simplify procedures and to eliminate wastage and inefficiency. All departments are required to identify areas where efficiency savings will be found and put into place systems and mechanisms to improve service delivery and at the same time get value for money. Service delivery must ultimately be in the interest of the citizen (Kroukamp 1999: 302).

Since 1 April 2006, all senior managers in government have to indicate which of the *Batho Pele* Principles are being addressed with each of the key result areas in their performance contracts. This is an important consideration for this research study. Managers must be able to demonstrate through their service delivery improvement plans and their work plans that they are getting the best value-for-money, in the production of goods and services with the resources available to them. This should not always relate to direct financial considerations it could also include meeting customer needs by utilising all resources, staff, skills and materials in a cost-effective and productive manner whilst ensuring the best quality. To reiterate, financial and other risks must of necessity be identified, quantified, calculated and managed systematically. Financial management and control must be strengthened to prevent fraud and corruption. Procurement processes must ensure value-for-money, where quality goods and services are obtained at best prices.

2.13.10   Encouraging Innovation and Rewarding Excellence

Organisations need to show that staff commitment, energy and skills are being harnessed to tackle inefficient, outdated and bureaucratic practices, to simplify procedures and to identify new and improved ways of delivering services. It is important that departments provide conducive environments and enhance their staff capacity for the delivery of services to be effective. It is therefore necessary that efforts of staff, individual or groups who perform well in providing good customer service are duly recognized and appropriately rewarded.

It can be accepted that innovation needs creativity and creativity is the means of achieving innovation. Innovation not only involves the designing of entirely new and

original processes and products, but also the improvement of existing processes and products. Improvement requires better ways of doing things. Problem solving is the traditional method of creative thinking and involves both analysis and design of solutions or mechanisms that prevent the problem from occurring in the first instance. Any organisation that desires creativity has to provide the right working environment.

2.13.11   Service Delivery Impact

This principle calls for a holistic approach to the implementation of all the *Batho Pele* Principles so that it has a positive and meaningful impact on service delivery. It is therefore, about demonstrating through the sum total of all *Batho Pele* initiatives, to what extent the aims of *Batho Pele* are being achieved.

Impact as defined by the Public Service Handbook on Performance Management and Development System for Senior Management Service (2003) refers to the changes and consequences that result from specific activities and these are assessed in terms of the contribution made to the achievement of the goal. It is therefore important or necessary to assess and record the level of customer impact for all areas of the services that the department provides.

Impact assessment studies need to be carried out to ascertain whether the service provided is producing the desired outcomes. Furthermore, impact assessment results must be published and steps must be taken to improve on the expected outcomes.

2.14   SUMMARY

As indicated earlier, clarification of certain key concepts and elucidation of the *Batho Pele* Principles serve to set the stage for what unfolds as the thesis is further expounded. The performance management movement began in the 1970s and as it grew, more concepts were incorporated into its register. The definition and discussion on afore-mentioned concepts provides clarity and demystifies the arena of performance management.

Performance management is about improving performance, delivering service and utilising resources judiciously. Key concepts such as input, output, efficiency, effectiveness and economical use of resources and the *Batho Pele* Principles stem directly from section 195 of The Constitution of the Republic of South Africa, of 1996. This has spawned several other legislations such as the Public Management

Finance Act, 1999, the Public Audit Act, 2004 and other human resources policies such as the Performance Management and Development System.

Providing an in depth understanding of the *Batho Pele P*rinciples helps to place into context the policy intentions and the objectives of the White Paper on Transforming Public Service Delivery (1997). The performance management and development system, which is seen as a policy injunction, and the White Paper on Transforming Public Service Delivery (1997) have been jointly promulgated to improve service delivery in the public service. From a systems and theoretical perspective, the concepts and principles discussed above, conflate in either characteristic or non-characteristic ways and provide the context for managers to work towards influencing the goals and objectives that need to be attained by the organisation.

CHAPTER THREE

Conceptual and Theoretical Perspectives

3.1   INTRODUCTION

The performance management and development system (PMDS) as it applies to the public service in South Africa is grounded in several theories. The two main theories explored in this thesis, because of their relevance to the performance management paradigm are goal-setting theory and the principal agency theory. Public policy guides the direction in which actions must be pursued to address a specific concern or a series of concerns that manifest themselves in a society. Policies are calculated purposive acts, designed to address specific concerns.

Hanekom (1987:8) stated that;

> "Public policies are about the intentions of the legislator towards society, about the direction in which the legislator wants to steer society and the utilisation of national resources".

In a democracy and contrary to what Hanekom (1987: 8) stated, it is not only about; "… the intentions of the legislator …" it is also about the needs of society and the representation to enact those needs entrusted in the legislators and government. Policies frame the scope for planning and goal realisation. Principally, policy articulation should address a specific societal need. The role of legislators is firstly, to address those needs and secondly, to monitor whether administrators are addressing the needs through the implementation of policies.

Goal-setting theory purports that when policies are designed and concomitant goals are appropriately set, they lead to better performance outcomes. Goals direct the action, which will provide the results (McConkie 1979: 32). In a public service environment and principal agency theory, the preferred theory is about contractually devolving authority and accountability to implement policies enacted by legislators. It can also refer to interventions articulated by government from an executive authority to public administrators and systematically holding administrators responsible for delivery of public services.

Theories according to Creswell (2008: 51) are propositions that assist in understanding the relationship amongst variables.

3.2   PRINCIPAL THEORIES: FOUNDATION TO THE RESEARCH

Theories provide the basis of understanding certain concepts such as performance management and development, and how these concepts impact on reality. The two theories, namely, goal-setting and principal agency theory form the foundational framework of this thesis. These are discussed in detail in the subsequent section.

3.2.1   Goal-Setting Theory

The goal-setting theory was popularised by the Management by Objectives (MBO) paradigm which emphasises participative setting of goals that are tangible, verifiable and measurable (Robbins 2003: 56). Patton *et al* (2002: 290) state that in the MBO performance model, the collective setting of goals by managers and co-workers became the basis for assessing performance at a later stage. Management by Objectives was a move away from management of activities. Norton (1976: 21-22) cites McGregor and highlights that, in the Management by Objectives paradigm, employees can achieve their own goals by focussing their efforts towards the goals of the organisation. It needs to be pointed out that a high degree of trust is anticipated between the supervisor and the co-worker.

It is contended that specific, difficult goals lead to higher performance than no goals or vague ones. Providing employees and the organisation feedback is necessary to compare performance against goals. Grobler *et al* (2002: 315) aver that feedback is essential because employees have the desire to know what their supervisors think of their performance. Motivation to improve on current performance and aspire to higher future performance rests on honest and genuine feedback. It also affects the employees' perception of the performance evaluation system (Yeager *et al* 1985: 571). Performance in an organisation cannot improve if there is no strong commitment to goals. If goals are not set collectively, it affects performance. Providing financial reward for achievement of goals may extrinsically encourage goal-setting practices which leads to higher goals being set, and may lead to higher goal commitment.

Accounting for individual differences such as personality and education are not generally related to goal-setting effectiveness. Effectiveness should not be focusing on the setting of goals, but in the performance of work to achieve the desired goal. The positive impact that goal setting has on performance is that it directs attention and action, mobilises effort, increases persistence and enhances motivation.

Employees who are caused to be involved in the goal-setting process seek creative strategies to increase performance.

According to Robbins (2000: 158-159), the main tenets of Management by Objectives are expressed as follows;

- *Goal specificity:* for example, to cut production costs by 7 percent annually or to process orders within 24 hours;.

- *Participative decision- making:* Goal-setting becomes a consultative process between manager and employee;

- *Explicit time period:* Each objective has a specific time period meaning, a certain goal must be achieved within 3 months or 6 months;

- *Performance feedback:* Employees want to know whether their efforts and actions are indeed meeting the stated objectives of the organisation; and

- *Reward for goal attainment:* Achievement of employees has to be reinforced by performance-based rewards.

Management by objectives is a process by which general organisational strategies are converted into specific objectives. These specific objectives are allocated to work teams or individuals. In setting specific goals for employees, the task allocation is better directed and the management by objectives strategy improves the overall organisational performance (Moore and Henegan 1996: 161).

The key job or task of the employee is identified and specific goals are allocated to employees. It is then assumed that, if all employees achieve their specific goals as it pertains to their specific tasks, then the organisation would achieve its goals. Mali (1972: 110) cautions that it may be incorrect to assume that every manager knows what to achieve. Managers may sometimes fail to achieve goals if caught solely in the shuffle and bustle of day-to-day managerial activities. Behn (2005: 310) also notes that it cannot be expected that improvement will follow simply by measuring things. Nor can improvement be expected, by watching over things being done, despite the axiom coined by Haire: "What gets measured gets done", the organisation needs talented people to get things done.

It can be accepted that performance objectives motivate staff and are useful in communicating the organisations position to staff. Objectives, spell out the

paradigm of what should be achieved with the resources provided and the time available. Once objectives are stated unambiguously and communicated adequately, it provides the platform for measuring and evaluating performance. According to van der Waldt (2004: 224), it is highlighted that:

"Each person is proceeding from a known, visible, measured framework for behaviour. Making the ground rules clear at the outset prevents a host of future problems".

Furthermore, Robbins (2000: 158) states that:

"There is an overwhelming amount of evidence to demonstrate that people perform better with goals than without them".

Setting ground rules and identifying objectives provide the platform for employees to do their work and is critical for success. It is also important that goals are tangibly specific and not broadly generic. The specificity of goals acts as drivers and internal stimuli, and propels people to strive for achievement (Robbins 2000: 158). The Management by Objectives fosters acceptance of responsibility for outcomes particularly on the side of managers and later also aids in the evaluation of managers (de Woolfson 1975: 389).

The more challenging the goals, the more individuals are prompted to achieve them. Goals that have specific timeframes and deadlines reduce ambiguity and indecisiveness. Employee involvement in the identification of goals increases the level of acceptance of the goals. However, management must be sincere in accepting the contribution of employees in the goal definition and goal-setting process. It should not be superficial consultation or else employees would reject the goals set by management. Accordingly, Roux *et al* (1997: 208) indicate that by announcing the objectives early, staff will be aware which objectives need to be pursued and when. However, managerial participation in setting goals and subsequent responsibility for outcomes does not guarantee best choices. Managers will always exhibit bias towards the *status quo* and will be reluctant to embrace new policy directions and goals (de Woolfson 1975: 392). However, when the compensation for performance is congruent with the achievement of the individual and the organisation, increased goal-value is created (Merchant 2007: 12). Goal-value provides the momentum for higher levels of motivation. The correlation of performance measures with goals to provide the right incentive for

performance is critical for programme or project success (Heinrich 2002: 716). Research conducted by Pongatichat and Johnson (2008: 213) found that employees justified performance measures misaligned with strategies because they could then make a case for poor performance and the request for more resources. Managers also reported that it was not always feasible to have performance measures aligned with strategy (Pongatichat and Johnson 2008: 214).

Goal prioritisation is important to realising the overall vision of the organisation. Prioritisation assists in the allocation of scarce resources, especially in the public service. Prioritisation also aids with the identification and dealing with areas where emphasis ought to be placed by government. Ranking goals on scales of difficulty and importance and crediting employees for pursuing and realising difficult goals can also enhance individual performance as well as organisational performance.

Giving employees feedback on individual and organisational performance provides the opportunity for employees to assess whether goals are being achieved or not. Linking rewards to goal attainment reinforces a culture of performance-based rewards versus perception-based rewards. In a performance-based approach to management, van der Waldt (2004: 223-224) states that for bias and emotions to be avoided, managing performance requires that performance objectives be set clearly and unambiguously. Performance objectives should be stated explicitly and in visible terms and highlight, what management is trying to do (van der Waldt 2004: 223).

Performance objectives motivate staff and are useful in communicating the organisations position to staff. Objectives spell out the paradigm of what should be achieved with the resources provided and the time available.

Marsden (2004: 354) writes that goals setting theory has lesser emphasis on rewards and more on motivation. Participating in the goal defining process and eliciting commitment form employees has the alluring power to motivate employees.

Research conducted by Katzell and Yankelovich (cited in Ammons 1984: 32) concluded that the common thread that permeates through the principal factors of "high motivation, job satisfaction, and high productivity appear to be adequate recognition and meaningful rewards for effective performance".

Spelling out the organisational goals and setting the specific objectives of the work unit removes the mystery of working with others. From the very outset, the supervisor and co-worker know what the objectives are, what work is expected and how to go about achieving the stated objectives. Failure to achieve the objectives could mean that productivity is poor or that the work unit was side-tracked by competing issues in the organisation thus forcing persons within the unit to detract from achieving the objectives.

There are however, critics to the management by objectives approach to managing employees performance. Deming, according to Robbins (2000: 157) argued that numerical goals do more harm than good. Deming, according to Cranier (1996: 145) premised the approach to management on quality, and challenged the view that quantitative goals caused employees to focus more on quantity than on quality. Over bearing goals forced onto employees by senior management caused employees to cheat or falsify data in order to reflect achievement. This is referred to as 'gaming' behaviour.

Cranier (1996: 145) states that Deming's view was that instead of basing an organisation's strategy on profit, it should rather be based on quality products and customer service. Since the public service is not driven by profits, quality service enhances customer satisfaction.

On the other hand, pitfalls that stem from the management by objectives approach such as the doctoring of results can be overcome by having strong, independent monitoring, evaluation and reporting systems. Boninelli and Meyer (2004: 203) state that for people to perform, the stage has to be set for them to perform. This requires that a congenial and an appealing context within which employees function is important if the organisation wishes to enhance productivity, improve performance and achieve organisational goals. It does not suffice to set goals and targets, but the atmosphere in the organisation must also be conducive to achieving the goals and targets.

Boninelli and Meyer (2004: 203) are of the view that when employees do not perform, it is critical for managers to take them into their confidence and to coax, cajole and support employees. It is therefore important for employees to know why they should perform, and if they are not performing adequately then open and honest discussions need to take place in a non-judgemental atmosphere.

Managing the performance of employees according to Boninelli and Meyer (2004: 204) means:

- stating very clearly and in unambiguous ways what constitutes good performance and good service delivery;
- establishing performance standards for each employee;
- clarifying the performance standards;
- clearing hurdles to good performance;
- discussing performance on an on-going basis; and
- having mechanisms in place to deal with exceptional performance as well as non-performance.

A point to note is that managers often confuse performance management with performance appraisal. Once a year, appraisal of employee performance is not performance management. This confusion between performance appraisal and performance management obscures the value of performance management and development system as a mode of controlling employee behaviour.

FIGURE 3.1:   CASCADING OF OBJECTIVES

The management by objective theory can be illustrated as follows:
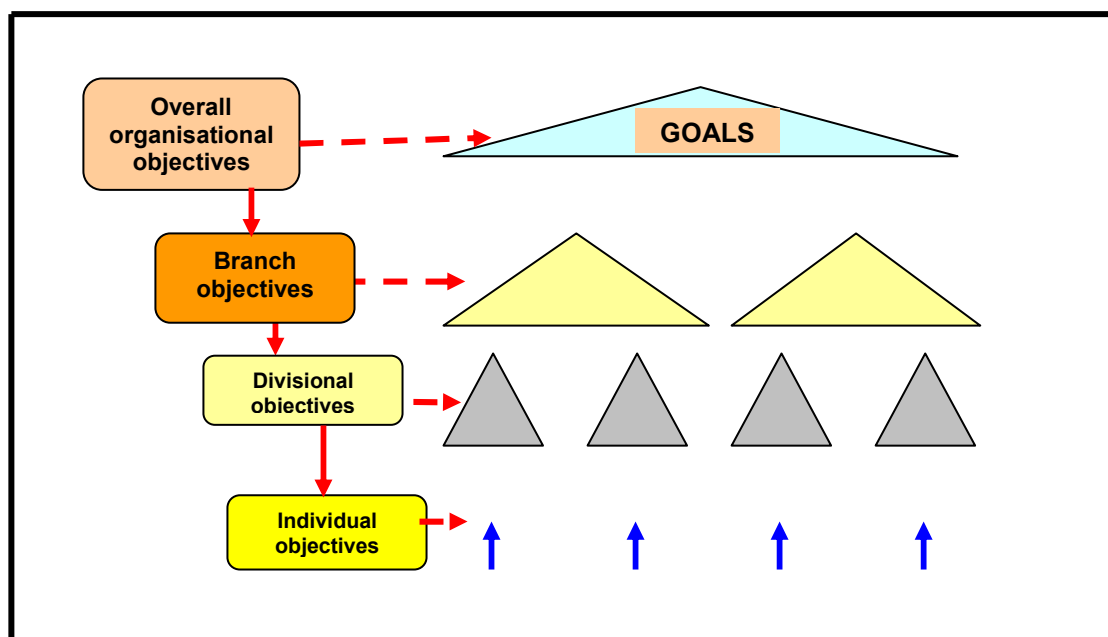
Adapted from Robbins (2003: 56)

3.2.1.1 Cascading of Objectives

Goals and objectives are generally cascaded from the executing authority and the top management to lower level employees. The organisation in this instance, the KwaZulu-Natal Department of Education sets its goals from the policies and strategies identified to address specific needs. This is then cascaded down to the next level to design objectives that would address the particular goals. The objectives are further disaggregated to department-specific objectives and individual perform activities that stem from the objectives that they are expected to achieve. The imminent threat is that through the process of cascading, the goals-intent and purpose could be lost on some employees. The elasticity that emerges between what was set and what is ultimately understood and achieved could be associated to either goal congruence or goal incongruence. The higher the goal congruence, the higher is the goal attainment. Making a case for Total Quality Management, Milakovich (1990: 29) indicates that studies have shown that management by objectives has failed to attain goals and improve internal processes. Employees have to have something to work towards, even if it is total quality.

3.2.1.2 Role Players in Goal-Setting

McConkie (1979: 29-40) synthesised the work of several experts on MBO (Drucker, Schleh, Likert, McKonkey and Ivancevich) and the author found that there was consensus among them that:

a) goals and objectives cannot be vague but rather specific;

b) objectives should be measurable; and

c) there must be linkage between individual and organisational goals.

The experts agreed that there should be intensive involvement of co-workers in goals setting since it had the power to motivate employees to commitment themselves to achieve the goals (Marsden 2004: 354). Although MBO is a top-down approach from senior management to other employees, the altered model is that teams rather individuals form the delivery vehicle, resulting in teams being rewarded for attainment of goals (Dresang 2002: 178).Johnston *et al* (2002: 261) also found that: "The impetus for involvement without overburdened measurement in all the cases came from the top of the organisation, rather than being a revolution from below".

This top-down approach to performance measurement setting, absolves managers from taking direct responsibility for either poor or good performance of the organisation. Since managers are not responsible for the setting of performance targets, they cannot be held accountable for the targets.

3.2.1.3 Research Results Goal-Setting

Johnston *et al* (2002: 256-262) had conducted research on six organisations where operations managers had reported that the objectives of their change management programmes were successful. The contradiction lay in the fact that while the managers reported success, the literature they had reviewed indicated that between 50% and 70 % of organisations fail to meet their original objectives.

In all six organisations, the measures were a mix of internal, external and financial measures. It was also found that managers had recognised the complexity of performance measurement and the difficulty inherent in trying to proliferate it throughout the system. Performance measurement, according to the managers was not seen as "fixed" but part of a decision making structure that was continuously being reviewed.

The companies had various ways of handling the matter of complexity and proliferation. The burning quest among most managers was simplicity despite the complexity of the business.

This quest for simplicity is aptly demonstrated in a statement made by one of the managers in a transport company as mentioned below:

> "The relationship between our two key measures, minutes delay and money is extremely complex, we simply try to focus on key routes, broadly speaking 10% of our routes by miles account for 30% of our minutes delay and 50% of our money".

Managers desired simplicity in the performance measure so that they could concentrate on developing "the business rather than focusing on measuring detailed performance" (Johnston *et al* 2002: 259).

In all the organisations studied, it had been found that performance measurement was focused on management action- driving improvement and facilitating organisational learning. They also found that performance measurements were not

used as punitive tools and measurements were not allowed to get into the way of decision-making.

If the organisations were using performance measurements to improve performance either by improving efficiency or reducing cost to increase profits then is would be logical to assume that there would be consequences for those who do not perform. If, nobody is held responsible for the non-performance of the individual or organisation, it then makes setting of performance measurements farcical to say the least (Behn 2005: 306). However, when the performance measures are complex and hardly understood by managers themselves because, they in the first instance were not responsible for the targets and measurements then it becomes almost impossible to hold managers to account.

Johnston *et al* (2002: 261) conclude by stating that the structured approach to performance management results in managers being swamped with measures which lead them to feeding the system with measurements rather than concentrating on management and action.

They also support the notion that "good enough" performance measurement is:

> "the willingness to trade off performance measurement as an activity against decision making and action with a focus on improvement rather than control, provided managers with the time and space to be able to focus on relevance and action" (Johnston *et al* 2002: 261).

Osborne and Gaebler (1992: 156-165) are critical of the Management by Objectives approach to managing performance. The authors state that this approach may be the least effective approach to managing for results. Milakovich (2002: 29) also supports this view. Objectives rarely relate to the organisations key results that can be measured in terms of quantity, quality, time and cost of service. Setting objectives are seen as artificial and has no direct relevance to the services needed to be delivered. The objectives can sacrifice the organisation's purpose by compromising on quality. Osborne and Gaebler (1992: 158) are proponents of a results-oriented public service that infuses an entrepreneurial spirit in the way things are done. The organisation must determine the results it wishes to achieve deploy its resources in the attainment of the results and measure performance.

Osborne and Gaebler (1992: 157) argue that MBO can create conflict within the organisation since each department is more concerned with meeting its own

specific objectives to the detriment of the organisations overarching objective of customer satisfaction. Managers focus solely on what they have to deliver and may embark on, illicit practices of achieving the objectives so that they can be rewarded for it. The goals and the results that the organisation sets itself to achieve are sometimes sacrificed for personal achievements and rewards. Bond and Gomes (2009: 179) refer to this as the principal burning outputs and the agent doing transfers from various budgets to increase secretly his or her personal outputs. Ultimately, customer satisfaction should be the primary objective, even in the public service and not a quest to meet artificially set objectives. Objectives can constraint innovation since managers loathe taking risks and pursuing new opportunities for fear of failing or not meeting the stated objectives.

Using actual service level standards such as cost, quality, time and quantity can assist managers to avoid being stuck in pursuing narrowly defined objectives. Osborne and Gaebler (1992-158) state that the ultimate objective of all organisations has to be customer satisfaction. The authors argue that MBO motivates through employment of fear, and this puts pressure on employees thus resulting in poor performance. Employees who are stressed and fearful cannot perform to their optimum levels.

Notwithstanding, the views held by Osborne and Gaebler (1992: 158), Kusek and Rist (2004: 139) on the other hand assert that employees can become more enthusiastic about their contribution in an organisation when they are able to get a sense of how their own actions contribute towards the overall performance of the organisation. Therefore, it is crucial that employees are continually reminded of how their individual performances have influenced the achievements of the organisation.

Public service organisations by their nature and complexity and bureaucratised by the many rules and strictures work towards the attainment of goals and objectives that are measurable. It is almost impossible to think that they would deviate from this course of action in a long while. Especially given the fact, that, the Public Finance Management Act, 1999, is the cornerstone of auditing in government departments, it prescribes the budgeting and auditing processes with the intention of heightening accountability (Moeti *et al* 2007: 51).

3.2.1.4 Goal Congruence

Bates (1993: 35) argues that for a public service organisation to be successful all members must work towards the same goal. This is called goal congruence. Not everyone in a department may be working to achieve a particular set of goals and this could be for various reasons. Mali (1972: 247) posits that for management of objectives to take hold in an organisation, it requires considerable investment in time and solicitation of commitment from people in the organisation.

For Management by Objectives to succeed there has to be strategic alignment of goals emanating from what society needs, what management plans and what employees deliver. Any attempt to measure performance must correlate with the stated goals in order to provide the right kind of incentive for managers and staff to succeed (Heinrich 2002: 716). To demonstrate the need for this alignment one of the goals of the KwaZulu-Natal Department of Education is subjected to a process of goal congruence. The goal is to: "Broaden access to education and provide resources" (KwaZulu-Natal Department of Education Strategic Plan 2010/11-14/15: 42).

The public will support the above-mentioned goal. The top management and senior management service of the Department have to work towards providing resources to schools and expending resources judiciously and the teachers at schools have teach as best as they can to improve results. Diagrammatically, it can be represented as follows:

FIGURE 3.2:   GOAL CONGRUENCE RELATIONSHIP
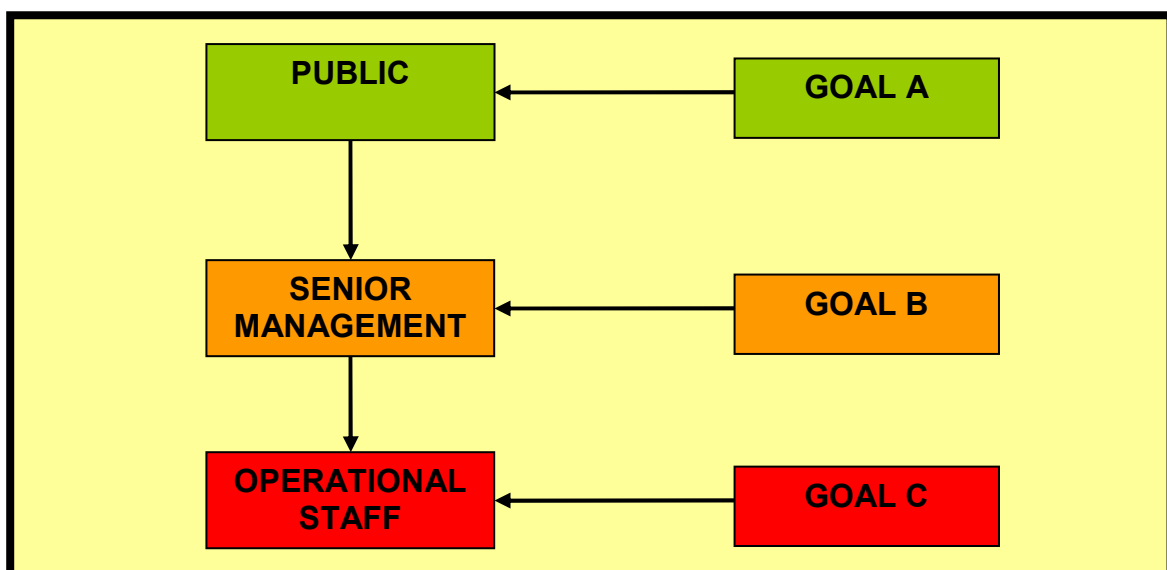
Adapted from Bates (1993: 36)

There are several possibilities that can emerge from the above-stated relationship and each relationship has it own consequence. Pongatichat and Johnson (2008:213) refer to this as strategy alignment or strategy mis-alignment.

The congruence or non-congruence is reflected as follows:

1. $A = B = C$ 2. $A = B \neq C$

3. $A \neq B = C$ 4. $A \neq B \neq C$

Possibility 1 is the ideal. Everyone is in harmony and goal congruence is at its highest. In possibility 2, the views are different and consequently, the outcomes could be different, and possibility 3 in the words of Bates (1993:36), the Department might as well be "dumping toxic waste". The public does not support the goal, the top management is indifferent and the teachers do their best. Possibility 4 is the worst-case scenario. The public, the management and the operational staff (teachers) are all moving in different directions. This can result in the organisation becoming dysfunctional and producing toxic results. For goals to have the intended outcome, all staff in the organisation, irrespective of where they are stationed, must work simultaneously and in the same direction or else the efforts and purpose will be counter-productive.

In making a case for Management for Results, Osborne and Gaebler (1992: 158) argue that when management practices are classified hierarchically, MBO comes a poor second to Management for Results. MBO is a statement of intent while Management for Results is a statement of what has to be achieved. The Management for Results has greater specificity and is deemed to be measurable whereas the Management by Objectives is an intention that lacks specificity and is weak on measurability. It is not about stating one intentions, it is about achieving specific targets. Where as Management by Objectives is intention-driven Management for Results is achievement-driven.

Whether the approach to management is managing by objectives or managing for results, there are certain systemic and structural deficits in organisations that contribute to poor performance. MBO and managing for results approaches, particularly large service organisations have to be combined to satisfactorily meet the needs of the public.

3.2.1.5   Performance Incentives

Sarin and Winkler (1980: 1131-1144) developed a system through complex formulae, that provides incentives for managers who achieve performance targets. They also found that incentivising good performance in the performance management paradigm depends on accurate and honest reporting. The formulae are designed in such a way that:

> "a manager pretending to appear more certain than he really is, will only be hurting himself by violating the honesty requirement" (Sarin and Winkler 1980: 1144).

Managers could be guilty of "sandbagging" where setting low, easily achievable targets, and then making it seem as if they are over-performing and paving the way for performance incentives or performance bonuses.

Metawie and Gilman (2005: 10) write that managers may also engage in "gaming response" meaning that tasks for which no incentive or reward is given, are actually neglected. Gaming is dysfunctional behaviour on the part of management to acquire incentives. This may mean inflating budgets to meet targets and benchmarks or overstating targets and standards. This unfortunately is evidently a common anomaly in performance management in the public service. Heinrich (2002: 717) argues that managers manipulating performance measures to enhance performance is sometimes understandable, given the influence that government has on determining the outcomes of projects and programmes.

Arising out of societal needs, certain goals and objectives are crafted to address those needs and out of that need a policy will be designed. Jones (1977: 5) notes that policy is not the same as goals, intentions or choices, policy "is strictly a theoretical construct inferred from patterns of relevant choice behaviour". Sarin and Winkler (1980: 1141) argue that goal based incentive plans enable the setting of goals for each specific criterion in a policy proposal and evaluation is based on the actual performance and its relationship to the said goal. It means that each manager must have a set of specific goals that are disaggregated to the level of the individual and the criterion have to be established as to what would constitute outstanding performance and what would constitute unacceptable performance. Unless the criteria for the different levels of performance are not set and agreed upon by both the supervisor and the sub-ordinate the subordinate cannot be

accused of poor performance, if the performance is deemed to be poor by the supervisor (Daley 2002: 173).

Sarin and Winkler (1980: 1141) in their concluding comments make a case for a team-based approach to recognising and rewarding performance when they state:

> "it may be worthwhile to award incentives an actual performance, goal level set by the division, and a target set by the corporation for the division based on its previous year's actual performance or some other criterion".

Holmstrom (1982: 325) cautions that team incentives could work in an environment of uncertainty, however, where managers are averse to risks it could limit effectiveness. These managers would work to rule, creativity and innovation would be sacrificed.

Public service organisations are complex entities with diverse administrative priorities and goals and incentives may have the effect of gaming activities that results in other important activities being neglected since they are not acknowledged or incentivised (Heinrich 2002: 721).

Since not all individuals in government agencies or departments work towards specific targets given the array of tasks they perform in support of the overall goals of the agency or department and the diverse functions allocated to teams, particularly those that perform support functions a team-based incentive scheme may be more suited to their purpose.

Therefore, it may be feasible to recognise and reward teams for outstanding performance and to censure teams that perform poorly rather than focus solely on the individual. Goals are disaggregated to teams rather than individuals and the entire team is held accountable for performance or non-performance. Dixit (2002: 707) however cautions that some individuals or teams may take a free ride and not commit to the performance of the team. Free riders take advantage of the effort of others and without guilt, claim successes for themselves.

Sarin and Winkler (1980: 1141) are of the view that more behavioural research is needed to fully understand the ramification of probabilistic goal setting.

An Organisation for Economic Co-operation and Development (OECD) study in Australia found that there was a need to enhance leadership and to develop a culture of continuous improvement therefore a performance pay system was

introduced into the public service a few years ago. Performance pay of senior levels has been a feature of the Australian public service environment for the last few years, which aimed to improve productivity by offering rewards for individual performance and hitting back with sanctions for consistently poor performances (OECD 1997: 35).

However, Daley (1992: 41) reports that many studies, conducted by him and other researchers have found that pay-for-performance or merit pay did not improve motivation or organisational performance. The diffused nature of goals and the difficulty to quantify goal achievement make pay for performance difficult to implement, particularly in the public service.

Even when goals are said to be achieved, a serious problem in implementing performance or merit pay is the lack of funding. While performance, productivity and motivation are encouraged, state legislatures and city councils that cannot guarantee funding of such programmes are setting themselves up for failure (Daley 1992: 42).

The lack of funding for performance pay is also evident in the public service in this country as well. From time-to-time, a Head of Department would arbitrarily announce that performance payment particularly for senor management members would not be made because of severe budgetary constraints. A Head of Department may exercise his/her prerogative and act *ultra vires,* since the Senior Management Service has not been unionised and every effort is made to thwart unionisation of the Senior Management cadre of the South African public service. The arbitrary nature of determining what constitutes good performance especially in the public service is viewed sarcastically by the public arousing fear in senior mangers to make the call.

3.2.2 Principal Agency Theory

Principal agency theory asserts that power be devolved from the principal to the agent who is ultimately responsible for carrying out the policies and programmes on behalf of the principal. In a private service environment, the owner/shareholder is the principal and the agent is the company management responsible for running the company and returning dividends. In the public service environment, the political authority either the Minister or Member of the Provincial Executive Council, the principal, delegates the day-to-day decision-making of the service department

such as education to the administrative functionaries who are agents of the political authority. The stewardship of the organisation (department) that is the policy making prerogatives, rest with the political head whereas the administrative responsibilities of ensuring that the mandates are implemented are vested in administrative head (Solomon and Solomon 2004: 17).

This theory advocates that responsibilities are delegated by the principal, in this instance a government department, represented by either a Minister at a national level or a Member of the Executive Council at a provincial level to the Head of a Department agencies through two related approaches (Gauld 2007: 18):

- General devolution and delegation of authority across the public service,

- And providing special conditions through contracts, corporatisation, and creating conditions for managers to be viewed as 'rational utility maximisers'.

3.2.2.1 Delegation

Delegation, according to Lupia in (Smelser and Baltes 2001: 3375-3377) increases the number of tasks that government can perform. Government delegates to ministries to manage certain functions such as education, defence and finance. It is not possible for modern states to function without delegation. A number of issues can be addresses simultaneously with the concept of delegation. Delegation in most polities is cascaded from parliament, to government, to ministries to departments. The public manager, heading a department is ultimately responsible for carrying the mandates issued by the elected politicians. The agencies commonly referred to as bureaucracies are staffed with public servants. Accordingly, Lupia in (Smelser and Baltes 2001: 3375-3377) argues that one of the hazards of delegation is that power is transferred to the bureaucrats and the authority to govern is diminished. Whilst authority may be delegated to the agent, the accountability for action or inaction is still vested in the principal.

The down side of delegation approach as postulated by principal agency theory particularly in a public service environment is that the managers can be subordinated to their political masters when the political leadership morphs into an entrenched oligarchy. Agency loss, according to Lupia in (Smelser and Baltes 2001: 3375-3377) can be used to determine whether the agent is working for or against the principal. Agency loss is zero when the actions taken by the agent do not deviate from the interest of the principal. There is congruence between policy

and implementation. As the actions of the agent deviate from the mandate of the principal, there is an exponential increase in agency loss. Agency loss is at its greatest when the agent is incentivised to act contrary to interest of the principal. There has to be high levels of trust between a principal and an agent to ensure zero agency loss. To deal with this the principal can increase accountability and reporting, build in limitations in the performance contract and use rewards and sanctions to keep employees in check (Meyers *et al* 2006: 6).

Generally, the devolution of power to others in a bureaucracy involves increased flexibility for organisations, in the fields of budgeting, financial management and human resources management to achieve more. In this approach, agencies have appropriation for salaries and running costs (OECD 1997: 54). Nevertheless, accountability, to avoid agency loss has to be heightened. Without stringent mechanisms for accountability, the potential for fraud corruption and nepotism is increased.

Ketelaar *et al* (2007: 15) opine that preventing politicians from being involved in administrative functions and similarly restraining public servants from engaging in politics is a pre-condition to make performance management systems to work. If this is not distinguishable then accountability for performance is correspondingly difficult. Monitoring, evaluating for performance is closely allied to delegation and accountability and where monitoring is not regular and oversight take on a fire-alarm approach to monitoring then agency loss is much higher or unavoidable.

Independent monitoring and evaluation in public service presents a huge challenge. Research conducted by Van Slyke (2006: 178) found that 91% of managers interviewed admitted that monitoring for performance did not take place in their agencies. This undoubtedly will have serious implications for service delivery.

3.2.2.2 Contract Management Approach

The contract management approach, involving the many elements of performance management is based on the premise that (OECD 1997: 24-27):

- Authority is delegated to agents who act on behalf of principals;

- Objectives and targets are clearly defined and expectations are announced;

- Performance measures and indicators are clearly defined;
  Accountability for results rests with the agents;

- Service quality initiatives forms part of the performance contract; and

- Performance pay is based on achievement of results.

For many of the countries that are affiliated to the Organisation of Economic Co-operation and Development (OECD) particularly Australia and New Zealand, contract management is an important instrument for improving the effectiveness of agencies, and the contractual approach can be used to respond to different needs for steering and managing government agencies (OECD 1997: 10). Report by the Economic Commission for Africa (2004: 13) indicates that in addition to South Africa, Uganda, Botswana and Ghana have adopted a result-based performance management to add value to public service management in developing countries. In the principal-agent context, the South African public utilities such as Eskom and South African Airways and government departments are agents of government that deliver public services such as education.

For performance, targets to be achieved resources need to be provided by the principal and the contracts have to be respected from both sides. Achieving the performance targets without the requisite resources is impossible. On the other hand, the scarcity of resources provides the public managers the scope for entrepreneurship in developing operational objectives, marshalling resources and developing strategies (Moore and Heneghan 1996: 159).

Contracts have proven to be important internal management tools and in many cases have strengthened the position of the managers of agencies. Heath and Norman (2004: 248) point out that while tasks are performed more in the interests of the principal than the agent, there has to be enforced compliance through moral persuasion or through provision of tangible incentives. Social norms, such as public sanctions, could also be used to enforce compliance (Dixit 2002: 707).

Contracts are used to regulate the relationship between the principal and the agent, using forms of internal and external control (Heath and Norman, 2004: 248). Contracts are especially useful for ensuring implementation of new initiatives or for re-organisation. Contracts can thus be used in relation to re-organisation of state agencies, corporatisation, commercialisation and co-operation between and co-ordination of central and local governments.

However, there are certain accountability challenges that present themselves when managers are entrusted with a multiplicity of tasks. If the contracts are not specific

and the deliverables not carefully documented, and when managers are told to "do the best they can," an unintended consequence may arise where managers may pursue their own interest. Managers are biased towards their specific interest or area of specialisation, often neglecting other important areas of their responsibilities. Stiglitz (1998: 32) argues that such vagueness creates serious problems in the public service, as mentioned below:

> "The ambiguity of objectives provides the managers further discretion to pursue their own interests. In the private service, there is the over-riding concern: profits. In the public service, there may be a multiplicity of objectives-economic (such as employment) as well as non-economic (national security). Managers can always claim that the reason they are losing money *(not doing well)* is not that they are inefficient or incompetent, but that they have been pursuing other goals. And it is virtually impossible for an outsider to judge the validity of their claim".

Having clearly defined goals and well-articulated targets and the principal pronouncing on what deliverables are expected, in a contract, may avert a situation where the manager simply does his/her own thing. When managers are expected to juggle many objectives and the propensity exists to trade-off one for another, it is hard to hold managers accountable for their professional failings. For purposes of good governance, it is important for the principal to specify in the contract, the balance that is desirable between the competing objectives. Some objectives may be sacrificed at the expense of others.

In the OECD countries that have adopted a performance-based approach to public service delivery, contract management is seen as an important instrument that ministries use to create specific conditions for agencies. The contractual approach is increasingly affecting the relations between the purchaser of service (ministries) and other (public and private, quasi-private) entities and making the purchaser more aware of their roles (OECD 1997: 55).

3.2.2.3 Rational Utility Maximiser

One of the main tenets of principal agency theory is that the public representative either, employed or elected is a "rational utility maximiser" who seeks to advance his/her own interest. This concept is similar to the manager in the private service, who advances his interest in the pursuit of profit (Gauld 2007: 18). The relationship

between the principal, in this case, it is government and the agent, elected or employed is formalised into a contract. This is commonly referred to a performance agreement by the Department of Public Service and Administration (Public Service Senior Management Service Handbook 2003: Chapter 4).

The contract sets the objectives and expectations of the relationship and also spells out the desired levels of performance and the accountability mechanisms. A critical assumption is made, in that, it is expected that the self interest of the agent will be curtailed in pursuit of the stated performance standards and the delivery of the desired public goods. Sanctions and incentives such as payment or withholding of bonuses keep the agent focussed on achieving the goals (Gauld 2007: 18). However, Moon (2000: 183) argues that the motivational disposition of the individual will ultimately determine whether he/she commits to the self or to the organisation. Those who are extrinsically motivated will commit to the organisation in lieu of the rewards and those who are intrinsically motivated may commit to themselves in lieu of psychological rewards such as increased self-esteem and social satisfaction (Balfour and Wechsler 1991: 360).

Target-setting, measuring performance, monitoring, validating and evaluating performance are aimed at improving the efficiency and effectiveness of the agent and to meet the needs of the public. Annual reports and reports to legislators enhance accountability and increases performance.

This however does not; in any way imply that the principal or the agent will not deviate from the stated contents of the contract. Heath and Norman (2004: 259) speak of the moral hazard when the action of the agent or the consequences of the action are mildly observable by the agent. The manager could be engaging in acts of sabotage, wasting resources and engaging in risks for which there has not been prior agreement between the manager and the principal. It is for this reason that the Heads of Department, in most government departments are chosen carefully with demonstrable party loyalty and recorded historical allegiance to the government-of-the-day. From a public perspective, this is often viewed as cronyism or rewarding party *apparatachik* (loyalists). Rewarding loyalty can also result in adverse selection, where individuals with poor skills and competencies are selected over superior ones to positions requiring the least level of supervision and they violate every code of good practice from the outset. This has the effect of the agency

becoming dysfunctional and not fulfilling the purpose for which it was initially established. Besley (2006: 11) contends that selection based on loyalty could have the effect of more self-interested people entering the public service to harvest rent at the expense of public interest.

In order to avert such a situation from becoming a reality several public administrations over centuries and over several continents called for "neutral competence". This meant a mix of independence from the politicians and technical excellence in the field for which a person has been employed (Bates 1993: 5). In technical excellence, the employee had to have the skills, competencies and qualifications to be able to do the job. South Africa's segregated past that kept mainly black people out of the upper echelons of the public service meant that in some instances technical excellence had to be sacrificed for race, gender and disability equity. Ketelaar *et al* (2007: 15) note that the retention of competent staff is an enabler for performance. Motivating senior staff to achieve targets has had lesser impact on the organisation than ensuring that talented staff is retained. Motivation and morale are high when there are competent people in the organisation.

A government department or public entity is viewed as the agency and the Head of Department or the Chief Executive Officer becomes the principal agent through whom services are provided. The Head of Department contracts with the Minister or the Member of the Executive Council at a provincial level has to provide the agreed services. Unlike, in the private service the main objective is maximising profit while minimising input. In the public service, the agent is expected to deliver public goods and he/she may choose to deliver some and not others. Officials have a choice of prioritising outputs and may produce more of some and less of others (Bond and Gomes 2009: 180).

Gauld (2007: 30) recognised that there are several deficiencies in principal agency theory. Primary among these is that principals often do not have sufficient knowledge of what is actually desired by them when setting parameters and deciding on incentives, goals, objectives and performance standards for agents. The situation is further exacerbated by the fact that many politicians in South Africa do not have formal academic qualifications and yet have custodianship over departments with billion-rand budgets.

This could have severe ramifications, especially when the chosen policy-path is altered by political and policy preference as the journey proceeds again at the expense of the people. This has the effect of agents simply renouncing organisational goals and targets and continuing on another trajectory contrary to the stated policy and this causes organisational confusion and affects service delivery. The constant changing of principals also affects service delivery because long-term strategies are sacrificed for politically expedient quick-wins.

In the principal agency theory, it is assumed that the principal relates to one agent and that only a single task is performed on behalf of the principal. However, public managers perform multiple tasks and each makes competing demands on the time and skills of the manager thus creating a situation where the objectives of the organisation are sacrificed on competing tasks that may be politically expedient (Bond and Gomes 2009: 180).

Agency theory contends that the organisation is managed on behalf of stakeholders and that accountability to the stakeholders is paramount to ensure that benefits accrue to the stakeholders. For example, in the case of education, benefit must accrue to the learners and parents.

3.2.2.4 Incentives

The principal-agency approach to managing the production of public goods and provision of public service is controlled through a system of rewards and punishment. However, if there are no set criteria and there are no specific targets that must be achieved, it can be difficult to reward or even punish managers. Dixit (2002: 697) argues that for tasks that are specific and where performance can be defined, quantified and measured and where there are no controversies around what constitutes performance and it is much easier to provide incentives. In other instances, he says, "other forms of incentives such as career concerns, idealism and professionalism have a role, informative but vague measures must be used, and solutions short of the ideal must be accepted". Such an approach creates the space to reward or punish personality traits rather than performance. Judgement is discretionary.

Some managers in the public service work towards easily observable goals and measurable targets whereas others do not. It is much easier to link their performance to a performance incentive and almost impossible to give incentives to

others. A way to ameliorate this situation is to reward or punish based on the performance of the organisation. Accordingly, Dixit (2002: 707) states that the incentive scheme for all managers must be designed together, while simultaneously sounding a cautionary note that this could lead to some in the organisation taking a free ride on the effort of others. Incorporating the results of the organisation into the performance of the individual could be a way to deal with this situation. Ketelaar *et al* (2007: 27) noted that in Denmark there is a strong link between the objectives of the agency and that of the Director-General and 75% of his/her contract reflected the target of the agency. This could also be applied in the South African public service.

3.3   SUMMARY

There are several theories that provide the normative foundation for the performance management and development system. However, the afore-mentioned two theories, namely, goal setting theory and principal agency theory provide greater insight into the paradigm of performance management and development systems. The main import of any public policy is that the needs of society are determined and addressed by the implementation of policy. Critical to addressing the needs of society is the provision of resources to ameliorate the identified needs and achieve identified goals.

Goal-setting theory is about translating organisational goals into attainable objectives and targets and getting employees to work earnestly towards the achievement of the specific objectives, targets and outcomes, which collectively result in the achievement of the organisational goals. Setting targets, measuring targets and monitoring performance are important, if the organisation intends to achieve it overall mission.

Cognisance has to be taken of the fact that, government departments are not government agencies *per se.* Nevertheless, since they perform critical functions of providing public service and that relationship between a government minister at a national level and the member of the executive council at a provincial level and a Head of Department is inextricably held together by a contract, this relationship can therefore be characterised within the principal-agent paradigm.

The principal agency theory in the opinion of the researcher best underpins the performance management and development paradigm. The principal devolves

authority to the agent and this devolution of authority is enshrined in a written contract or performance agreement with terms and conditions that the agent is expected to fulfil and the principal is expected to support. Strict accountability regimes are in place to monitor and evaluate performance and the agent is either rewarded for achieving results or sanctioned for not. The theories that form the basis of this research report are goal setting theory and principal agency theory.

CHAPTER FOUR

Relationship between Public Administration, Public Management and the Performance Management and Development System

4.1 INTRODUCTION

Fundamental to understanding the Performance Management and Development System as it applies to the Senior Management Service in the Public Service and how it relates to the KwaZulu-Natal Department of Education, is examining its location within the paradigm of Public Administration, Public Management and public service performance management and development system. Henry (1992: 20) attempts to define the complex phenomenon called Public Administration as an, "…amorphous combination of theory and practice….".

This is an indication that getting a precise definition or one arrived at by consensus may be challenging. Often the terms public administration and public management are interchangeably used, yet each term can be seen to refer to different focus areas. Nevertheless, a study of Public Administration should result in an evolved and greater understanding of the workings of government.

The term Public Administration is used to define an academic discipline as it may be studied at university or alternatively, it defines the workings of the administrative arm of the state responsible for the delivery of services to the people from funds set-aside for this purpose. (Bayat and Meyer 1994: 5) The funds are provided by the taxpaying populace for the production of public goods or for the provision of public service. Public goods or public services are for the benefit of all.

Public Administration as a discipline helps to understand the business of government and how, this relates to the society it purports to serve. The policies government initiates must be responsive to societal needs. These policies must bring maximum benefit to the people it serves. However, this may be true in a democracy and the same cannot be said of a totalitarian state or an administration run by a dictatorship. In order to respond to the needs of the people, managerial practices must subscribe to the principles of efficiency, effectiveness and economical use of public resources.

Public administration as it deals with the affairs of government has to place emphasis on policy injunctions, processes, procedures and proper conduct of the business of government (Hughes 2003: 6).

Public Management on the other hand, undertakes to manage the execution of policies as determined by the political executive authorities to meet the needs and aspirations of the people. Public management practices render an oversight function. It is about ensuring that everyone works and the people entrusted to do so, within their allocated role-functions and responsibilities, complete agreed-on tasks. This in turn, is communicated within and between the administration as well as the political and societal environment (du Toit and van der Waldt 1997: 42).

Hughes (2003: 46) argues that the main function of management is about strategy. It is about the future of the organisation, setting objectives, establishing priorities and making plans to achieve it (Ketel and van der Molen 2008: 65). However, public management is not solely about the management of the internal environment, it is also about managing the external environment. Public management, it has to be noted, takes place within a specific societal context and the needs and aspirations of the society will impinge on workings of the administration. Public agencies exist to provide public service and while there might be space for transformational leadership in public organisations, leaders need to take cognisance of cues from the popular will (Zajac and Al-Kazemi 1997: 380).

The performance management and development system from a public service perspective is that aspect of public management that sets the terms and conditions for the performance of work, execution of the mandates of the government-of-the-day, and ultimately achieving and accounting for results.

Government in a democracy is at the behest of the majority party or coalition of parties, which is constituted of elected representatives pledging to do the bidding of the electorate. The role and function of administrators is to implement the policies and programmes of the government-of-the-day.

This chapter also outlines the operational aspect of the performance management and development system as it applies to the South African Public Service with specific reference to the Senior Management Service in the KwaZulu-Natal Department of Education. The Senior Management Service is made up of all

employees who work for government from the level of managers or directors to the heads of department. The other levels are senior-general managers, general-managers and managers who are subordinate to a head of department in descending rank order.

4.2   PARADIGM OF PUBLIC ADMINISTRATION

The theory, principles and practice of Public Administration has been evolving since Woodrow Wilson published the first essay on public administration entitled "The Study of Administration" in the *Political Science Quarterly* in 1887 (Henry 1992: 21).

The thrust of Wilson's essay was that politics and administration should function separately. Politicians should concern themselves with ameliorating the plight of the citizens. Public administration, as it relates to the administrative arm of government, should find the most cost-effective, efficient and effective ways of doing those things that have been determined by the politicians and desired by the populace (Kooiman and Eliassen 1987: 35-36). In this regard, Henry (1992: 20) posits that public administration promotes a superior understanding of Government and its relationship with the society it governs.

According to du Toit and van der Waldt (1997: 42), Public Administration occurs within a specific contextual environment to serve the needs of the people in that environment. Through the election of political representatives once every five years in South Africa, the administration sets in motion actions to serve the needs of society. Societal needs emanate from the people themselves and because of the paucity of resources, the reliance is on resources collected by government in the form of taxes to satisfy these needs. The needs of the people provide the impetus for Public Administration to convert these demands or inputs into tangible outputs. These outputs are public goods, which are in the form of services such as health, education and welfare. These outputs that are produced by the administration are consumed by, or are for the beneficiation of the people. Public Administration is therefore a complex system with several role-players in government that provides services or goods for consumption by the public or for the benefit of the people. In contrast, business administration is also responsible for the production of goods and services, however, the consumption of goods and use of services is dependent upon who can afford to pay for such goods or services.

FIGURE 4.1:   PUBLIC ADMINISTRATION SYSTEM
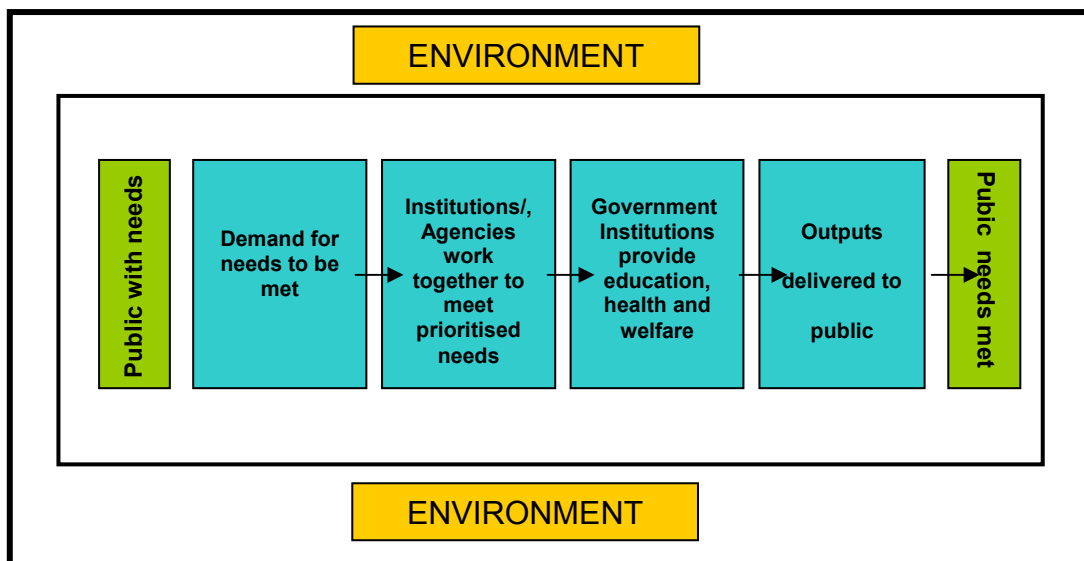
Adapted from du Toit and van der Waldt (1997: 42)

Du Toit and van der Waldt (1997: 42) point out that the public administration system operates within a specific context to address certain generic and specific needs of society. The role of government is to identify those needs, allocate the resources, and the administration must work towards fulfilling those needs. The fulfilment of these needs results in the production of public goods and public services.

Public Administration in comparison to business administration is unique (Kooiman and Eliassen 1987: 38). The activities of public agencies are sanctioned by the legislature compared to business administration. Everything is controlled by strict rules and strictures.

Private Service initiatives on the other hand have a built-in self- censure mechanism and if the enterprise collapses, if fails to thrive. Whereas the public service is compelled to provide services of a statutorily defined kind and ought not to deviate from it, such regulatory frameworks, on the other hand, do not bind the private service (Pollitt 1990: 133).

Government has a monopoly over certain functions such as collecting taxes and imprisoning people which functions are not the purview of the business service. Unlike the private service, government is limited in its propensity to reward excellence or to punish failure on the part of staff. Whereas in the private service,

rewarding performance is based solely on the size of the bottom line, in government, the bottom line eventually rests on being voted in or out by the electorate, viewed as the proxy for profit (Robertson and Seneviratne 1995: 548).

4.3   PUBLIC ADMINISTRATION

Arguing from an open systems theory perspective, Schwella *et al* (1996: 5) aver that: "public administration is a functional, societal system". Therefore, it can be deduced that; since public administration is a system, public management is a unit within the system. Public management is a sub-set of public administration. Performance management is an application available to public service managers to control the behaviour of employees to increase productivity, increase efficiency and enhance performance in order that certain results may be obtained.

Schwella *et al* (1996: 5) state that; "public administration is a system of structures and processes that operates within a particular societal environment" to develop government policies and to execute such policies efficiently, effectively and at best value. The nomenclature public administration, distinguishes administrative functions performed by government in its pursuit of delivering services to the people against business administrative functions performed by private organisations.

Public administration conducts specific activities as it relates to government and the programmes of government, designed to meet the needs of the people (du Toit and van der Waldt 1997: 45). Furthermore, as mandated by The Constitution of the Republic of South Africa Act, 1996, chapter 10 focusing on the values and principles, public administration has been elevated to address the needs of the public. The role of public administration is to perform all the administrative functions of government.

The establishment of a Public Service within public administration in South Africa is a mandatory constitutional requirement as prescribed by section 197 of The Constitution of the Republic of South Africa Act, 1996, wherein it states that:

> "Within public administration there is a public service for the Republic, which must function and be structured in terms of national legislation, and which must loyally execute the lawful policies of the government-of- the-day".

The functionaries who work within the public service are there to serve the needs of the public objectively, fairly and without bias, as prescribed by the Constitution of the Republic of South Africa, 1996. Their conduct and their approach to providing services cannot be prejudiced in any way by party political affiliations. This often contradicts the expectations of party political *apparatchiks* who are often of the view that public service employees are there for their bidding. The matter is further complicated when senior officials, particularly in the Senior Management cadre are deployed from political parties or are party sympathisers. The firmly held view of political parties forming democratically elected governments is that deployment of people to senior positions must take into account the loyalty factor of employees and the successful implementation of policies and programmes. There often exists, either real or imagined suspicion that the deployment of persons not loyal to the party in government, could result in the sabotage of policies and programmes. The effect of this argument is that when all persons in the public service support the party in government, a sense of "paranoid protectionism" develops, since any criticism of policies and programmes is tantamount to sabotage. Constructive criticism to strengthen apparent weaknesses in policies or implementation is often silenced. Cayer (2004: 34) refers to this as spoils versus merit. The spoils approach emphasises loyalty and merit approach has as its emphasis on competency or expertise. Abuse of the spoils system can lead to corruption, and the merit system invites competent people to join the public service. While the merit system enhances the public service, the spoils system breeds nepotism, favouritism and blind loyalty.

4.4 POLITICAL CULTURE

Political culture can be viewed as knowledge, beliefs and behaviours interacting within a certain political context and is transmitted from one generation to the other. The political environment in which the individual is reared both influences and is influenced by the individual. The shared values, objectives, attitudes and practices define the character of political groupings while at the same time certain specificities also distinguish it from others (van der Waldt *et al* 2001: 60). Depending on their political knowledge, behaviour, attitude and belief, people will display their political culture. The prevailing political ideology and philosophy form the foundation for the political environment and political culture of the organisation (Fox *et al* 1991: 19).

Public management operates with a specific political context and each influences the other. Public administration according to Bayat and Meyer (1994: 35) is influenced by politics.

Public management is not politically neutral since public officials are expected to carry out the mandates of the political party or a coalition of parties in power. It has to be argued that the public service environment can hardly ever be deemed to be politically neutral. Many senior officials deployed to government are party political office bearers or are party sympathisers and deployed based on patronage (Cayer 2004: 34). This becomes a problem when officials fail to differentiate between their roles as party officials and public managers and do not act with impartiality especially in areas that require fairness and impartiality.

Public managers or senior managers as described by Fraser-Moleketi (2006: 7), have to jealously guard against the invasion of professional autonomy from political interference, and yet at the same time, be aware of the consequences. As Minister of Public Service and Administration, Fraser-Moleketi (2006: 7) said:

> "No matter how hard the effort to limit political influence under the guise of professional "neutrality" and managerial "autonomy", in a democratic system, the bigger challenge for government is to retain control over its bureaucracy".

This places managers in a double bind, on the one hand, a need to adopt a managerialist approach to performing functions, yet on the other, the avoidance of being either overtly or covertly influenced by their political principals. Conversely, there is also influence on political principals. This can best be described as symbiotic relationship. Cayer (2004: 34), states that the merit system was intended to free public servants from the evils of politicians and pay attention to the needs of the people. Ignoring the whims of politicians is career limiting and has cost many public servants their jobs.

Since politicians receive, their mandate to govern from the electorate based on the policies promised to be expounded, political culture arguably has its root in societal culture. Societal culture in so far as the public service is concerned, is grounded in the needs and aspirations of the people, that is to improve or to maintain their standard of living and quality of life (Bayat and Meyer 1994: 35). State resources need to be used optimally and judiciously to move from "a less desired situation to a more desired situation" (van der Waldt *et al* 2001: 66). The responsibility brought

to bear on the public manager to ensure that implementation of policies bring about meaningful change, is rather onerous.

The socio-political and cultural environment will influence public managers in their day-to-day functioning. Policy-making, public addresses, elections, budgeting and to an extent party politics will influence the functioning of public managers and officials. This does not mean that public officials can defy rules and legislations and commit to serve the whims and fancies of politicians. Managers and officials must uphold subscribing to the rules and procedures that govern the functioning of public institutions (Bayat and Meyer 1994: 35). On the other hand, the public official cannot forsake the role as technocrat and manager, and must become the custodian of policy articulation and development. Policy formulation should still be the purview of politicians.

At a Senior Management Service conference held in Port Elizabeth in September 2003, it emerged that ultimately, particularly in the South African Public Service context, the following is significantly noted:

> "Public officials at the senior level are strategically placed to ensure that performance management in government eventually yields its ultimate goal: delivery of service to the citizenry" (Sekwati 2003: 12).

Notwithstanding the complex political milieu in which public managers operate, and working amidst social, economic and administrative challenges, the ultimate responsibility for the delivery of services remain the obligatory mandate of the public service.

The following discussion focuses on the significance of public service management through the management model.

4.5   MANAGEMENT MODEL

The management model is predicated on a "business" model of making managers manage, as opposed to the "administrator" model, which values compliance to pre-set rules and regulations. This is a significant focus for the thesis regarding the context of performance management in the public service.

The administrator model is associated with bureaucracy that invariably implies the application of rigid rules, formulas and procedures (Lane 2000: 55). This approach is based on the economic theory, which focuses on efficiency consideration in the

delivery of goods and services, namely public goods (Lane 2000: 164). The administrator model is not about the achievement of goals and objectives of the organization, but rather about the protection of its autonomy. The emphasis is more on routine and less on innovation. On the other hand, the prerogative of management is finding innovative ways to implement strategy. This entails setting objectives, determining priorities and marshalling resources to attain the strategy.

In the public service environment, a shift to the management model is aimed at empowering managers, requiring them to take responsibility, providing them with degrees of operational freedom and ensuring accountability.

The Organisation of Economic Co-operation and Development argue that in order to change the culture of organisational performance, a series of techniques could be used. This could for example, include corporate planning, determining and setting targets, devolving the management of resources to lower levels within the organisation, monitoring evaluating and reporting on performance in accordance with predetermined criteria (OECD 1997: 10).

This approach to public management is derived from a market-type model in contrast to the bureaucratic model. This model sees the public service as monopolist providing services that no other can. In reforming the public service, managers had to adapt, emulate certain practices and manage the public service in a similar way to that of the private service (OECD 1997: 10).

The administrative or bureaucratic model refers to systems and processes as it pertains to hierarchy, rules, procedures, styles of management and human relations (Bayat and Meyer 1994: 35). Management is in accordance with prescribed rules and procedures and there can be no straying away from such rules and procedures. Deviations from such rules and procedures can earn the wrath of executive authorities and may lead to severe sanctions. Therefore, this model is inward looking and it focuses on the internal operations of an organisation. In the bureaucratic or administrative model, the emphasis is on internal efficiency, effectiveness and productivity.

Bayat and Meyer (1994: 36) argue that while the concern of administrators is to ensure that service delivery is rendered efficiently and effectively, it does not in any way suggest that internal efficiency automatically translates to external efficiency. This is counter-intuitive to the oft-held view that better management is the antidote

for social and economic ills. Pollitt (1990: 1) indicates that it is an "almost tautological proposition- if things are better organised, they will improve". Efficiency, instead of policy and resources, can hardly address service delivery issues. Under the New Public Management paradigm, efficiency considerations rather than social or political action purportedly shapes decision-making in government institutions (Ferlie 1992: 83).

Internal efficiency such as receiving an unqualified audit report from the Office of the Auditor-General does not mean that services are rendered to the people more efficiently and cost-effectively. It simply means that the policy, systems, processes, procedures and rules which legislation prescribes and institutions have set for themselves have been complied with. Member countries falling within the umbrella of the Organisation of Economic Co-operation and Development realised that performance management had to be central to a results-oriented and cost-effective programme of government service delivery (OECD 1997: 7).

Emanating from, the above discussion is a call to replace administrator-dominated bureaucracies with manager-dominated and market-oriented organisations (OECD 1997: 10). This means that there has to be shift from simply complying with legislation, prescripts and strictures as managers needed to become creative and innovative to deliver services cost effectively.

Supervisors in the Senior Management Service such as the head of department, senior-general managers and general managers are expected to actively manage the performance of the staff under their control. Generally, these supervisors devote most, if not all of their time on strategic management issues and crisis management on an on-going basis. Hence, the supervision of co-workers, the quarterly review of performance, as well as annual assessments are often neglected.

4.6   PUBLIC MANAGEMENT

Public management is a discipline within public administration and in the main concerns itself with planning, leading, organising, controlling and co-ordinating human and other resources to ensure efficient, effective and economical delivery of public goods (du Toit and van der Waldt 1997: 46).

Public managers execute policies and programmes of the government-of-the-day, and therefore form an intrinsic part of public administration systems. Public

management relates to the pursuance of policy objectives where managers are expected to use the skills of planning, leading, co-ordinating and deciding to perform their functions. Public managers must maintain a culture of professionalism. This professionalism often refers to protection from political influence. Fraser Moleketi (2006: 6) argues that for the sake of managerial autonomy and protection from interference by politicians, several public service reforms have been introduced to separate the role of politicians and the implementation role of public managers.

It has to be noted that public management is about the exercise of public power and decisions about how power should be used (Kooiman and Eliassen 1998: 76). Power is vested in resources and decisions around the manipulation and deployment of resources, which further fortifies the power in the hands of managers. Managers in the public service are powerful individuals who wield tremendous influence over the specific and general environments.

Schwella *et al* (1996: 6) posit that Public Management is an integral part of the public administration paradigm, as it focuses on systems, structures and processes, as well as operations in pursuit of individual and organisational goals. Systems, structures and processes in government bureaus are elaborately embroidered and hierarchically structured to conduct daily functions. These bureaucracies are mazes, often leaving the ordinary citizens bewildered, confused and not knowing where or how to access services. The Public Service system as enshrined in The Constitution of the Republic of South Africa, 1996 has to function within the public administration paradigm and to deliver on the mandate of the government-of-the-day. Furthermore, scarce resources need to be judiciously utilised to provide all citizens equitable access to effective and efficient services (Roux *et al* 1997: 208). In delivering services, public managers must pursue and attain the policy goals and objectives of the government-of-the-day. Any detraction from attaining the stated policy goals and objectives can be seen as failure on the part of the public manager and in extreme cases, an act of sabotage.

It must be appreciated that public resource management with performance management and development system as an integral component, has as its emphasis the intertwined relationship of managing public functions to achieve policy goals and objectives. It becomes important to take account of the context in

which managerial functions such as procurement and allocation of resources occur (Schwella *et al* 1996: 6).

Public Management does not occur in a vacuum. It is influenced by the political, social, economic, technological and cultural context within which it operates. Schwella *et al* (1996: 18-20) point out that the public management environment is made up of the general environment and specific environment. The political, social, economic, technological and cultural environment forms the broad general environment and the location wherein the manager operates, forms the specific environment (Schwella *et al* 1996: 18-20). To function effectively, public managers need to understand the general and specific contextual environment within which they operate. An understanding of the environment in which they operate will enable them to carry out important functions of policy-making, planning, organizing, leading, controlling monitoring and evaluating effectively.

FIGURE 4.2:   MODEL OF PUBLIC MANAGEMENT
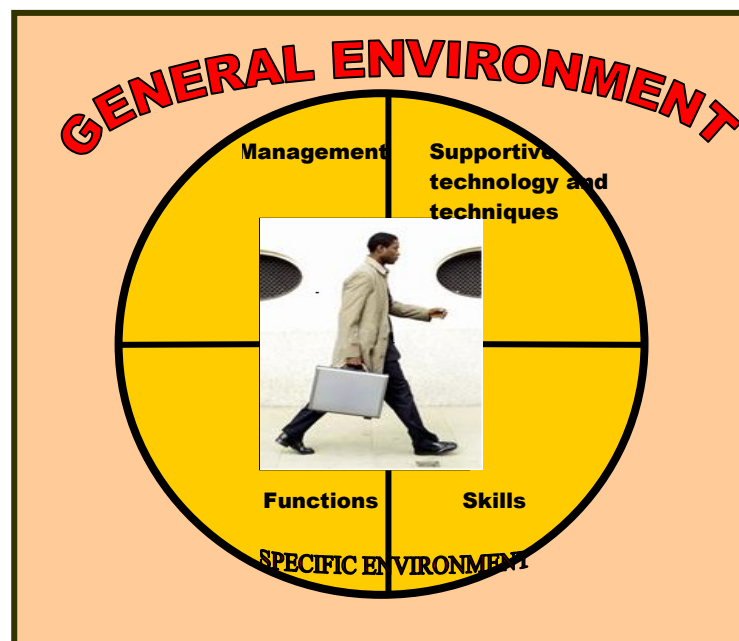
Adapted from Schwella *et al* (1996: 7)

In a democratic society, political office-bearers establish the path to be pursued to fulfil the mandate of the electorate and it becomes the responsibility of the public manager to carry out the functions of policy-making, planning, organising leading, controlling, monitoring and evaluation.

Schwella *et al* (1996: 8) that the senior public managers must also bring certain skills and competencies to the public administration arena such as decision-making, communication, change management, conflict management and negotiations in order to effectively implement the policies of government.

Competency and effectiveness of managers will be borne out by the skills they possess; to make sound decisions, communicate effectively, manage the phenomenon of change, manage conflicts, and to use the power of persuasion to negotiate (Schwella *et al* 1996: 8).

Accordingly, Metcalfe and Richards (1990: 36) write that managing the performance of employees- "getting things done through others" is crucial to the successful implementation of government policies. Beside the performance management and development system being a public management application function as conceptualised by Schwella *et al* (1996: 8) it also falls within the ambit of management skills. Having the necessary skills and competencies are crucial to managing the performance of employees. Without the necessary skills and competencies, it will be difficult to inculcate a climate of productivity among staff members (Roux *et al* 1997: 208).

Metcalfe and Richards (1990:24) report that attempts at transforming the public service similar to the one experienced in South Africa since 1995 in favour of achieving race gender and disability targets lead to many good people leaving the public service and the recruitment of high fliers becomes increasingly difficult. Mediocrity becomes the norm. With the dearth of skills and competencies among senior managers achieving results and improving performance becomes ever so difficult.

4.7   NEW PUBLIC MANAGEMENT MODEL

The New Public Management model shifted the emphasis of accountability from a process-based bureaucratic approach to delivering services by a government to an entrepreneurial results-based approach (Fox and Maas 1997: 2). Accounting for results became a key element of this type of accountability. Although, the New Public Management model brought about greater autonomy, public officials who once were considered to have Jesuitical ascetics, and were highly regarded for their trust have since been relegated to mere officials. Furthermore, professionals

deemed to be low on trust and therefore their activities had to be closely watched and evaluated by rigid accounting techniques (Hood 1995: 94).

The previously held bureaucratic approach to management had to be challenged and any new paradigm necessitated a move away from viewing public management as simply a requirement of complying with prescripts and to ensure that bureaucratic functions and processes are mechanistically applied. Proponents of the New Public Management argued that government should not only adopt business techniques in public service management but it should also adopt its values. The New Public Management has become the normative model for public administration and public management (Denhardt and Denhardt 2000: 551).

It ushered in a results-based approach to carrying out public management functions. The Organisation of Economic Co-operation and Development member states lead the way in applying a performance-based approach to governance.

In a performance-based approach to governance public managers and public officials both elected and recruited have a higher responsibility of accounting for the resources that are entrusted in their care in the form of tangible results. In South Africa (Penceliah and Moodley 2002: 36), conclude that since 1995, the public service also began to focus increasingly on inputs, outputs, outcomes and impact of policies and programmes. The measuring of inputs, outputs, outcomes and impact became critical to establishing whether the organisation was delivering on what it had set out to deliver.

Accounting for the use of resources and accountability based on performance, gained momentum as the running of the state became more and more transparent. However, a likely consequence of increased accountability and autonomy is that it has the potential of loss of control over managers (Pollitt 1990: 130). The performance management and development system may be an uncanny approach to retaining that control.

On the other hand, public representatives both elected and recruited, need to account for monies spent. This approach has been seminal to the development of a performance management system that fosters control and accountability.

The term "New Public Management" was embraced because there was a shift in public management style. The main intention was to cut across language and national boundaries. The "New Public Management" was within the progressive

Public Administration paradigm. The "New Public Management" was guided by two cardinal management doctrines. One being that the public service must be clearly distinguished from the private service in the way it organised itself and in the manner in which it dealt with its people, and the other according to Hood (1995: 94) was that it had to,

> "… maintain buffers against political and managerial discretion by means of an elaborate structure of procedural rules designed to prevent favouritism and corruption and to keep at arms-length relations between politicians and the entrenched custodians of particular public service agencies".

Although elaborate infrastructure of legislative systems have been created to separate the powers and functions of the executive and the administration, yet it is difficult to divorce collusion between the executive authority and the administration, which can still result in nepotism and corrupt practices.

The public manager who contractually is an agent of the elected public representatives has to act on behalf of government. Grounded in the principal-agency theory, a performance management and development system compels public managers particularly those that belong to the Senior Management Service, to have a contractual relationship with elected representatives. This enables the policies and programmes of the government-of-the-day to be delivered efficiently, effectively, and economically to achieve the desired goals and objectives (Olowu 2002: 3).

A critical feature of the New Public Management according to Olowu (2002: 3) is the professionalisation of public management. This meant moving away from merely implementing rules, to achieving clearly specified goals. This allowed for managers to use their discretion and to come up with creative and innovative solutions to deliver the best possible public service at the most reasonable cost. Supporting the principal agency theory, the position became formalised with the manager accounting to elected political representatives for specific results. The relationship between the public managers and the elected representatives had to be defined within a formal contract with specific targets that had to be achieved.

Hood (1995: 95) states that; the "New Public Management" approach has several distinct dimensions of change. This called for the dismantling of large monolithic structures into smaller public service units to deal with different services and

products. The public manager was given greater autonomy for decision-making and resource allocation was delegated to each unit.

This created the space for structural re-engineering and business processes re-engineering that resulted from the fact that large monolithic structures and archaic bureaucracies had to be changed to become more responsive to the needs of the people.

Public service organisations had to compete with private organisations in the provision of efficient and cost effective services. This was premised on the notion that competition within the public service would result in greater efficiencies and cost savings particularly where services could be outsourced at much cheaper rates. Organisations such as schools and hospitals had to adopt "quasi-firm" characteristics to compete for resources based on the outcomes they produced (Ferlie 1992: 81). Much to the chagrin of organised labour, it is not a contradiction that certain non-core functions in the public service can and are being performed by the private service at much cheaper rates.

Public service management practices were out-moded and certain management practices within the public service had to be imported from the private service, for example, performance- and financial management. This is evident in the Public Finance Management Act, 1999 (van der Waldt 2004: 24).The position adopted was that the transfer of practices and skills often viewed as best practices could translate to better service delivery at cost effective rates.

Public service management had to move towards greater discipline and parsimony in the use of scarce resources. Seeking economies of scale and getting more value for the resources employed should result in improved services delivery and an improvement in the overall quality of life of the citizenry. In instance of inefficiency and ineffectiveness, Bates (1993: 16) retorts, albeit it, philanthropically when he says, "Waste is immoral but wasting the little that the poor have for their use is all but unforgivable". It is about using resources carefully to maximum effect.

The management style had to take a more hands-on approach, which meant, moving away from receiving instructions from relatively anonymous bureaucrats and managing people with personnel management rules and written memorandum. Past practices, such as management by memorandum obscured how people felt and behaved in the organisation was replaced by personal contact, mentoring,

reviewing performance and supporting personnel to meet the objectives of their specific units. The performance of employees had to be monitored constantly and any deviation from expected levels of performance had to be instantaneously managed. The purpose according to Behn (2002: 6) was to focus on performance-oriented and results-driven management practices rather than on processes or rules-driven management practices. Performance management was integral to the New Public Management paradigm and it entailed a systematic approach to direct organisational behaviour toward task, activity and goal accomplishment (Burstein 1983: 184).

With the advent of the New Public Management paradigm and neo-liberalist approach to providing public services, the public service had to embrace a more explicit and measurable standards of performance in terms of range, level and content.

There had to be greater accountability for how resources were expended which meant that; everything that was done in the public service had to be measured in terms of cost, quality, time and quality. Specific targets had to set which after a period became the standard or norm, which could not be subsequently compromised under any circumstances.

This had the effect of having anything and everything measured resulting in managers engaging in measuring exercises without adding real value to improving service delivery. Measurement became an end in itself. In the South African context, the Department of Public Service and Administration borrowing on experiences from New Zealand and the United Kingdom, with a view to raise accountability and performance began to corporatise the public service under the guise of international best practices (Cameron 2009: 923).

Finally, the control of public organisations was carried out through appropriately designed output measures rather than by the traditional style of "orders of the day." The public service had to be measured in terms of the goods and services it produced or provided respectively. This therefore necessitated that employees also be subjected to a performance management and development system. These doctrines profoundly affected how public service accounting is conceived, in the sense of what records are kept, how they are used, and what is costed and measured.

In the New Public Management paradigm, there is greater emphasis on accountability and reporting to oversight authorities is critical to the accounting process (van De Waldt *et al* 2001: 13). Public accountability goes beyond reporting, it entails checking from external authorities of what was done, not done or kept secret (Cloete 1996: 13). It meant that the public service bureaucracies had to be restructured to usher in fiscal austerity (Kane and Patapan 2006: 711).

The intention of this approach is to use scarce and valuable resources entrusted to the public service to meet the needs of the public, to improve service delivery and to improve the overall quality of life of all its citizens. The international debate around quality service delivery is part of a wider public management focus for more than a decade, where most governments favour public services being "managed" rather than "administered".

Stemming from this approach, public management had to become performance focussed and the performance of individuals had to be scrutinised. Individuals were subjected to performance targets and these targets were cemented by a contractual relationship in the form of performance contracts.

Cloete (1998: 115) asserts that due cognisance needs to be given to the fact that public administration is based on political values and not business motives and principles. Furthermore, since the 1970s, the New Public Management paradigm was incorporated gradually and systematically into public management practices.

It is axiomatic that politicians and public officials will have to face up to the reality that resources are perennially inadequate to satisfy all needs. This therefore, requires judicious use of limited resources to meet burgeoning demands. The New Public Management paradigm brought into vogue private service approach in managing the affairs of government.

4.8   PERFORMANCE GOVERNANCE

Performance governance encourages the assurance that government is able to get best value and the best results or outcomes for the resources deployed.

In a quest to enhance economy, efficiency, effectiveness and service quality results in a search for systemic incentives to improve performance. This means that internal pressure is exerted on managers and external pressure on organisations through market-oriented systems to perform better. Adopting market-oriented

systems means creating incentives that implies a shift in the performance management framework from administration to management and bureaucracies to markets (OECD 1997: 10).

Beetham (1991: 19) contends that there are four elements of legitimate governance, which provides a framework to understand what performance governance is all about.

The first element is *legality* meaning that decisions and rules must be firmly grounded on the principle of Rule of Law. The public service environment in South Africa is regulated by laws and rules yet to a certain extent some of the rules and laws purporting to be regulatory are actually inhibitive.

Secondly, there is *legitimacy of law* meaning that the laws and legislative powers come from a legal authority such as the Constitution or Parliament. Laws developed by parliament must comply with The Constitution of the Republic of South Africa Act, 1996 and if they do not, they have to be revised. Legitimacy of the law is guaranteed in The Constitution of the Republic of South Africa unless the Constitution is changed. The independent judicial system in South Africa safeguards the constitutionality of laws enacted by parliament. The legitimate use of power has to be oriented towards the general interest and the outcomes must be of general good. Working in the interest of certain groups and individuals with disregard for the majority is tantamount to abuse of power and therein will rest the recipe for social unrest and socio-political upheaval.

Thirdly, there must be *moral justification* for the rules and the rules must be accepted by the ruled. Fourthly, *consent* and support by the people are critical, if the authority of the governors has to be respected. The four elements applied collective and complementarily give legitimacy to the governors and begets support from the governed. Performance governance therefore means that governors have to work in the interest of the governed to deliver services and supply public goods.

The policies of government have to be approved by the citizens in a democratic state. This means that in South Africa policies of government have to be endorsed by the people, including the citizens' decision to disagree with public policy and the implementers of public policy. Consultation is paramount to good policy design and effective policy implementation (*Batho Pele* Handbook 2003: 118).

The Constitution of the Republic of South Africa, 1996 guarantees that people participate in the policy and decision-making processes and any deviation from this is viewed as an abrogation of the people's rights. Many Constitutional Court rulings have been handed down in favour of the people where it has been deemed that the people were not sufficiently consulted on a matter or where their views were not taken into consideration in the policy-making process.

Beetham (1991:19) contends that in favour of the general good- economy, efficiency, effectiveness and quality are the cornerstones of the operational criteria of general interest. Deviations could result in wasteful and irregular expenditure denying benefit to the people.

Government resources are derived from the people, in the form of taxes and its use is meant to benefit the general population. As such the resources whether in the form of money, human resources or material resources must be used efficiently and effectively. Ill-planned projects and injudicious use of resources denies the citizens improvement in the quality of their life.

4.9   RESULTS-ORIENTED GOVERNMENT

The priority of government should be, to be driven by results. When governments are not driven by results, they could erroneously be rewarding their employees for things other than what they were initially set to provide. The rewards could be longevity of employment, larger budgets, greater staff complements and extended authority. Osborne and Gaebler (1992: 140) argue that this is a case of where:

> "employees assiduously protect their jobs and build their empires, pursuing larger budgets, larger staff and more authority".

People are concerned that governments do not spend their taxes appropriately and there is the quest to know how and for what purpose their taxes are spent. This prompts governments to become accountable, performance and results-oriented.

One needs to be cognisant of the fact that not everything government does can be measured. For example, the performance of diplomats cannot be measured. However, when the things government does are measured and the public knows what is being bought with the money raised, confidence in government improves. Sekoto and Straaten (1999: 106) warn that problems associated with measurement in the public service have the effect of affecting decision making behaviour. The

focus has been on inputs and budgets and not on outcomes and productivity. The budget and not outcomes becomes an important if not the only measure.

Traditionally, the public service, including the KwaZulu-Natal Department of Education focuses on inputs, sometimes on outputs and rarely on outcomes.

Schools are funded on the number of learners enrolled and not on the number of learners that pass and much less so, on the quality of passes. Osborne and Gaebler (1992: 139) say that governments pay little attention to outcomes-to results. To government, how well or how poorly schools do is immaterial, the irony is that those schools that fare poorly get more money. The perverse reality is, that failure rather success is rewarded.

Osborne and Gaebler (1992: 139) state that:

> "Public entrepreneurs know that when institutions are funded according to inputs, they have little reason to strive for better performance. But when they are funded according to outcomes, they become obsessive about performance".

This is indicative of the fact that when results are not measured and there is no reward for these results, there are no incentives to achieve them.

Over the years, the Department has ploughed more and more money in public education yet the results are not convincing.

Osborne and Gaebler (1992: 139-140) are very critical of a non-results based public service and feel that employees get consumed by their own self importance and that they neglect to perform the functions for which they are employed. The purpose for which they are employed becomes secondary to protecting their own authority and their own self-importance.

4.9.1 Measuring and Getting Things Done

It is rather ironical that people respond to measurement. When people know that their performance will be measured they act to ensure that there is achievement. Just engaging in the task of defining measure opens a new vista for many organisations.

Osborne and Gaebler (1992: 147) state as follows:

"When they define the outcomes, they want and the appropriate bench marks, to measure those outcomes, this confusion is forced into the open. People begin to ask the right questions, to define the problems they are trying to solve and to diagnose that problem anew".

Working towards achieving specific goals may not necessarily solve problems. However, when it is understood what has to be achieved and bench marking takes place against what should be, clarifies any confusion that may exist. Asking the appropriate questions, defining the problem is the first step towards solving the problem. Incorrect diagnosis will lead to incorrect solutions that may further exacerbate the problem. According to Behn (2002: 10) this is a fundamental shift, psychologically speaking since it requires the manager to think in terms of what is in it for society rather than what is in it for the manager or the employee. The emphasis is on an outward-looking approach to doing ones work compared to an inward looking approach of focusing on tasks and activities.

4.9.2   Monitoring Success or Failure

It is important for public managers and elected representatives to know which programmes are succeeding and which ones are failing. This is only possible if results are measured. There has to be objective information on outcomes. Political and policy considerations cannot be made on somebody's whim and fancy, they must be based on credible objective data and information.

Osborne and Gaebler (1992: 148) are critical of an objectives-driven public service. He argues that while the objective may be noble, the results may prove otherwise. For example, giving failing schools more and more money fails to address the fundamental issues of whey they may be failing. A results-based approach according to Norton (1976: 23) will not yield the desired results unless the public servant is sufficiently motivated to reach the set goals, has the competence to manage their work environment and a desire to be in charge of their work environment rather than to have someone continuously look over their shoulder.

4.9.3   Rewarding Success

Rewarding success energises managers to achieve. Osborne and Gaebler (1992: 148) quote the example of Patrick F Taylor, an oil rich tycoon from New Orleans in America who by virtue of guaranteeing college tuition for 180 children in grades 7 and 8 – most of whom had already failed two or more grades got 169 children to go

to college. Historically 50 of 180 who fail two or more grades generally drop out. When there is a reward for measured performance, it motivates success. Similarly, if the KwaZulu-Natal Department can reward measured performance, it will increase productivity.

4.9.4 Failure Rewarded

Rewarding success is not common practice (Osborne and Gaebler 1992: 149). If you cannot see and measure success, you may be rewarding failure. In field of education, particularly in South Africa, failure is rewarded. Perversely, schools that perform poorly are given more resources and support yet schools that do well have their resources reduced. It is a strange phenomenon that when failure is rewarded, bizarre incentives are created. School principals fail to alter the status quo for fear of losing the resources and support. To get success one must expect and work towards it or else one gets failure. When expectations are raised, it causes employees to respond to achieving results. Dixit (2002: 715) asserts that even implicit incentives rather large direct ones can foster professionalism and enthusiasm to achieve.

4.9.5 Learning from Results

Public organisations that embrace the entrepreneurial spirit are learning organisations. New things are tried and those that work are incorporated into the work streams and those that not are discarded.

Osborne and Gaebler (1992: 150-151) question rhetorically:

> "But if an organisation doesn't measure results and can't identify success when it happens, can it learn from success?"

Constant feedback is needed on outcomes or else innovation can be killed. When results are measured it is easy to deduce success from failure and it is easy to innovate new and exciting ways to build on observable success.

When things government does can be measured and the public knows what is being bought and paid for with the money raised, people have greater trust and confidence in the government they elect. The overall performance of a department is dependent on the performance of various units. The combined performance of all the units results in the performance of the department. Measuring the results of each team leads to improved productivity and when, incentives are paid for

productivity, they are based on measured results and not on wildly thought of perceptions.

This has implications for performance management and performance governance, which is about policy management and service delivery.

4.10 GENESIS OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM IN THE SOUTH AFRICAN PUBLIC SERVICE

Initially, the inauguration and evolution of public service performance management in South Africa began with the White Paper on the Transformation of the Public Service (WPTPS) in 1995.

The vision of the White Paper on the Transformation of the Public Service (1995: Chapter 2) is that of a:

> "transformed public service which is representative, coherent, transparent, efficient, effective, accountable and responsive to the needs of all".

The genesis of performance management and development systems was premised on a transformed public service, making a clean break with the past that was going to be responsive to the needs of all the people of South Africa and which had to be underpinned by the principles of transparency, efficiency, effectiveness and accountability. This approach contrasted with the approach of the previous governments in South Africa. The pre-1994 government focussed on the needs of the minority White population and public management focussed largely on managing activities. The principles of efficiency, effectiveness and economy were subsequently enshrined in the Constitution of South Africa Act, 1996. This had the effect of redesigning and transforming public management in the South African public service. These principles became mandatory with the promulgation of several legislations the most prominent among these was the Public Finance Management Act, 1999.

The 1997 White Paper on Transforming Public Service Delivery commonly referred to as the *Batho Pele* White Paper further developed guidelines and set the stage for public service accountability using the eight *Batho Pele* Principles.

Despite concerted policy injunctions by the African National Congress (ANC) led government to advance the delivery of services, the ***Presidential Review Commission*** (1998: Chapter 5) reported that;

- a coherent performance measurement and management framework was needed to monitor performance;

- poor links existed between strategic planning and budgeting; and

- systemic performance review and appraisal were lacking.

Performance management at both the organisational level and the individual level were lacking. Often, it was asserted that performance measurement in certain services of the public service such as education was not possible given the scarcity or unavailability of performance measures to measure performance. Hughes (2003: 157) asserts that there can be no debate that measuring performance in the public service is more difficult than the private service. This was because the public service took the view that instituting bureaucratic organisational processes would automatically culminate in delivery of services or production of public goods. It often had no knowledge of what it produced, and who was actually responsible for such production. Monitoring and evaluation was insufficient to the extent that it was difficult to ascertain whether objectives were achieved or not. The public service had to introduce policies to address performance management to ensure that its goals and objectives could be achieved.

In the quest to improve the performance of government, the Ministry of Public Services and Administration (MPSA) investigated and systematically transformed the functional areas of Public Service policy and introduced among policies, a policy on performance management. In April 2002, a performance management and development system was introduced to manage the performance of the senior management cadre in the public service.

The policy objectives of the performance management system were that (Department of Public Service and Administration 2005: 10):

- "Departments shall manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results;

- Performance Management processes shall link to broad and consistent staff development plans and align with the department's strategic goals;

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- Performance Management processes shall be developmental but shall allow for effective response to consistent inadequate performance and for recognising outstanding performance; and

- Performance Management processes shall be developmental but shall allow for effective response to consistent inadequate performance and for recognising outstanding performance; and

- Performance Management procedures should minimise the administrative burden while maintaining transparency and administrative justice".

The relationship between political representatives and administrative functionaries had to be redefined to ensure greater accountability, through the introduction of clearer lines of responsibility, performance targets and performance management. Accordingly, Ketelaar *et al* (2007-24), state that in view of the complexity of linkages between individual and organisational performance it is necessary that the "line of sight" between what is proposed, and what is achieved is clear. From a principal-agent perspective, the relationship had to symbiotically promote greater devolution of management autonomy for resources management and control so that innovation, creativity, initiative, motivation and responsiveness to the clients needs could be increased. The intention of a results-oriented approach to management is for officials to focus on results, take initiative, learn and improve service delivery (Sanger 2008: 78).Performance contracts in the public service, not only guide day-to-day operations, but had to also monitor and measure performance. The performance management and development system for public service employees is linked to financial incentive schemes. The performance management and development system is expected to promote effective, efficient and economical delivery of services as well as to raise the levels of accountability and transparency. Arising out of the Presidential Review Report of 1998 and the incessant complaints from communities, as well as, negative media reports, it is apparent that this is not the case. It is envisaged that an investigation into performance management and development system for senior managers in the public service may be able to illuminate issues and provide answers to some of the complaints. According to the Department of Public Service and Administration (DPSA) the purpose of the Performance Management and Development System is

to improve employee performance and to optimise every employee's output in terms of quality and quantity, thereby increasing the Department's overall performance (Employee Performance Management and Development System DPSA 2005: 10). The Department of Public Service and Administration, who are the custodians of the performance management and development system also outlines the objectives for performance management and development system, which include the following, *inter alia*:

Establishing a performance and learning culture in the Public Service regarding the following (Employee Performance Management and Development System DPSA 2005: 10):

- Improving the delivery of public services;

- Ensuring that all job holders know and understand what is expected of them;

- Promoting interaction on performance between job holders and their supervisors;

- Identifying, managing and promoting jobholders' developmental needs;

- Evaluating performance fairly and objectively;

- Recognising categories of performance that are fully effective; and

- Managing categories of performance that are not fully effective.

4.11   TOWARDS MEASURED PERFORMANCE

In 1999, the Public Finance Management Act was enabled to ensure that organisational changes were effected to get managers to account for resources allocated and to improve efficiency, effectiveness and economy in public service organisations. The focus of the Public Finance Management Act, 1999 is to ensure judicious use of government funds, to control expenditure and to make the public service more effective and efficient in the utilisation of resources focusing on outcomes and outputs. The Public Finance Management Act, 1999, Section 27 specifies that;

> "When the annual budget is introduced in the National Assembly or a provincial legislature the accounting officer for each department must submit to Parliament or the provincial legislature, as may be appropriate measurable

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objectives for each of the main divisions within the department's vote. The relevant treasury may consolidate these submissions and consolidate them into one document".

And section 40 (d) of the Public Finance Management Act, 1999, states that:

"The Accounting Officer must submit within five months of the end of the financial year to the relevant treasury, and in the case of a department or trading entity also to the Executive Authority responsible for a department or trading entity: an annual report on the activities of that department, trading entity or constitutional institution during that financial year".

Setting measurable objectives and reporting annually on the objectives clearly indicated that the emphasis had shifted from public managers simply applying rules and prescripts to managing a public service that was results-oriented. Accountability became the buzzword and it was cascaded to the level of Parliament nationally and to the legislature provincially.

As stated earlier, the emphasis shifted from managing inputs and outputs in the production of public goods and the providing of public services, to measuring outcomes and evaluating impact.

Accounting officers, that is, heads of institutions had to become accountable for achieving outcomes against pre-determined indicators. Planning, budgeting, implementing, monitoring and reporting had to be closely linked and departments had to be specific about what they intended delivering and what they actually delivered (van der Waldt *et al* 2001: 13). The severe demand for service and the financial constraints placed on Departments because of the State's limited resources, accounting officers need to make certain that every cent received from the Treasury is spent well, and properly accounted for.

In line with the new public management paradigm, accounting officers or heads of departments are consequently being put under considerable pressure to adopt systems and processes, which will ensure judicious use of resources and promote greater efficiency. The intention was to make public institutions more "business like" in their dealings with their clientele, the electorate and the government-of-the-day. This therefore, required that management practices become innovative and more creative in its approach to improving overall performance in the public service. It therefore becomes imperative to monitor and measure performance, which will

thereby ensure that the Senior Management Service in the South African public service is indeed performing in terms of its roles and responsibilities.

The main objectives for the introduction of the performance management and development systems in the public service are to (OECD 1997: 9):

- Ensure that that there is continuous improvement in performance at both individual and organisational level;

- Raise the level of accountability in the organisation; and

- Reduce expenditure while at the same time increasing efficiency and effectiveness.

In this light, Behn (2002: 15) refers to the "big-picture" thinking among employees when he states that:

'When many people think about the challenge of improving government performance, they are overwhelmed with the enormity of the task that they are blinded to the opportunity to create meaningful improvement through a series of individually small, but collectively significant actions".

Casting this in light of the contingency theory, the organisation is a system comprising of many sub-systems of which an individual is a sub-system within a subsystem and each has to function at its optimum for the organisation to perform well (Jackson 2000: 111). For a unit such as the KwaZulu-Natal Department of Education to perform all within it must perform.

4.12   PURPOSE OF THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

The principle norm of performance management system is achieving value for money and delivering high quality public service (OECD 1997: 37-39).

It therefore does not escape the fact that economy, efficiency and effectiveness embody relationship between costs, resources, inputs, outputs, outcomes, impacts and results. These processes are all value-based (Fenwick 1995: 114 and Jones 1996: 90).

The Department of Public Service and Administration introduced the performance management and development system so that it could (Public Service Senior Management Service Handbook 2003: Chapter 4):

- "get public service departments to link performance management processes and staff development into a department's strategic goals;

- create a mechanism for recognising outstanding performance and to take steps against poor performance; and

- reduce the administrative burden on supervisors while maintaining transparency and administrative justice".

The purpose of the performance management and development system is to ensure that the policies of the State and the mandates of the executing authority are being implemented and the resources employed are maximally utilised.

In addition, the performance management and development system is envisaged to allow employees to account for their actions and the resources entrusted to them and for employees to become autonomous decision makers and accountable officers for the management of all resources- human financial, technological or material. While performance management systems placed employees on terms, it must be seen as part of a performance management system for the department as a whole in the entire system. Borrowing from Gestalt: the whole is greater than the sum of the parts.

The performance management and development system should not be viewed in isolation. It does not only have implications for specific individuals but rather it belongs to the whole department and ultimately for the entire public service system. However, Wouters and Wilderom (2008: 491) argue that incomplete performance management systems arise when strategic performance measures are haphazardly disaggregated into different performance dimensions, during separate disconnected periods and in different organisational sub-units and there dependencies are not reflected or linked to the performance management system of the organisation. When this happens the perception among some individuals and units within the organisation is that performance management is irrelevant, negative or unfair.

4.13   OPERATIONALISING THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

Performance management is a management tool to instil organisational and cultural changes as part of the general reform of the public service and more especially in the KwaZulu-Natal Department of Education. The intention is for public

administration to be more efficient and service oriented. The performance management and development system in the South African public service is part of the agenda to transform the public service.

Performance management may be broadly described as a strategic approach to management that; equips leaders, managers, workers and stakeholders, at different levels, with a set of tools and techniques to regularly plan, conscientiously implement, continuously monitor, periodically measure and to always review performance, in terms of predetermined performance measures. This calls for collective linking of efficiency, effectiveness, outputs, outcomes and impact indicators, which must be in concert with the stated vision, mission, goals and values of the organisation (du Toit 2002: 189).

Performance management in the public service is an approach to managing the work that people do, so that public goods and public services are provided at best value. It requires leaders and managers of organisations and institutions to manage employees in such a manner that all its components and individual employees are collectively held accountable for the goods they produce or the services they provide.

Robbins (2000: 170-175) argues that performance management is control process. Control comprises three steps, the first being, measuring actual performance, comparing this performance against specific standard and lastly taking managerial action where there are deviations from the standard. Robbins (2000: 173) cautions that not all activities are quantifiable. For example, the work of a research chemist or that of a teacher is more difficult to quantify than that of a life insurance salesperson. Robbins (2000: 173) goes on to state that: "most activities can be broken down into objective segments that allow for measurement".

Managers must be able to determine what value an individual adds to the organisation and be able convert this into some standard. Often subjective measures are used where no quantifiable standard can be identified. Performance Management encompasses both the measurement of performance and how it is used by management for decision-making and by external parties for accountability purposes (OECD 1997: 3).

Performance management, according to du Toit (2002: 187), involves having in place systems and methods, which translate the goals of strategic management

into individual performance terms through human resource management. In other words, it is a systematic process by which, a public institution involves its public employees in improving effectiveness in the accomplishment of institutional goals so that service delivery may improve. It sets the parameters for planning work and setting expectations, monitoring performance, developing the necessary capacity to perform, reviewing performance, rating performance and rewarding performance. Du Toit (2002: 187) offers a basic yet comprehensive definition of performance management in public institutions by positing that:

> "It is the systematic process by which a public institution involves its public employees in improving effectiveness in the accomplishment of institutional goals such as improving service delivery".

Du Toit's (2002: 187) assertion is further supported by Pillay and Subban (2007: 56) when they state that performance management is not a one sided, either top-down or bottom-up approach to managing work, but rather a shared process between managers and individuals and the teams that are managed. Performance management is ensuring that the organisation delivers on its mandate, and delivers the services for which it was created.

Moreover, the performance management process creates the space and opportunity for both the employee and the supervisor or manager to deliberate personal development goals and jointly create a plan for achieving those goals. Professional growth and development plans should ideally contribute to growth of the organisation and the professional growth of the employee. Collectively, the employer and the employee need to benefit mutually from the performance management system- the employer receiving the desired level service and the employee receiving the desired rewards and developing professionally in the course of providing the service. However, du Toit (2002: 189) cautions that there is a need to approach performance management in a broader context, which requires placing more focus on effectiveness in terms of systems and processes in institutions. This means that for performance management systems to work successfully, the organisation has to be functional. There has to be alignment of processes such as planning, budgeting, procurement and human resource management so that the goals, objectives and outcomes of the organisation may be realised. Policies must be mindful of the organisational environment and the

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services or products needed by both internal and external customers (du Toit 2002: 189).

Hence, performance management in essence, is a process of harnessing all available resources (both human and material) within an organisation and ensuring that performance is maximised, in order to achieve the desired results. Moreover, it involves building processes, systems, culture and relationships that facilitate the achievement of organisational objectives.

The key elements of performance management are its objectives, approaches, institutional arrangements and performance management systems. Institutional frameworks and arrangements need to be put in place to ensure that performance management take root in organisations (OECD 1997: 9). This approach to performance management is restricted to the performance of the organisation as a whole without giving specific cognisance to the performance of individuals within the organisation.

4.13.1 Performance Contract or Agreement

A performance contract or performance agreement the term used in the South African public service, legally binds the relationship between the supervisor and the co-worker. The contractual relationship determined by the PMDS for senior managers in the public service shifted from the conventional regulatory contract to a performance contract (Behn and Kant 1999: 470). The conventional contract was activity-based, specifying how, things ought to be done, whereas the performance-based contract specifies the results that needs to be achieved. The performance contract is a key human resource management tool. In the performance contract, the strategic goals are identified and the activities that need to be enacted and the performance indicators and targets to be achieved together with the timeframes are clearly spelt out. The employer is expected to provide an enabling environment, such as, resources and the infrastructure to facilitate accomplishment of the results. At the end, the appraisal for performance is based on agreements reached in the performance contract (van der Waldt 2004: 294-295). Schick (1998: 125) opines that performance agreements had the potential of displacing trust in the public service with accountability for results. In a trusting relationship, loyalty is assured and it is expected that the manager would perform. The performance contract regulates a transactional relationship between the employer and employee. If it is

found that the manager is performing unsatisfactorily, then in theory the manager can be sacked, however, this rarely ever happens in practice (Schick 1998: 126).

4.14 WHITE PAPER ON HUMAN RESOURCE MANAGEMENT IN THE PUBLIC SERVICE, 1997

The 1997 White Paper on Human Resource Management in the Public Service underscores the need for an appraisal system in the public service. The appraisal system according to the White Paper enunciates the following principles:

4.14.1 Results Orientation

Results orientation implies that the employee must be able to deliver on mutually agreed objectives between supervisor and co-worker as set in a work plan (Erasmus *et al* 2005: 271). The employer must set the objectives, provide the resources and the employee must be held accountable for delivering either the goods or the services for which the he/she is specifically employed (Ketel and van der Molen 2008: 63).

4.14.2 Training and Development

Emanating from the performance appraisal process, the supervisor should identify areas that require development and should make the necessary arrangements with the human resources development section to provide the requisite training (Erasmus *et al* 2005: 271). Contrary to popular belief, particularly amongst the rank and file of employees, performance appraisal is to identify the strengths and weaknesses of employees and to take appropriate steps to provide development opportunities where such has been identified. Training would result in improved skills, knowledge, attitudes and competencies enabling the employee to work better (Govender 2009: 112).

4.14.3 Rewarding Good Performance

Where employees in the eyes of the supervisor have performed outstandingly, such performances should be tangibly rewarded. These rewards may be in the form of additional remuneration, bonuses or non-cash awards. Performance related pay was an attempt to bridge the gap between the private and public service so that managers from the private service could be recruited and retained in the public service. Burstein (1983: 187) writes that incentive schemes are also effective in controlling behaviour since they function to develop, maintain and enhance the goal directedness of managers.

4.14.4 Managing Poor Performance

Part viii, paragraph D of the Public Service Regulations (2001) is specific in terms employees whose performance is poor. Poor performance implies that the stated objectives and tasks as set in the work-plan that had been mutually agreed upon between employee and supervisor at the outset had not been met. It is necessary that employees be notified in writing where performance is deemed to be unsatisfactory (Erasmus *et al* 2005: 271). Where performance is deemed poor, remedial steps may be undertaken in consultation with the co-worker to correct the situation. Such action may include counselling, coaching, mentoring, re-training and job rotation. Finally, if all else fails, then the employee may be dismissed following due process.

4.14.5 Openness, Fairness and Objectivity

Abiding by the principles of openness and transparency, fairness and objectivity can engender trust between employee and supervisor. When the principles are consistently applied, the outcome of the assessment is easily accepted. All feedback on formal assessment should be in writing and employees must be afforded the opportunity to comment on the results of the assessment (Erasmus *et al* 2005: 272).

4.15 RESOLUTION 13 OF 1998 OF THE PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

As stated earlier the performance management and development system in the public service is implied in section 195 of the Constitution of the Republic of South Africa Act, 1996 and is particularly instructive in the Public Service Act, 1994 and further reinforced by resolution 13 of 1998 of the Public Service Co-ordinating Bargaining Council (PSCBC). Resolution 13 of 1998 refers specifically to Senior Management Service of the South African Public Service.

Resolution 13 of 1998 of the PSCBC sets the framework for senior government employees to agree to individually drawn-up performance agreements or performance contracts that frame the parameters for their day-to-day activities.

Resolution 13 of 1998 of the PSCBC prescribes that the following be included in the performance agreement of all senior management service members:

- Key duties and responsibilities;

- Output targets for the duration of the performance agreement;

- Dates for performance review; and

- Dispute resolution mechanisms and date on which salary increments will come into effect and mechanisms for awarding of salary increments.

The performance agreement of a manager has to be linked to the strategic plan of a department, setting out the key responsibilities and output targets derived from targets and envisaged goals of the department. All work related activities of co-employees must support the key responsibilities and duties of the manager a level above. While it is simple for a manager who is directly responsible for providing a specific service, or producing certain goods it is not always clear what the outputs of managers who provide support actually are. This is contrived into what may be called process outputs instead of service or goods output.

The key responsibilities and duties as well as output targets as enunciated in the Public Service Senior Management Service Handbook (2003: Chapter 4) can encompass various aspects of an employee's work. These include:

- The contribution which the employee makes to the overall effectiveness, efficiency and management of the department;

- The specific tasks or events which the employee must ensure are achieved or finding of solutions to specific problems;

- The level of performance which the employee attains and maintains;

- The steps engaged in by the employee for delivering his/her unique contribution; and

- The steps take to advise co-workers and clients.

In the case of the KwaZulu-Natal Department of Education, the Performance Management and Development System attempts to link the need for effective staff performance, with the corporate strategy of the Education Department. The scheme is designed such that it identifies, evaluates and develops staff performance so that the vision, mission and goals of the Department are achieved.

The values of the Education Department are practised and that staff benefit through clarification of expectations, recognition of their efforts, feedback on their performance, improved training and development and enhanced career planning.

The Performance Management and Development System of the public service sets for itself the following aims (Public Service Senior Management Service Handbook, 2003: Chapter 4):

- Promoting a corporate culture to achieve organisational goals;

- Improving employees' awareness and understanding of their work objectives and the performance standards expected of them;

- Ensuring that, employees work towards specific standards.

- Enhancing communication between supervisors and their staff;

- Evaluating performance impartially;

- Identifying individuals' development needs and providing for those needs;

- Dealing effectively with unsatisfactory performance; and

- Rewarding those who perform satisfactorily.

4.16   STRUCTURAL FEATURES OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

The performance management and development system has a series of processes and procedures that need to be strictly adhered to; for compliance purposes and for purposes of improving work performance.

4.16.1   Performance Agreements

The performance management and development system, in the South African public service is regulated by; the Public Service Act, 1994, the Public Service Regulations and the resolutions of the Public Service Co-ordinating Bargaining Council (PSCBC), as well as, National Treasury Regulations (2001). PSCBC Resolution 13 of 1998 states that the purpose of the negotiated collective agreement is to set a framework for senior employees to agree to individually drawn-up Performance Agreements.

Resolution 9 of 2000 of the Public Service Co-ordinating Bargaining Council extends Resolution 13 of 1998. Resolution 9 of 2000 provides for the remuneration packages for the senior management service to be translated to a more transparent total cost-to-employer and an inclusive flexible remunerative package system.

The Performance Agreement is the performance contract between the employer and the employee and its contents has to be linked to the strategic plan of a

department or entity. Therefore, the setting of the key responsibilities targets and output in the performance agreement has to be directly derived from the required outputs of the department's strategic plan. Employee actions must support the key responsibilities and duties of a manager (Public Service Senior Management Service Handbook 2003: Chapter 4).

The policy provides clear direction and stipulates that the Performance Agreement must have the following five prescribed items:

4.16.1.1   Key Features of a Performance Agreement

The performance agreement must be structured to incorporate, key duties and responsibilities, the expected targets and outputs; dates when the performance of the employee would be reviewed, dispute resolution mechanism to deal with disputes should they arise. The two areas on which performance appraisal is based are the key result areas (KRA) and the core management criteria (CMC). The key result areas refers to what the manager is expected to achieve based on a work plan which ultimately forms the managers programme of action and the core management criteria are the skills and competencies that a manager is expected to display in the process of achieving the results (Public Service Senior Management Service Handbook 2003: Chapter 4).

4.16.1.1.1   Key Result Areas

The Key Result Areas (KRA) should cover the key responsibilities and duties as well as output targets of the various aspects of an employee's work. It describes the core activities that will assist the component to meet its objectives. It also defines the activities that are necessary to achieve the strategic objectives. The key result areas, according to the Public Service Senior Management Service Handbook (2003: Chapter 4) captures the:

- employee's overall performance in the department; and

- performance of specific tasks or events to ensure success.

The Key Result Areas are also weighted in accordance with the importance in the job. The weighting is in proportion to the time on task. The SMART principle, namely, specific, measurable, attainable, realistic and time-bound is used in setting out the duties, responsibilities and output targets. The key results chosen, irrespective of the number must lead to at least five outputs. The problem rests

firstly, in the description of the outputs and secondly with the measurement of the outputs, particularly for process-related work.

Ambitiously, the agreement also tries to incorporate issues of innovation and supervision of co-workers.

4.16.1.1.2 Core Management Criteria

The core management criteria are a set of generic competencies that each manager should be able to display in the performance of their day-to-day operations. The Department of Public Service and Administration (Public Service Senior Management Service Handbook 2003: chapter 5) arrived at a definition of the term competency through a consultative process and the consensus view is that it is a:

> "...set of behaviour patterns, an individual needs to display in order to perform effectively and efficiently in his or her position".

These generic skills are learned either experientially or vicariously over a period. Learning these skills would entail having the requisite ability to learn and assimilate them into a person's managerial behaviour.

The Public Service Regulations of 2001 defines competence as:

> "…the blend of knowledge, skills, behaviour and aptitude that a person can apply in the work environment, which indicates a person's ability to meet the requirements of a specific job".

The conclusion is that managers need to have had sufficient experience in their careers to acquire the necessary knowledge, skills and behaviour to perform their functions effectively. Sing and Govender (2008: 319) write that the changed behaviour comes from learned experiences that enable the manager to perform better.

The apparent contradiction is that a person must be able to demonstrate the competencies prior to getting the position; yet, this is done through a pen and paper assessment with parts of the assessment being a role-playing exercise. The assessment is generic that failure is hardly likely. Often managers are appointed without having the necessary competencies and are expected to acquire the competencies on the job. Without the critical skills, knowledge, abilities and competencies, the achievement of nominal productivity goals of the organisation

would be compromised (McGregor Jr. 1988: 942). Knowledge, skills and ability are assets that make the attainment of organisational goals and outcomes possible. Without these assets, the manager cannot train and develop others (Sing and Govender 2008: 319).

The eleven core management criteria defined in the Public Service Senior Management Service Handbook: Public Service (2003: Chapter 5) are:

4.16.1.1.2.1 Strategic Capability and Leadership

The expectation of this competency is that the vision of the organisation is set and that members in the team are inspired to deliver on organisational mandates. The top management of a department must set the strategic direction and each manger responsible for sections with the organisation must further resolve the delivers for the units under their charge.

4.16.1.1.2.2 Programme and Project Management

The manager should be able to display skills in planning, monitoring, and evaluating specific activities or a series of activities to deliver desired outputs. The higher-level skills such as goal setting risk assessment and analysis and project monitoring, evaluation and reporting sets the good manager apart from the mediocre.

4.16.1.1.2.3 Financial Management

In this regard, managers must be amply able to display an ability to compile and manage budgets and cash flow. In addition, in this regard managers have to have the ability to identify risks and institute risk management systems and processes. The financial affairs of their section or component must be conducted in a manner that follows generally recognised financial practices that so that the strategic objectives of the department can be achieved.

4.16.1.1.2.4 Change Management

This aspect deals with transforming the organisation to deliver quality service by initiating new strategies. It also requires that managers deal with transforming the public service. Change in the public service is constant and the propensity to deal with it is crucial to keeping the head above water.

4.16.1.1.2.5   Knowledge Management

Today, knowledge is today seen as a utility to obtain results (Ricceri 2008: 1). Knowledge management is about producing new knowledge and then sharing this knowledge so that the organisation can grow because of new learning. Ricceri (2008: 1) posits that knowledge is the engine of organisations and organisations that continually innovate, use new technologies and develop the skills, competencies and knowledge of employees are more successful than those that rely on hard assets.

4.16.1.1.2.6   Service Delivery Innovation

Service delivery innovation is about finding new and novel ways of implementing service delivery to achieve the goals of the organisation.

4.16.1.1.2.7   Problem Solving and Analysis

When dealing with the aspect of problem solving and analysis managers demonstrate this competency by systematically identifying, analysing and resolving problems timeously. This may even require that potential problems are anticipated and mitigating strategies be put in place to deal with them.

4.16.1.1.2.8   People Management and Empowerment

The competency of managing and empowering people deals with managing relationships in an organisation in a manner that would inspire people to optimise their outputs and levels of productivity so that organisational goals may be achieved.

4.16.1.1.2.9   Client Orientation and Customer Focus

Client orientation and customer focus means delivering services effectively and efficiently, putting the focus on the customer through conscious practice of the Principles of Batho Pele.

4.16.1.1.2.10   Communication

Communication as a competency deals with the exchange of information and ideas in a clear and unambiguous manner. This exchange of ideas and concepts must be appropriate with the audiences' level of understanding. The skill of good communication should result in clarity of understanding. People in the work place

should be persuaded and convinced to perform to the highest level possible to attain the desired organisational outcomes.

4.16.1.1.2.11 Honesty and Integrity

Building trust and inspiring confidence in the Public Service depends on managers showing supreme levels ethical and moral standards.

These eleven core management criteria form the basis of assessing and evaluating the levels of competency that managers have to perform their responsibilities. A manager may choose a minimum of five competencies of which, strategic capability, programme and project management and financial management are compulsory. The core management criteria that are selected have to also be weighted. One of the weaknesses of the system is that not all eleven competencies need to be demonstrated by managers. When individual do not possess the necessary skills and competencies then organisational performance can be compromised, since the collective performance of individuals influence the overall performance of the organisation (Tellaria *et al* 2002: 340).

However, before managers are appointed, one of the processes for selection is that managers must undergo a competency assessment and the results of the assessment is used amongst others, as a means for selection. As indicated in *chapter one,* Lubisi (interview dated 15 October 2009) stated that the performance management and development system does in its conceptualisation take into account the historical imbalances in respect of the competency and skills of particularly historically disadvantaged Black managers and attempts to address this by placing an inordinately high level of emphasis on development. Emanating from this, Sing and Govender (2008: 327) aptly point out that senior managers must mentor and coach their staff. This laudable conclusion is premised on the assumption that the competency and skills level of senior managers themselves are at a level that mentoring and coaching will have a significant effect.

Whilst SMS personnel are required to consult and agree on core duties and responsibilities with their immediate supervisor, when it comes to assessment of performance for the sake of equability the policy indicates that Departments:

"should opt for an assessment committee to determine the assessment of their managers" (Public Service Senior Management Service Handbook 2003: Chapter 4, section 15.7).

The purpose of the committee is to ensure evenness in the appraisal process and to make recommendations to the Executing Authority on the payment of rewards. This has the potential to pose problems, since colleagues adjudicate over colleagues and it may probably require outsourcing to an external service provider for the sake of objectivity. However, in the case of education officials, it may be difficult to find service providers who have the capacity to assess Senior Management Service personnel responsible for several highly specialised areas of expertise.

4.16.2   Performance Appraisal

As mentioned earlier, all the experts studied by McConkie (1979: 35) agree that appraisal needs to be based on the evaluation of the attainment of objectives. In the table below is a summary of what they stated:

TABLE 4.1:   RESEARCH ON HOW THE AUTHORITIES VIEW THE APPRAISAL PROCESS

VIEW OF AUTHORITIES	NO. OF AUTHORITIES IN AGREEMENT	PERCENTAGE OF AUTHORITIES
Objective criteria and performance standards must be clearly included in management by objectives	33	87%
Did not mention "objective criteria" but appear to assume it as a part of Management by Objectives	5	13%
TOTAL	38	100%

Summarised from McConkie (1979: 35)

McConkie (1979: 35) also found in reviewing the work of the experts, in two cases, where because of Management by Objective type of appraisal, employees reported that they understood what specific improvement was expected of them, which the traditional approach to appraisal did not specifically assist them with. It is also evident that the authorities expressed reservation about appraisal when criteria are not objective and assessment results are biased.

The Management by Objectives appraisal provided co-workers with better data against which they could then conduct self-appraisal and consequently self-improvement.

It is also reported by employees that the emphasis in appraisal shifts from focusing on what an employee has not been doing to what the employee has been doing. There is little consensus among the experts as to how the appraisal process should be conducted. Some prefer a one-on-one approach where the manager appraises a co-worker, others prefer that the self-appraisal forms the basis of the appraisal process and still others suggest that team and group appraisal should form the basis of appraisal. The latter perspective emanate from the thrust given by operational research. Each has in own limitations. Moreover, self-appraisal can result in conscious distortion since the appraisee has either high esteem or low esteem. Supervisor-co-worker appraisal can be influenced by informational constraints, cognitive constraints or affective constraints (Campbell and Lee 1988: 304-307). And, group appraisal can be influenced by affiliation and fraternity constraints.

It is often difficult to agree what particular form or shape performance appraisal should assume, however, there is consensus particular among the MBO protagonists that judgement should be made after considering some data-based-diagnosis (McConkie 1979: 36).

Appraisal should be objective, periodic and constant. Performance appraisal cannot happen without reporting of performance so that historical evidence, in the first instance is maintained and secondly that it forms the basis for future reference. Dresang (2002: 172) argues that a cardinal reason for the ineffectiveness of performance evaluation is that it fails to answer the question, "So what?" When performance evaluation is not constructive then performance appraisal exercises are not taken seriously. Filling out appraisal forms and documents become acts of malicious compliance. There are instances were managers loathe facing employees and providing feedback on performance particularly where the performance is deemed to be poor. Many managers want to avoid unpleasant confrontation and therefore they either over-emphasise the positive aspects of the work performance and downplay or skirt over the negative aspects or alternatively they avoid appraisal altogether (Dresang 2002: 173).

Supporting performance appraisal feedback, Yeager *et al* (1985: 570) write that feedback impacts positively on motivation, job satisfaction, attendance and has the effect of reducing turnover. Contrary to what was said by Dresang (2002: 173), the authors state that it is much easier for a supervisor to give negative feedback than to give positive feedback (Yeager *et al* 1985: 570).

Haberstroh (in Vasu *et al* 1990: 336) drew two broad conclusions from his review of performance measurement research:

> "Firstly, performance reporting is omnipresent and necessarily so. Secondly, almost every individual instance of performance reporting has something wrong with it".

Daley (1992: 40) argues from having studied case laws that six criteria form the basis of performance appraisal systems. These are, job analysis, work behaviour, communication, training, documentation and monitoring. He found rulings from several court cases mandating the practice of these objective techniques so that performance appraisal systems can be legally acceptable.

Performance appraisal systems must look at the specific job that an individual performs and appropriate job analysis techniques must be used to determine the exact job that is performed. Furthermore, Daley states (1992: 40) that any job analysis technique must focus on work behaviour or performance standards clearly linked to the performance of the job. All appraisal of performance must be documented. Employees must be informed of their level of performance so that future performance may be improved.

4.16.3 Performance Bonus

In the South African public service environment, particularly as it pertains to the Senior Management Service provision is made for the payment of incentives based on the level of performance. The idea of pay-for-performance according to Moon (2000: 177) is aimed at ensuring that staff remain motivated and that performance of the organisation is advanced. Fitzpatrick (2007: 4) surveyed European Union countries and reported that the main reason for introducing performance related pay was to keep staff motivated and to improve performance, effectiveness and efficiency.

The Executive Authority can reward members of the Senior Management Service for meritorious performance. The bonus is based on the total score that the manager/employee obtains. The table below sets out the overall rating that managers can attain and the reward that may be obtained.

TABLE 4.2: **CATEGORIES OF PERFORMANCE RATING OF SMS AND REWARDS**

CATEGORY	TOTAL SCORE	REWARD
Unacceptable performance	69% and lower	The manager may have to go for training and development and if similar performance continues then he/she could be dismissed
Performance not fully effective	70% - 99%	Further training and development. No notch increase and no cash bonus
Performance fully effective (and slightly above expectations)	100% - 129%	Pay progression from lower salary package to a higher salary package, however, there is no cash bonus.
Performance significantly above expectations	130% - 149%	Pay progress and could receive a bonus of between 5-9% of total salary package
Outstanding Performance	150% - 167%	Could receive a bonus of between 10-14% of total salary package in addition to pay progression.

Adapted from Public Service Senior Management Service Handbook (2003 Chapter 4 Section 15.3)

Members of the Senior Management Service who achieve a score of between 100%-129% their performance is regarded as being fully effective, meaning that the manager has delivered on all aspects of the work plan and qualifies for a 1% pay progress on the total remuneration package. This is an upward pay progression from a lower remuneration package to a higher remuneration package. However, there is no incentive bonus. A manager whose score is between 130% and 149%, his/her performance is regarded as being significantly above expectation and could get a bonus of between 5% and 9% of the total remuneration package. Performance above 150% is regarded as outstanding and the incumbent qualifies for a bonus of between 10% and 14%. For managers to attain a rating of significantly above expectation or outstanding the manager has to have performed exceptionally and has to be head and shoulders above his/her colleagues- a

peacock among penguins. Performance of between 70% and 99% is not fully adequate and a score of below 70% is unacceptable performance. The persons in these two categories may have to undergo further development and training. If there is still no improvement, it can form part of the grounds for dismissal. The scoring is designed to reflect 100% as fully effective and 150% and above as outstanding.

In addition to the monetary rewards associated with PMDS, the policy makes provision for other tangible and non-tangible incentives to be given. Rewards and incentives have the capacity to motivate performance, reduce absenteeism, increase commitment and enhance productivity. Notwithstanding the benefits, the notion exists for managers to concentrate on tasks that the bring rewards while neglecting those that are not reward bearing (Burgess and Ratto 2003: 12). This could be detrimental to the overall performance of the organisation.

Utilisation of Performance Management and Development ratings as a variable in promotion applications for higher positions is currently not considered in the public service. Since 2008, the outcome of a competency assessment once the candidate has performed satisfactorily in an interview is used for selection. The competency assessment may be used to select the most suitable candidate (du Toit 2001: 192).

Several problems have been reported in respect of performance related pay. In a survey on performance related pay conducted at the thirty-eighth meeting of Directors-General of the Member States of the European Union in May of 2002 in Spain, it was found that (Fitzpatrick 2007: 1-8):

- Performance related pay is difficult to implement and is also costly;

- The applicability of performance related pay in many cases are at Top Management level;

- The discretion of managers is only as it relates to measurement of performance and distribution of a very limited money for performance related pay;

- Under-performance is not addressed and there is sanction failure to deliver;

- Measurement of performance in sections were there are no quantifiable outputs is difficult;

- There is no evidence to support the fact that performance related pay contributes to improved performance or improved quality of service;

- Extra pay is not a significant motivator; and

- Employees felt more motivated when performance is reviewed and feedback is given.

Moon and Kim (2006: 245) found that when pay-for-performance was introduced in Korea, as part of the public service reform process, government employees resented the scheme. The contention was that the performance appraisal system that was used to award the incentives was neither accurate nor fair. Gabris and Mitchell (1985: 311) in studying the City of Biloxi in Mississippi found that Top-level managers were the greatest supporters and advocates of pay-for-performance and others were somewhat ambivalent about merit evaluation and merit bonuses. This may be the case, because it is much easier for top-level managers to account for results than it is for middle and lower level managers. The authors also note that in the five years prior to their publication, there was not one iota of empirical evidence to suggest that the merit-based pay system had indeed increased employee productivity (Gabris and Mitchell 1985: 313).

Frank (1990: 353-4) found that there were difficulties with implementing performance incentives in the public service for the following reasons:

- Employees had difficulty in linking performance to goals and incentives;

- Lack of enthusiasm to enhance productivity;

- Developing objective criteria and appraisal systems were time consuming;

- Rewards were inadequate;

- Clumsy reward mechanisms to reinforce meritorious behaviour; and

- Money was often not available.

When rewards are not implemented, it has negative consequences for productivity and performance, recruitment and retention and motivation.

4.16.4 Quarterly Review

Each employee may submit to quarterly review of performance, which is generally developmental in nature providing a natural build-up to formal assessment at the end of the financial year. Moreover, two formal reviews, at the end of each half-year should be conducted as a minimum. During the quarterly or half-yearly review, the supervisor should ensure that the service employee (Public Service Senior Management Service Handbook 2003 Chapter 4 Section 12):

- reports to his or her supervisor as per the agreement and highlights the variances, if any, from what is expected;

- brings to the attention of the supervisor contingent issues that could prevent the realisation of any Work Plan/Performance Agreement undertakings;

- institutes controls and reporting system so that performance is achieved; and

- provide quarterly reports on newly set targets, if necessary, and progress towards the achievement of Performance Agreements or Work Plan undertakings.

The purpose of quarterly or half-yearly review of the work plan is to guide and develop the employees to meet targets and to achieve the desired outcomes. During this process, the performance of the Senior Management Service member in achieving the result required as per the Performance Agreement is discussed against the backdrop of the criteria in the Performance Management and Development System instrument that will be used to assess his/her performance over the whole Performance Agreement period. The Head of Department and other senior employees, it is expected, should be setting the standards for each Core Management Criteria or Key Results Area. However, most often they do not have an understanding of what each of their employees is expected to do. Therefore, the setting of standards is clouded in vagueness and ambiguity.

When it comes to evaluation of performance, this is often very difficult to achieve. Many departments are grossly understaffed and therefore, employees are almost always unavailable, either attending meetings or workshops to be apprised of new policies in the pipeline or capacitated on ones just introduced. Supervisors have

little time to evaluate and develop employees (PSC Report on the Implementation of the Performance Management and Development System for Senior Managers in the Northern Cape Province 2008: 21). Some supervisors are not competent to evaluate co-workers and therefore shy away from this responsibility.

Salary increases are based on employee's performance and is assessed in accordance with his/her duties and responsibilities and key performance areas as contained in the Work Plan/Performance Agreement. Assessment also focuses on the extent to which his/her performance contributes to the department's overall strategic objectives.

4.16.5 Personal Development Planning

Personal development planning and implementation of the plans are essential for the continuous upgrading and enhancing of skills of personnel in any organisation. Whilst in theory, it is a constructive aspect of the policy, in reality it is difficult to achieve. Formulation of a Personal Development Plan is one of the key outcomes of the performance management and development system and rests at the very nucleus of the system, as it is intended to improve the performance of the individual and correspondingly, impact positively on service delivery. Addressing the developmental needs, the skills gaps and capacity building of personnel requires specialised intervention, adequate budgeting and time set aside for the actual training – all of which the educational service has problems with. It also means that the supervisor has to be an expert in the field to be able to determine what skills and abilities are lacking in co-workers and to advise on appropriate developmental programmes (Public Service Senior Management Service Handbook 2003 Chapter 4 Section 15.9).

4.16.6 Rating Scale

The under-mentioned 5 categories of performance are used for the purpose of performance rating, review and the annual assessment of employees' performance as outlined in the work plan in the following table:

TABLE 4.3: PERFORMANCE RATING CATEGORIES AND DESCRIPTIONS

RATING	CATEGORY	DESCRIPTION
1	Unacceptable Performance	Performance does not meet the standard expected for the job. The review/ assessment indicates that the jobholder has achieved less than fully effective results against almost all of the performance criteria and indicators as specified in the Performance Agreement and Work Plan.
2	Performance not fully effective	Performance meets some of the standards expected for the job. The review/ assessment indicates that the jobholder has achieved less than fully effective results against more than half of the performance criteria and indicators as specified in the Performance Agreement and Work Plan.
3	Fully Effective	Performance fully meets the standard expected in all areas of the job. The review/assessment indicates that the jobholder has achieved as a minimum effective results against all of the performance criteria and indicators as specified in the Performance Agreement and Work Plan.
4	Performance significantly above expectation	Performance is significantly higher than the standard expected in the job. The review/ assessment indicates that the jobholder has achieved better than fully effective results against more than half of the performance criteria and indicators as specified in the Performance Agreement and Work Plan and fully achieved all others throughout the performance cycle.
5	Outstanding Performance	Performance far exceeds the standard expected of a jobholder at this level. The review/ assessment indicates that the jobholder has achieved better than fully effective results against all of the performance criteria and indicators as specified in the Performance Agreement and Work Plan and maintained this in all areas of responsibility throughout the performance cycle.

Adapted from Public Service Senior Management Service Handbook: 2003 Chapter 4 Section 15.6)

According to Schwella (1996: 71) each of the performance, ratings on the above scale are given descriptors, in order to enable one to differentiate one level from the other.

The rating of performance and the rating of core skills is done on a 5-point scale where 1 means unacceptable level of performance and 5 means outstanding performance. The practical implementation of the given rating scale is very problematic as there is insufficient distinction between some of the levels. Moreover, the descriptors for some of the levels are inappropriate and this makes it very difficult for supervisors to arrive at accurate and justifiable ratings of employees. For example, a rating of 2 is regarded as "acceptable" performance

which means that the level of performance is acceptable since the agreed standards in the performance agreement has been met and a rating of 3 is deemed "good" meaning that that the agreed standards have been fully met.

The vastness of the gap implied by the words "fully met" and "acceptable" is problematic. Most employees actually would fall in between these two ranges, hence the need for a mid-way level descriptor and the inclusion of a rating level that bridges these two extremes. Leniency or strictness can occur when managers rate in either extreme Schwella (1996: 71). Objectivity is lost when there is much scope for discretion in the rating.

Supervisors should exercise objectivity and preciseness in rating performance, however, several errors may surface stemming from supervisors cognitive limitations, intentional manipulation and organisational influence that can affect the assessment process (Berman *et al* 2001: 271).

4.16.7   Assessing Core Management Criteria

The key result areas are assessed using a five-point scale as discussed earlier ,whereas the assessment of the core management criteria are weighed against four proficiency levels that are made up of specific behavioural indicators to ascertain levels of expertise. The table below outlines the proficiency level and the descriptors thereof:

TABLE 4.4:   SMS COMPETENCY FRAMEWORK PROFICIENCY LEVEL GUIDE

PROFICIENCY LEVEL	DESCRIPTION
Basic	▪ **Applies basic concepts and methods but requires supervision and coaching**
Competent	▪ **Independently develops and applies more advanced concepts and methods** ▪ **Plans and guides the work of others** ▪ **Performs analysis**
Advanced	▪ **Understands and applies more complex concepts and methods** ▪ **Leads and directs people or groups of recognised specialists** ▪ **Able to perform in depth analysis**
Expert	▪ **Sought out for deep, specialised expertise** ▪ **Leads the direction of the organisation** ▪ **Defines model/theory**

Adapted from Public Service Senior Management Service Handbook: (2003 Chapter 5 Section 3)

The competency and expertise of Senior Management Service members are assessed using the four levels of proficiency tabulated above. These are used to ascertain the level of proficiency or expertise that the manager possesses. As mentioned the core management criteria forms twenty percent of the overall assessment while the key results area form the other eighty percent of the assessment. Jointly, they constitute one hundred percent of the assessment.

4.17 SCOPE AND APPLICATION OF THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

The performance management and development system is applicable to all government employees. However, the focus of this research is specific to the Senior Management Service and its application in the KwaZulu-Natal Department of Education. The application of the performance management and development system for the Head of Department either on salary level 15 or 16 is the same as for the Senior Management Service (SMS) members. Except that the performance evaluation process is controlled by the Executive Authority in accordance with the Public Service Commission's directives and guidelines, (Public Service Commission Guidelines for Evaluation of Heads of Department, 2008/09). Furthermore, the Head of Department is evaluated on all eleven, core management criteria as well as on other strategic priorities set out by government. The other managers may choose no more than five core management criteria. The performance management and development system has an evaluative dimension and a developmental dimension (Schwella and Roussouw 2005: 766).

The performance management for salary levels 13 to 14/15 including managers and high-level professionals (e.g. specialist medical occupations), is in terms of PSCBC Resolution 13 of 1998 and Resolution 9 of 2000 as prescribed by the Public Service Regulations of 2001.

4.18 STRATEGIC AND OPERATIONAL PLANNING

Performance management and performance measurement must out of necessity be aligned to the strategy and planning processes of the organisation. Misalignment of policy, systems, processes and structures can lead to organisational dysfunction (Johnson and Pongatichat 2008: 943).

4.18.1 Alignment of Strategic and Operational Plans

Strategic and operational planning which is still a top-down process in the Department has to align with the day-to-day operations and align with the performance management and development system (Plant 2006: 5).

The Senior Management Service members' performance agreements must be linked to the strategic plan and the budget of a Department, therefore the setting of the key responsibilities and output targets should be derived directly from the required outputs of the department's strategic plan (Public Service Senior Management Service Handbook 2003 Chapter 4 section 7).

Employee actions must support the key responsibilities and duties of a manager. A performance agreement comprises of two components namely, Key Result Areas (KRAs) and Core Management Criteria (CMCs). Eighty percent of a manager's assessment is based on the key result areas and twenty percent on the core management criteria. The key result areas are the unique and distinct responsibilities of the manager aligned to the purpose for the establishment of such a post and linked to the resultant deliverables. Core Management Criteria, on the other hand are generic assessment criteria to ascertain the competency, knowledge, skills and capability levels of a manager (Public Service Senior Management Service Handbook 2003 Chapter 4).

These key responsibilities and duties as well as output targets can cover various aspects of an employee's work. These include the (Public Service Senior Management Service Handbook 2003 Chapter 4 section 9):

- contribution which the employee makes to the overall management of the department;

- specific tasks or events which the employee must ensure are achieved or problems for which solutions need to be found;

- level of performance which the employee must maintain and promote;

- actions or situations for which the employee is personally responsible for delivering his/her unique contribution; and

- duties and responsibilities related to advice and support given to clients/customers.

It needs to be borne in mind that even in public service organisations such as the KwaZulu-Natal Department of Education the manager must design operational objectives aligned to the organisation's principal business and strategic goals (Cohen and Eimicke 2002: 108). Performance must be measured and areas that need improvement should be identified. To reiterate, the performance management and development system, in the public service is aimed at improving employee performance and not as it is often assumed to reward employees. However, the latter has become the focus of the system thus negating the purpose for which it was established. The aim of performance management is to optimise every employees output in terms of quality and quantity, thereby increasing the Department's overall performance.

4.18.1.1 Strategic Direction

Each Department is expected to develop a strategic plan which sets the sails of the Department in a specific direction to meet statutory mandates.

Hughes (2003: 137) cites Olsen and Eadie's definition of strategic planning as it applies in the public service context when they state that;

> "strategic planning is a disciplined effort to produce fundamental decisions shaping the nature and direction of governmental activities within constitutional bounds".

The activities of the State should not be conducted on a hit and miss basis. It should be purposeful and should set the direction for the organisation.

The KwaZulu-Natal Department of Education for instance formulates a strategic plan, as per the vision and mission of the Member of the Executive Council (MEC) for Education and the senior managers – drivers of strategy in the department. Every component is thereafter, expected to design their own operational and implementation plans and this has to dovetail into the strategic plan of the Department.

The operational plans are drawn up after an environmental scanning exercise. During the environmental scanning exercise, the internal and external environment must be thoroughly examined. The strengths, weaknesses, opportunities and threats (SWOT) must give supervisors a vivid and clear picture of the environment in which they are working. An analysis and understanding of the working

environment enables supervisors to set their operational goals according to identified priorities. These goals, however, must then conflate with the provincial goals. The goals of the KwaZulu-Natal Department of Education are sometimes too broad and of an academic nature such that service-level staff do not find meaning in these goals and therefore cannot relate the goals to their everyday activities. As derived from goal-setting theory, each section is expected to have their own set of operational objectives and these operational objectives must be derived from the key result areas in the performance agreement of the Senior Management Services.

As stated earlier the KwaZulu-Natal Department of Education has identified six goals and each of the six goals has a set of strategic objectives, which act as indicators as to how the goals would be achieved.

This approach to strategic planning is what Osborne and Gaebler (1992: 233) introduced in the 1990s, as a model that they hoped would reinvent government in the United States. They were the proponents of a results driven government and firmly held the view that:

> "strategic planning is the process of examining an organisation's or community's current situation and future trajectory, setting goals, developing a strategy to achieve those goals, and measuring the results" (Osborne and Gaebler 1992: 233).

A fundamental shift in the way the public service operated was the setting of goals and concomitantly indicating how the results of the goals would be measured. This required a new way of conceptualising public service operations. Since 1994, the South African public service as part of its transformative agenda adopted this new approach of doing business.

As a result, all sections of the KwaZulu-Natal Department of Education had to embrace the six goals set by the most senior managers and the political head and had to develop strategies that could be operationalised and actioned to achieve the goals. Achieving the goals meant that the achievement had to be measured thus giving rise to a performance management and development system in 2002.

4.18.1.2 Operational Plans

While the strategic plan is a very broad overarching statement of intent, the operational plan is the annual work plan of the KwaZulu-Natal Department of Education. The operational plan forms the basis of the work that needs to be by the department. Essentially, these plans, point the direction for the implementation of government's plan of action (Cameron 2009: 929). The recently introduced Annual Performance Plan sets a series of carefully selected performance measures to aid in measuring the overall performance of the department.

Arising out of the five-year strategic plan of the Department which is determined by the Member of the Executive Council for education in the province and the Senior Managers, an operational plan must be devised that describes short-term strategies, and also how these strategies will be operational during a given financial or fiscal year.

An operational plan forms the basis as well as the justification for annual operating budget requests. The strategic plan of a Department has a five-year life-span and in the case of the KwaZulu-Natal Department of Education is driven by four operational plans, one for each Branch funded by eight budget-programmes with a series of sub-programmes.

Each employee has to, within the scope and function of his/her operations incorporate the activities of the Department as indicated in the operational plan into his/her annual work plan (Plant 2006: 6).

4.19 MERITS OF PERFORMANCE MANAGEMENT

The objective of introducing a performance management and development system was to accelerate the transformation of public service delivery, in South Africa. It focuses on quality service delivery and increasing the electorate's satisfaction with the level of services delivered.

In the past measurement of performance was *ad hoc* and it was not very clear what should be measured and why. The evaluation of the performance of people was infrequent and inadequate and there was not a systematic way of assessing whether objectives were achieved. The focus was expenditure management and not on service delivery.

Hughes (2003: 159) argues that notwithstanding the inherent difficulties of measuring performance in the public service, the need for:

"… measures is necessary for judging a manager's achievement of results".

Performance management presents the opportunity of referring to good practices and good performance and conversely to poor practices and poor performance. In the KwaZulu-Natal Department of Education it can be used to improve performance where performance is poor, sanction those who are performing poorly, provide development for those in need of development and reward those who exceed the desired level of performance.

Where public activity is under threat of being downscaled or removed, it can be salvaged if there are tangible indications that performance has been good.

Setting policy, determining objectives and allocating resources for allocation would all be pointless if there are not suitable and adequate ways of measuring and monitoring performance.

4.20 CHALLENGES IN IMPLEMENTING THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

A performance management and development system cannot, however, be wholly viewed as the panacea for improved productivity and performance in the public service especially in South Africa because it is fraught with several problems. There are several challenges in the implementation of the performance management and development system according to (van Dijk 2003: 52-53).

Individual in the public service do not know how to link the goals that they support to the strategy of the organisations. Very often performance indicators that are set try to "specify the unspecifiable" Hughes (2003: 159).

Van Dijk (2007: 52) also argues that there is "no consequence for non-performance by employees." Performance and non-performance must be clearly defined, specified and understood by employees before any action can be taken for non-performance. Without systematic ways to measure performance, it is difficult to pin an employee for non-performance.

Since many employees do not understand what is expected of them and there are no objective criteria to measure performance, they are likely to get away with poor

or non-performance. If the necessary job competencies have not been developed and the employee does not know what constitutes good performance then shoddy performance may become the norm.

Managers in public service organisations do not have individual goals that link to organisational goals to drive performance. Hence achieving organisational performance is often nebulous and ambiguous. Greatbanks (2007: 849) in citing research, found that it was easier to measure the performance of strategically important projects, thus suggesting that employees know how to measure the success of projects but not of the organisation.

Van Dijk (2007: 52) also states that there are too many goals per employee resulting in employees not being able to focus performance in any specific area. This results in the desire to perform exceptionally well being thwarted since there is no link between effective performance, reward and recognition. Employees do not receive feedback on performance and they are not given tangible and concrete ideas that can aid improvement performance.

Since employees are not held accountable for results, performance management becomes inconsequential. Performance management and development not is seen as application to improve organisational performance it is often viewed as separate from the day-to-day management and leading of people (van Dijk 2007: 52).

4.20.1 Why Do Performance Management Systems Fail?

Performance management systems fail for the following reasons:

4.20.1.1 Performance Communication

Organisations that do not have systems and mechanisms in place to communicate performance are setting themselves up for failure. It is critical that employees work together to share valuable information on work progress, to identify barriers to good work performance and to solve problems as they arise. Communication addresses the dichotomy of two systems, namely, performance management and performance appraisal. The needs of the employees *vis a vis* the needs of the organisation and barriers to performance are addressed where there is ongoing communication. The performance agreement between the employee and the employer becomes an organic and living document rather than a sterile piece of

paper that is dusted once a year during the performance appraisal period Boninelli and Meyer (2004: 222).

4.20.1.2 Consequences of Enforcing Compliance

Performance management systems fail because often compliance is enforced merely for the sake of compliance. Employer-employee relationship is the foundation of performance management. If the relationship is poor then the performance of co-workers is not likely to be good. Boninelli and Meyer (2004: 222) state:

> "People like to work for other people, and therefore the relationship between the managed and the manager is the key to good performance".

Employees choose how much they are willing to contribute in terms of sweat equity to the organisation based on their relationship with their managers. Where the relationship is good, performance is invariably good and where the relationship is poor, the performance is concomitantly not good.

Enforced compliance without proper and sufficient consultation between the managed and the supervised can ruin relationships and thereby compromise performance. When this happens, employees can either be lost to an organisation or employees would deliberately engage in acts of sabotage to derail the achievement of targets. In the public service, it is not uncommon, to find employees acting out negative behaviour, in retaliation for poor relations with management and they would work to rule, not work at all or deliberately engage in acts of sabotage to ensure that the manager fails and consequently the organisation fails.

4.20.1.3 Performance Versus Relationship

In most instances, relationship between the supervisor and the employee is viewed as being more important than achieving results. Employees can also abuse sound relationships with management when the good relationship is taken as *carte blanche* authorisation for *laissez faire* behaviour and to neglect the performance of duties. Where the relationship is valued more than the performance, performance can be compromised especially when managers fear destroying cordial interpersonal social relationships do not invoke the rules of performance management. Managers compromise the organisation when they fail to speak out against poor performance. Failure to confront employees, particularly those who

perform poorly renders any performance management system useless. Managers must be able to find a happy medium of being robust in their quest for good performance while at the same time being able to maintain sound interpersonal relationships with employees. A function of the performance management and development system is to improve all round interface, more so, between the executing authority and the administrator (Cameron 2009: 929).

4.20.1.4 Performance Management is a Human Resources Management System

Performance management is not a stand-alone function that belongs solely to the human resources department of an organisation. It belongs to all managers in line functions, work units and in the organisation. Managers have a direct responsibility to ensure that individuals perform by implementing organisational strategy to meet organisational goals with the resources available.

Boninelli and Meyer (2004: 223) state;

> "If the human resources department is seen to be the owner of performance management, then, at best, line functions will comply by filling in forms, but will manage people in terms of their own standards".

The strength of a performance management system as a management tool is weakened if it is done merely for the sake of compliance. The human resource department's role in performance management is designing policy, setting systems and advising on processes and procedures, the actual management of performance and implementing the tool for performance, rests with the line managers. If performance management is merely done for the sake of compliance and not as a means to, achieving organisational goals then the organisation is setting itself up for failure. Performance management and development should also be used to develop individuals to progress in their chosen career paths. However, Allen-Ile *et al* (2007: 411) report in a study they conducted in the Eastern Cape Provincial Government on the implementation of performance management systems that employees had no clear definition of what it was to develop ones career. This may be a reaction to the fact that talent management and a career-path are alien to the South African Public Service. Rarely, is an individual not prepared for a higher position after having been identified, groomed and nurtured at a lower position.

4.20.1.5 Diagnosing Performance Problems

Co-workers cannot be blamed for poor performance without carefully identifying the barriers to poor performance. The root cause of why individuals are not performing has to be diagnosed and the factors that exacerbate poor performance have to be addressed. Training is not always the panacea to addressing poor performance or alternatively galvanising employees into submission. Often there are other unplanned competing demands placed on employees that detract employees from focussing on their core business thus affecting performance. In such cases, employees may be performing well that are not actually monitored and evaluated. Managers may assign tasks that are not part of the performance contract and yet during management of performance and during appraisal the focus is solely on the work-plan agreements in the performance agreement. At times there too many agreed-upon as well un-agreed-upon key results areas or consequential ones that arise from time to time that impede good performance to meet the stated objectives.

4.20.1.6 Poor Recruitment and Selection Systems

Performance is wholly dependent upon the quality of employees in an organisation. The employees are the raw materials of performance. Boninelli and Meyer (2004: 223) aver that:

> "If lacklustre, unambiguous, reactive, internal locus of control, low potential employees are selected into organisations, effective performance management is going to be very difficult".

It is crucial for organisations to select the right mix of employees if they wish the organisation to perform. Poor selection of employees will result in poor performance of the organisation. For performance management to be successful it has to be inextricably linked to the human resources management processes of recruitment, selection, training and development. Of equal importance are the rewards and recognition for good performance and the sanctions for poor performance Boninelli and Meyer (2004: 223). However, Cameron (2009: 934) avers that to bring about greater racial and gender representivity in the public service and as part of its affirmative action policy, the African National Congress (ANC) government has deployed many people who lack skills, competencies and experiences to senior positions in the public service. At the same time, it is

inconceivable that the ANC would contemplate implementing its policies and programmes at the behest of those who were not passionate about these policies and programmes.

McConkie (1979: 32) discussed in detail earlier reported on research that he conducted; that the act of setting clear goals, leads to better performance of tasks. Setting of goals and objectives improved overall planning and it had the added benefit of being able to pinpoint problem areas in specific sections.

4.21   SUMMARY

The performance agreement is one of the units in the compendium of many units that make up the performance management and development system. The performance management and development system constitutes several units such as the policy, the performance contract, the appraisal and review process and the personal development plan.

The system of performance management and development in the public service cannot be viewed in isolation. It has to be contextualised within the paradigm of Public Administration, the public management, public management reforms and performance management and development.

As the reforms in public management began to take root, work, productivity and performance had to be reviewed. An important part of public management reform was the introduction of performance management. Since 2000, the South African public service had to play catch-up with the rest of the western world. Not only is the performance of the organisation coming under scrutiny, the performance of the staff is also to be measured systematically.

Performance management was fore-grounded in the public service and had to become an important part of management programmes. Managers had to not only set performance indicators for the organisation, but also establish ways and means of measuring the performance of individuals.

Establishing policy, planning at strategic and operational levels, budgeting, developing objectives and indicators, monitoring and evaluating performance are the new ways of doing business in the public service. This meant a shift away from being administrative in the performance of tasks, to being strategic and

performance oriented. A managerial approach based on performance similar to that used in the private service was adopted for the public service.

Governance has to also become performance oriented and there is continuous search for efficiency, effectiveness and economical use of resources with the view to achieving predetermined results.

Performance management and development are not without its detractors.

Performance measurement and the way it is used in performance management has inherent limitations but it usefulness surpasses the limitations. It aids decision making, informs budgeting and raises the levels of accountability as well a transparency especially in the public service. Over the years performance management has impacted one way or another on government policies, programmes and practices.

It has to be recognised and acknowledged that there are limitations in the use of measurements to assess the performance of organisations and the performance of individuals. Naïve application of magic bullet solutions such performance-based incentives may be inappropriate in the public service.

Finally, public administration does not take place in a vacuum. Cognisance needs to be taken of the fact that; public administration takes place within the context of societal needs, the agenda and actions of politicians and the roles and responsibilities of public administrators. Balancing these and delivering much needed services particularly to the vulnerable and marginalised with constrained resources, becomes a Herculean task for the public manager.

CHAPTER FIVE

Research Methodology

5.1 INTRODUCTION

Understanding the application of policies such as the performance management and development system from a research perspective, as it pertains to the public service environment requires both a quantitative and a qualitative approach. The quantitative approach affirms or denies causal relationships using statistical techniques, whereas the qualitative approach to scientific investigation presents the human dimension to that which is being investigated. Using statistics, the researcher is able to make certain claims about what is being investigated. In this case, performance management and development system in the public service, using principled statistical arguments is contextualised in the thesis (Blanche and Durrheim 1999: 97). Quantitative research focuses on measuring variables and testing hypotheses to explain causal relationships whereas qualitative research concerns itself with investigating and interpreting occurrences in their natural setting. In this instance, the context is important (Neuman 2000: 122). Appropriately using the two approaches provides an in-depth understanding of the performance management and development system as it is implemented in the KwaZulu-Natal Department of Education.

The study of the performance management and development system as it is applies to the Senior Management Service of the KwaZulu-Natal Department of Education is a case study of the application of the policy. The case study is a qualitative strategy where in-depth inquiry takes place (Creswell 2008: 13). The same policy is applicable to the entire Senior Management Service of the South African Public Service and the outcomes of the study could have far-reaching implications in terms of its generalisation to the whole public service. Data was gathered using a variety of techniques. Documents have been studied and literature reviewed. Primary data was gathered using questionnaires and interviews. The questionnaire was analysed by means of a computer software package called Statistical Package for Social Sciences Version 17.0 (SPSS) and the analyses is presented in the next chapter.

The study commenced by reviewing the literature on performance management, performance appraisal and performance management systems both in the private

and public service. Literature review acknowledges the body of knowledge that already exists and helps in gaining insight into the topic (Boeije 2010: 21).

5.2 QUANTITATIVE AND QUALITATIVE STRATEGIES

The strategies adopted to conduct this research study are both quantitative and qualitative. The quantitative seeks to explain causal relationships and the qualitative narrates lived experiences gathered during interviews (Henning 2004: 57). Both quantitative and qualitative strategies are used and Creswell (2009: 14) refers to this as a mixed approach. Qualitative data is collected using observation and interviews and quantitative data is collected through surveys and questionnaires. The qualitative approach entails mapping out what the prevailing situation is and describing what is happening behaviourally (Rosnow and Rosenthal 2002: 15). This hybrid approach in eliciting data and relating the data to real life experiences provides meaningful insight into the topic that is investigated.

5.2.1 Quantitative Strategy

The hypotheses of the research confirm or deny causal relationships, and this focuses on a quantitative approach.

The quantitative approach examines the relationship between certain variables, the qualitative approach describes the concept performance management and management system as it is implemented in the KwaZulu-Natal Department of Education. Quantitative research design relies primarily on assumptions from the positivist approach to science (Neuman 1997: 106). The quantitative research design seeks to search and explain causal relationships. According to Neuman (1997: 107), the language of quantitative research is the language of variables and the relationship amongst variables. Variables have more than a single value. The categories of variables are it attributes. A variable has more than one attribute.

Variables are generally located in a causal relationship. There are three types of variables. The independent variable causes or acts on another variable. The variable that is caused or acted upon is the dependent variable. The independent variables influence or have effect on other variables. The third type of variable is the intervening variable. This variable appears in complex causal relationship and mediates between the independent and dependent variable (Neuman 1997: 108). The quantitative data gathered are analysed using statistical procedures to either confirm or deny the hypotheses (Blanche and Durrheim 1999: 96). In the positivist

cause and effect relationship, the researcher tests hypotheses. Hypotheses are regarded as the tools for the advancement of knowledge.

Casual relations will be speculative because of the difficulty of confirming its veracity. One of the methods used to gather information was the interview technique, which had to an extent, mitigated the difficulty of confirming causal relationships. The qualitative approach also entails reporting on the observations and experiences pertaining to the performance management and development system as a conceptual construct in real life management situations and in making certain deductions. Unlike relational and experimental approaches to research, which focuses on cause and effect of variables acting upon each other, the explanatory approach to research carefully explains what has been observed and is concerned with why something happens and the consequences thereof. The nature of this research was to get information and feedback from individuals in the KwaZulu-Natal Department of Education on the implementation of the performance management system as it applies to them and to elicit whether the objectives and purpose of the policy on performance management and development system are actually being achieved. The focus is on the behaviour of individuals within the performance management paradigm.

Quantitative data is numeric data. In this regard, information based on ordinal and ratio measures is used. In quantitative research state Patton and Appelbaum (2003) that the search is for relationships among a small number of variables without interpreting the data until the data is analysed. The uniqueness of a situation is considered as a standard error of estimate.

Patton and Appelbaum (2003: 63) argue to the contrary that the principle of "Let's get down to something we can count" does not always come up with the best research strategy. The "*mystique of quantity*" as emphasized by Patton and Appelbaum (2003: 63) is that it is exaggerated purely because it is quantitative, without regard for what has been measured, and what will be done with what has been measured. Numbers are viewed as repositories of occult power. The behavioural scientist, in their desperate search for scientific status, do not care much for what they do, as long as they do it right. Consequently, substance is sacrificed for form.

In the public service environment, the conceptualisation and operational definition used for measurement and observation are not subject to the same treatment as in the natural sciences (Patton and Appelbaum 2003: 63).

The qualitative feature of the research was focused on the questions in section B of the questionnaire (See annexure G) and interviews conducted with managers, and the quantitative feature was in section C.

5.2.2 Qualitative Strategy

In case study research, both the qualitative and the quantitative data can be used. Qualitative data is non-numeric data. Here categorical information is systematically collected and presented. Hartslief and Auriacombe (2009: 868) state that the researcher in using the qualitative approach builds a comprehensive picture of the topic being investigated. This stems from an analysis of words and concepts derived from respondents, observed in a natural setting. A qualitative approach captures the socio-emotional nuances that the quantitative approach often misses Creswell (2009: 62).

Henning *et al* (2004: 3) state that in a qualitative study, the variables are not controlled and hence it presents the researcher with an excellent opportunity to explore "this freedom and natural development of action and representation" in a way that will offer depth of understanding of the phenomenon being studied.

The objective of qualitative study is to understand the phenomenon being studied, namely, performance management in the public service, using the data gathered and arguing logically to create new knowledge.

The philosopher Gilbert Ryle (Henning 2004: 6) used the term "thick description" versus a "thin description" to caution against research being purely descriptive without it actually being interpreted by the researcher.

A "thick description" accounts for the phenomenon in a way that is (Henning 2004: 7):

- coherent;

- gives more facts and empirical content; and

- interprets information in the light of other empirical information in the same study and from a specific theoretical paradigm.

Qualitative research is not free from biases. The researcher has to interact with the data and consequently interpret the data to present its meaning. To minimise

biases in reporting research findings, the researcher will have to present the findings within the context of a strong theoretical base, present coherent convincing arguments supported by empirical evidence, and be able to demonstrate the researcher's understanding and logic (Henning 2004: 7).

This research has been contextualised within the broad spectrum of the public service, reduced to the education service and further localised to the KwaZulu-Natal Department of Education. Since part of the study focuses on the experiences of respondents, it assumes a phenomenological character. The lived experiences of the informants are crucial to understanding how performance management is embedded into their conceptual world of work and their responsibilities as managers. However, unlike classical case studies this is not a study of phenomenology.

5.3 DIMENSIONS OF RESEARCH

Neuman (1997: 19-21) states that the dimensions of research can be broken into three groupings. These are exploratory, descriptive and explanatory research.

Exploratory research examines new issues in order to learn about it. Descriptive research describes a developed social phenomenon and explanatory research concerns itself with "why" things are the way they are and wants to explain it further.

The dimension adopted for this research report is explanatory in nature. The reason why an explanatory dimension has been adopted is that: it seeks to enquire from senior managers in the KwaZulu-Natal Department of Education, why are things the way they are in respect of the performance management and development system.

Adopting the explanatory dimension has enabled the researcher to study policy, systems, processes and procedures of the government initiated performance management system for senior managers in the context in which they are enacted.

5.3.1 Case Study Research Design

The research design that has been used for this research is a case study. The Senior Management Service of the KwaZulu-Natal Department of Education is a sub-set of the larger population of senior managers in the entire country.

Yin (1989: 23) defines a case study as an

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"empirical inquiry that investigates contemporary phenomena within a real life-context where the boundaries between phenomenon and context are not evident, and in which multiple sources of evidence are used".

Creswell (2008: 13) states that it is an in-depth inquiry strategy investigating an activity, event, programme or series of events.

Gummesson (cited in Gustavsson 2007: 87) defines it as follows:

"Case study research means that one or several cases from real life are used as empirical data for research, especially when knowledge of an area is sparse or missing, and when complex phenomena are studied".

Case studies are referred to as contextual research where in-depth description and explanation of a specific phenomenon, group or event within the context of a specific reality, environment or meaning is studied (Garbers 1996: 288).

Case studies are commonly used in the study of management phenomena in particular contexts and locations. According to McNabb (2000: 286), there are many different definitions for case studies.

One pertinent definition is cited as follows:

"A case is a description of a management situation based on interview, archives, naturalistic observation, and other data, constructed to be sensitive to the context in which management behaviour takes place and to its temporal restraints" Bonoma cited in McNabb (2002: 286).

The reason for studying the KwaZulu-Natal Department of Education's performance management and development system, is to ascertain the success or otherwise of the policy in a public service setting.

There is one fundamental principle underlying all case study approaches to research according to Lang and Hess cited in McNabb (2002: 287):

"The basic rationale for a case study is that there are processes and interactions…. which cannot be studied effectively except as it interacts and functions within the entity itself".

Case study research is often used to investigate complex social phenomena where the variables and relationships are numerous and their casual relationships are not directly apparent. Gummesson in Gustavsson (2007: 87) states that case studies are conducted when the phenomena, "… are difficult to predict, and are ambiguous and fuzzy".

Case studies can be categorised either, as intrinsic interest case studies or instrumental interest case studies. Denzin and Lincoln (2003: 136) make a case for the two types of case studies. In the intrinsic case study, the researcher wants a better understanding of a particular case, and in the instrumental case study the researcher wants to provide insight into an issue or to redraw generalisations. In the instrumental case study, the case is of secondary interest supporting and facilitating an understanding of something. The Performance Management and Development System for the Senior Management Service in the KwaZulu-Natal Department of Education can be characterised as an instrumental case study given the current focus of the public service.

The Performance Management and Development System as it is applicable to the Senior Management Service in the KwaZulu-Natal Department of Education is a management tool and the Department becomes the arena for the specificity of the study. The limitation, however, is that the focus of the research has centred on the senior management service corps and not on all other employees of the Department.

The case study method as a method of research examines the descriptive question of "what happened" or the exploratory question of "how or why" did something happen. In contrast, the quantitative approach will require a well-designed experiment to infer certain causal relationships of the subjects being studied.

The case study method allows the researcher to make direct observations and to collect data in natural settings compared to relying on secondary data derived from other sources. A case study constitutes both a process of inquiry about the case and a product of that inquiry (Denzin and Lincoln 2003: 136). Focusing on the senior management corps in the KwaZulu-Natal Department of Education is single case study, and the reason for choosing a single case study is to give due diligence and devote careful attention to that case (Yin 2003: 69).

The management phenomena of performance management is indeed complex and there has not been adequate research in this area especially as it relates to the management of people public service, and therefore this approach was considered appropriate for this research study. It provides practitioners in the Department of Education to indicate what prevails in the organisation. Observing the Senior Management Service in the Department of Education as a case study provides the raw data for this research project. Since only 88 managers (actors) and not the

whole organisation had been observed and interacted with, it proscribes the environment for the case study. Cases are unique in their character and Yin (2004: 113-114) warns the researcher to distinguish between cases and embedded cases.

As an employee of the KwaZulu-Natal Department of Education, access to participants was much easier than for someone who may not be employed in the Department., However, respondents were reassured that confidentiality would not be breached under any circumstance. Taylor and Bogdan (1984: 19) state that the ideal research setting is where the researcher can gain easy access and establish rapport with the informants and gathers data. On the contrary, potential informants may resist participating in the research for fear, that the information provided could be used against them later.

5.3.1.1 Advantages

The advantages of using case study approach within a qualitative research paradigm according to Gustavsson (2007: 90) are:

- It is less precise but allows for the study of complex, ambiguous and often chaotic phenomena;

- It allows for a holistic and systemic approach with an unlimited number of variables and links;

- Offers freedom in the choice of data collection and analytical techniques with little regulation;

- Gives access to reality and has validity in focus; and

- The focus is on increased understanding but can also be used to show causality.

The overarching strength of the case study method is its ability to examine in great detail and depth a case within its real life context.

5.3.1.2 Disadvantages

According to Gustavsson (2007: 90), there are also disadvantages of using case study approach within a qualitative research paradigm because:

- Case study research does not manipulate "treatments" or control real life situations and presents what happens in reality;

- Case studies have been classified as weak siblings among social science methods;

- Case studies lack precision, objectivity and rigour; and

- The generalisability of case studies has limitations.

5.3.1.3   Challenges of Using a Case Study Approach

Yin (2003:12) acknowledges that the researcher faces the challenge of overcoming the belief that case studies are a representation of a formal sample from some larger universe. The generalising from such case studies needs statistical inference instead of the audience accepting that the case study aids in making logical inferences of topics and issues of interest.

Yin (1989: 23) is of the view that the case study has a unique way of contributing to the science of individual, organisational, social and political studies. Complex social phenomena can be understood without compromising the holistic and meaningful characteristic of real life situations.

The unique strength of the case study is its ability to deal with a variety of evidence-documents, artefacts, surveys, interviews and observations (Yin 1989:16-17).

The KwaZulu-Natal Department of Education is ultimately an interaction of human agents and organisational structures with specific rules and procedures, and the phenomena of performance management systems cannot be adequately studied without resorting to an in-depth case study.

Denzin and Lincoln (2003: 135) refer to a case study as system with working, purposive parts that has an organic self. A study of the KwaZulu-Natal Department of Education is a study of an integrated system. Examination of a case means seeking common meaning within the interrelated parts of the system. The Department affords the researcher the opportunity to seek meaning within a performance management paradigm of the interrelated parts.

What is learned from one set of processes and interactions can then be applied to similar processes and interactions elsewhere. The study of performance management in the Public Service using the KwaZulu-Natal Department of Education as a case study can be replicated in the other departments, as well as in other provinces.

5.4   HYPOTHESES TESTING

The research falls within the domain of applied research intended to examine whether the policy of performance management and development amongst senior

managers in the South African public service is serving the purpose for which it was designed. The hypotheses are allied to the successful implementation of the policy. The quantitative approach tests hypotheses, in other words, the relationship between variables (Fox *et al* 2007 115-116).

5.4.1 P-Value and Statistical Significance

Traditionally, reporting a result of a hypothesis requires a statement of statistical significance. A **p-value** is generated from a **test statistic** and a "p < 0.05" is deemed statistically significant.

The Chi square test was performed to test for statistical significance of the relationship between the column variables and row variables in tables 6.32 to 6.37 in the next chapter.

The null hypothesis states that there is no relationship. The alternate hypothesis indicates that there is a relationship. The following hypotheses were made regarding this research study:

- Hypothesis 1:   There is no association between the performance of the individual and the performance of the organisation;
- Hypothesis 2:   There is no linkage between individual goals and organisational goals;
- Hypothesis 3:   There is no relationship between lack of competency and organizational effectiveness;
- Hypothesis 4:   There is a no relationship between resources spent and results achieved; and
- Hypothesis 5:   There is no relationship between monitoring procedures and accountability for managers.

The outcomes of the hypotheses tests are presented in the next chapter.

5.5 RESEARCH SITE

The research was conducted in the KwaZulu-Natal Department of Education in the province of KwaZulu-Natal in the Republic of South Africa. The Department of Education in the Province of KwaZulu-Natal is one of fourteen government departments and its mandate is to deliver quality public education. The research site was selected on the basis that the researcher would have easier access to respondents within the organisation. The researcher is an employee of the Department of Education in KwaZulu-Natal.

The research problem emanated from observations of how the performance management and development system is implemented in the Department .The outcomes of the research has the potential to initiate change in the way performance management is dealt with in the public service (Fox *et al* 2007: 45).

5.5.1 Province of KwaZulu-Natal- Department of Education

The Province of KwaZulu-Natal, one of nine provinces in South Africa is located on the east coast of the country. It has a population of 10.5 million people and a total population of 2.7 million children. The KwaZulu-Natal Department of Education has the competency to provide and oversee the provision of education, that is, primary, secondary, special and adult education to 5947 public ordinary schools and 75 public special schools. For ease of management and administration of education in the province, the Department has twelve education districts (KwaZulu-Natal Department of Education, Annual Performance Plan 2008/09). Each district is managed by a district office with a District Director in-charge.

FIGURE 5.1:   MAP OF KWAZULU-NATAL EDUCATION DISTRICTS

Shown below is a map of KwaZulu-Natal with the ten District Municipalities and the Ethekwini Metropolitan.
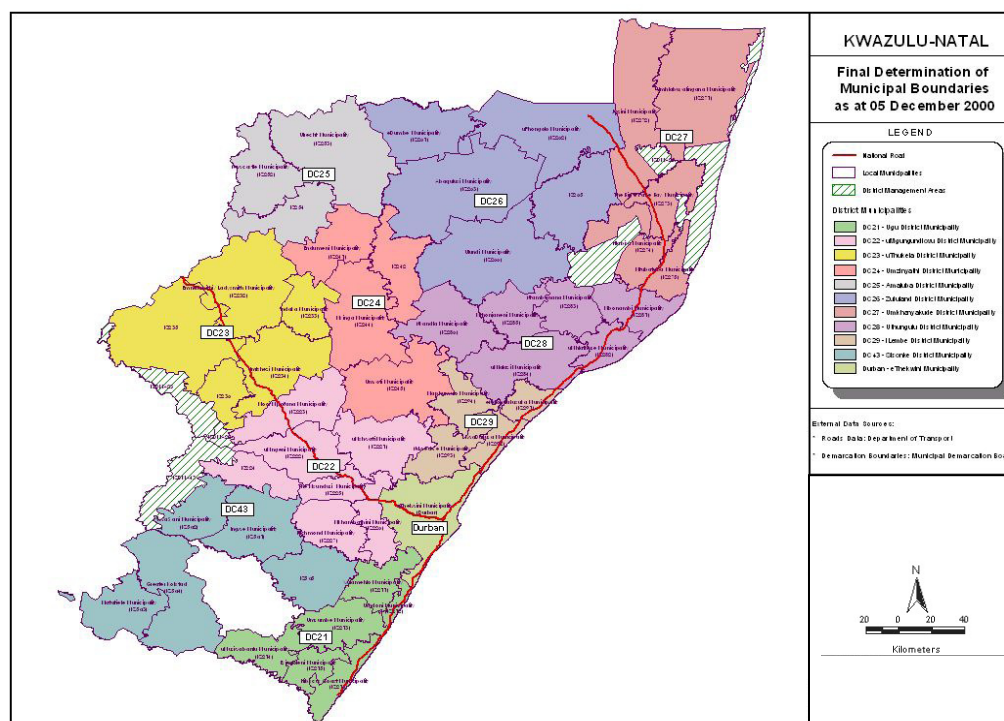
Source KZN Department of Education Strategic Plan 2010/11- 2014/15

The Department is demarcated into districts that are the same as the politically determined municipal district boundaries. There are ten political municipal districts and the Ethekwini Metropolitan Area. The Department has for purposes of management and control and given its population size, divided the Ethekwini Metro into two education district offices. Districts are divided into circuits of approximately 200 schools and circuits are further divided into wards comprising approximately 35 schools. There are 5939 schools in the province. (Province of KwaZulu-Natal Department of Education, Strategic Plan 2010/11-2014/15: 40-50). The map presented above represents districts in the KwaZulu-Natal Department of Education which is the area of jurisdiction of the Senior Management Service (SMS).

5.6   SAMPLING

The non-probability sampling approach was used (Kerr *et al* 2002: 22). The research pertained to Senior Management Service members in the Public Service with special reference to the KwaZulu-Natal Department of Education. The sample selected was purposive. Senior management service members were invited to participate, by either agreeing to be interviewed and / or by agreeing to complete the research questionnaire. See annexure D, letter of invitation. Four posts were vacant during the research period and four persons were unavailable. The cohort of participants is typical of the population of senior managers in the public service (Blanche *et al* 2007: 139). No sampling technique was used. The research participants comprised of 92 managers who make up the senior management cadre of the KwaZulu-Natal Department of Education. The research questionnaires with open and closed-ended questions were handed to 83 senior managers. See annexure G for a sample of the questionnaire. The number of completed questionnaires received was 60. For the purpose of objectivity, the researcher who is a senior manager in an acting capacity did not participate in the research.

Below is a representation of the organisational structure of the KwaZulu-Natal Department of Education and an overview of the composition of the Senior Management Service.
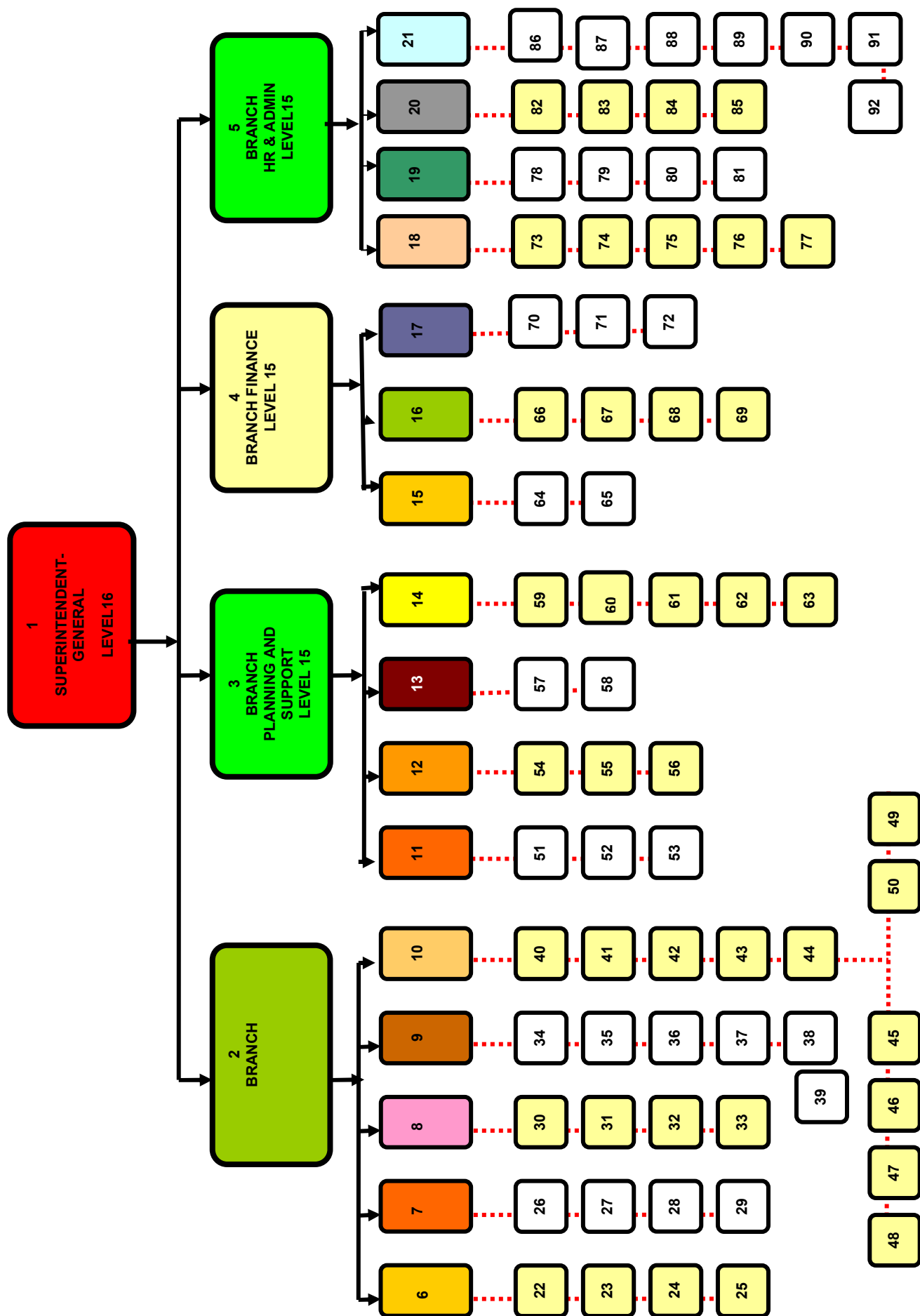
FIGURE 5.2: ORGANOGRAM –SMS KWAZULU-NATAL DEPARTMENT OF EDUCATION

5.6.1 Organisational Structure of the KwaZulu-Natal Department

The Department's management structure comprises four layers. These four layers are made of the Superintendent-General or Head of Department at the pinnacle, who is the accounting officer of the Department. The Superintendent-General is supported by four deputies called Senior-General Managers (Deputy Directors-General) and each is responsible for divisions that are called Branches. Planning and Support, Education Service Delivery Management, Human Resources and Administration and Finance are the four branches. There are 16 General Managers (Chief Directors) in the third layer of the hierarchy and the fourth layer has 71 Managers (Directors).

The Head of Department and two other senior general managers completed the questionnaires whilst one post was vacant and one did not participate in the survey.

It is significantly noted that 8 of the management posts were either vacant or managers were not available at the time the research was conducted. The above-mentioned structure forms the core of the decision-making and support staff that implements policies and programmes at all levels of the Department, that is, from the level of the head office to the schools.

Shown below is an organogram of the Senior Management Service of the KwaZulu-Natal Department of Education and a legend follows thereafter.

The structure shown above in Figure 5.2 has several layers below that of senior managers made up of deputy managers, assistant managers and other administrative personnel. The layer below senior managers did not participate in the research since the focus of the research is the senior management cadre of the department.

5.7 ETHICAL CONSIDERATIONS

Scholarly rigour is paramount to the ethical integrity of any research project. This scholarly rigour goes beyond considerations of issues such as plagiarism and confidentiality. Research that employs people to provide information has to give due consideration to the way informants are treated (Walliman 2008: 340). The rights, dignity and integrity of respondents must be protected at all costs. Receiving prior informed consent from potential participants is critical in ensuring that

participants take part in the research of their own volition and are not coerced into participation.

Denzin and Lincoln (1998:169) argue that the preparation of text in research must be done with care and responsibility to the research participants and how post-research text shapes the lives of the participants. Ensuring anonymity and protecting the identity of participants are critical considerations to be noted in research studies. (Boeije 2010: 46) It was imperative that measures were taken to safeguard the scholarly rigour of the research, as well as the integrity, rights and dignity of the participants in the study. Some of the steps taken were:

- Permission was sought from the Superintendent-General of the KwaZulu-Natal Department of Education to conduct the research, See Annexure A;

- Consent granted the Superintendent-General of the KwaZulu-Natal Department of Education to conduct the research, See Annexure B;

- Submission of research proposal and research questionnaire to the Ethics Committee of the University of KwaZulu-Natal for prior approval (See Annexure C);

- Letters of informed consent were sent to all managers inviting them to participate in the study See Annexure D;

- Respondents were given written undertakings to ensure that the information provided would not be used to prejudice their relationship with the employer (See Annexure E); and

- Letters of consent received from managers who were keen to participate in the study See Annexure F;

Once the data had been gathered, interpretation and analysis of data, using qualitative and quantitative strategies followed without compromising confidentiality dignity and integrity of research participants (Boeije 2010: 46).

Furthermore, cognizance was given to all scholarly materials, which was duly acknowledged. The research study was also analysed through the Turn-it-in Software, a requirement by the university, to ensure that the work has not been

plagiarised in any way. In this regard, all sources in this research study are fully acknowledged. Botha (in Garbers 1996: 342) states that:

> "Ethical integrity in academic work is especially manifested when the candidate acknowledges all sources fully and, at all costs, avoids dissociating standpoints, theories, *etc* from the original context in which they appear in order to employ them for personal gain in the study".

In this regard, careful attention has been paid to diligently acknowledging all sources and to recognise and record the context in which statements were made (Walliman 2008: 336). Given that much has been written about performance management systems in the private service and a dearth of research exists in the public service, most of the material has been adopted from the private service and contextualised for the public service.

5.7.1   Informed Consent

When dealing with research that requires the participation of human beings, it is essential that those who participate in the research project are fully informed of the nature and purpose of the research. Furthermore, it is integral to any research study that participants agree to participate on their own volition and must be granted the opportunity to voluntarily leave the research study at anytime. Rosnow and Rosenthal (2002: 15) refer to this as autonomy, namely, a participant's independence. This simply means having the right without coercion to choose whether to participate in the research project or not. It was therefore necessary to inform participants at the outset what the research was about and to ensure that voluntary participation was upheld. All the managers who were invited to participate in the research project were informed in writing of the purpose of the project and the nature of their participation. The informed consent was received prior to participants' involvement in the research study. (See Annexure E for a sample of the informed consent form)

Hollway and Jefferson (2000: 90) state that confidentiality should be the least problematic of ethical issues, provided that the identity of participants is safeguarded while using the information. The analysis and interpretation of information obtained did however reveal the identity of the Head of Department and the Senior-General Manager for human resources and administration. Permission

for this was obtained. The anonymity of all other managers has been maintained at all times.

The assurance granted to participants that their identity would be protected is critical to obtaining credible information that enhances the quality of the research (Walliman 2005: 344) The information obtained from this research study is of significance to the Department of Education and of public interest. The focus of performance management in the public service is significant to both the internal and external environment of the Department of Education (Schwella *et al* 1996:21).

Hollway and Jefferson (2000: 94) state that not being granted consent to conduct research can counteract the powerful institutional and educational resources of the research study. However, most managers agreed to participate in the research.

5.7.2 Confidentiality

Research of this nature requires that the information supplied by respondents is treated in the strictest of confidence and that respondents are alerted prior to their participation. Furthermore, the information obtained will not be used to prejudice their relationship with their employer or tenure of employment. The researcher gave this undertaking prior to the collection of data, and as highlighted in earlier discussions, respondents participated of their own volition (See Annexure E and F).

5.8 DATA GATHERING TECHNIQUES

Questionnaires, interviews and focus-group discussions were used to gather the primary data.

5.8.1 Primary and Secondary Data

Primary and secondary data were used in the research study. A discussion of both types of data is highlighted in the discussion that follows.

5.8.1.1 Primary Data

Primary data refer to data that has been collected for the study through direct interaction with participants, and secondary data is data that already exists in the field of enquiry (Babbie and Mouton 2004: 76).

Case study research provided opportunities for collecting pertinent and relevant data without restrictions and inhibitions. Gustavsson (2007: 93) writes that all methods and techniques may be used, provided that it ensures that one crucial

condition is met, in that satisfactory access to the reality under investigation is noted.

5.8.1.1.1   Questionnaires

Primary data were gathered using a purpose-designed questionnaire. Questionnaires were administered to all eighty two members of the KwaZulu-Natal Department of Education's Senior Management Service members. The questionnaire comprised of two parts that are directly related to the research, one being a set of open-ended questions and other focused on closed questions.

Annexure G is a copy of the questionnaire used. Initially, managers were asked to complete questionnaires as a form of direct participation in the research. However, since the return of the completed questionnaires maintained a slow pace, the researcher then sought an interview with the some of the participants to ensure successful completion of all questionnaires.

McCracken (1988:24) identified several functions that a questionnaire can perform. Some of these cited as follows:

- It ensures that the investigator covers all aspects of the topic in the same order for each of the respondents;

- The scheduling and process of the interview puts some distance between the interviewer and the respondents;

- It offers direction and scope to the discourse under consideration; and

- It allows the researchers to give full attention to the informants' testimony.

The questionnaire is a valuable technique to gather data and the "extemporaneous strategies of investigation are often the only road to understanding" (McCracken 1988: 24). A large volume of data gathered via interviews can assist the researcher to identify critical areas for attention in an investigative study of this nature. Understanding a system like performance management necessitates the capture of not only ideas, views and documenting experiences, but also the context in which these ideas are generated.

As stated earlier, the questionnaire that has been used is made up of both open-ended and closed questions. Open-ended questions allowed the respondents

greater latitude to respond to what they wanted to say as compared to closed ended questions that force respondents to make a choice even when the choice is not their preference.

An important observation is that researchers rely totally on the honesty and truthfulness of participant's responses when using questionnaires. The accuracy of the data has to be accepted at face-value and there can be no conjectures made regarding the veracity of the information provided (Marshall and Rossman 1989: 83).

5.8.1.1.2 Interviews

Eight structured interviews were conducted with the under-mentioned managers. Interviews with the managers were conducted through a series of questions pertaining to the fit between individual performance and organisational performance and the key questions referred to in chapter one and reiterated below guided the interview. This enabled the researcher to gain an understanding as well as insight into the management processes of the performance management and development system. Accordingly, Boeije (2010: 62) states that interviews provide the scope to learn from the perspectives and experiences of the informants. The antagonists of interviews on the other hand state that interviews are not part of a data making process but a data eliciting process (Henning *et al* 2004: 54). Social events and processes cannot exclude the participants. The eight managers comprised the following:

- Dr R C Lubisi: Head of the KwaZulu-Natal Department of Education (15 October 2009);

- Ms L C Mbobo: Senior-General Manager for Human Resources and Administration (25 May 2010);

- Mr N G Ngcobo: The General Manager for Human Resources (7 May 2010);

- Mrs N J Dlamini: General Manager: Midlands Cluster (26 October 2009);

- Mrs C P Lancaster: General Manager: Coastal Cluster (21 June 2010);

- Mrs A P Majozi: Manager for Examinations and Assessment (21 May 2010);

- Mrs T P J Khoza: Manager: Strategic Management Support (20 November 2009); and

- Mrs B T Dlamini: Manager: Curriculum Further Education and Training (14 May 2010).

The rationale for choosing the above-mentioned managers is that they represent different sections within the Department and some managers perform a strategic role while others perform operational functions. The Superintendent-General, the Senior-General Managers and the General Managers are strategically located to give policy directives and to oversee that the mandates of the Department are fulfilled. The managers on the other hand, have to ensure that mandates and decisions taken are indeed followed through and implemented throughout the system. Performance management is not only about managing performance, it is also about performance leadership, which has a significant impact on this research study (Behn 2003: 599).

In research, the purpose of an interview is to obtain information and understanding of the issues relevant to the general aims and specific questions of the research project (Gillham 2000: 2). Openness is paramount to a research interview or else, it has the potential of detracting from the real essence of what the research intends to produce which can be viewed as a distortion to the creation of new knowledge.

It is understandable that a structured series of questions can lose shape and scope during probing and prompting. Probing questions aid the study when supplementary questions are asked or to get interviewees to provide additional information. However, probing and prompting can result in the interview losing direction or serving its intended purpose if the researcher does not handle the questions with tact and diplomacy (Gillham 2000: 46). In this regard, the interviews were structured and probing questions were limited.

Following the completion of the interviews, the data was categorised in relation to the research and analysed. The analysis and interpretation that follows in the next chapter was conceptualised, contextualised and operationalised in the arena of PMDS as proffered by Gillham (2000: 59). Before the commencement of the analysis, each interview was transcribed into written text for documenting and record purposes. The transcripts have been stored.

The prospecting for information required specific skills, techniques and sophisticated technologies that prevented the contamination or biasing of the data. The researchers training as a counsellor and the concomitant skills acquired in

gathering information has helped in ensuring that data has not in anyway been contaminated, fabricated or falsified, and that objectivity was maintained at all times (Silverman 1997: 115).

5.8.1.1.3   Questions

The under-mentioned questions which formed part of section B of the questionnaire (See annexure G) aided in providing greater insight into the application of the policy on performance management and development system amongst senior managers in the KwaZulu-Natal Department of Education.

- What is your understanding of the Performance Management and Development System as it is applicable to the Senior Management Service in the South African Public Service?;

- Discuss whether the Performance Management and Development System has been able to promote productivity;

- To what extent, do you think the under-mentioned 11 Core Management Criteria in PMDS are suitable for achieving the Department's objectives?;

- What in your view, is the relationship between individual performance and the Department's performance? Motivate you response;

- Explain the relationship between your Key Result Areas and the goals/strategic objectives of the Department?;

- Describe the steps that you follow when appraising the performance of co-workers?;

- What internal arrangements exist in your branch to support the achievement of the Department's goals and objectives;

- Explain how the performance management and development system is used to identify areas for professional development?;

- In what ways are the performance management and development system used to manage the career paths of the senior managers?;

- How do think the Performance Management and Development Systems in the Department can be improved? and

- Provide a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the Performance Management and Development Systems as it applies to the SMS members in the Department.

The responses and the analyses of the responses is presented in the next chapter. The same questions were also used during the interviews.

5.8.1.2 Secondary Data

The secondary data were gathered from relevant books, journals, reports, conference proceedings and other papers, policy documents, speeches, newsletters and newspapers.

5.8.1.2.1 Books

The books consulted were those relating to operations within the public service, performance management in the private and public service. Books referring to theories and paradigms that inform the performance management and development system structure and system were also consulted. Several journals focusing on pertinent performance management issues in the private and public service were used. Since the focus and dimension of this topic has not been extensively, researched, selected journal articles were invaluable in the literature review.

5.8.1.2.2 Reports

Reports compiled by the Department of Education, nationally and provincially, the Public Service Commission, the Organisation of Economic Co-operation and Development and independent agencies were extensively reviewed and these sources provided valuable insight into the enquiry of performance management and development.

5.8.1.2.3 Conference Papers

A limited perspective of conference papers was consulted. Given the dearth of research material on the topic, the dimension of this topic has not been discussed or explored at conferences. A pertinent paper consulted was an address presented by the Minister of Education at the South African Principals' Association conference in the Limpopo Province. Documents produced for conferences by the OECD were also consulted.

5.8.1.2.4   Policy Documents

Inter alia, the main policy documents consulted were the Public Service Senior Managers Handbook (2003), the manual on performance management and development system, circulars, resolutions of the Public Service Bargaining Council, strategic annual performance plans of the KwaZulu-Natal Department of Education,policy documents on budgeting and planning. Reference was made to several legislation.

5.8.1.2.5   Other Papers and Memorandum

Several papers prepared by individuals and non-governmental organisations were also referred to. The Kennedy School of Governance wrote a memorandum on performance management, which was a valuable source of information.

5.8.1.2.6   Internet Sites

The internet was a useful medium of information. However, the researcher was cautious and guarded against the use of information from internet sites without due recognition of the sources.

5.8.1.2.7   Speeches

Reference was also made to a few speeches of eminent people in South Africa, such as the President of the Republic of South Africa and the former Minister of Education.

5.8.1.2.8   Newsletter

Articles that appeared in brochures and other publications but did not focus extensively on academic content were classed as newsletters.

5.8.1.2.9   Newspaper Articles

Newspaper articles are sometimes not viewed by scientists as a reliable source of information, however, at times it can serve as the only source to substantiate the veracity of a claim. Some key aspects of performance management in education that featured in these articles were captured for the discussion.

5.9   CODING

The coding of the data gathered was conducted with the assistance of a qualified statistician using the Statistical Package for Social Sciences (SPSS) version 17.0. Furthermore, the qualitative information was analysed by grouping the responses of

participants into specific categories and linking them with the themes that emerged in the study.

5.9.1 Statistical Tools and Techniques

The following statistical tools and techniques were used

5.9.1.2 Cronbach's Alpha Reliability

Reliability refers to the property of a measurement instrument that causes it to give similar results for similar inputs. Cronbach's alpha is a measure of reliability. More specifically, alpha is a lower bound for the true reliability of the survey. Mathematically, reliability is defined as the proportion of the variability in the responses to the survey that is the result of differences in the respondents. The answers to a reliable survey will differ because respondents have different opinions and not because the survey is confusing or has multiple interpretations. The computation of Cronbach's alpha is based on the number of items on the survey (k) and the ratio of the average inter-item covariance to the average item variance (www.atc.ucla.edu/stat/sas/notes2).

$$\alpha = \frac{k\left(\frac{cov}{var}\right)}{1 + (k-1)\left(\frac{cov}{var}\right)}$$

Under the assumption that the item variances are all equal, this ratio simplifies to the average inter-item correlation, and the result is known as the Standardized item alpha (or Spearman-Brown stepped-up reliability coefficient).

$$\alpha = \frac{kr}{1 + (k-1)r}$$

Notice that the Standardized item alpha is computed only if inter-item statistics are specified. Furthermore, the coefficient of 0.921 reported for these items is an estimate of the true alpha, which in turn is a lower bound for the true reliability (SPSS, version 17.0).

This makes sense intuitively because if the inter-item correlations are high, then there is evidence that the items are measuring the same underlying construct. This is really what is meant when someone says they have "high" or "good" reliability. It refers to how well the items measure a single uni-dimensional latent construct (www.atc.ucla.edu/stat/sas/notes2).

Thus, if you have multi-dimensional data, Cronbach's alpha will generally be low for all items. In this case, the statistician runs a factor analysis to see which items load highest on which dimensions, and take the alpha of each subset of items separately (www.ats.ucla.edu/stat/sas/notes2). The preceding discussion and approach were used in the analysis of the data, which as indicated earlier is presented in the next chapter.

5.9.1.3   Factor Analysis

"Factor analysis attempts to identify underlying variables or factors that explain the pattern of correlations within a set of observed variables. Factor analysis is often used in data reduction to identify a small number of factors that explain most of the variance that is observed in a much larger number of manifest variables. Factor analysis can also be used to generate hypotheses regarding causal mechanisms or to screen variables for subsequent analysis, for example, to identify co-linearity prior to performing a linear regression analysis" (SPSS, version 17.0).

5.9.2   Measurements

Statistically, there several ways to measure the data that was requested in the questionnaire in this study, which are highlighted as follows:

- Nominal (or categorical) is a classification of responses for example, gender;

- Ordinal measurement is achieved by ranking- for example, the use of a 1 to 5 rating scale from 'strongly agree' to 'strongly disagree';

- Interval measurement is achieved is the differences are meaningful, for example, temperature; and

- Ratio measurement is the highest level where the difference and the absence of a characteristic (zero) are both meaningful, for example, in the measurement of distance (Steyn *et al* 1994: 7).

5.9.3   Data Management

Denzin and Lincoln (1998: 182) state that qualitative studies are sometimes vulnerable on the issue of data management. Qualitative data captures the experiences and essences of people, objects and situations and qualitative research is the skill of translating these essences into written text that explain or describe particular realities. This requires the conversion of experiences into words

based on observations, interviews or documents. Once the conversion has taken place and the research report is written, the data has to be stored for purpose of verification should the need arise at some later stage. The questionnaires, voice recorded interviews and transcripts will be stored for a period of five years in accordance with the policy for research at the University of KwaZulu-Natal University.

A voice recorder was used to record interviews and transcribed into written text for the purpose of verification and guaranteeing authenticity and veracity. Collected data and the transcriptions of the voice-recorded interviews were processed and analysed. Data gathered either manually or through audio and videotapes had to be corrected, edited, typed or transcribed as emphasized by Denzin and Lincoln (1998: 183). The data was gathered over sixteen months Interpretation and a presentation of the analyses appears in the subsequent chapter.

5.10   SUMMARY

The chapter on research methodology outlines the rigorous processes and procedures that were followed in producing the dissertation. Any scientific investigation has to follow a strict regime to ensure that the reported results are credible. The research began by extensive literature review of similar research conducted all over the world and by gleaning information from written and electronic sources. Primary data was also gathered by way of a questionnaire with a series of open and closed-ended questions. The interviews captured the experiences of managers' *vis-à-vis* the manner in which policies on performance management and development are implemented was essential to understand how it affected day-to-day operations. Using the qualitative approach resulted in the research obtaining valuable insights into the way managers perceived the performance management and development system and its relevance to the work environment.

Contextualising the cadre of senior management members in the KwaZulu-Natal Department of Education as a case study was a significant focus and dimension of the research. This study was part of a larger population of managers in the South African public service, and essential for the purpose of generalisation of the findings to the South African public service. Formulating and testing of the

hypotheses using appropriate statistical techniques aided in arriving at logical suppositions of the significant relationship between variables.

In describing the site of the research as well as the participants in the research, stringent processes were followed. The gathering of qualitative and quantitative data further amplifies the context of the research project and abidance to protocols for social scientific research.

Data was gathered using a variety of approaches. Some of the techniques were a purposively designed questionnaire, interviews and focus-group discussions. Secondary information was gathered from published and unpublished print and electronic medium such as books, journals, reports and policy documents. Internet sources, such as information from web-sites were used to a very limited extent. Primary data was gathered via questionnaires, interviews and focus group discussion. The data was then analysed and interpreted. The results of the analysis is presented and discussed in the next chapter.

CHAPTER SIX

Data Presentation and Analysis

6.1   INTRODUCTION

As indicated in the previous chapter, the primary data was collected via interviews and a purpose-designed questionnaire. The interview and the open-ended questions in the questionnaire presented qualitative information and the closed questions were quantitative in nature. In analysing the responses to the open-ended questions in Section B of the questionnaire, managers either had to respond by way of written responses or structured interviews. Several themes and sub-themes have emerged during the analysis.

Most managers understood the performance management and development system to be a tool that aided in achieving the goals of the Department. Many managers also stated that the PMDS created an opportunity for training and development of managers who were lacking in certain skills and competencies.

There was consensus amongst managers is that the PMDS has over time become a mechanistic and instrumentalist tool that is used more as a matter of compliance than as a tool to improve performance and productivity. Although the policy intention was to raise the level of individual and organisational accountability, this is not always true. Since the performance management and development system was conceptualised with the intention of the public service departments achieving strategic goals, it has unfortunately not been able to leverage achievement of results. Cameron (2009: 930) in citing investigations by the Public Service Commission, states that there are challenges in implementing the performance management and development system in the public service.

There is general agreement that the PMDS assists individual managers to achieve organisational goals and objectives but this is not apparent in practical terms.

Managers were also able to cite strengths, weaknesses, threats and opportunities of the system and proffered suggestions as to how the system may be improved.

This is a qualitative account of managers' views of PMDS policy and implementation thereof, and it has to be acknowledged that is also a subtext to the

narratives. Section C of the questionnaire comprised closed-end questions and the statistical data was used in the presentation and analysis.

6.2 APPROACHES TO ANALYSIS OF QUESTIONNAIRE

The results and the findings obtained for the questionnaire used in this study are presented hereunder. The data collected in Section C of the questionnaire from the responses was analysed using the Statistical Package for Social Sciences (SPSS) version 17.0. The results are presented in the form of pie charts, bar graphs and cross tabulations.

6.2.1 Reliability

The two most important aspects of precision are reliability and validity. Reliability is obtained by taking several measurements on the same subjects. Consequently, poor reliability degrades the precision of a single measurement and reduces the ability to track changes in measurements. Validity on the other hand, compares recorded experimental values to the true standard value. A reliability coefficient of 0.70 or higher is considered as "acceptable" according to the University of California, Los Angeles; Academic Technology Services (www.atc.ucla.edu/stat/sas/notes2).

6.2.1.1 Cronbach's Alpha Reliability

The table below is a summary of the Cronbach's alpha reliability scores for Section C of the research.

TABLE 6.1: **CRONBACH'S ALPHA RELIABILITY SCORES FOR ALL QUESTIONS IN SECTION C OF THE QUESTIONNAIRE**

QUESTION	CRONBACH'S ALPHA
1.1	0.933
1.2 - 1.3	0.705
1.4	0.785
1.6 - 1.10	0.688
2.1 - 2.2	0.665
2.3	0.734
2.4	0.792
2.5 - 2.16	0.685
3.1 - 3.4	0.831
3.5 - 3.8	0.811
4.1 - 4.2	0.916
4.8 - 4.16	0.725
4.17	0.900
6.1 - 6.11	0.838

It is noted that the reliability scores for almost all questions meet the minimum required standard. This indicates a high degree of acceptable and consistent scoring for the different categories in this research. All of the categories have high acceptable reliability values (www.atc.ucla.edu/stat/sas/notes2).

6.2.2 Factor Analysis

Factor analysis attempts to identify underlying variables, or factors, that explain the pattern of correlations within a set of observed variables. Factor analysis is often used in data reduction to identify a small number of factors that explain most of the variance that is observed in a much larger number of manifest variables. Factor analysis can also be used to generate hypotheses regarding causal mechanisms or

to screen variables for subsequent analysis, for example, to identify co-linearity prior to performing a linear regression analysis (www.atc.ucla.edu/stat/sas/notes2).

Factor analysis is a statistical technique that reduces data. For example in survey research, a researcher may ask a number of questions with a few hypothetical factors. Collectively, factor analysis helps to elicit whether the same factors are being measured. Factors analysis is performed when the researcher has reason to believe that that factors actually exist. Usually these factors are identified and interpreted as real properties (Steyn *et al* 1994: 7).

6.2.2.1 Factor Analysis Communalities

The table of communalities arrived as a result of factor analysis is given below.

TABLE 6.2: COMMUNALITIES IN SECTION C QUESTION 1

SECTION C: QUESTION 1	EXTRACTION
Competency	.776
Values	.842
Skills	.825
Attitudes	.802
Knowledge	.798
Qualifications	.833
Experience	.800
SMS appointments are based on network links	.700
Equity targeting in the SMS compromises organizational effectiveness	.510
Strategic Capability and Leadership	.934
Programme and Project Management	.812
Financial Management	.934
Change Management	.918
Knowledge Management	.698
Service Delivery Innovation	.810
Problem Solving and Analysis	.906
People Management and Empowerment	.889
Client Orientation and Customer Focus	.733
Communication	.820
Honesty and Integrity	.811
Do SMS members have measurable service delivery targets?	.793
Can the results of the Department be linked to performance of individuals?	.718
Can the results of the Department be linked to the performance of teams?	.798
Are the design features of the PMDS instrument suitable to measure individual performance?	.677
Does an unqualified audit report imply improved organizational performance?	.752

The rotation method used is the Varimax Method with Kaiser Normalization. This is an orthogonal rotation method that minimises the number of variables that have high loadings on each factor. It simplifies the interpretation of the factors. The factor analysis or factor loading shows inter-correlations between variables.

The communality for a given variable can be interpreted as the amount of variation in that variable explained by the factors that constitute the variable. In this instance, for example, 25 variables make up the first question (as indicated in the component matrix table below). The process of analysis is similar to that for multiple regression: signage against the two common factors yields an R^2 = 0.776 (for the first variable on competency), indicating that about 78% of the variation in terms of using competency when making SMS appointments is explained by the factor model (www.ats.ucla.edu/stat/sas/notes2).

This argument can then be extended to the rest of the model as the communality values are high (and therefore good) and within acceptable norms. This argument can then be extended for all of the questions in section C.

TABLE 6.3: COMMUNALITIES IN SECTION C QUESTION 2

SECTION C: QUESTION 2	EXTRACTION
Effectiveness in the Department is compromised because of the low levels of competency.	.673
Resources are expended without outcomes being achieved.	.733
Are processes measurable?	.640
Are there systems in place to measure individual efficiency?	.706
Are there systems in place to measure individual effectiveness?	.569
Are there systems in place to measure team efficiency?	.655
Can the effectiveness of individual performance be assessed in terms of the Department's measurable objectives?	.749
Are there systems in place to measure economical use of resources by individuals?	.771
Has the Performance Management System resulted in judicious use of resources?	.652
Is the SMS members Key Result Areas linked to the strategic plan of the Department?	.736
Is the SMS members Key Result Areas linked to the Department's budget?	.805
Are you given the autonomy to set your own performance target?	.702
Do you design your own performance indicators?	.571

TABLE 6.4:   COMMUNALITIES IN SECTION C QUESTION 3

SECTION C: QUESTION 3	EXTRACTION
Strategic planning processes are linked to operational planning processes	.885
Operational planning processes are linked to work-planning processes	.874
All planning processes are linked to the budget	.815
All planning processes linked to defined KRAs	.803
Are SMS members work plans linked to the Department's measurable objectives?	.865
Are SMS members targets linked to Department's Service Delivery Indicators?	.846
Do SMS members have specific objectives?	.810
Do SMS members have specific measurable targets?	.618
Performance Management System promotes a results driven Department	.851
All budgeting processes are linked to Service Delivery Indicators	.893

TABLE 6.5:   COMMUNALITIES IN SECTION C QUESTION 4

SECTION C: QUESTION 4	EXTRACTION
SMS members work towards specific goals	.905
SMS members work towards specific strategic objectives	.933
Are SMS members' work plans designed to achieve specific goals?	.656
There is a lacuna between individual performance and the Departments objectives	.824
Is there a relationship between the Department's goals and the individuals work programme?	.704
Do the internal arrangements support the achievement of organizational objectives	.703
The bonus system promotes higher levels of productivity	.805
Feedback is given to SMS members regarding their performance	.764
Are the matriculation results a measure of a SMS member's individual performance?	.869
Can matriculation results be a measure of the Departments Performance?	.787
Can matriculation results be a measure of your Performance?	.823
Can systemic evaluation results be a measure of the Departments performance?	.785
Can the Departments systemic evaluation results be a measure of your performance?	.712
Should a single generic assessment instrument be used for all Public Service managers?	.714
Your key results areas support the goals of the Department	.447
Your key results areas have resonance in the Department's Annual Performance Plan.	.767

TABLE 6.6:   COMMUNALITIES IN SECTION C QUESTION 5

SECTION C: QUESTION 5	EXTRACTION
Does competency assessment form the basis for personal development plans in the Department?	.524
Is career advancement based on individual performance?	.493
Performance Management in the Department is a desktop exercise	.723
Performance Management in the Department is done for compliance purposes	.726
PMDS is viewed as a punitive management tool towards errant managers	.712
PMDS promotes individual growth and development	.575
PMDS promotes career advancement	.678

From the above tables, it is significantly reflected that performance management is viewed as a "desktop" exercise. It has a negative impact on the overall commitment of the department regarding performance management and development.

TABLE 6.7:   COMMUNALITIES IN SECTION C QUESTION 6

SECTION C: QUESTION 6	EXTRACTION
Is the appraisal process impartial?	.535
Are there procedures in place to deal with incompetence?	.708
Are there procedures in place to deal with non-compliance?	.600
Is there close monitoring of co-workers' performance?	.670
Do SMS members have planned quarterly reviews?	.696
Is the performance of SMS members closely monitored?	.665
Evaluation reports are provided to co-workers by supervisors	.670
The moderation process is open and transparent	.622
There are mechanisms in place to deal with non-performance	.784
There are mechanisms in place to deal with poor performance.	.737
Does the moderating committee play an effective role?	.644
Do acts of poor performance receive censure by supervising managers?	.618
Accountability for performance is taken seriously by the Department	.628
Performance Management System monitors traits over results	.485

An assessment of the above table reflects information obtained from the communalities. The ideal is to obtain values that are close to one. This would indicate that the model explains most of the variation for those variables. In this

case, the model is acceptable as it explains approximately 74% of the variation for variables in Section C. The average scores of the components are as follows:

TABLE 6.8:   AGGREGATED COMMUNALITIES QUESTIONS 1 6

SECTION C	COMMUNALITIES
Question 1	79.6
Question 2	68.9
Question 3	82.6
Question 4	76.3
Question 5	63.3
Question 6	64.7
Overall	73.9

The above table presents the percentage of variation explained in the model which has been highlighted in this research. This might be looked at as an overall assessment of the performance of the model. The individual communalities tell how well the model is working for the individual variables, and the total communality gives an overall assessment of performance.

6.2.2.2   Factor Analysis Reduction of Data

Factor analysis is a statistical technique whose main goal is data reduction. A typical use of factor analysis is in survey research, where a researcher wishes to represent a number of questions with a small number of hypothetical factors.

Certain components divided into finer components. This is explained below in the rotated component matrix below, per question.

TABLE 6.9:   FACTOR ANALYSIS OF SECTION C QUESTION 1

SECTION C: QUESTION 1	COMPONENT						
	1	2	3	4	5	6	7
Competency	.839	.092	.113	-.041	.175	.028	.132
Values	.821	.195	.053	.106	.323	.094	.060
Skills	.869	.051	.086	-.213	.102	-.064	-.024
Attitudes	.611	.156	-.044	-.004	.291	.448	.342
Knowledge	.859	-.051	-.064	-.217	.036	-.063	-.023
Qualifications	.882	-.083	.068	-.123	.140	-.085	-.039
Experience	.887	-.068	.040	-.048	-.061	-.024	-.018
SMS appointments are based on network links	-.758	.100	.078	.091	.164	.127	.241
Equity targeting in the SMS compromises organizational	-.633	.095	.170	.115	.043	.238	.009
Strategic Capability and Leadership	-.016	.946	-.013	.082	-.119	-.002	-.132
Programme and Project Management	.013	.839	-.052	-.089	-.095	-.082	.287
Financial Management	-.016	.946	-.013	.082	-.119	-.002	-.132
Change Management	-.075	.067	.400	.020	-.037	-.080	.860
Knowledge Management	-.037	.705	-.072	.080	.375	.071	.207
Service Delivery Innovation	.016	.655	.519	.069	.314	.088	.014
Problem Solving and Analysis	-.121	.035	.745	-.010	.214	.529	-.100
People Management and Empowerment	.035	-.024	.936	.104	-.011	-.009	-.026
Client Orientation and Customer Focus	.089	.015	.799	.066	.138	-.031	.248

TABLE 6.9:   FACTOR ANALYSIS OF SECTION C QUESTION 1 (Continued)

SECTION C: QUESTION 1	COMPONENT						
	1	2	3	4	5	6	7
Communication	-.238	-.049	.040	-.135	-.084	.854	-.063
Honesty and Integrity	-.001	-.061	.837	.232	-.113	-.040	.197
Do SMS members have measurable service delivery targets?	-.196	.131	.245	.785	.107	-.197	-.102
Can the results of the Department be linked to performance of individuals?	-.138	.131	-.004	.737	-.170	.008	.331
Can the results of the Department be linked to the performance of teams?	-.142	-.122	.251	.803	.205	-.099	-.060
Are the design features of the PMDS instrument suitable to measure individual performance?	-.230	.111	-.037	.578	-.417	.293	-.133
Does an unqualified audit report imply improved organizational performance?	-.223	.039	-.107	-.015	-.828	.010	.063

With reference to the table 6.9 above, the principle component analysis was used as the extraction method, and the rotation method was Varimax with Kaiser Normalization. This orthogonal rotation method minimizes the number of variables that have high loadings on each factor. It simplifies the interpretation of the factors. Factor analysis or factor loading shows the inter-correlations between variables. Items of questions that loaded similarly imply measurement along a similar factor. An examination of the content of items loading at or above 0.5 (and using the higher or highest loading in instances where items cross-loaded at greater than this value) effectively measured along the nine components (www.ats.ucla.edu/stat/sas/notes2). Seven factors were identified by the computer software. However, the splitting can be reduced to three major factors. The first deals with SMS appointments, the second with Core Management Criteria and the third with Performance. The first component loaded perfectly. This means that the questions (variables) that constituted these components perfectly measured the

component. That is, the component measured what it was that was meant to be measured.

6.2.2.3 Re-run of Factor Analysis

A re-run of the analysis forcing the factors to be the three identified yields the following results:

TABLE 6.10: RE-RUN OF FACTOR FORCING ANALYSIS OF THREE IDENTIFIED YIELDS

	COMPONENT		
	1	2	3
Competency	.824	.279	-.014
Values	.787	.362	.078
Skills	.893	.127	.000
Attitudes	.597	.302	.098
Knowledge	.885	-.049	.008
Qualifications	.896	.074	-.110
Experience	.844	.054	-.076
SMS appointments are based on network links	-.729	.154	.010
Equity targeting in the SMS compromises organisational effectiveness	-.649	.169	-.034
Strategic Capability and Leadership	-.093	.488	.781
Programme and Project Management	-.004	.439	.717
Financial Management	-.093	.488	.781
Change Management	-.094	.482	-.204
Knowledge Management	-.021	.498	.565
Service Delivery Innovation	-.006	.825	.202
Problem Solving and Analysis	-.146	.588	-.417
People Management and Empowerment	-.038	.657	-.560
Client Orientation and Customer Focus	.056	.669	-.469
Communication	-.258	-.023	-.056
Honesty and Integrity	-.113	.629	-.547
Do SMS members have measurable service delivery targets?	-.377	.453	-.114
Can the results of the Department be linked to performance of individuals?	-.356	.326	.031
Can the results of the Department be linked to the performance of teams?	-.311	.366	-.337
Are the design features of the PMDS instrument suitable to measure individual performance?	-.459	.102	.084
Does an unqualified audit report imply improved organizational performance?	-.341	-.247	.160

The first component loaded perfectly. However, the other two components have factors that overlap, indicating a mixing of the factors. This means that the questions in the overlapping components did not specifically measure what it set

out to measure. It means that the respondents did not clearly distinguish between the questions constituting the components. This could be with respect to interpretation or inability to distinguish what the questions were measuring.

Tables 6.11 to 6.15 below indicate the factor loading for questions 2 to 6 of Section C. The analysis of Question 1 can be extended to the tables below.

TABLE 6.11:   FACTOR LOADING OF SECTION C QUESTION 2

SECTION C: QUESTION 2	COMPONENT				
	1	2	3	4	5
Effectiveness in the Department is compromised because of the low levels of competency.	.317	.328	-.595	.139	-.303
Resources are expended without outcomes being achieved.	.480	.466	-.461	-.041	.264
Are processes measurable?	.627	-.485	-.056	.085	.016
Are there systems in place to measure individual efficiency?	.819	.142	-.004	.117	-.038
Are there systems in place to measure individual effectiveness?	.694	.212	.001	.198	.051
Are there systems in place to measure team efficiency?	.750	-.161	.147	-.148	.152
Can the effectiveness of individual performance be assessed in terms of the Department's	.348	-.093	-.191	.760	.073
Are there systems in place to measure economical use of resources by individuals?	.268	.140	.813	.129	.037
Has the Performance Management System resulted in judicious use of resources?	.150	.200	.341	.183	.664
Is the SMS members Key Result Areas linked to the strategic plan of the Department?	-.123	.004	.263	.752	.295
Is the SMS members Key Result Areas linked to the Department's budget?	.044	-.086	-.074	.121	.881
Are you given the autonomy to set your own performance target?	.036	.651	.262	.445	-.103
Do you design your own performance indicators?	.021	.733	-.094	-.145	.057

TABLE 6.12: FACTOR LOADING OF SECTION C QUESTION 2

SECTION C: QUESTION 3	COMPONENT			
	1	**2**	**3**	**4**
Strategic planning processes are linked to operational planning processes	-.174	.914	.055	.128
Operational planning processes are linked to work-planning processes	-.236	.885	.119	.146
All planning processes are linked to the budget	-.051	.215	.871	.084
All planning processes linked to defined KRAs	-.009	.732	.512	.078
Are SMS members work plans linked to the Department's measurable objectives?	.888	-.188	.160	-.127
Are SMS members targets linked to Department's Service Delivery Indicators?	.886	-.109	-.112	-.191
Do SMS members have specific objectives?	.596	-.153	-.598	.272
Do SMS members have specific measurable targets?	.611	-.146	-.471	-.043
Performance Management System promotes a results-driven Department	-.253	.266	.005	.846
All budgeting processes are linked to Service Delivery Indicators	.037	.048	.681	.652

TABLE 6.13:   FACTOR LOADING OF SECTION C QUESTION 4

SECTION C: QUESTION 4	COMPONENT					
	1	2	3	4	5	6
SMS members work towards specific goals	-.903	.188	.033	-.095	-.170	.124
SMS members work towards specific strategic objectives	-.937	.054	.090	-.131	-.100	.131
Are SMS members' work plans designed to achieve specific goals?	.525	-.127	.085	.597	.039	-.004
There is a lacuna between individual performance and the Departments objectives	.159	.244	-.187	.775	-.207	.248
Is there a relationship between the Department's goals and the individuals work programme?	.760	.122	.164	.159	-.239	.051
Do the internal arrangements support the achievement of organizational objectives	.184	.071	.325	.688	.227	-.182
The bonus system promotes higher levels of productivity	-.056	-.136	.079	.014	.242	.848
Feedback is given to SMS members regarding their performance	.220	-.426	.515	.467	-.042	-.222
Are the matriculation results a measure of a SMS member's individual performance?	.100	.179	.138	.067	.863	.243
Can matriculation results be a measure of the Departments Performance?	-.063	.876	.086	-.044	.072	.012
Can matriculation results be a measure of your Performance?	-.184	.391	.766	-.071	.202	.060
Can systemic evaluation results be a measure of the Departments performance?	.066	.852	-.021	.176	-.005	-.153
Can the Departments systemic evaluation results be a measure of your performance?	.101	.426	.517	.320	.191	-.337
Should a single generic assessment instrument be used for all Public Service managers?	.200	-.167	.774	.074	-.118	.167
Your key results areas support the goals of the Department	.512	.128	.175	.251	-.070	.267
Your key results areas have resonance in the Department's Annual Performance Plan.	.555	.170	.319	.134	-.557	-.020

TABLE 6.14:   FACTOR LOADING OF SECTION C QUESTION 5

SECTION C: QUESTION 5	COMPONENT	
	1	2
Does competency assessment form the basis for personal development plans in the Department?	.706	.162
Is career advancement based on individual performance?	.700	.062
Performance Management in the Department is a desktop exercise	.464	.713
Performance Management in the Department is done for compliance purposes	.514	.680
PMDS is viewed as a punitive management tool towards errant managers	-.136	.833
PMDS promotes individual growth and development	-.695	-.304
PMDS promotes career advancement	-.822	-.040

TABLE 6.15:   FACTOR LOADING OF SECTION C QUESTION 6

SECTION C: QUESTION 6	COMPONENT			
	1	2	3	4
Is the appraisal process impartial?	.428	.135	.559	.145
Are there procedures in place to deal with incompetence?	.747	.223	-.241	.205
Are there procedures in place to deal with non-compliance?	.652	.222	.350	.058
Is there close monitoring of co-workers' performance?	-.149	.747	.077	.291

TABLE 6.15:   FACTOR LOADING OF SECTION C QUESTION 6 (Continued)

SECTION C: QUESTION 6	COMPONENT			
	1	2	3	4
Do SMS members have planned quarterly reviews?	-.033	.053	.832	.010
Is the performance of SMS members closely monitored?	.017	.369	.342	.641
Evaluation reports are provided to co-workers by supervisors	.150	.706	.379	-.068
The moderation process is open and transparent	.264	.409	.621	.027
There are mechanisms in place to deal with non-performance	.854	-.040	.228	.022
There are mechanisms in place to deal with poor performance.	.847	.134	.026	.007
Does the moderating committee play an effective role?	.289	.729	.104	.137
Do acts of poor performance receive censure by supervising managers?	.293	.633	-.035	.360
Accountability for performance is taken seriously by the Department	-.185	-.152	.071	-.752
Performance Management System monitors traits over results	-.240	-.385	.386	.360

6.3   ANALYSIS OF QUALITATIVE DATA: SECTION B OF QUESTIONNAIRE AND INTERVIEWS

The tables and figures below are the percentage responses for the open-ended questions that comprised section B.

The information is presented in the form of Pareto charts where percentages are listed from highest to lowest.

6.3.1   Biographical Details of Respondents

This section will present the descriptive statistics based on the demographic information of the study obtained in Section A.

6.3.1.1   Age Distribution of Respondents

Below is a diagrammatic representation of the age distribution of respondents. This is done so that age can be correlated with experience.

FIGURE 6.1:   AGE DISTRIBUTION OF RESPONDENTS
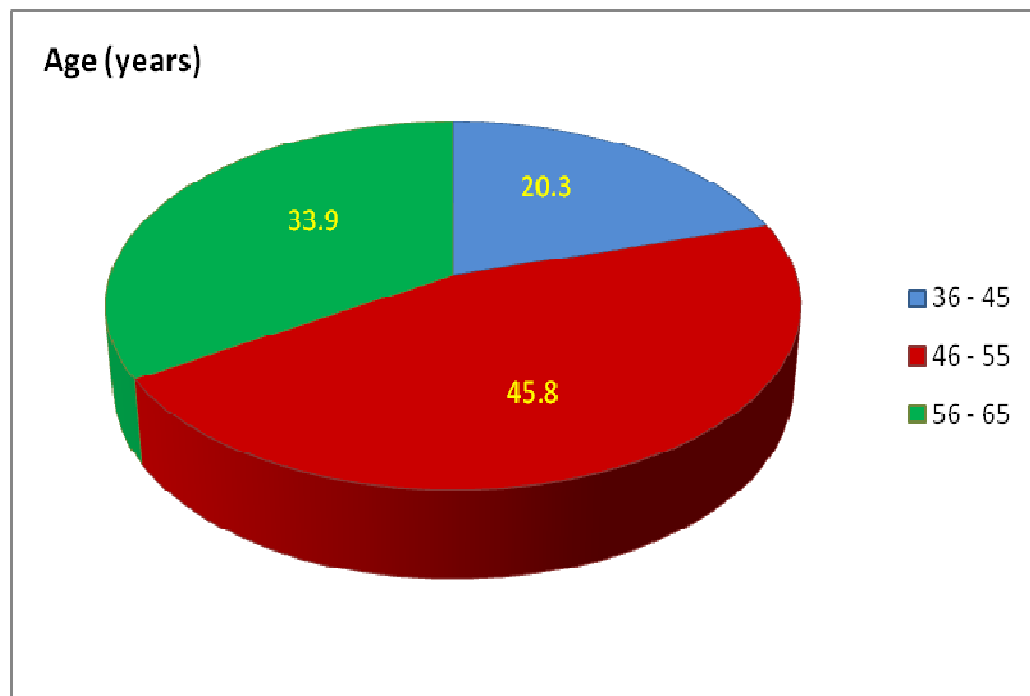
The majority of the respondents were from the 46 – 55 years age group. Almost 80% of the respondents were over the age of 46 years. This generally is an indication of experienced staff, which is useful in terms of obtaining reliable results from the research. Since 80% of managers fall into the age category of 46 to 65 years, it suggests chronological maturity and therefore, they would have a consenting approach to the implementation of a performance management and development system as advocated by the Department of Public Service and Administration. Age appropriate management behaviour is a factor in government performance (Forbes and Lynn 2005: 571).

6.3.1.2   Qualification Distribution of Respondents

The qualification distribution of managers is indicated below.

FIGURE 6.2:   DISTRIBUTION OF MANAGERS BY QUALIFICATION
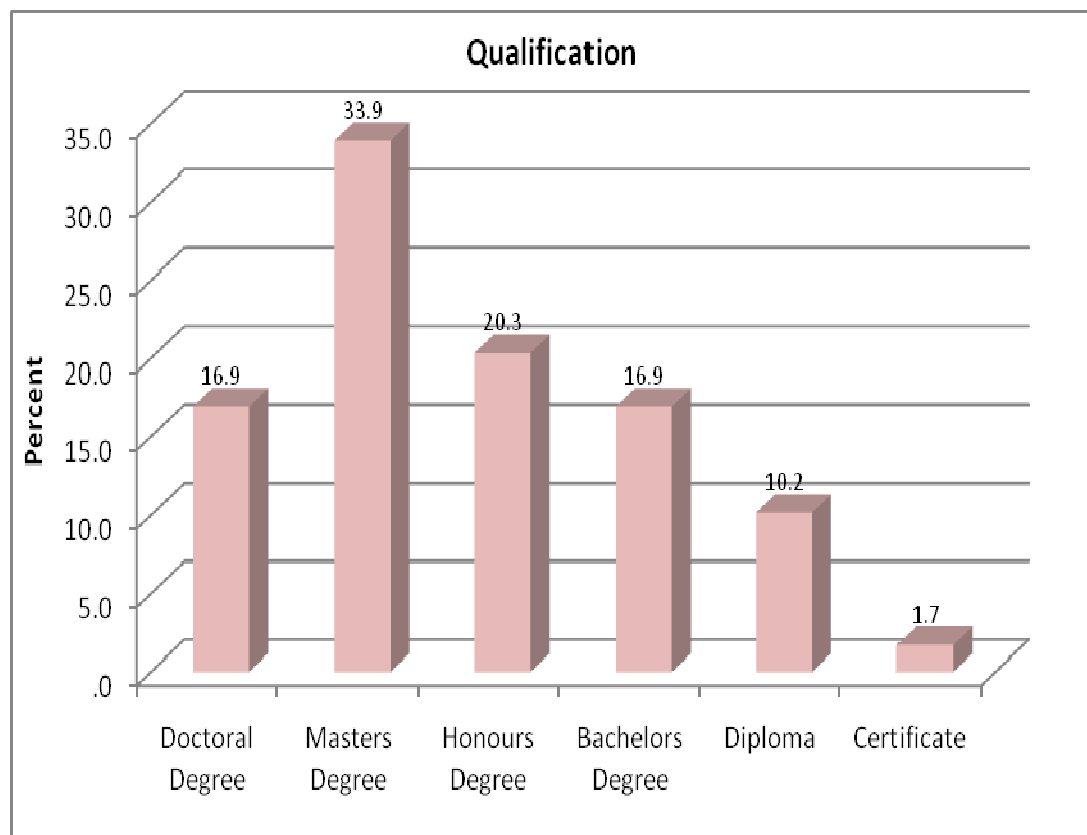
The figure above illustrates the qualifications of the respondents. More than 71.1% of the respondents have a post-graduate degree. Of this cohort, 16.9% have doctoral degrees, 33.9% have masters degrees and 20.3 percent have honours degrees. It indicates that the KwaZulu-Natal Department of Education places a high premium on selecting managers with high qualifications. It is however, disconcerting that 11.9 % of mangers are not graduates. There is no policy on qualification requirement for selection of the managers, however, it generally accepted that applicants should have at least a bachelors degree.

6.4   MANAGERS' UNDERSTANDING OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

Below is a diagrammatic illustration of managers' understanding of the purpose of PMDS

FIGURE 6.3: DIAGRAMMATIC REPRESENTATION OF UNDERSTANDING OF PMDS BY MANAGERS
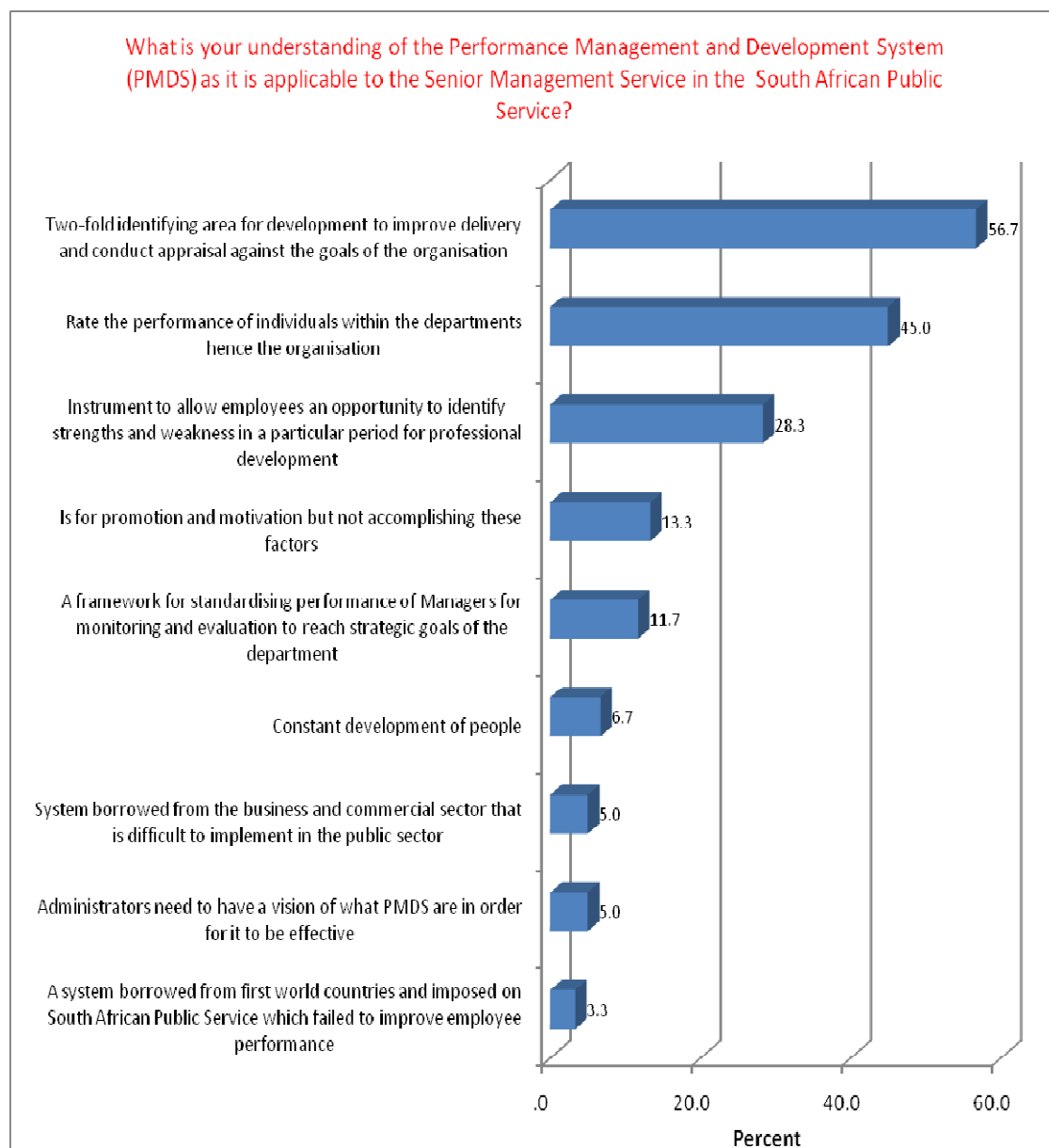
The three most common interpretations regarding understanding of the PMDS involved development and delivery (57%), individual and organisation performance rating (45%) and an instrument that can be used for personal development (28.3%).

6.4.1 Performance to Improve Service Delivery

The policy intention of the performance management and development system is to promote individual and organisational performance. By the individual focusing on the goals, and designing his/her work programme to articulate these goals and objectives overall performance of the Department can be improved. It provides a platform for the manager and his/her supervisor to interact and to determine

whether performance in relation to the individuals key result areas and the Department's stated goals and objectives are in synch. Ultimately, it has to lead to either rewarding managers who perform exceptionally and to sanction those managers who perform poorly. 58% of the managers understand that the PMDS is to improve service delivery and to conduct appraisal against the stated goals of the Department. This is important to cultivate a results-driven public service organisation.

The performance of the individual has to be aligned to the mandates of the government of the day. As stated by one manager: "It helps to maintain departmental policies and deliver effective services". This however would not be possible if there are constraints place in the path of managers. Behn (2003: 589) argues that for managers to achieve widely accepted policy objectives they must be provided with adequate resources and reasonable timeframes.

6.4.2   Professional Growth and Development

Although the policy has a bias towards development, only 35 % percent of the managers viewed the policy as a management tool for development. The PMDS, as stated by one manager, "…allows employees an opportunity to reflect on their performance" and it has the potential to determine shortcomings in the individual's performance in a non-threatening way. The emphasis is on continuously developing the manager so that future performance levels can be raised. The emphasis on continuously developing managers may stem from the fact that many persons installed into management positions in the senior management service are not adequately equipped with the requisite skills and capabilities to deal with the rigours of the job. A shortcoming of the policy is that it places extraordinary emphasis on the identification of training needs even for those managers who are severely inadequate upon recruitment than on taking action against those who fail to perform. One of the escape clauses is that the employer must be able to provide the appropriate enabling conditions for the employee to be able to perform and should these enabling conditions not be provided the employee cannot be faulted for non-performance. Employees are often not provided with the necessary resources for them to accomplish what they set out to do and consequently cannot be held responsible for either poor or non-performance.

The onus rests on the employer to identify the gaps between the desired level of the employees' performance and the employees' actual level of performance and if these gaps stem from the fact that the employee has competency or capability deficits then the employer must provide the necessary development programme.

6.4.3 Implementation

Managers did not fault the policy on performance management and development system *per se*. However, they had problems with the way in which it is being implemented. There was an outcry that sufficient funds are never allocated to address the developmental needs of managers. According to some managers the emphasis of the policy is on rewarding good performance with hardly any consequences for poor performance.

While the performance management and development system focuses on the development of the employee, one of the managers stated that it is at times a "witch-hunting and fault finding exercise." Another manager held an extreme view that the PMDS "is a completely meaningless system within the senior management tier in the South African Public Service". The manager states that it creates the façade of productivity in the public service. This solipsism will have to be dealt with cautiously so as not to be prejudicial to the performance management and development system *per se*.

6.4.4 Appraisal Tool

Managers concur that it is a tool that is used to appraise the performance of managers using a defined set of criteria for rating performance. However, it is difficult to define what constitutes exceptional performance and what constitutes poor performance. One of the managers stated that it is a "complex system, borrowed from the business, commercial models that is difficult to implement in the public service system". The difficulty in implementing the system stems from the fact that biases creep in particularly during the summative evaluation process. Often the supervisor pursues a path that avoids conflict and confrontation. If performance is sub-standard, the scores do not in anyway reflect poor performance by the individual.

6.5 PMDS AND PRODUCTIVITY

The percentage response to whether PMDS promotes productivity is illustrated in Figure 6.4

FIGURE 6.4:   VIEWS ON WHETHER PMDS PROMOTES PRODUCTIVITY
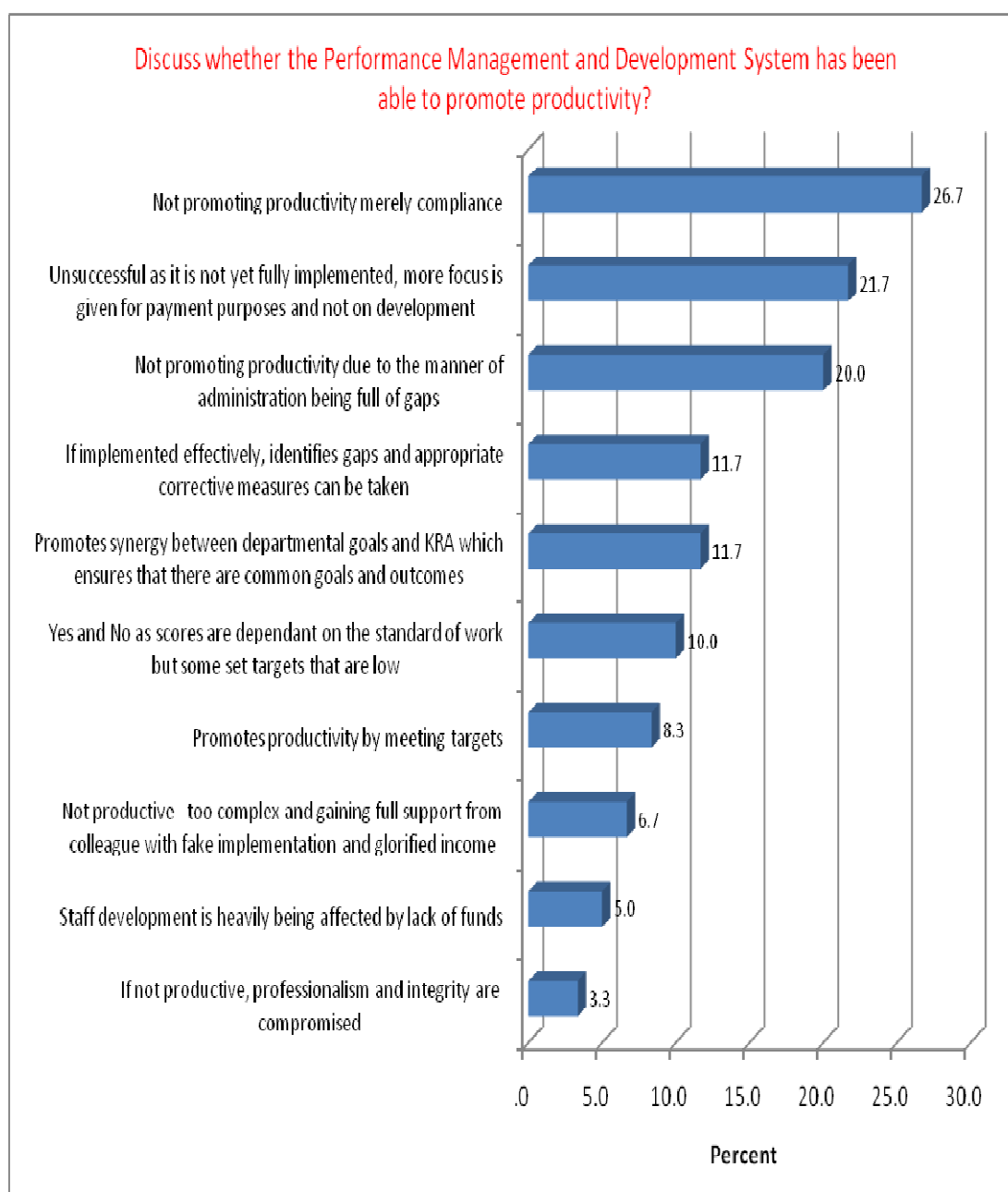
The three most common responses, averaging nearly 23% each of respondents, indicate that the PMDS has not promoted productivity due to being seen as compliance, for not being properly implemented and incomplete administration.

6.5.1   Promoting Productivity

The generally view held by the managers is that; the Performance Management and Development System has not been able to promote productivity. One of the managers lamented at the fact that this was because of the following: "it is not fully implemented". Most managers felt that if bonuses were awarded for exceptional

performance it would have gone some way towards improving productivity and enhancing organisational. The focus seems to be on appraisal of employees for compensating managers the mandatory one percent pay progression for satisfactory service rendered. A general manager commented that productivity would not be enhanced if there is unequal treatment of managers. Whether a manager performs exceptionally well or if the performance is mediocre, the reward is the same and consequently there is no incentive to increase levels of productivity.

One of the managers said: "I do not think that the PMDS has been able to promote productivity. It is not completed correctly. Incentives are not accessible to managers. Managers are de-motivated and demoralised. The PMDS is only done for compliance. Delivery of service is not done against a baseline of outputs and outcomes. There is a lack of understanding in terms of what constitutes performance. Performance is about allocating scores and the scoring is generally not above three".

There is a lack of consensus among managers as to whether the PMDS has actually been able to promote productivity. A manager stated quite categorically that "It is a system that has been borrowed from first world developed countries and imposed on the South African Public Service without due consideration of the contextual factors. It has failed to improve employee performance. Employees have been able to negotiate around "PMDS to fool their supervisors" said one manager. This implies that the employees are able to navigate around the PMDS to create the perception that individuals are performing.

The implementation of PMDS is not taken seriously, and this has had a deleterious impact on productivity. One manager remarked that because of the subjective way that PMDS is implemented, it has eroded work ethics and has caused dissatisfaction among managers.

Contrary to the generally held view that PMDS has not been able to foster productivity, some managers are of the view that it does. One manager took a rather personal view when she stated that, "ones reputation and professional respect depend on what and how one delivers". The contract that is signed with the employer is seen as binding on the conscience.

6.5.1.1 Compliance

The general view held by managers was that the performance management and development system was done mainly for the purpose of compliance and it has over time become a ritualistic practice done mainly once a year, which is inconsequential to the performance of the organisation. It was for completion of documentation and lodgement with the Human Resources section of the Department either for payment of progressive remuneration or making requests for training and development were two factors that were more important than using it as a tool to improve individual and organisational performance, according to 65% of managers. This is succinctly captured in the statement of one of the managers wherein he states; "The performance management and development system requires supervisors at all levels to ensure that annual performance assessment are completed in respect of all employees falling under their supervision." Completion of documents took preference over assessing for performance. A general manager stated that, "malicious compliance has impacted on the promotion of productivity".

Notwithstanding the generally held view of managers, the Head of Department's firmly held view is that PMDS is not for compliance. It has been stated by some managers that one of the purposes of PMDS is to develop managers so that they are able to perform adequately. However, there is not an acknowledged system besides subjecting managers to competency assessment to ascertain what skills and competencies are lacking in a manager. Competency assessment is currently used for selection of managers and there is no compulsion for managers who are already in the post to undergo competency assessment.

6.5.1.2 Incentives

Managers expressed their reservations as to whether the PMDS will raise levels of productivity. Their main concern was the fact that the Department has not given incentives to managers that encourages exceptional performance. Despite the policy making provisions for the payment of bonuses for exceptional performance, bonuses have not been paid over several years. Ammons (1984: 32-33) cited research conducted by Katzell and Yankelovich, wherein it was concluded that high

motivation, job satisfaction and high productivity were linked recognition and rewards for effective performance. Over the last five years, managers in the

KwaZulu-Natal Department of Education have not received performance incentives. This could be the reason for the lethargy in maintaining a desire and a will to work effectively.

As stated earlier, Boninelli and Meyer (2004: 203) state that for people to perform conditions must be conducive. Appealing conditions must be created if the organisation wishes to enhance productivity, improve performance and achieve organisational goals. It is not sufficient to set goals and targets and then expect that performance and productivity will happen automatically.

6.6 SUITABILITY OF THE CORE MANAGEMENT CRITERIA

The Senior Management Service members of the KwaZulu-Natal Department of Education were in agreement that the under-mentioned core management criteria were suitable. There was an array of reasons justifying the suitability of the core management criteria.

TABLE 6.16: SUITABILITY OF CMC FOR ACHIEVING DEPARTMENT'S OBJECTIVES

TO WHAT EXTENT DO YOU THINK ARE THE UNDER-MENTIONED 11 CORE MANAGEMENT CRITERIA IN PMDS LISTED BELOW, SUITABLE FOR ACHIEVING THE DEPARTMENT'S OBJECTIVES?	PERCENT
They provide direction	**21.7**
Not essential, only good planning, sound budget and effective at all systems is essential	**5.0**

Overall, approximately 22% of the respondents indicated that the 11 criteria provided direction. A more detailed table for the 11 criteria follows below.

TABLE 6.17: **SUITABILITY OF CMC FOR ACHIEVING DEPARTMENT'S OBJECTIVES**

CMC	SUITABILITY	PERCENT
Strategic Capability and Leadership	Essential component to manage and leadership	23.3
	Directors don't have a clue -not shared with the stakeholders	3.3
Programme and Project Management	It is core to the managers day-to-day functions	23.3
	Success rate is high NSLA District Director fails to see a link	3.3
	Important as everything should be treated as a project and not endless	1.7
Financial Management	Essential as it is one of the key responsibilities of managers	23.3
	Financial management is bad in the Department	3.3
Change Management	Change is constant therefore management of change is essential	23.3
	It is not that important	1.7
	Diverse population groups - essential to get along with all individuals	1.7
Knowledge Management	Does not apply to all as not all managers are involved in production of knowledge	11.7
	Important	10.0
Knowledge of policies, legislation and public	Necessary for the creation and storing of documents for the Department	1.7

TABLE 6.17:   SUITABILITY OF CMC FOR ACHIEVING DEPARTMENT'S OBJECTIVES (Continued)

Service Delivery Innovation	Does not apply to all as not all, many are support staff	3.3
	It is necessary to find creative ways to solve problems	16.7
	No support from upper management - stifled by jealousy	1.7
	It is important - the principle of Batho Pele	1.7
Problem Solving and Analysis	Critical element	23.3
People Management and Empowerment	Essential to empower colleagues to deliver service at a high level, delegating, mentoring and supporting fellow colleagues	21.7
	This is not taken seriously - too many queries often not addressed	1.7
Client Orientation and Customer Focus	Should be more an attitude than behaviour	6.7
	It is crucial - the principles of Batho Pele	16.7
Communication	Essential to communicate effectively verbally and in writing	25.0
	Lack of adequate technology at schools lead to communication problematic at schools	1.7
Honesty and Integrity	More of a value than a skill	6.7
	This is lacking in the Department	10.0
	Critical	6.7

It is disconcerting that 21.7% of managers indicated that the Core Management Criteria provides direction. It is not expected of the core management criteria to provide direction because they are skills and competencies that should be part a manager's repertoire to carry out his/her responsibilities. Schwella and Roussouw (2005: 763) after citing other authors, assert that competency is ability based on behaviour. Managers think that it provides direction because currently the CMC is appraised as if it has to be accomplished.

Managers have to choose no fewer than five CMC, again creating the perception that it has to be attained by the senior management service members of the KwaZulu-Natal Department of Education. Managers should possess capabilities prior to being recruited for the job and this capability should not be sought post the

selection for the job. Competencies are a mixture of skills, abilities and knowledge that; the employee brings to the job so that tasks can be performed efficiently and effectively (Schwella and Roussouw 2005: 763). The manager who stated that "managers need strategic and leadership capabilities to lead and manage their respective components", was correct provided that this is before being recruited and not after.

6.6.1 Strategic Capability and Leadership

Strategic Capability and leadership received a high ranking among the managers. It is viewed as a key capability essential for leading and managing a department, section or component. With 23.7 percent of mangers giving the nod of approval, it features amongst the top five of most valued core management criteria and it has to be incorporated into the Department's recruitment strategy.

6.6.2 Programme and Project Management

Programme and project management ranked high among the managers. 23.3% of managers stated that it was suitable. It is because they are expected to manage projects and programmes.

6.6.3 Financial Management

Financial management was also regarded highly by 23%of managers. Managing funds is a key responsibility of all managers and they must have the necessary competency to do so. One managers was irate and stated that while she considered it an important capability managers are not given the opportunity to demonstrate this capability because financial functions are centralised in the Department.

It is accepted that managers deal with large sums of public money and the effective deployment, monitoring and accounting for funds is a necessary core management criteria.

6.6.4 Change Management

The suitability of change management as a competency ranked high among 23.3% of managers. Change especially in terms of new policies being introduced is almost constant and there is perennial organisational restructuring in the Department. Therefore, it is important for managers to be able to manage change. "The

Department is always re-structuring and introducing new policies and managers need to know how to deal with these changes" said one manager.

Government has introduced many changes and will continue to introduce change and managers must be able to manage the change in the Department. The Head of Department stated that the Department is still evolving post the installation of the 2004 administration and a new organisational culture that has high work ethic has to be fostered.

6.6.5 Knowledge Management

Managers were of the view that Knowledge Management is not an important CMC. Not all managers were in total agreement that knowledge management qualifies as a core management criteria relevant to their day-to-day operations. One manager highlighted that knowledge management is not as important as the other core management criteria.

6.6.6 Service Delivery Innovation

Although this was a capability supported by most managers, some managers are of the view that since they were not directly in "the coal-face of service delivery", it did not apply to them. The Head of Department viewed this as a very important capability yet many managers were not oriented to service delivery innovation. 16 % percent stated that creative ways need to be found to improve the deliver of services.

6.6.7 Problem Solving and Analysis

This capability was highly valued by managers and 23 % were in agreement that managers should have the capability of finding solutions to problems that they may confront. Problems could not be wished away and managers must have the requisite skills to deal with problems.

6.6.8 People Management and Empowerment

Managers (21%) felt that empowerment of staff was critical to delivering effective services. Although managers valued this capability, they did not expound on how staff can be developed. Skills in negotiation and motivation are critical to bringing out the best in co-workers. If managers do not possess these skills, it affects the performance of the whole unit. The fact that managers work with people from

different race groups and cultures it is important that they are able to manage diversity.

6.6.9 Client Orientation and Customer Focus

One manager said, "The public service is about the public and service to the public should be uppermost on the agenda of all employees. Managers must lead by example to provide customer-friendly and customer-focused service". Client orientation and customer focus is a disposition that is engendered over time with the value system that an employee possesses and where consciousness of the needs of the public are high client orientation and customer focus are also high.

6.6.10 Communication

Communication was considered as a very highly desirable capability. A manager said that the ability to communicate was paramount to good management. If the propensity to communicate effectively is lacking in a manager then many misunderstandings may arise causing problems for the manager.

6.6.11 Honesty and Integrity

While managers saw honesty and integrity as a skill others held a different view. They said that honesty and integrity was a moral matter and a matter of conscience and could not be categorised as a skill.

By referring to the eleven capabilities as core management criteria managers did not view them as skills, competencies and capabilities that are essential for good management practices in the public service but rather viewed them as functions. The core management criteria are not functions but public management skills that managers need for:

> "competent decision-making, constructive negotiation, the successful management of conflict and change and skilful bargaining" (Fox *et al* 1991: 6).

It is seen as something that needs to be implemented and not skills that need to be firstly acquired and secondly applied. This is borne by the statement; "The core management criteria are suitable if implemented religiously." Another remarked that there are no benchmarks to assess each criterion. Yet another stated that it is difficult to measure performance against some of the criteria. Assessing a value such as honesty and integrity is a Herculean task and may require wisdom to adjudicate on, since it is not a skill but an aspect of an individual's value system.

One manager stated that they are fancy terms borrowed from the business world and applied to the public service as if it was a business enterprise.

Managers also view the core management criteria as either techniques or technologies and the following statement confirms this; "Due to the absence of adequate technology at schools, emails, computers etcetera, communication with schools is currently problematic".

This perception may have been created by the fact that these skills and competencies are focussed on after the person has been appointed to the post of manager rather than before the appointment.

6.7 INDIVIDUAL PERFORMANCE VERSUS THE DEPARTMENT'S PERFORMANCE

Diagrammatically depicted below is the response of managers to the question: What in your view is the relationship between individual performance and the Department's performance?

FIGURE 6.5: RELATIONSHIP BETWEEN INDIVIDUAL PERFORMANCE AND DEPARTMENT'S PERFORMANCE

Diverse of views are expressed by managers in respect of the relationship between individual performance and organisational performance in figure 6.5.

What in your view is the relationship between individual performance and the Department's performance?

Category	Percent
If all managers make their contributions collectively, this further enhances the objectives of the Department - non-performance in one sector would affect the performance of others	30.0
The individual's KPA are aligned with the goals and performance measures of the department	25.0
Responsibility of the department to ensure that individuals understand the vision and mission and what is expected of them	10.0
There is no relationship	6.7
Tangential – many believe that their performance has not relevance to the performance of the organisation	6.7
Individuals give themselves too high scores that is contradicted by the mediocre aspects of the system as a whole	3.3
Ensure high quality education to all learners by ensuring adequate budget preparation for textbooks, stationery and domestic accounts ensure that it is correctly used	3.3
Individual performance has not contributed to Departments' performance - not linked due to budget constraints	3.3
Neither here nor there	3.3
Go together – for now cannot be linked to SMS members due to demotivation	3.3

Percent

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6.7.1   Individual versus Organisational Performance

Two factors stand out in relation to the others. The largest number of respondents (30%) identified that there was an inter-dependence of departments, and that there was directly proportional relationship between them.

A quarter of the respondents indicated that an individual's KRA's were aligned with the goals of the department.

The general view was that the performance of the organisation could not be separated or divorced from the performance of the individual. However, managers complained that the organisational culture does not foster collaborative performance and managers behave as individuals and not as a collective. Some say that senior managers fail to contribute to the performance of the organisation because many are de-motivated. Centralisation of decision- making and the removal of delegations to take decisions have disempowered many senior managers.

The generally held view among managers is that the PMDS provides managers the opportunity to align and synergise their key result areas with the goals of the Department. This is ironic. Some managers referred to alignment of their key result areas with the goals of the Department. The goals and objectives are broad generic statement of intent that are often all embracing while the key result areas are meant to be specific outputs and there is seldom correlation between the goals and objectives and the key result areas of managers. The relationship between the individual and the performance of the Department is seen as tangential. Bates (1993: 43) argues that often the views of top management are translated into the goals of the organisation and theoretically, this group of people are often separate from the other staff in the organisation. Potentially, the contradiction that can emanate from this separateness could spell disaster for the organisation. It critical that the goals are driven hard so that they are not only the goals of the organisation but also over time become the goals of individuals.

In the absence of measurable targets and outputs for every manager may result in many not contributing to the overall performance of the Department. Osborne and Gaebler (1992: 139) evidence this when they evince that:

"With so little information about results, bureaucratic governments reward their employees based on other things: their longevity, the size of the budget and staff they manage, their level of authority".

When government pays little attention to tangible results then performance of employees is hardly taken seriously. When individual performance cannot be measured, managers navigate around the system with carefully embellished narratives to create the impression that they are performing and in turn contributing to the performance of the organisation. A manager stated that: "Individual performance has not contributed to the Department's performance because in most cases the two are hardly linked." Another was of the view that if every body galvanises behind the corporate strategy then there will be congruency between the goals of the Department and the goals of the individual. The benefits, however, may not be immediately apparent. Van der Waldt (2004: 47) argues that:

"The problem with measuring an outcome, and ensuring accountability for it, is that many benefits inevitably falls outside an individual contractual period and are assessable only over a longer period of time".

6.7.2   Mandates and Priorities

The Department receives several mandates from either the Department of Basic Education which at a national level is responsible for policy articulation. It is expected that the mandates and priorities will be carried forth by the departments at a provincial level and that managers will ultimately be responsible for their operationalisation. These mandates and priorities feature in the strategic and annual performance plans of the Department. What the Department set out to achieve is achieved through the performance of its employees. Goals, objectives and outcomes have to be collectively achieved and these cannot be apportioned to individuals as suggested by a manager. There is nevertheless an inalienable link between the performance of the individual and the performance of the Department even if it is at times tangential. A general-manager commented that the under-performance of managers affects the overall performance of the Department. This may be partly due to managers not being held directly responsible for the overall performance of the Department. Where strategic goals are drilled-down to strategic objectives and further drilled-down to specific objectives, results will not be

automatic. Individuals and teams must work towards specific outputs and outcomes which will collectively impact on the outcomes of the Department.

6.7.3 Correlation

There has to be close correlation between the performance of the Department and the performance of managers in the Department. It is expected that the Department will achieve results through the individuals especially its management cadre. However, this is not always the case. Because there is no way to measure performance they "cannot tell success from failure" (Osborne and Gaebler 1992: 144). The performance of employees based on the rating given is higher than the performance of the Department when judged against the matriculation results and the systemic evaluation results. Employees are not working in concert to a specific output or outcome.

6.8 RELATIONSHIP BETWEEN KEY RESULTS AREAS AND STRATEGIC GOALS/OBJECTIVES OF THE DEPARTMENT

Captured in Figure 6.6 is the response to the relationship between KRAs and the goals of the Department.

FIGURE 6.6: RELATIONSHIP BETWEEN KRA AND GOALS/OBJECTIVES OF THE DEPARTMENT
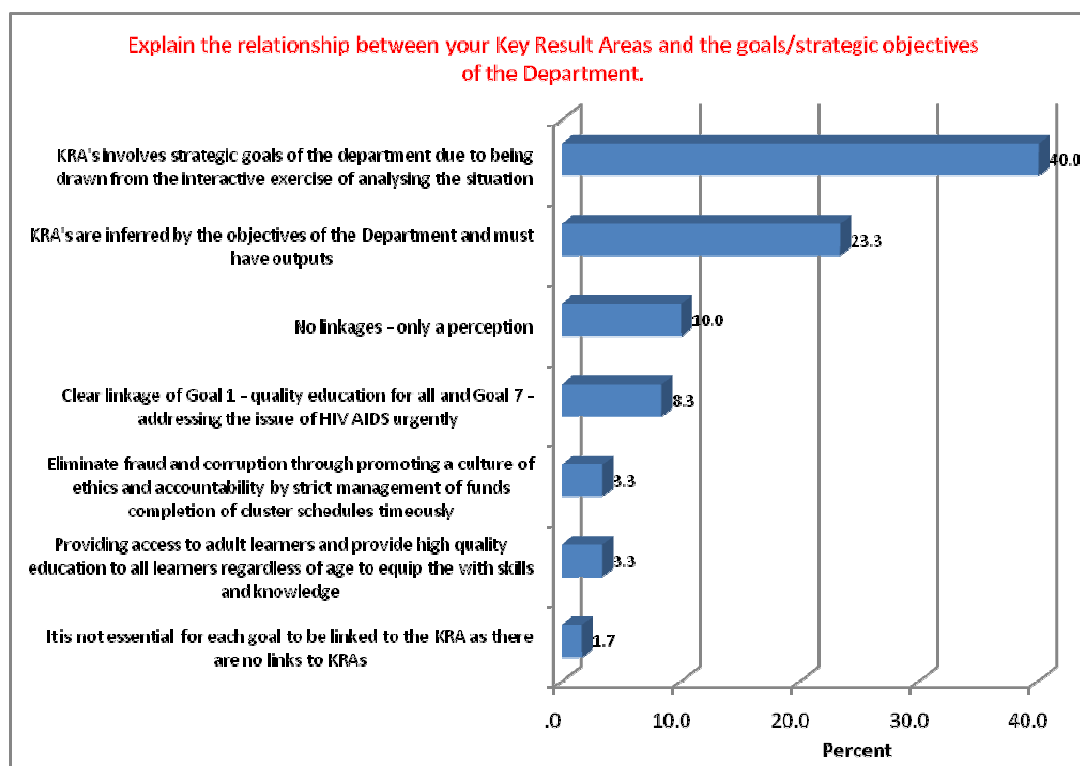
6.8.1　Linkage

The managers (40%) stated that there is a link between their key result area and the goals of the department and 23 percent stated that the KRAs are inferred from the goals of the Department. They said that the goals of the Department provide the strategic direction and the key result areas provide the impetus to achieve the goals. The key result areas are informed by the goals and objectives of the Department. However, most key results areas are not defined in terms of outputs and outcomes. If there are no targets, overtime and no standards, then it may be very difficult to adjudicate on performance. Behn (2003: 598) states that in order to:

> "evaluate performance, public managers need some kind of desired result with which to compare the data, and thus judge performance".

In the absence of performance standards evaluation of the performance of the public manager is a rather spurious exercise. This problem is further compounded when the manager plays a subsidiary support role.

On the contrary, some managers said that the relationship between their key results areas and the Department's goals and objectives was tangential. The performance of the Department is assessed in terms of 39 performance measures and some managers do not have a one-to-one relationship with any of the performance measures and feel that their performance in relation to these measures is only tangential.

6.8.2　Alignment of Goals and Objectives

The generally held view amongst managers is that the key results areas of managers are derived from the goals of the Department and when they are aggregated, they should lead to the realisation of the goals of the Department. Since goals lack specificity, the potential for key results areas to lack specificity is also high. This may mean that managers are performing activities that are not directly related to the goals of the Department.

The Head of Department Dr RC Lubisi acknowledged that: "Individual performance and organisational performance must talk to each other, because you can't say an individual or groups of individuals have been operating significantly above expectations, but the organisation is failing. It is a contradiction, it doesn't make sense to me" (Interview 15 October 2009).

Behn (2003: 590) avers that if managers work towards performance goals with specific targets and receive timely feedback on achievement, it can form part of the motivational strategy of the organisation. The morale of managers can be deflating if there is nothing to work towards, and accomplishments are not tangible.

Some managers stated that the PMDS aids employees to align their key result areas with the goals and objectives of the Department. There is also alignment of employees work plans with the Annual Performance Plan of the Department. Alignment of the key results areas to the Department's goals and objectives does not imply that it improves productivity. In the absence of personal performance measures and performance indicators, it is not clear how alignment of the key result areas and the work plans to either the goals of the Department or the performance measures in the Annual Performance Plan has been able to promote productivity. Mali (1972: 239), a proponent of Management by Objectives makes an admission that in order to assess the achievement of objectives there has to be quantitative indicators or else "progress toward results become merely a matter of interpretation". Alternatively, from the managers perspective alignment of key result areas and work plans to goals may actually be interpreted as goal congruence, which ultimately leads to the Department reaping ample rewards (Bates1993: 37).

For an organisation to become results-oriented, Kusek and Rist (2004: 108) state that:

> "Individual and organisational responsibilities should be delineated, and a clear 'line of sight' established-meaning that staff and organisations should understand their connections to common goals"

The difficulty is not so much in understanding the relationship between the goals and results, the difficulty is in understanding, "how their specific tasks contribute to the big picture (Kusek and Rist 2004: 108)". The real danger Binnendijk (2002: 10) observes is that when the focus is on achieving higher-order outcomes, the manager's linkage with project activities may become overly vague or even disconnected. It is not easy to align the individual project activity with the overall results of the Department.

Without mapping the processes, without knowing exactly what one is expected to produce, and without performance measures in place, managers could be functioning as freewheeling agents, expending resources without producing the

desired outputs (Zajac and Al-Kazemi 1997:378). The series of outputs needed to assimilate the outcomes desired by the organisation must be clearly stated and must be measured and monitored from time to time. The linkages between input and output and eventually between outputs and outcomes are intuitive and according to Keehley and Abercrombie (2008: 38) "commonly perceived links are sometimes tenuous and debatable".

6.8.3 Alignment of Work Plans and Agreements

Work Plans and Performance Agreements must not merely reflect the vision, mission and objectives of the education department. Work Plans and Agreements must include the specific performance measures and performance indicators that can be quantified and assessed in terms of service delivery. Meetings, workshops and conferences should be convened to specifically address goal-setting and the formulation of key duties and responsibilities per component, section or directorate. In this regard, Rose and Lawton (1999: 244) suggest specific criteria that constitute performance indicators.

6.8.3.1 Vagueness of Key Duties/Responsibilities

The SMS handbook indicates that these should directly be derived from the required outputs of the approved strategic plan. Hence, what happens in reality is that Performance Agreements contain vague and generalised statements, which constitute key responsibilities. Measurement thereof is compromised and the whole point of the performance contract is jeopardised. There is a need for specifics to be stipulated for instance, financial responsibility and accountability. performance measures, performance indicators, time frames and budgeting in the Performance Agreement. If there are no measurable outputs that can be used to provide timely feedback to employees, Behn (2003: 593-4) argues that managers would not be able to motivate co-workers to produce outcomes. Output data is used to motivate better employee and organisational performance. Low morale among employees, reported by some managers in may partially be because employees do not have specific outputs and outcomes to work toward and their efforts are either not visible or valued. Kusek and Rist (2004: 139) write that employees become more enthusiastic about their contribution in an organisation when they know how their own actions contribute towards organisational performance.

6.9 PROCESS OF APPRAISAL OF CO-WORKERS

Outlined below is the generic response of managers to the steps that are followed in appraising co-workers

FIGURE 6.7: STEPS FOLLOWED IN APPRAISING CO-WORKERS

Illustrated below are possible steps that managers follow when appraising co-workers

Describe the steps that you follow when appraising the performance of co-workers?

Step	Percent
Quarterly Detailed process which begins with signing the agreement with clear delivery targets, official scores himself and then scores are discussed identifying gaps and development	48.3
Develop a work plan, agree on capabilities, ongoing review and feedback, annual performance appraisal, personal development planning and upward feedback	30.0
Once scores are moderated supervisees receives 1% pay progression that has not been paid yet so it makes a mockery of PMDS	15.0
PA are submitted twice a year or half yearly, assess performance against workplace, after financial year assess set benchmarks	5.0
Strategic goals, strategic plans, operational plans at a unit level, performance agreement between co-worker and supervisor, quarterly and half-yearly reviews, monitoring	5.0
Explain, feedback, coach, guide, one on one sessions, debrief	3.3
Is this process contributing to an effective teaching and learning environment	1.7
It is essential to follow a common standard instrument which allows for equality and proper understanding of the core functions of individuals and help improve performance	1.7

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Almost half of the respondents (48.3%) indicated that the following procedure was followed: quarterly It is a detailed process that begins with the signing of the performance agreement with clear delivery targets followed by officials then assessing themselves and the scores are discussed identifying gaps and matters for development. Managers also independently assess the co-worker. At a joint meeting, the co-worker and supervisor agree on the final score. Managers (78%) indicated that they understood the processes involved in appraisal of co-workers.

6.9.1 Performance Agreement

48 percent of the managers who responded stated that drawing up the performance agreement was paramount to the process of appraisal.

6.9.2 Evaluation Instruments

In terms of the policy, no centrally prescribed evaluation instruments or measures apply. Discretion lies with the departments regarding:

- how to apply the system, and

- the development of their own instruments

There are obviously very real dangers in such discretionary powers and this is obviously open to easy manipulation, this compromising the very purpose of a signed Performance Agreement. The assessment criteria are too generic and therefore envelop anything and everything that employee does.

6.10 INTERNAL SUPPORT MECHANISM IN BRANCH

Figure 6.8 illustrates the responses to internal arrangements that exist in the Department to support goals and objectives

FIGURE 6.8:   INTERNAL ARRANGEMENTS TO SUPPORT DEPARTMENT'
GOALS AND OBJECTIVES

Figure 6.8 illustrates the understanding of managers in respect of the support systems that exist in their Branches to achieve the goals and objectives of the Department.

What internal arrangements exist in your Branch to support the achievement of the Department's goals and objectives?
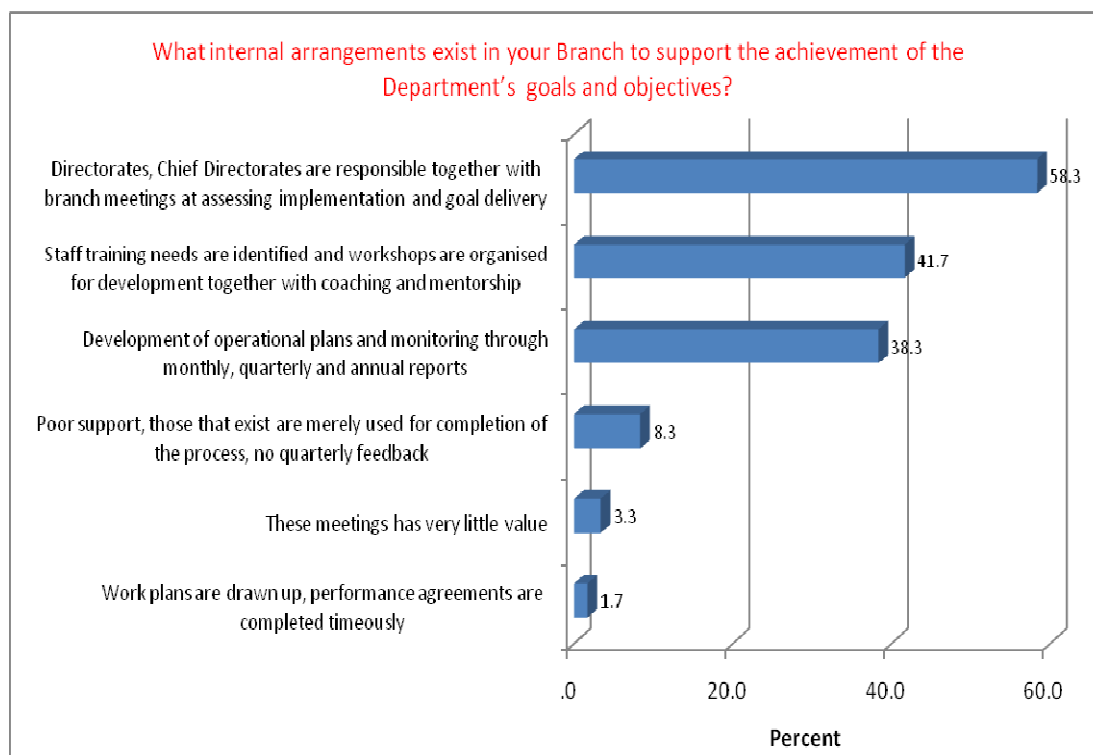
6.10.1   Meetings

Fifty three percent of managers indicated that meetings at either the branch, chief directorate or directorate levels were the internal support mechanisms that ensured that the goals of the Department are achieved. This seems to be a dispassionate and mechanistic way to support employees to achieve the goals of the Department. Forty one percent said that training was provided to assist with achievement of goals and objectives. Development of operational plans and monitoring of performance through quarterly reviews were also cited as internal support mechanism. No mention was made of support such as coaching, mentoring and supervision that is essential for achievement of goals and outputs.

This "hit-and-miss" approach to public service performance management yields

unsatisfactory end-results and the inability to measure properly individual and organisational performance. This may be because the norms for acceptable goods and services in the public service are too vaguely defined (Hilliard 1995: 3). All this

has to change, if the KwaZulu-Natal Department of Education wishes to adopt a performance management based approach to improving overall outcomes.

6.11   IDENTIFICATION OF AREAS FOR PROFESSIONAL DEVELOPMENT

Illustrated in Figure 6.9 are percentages responses to how PMDS is used to identify development needs.

FIGURE 6.9:   WHETHER PMDS IS USED TO IDENTIFY DEVELOPMENT

Figure 6.9 shows in percentages as to whether PMDS is used to identify developmental needs of managers.
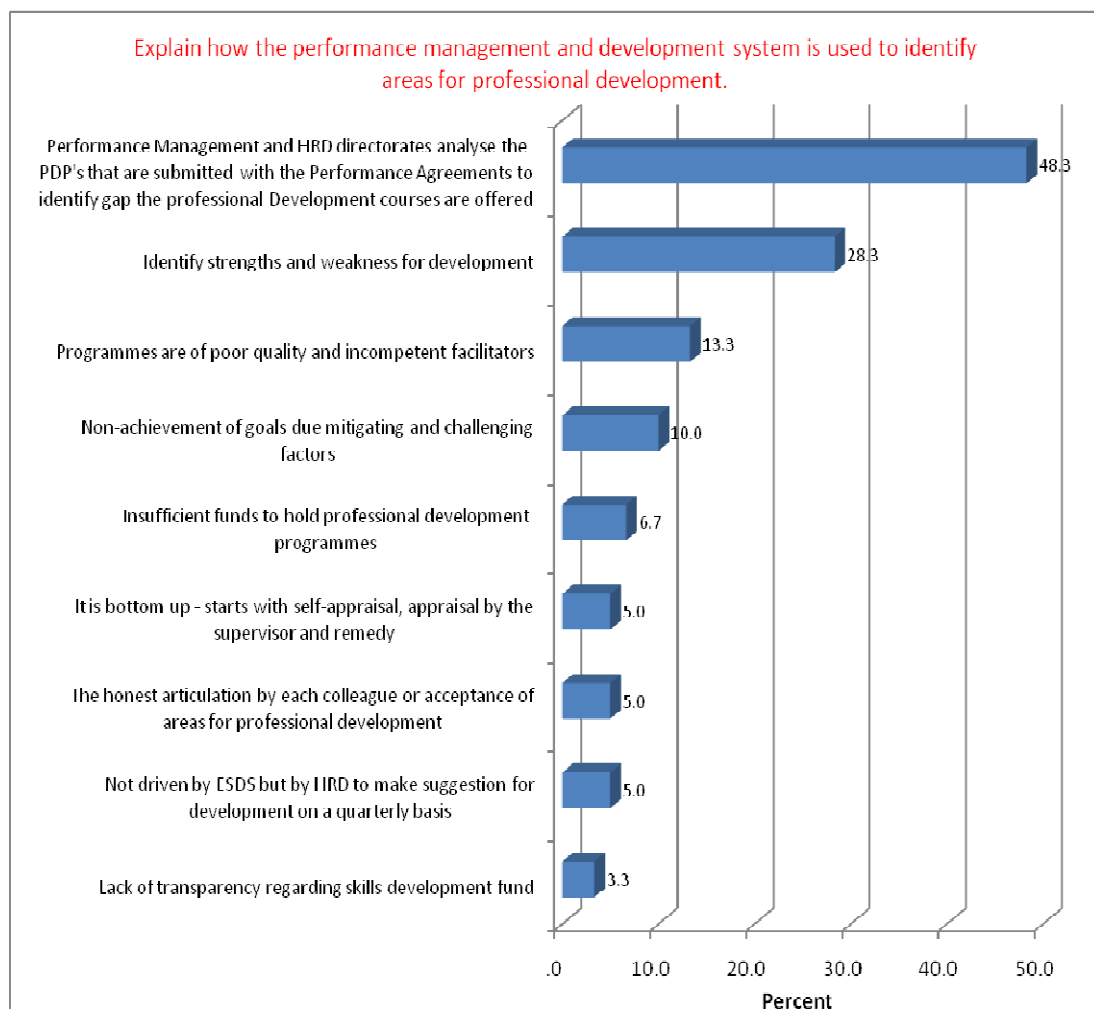
Nearly half of the respondents (48.3%) indicated that Performance Management and HRD directorates analyse the Personal Development Plans (PDP) that are submitted with the Performance Agreements to identify gaps in development. Based on the identified needs professional development courses are offered. There is almost a sense of abdication on the part of managers, *vis-à-vis* their role in identifying and providing for the developmental needs of co-workers. This may be so because several managers do not have the expertise to identify the requisite

skills, competencies and abilities needed to perform tasks effectively. The employees are expected to identify their own developmental needs. This is not always possible without feedback from the supervisor. Berman *et al* (2001: 272) argue this may be due to insufficient management commitment to the performance management and development system. This apathy not only disadvantages the individual but also has a deleterious effect on the organisation as a whole.

6.12   MANAGEMENT OF CAREER PATHS OF SENIOR MANAGERS

The response to whether PMDS plays a role in career-pathing is depicted pictorially below.

FIGURE 6.10: WHETHER PMDS USED TO MANAGE CAREER PATHS OF MANAGERS

In what ways are the performance management and development system used to manage the career paths of the senior managers?

Response	Percent
Offers no assistance - nothing has been done - no link - merely compliance	51.7
Each individual's development plan should be integrated into the HRD strategy of the department for further development in the next level	15.0
Does not feature anywhere in managing the career paths of senior managers as appointments are made without due considerations of PMDS	13.3
Specialist in the various fields should be offered internal training for the next level	6.7
It is still a big vacuum - this system should be used to identify strengths and weaknesses and re-deploy them where they will perform better	6.7
Supervisors should manage these career paths	5.0
Budget constraints for programmes - joint programmes are held	5.0
Salary progression which is not happening and officials are disinterested and disgruntled	3.3
Official should be given an opportunity to act in senior positions above their level	3.3
All SMS member must attend the Presidential development programmes and requested in the performance agreement	1.7
Directors should move from one level to another - demoralises people when ranks are not used	1.7

6.13   CAREER PATHING

Section 195 (1) (i) of The Constitution of the Republic of South Africa,1996 states that:

"Good human-resource management and career-development practices, to maximise human potential be cultivated". Career pathing is neglected in the

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KwaZulu-Natal Department of Education, which results in people becoming de-motivated because their career needs and career prospects are not adequately attended to. There is no succession planning, mentoring and support for managers to climb the management hierarchy ladder, which results in managers becoming disaffected and de-motivated. Kooiman and Eliassen (1987: 59) aver employment security has a positive influence on an individual which gives effect to organisational change and ultimately to social change. In effect, the lack of career paths will affect the institutionalisation of the performance management and developments system. More than half of the respondents (51.7%) indicated that this was of no use and that it was merely being done for compliance purposes. This was more than three times the response of the next highest comment regarding the integration of an individual's personal development plan to the departmental one (15%).

6.14 IMPROVING THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

Respondents' views on improving the performance management and development system are presented below and discussion thereof ensues.

FIGURE 6.11: SUGGESTIONS TO IMPROVE THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

How do think the Performance Management and Development System in the Department can be improved?

Suggestion	Percent
Mobilise managers to focus on bigger strategic goals and to motivate people to perform duties honestly and diligently	40.0
More meetings and workshops with PMDS being primarily on the agenda	26.7
The correct implementation as per DPSA policy, with punitive measures	23.3
Should not be implemented as a compliance exercise and managers should be workshopped about the goals and objectives	21.7
It should be seen as a developmental process and not once off and ensure a budget to develop employees	20.0
SMS members must undergo competency assessment which should be externally moderated	10.0
Not used to police people	5.0
According to competencies of managers and knowledge of job description	5.0
Unsure never been exposed to HRD avenues	1.7

6.15   STRATEGIES TO IMPROVE THE SYSTEM

The respondents made the following suggestions regarding the improvement of the PMDS.

As stated earlier, there has to be an acknowledgement that PMDS is done merely for the purpose of compliance. There is a lack of supervision and monitoring and therefore 40% of managers said that more effort must place on ensuring that managers do their work honestly and diligently Managers need to be mobilised around goals, objectives, targets, outputs and outcomes. This suggest that the policy is not being implemented appropriately thus affecting overall performance of the organisation. Non-co-operative behaviour has the tendency yield inefficient outcomes (Holmstrom 1982: 325). There must be incentives for performance and sanctions for non-performance. Behn (2005: 306) found in the "remunerative sanctions and rewards' were effective in precipitating refrain from bad behaviour than a coercion strategy employed by some of the cities in the study.

Competency should not form part of the assessment criteria. Competency assessment should be for the purpose of development and has to be done by external agencies with purpose-specific tools.

Since PMDS is developmental it has to be part of the culture of the organisation and not a once in a year pen and paper exercise said 20% of the managers. Correct implementation by the DPSA as stated by 23 % of the respondents, implies that not all aspects of the PMDS are being implemented. Managers commented that there are no incentives for above expectation and outstanding performance, and therefore the enthusiasm to perform is stifled. Daley (1992: 41) reported in research conducted that pay-for-performance or merit pay failed to improve motivation or organisational performance.

There should be compulsory training for all managers and supervisors, to equip them to manage their personnel, understand the practical details of PMDS policies so that they may be able to conduct appraisal of their personnel (Schwella *et al* 1996: 72).

The Senior Management Members must make optimal contribution towards the achievement of institutional goals and objectives. The efficiency and effectiveness of the human resources of an organisation forms an integral part of the nucleus that drives public service delivery. An organisation without a functional performance

management system is like a playing field without parameters. It compromises effective measurement and management of results. In public human resource management, control and evaluation are immensely important as they relate to public accountability and also, argues Schwella *et al* (1996: 59), aim at identifying trends and needs to enable corrective action or to enhance proper human resource decision making. Public service organisations are in principle accountable to the public for three things: that money has been spent as agreed and in accordance with procedures; that resources have used efficiently; and that resources have been used to achieve the intended result (Flynn 1990: 206-207). Such accountability requires ways of measuring performance, as performance measurement and management systems can demonstrate how well services are delivered. Hence, performance measurement and management are important for both the accountability of the organisation and individuals, and for managers to effect more efficient and effective service delivery strategies for the public at large.

6.16 STRENGTHS, WEAKNESSES OPPORTUNITIES AND THREATS

Managers were asked to tabulate the strengths, weaknesses, opportunities and threats in regards to the performance management and development system and some of their responses are discusses below while others are categorised and ranked in accordance with the similarity of the response.

6.16.1 Strengths of PMDS

Illustrated below are the percentage responses to strengths of PMDS

FIGURE 6.12:   STRENGTHS OF PMDS

Analysis of the Performance Management and Development Systems as it applies to the SMS members in the Department - Strengths

Category	Percent
Provides direction and well structured	28.3
There is a dedicated Directorate incharged with implementation, assessment and development	28.3
PA's are submitted - tool does exist to measure performance in the department	23.3
SMS members are still willing to co-operate for future development and promotion	21.7
There is an approved policy	20.0
Give employees an opportunities to indentify strengths and weaknesses	15.0
The Department knows its employees better and assessing the strengths and weaknesses of the organisation and improve service delivery	13.3
Personal development planning	11.7
Financial gains	6.7
Leadership and mentoring strategy	6.7
Better communication between supervisor and supervisee	6.7
None	6.7
Understanding of Departments' goals, vision and mission	5.0
Common elements are being tracked	5.0
Unsatisfactory performance is managed	3.3

6.16.1.1 Policy and Direction

Some manager (21%) expressed approval of the PMDS expressing that a policy is in place, which previously did not exist. Managers (28.3%) were convinced that the PMDS has been able to provide direction for the Department to achieve its goals and become a results driven organisation. A similar number also stated that the Directorate Performance Management should be institutionalising performance management culture in the Department. It is however, disconcerting that a relatively small percentage (21.7%) are willing to co-operate so that PMDS can be internalised and institutionalised.

6.16.1.2 Directorate Performance Management

The Directorate: Performance Management should be institutionalising performance management culture in the Department according to 28.3% of managers. The role of the Directorate is critical to developing a performance management culture in the Department.

6.16.1.3 Tools to Measure and Monitor Performance

Managers (23.3%) conceded that as a management tool, it helps to measure and monitor performance however there are challenges in terms of application. Moorman and Wells (2003: 2) advocate for an electronic performance monitoring system so that performance can be based on objective data and performance can be watched un-obtrusively. Ultimately, it is not about the tool that should be used to assess managers' performance, it about whether the people entrusted to manage performance are doing their job.

6.16.1.4 Development and Promotion

The PMDS has the potential according to 21% percent of managers of providing the platform for further development and promotion.

6.16.2 Weaknesses of PMDS

The SMS members have identified several weaknesses, regarding the PMDS and paramount among these are, that there are no consequences for non-performance, lack of communication and feedback and non-alignment to governments programme of action.

FIGURE 6.13:   WEAKNESSES OF PMDS

Figure 6.13 illustrates some of the weaknesses of PMDS as identified by managers

Analysis of the Performance Management and Development Systems as it applies to the SMS members in the Department - Weaknesses

Weakness	Percent
	30.0
No punitive measures on false implementation	23.3
There is a lack of development around PMDS	18.3
Incompetent personnel are employed - not...	15.0
Lack of communication and co-ordination at all...	11.7
Budget constraints and lack of operational resources	11.7
Inconsistencies in the Department - not everyone...	10.0
Issues are just not attended to or implemented	10.0
It is not aligned to the government's programme of...	10.0
No incentives for good performers	10.0
Failure to deal with grievances timeously and give...	8.3
The performance management system is not...	8.3
No quick analysis to indicate the achievement of the...	6.7
There are constant changes to the requirements	6.7
Lack of support structure	5.0
The system is too aligned to pay progression	5.0
Department is personality driven	5.0
Lack of benchmarking framework	3.3
Politics	3.3
Procurement delays the process	3.3
Sometimes supervisors are scared to allocate...	3.3
Require time as a resource	1.7
Person's ability is not recognised	1.7
Shortage of educators at operational levels	1.7

Percent

6.16.2.1   Sanctions and Incentives

Repeatedly managers are saying that that PMDS in the Department is done merely for compliance. In identifying the weakness of PMDS 30% of managers concur that the PMDS is done for compliance and not for the sake of performance or productivity. This may be so because there are no sanctions for poor or non-performance, and there are no incentives for either significantly above expectation or outstanding performance. A performance management system will fail if there are no sanctions and rewards. In support, van Dijk (2007: 52) also argues that when consequences for non-performance are absent, then performance management systems are likely to fail. Performance and non-performance must be

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clearly defined, specified, and understood by employees before any action can be taken for non-performance. When employees are not sure of what is expected of them and there are no objective criteria to measure performance they are likely to skirt the issue of performance. Without systematic ways to measure performance it is difficult to pin an employee for non-performance. In frustration, one manager lamented; "Issues are just not attended to or implemented".

Moon (2000: 179) citing numerous research on rewards in the private and public service found that public managers had a lower level of organisational commitment than private managers did. This is partly due to the size and type of the reward available in the two services. Since managers in the KwaZulu-Natal Department of Education have not been rewarded over several years, because of financial constraints for their performance, their commitment to the organisation is waning. Since are no consequences for poor performance and equally there are no consequences for good performance apathy towards the policy sets in. Schwella and Roussouw (2005: 768) note that owing to a shortage of funds in many public service departments, including the KwaZulu-Natal Department of Education, there is proposal to implement rewards for significantly above expectation performance and outstanding performance on a rotational basis. They conclude that managers may then delay performance according to the cycle in which they are up for rewards.

Frank (1990: 353) found performance is also affected when the rewards are done haphazardly, bonuses are significantly small and structural factors to work hard and be productive are not adequately developed.

6.16.2.2 Failure to Give Feedback

Eleven percent of the managers said that feed back has not been forthcoming from their supervisors post the appraisal period. When managers do not receive feedback, in

regards to their performance, they are not sure of the level of their performance, and whether their performance is assisting the Department to improve or not. Daley (2002: 173) asserts that feedback serves as productivity for it informs employees of their level of performance.

Since employees are not held accountable for results, performance management becomes inconsequential. Performance management and development not is seen

as application to improve organisational performance it is often viewed as separate from the day-to-day management and leading of people (van Dijk 2007: 52).

Feedback is essential, if job competencies have not been developed. Managers who are not informed about the level of their performance, will ultimately produce poor performance which can easily become the norm.

6.16.2.3 Lack of Communication

Communication and communication strategies are critical to the implementation and management of a performance management system. Boninelli and Meyer (2004: 222) aver that in organisations where there are no systems and mechanisms in place to communicate performance then managing performance becomes so much more difficult. Employees must come together either formally or informally to share valuable information on work progress, to identify barriers to good work performance and to solve problems that may arise from time to time. When this does not happen, the system begins to quiver at its foundation, shakes and crumbles. It may be too late to pick up the pieces.

6.16.2.4 Inconsistencies in Implementation

Some of the managers (10%) were perturbed at the fact that the PMDS is inconsistently implemented. The inconsistency may reside from person to person or from section to section. As discussed, elsewhere some have had their performances reviewed, even if it was done as a matter of compliance, quarterly, others annually and some not at all.

The inconsistent application is not only a weakness; it threatens the future of the PMDS. There is also inconsistency in the scoring.

6.16.2.5 Mis-aligned to Government's Programme of Action

Managers in the Department do not have individual goals that link to organisational goals to drive performance. When the organisational goals are tangential to the programme of action of government or they are so obtuse that it embraces anything and everything then the employee is not sure of what his/her relationship is to the goal, the performance expected and the task at hand.

Systems theory, particularly theory regards dependency as critical to the success of the organisation. If collectively performance of individuals is poor then automatically the performance of the organisation will be poor (Jackson 2000: 110). Furthermore,

when there too many goals, it confuses employees and they cannot perform well on any specific area (van Dijk 2007: 52).

Marsden (2004: 354) assert that defining the appropriate direction (goal) has a greater propensity to motivate and get employee commitment than rewards.

6.16.3 Opportunities Presented by PMDS

The opportunities that PMDS presents are discussed here-under

FIGURE 6.14: OPPORTUNITIES OF PMDS

Figure 6.14 illustrates some of the opportunities presented by the PMDS.
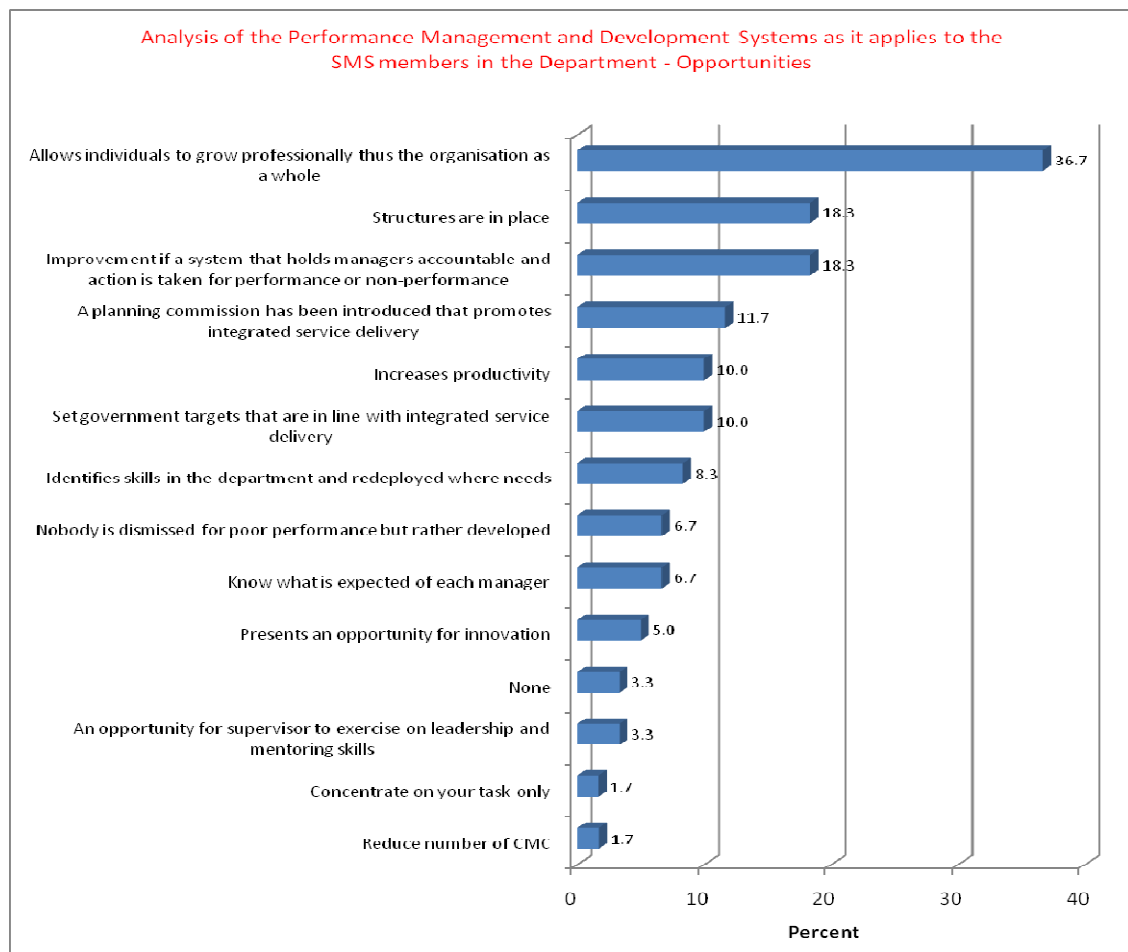
6.16.3.1 Growth and Development

Thirty eight percent of managers viewed PMDS as providing a platform to grow and develop as manager. This is a low percentage since the emphasis of the policy has been on development given the historical background many managers lack the requisite skills to perform their responsibilities diligently.

It has a two-fold purpose- firstly, to identify areas for development and secondly, to check on the level of service delivery against identified core management criteria and goals of the department.

According to the Head of Department of the KwaZulu-Natal Department of Education, government in conceptualising and implementing the performance management and development system for senior managers realised at the outset that many managers in the public service were not ready to manage and therefore the policy had to have a bias towards development. A serious draw back is in the identification of developmental needs. It is expected that the supervisee and not the supervisor will identify his/her developmental needs. It is contended that the supervisee will have a blind spot, and cannot always be aware of his/her shortcomings and would therefore not be able to identify what training and development is required.

6.16.3.2 System for Accountability

It has the potential to become a management tool that can raise the level of accountability according to 18 percent of managers provided that; there are sanctions for non performance. If non-performance goes unpunished continuously then it can, over time, it renders the whole system dysfunctional because a pathological malaise sets in the organisation. Not many managers indicated that they had faith in the PMDS to raise the level of accountability. Greatbank's (2007: 856), research on scorecards found that when managers knew what was expected of them and when they had to update performance figures weekly there was an increase in performance. Given that there is no score-card for managers accountability is not a priority. Roberts (2002: 659) contends that performance based accountability has to have specific outputs and outcomes linked to organisational goals and objectives in order to measure results. In there absence results cannot be measured and accountability is blurred.

6.16.4 PMDS under Threat

Illustrated in Figure 6.15 are the potential threats to PMDS

FIGURE 6.15:   THREATS TO PMDS

The threats to PMDS is demonstrated in figure 6.15.

Analysis of the Performance Management and Development Systems as it applies to the SMS members in the Department - Threats
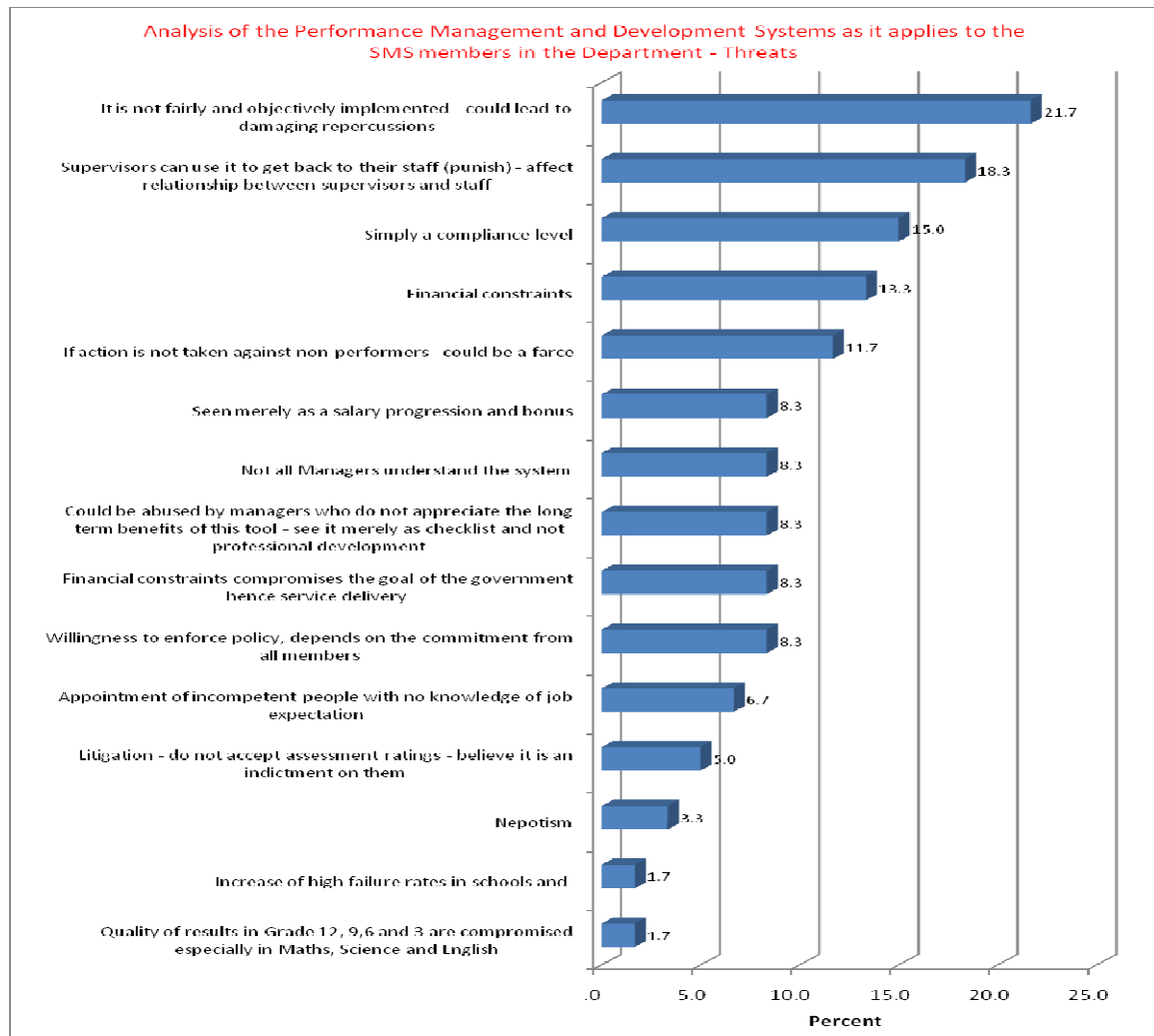
6.16.4.1   Fair Appraisal

The PMDS has the potential to be abused and if it is not applied fairly and objectively, it can have damaging repercussion. This was the view of almost 22 percent of managers.

Daley (1992: 178) warns against assessing traits in personnel management as it can have serious legal repercussions, which the organisation may not be able to defend. In an interview one manager said that supervisors use it to get back at co-workers. One manager stated that some Senior-General managers use PMDS as means of punishing others.

6.16.4.2   Credibility

The credibility of the PMDS is threatened if is used merely as a matter of compliance without taking into account the benefits from the system when it is properly implemented said 15% of managers. The overarching purpose of the PMDS is to improve service delivery. If not implemented correctly then ultimately service delivery will suffer.

6.17   ANALYSIS OF DATA: SECTION C OF QUESTIONNAIRE

Section C comprised of closed-ended question that required forced choice responses.

6.17.1   Competency and Organisational Effectiveness

Presented below is a pictorial representation of managers' views on where the emphasis is when the Department makes appointments of SMS members

FIGURE 6.16:   COMPETENCY AND ORGANISATIONAL EFFECTIVENESS
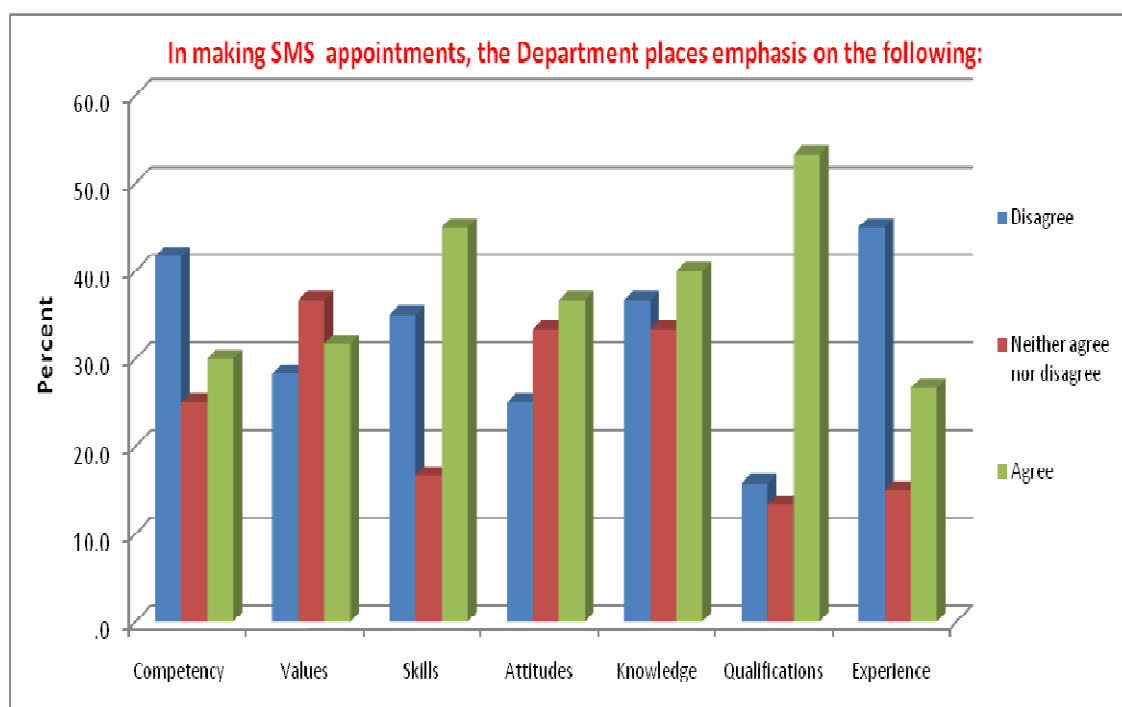
6.17.1.1   Recruitment factors that affect organisational performance

Shown below in Table 6.18 are percentage responses to factors that influence recruitment and selection of SMS members.

TABLE 6.18:   FACTORS THAT INFLUENCE ORGANISATIONAL PERFORMANCE

Table 6.18 presents the percentages in respect of factors that influence organisational performance.

CRITERIA	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE
Competency	41.7	25.0	30.0
Values	28.3	36.7	31.7
Skills	35	16.7	45
Attitudes	25	33.33	36.7
Knowledge	36.7	33.33	40
Qualifications	15.8	13.3	53.3
Experience	45	15	26.7

In response to Section C, question 1.1., respondents did not believe that the KwaZulu-Natal Department of Education places much emphasis on competency and experience. The indication is that, they believe that these factors are important and should be considered more seriously.

Approximately a third was uncertain regarding the factors Values, Attitudes and Knowledge. There is a belief by 53.3% of respondents that the Department places much emphasis on qualification and little on competency and experience. However, this contradicts the fact that some managers are appointed without graduate or post-graduate qualifications as referred to earlier in section 6.3.1.2 of this chapter.

All the other factors had more positive than negative responses.

6.17.2   Equity Targeting

Figure 6.17 shows the percentage response of whether equity targeting compromises organisational effectiveness

FIGURE 6.17:   APPOINTMENTS AND EQUITY TARGETING

Responses to whether equity compromises organisational performance and whether appointments are made in accordance with network links are illustrated in figure 6.17
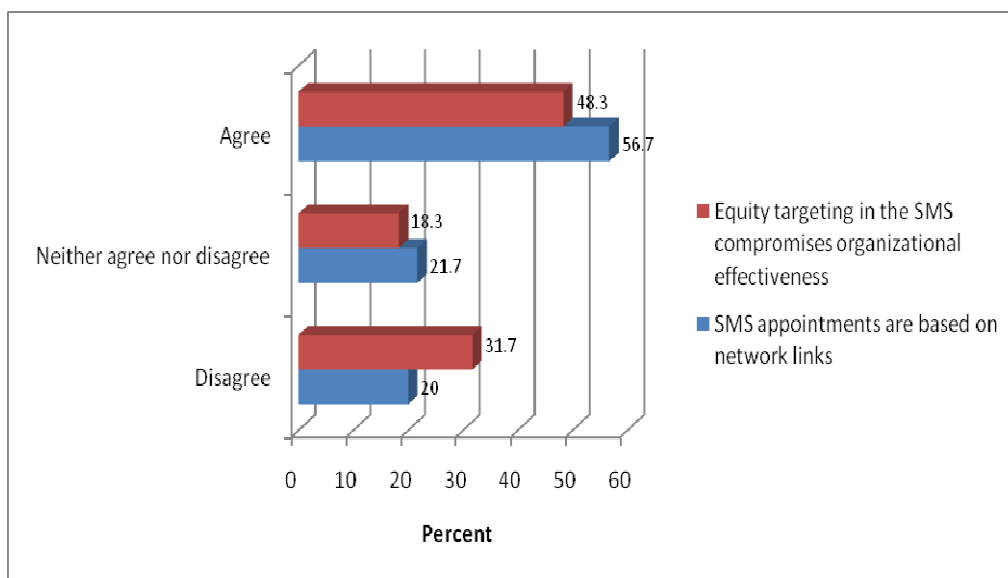
The Constitution of the Republic of South Africa, 1996, section 9 (2) states that:

> "Equality includes the full and equal enjoyment of all rights and freedom. To promote the achievement of equality, legislative and other measures designed to protect or advance persons, or categories of persons, disadvantaged by unfair discrimination may be taken".

The majority of South Africans were marginalised from the mainstream of the economy and the laws passed during the *Apartheid* era excluded Blacks benefiting from the resources of the country. Affirmative action policies had to be introduced to fast track the placement of previously disadvantaged people into management positions particular in the public service, giving rise to a process of equity targeting. However many of them while having potential had no previous experience for posts into which they were placed. As indicated in Chapter 4 section 4.20.1.6, Cameron (2009: 934) asserts that many managers were appointed to positions for which they had no experience, qualifications or necessary competencies. The result is that many managers struggle to execute their responsibilities because of the low levels of skills and competencies.

On the matter of equity and appointment criteria in section C questions 1.2 and 1.3 of the questionnaire, there are more respondents in agreement than in

disagreement for the statements above. Of all the managers surveyed, 48.3% agree and 31.7% disagree, that equity targeting compromises organisational effectiveness. This may be linked to the battle of the sexes since equity targeting is directed towards affirming women than men in order to attain gender balance. It should however, be matter of concern that 56.7 % of managers indicated that the appointment of SMS members is made on networks. This could mean that network links based on a variety of affiliations and nepotism are key factors in making SMS member appointments. This has serious implications for the continued stability of the Department.

6.18   SUITABILITY OF CORE MANAGEMENT CRITERIA

Shown below is a diagrammatic representation of how managers viewed the appropriateness of the Core Management Criteria for the requirements of the Kwazulu-Natal Department of Education.

FIGURE 6.18:   SUITABILITY OF CORE MANAGEMENT CRITERIA FOR THE KZNDoE

Figure 6.18 gives the percentage responses to the suitability of the core management criteria.
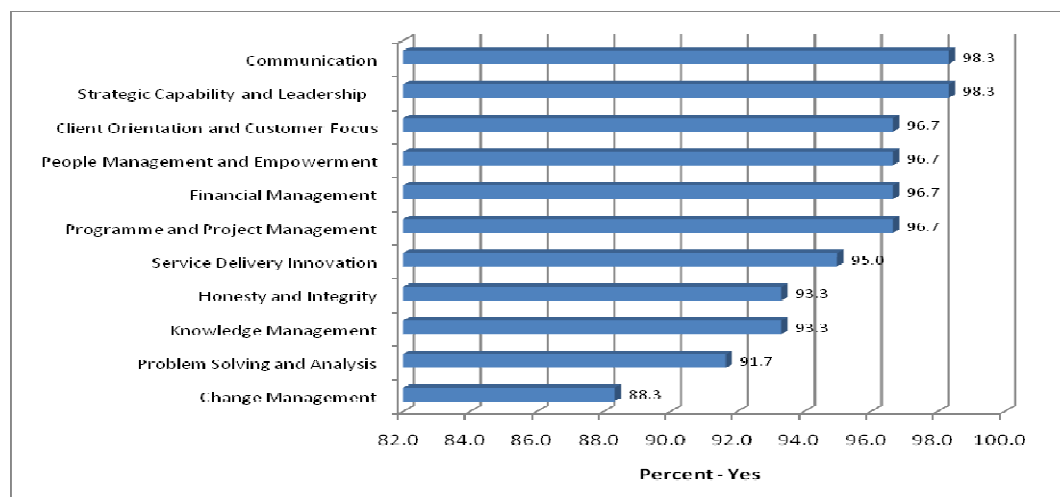
There is almost unanimous agreement that all of the core management criteria were important. The two most important were Communication and, Strategic Capability and Leadership (98.3%). Besides the Head of Department who must choose all the CMC, other managers are required to choose at least 5 of the 11 core management criteria which in itself is an anomaly, since all are necessary to be a competent manager. Of the five that are chosen the following three are pre-

determined, namely, Strategic Capability and Leadership, Financial Management and Programme and Project Management. Yet, Communication a as core management criterion, ranked highly by 98.3 % of managers is not considered compulsory. The research study contends that assessment of core management criteria should be excluded from performance management and development system in general, and the appraisal process in particular as discussed in chapter 7. The performance management system should be purely a management tool to assess the performance of the individual without the need for it to be clouded with development issues. The above ranked core management criteria together with others should be used as the subject to construct competency assessment tests.

6.18.1   Mean Score Distribution of Core Management Criteria

The table below indicates the percentage distribution for the ranking of the Core Management Criteria.

TABLE 6.19:   PERCENTAGE DISTRIBUTION OF RANKED CORE MANAGEMENT CRITERIA

In table 6.19 the percentage distribution of the ranked Core Management Criteria is provided.

CORE MANAGEMENT CRITERIA	RANK										
	1	2	3	4	5	6	7	8	9	10	11
Strategic Capability and	65.0	13.3	1.7		3.3	1.7		1.7		5.0	6.7
Programme and Project	1.7	15.0	15.0	8.3	6.7	23.3	6.7	3.3	8.3	6.7	3.3
Financial Management	1.7	26.7	16.7	6.7	8.3	6.7	11.7	6.7	8.3	3.3	1.7
Change Management	1.7	1.7	11.7	18.3	5.0	8.3	5.0	10.0	13.3	10.0	11.7
Knowledge Management	6.7	8.3	6.7	6.7	23.3	3.3	1.7	10.0	6.7	10.0	15.0
Service Delivery Innovation	5.0	11.7	3.3	8.3	11.7	18.3	8.3	5.0	6.7	15.0	5.0
Problem Solving and Analysis		6.7	8.3	6.7	8.3	16.7	10.0	15.0	8.3	10.0	5.0
People Management and	1.7	5.0	11.7	18.3	8.3	3.3	11.7	11.7	13.3	5.0	8.3
Client Orientation and Customer	5.0	3.3	5.0	5.0	5.0	10.0	13.3	23.3	15.0	8.3	5.0
Communication	3.3		11.7	8.3	10.0	1.7	18.3	8.3	10.0	18.3	8.3
Honesty and Integrity	10.0	3.3	1.7	8.3	8.3	5.0	5.0	1.7	5.0	23.3	25.0

The distribution of mean score of the Core Management Criteria indicates that Strategic Capability and Leadership ranks the highest and Honesty the lowest. Managers are expected to solve problems and yet none of the respondents even considered Problem Solving and Analysis to be ranked as 1. This could be because Strategic Capability and Leadership are given so much emphasis particularly during recruitment and selection.

Honesty, which is a personality trait and is usually impossible to assess, received the lowest ranking, an indication that it is not appropriate for performance management, evaluation and appraisal.

6.18.2 Mean Score Rank of Core Management Criteria

The table below gives the mean rank score for the criteria:

TABLE 6.20: MEAN SCORES OF CORE MANAGEMENT CRITERIA

The mean scores of the Core Management Criteria are set in table 6.20.

CORE MANAGEMENT CRITERIA	MEAN
Strategic Capability and Leadership	2.64
Financial Management	4.83
Programme and Project Management	5.44
Service Delivery Innovation	6.14
People Management and Empowerment	6.29
Knowledge Management	6.34
Problem Solving and Analysis	6.60
Change Management	6.74
Client Orientation and Customer Focus	6.97
Communication	7.03
Honesty and Integrity	7.53

The criterion that had the highest rank is Strategic Capability and Leadership, whilst Honesty and Integrity were the lowest. There is irony in the way managers chose to rank the CMC in order of importance to them. Strategic Capability and Leadership, Financial Management and Programme and Project Management have to be compulsorily chosen by managers and therefore ranked among the top three

whereas Communication regarded as very desirable, earlier in section 6.6.10 of this chapter, featured tenth from among the eleven criteria. In this regard, there is a shortcoming in compelling managers to choose core management criteria. Communication should rank as an important core management criterion and should form part of the Department's recruitment, selection and training strategies.

6.19   INDIVIDUAL'S PERFORMANCE VERSUS DEPARTMENT'S PERFORMANCE

Expressed below in Figure 6.19 are percentage responses to whether individual performance is linked to the Department's performance

FIGURE 6.19:   LINKING THE INDIVIDUALS' PERFORMANCE WITH THE PERFORMANCE OF THE DEPARTMENT

Figure 6.19 shows the percentage responses to whether the performance of the individual is linked to the performance of the organisation.
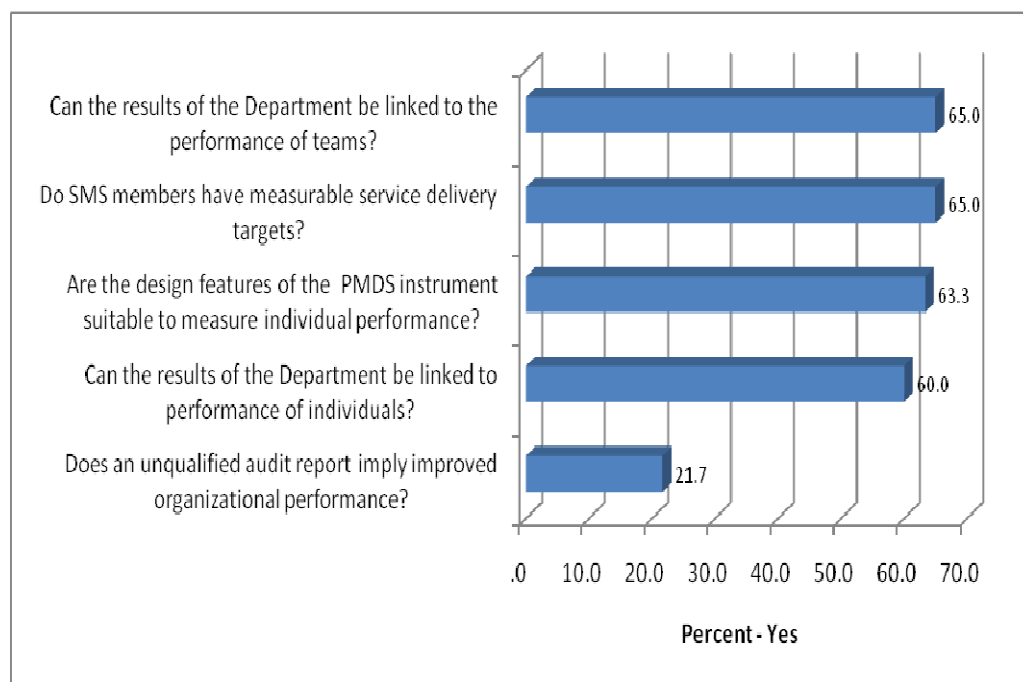
The figure above indicates the positive response to each question.

There is a reasonable agreement for the first 4 statements (63%). However, only 22% of the respondents agreed that an unqualified audit report suggests improved organisational performance. 65% of SMS members stated that the Department's performance can be linked to the performance of teams. 65% of SMS members have measurable service delivery targets and 60 percent stated that the results of the Department could be linked to the performance of individuals. However, when

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this juxtaposed against the performance of learners as discussed in Chapter 1 section 1.9 the correlation is not readily apparent.

Many managers were of the view that the PMDS assists them to achieve the strategic goals of the Department. However, the vision, mission, goals and objectives of the Department lack specificity and the performance of managers is tangential to the performance of the Department. Goal congruence in the Department is not easy to ascertain and even more difficult to manage and measure. Bates (1993: 37) states that during times of crisis, goal congruence is at its highest. However, during other times "the public service exhibits a strong absence of goal congruence". It is often argued that the private service is better at providing goods and services that society requires. The public service may be able to do this too if the staff is motivated and they all share the same goals Bates (1993: 37). The problem in the Department is that not all staff shares the same values and goals, and they are also not sufficiently motivated to produce results.

6.20   EFFICIENCY, EFFECTIVENESS AND ECONOMICAL USE OF RESOURCES

Section C2 of the questionnaire attempted to elicit whether efficiency, effectiveness and economical use of resources as a prescript of the Public Finance Management Act, 1999 was being adhered to and the responses are illustrated and discussed below.

6.20.1   Managers' Views on Competency and Efficiency

Depicted in the graph below are managers' views on competency and efficiency.

FIGURE 6.20: ORGANISATIONAL EFFICIENCY, EFFECTIVENESS AND ECONOMICAL USE OF RESOURCES

In figure 6.20 it is evident that there is high levels of agreement that effectiveness is compromised because of low levels of competency and that resources are expended without outcomes being achieved.
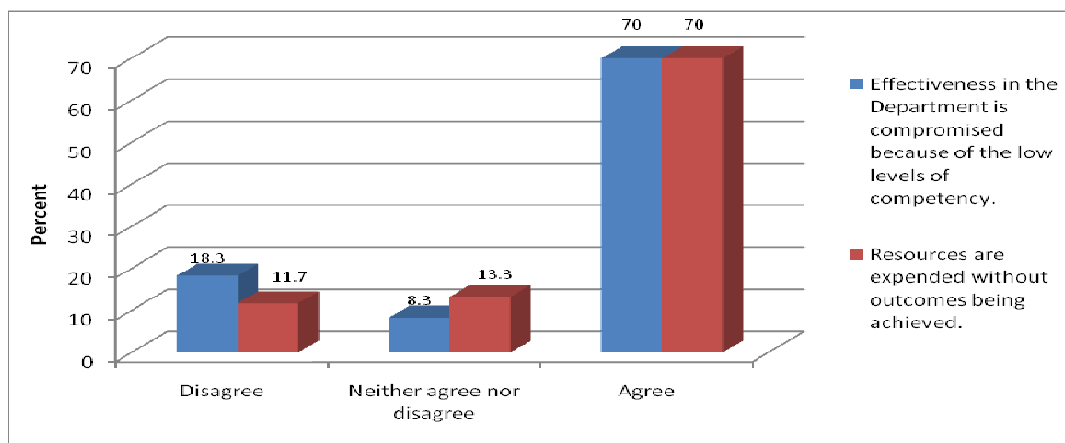
There is a very strong agreement with the two statements in the figure above. However, these are negative statements and the large percentage of agreement should be a cause of concern. As indicated in section 6.17.1 of this chapter, it confirms the view held by managers that; low levels of competency in the Department has compromised service delivery and this may be a possible reason for the performance of learners indicated in tables 1.1, 1.2 and 1.3 in chapter one being so poor. However, this cannot be a statement of fact and will require further research. The perception among 70% of managers is that the Department is not efficient and that resources are expended without outcomes being achieved. This should be a matter of serious concern to the Head of Department and the MEC.

Figueiredo Jr. (1999: 92-130) in employing the multi-task principal-agency theory alluded to in chapter three explains with complex formulas that resources could be wasted when officials are not incentivised to perform tasks they do not like. Incentives must be appropriate so that political objectives can be achieved.

Pollitt (1990: 130) asserts that increased accountability and autonomy afforded to managers has the potential of control over managers being lost, resulting in managers accounting only to themselves. Strict application of a performance management system with rigid accountability and control will rest autonomy away from managers and can have the effect of curtailing inefficiencies. Holmstrom (1982: 325) states that there should be penalties for wastage and bonuses for

increased outputs. Since many managers perform procedural functions it is necessary to consider team incentives rather incentives for individuals.

FIGURE 6.21:   MEASURING INDIVIDUAL PERFORMANCE
AND EFFECTIVENESS

Figure 6.21 shows the percentage response to measuring performance and effectiveness in terms of quality, quantity, cost, time and process.
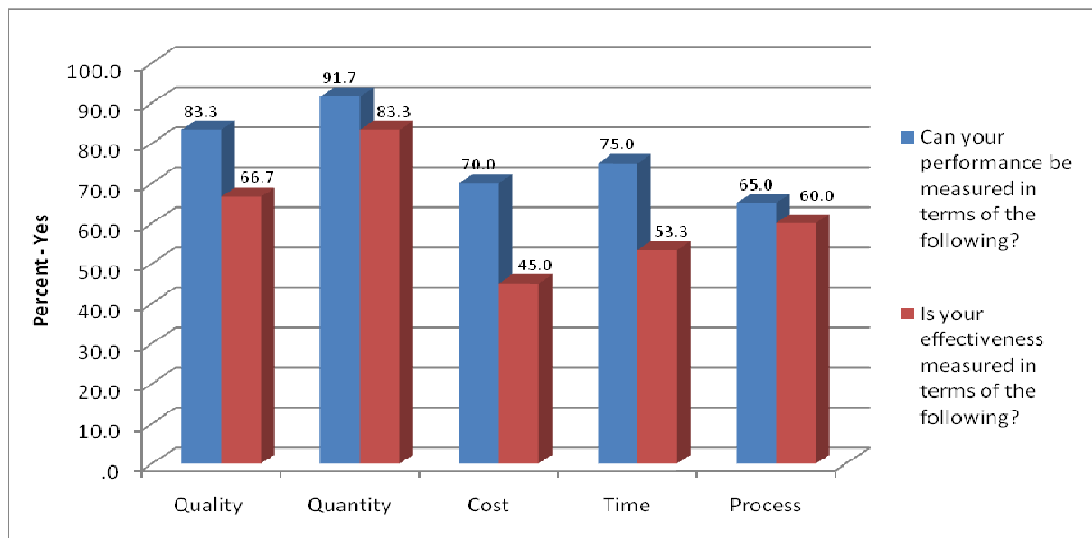
Figure 6.21 shows a comparative analysis between performance and effectiveness. All criteria show higher agreement with performance than for effectiveness, with the largest gaps for Quality, Cost and Time. In the figure above 83.3%, 91.7%, 70% and 75% of individuals in the organisation indicated that their performance can be measured in terms of quality, quantity, cost and time respectively. The measurement of quality is nebulous because there is no accepted definition of what constitutes quality and most of the times the measure is one based on personal perception that is not objectively verifiable. Bowman (1994: 129) states that quality is about satisfy clients regarding the work performed. However, satisfaction levels will vary based on the socio-economic status of clients. Performance is measurable also in terms of quantity. Notwithstanding the way that managers perceive their performance public commentators fail to concur. Jansen (2000: 5) an eminent South African educationist writes that:

"Yet, despite significant national investment in education and formal equalisation of educational expenditure across provinces and population groups, educational outcomes are not only hugely unequal across schools but

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also below standard in comparison with other middle or even far lower income countries".

This in effect is the problem with an individual based performance management system. Performance is not seen as affecting the organisation as a whole but factors that individuals control (Bowman 194: 130). The emphasis in managing performance has to shift from judging the personal worth of people to the outcomes and results that the organisation produces.

6.21   PLANNING, RE-SOURCING AND MANAGING PERFORMANCE

The figures that follow and the discussion that ensues is a quest to gain insight into whether the various planning and budgeting processes are systematically aligned.

6.21.1   Goal congruency and results

Congruency in planning, re-sourcing and attaining results is discussed below.

FIGURE 6.22:   LINKING PLANNING AND PERFORMANCE MANAGEMENT PROCESSES

An array of planning and performance management issues are illustrated in figure 6.22.
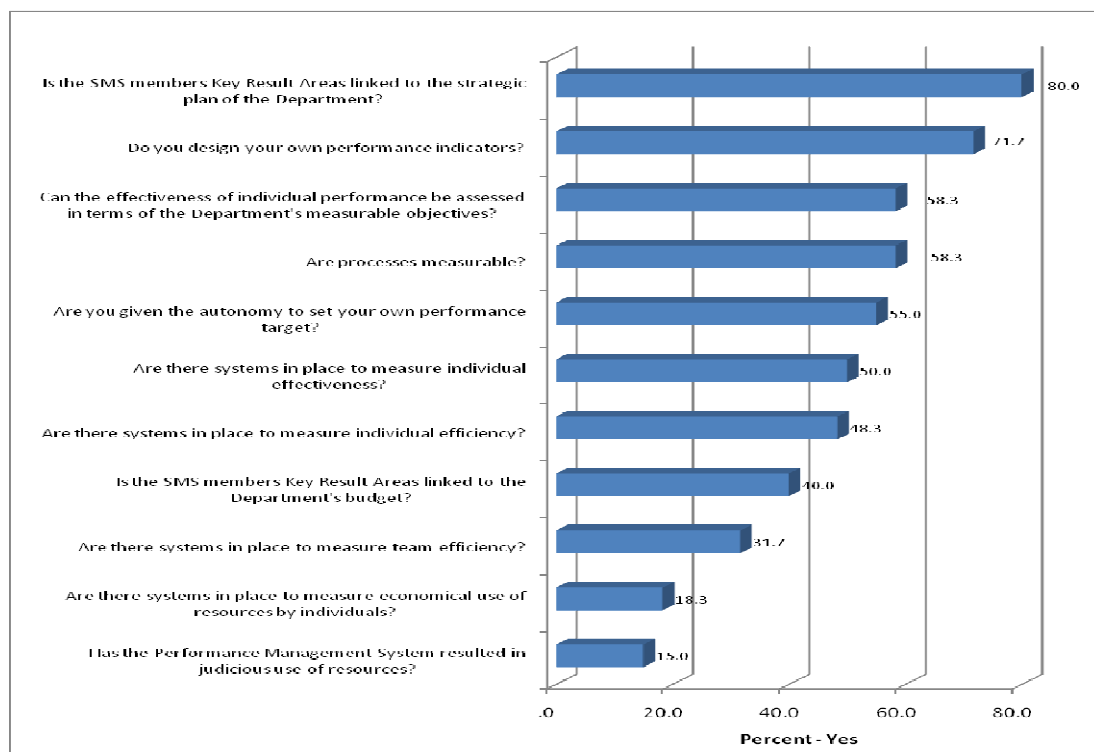
Eighty percent of managers concur that their key result areas are linked to the strategic plan of the Department. This according to the researcher is a problem

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associated with goal congruence where A = B ≠ C and therefore the outcomes are different, Bates (1993: 36). As recommended in Chapter 7, it requires further research. The goals of Executive Authority and Top Management (policy goals) are as confirmed by 80% of managers is congruent with their goals (operational goals) yet the outcome of the organisation (organizational goals) are at variance. Although one of the goals of the Department is to; "improve school functionality and educational outcomes at all levels", however, according to the Province of KwaZulu-Natal: Department of Education: Examination and Assessment, National Senior Certificate, Class of 2009 results brochure, 905 schools obtained less than 60% pass in the National Senior Certificate examinations. Moreover, the educational outcomes alluded to in chapter 1 are also less than satisfactory. The problem may be further compounded by the fact that 71% of managers indicated that they design their own performance indicators, which in effect may be incongruent with that of the Department.

As indicated earlier, that many managers perform mainly process or procedural functions and this confirmed by the fact that only 50% and 48.35% indicate that there are systems in place to measure individual effectiveness and efficiency respectively. It is disconcerting that only 40% percent indicate that their key result areas are linked to the Department's budget. This may also be linked to the afore-said statement. There is a definite disjuncture in the Department between the planning processes, the budgeting processes and the accountability processes. This is borne out by the fact that 80% state that their key result areas are linked to the strategic plan of the Department, yet 40% state planning is linked to the budget and 48.3% and 31.7% respectively state there are systems in place to measure individual and team efficiency. Since the performance agreements were not scrutinised it was difficult to confirm or deny the factual correctness of what has been stated by managers. However, The PSC in investigating the implementation of PMDS in North West province found that in 11% and 15% of performance agreements in the Departments of Health and Finance respectively, KRAs were not included (PSC: Report on the Implementation of PMDS for Senior Managers in the North West Province 2008: 13). Without the inclusion and alignment of the KRAs to the strategic plan of the Department, a shared understanding of what needs to be achieved would be lost on managers and assessment of performance against stated goals and objectives would not be possible.

Performance management is, according to Layton (2002: 27), about improving performance through measuring performance. Where there are no systems to measure both individual and organisational performance and attain a modicum of congruence between the two, then performance management systems are useless.

6.22 LINKING PLANNING AND BUDGETING PROCESSES TO OUTCOMES

Table 6.21 below illustrates the disjuncture referred to in section 6.3.15 above.

TABLE 6.21: LINKING PLANNING PROCESSES

Table 6.21 presents the percentage responses of the linkages of the planning of the different processes that managers undertake.

LINKAGE OF PLANNING PROCESSES	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE
Strategic planning processes are linked to operational planning processes	16.7	11.7	70
Operational planning processes are linked to work-planning processes	13.3	13.3	71.7
All planning processes are linked to the budget	25	31.7	41.7
All planning processes linked to defined KRAs	18.3	26.7	53.3

Table 29 amply demonstrates the disjuncture and lacuna alluded to earlier. 70% agreed that strategic planning processes are linked to operational planning processes and 71.7% agreed that operational and work planning are linked yet when planning is disaggregated to the level of the individual, the agreement in respect of the linkage of processes falls to 53.3%. This, according to Osborne and Gaebler (1992: 157) may be attributable to managers and components within the Departments focusing solely on meeting their own objectives, while unconsciously sacrificing the ultimate goal of the organisation, namely customer satisfaction-sound educational outcomes. Johnston *et al* (2002: 256) research reported that 50 – 70% of organisations failed to meet their original goals and objectives. To address this anomaly an integrated performance management model is proposed in the next chapter.

6.23   ALIGNMENT OF PLANNING PROCESSES

Figure 6.23 illustrates the percentage responses to the linkages in the planning processes

FIGURE 6.23:   RESULTS DRIVEN ORGANISATIONAL CULTURE
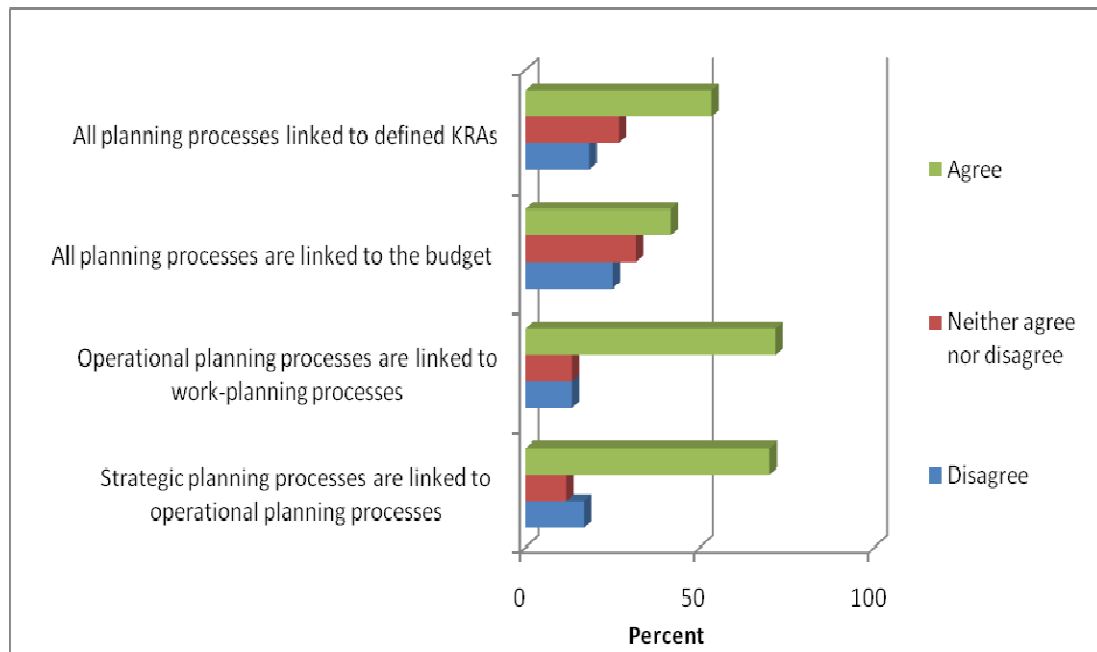
There is a 70% agreement that strategic and operational planning processes are linked. As indicated by 70% of managers there is correlation between the strategic and operational planning processes yet to reiterate, the agreement of correlation to individual KRAs of the two afore-mentioned processes drops to 53.3 percent. Further, the agreement of the linkage of the processes to the budget is only 41.7%. This indicates that almost 60 percent of managers are procedural managers and their performance is purported to be inconsequential to the performance of the Department. It is either that the strategies of the Department are not supported by the budget or as Hughes (2003: 159) contends, that this is because individuals in the public service do not know how to link the goals that they support to the strategy of the organisations and the performance indicators that they set tries to "specify the unspecifiable". Programme budgeting by its rigid structure can also inhibitive goal achievement. As Layton (2002: 26) avers, it may be a case of not understanding the relationship between performance management, strategic management and budgeting. This has implications for organisational efficiency, effectiveness, equity and economical use of resources since the disparate outputs

and outcomes produced are not influencing learner outcome (Willcocks and Harrow 1992: 144).

6.24   SPECIFICITY OF TARGETS TO OUTCOMES

The percentage response to items 3.5, 3.6 3.7 and 3.8 are illustrated in Figure 6.24

FIGURE 6.24:   SPECIFICITY OF TARGETS, INDICATORS AND OBJECTIVES

The issues of whether managers have specific , objectives, indicators and targets is shown in figure 6.24.
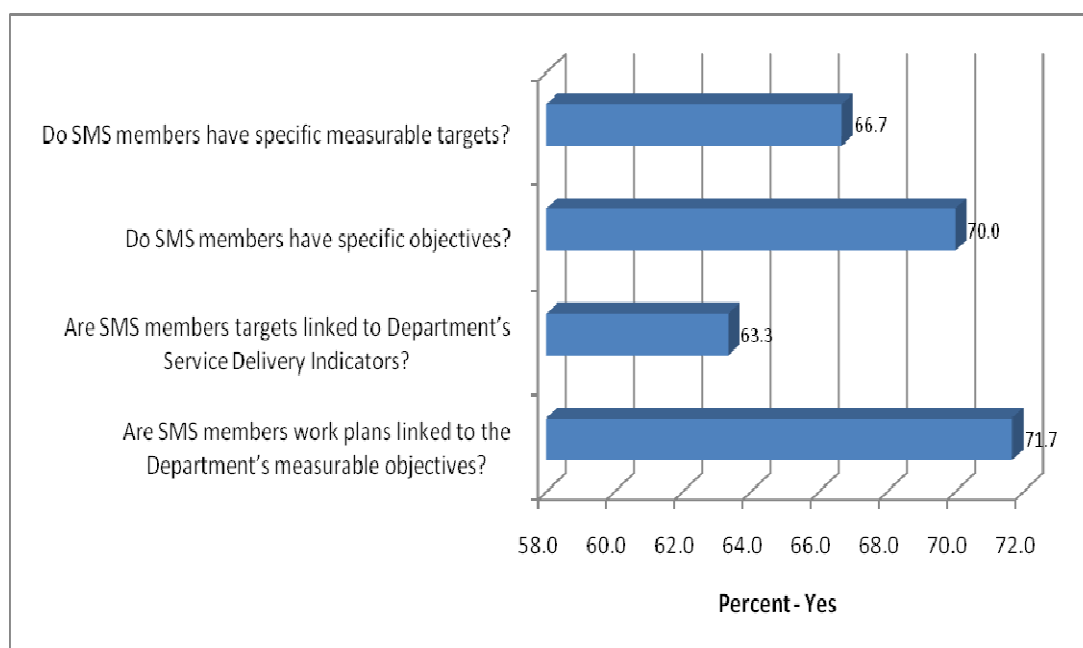
Seventy one percent of managers indicated that their work plans are linked to measurable objectives and 71.7% and 66.7% said that they have specific objectives and targets respectively. This is a very high percentage. As indicated elsewhere, since supervision, monitoring evaluation and feedback of performance are poor the linkage is inconsequential. This is captured in the Department's annual report. The KwaZulu-Natal Departments Annual Report (2007/08: 46) indicates that targets were not met despite budget being allocated for the following projects. The target for the financial year in respect of number of schools implementing the South African School Administration and Management System (SASAMS) was 1260 and the actual output was 629. Similarly, the target for rolling-out e-mail addresses was 1957 and the achievement was 689. The budget sub-programme under which these projects reside with an allocation of R35, 335 million was only 45.5% spent.

6.25 CASCADING OF TARGETS

The table below gives the percentage responses to the ranking of options in Section C Question 3.9.

TABLE 6.22: RESPONSIBILITY FOR SETTING TARGETS IN THE KZNDoE

The ranking of the responsibility for setting targets is set in table 6.22.

SETTING OF TARGETS	RANK					
	1	2	3	4	5	6
Superintendent-General	43.3	16.7	3.3	10.0	8.3	1.7
Line-Function Senior-General Manager	15.0	31.7	16.7	5.0	5.0	3.3
Chief Financial Officer	3.3	5.0	30.0	13.3	13.3	6.7
General-Manager	10.0	10.0	20.0	20.0	6.7	3.3
Manager	8.3	10.0	6.7	18.3	25.0	1.7
None of the above	5.0	1.7	1.7	5.0	5.0	20.0

The mean rankings are given below:

TABLE 6.23: MEAN RANKING OF SETTING TARGETS IN THE KZNDoE

Shown in table 6.23 are mean ranking scores of the responsibility for setting targets in the KwaZulu-Natal Department of Education.

AUTHORITY	MEAN
Superintendent-General	2.14
Line-Function Senior-General Manager	2.52
General-Manager	3.19
Manager	3.67
Chief Financial Officer	3.67
None of the above	4.65

In tables 6.22 and 6.23, it is indicated that the highest ranking in respect of setting targets is given to the Superintendent-General of the Department. This is in line with what Meier and O' Toole, Jr. (2002: 631) have to say, that is, that leaders should take the lead to shape organisational culture and consequently

performance. Moreover, there is tacit link between organisational performance and leadership. The second highest ranking is Senior-General Managers who are deputies to the Superintendent-General and research findings of Meier and O Toole Jr. (2002: 641) found that the quality of leadership makes a difference to the performance of an organisation.

It is important that the leadership of the organisation set the trajectory for performance, as stated in Chapter 3 section 3.2.1 managers will always exhibit bias towards the *status quo* and will be reluctant to embrace new policy directions and goals (de Woolfson Jr. 1975: 392). Taking the lead changes the *status quo*. Van der Waldt (2004: 224) opines that when targets are set at the top, everyone knows the measured framework for behaviour. Goals and targets must be communicated to the whole organisation (Norton 1976: 24; Boninelli and Meyer 2004: 223).

6.26 RESULTS DRIVEN ORGANISATION

Below are managers' responses to item 3.3 and 3.10 in section C of the questionnaire. The managers agree that PMDS promotes a results driven organisation.

FIGURE 6.25: PROMOTING A RESULTS DRIVEN ORGANISATION

Responses to whether performance management promotes a results driven Department and whether budgeting processes are linked to service delivery indicators are illustrated in figure 6.25.
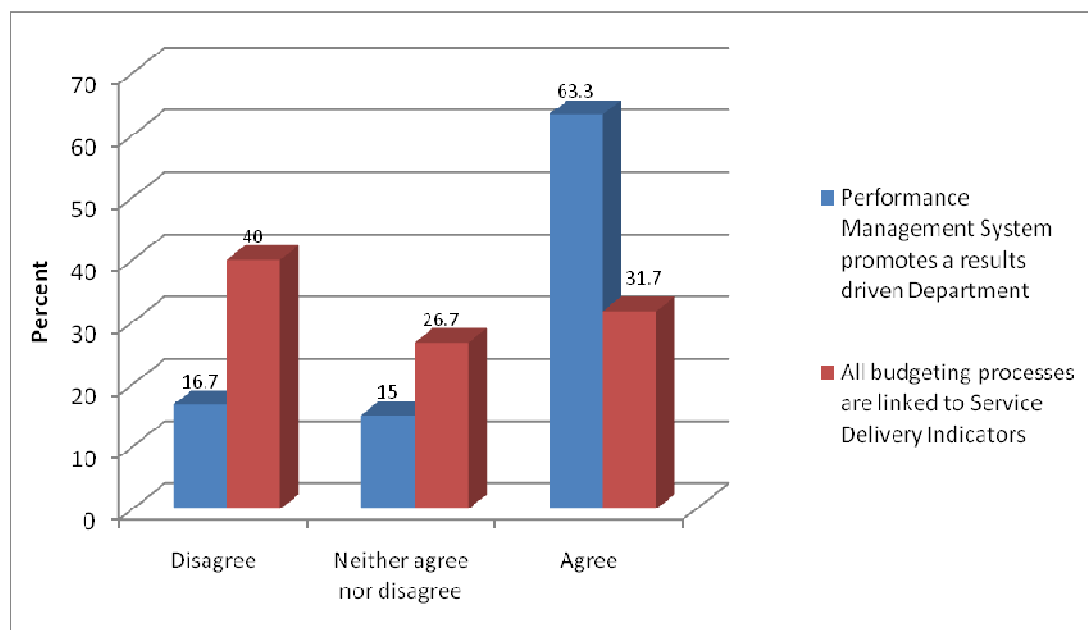
Almost two-thirds of the respondents (63.3%) believe that PMDS promotes a results-driven department.

However, most respondents, that is 40% disagree that budgeting processes are linked to Service Delivery Indicators. As alluded to earlier, it is critical that resources are allocated for targets to be achieved. If resources are not allocated appropriately, this will then have implications for the Treasury's much vaunted performance budgeting system. If resources are not allocated managers cannot achieve results, the purposes of a performance management system and performance related pay are negated. Managers reported that they were de-motivated. This could be because resources are not allocated to goals and targets. Providing of resources as well as recognising performance are significant motivating factors and their absence affects motivation

As discussed earlier, Sarin and Winkler (1980: 1141), argue that goal-based incentive plans enable the setting of goals for each specific criterion in a policy proposal and evaluation is based on the actual performance and its relationship to the said goal (Sarin and Winkler 1980: 1131).

On the contrary, without allocation of appropriate resources, the potential for gaming, sandbagging and dysfunctional organisational behaviour is increased and the achievement of goals and targets become a fallacy. As per the Public Service for Senior Management Service Handbook (2003 Chapter 4 section 5 {5}), the Department is expected to provide an enabling environment, such as, resources and the infrastructure to facilitate accomplishment of the results.

6.27   RELATING TO STRATEGIC GOALS AND OBJECTIVES

The responses to item 4.1, 4.2 and item 4.3 are illustrated below.

FIGURE 6.26: **INDIVIDUAL PERFORMANCE VERSUS ORGANISATIONAL OBJECTIVES**

Figure 6.26 shows the percentage responses to managers working towards specific goals and objectives
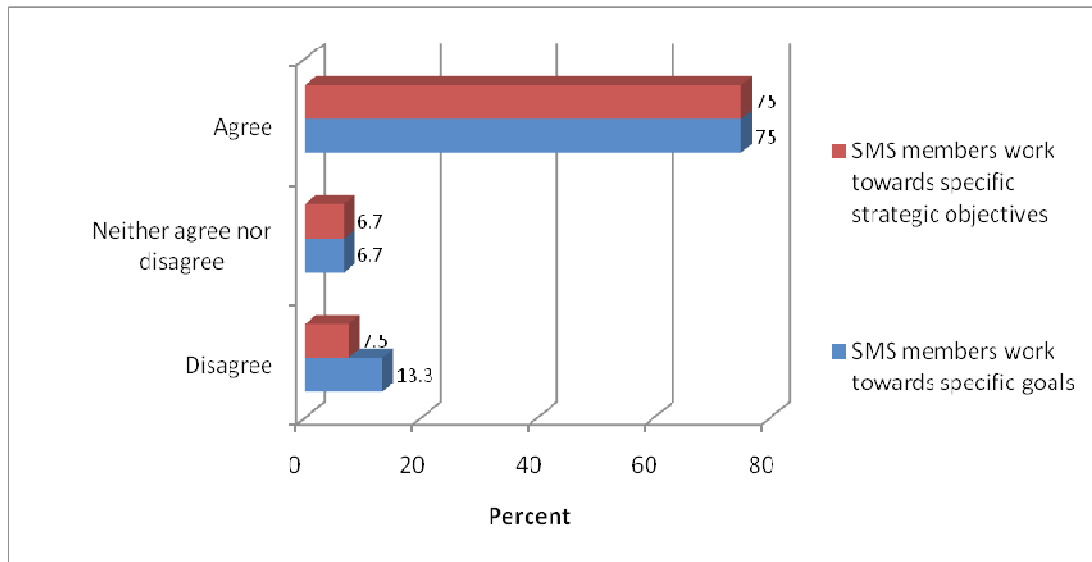
There is a strong agreement (75%) for each of the statements relating to SMS members working towards strategic objectives and specific goals. This however has not resulted in overall performance of the organisation improving. Dixit (2002: 716) that this may be a case of individuals focusing on narrow set of task that do not fit into the ultimate mission and vision of the department. They work perfunctorily at their specific tasks and obligation while being oblivious of the overall mission of the organisation. Accordingly, Bates (1993: 36) asserts that it is a problem of goal congruence, goal specificity and goal synchronicity. The net result is that the individual's work is not linked to the strategy of the organisations (Hughes 2003: 159).

2.28   WORK PLANS AND DEPARTMENT'S GOALS

Figure 6.27 gives a diagrammatic illustration of the linkage between goals and work plans and internal support mechanisms to achieving the departments goals.

FIGURE 6.27:   RELATIONSHIP BETWEEN WORK PLANS, DEPARTMENTAL GOALS AND INTERNAL SUPPORT

Illustrated in figure 6.27 is the percentage responses to the relationship between work plans, the Departments goals and objectives and arrangements to support performance.
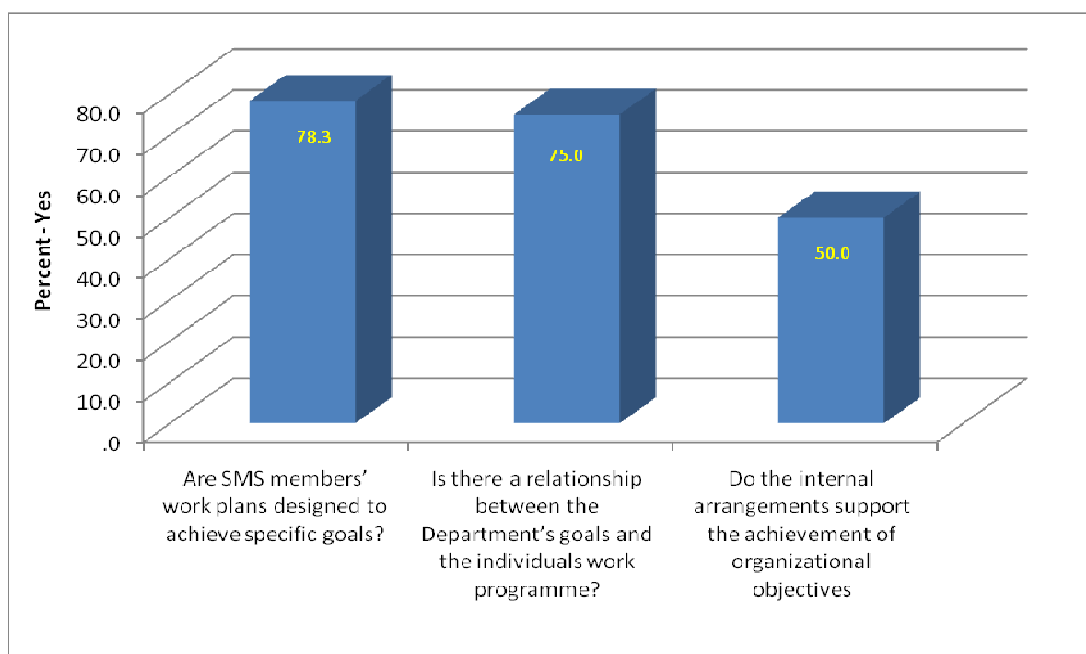
6.29   LACUNA BETWEEN INDIVIDUALS PERFORMANCE AND DEPARTMENT'S PERFORMANCE

The response to item 4.4 in section C is noted in table 6.24.

TABLE 6.24:   LACUNA BETWEEN INDIVIDUAL GOALS AND DEPARTMENT'S OBJECTIVES

Table 6.24 shows the percentage response to item 4.4 of Section C of the questionnaire.

QUESTIONNAIRE-SECTION C 4.4	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE
There is a lacuna between individual performance and the Department's objectives	**23.3%**	**38.3%**	**36.7%**

The outcome reflected in Table 6.24 is very obtuse. 36.7% agree 23.3% disagree and 38.3% neither agree nor disagree that there is a lacuna between individual performance and the Department's objectives. There was almost a 3:1 ratio of respondents in agreement with the statement as there were those who did not

agree. If the individual is not able to see the bigger picture, then results of the Department will be affected.

Behn (2002: 204) states that, "The individual through his/her effort and performance must firstly make a meaningful contribution where he/she is with what he/she has. Collectively, it would result in the overall performance of the organisation improving. Individuals need to always be mindful of the bigger picture and the big-picture think deludes one into thinking that it requires big solutions forgetting that the performance of the organisation can be improved by individuals performing well". If the big picture, is lost on managers then achievement of educational outcomes at all levels as stated in one of the goals of the department would be that much more difficult to achieve (KwaZulu-Natal Department of Education Strategic Plan 2010/11-14/15: 42-43).

Managers must have a sense that their performance is contributing to the overall performance of the Department. Dixit (2002: 716) asserts from a principal-agency theory perspective, that when agents (managers) think in ultimate terms of the overarching goals of the organisation, they will focus on better observable dimensions.

6.30 BONUS AND PRODUCTIVITY

Table 6.25 captures the response to item C 4.7 of the questionnaire, that is, whether the bonus system promotes higher levels of productivity

TABLE 6.25: RELATIONSHIP BETWEEN BONUS AND PRODUCTIVITY

The percentage response to whether the bonus system promotes higher levels of productivity is presented in table 6.25.

SECTION C 4.7	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE
The bonus system promotes higher levels of productivity	26.7	43.4	28.3

The table above indicates that, there were as many respondents who agreed with the statement, as there were those who did not agree. Nearly 44% of the respondents were undecided. Rewards and incentives have the propensity to

motivate performance, reduce absenteeism, increase commitment and enhance productivity (du Toit 2001: 192). Investigation by the OECD (1997: 24) in OECD countries such as Canada, Australia, Denmark and others found that financial rewards improved performance. However, some countries were cutting back on these rewards because of financial constraints. Since performance-related pay has not been forth coming for several years there may be an air of resignation about the actual benefits of bonus in relation to productivity among managers and therefore the response is non-committal. Dixit (2002: 715) posits that even implicit incentives can have the effect fostering enthusiasm than no incentives at all.

6.31   OWNERSHIP OF PERFORMANCE

Illustrated below are managers' responses to section C4 of the questionnaire

FIGURE 6.28:   OWNERSHIP OF RESULTS

Figure 6.28 illustrates the percentage response to several of the items in section C 4 of the questionnaire.
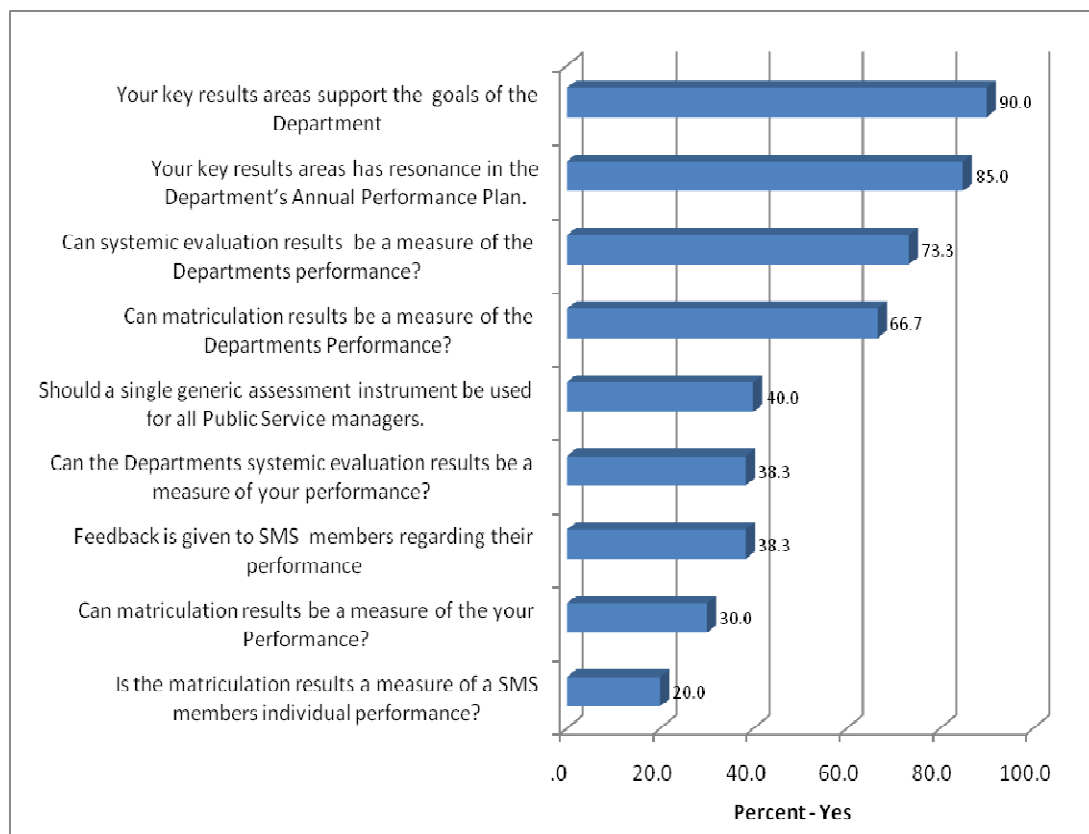
It is noted that 73.3% of managers are adamant that systemic evaluation results can be a measure for the performance of the KwaZulu-Natal Department of Education. However, when asked whether it can be a measure of their

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performance, the level of concurrency drops to 38.3%. Similarly, with regard to the matriculation results, 66.7% agree that it is a measure of the Department's performance and only 30% percent agree that it is a measure of their performance. There is almost total absolution of responsibility for performance of the Department. It has been stated in Chapter 1 that the matriculation results, the system evaluation results, SACMEQ results and other internationally constructed tests are used to assess the performance of the Department, yet managers refuse to take responsibility for the poor performance of the Department. It begs the question, who then is responsible for the performance of the Department? Despite 90% percent of managers stating that, their key result areas support the goals of the Department. And, 85% agreed that their key result areas resonated in the Annual Performance Plan of the Department. One of the performance measures in the Annual Performance Plan (2007/08: 36) is "Percentage of learners in Grade 3 attaining acceptable outcomes in numeracy and literacy and life skills". This is a organisational performance measure yet the senior management members who form the management back-bone do not take responsibilities for the performance measure. In chapter seven, an integrated performance management is proposed that takes into account the performance of the organisation when assessing he performance of the individual. This according to Osborne and Gaebler (1992: 157) stems from the fact that each department simply focuses on their own performance while being oblivious of the performance of the whole organisation. Organisational performance is systemic and without focusing on the performance of the whole organisation, the performance of individuals cannot be assumed to be additive.

Sanger's (2008: 78) research on six cities that used performance measurements to improve performance found that management had to inculcate new values which must be communicated to the whole organisation such that a culture of performance permeates the organisation. There is nevertheless, a caveat that bureaucratic systems that are overly regulated may constrain individuals and teams to adapt to change. Ultimately, the onus rests on senior managers to transform the organisation to become results-oriented.

6.32   FIVE-DAY COAL-FACE DEPLOYMENT

Table 6.26 is the response to the question: Have you undertaken a five-day deployment to a service delivery point in the Department in?

TABLE 6.26: SMS MEMBERS AND COAL FACE DEPLOYMENT

Tabulated below is the percentage of managers who have undertaken coal face deployment over a three year period.

YEAR	PERCENT
2007 / 08	11.7
2006 / 07	16.7
2005 / 06	11.7

Chapter 4 section 7 of the Public Service Senior Management Service Handbook (2003) states that all managers must undertake coal-face deployment to service delivery points for at least 5 days, however, this has been neglected by the Department. The consequence is that managers do not experience first hand the challenges faced by front-line staff in providing services. Only a few managers were exposed to coal-face deployment.

6.33 CAREER MANAGEMENT AND ADVANCEMENT

Table 6.27 demonstrates managers' views on competency assessment and that competency career advancement

TABLE 6.27: COMPETENCY ASSESSMENT AND MANAGEMENT OF CAREERS

MANAGEMENT OF CAREERS	PERCENT - YES
Does competency assessment form the basis for personal development plans in the Department?	30.0
Is career advancement based on individual performance?	15.0

Since 2008 compulsory competency assessment conducted by external service providers in the private service forms part of the recruitment and selection process of SMS members. Prior to this competency assessment was not compulsory for selection. The 30% who indicated that they had undergone competency assessment may be a core of recently appointed SMS members.

Only 15% of respondents indicated that individual performance advances careers. Since the results of the PMDS are not used for promotion and career advancement, its importance is lost on managers and it is seen merely as a compliance issue.

Public service performance management system is difficult to implement because the rewards are inadequate Frank (1990: 354). Undeniably, career advancement is generally regarded as part of the reward system for good performance. However, if the outcome of performance appraisal is not factored into promotion of SMS members throughout the public service it will have little effect in motivating them to perform.

6.34   PMDS: A COMPLIANCE ISSUE

The figure below graphically illustrates managers views on the purpose of the performance management and Development system

FIGURE 6.29:   PURPOSE OF PMDS

Illustrated below are the percentage responses to the purpose and value of PMDS.
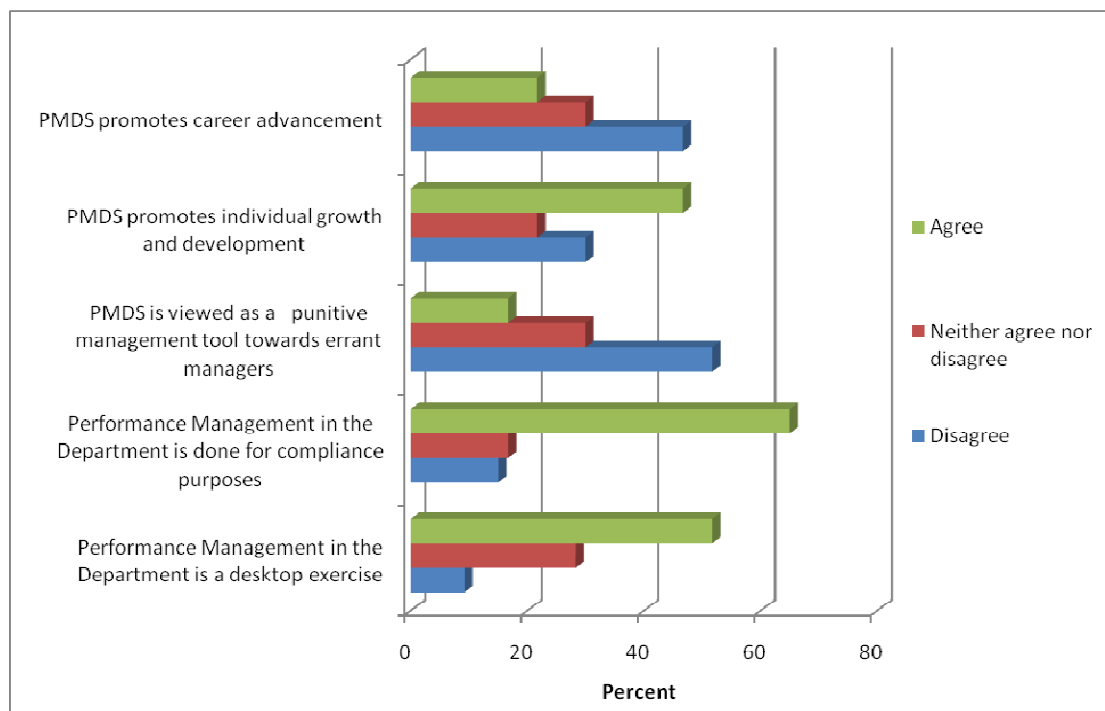
TABLE 6.28:   PMDS IS FOR COMPLIANCE AND SANCTIONS

Table 6.28 reflects the managers attitudes towards PMDS

SECTION C5 OF QUESTIONNAIRE	DISAGREE	NEITHER AGREE NOR	AGREE
Performance Management in the Department is a desktop exercise	9.2	28.3	51.7
Performance Management in the Department is done for compliance	15	16.7	65
PMDS is viewed as a punitive management tool towards errant	51.7	30	16.7
PMDS promotes individual growth and development	30	21.7	46.7

Three of the statements show positive agreement. However, the first 2 of these are negative statements in terms of PMDS is done as a desktop exercise or for compliance.

For every 3 respondents who agreed with PMDS promotes individual growth and development, there were 2 who did not agree. It is disconcerting that 51.7% and 65% of managers felt that PMDS is either a desk top exercise or it is done merely for compliance respectively. This is also confirmed by findings of the Public Service Commission where it was found that performance reviews were not conducted regularly (Sangweni 2003: 21). The contradiction, however, is that 46.7% view it as a management tool that promotes individual growth. There is still hope for a performance management system in the public service provided that it addresses some of the concerns raised by Boninelli and Meyer (2004: 223) as discussed in Chapter 4 section 4.19.1 that is:

- The organisation must have a system to communicate performance management;

- The system cannot be enforced but nurtured through meaningful relationships between employer and employee;

- Accountability for performance management should be with line-function managers and not human resources managers;

- Avoid playing the blame and identify the barriers to good performance; and

- Recruit talented personnel because poor selection of employees will result in poor performance.

6.35   MONITORING AND EVALUATION OF PERFORMANCE

The percentage yes responses to Section C6 that is supervising, monitoring and evaluation are tabled and discussed below

TABLE 6.29:   MONITORING AND EVALUATION OF PMDS

The percentage responses to Section C5 of the questionnaire are tabled below.

SECTION C5 OF QUESTIONNAIRE	PERCENT - YES
Do acts of poor performance receive censure by supervising managers?	21.7
Are there procedures in place to deal with incompetence?	23.3
Is there close monitoring of co-workers' performance?	28.3
Is the performance of SMS members closely monitored?	33.3
There are mechanisms in place to deal with non-performance	33.3
Are there procedures in place to deal with non-compliance?	36.7
Does the moderating committee play an effective role?	36.7
There are mechanisms in place to deal with poor performance.	38.3
Evaluation reports are provided to co-workers by supervisors	40.0
Is the appraisal process impartial?	48.3
The moderation process is open and transparent	55.0
Do SMS members have planned quarterly reviews?	66.7

The policy on PMDS states that the processes shall be developmental but there should be effective responses, including dismissal, for consistently inadequate performance (Public Service Senior Management Handbook 2003 Chapter 4: section 4). The vagueness of the wording dealing with poor performance creates a legal minefield that is difficult to reconnoitre. Daley (1992: 173) citing labour-related court cases in the United States of America cautions that the employee and the employer must fully understand the requirements of the job and what the employee is expected to achieve. Any ambiguity will make it impossible for the employee to perform and the employer to evaluate. Having due regard of this 78.3% managers know that the consequences for non-performance will only be an insignificant punishment. Even incompetence is tolerated according to 76.7% of managers.

It must be noted that Table 6.29 above presents a range of potential problems. When the results are extrapolated, 71.1% of respondents disclosed that there is no close monitoring of co-worker and even their work, according to 67.7% of

managers is not closely monitored. There are no mechanisms in place to deal non-compliance or non-performance according to 63.3% and 66.7% of managers respectively. Managers (60%) said they do not get evaluation feed back reports. These factors confirm that implementation of the PMDS is not taken seriously by the KwaZulu-Natal Department of Education. If there were consequences arising out of the appraisal and assessment process, such as continued tenure, promotion or penalties then the perception, approach and behavioural response to PMDS would be different. There has to be consequences, either positive or negative that arise out of the appraisal and assessment processes.

6.36   PERFORMANCE REVIEW AND APPRAISAL

Illustrated below in Figure 6.30 are periods when performance appraisals are conducted.

FIGURE 6.30:   PERFORMANCE REVIEW AND APPRAISAL

In figure 6.30 the times when performance review and appraisal are conducted is illustrated
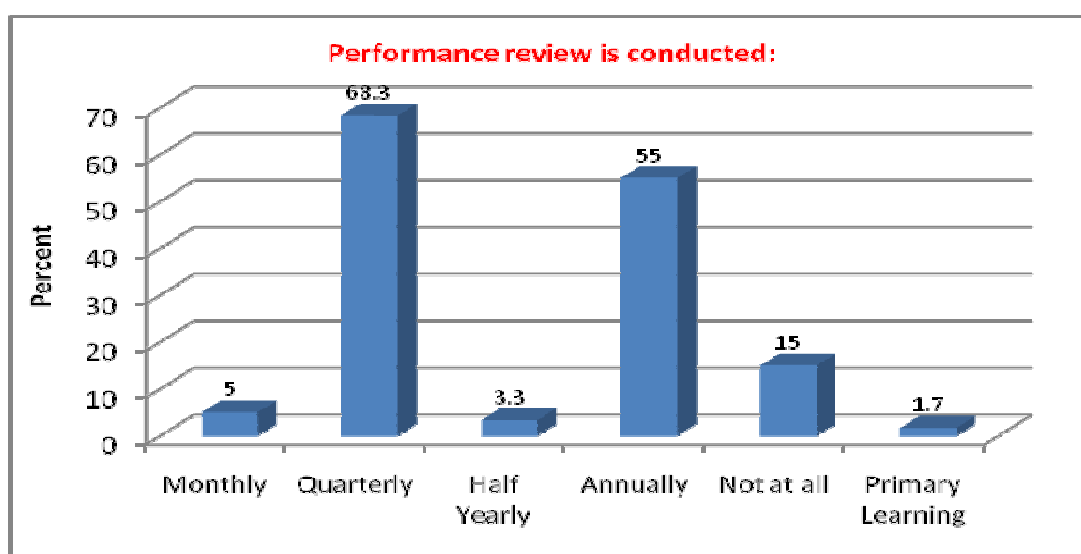
As respondents had multiple opportunities to answer, due to the nature of the reviews, the two most common periods were quarterly and annually. The policy on PMDS (Public Service SMS Handbook 2003 Chapter 4 section 12 {1} b) states that performance reviews must take place at least twice a year. This is confirmed by the submission presented in Figure 6.30. However, findings by the PSC in North West Province found among 65 SMS members investigated, 7 stated that; their performance was reviewed quarterly, 10 half yearly, 45 annually and 3 not at all,

(PSC: Report on the Implementation of PMDS for Senior Managers in the North West Province 2008: 16). It is and indication that there is a high rate of compliance in the KwaZulu-Natal Department of Education on performance review and appraisal probably enforced by the Performance Management Directorate.

Arising out of what was discussed in section 6.35 above it can be surmised that the quarterly assessments and annual appraisal are mechanistic and instrumentalist in nature.

6.37   MANAGING PERFORMANCE OR MEASURING TRAITS

The diagram below, Figure 6.31 illustrates whether PMDS monitors traits over results and whether managers in the Department take accountability seriously

FIGURE 6.31:   ACCOUNTABILITY AND MONITORING OF TRAITS

Below is an illustration of whether accountability is taken seriously and whether PMDS monitors traits.
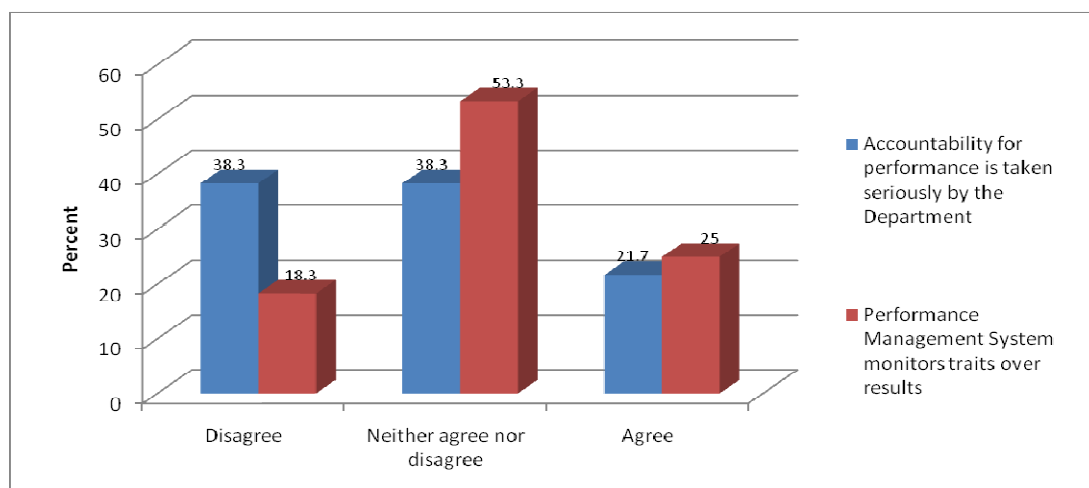
Only 25% of respondents agreed that the department takes accountability seriously. The lack of accountability affects the functionality of the department (Schacter 2000: 9). If accountability is not taken seriously, particularly between a supervisor and a co-worker, this can ultimately lead to the entire Department becoming dysfunctional. Systems, structures and strategies for accountability have to be instituted at every level of the Department to avert a situation that; when work and productivity are not monitored, it affects the efficacy of the Department. A paradox and resultant pathology of lack of accountability as identified by Harmon (1995) cited (in Roberts2002: 659) as "When individuals acknowledge personal authorship, as expressed through their own exercise of moral agency, then they

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deny the ultimate answerability to others. On the other hand, if they assert ultimate answerability to others they deny their own moral agency". The resultant pathologies generated are:

- Buck passing- where the manager claims not to be responsible for what happens around him/her;
- "Scape-goating"- where others are blamed;
- Atrophy of individual moral agency- the manager claims the status of a victim; or
- Atrophy of individual responsibility- lack of candour to instil personal answerability.

The assumption is that these pathologies are being created in the Department and that the diseases of "passing the buck", "scape-goating" and atrophies of individual moral agency and individual responsibility are afflictions soon to affect the entire organisation. Since this is only an assumption, it may warrant further research.

It is however, encouraging to note that only a quarter of the respondents believe that PMDS monitors traits over results. However, 18% of respondents disagree with this. The view was that work is monitored.

6.38   RESPONSIBILITY FOR PMDS

Who takes responsibility for ensuring that the Performance Management and Development System receive the desired attention and organizational effectiveness? The table below indicates the percentage ranking for staff responsibility regarding the above.

TABLE 6.30:   TAKING RESPONSIBILITY FOR PMDS

Table 6.30 indicates the location of responsibility for PMDS. The mean rankings are given below

RESPONSIBILITY FOR PMDS	RANK				
	1	2	3	4	5
MEC	15.0	3.3	3.3	1.7	48.3
Superintendent-General	25.0	25.0	5.0	23.3	3.3
Senior-General Manager	5.0	26.7	31.7	8.3	5.0
General-Manager	5.0	15.0	33.3	25.0	3.3
Manager	23.3	8.3		30.0	18.3

TABLE 6.31:   MEANSCORES IN RESPECT OF TAKING RESPONSIBILITY FOR PMDS

Below in table 6.31 are the means scores as determined by managers regarding the location of responsibility for PMDS.

SENIOR MANAGERS	MEAN
Superintendent-General	2.45
Senior-General Manager	2.76
General-Manager	3.08
Manager	3.15
MEC	3.91

Tables 6.30 and 6.31 indicate that managers are cognisant of where performance management is located in the Department. The highest rank is given to the Superintendent-General. The responsibility and ultimately the accountability for the implementation of the performance management and development system should and must reside with the Superintendent-General as the accounting officer of Department. This is confirmed by Meier and O' Toole, Jr. (2002: 631), who write that the organisational performance culture must be fashioned by the leadership. The MEC for Education in Province of KwaZulu-Natal is the Executive Authority and from a principal agency perspective, he delegates the function of administration to the Head of Department. The performance management and development system binds the relationship through a performance agreement (contract) with specific terms and conditions. The targets, outputs and outcomes are negotiated and the incentives and sanctions are agreed (Marsden 2004: 353). The Head of Department cascades these to the whole department.

The goal setting theory advocates that performance objectives be set clearly and unambiguously and managing performance be endemic to the organisational culture. Van der Waldt (2004: 223) opines that performance objectives should be explicitly and unambiguously stated in visible terms so that the whole organisation will understand what management is trying to do. This means that there must be constant communication in the Department. The onus for this rests with the Head of Department. He can delegate this to the Senior-General Managers with abdicating accountability.

6.39 OUTCOMES OF HYPOTHESES TESTS

The tests for the hypotheses mentioned in Chapter 5 section 5.4.1 were conducted using Pearson's Chi-Square Test and the results are presented in the tables below.

6.39.1 Hypothesis 1

There is no association between the performance of the individual and the performance of the organisation.

TABLE 6.32: TEST FOR SIGNIFICANCE OF HYPOTHESIS 1

Table 6.32 shows the outcome of Pearson's Chi Square Test for the variables in the columns and rows.

PEARSON CHI-SQUARE TESTS	Can matriculation results be a measure of the Department's Performance?	Can systemic evaluation results be a measure of the Department's performance?
Are the matriculation results a measure of a SMS member's individual performance?	.047*	.128
Can matriculation results be a measure of your Performance?	.004*	.020*

The p-values indicate a significant relationship for 3 pairs of variables that are indicted with asterisks ($p < 0.05$). For example, there is a significant relationship between the respondent's performance and matriculation results as a measure of the department's performance. The direction of the relationship is obtained from the frequency responses. The hypothesis is rejected. That means that there is a significant relationship between the variables. The performance of the organisation is linked to the performance of the individual and *vice versa*.

For example: The table below is the frequency count for the variables that give a p value of 0.047.

TABLE 6.33:   FREQUENCY COUNT FOR VARAIBLES

Table 6.33 shows the frequency count for the variables to determine the level of significance.

VARIABLES		Are the matriculation results a measure of a SMS member's individual performance?		Total
		Yes	No	
Can matriculation results be a measure of the Departments performance	YES COUNT	11	29	40
	% within Can matriculation results be a measure of the Departments performance?	27.5%	72.5%	100.0%
	% within Is the matriculation results a measure of a SMS members individual performance?	91.7%	61.7%	67.8%
	% of Total	18.6%	49.2%	67.8%
Can matriculation results be a measure of the Departments performance	NO COUNT	1	18	19
	% within Can matriculation results be a measure of the Departments performance?	5.3%	94.7%	100.0%
	% within Is the matriculation results a measure of a SMS members individual performance?	8.3%	38.3%	32.2%
	% of Total	1.7%	30.5%	32.2%
TOTAL	COUNT	12	47	59
	% within Can matriculation results be a measure of the Department's performance?	20.3%	79.7%	100.0%
	% within Is the matriculation results a measure of a SMS members individual performance?	100.0%	100.0%	100.0%
	% of Total	20.3%	79.7%	100.0%

It is evident that the frequencies are not split similarly. Hence, this disproportionate distribution results in respondents favouring one set of conditions in relation to others. Therefore, this set of conditions becomes significant when compared to the rest. The direction is then evident from the frequency distribution.

6.39.2 Hypothesis 2

There is no linkage between individual goals and organisational goals

TABLE 6.34: TEST FOR SIGNIFICANCE OF HYPOTHESIS 2

In table 6.34 the outcome of Pearson's Chi Square Test for the variables in the columns and rows is indicated.

PEARSON CHI-SQUARE TESTS	Do SMS members have specific objectives?
Strategic planning processes are linked to operational planning processes	.174
Operational planning processes are linked to work-planning processes	.147

The results indicate that there is no significant relationship between the column and row variables. The hypothesis is accepted. This indicates that the goals of the individual are not aligned to the goals of the organisation. This contradicts what managers had stated in section 6.7.1.

6.39.3 Hypothesis 3

There is no relationship between lack of competency and organisational effectiveness

TABLE 6.35: TEST FOR SIGNIFICANCE OF HYPOTHESIS 3

Table 6.35 shows the outcome of Pearson's Chi Square Test for the variables in the columns, that is, effectiveness in the Department is compromised because of low levels of competency and rows, namely, competency, values, knowledge, and network links.

PEARSON CHI-SQUARE TESTS	Effectiveness in the Department is compromised because of the low levels of competency.
Competency	.513
Values	.003*
Knowledge	.323
SMS appointments are based on network links	.083

The only significant relationship that exists between Values and Effectiveness in the Department is compromised because of the low levels of competency.

Competency, knowledge and network links have no significant relationship to effectiveness of the Department. The hypothesis is therefore accepted.

6.39.4 Hypothesis 4

There is no relationship between resources spent and results achieved

TABLE 6.36: TEST FOR SIGNIFICANCE OF HYPOTHESIS 4

Table 6.36 shows the outcome of Pearson's Chi Square Test for the variables in the columns and rows.

PEARSON CHI-SQUARE TESTS	Resources are expended without outcomes being achieved.
Do SMS members have specific measurable targets?	.012*

There is a significant relationship between members having a specific measurable target and resources being expended without outcomes being achieved. The hypothesis is rejected. This has serious implications for the Department in achieving its goals and objectives as well as targets.

6.39.5 Hypothesis 5

There is no relationship between monitoring procedures and accountability for managers

TABLE 6.37: TEST FOR SIGNIFICANCE OF HYPOTHESIS 5

Table 6.37 shows the outcome of Pearson's Chi Square Test for the variables in the columns and rows.

PEARSON CHI-SQUARE TESTS	Do acts of poor performance receive censure by supervising managers?	Accountability for performance is taken seriously by the Department
Are there procedures in place to deal with incompetence?	.025*	.018*
Are there procedures in place to deal with non-compliance?	.275	.027*
Is there close monitoring of co-workers' performance?	.001*	.015*
There are mechanisms in place to deal with poor performance.	.080	.277

The significant relationships are highlighted in the table above. The hypothesis is generally rejected. As reflected in the table above, accountability is seriously

compromised in the Department. If supervision, monitoring and accountability are not heightened, then the potential for the performance management and development system to all but collapse is very high. This is true for an association, for example of acts of poor performance and mechanisms ($p = 0.080$) which indicates that there is no relationship between the two variables. This indicates that there is no mechanism in place to correct poor performance.

6.40   SUMMARY

The data presented and the analysis has enabled a better understanding of the value-add of the performance management and development system and some of the challenges in its implementation. The factor analysis examined the cogency of the questionnaire and found that there was a high degree of reliability.

The analysis of the age distribution and qualification indicates that most managers are over the age of 45 and that the qualifications of a few managers throw into question the recruitment and selection process.

The managers expressed their disquiet with regard to the way the performance management and development system is implemented. The consensus is that it is done merely for compliance. However, if performance management is taken seriously, then it has the potential to improve productivity, organisational efficiency and effectiveness, as emphasized by the Head of Department Dr R C Lubisi (Interview: dated 15 October 2009). The developmental aspect of the performance management and development system was defended because of historical reasons.

Most of the managers agreed that their key result areas were indeed aligned to the strategic goals of the Department. However, they decidedly disown the performance of the Department when adjudged against the Systemic Evaluation results and the matriculation results.

The managers were able to identify strengths, weaknesses, threats and opportunities of the performance management and development system. Repeatedly managers indicated that it has become a management tool for compliance. The Head of Department cautioned that PMDS will fail if managers maliciously comply. Another concern raised by managers was the fact that there were no rewards for good performance and no sanctions for poor performance. Nevertheless, the strength of PMDS according to some managers is that it has

introduced a discourse of performance which previously did not exist in the Public Service.

The tests of the hypotheses also indicates that the Department runs the risks having the performance management and development system collapse because of a lack of alignment of goals, supervision by supervisors and accountability on the part of managers.

If nothing at all, the PMDS has introduced and as envisioned by the New Public Management paradigm, a discourse of performance and productivity in the South African Public Service.

Arsing out of the analysis and interpretation several recommendations emerged. Some recommendations may require further research and while others are recommended for implementation so that the culture of performance management is not only internalised but also institutionalised in the KwaZulu-Natal Department of Education in particular, and in the South African public service in general.

CHAPTER SEVEN

Conclusions and Recommendations

7.1   INTRODUCTION

Arising from the data analysis presented in the previous chapter and from interviews and discussions held with senior management members in the KwaZulu-Natal Department of Education, certain insights were gained that culminated in conclusions being drawn. These conclusions form the basis for making a series of recommendations that either have practical application or provide the scope for further research in the field of public service performance management and development. This is a significant focus and contribution for the KwaZulu-Natal Department of Education.

PMDS has been accepted as a policy and a systematised and structured way of managing performance by managers within the Department of Education. However, its purpose while understood by most managers has not been internalised and institutionalised. It has been reported that it is formally applied as a matter of malicious compliance. It has had no impact on productivity or improvement in the performance of the Department because there are no rewards for significantly higher than expected levels of performance or even outstanding performance. Furthermore, there are no consequences for poor performance or non-performance. Oversight, supervision, monitoring and evaluation are almost non-existent, and the Department runs the risk of managers working subversively and sabotaging the laudable goals and objectives.

A primary recommendation is a new model that intends to resolve the disjuncture that currently exists between organisational performance and individual performance. This disjuncture is amply demonstrated in the following statement made by the Senior General Manager: Human Resources and Administration: "There is a disjuncture. Ideally there shouldn't be. My performance should be directly, linked to the performance of the Department or of the organisation" (interview 25 May 2010).

The model is an attempt to integrate the collective performance of individuals and the organisation.

Other key recommendations include the strengthening of oversight and supervision functions. Managers work towards specific outputs that are measurable. Furthermore, employment on five-year fixed term contracts may be renewed, if performance is acceptable as determined by external moderators. There has to be rewards for good performance and sanctions for poor performance.

7.2   CONCLUSIONS

Laudable policies fail because of lack of implementation. Implementation and co-ordination of the performance management and development policies require the formulation of a PMDS action plan, which is inclusive of an implementation strategy. The payment of bonuses and the application of sanctions are recommended for the plan. Aligning goals, key result areas, setting output and processing targets will bring about greater synergy in the Department. Such synergy has the potential to elicit better organisational results.

The Senior Management Service in the Department acknowledges that there is a policy to manage performance in the Department, *albeit* that implementation is a challenge. The policy is well-articulated and systems and structures are in place to make effective implementation possible. However, it needs willingness on the part of the Department's leadership and commitment on the part of all managers to ensure that it is appropriately implemented and that stated intentions are realised. Behn (2002: 19) asserts that performance management like performance measurement system, performance budgeting system, performance pay and performance planning are systems that rely, not on procedures but on leadership. Notably, once systems are in place, they will not function automatically. Leadership is crucial for the system to work. The vision, direction and leadership must be provided by the senior management members, beginning with the head of department at the top. Performance management in the public service will rise or fall on the quality of its leadership. It may mean getting rid of the rules and finding innovative ways of doing things. The new approach to public service management ought to move away from the rules and procedures to achievement of results, and take responsibility for those results. Furthermore, accounting to oversight authorities ought to ensure that the strictures placed on the most senior managers may have to be reconsidered (Hughes 2003: 63).

Successful implementation of the policy is threatened because it adopts a patronising and condescending approach towards managers. The principles enunciated in the policy makes an earnest appeal to managers to accept the performance management and development system. This is aptly captured in the following statement:

"Departments shall manage performance in a consultative, supportive and non-threatening manner" (Public Service Senior Management Service Handbook 2003 section 4).

This soft and condescending approach and the overly appealing emphasis on development has resulted in performance management being seen as a management tool for training and development rather than a tool for optimising and managing performance and accounting for results (Smith and Goddard 2002: 249). This is an important consideration for the Department of Education.

It must become a tool to optimise performance, manage accountability and promote rewards or sanctions throughout the Department (Sanger 2008: 71).

Regarding compliance to performance, emphasis is on implementing the performance management system and a shift from mere compliance to one that inculcates a culture of results in the Department. The value of a performance management system must be lauded at every opportunity. Sanger (2008: 71) writes that performance measurement and management has value for citizens and politicians and it can be used to improve service delivery. Service delivery will be enhanced if there is a properly managed performance management system. The value of the performance management system has to be firstly internalised by everyone, and secondly institutionalised. For the performance management system to yield results and become a management tool that monitors, measures and reviews performance of individuals and the organisation, it has to be incorporated into the culture of the department (Ketel and van der Molen 2008: 66). If there is pervasive disenchantment with performance management and performance appraisal systems, then a concerted effort must be made through decisive leadership to change it (Gabris and Mitchell 1985: 317). Performance management and performance culture depends on strong organisational leadership. Organisations, which lack performance leadership then performance management systems are likely to fail.

Without team rewards and sanctions, the approach to performance management within the Department is very individualistic and managers are reluctant to take responsibility for the performance of the Department. Such abdication impacts negatively on the performance of the whole Department. The core business of the KwaZulu-Natal Department of Education is teaching and learning, and ultimately producing acceptable educational outcomes. There has to be a team-based approach to rewards and sanctions for the results produced rather than the present individual-based approach. The performance of the Department is a collective effort of individuals, and therefore everyone has to be responsible for the educational results produced. The results of the organisation based on learner performance in SACMEQ assessments, annual national assessments and matriculation results have to be the purview of everybody without exception. When the organisation performs, it means that individuals are performing. There must be targets, indicators and measurements to align individual performance with organisational performance at every level. The Department has to shift its focus from goals to results. The current goal-oriented approach can be manipulated creating a set of complex and confusing expectations that are unachievable (Nutt and Backoff 1993: 209). Set targets, measure performance and reward or sanction teams.

In accordance with the principal agency theory, greater autonomy is devolved to the SMS members to be creative and innovative and to produce results as specified in a formal performance agreement (Gauld 2007: 18). However, accountability for resources and results is absent in the Department. This is because of the ineffective way in which the performance management system is implemented. Since PMDS is a management tool that is based on collegial and fraternal relationship between supervisor and the supervised, supervisors are wont to demand results from their co-workers thus compromising accountability. This assertion is supported by the Senior-General Manager from the Human Resources and Administration in the KwaZulu-Natal Department of Education, in the following statement:

"It is not a fair and objective tool and in most cases you will find that there is no objectivity in the manager who supervises and measures performance, and people don't want to be seen to be saying unpleasant things to their colleagues, regarding non-performance" (Interview 25 May 2009).

Management has to inculcate new values, which must be communicated to the whole organisation so that a culture of performance and performance management permeates the whole Department (Sanger 2008: 78).

There has to be a more uncompromising way of demanding accountability. Appraisal, monitoring, supervision and feedback are critical for the performance management system in the Department. It emerges that these are not strictly adhered to, resulting in the efficacy of the performance management system being compromised. Data gathering, information on performance and monitoring and evaluation of performance does not happen in the Department McConkie (1979: 35) posits that better data should be used to conduct self and supervisor appraisal.

Without suitable and comprehensive feed back, employees will not be aware of their level of performance and how their performance impacts positively or negatively on the performance of the organisation. Gabris and Mitchell (1985: 314) found that appraisals were non-experiences with the explicit purpose of filling out forms. When appraisal is seen as an exercise in filling out forms and meeting deadlines it compromises individual and organisational performance.

The supervision and appraisal processes have to desist from the practice of simply confirming a self appraisal report with minor adjustments indicating that the supervisor is in control of the assessment process. A one-on-one appraisal must be conducted on at least a quarterly period with written and unwritten feedback.

7.3   RECOMMENDATIONS

Arising out of the above discussion, the following recommendations are made:

7.3.1   Recommendation One: An Integrated Model for Performance Management for Senior Management Service in the KwaZulu-Natal Department of Education

There is a dichotomous approach to performance management particularly in the public service in South Africa and in other parts of the world. The focus is either the individual or the organisation. Emanating from the results of the study it is abundantly clear that a model that integrates the performance of the individual with the performance of the organisation will be more meaningful. It will foster a results-driven approach to work, enhance motivation and cause employees to aspire towards higher levels of productivity. It has the potential for greater goal congruence that can address some of the problems associated with appraisal. The

elegance of the model is its simplicity, and yet it has the potential to align goals and produce better individual and organisational outcomes.

The proposed theoretical model attempts to integrate the performance of the individual with the performance of the organisation. The model is an Integrated Performance Management Development System

FIGURE 7.1:   INTEGRATED MODEL OF PERFORMANCE MANAGEMENT
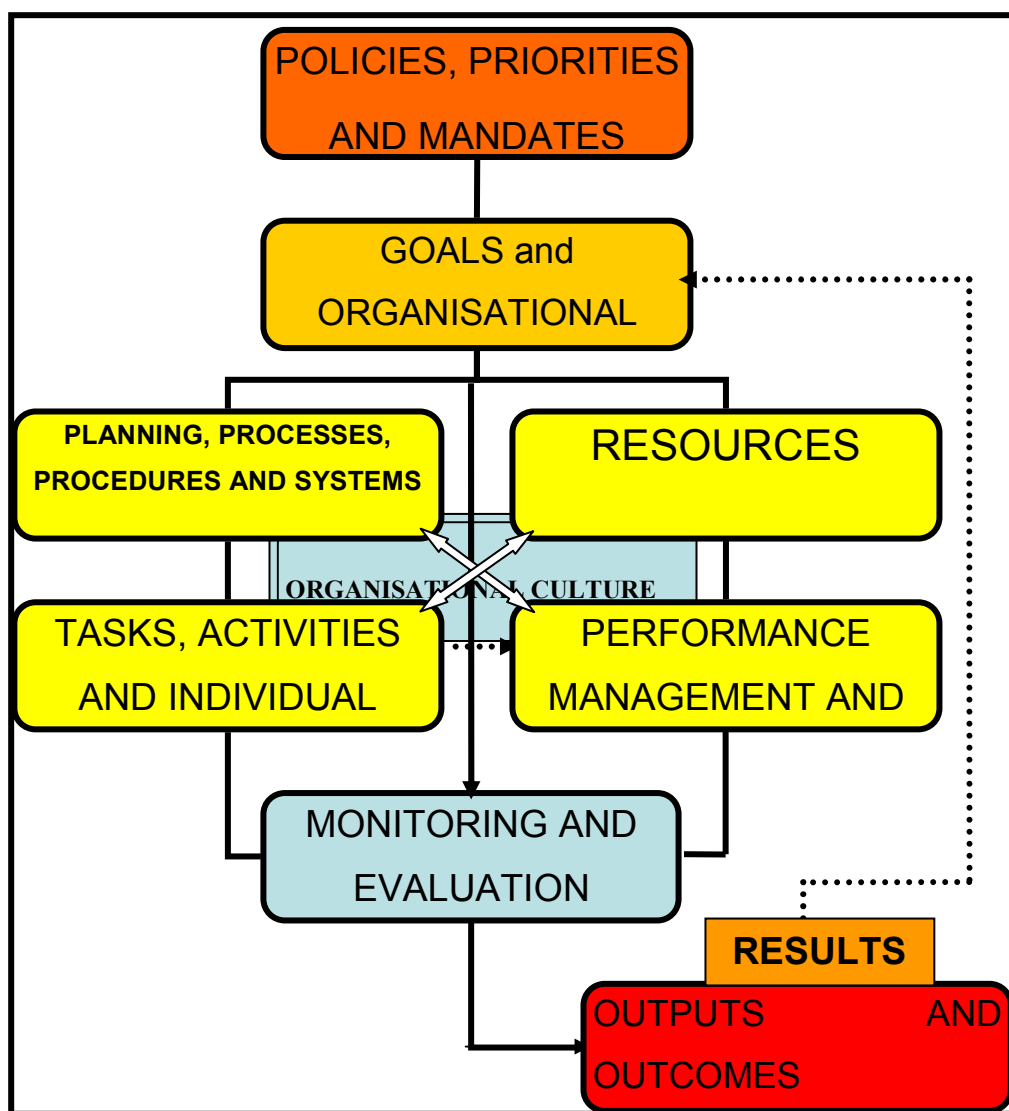
Author's Perspective: Schematic Presentation of Integrated Performance Management and Development System

7.3.1.1   Policies, Injunctions, Mandates and Priorities

According to chapter 10 of the Constitution of the Republic of South Africa, 1996, the public service is established to implement policies that advance the well-being

of the people or to ameliorate conditions that impact negatively on the lives of people. According to Hanekom (1987: 21) either by acts of parliament via legislation or through injunctions, the government of the day is mandated by the Constitution of the Republic of South Africa, 1996 to implement policies. The policies have specific objectives and resources are allocated to give effect to the policies (Schwella *et al* 1996: 24). The policies can be either strategic or operational and they regulate behavioural consistency (Jones 1977: 5). Strategic policies give long-term direction whereas operational policies guide management of operations. In education, the main policies are on curriculum and assessment and on conditions of service for employee. The government has introduced *inter alia*, other policies such as "no-fees school" policy, National School Nutrition Programme and scholar transport to address poverty. These policies determine how the budget is allocated by the national and provincial treasuries. The Head of Department forms the link between political policies that are articulated by the executive authorities and the senior management cadre, who are the clearing-house to ensure that the policies are actually implemented (van der Waldt 2004: 9). The strategic and operational planning processes enable alignment of policy from advent to implementation to monitoring, to evaluation and reporting.

Public policy, according to Sapru (1994: 3), "…is what government chooses as guidance for action". Public policies are not about goal setting. It is distinct from goals. While goals are a means to an end, the policy is the end in itself. Goals and objectives are means towards which action are directed to achieve policy intentions. Policies set the trajectory for the direction that the actions must follow. Policies are about the definitive choice of actions that need to be pursued for goals and objectives to become reality. An issue could be dealt with decisively, or it could be deliberately ignored. Both actions will form part of policy. To be effective, public policies must be converted into government programmes of action that aspire towards achieving the ends enunciated in the policy (Sapru 1994: 5). Furthermore, Behn (2002: 13) writes that policy is also meant to invent new organisations, systems and to create loftier purposes.

Policies are introduced because its intention is to bring about change within a specified environment. People may resist policy changes if an implementation framework for policy changes has not been developed and if people are of the view that sufficient consultation had not taken place.

Alcock *et al* (2000: 3) hold the view that public policy or social policy is concerned with the activities of the state. Government policies and the systems and structures that are established are primarily concerned with improving the welfare of the citizen.

7.3.1.2 Goals, Outcomes and Results

Public policies set the trajectory for departments to realise certain goals, objectives and outcomes, (van der Waldt *et al* 2001: 191). The KwaZulu-Natal Department of Education and all other public service departments aspire to achieve carefully articulated goals and endeavour to obtain certain results. The goals give direction and outcomes are milestone and the targets. Goals have the effect of increasing management control over what has to be accomplished. Management is able to ascertain early if the correct trajectory is being followed and alter course if there deviations. When the goals of the individual are linked with the goals of the organisation it creates an abiding sense of contribution for the employee. A sense of belonging comes over the employee. Employees are motivated when they collectively determine the goals and they tend to perform better (Robbins 2000: 158). When management articulates clearly what is expected, communication is enhanced and the results are more appropriate. It is easier to remedy a situation or institute disciplinary action if standards are breached when everyone knows what is expected. When goals are specific they act and internal stimuli especially for employees to galvanise around goals. Goal congruence, although difficult to attain, is essential if the goals of the department has to be achieved. The needs of the learners, educators and the community have to take precedence over their own needs and therefore everyone has to work collaboratively to achieve the goals of the department (Bates 1993: 25). Everyone, no matter what their position, rank or station in the Department is has to work for the same goals. Accordingly, Bates (1993: 36) asserts that the goals of the public, the goals of the Department and operational goals must be aligned. This means that A=B=C where A is the public, B is Top Management and C is all other employees in the Department. Extraordinary results can be achieved if all in the Department can work towards achieving common results. The positive outcome of goal congruence was amply demonstrated during the FIFA 2010 World Cup held in South Africa. By all accounts it was one of the best organised and financially most successful of football World Cup tournaments (*Daily News*12 July 2010: 1). The common goal

was to have a well organised, incident free tournament, the first of its kind possible in Africa and secondly to break previous financial records. Both goals were achieved. It is possible to deal with the poor state of education in the province, if everyone in the KwaZulu-Natal Department of Education is galvanised into activity over common goals.

7.3.1.3 Planning, Systems Processes and Procedures

It is essential that there is an integrated approach to planning. The strategic plan of the Department must set an internally oriented vision and the mission statement must be specific to the realisation of the vision (Mercer 1991: 20). Politically determine externally oriented, esoteric vision statements do not inspire employees in any organisation and much less so in the KwaZulu-Natal Department of Education. A few pertinent goals collaboratively determined by employees that deal in the main with the core business of the department, namely, teaching and learning should be formulated. Goals that seek to bring about greater efficiency, effectiveness and economical use of resources should also be developed.

Performance planning has to be considerately done, setting out performance measures and targets that will go towards achieving results. Allocating the requisite funds to achieve strategic objectives and targets is critical to enhancing the performance of the organisation. It is essential that the strategic and operational plans be aligned to day-to-day activities (Plant 2006: 5). Each component within the KwaZulu-Natal Department of Education must aspire to achieve pre-determined targets. Senior manager such as senior-general-manager and general mangers must ensure that targets are set using data available and to report on these targets so that a quarterly performance reviews will provide a measure of the extent to which targets are being achieved.

7.3.1.4 Activities, Tasks and Individual Results

Specific goals must be set for employees so that tasks, activities and individual results are aligned to the overall results of the department. All employees must work towards specific targets and performance assessment should eventually be based on the targets. Even in instances where targets are elusive, employees must be able to justify what goods have been produced or services have been rendered for the resources expended. The Public Service SMS Handbook section 7 states that during the implementation phase the identified strategic goals are cascaded

throughout the organisation. This is in line with what has been alluded to earlier, in the goal-setting theory in chapter 3 section 3. 2.1.

Even employees who play a support function will need to have their efforts resonate in the performance of the organisation. Johnston *et al* (2002: 259) note that managers want simplicity in the way performance is measured and managed, so that effect is focused on results than on measurement details.

7.3.1.5   Synthesised Performance Management

Managing the performance of managers is in essence, controlling their behaviour to achieve results. Every effort has to be made to improve productivity. Goals must be clearly articulated. The expected results must be clearly spelt out and every employee must understand what has to be achieved. To foster a results-oriented approach to managing performance, and to increase productivity the organisation must agree on a few pertinent targets that sums up the core business of the organisation. For example, the pass percentage in the matriculation examination or the results of grade 6 learners in nationally set examinations and outcome of audit. The performance of the organisation, the performance of the individual and the opinion of the Auditor-General must form the basis of the overall performance of the individual. Using a combination of factors can address the negative consequences of the "halo effect". Schwella (1996: 71) also points out that the "halo effect" can be detrimental to organisational morale, where the rating of a single characteristic is allowed to influence all the others.

7.3.1.6   Monitoring and Evaluation

The monitoring and evaluation exercise must be pervasive throughout the organisation. The organisational and specific goals and the organisational and specific results must be continuously monitored and evaluated. Once the specific goals are adopted and implemented, it has to be monitored from time to time to ensure that that the results are concomitant with the goals and the outcomes. Periodically, at least once a quarter the outcomes have to be assessed to ascertain whether it is in line with what was determined. Evaluation or assessment for results is thus synonymous with policing, which is concerned with whether the rules are being obeyed and whether the pre-determined outputs and eventual outcomes will be realised (Hanekom 1987: 98-99).

Evaluating achievement, Hanekom (1987: 91) asserts, will provide for greater effectiveness. Aspects which ought to be evaluated include the effects – either short or long-term or positive or negative – of the programmes, projects and tasks as well as the costs. Dissatisfaction that emanate from the monitoring and evaluation process must be address immediately or else the proposed outcomes would not be realised.

7.3.1.7   Financial Management Systems

According to the Public Finance Management Act, 1999 there is an obligation on the part of Accounting Officer, that is, the Head of the Department; to align activities and spending of the Department with clearly defined objectives and targets and to report on the achievements in the Department's annual report which has to be tabled in the provincial legislature. An infrastructure of financial systems must be established to ensure that the resources of the Department are efficiently, effectively and economically. Annually, the Auditor-General has in terms of the Public Audit Act, 2004 Section 4 (2) to examine and audit the finances of the Department and examine and audit organisational performance. Organisational performance is judged in accordance with a series of performance measures. Based on the findings, the Auditor-General arrives at a determination of whether the audit report is unqualified, qualified, a disclaimer or no opinion at all can be rendered.

The opinion of the Auditor-General should be incorporated into the overall performance of the senior management service of the Department. An unqualified audit report should be rated as 100 percent, a qualified audit as 60 percent, a disclaimer 40 percent and no opinion 20 percent.

TABLE 7.1:   RANK AND PROPORTION OF CONTRIBUTION TO OVERALL PERFORMANCE

A percentage of the rating as indicated in table 7.1 should form part of the overall rating of the manager. The contribution can be as follows:

RANK	PROPORTION TO RANK CONTRIBUTION
Head of Department	20%
Senior-General-Managers	20%
General Managers	15%
Managers	10%

Source: Author

7.3.1.8 Appraisal and Results

Rewarding performance or punishing those who do not perform. The performance of the organisation is incorporated into the performance of the individual. The more senior the employee, the more will the performance of the organisation affect the final outcome of performance of the individual and on a sliding scale the performance of the organisation will have a diminishing effect on the overall performance of the individual. Rewards or sanctions will be based on the performance of the organisation and the performance of the individual. The managers in concurrence with the executing authority can determine in advance what will constitute and indicator of the organisational performance. The determinant of the performance of the organisation could be a single indicator such as the end of year matriculation results or the systemic evaluation results for grade 6 or, it could be multiple-indicators that combine or any permutation of indicators. Johnston *et al* (2002: 258) in the study conducted reported that organisations measured their success using a mix of financial, quality and efficiency indicators.

TABLE 7.2: **PERCENTAGE CONTRIBUTION OF ORGANISATIONAL PERFORMANCE, INDIVIDUAL PERFORMANCE AND AUDIT PERFORMANCE TO OVERALL PERFORMANCE**

Table 7.2 shows the overall rating for each level of management

RANK	ORGANISATIONAL PERFORMANCE	INDIVIDUAL PERFORMANCE	AUDIT	OVERALL PERFORMANCE
Head of Department	50%	30%	20%	100%
Senior- General Manager	40%	40%	20%	100%
General Manager	30%	55%	15%	100%
Manager	20%	70%	10%	100%

Source: Author

A percentage of the organisational performance, a percentage of audit-outcome plus a percentage of the key result areas (key performance indicators) will form the basis of the overall rated performance of the individual.

Matriculation results for KwaZulu-Natal Department of Education for 2009 was: 61.3 percent and an unqualified audit. The Head of Department's assessment of key result areas was 80 percent. The overall rating is (61.3 % x 0.5) + (80%x 0.3) + (100x0.2) = 74.65%. With the current system of performance management and development based on key result areas and competency rating, the score is 85% which would have qualified the Head of Department for a performance incentive of 10%, whereas with the proposed model, the Head of Department would qualify for a 6% performance- related pay.

7.3.1.9   Performance-Related-Pay

It is important to create incentives for managers to perform and to ensure that programmes of government are indeed implemented and that the communities benefit from the services rendered. The proposed performance-related-pay can be determined as follows:

TABLE 7.3:   OVERALL RATING AND PERFORMANCE INCENTIVE

In table 7.3 the overall rating and the performance related incentives are reflected.

OVERALL RATING	PERFORMANCE-RELATED-INCENTIVE
A= 80% to 100%	10 %
B= 70% to 79%	6 %
C= 60% to 69 %	4 %

Source: Author

An A rating will equate to the organisational performance and the individual performance of between 80 to 100 percent and the reward or merit pay is a once of 10 percent payment of the total salary package per annum. B rating is between 70 and 79 percent and it qualifies for 6% merit pay and C is between 60 and 69 percent and the merit pay is 4 percent. When the organisational performance is incorporated into the overall performance of the individual it has the potential of bringing about greater objectivity in the performance appraisal.

7.3.1.10   Competency Assessment

Assessment of competency should not form part of the appraisal process. Competency assessments must be done twice in a five-year cycle, the first time is immediate after the interview and again after three years. The outcome of competency assessment should be used both for selection of employees, for training and development and for retention of managers. If there is no significant improvement in competence and ability between the first and the second cycle of assessment then it can be used as a factor t decide whether the incumbent's contract should be renewed or not. Competency assessments must be conducted by external service providers so that objectivity can be maintained at all times.

As indicated by 65% of managers, little attention has been given to human resource management, training and development, yet there is an obsession about financial management and project management in the Department (Pollitt 1996: 82).

7.3.2   Recommendation Two: Fixed-term Performance Contract

A team approach to performance management should be adopted. A manager cannot be performing satisfactorily if the entire team under his/her charge is performing poorly. Similarly, the corollary is that the organisation cannot perform poorly if all the individuals are performing above expectation. There has to be semblance of synergy and congruence between the performance of the individual and the performance of the individual. As discussed above it is recommended that the results obtained by the organisation must be incorporated into the final assessment of the individual.

Besides the Head of Department, all other Senior Managers are not bound by five-year fixed term contracts. It is recommended that all Senior Managers be subjected to a five-year performance contract that is renewable and their continued employment and tenure will be dependent on their performance over the previous five years. When public officials are employed for life their performance wanes, their morale and the morale of the organisation is affected. Owen (2003: 163) states:

> "If public servants do not expect to be employed for life, they should have fewer morale problems than those earlier employees who thought that they would be".

Security of tenure comes with its own set of problems. Employees treat the organisation as their fiefdom, mediocre performance becomes the norm and pay progression is taken for granted. A fixed term contract with specific performance targets will ensure that individual performance is high, resulting in much higher organisational performance than in instances where there is no fixed term contract. It would reward those managers who are prepared and weed out those who laggards see the public service as a place for an easy life.

7.3.3 Recommendation Three: Assessing Competency

The suitability of core management criteria must be revisited and competency assessment should not for part of the appraisal process. Daley (1992: 178) states that skills and abilities can be used as criteria for assessing performance, however, behaviours are inadequate to differentiate between different performance levels. It merely indicates what is necessary to perform a job adequately.

Skills development is a core element of the PMDS and the Department and having a provincial skills development units staffed with both professional and administrative personnel is essential to addressing the developmental needs of the Senior Management Members. Particular attention should be paid to recruiting highly specialised personnel who can address the developmental needs of personnel, across the education spectrum. Funding for this may be easily available through accessing the Skills Development Fund levy. These Skills Development Units can be operative at both Head Office and district levels. Managers must undergo competency assessment prior to appointment and half way through the fixed five year contract another assessment should be conducted to ascertain the progress made and to provide further training and development where necessary. It should be done by external agencies for development purposes. Managers who fail to make progress despite having undergone training and development programmes should have their contracts terminated. This action would not in anyway constitute unfair labour practice (Labour Relations Act, 1996 section 186).

7.3.4 Recommendation Four: External Moderators

The element of bias in any appraisal or performance management system is omnipresent. To ensure that there is fairness and objectivity in the individual assessment process it is recommended that external moderators be engaged to

provide such a service. Since after five years the continued tenure of a manager will be based on performance, an external arbiter's role becomes ever so important.

7.3.5   Recommendation Five: Goals and Objectives Linked to Individual Outputs and Organisational Outcomes

There is scope for further research on setting of goals and objectives in government departments and eliciting whether the current programme based budgeting actually supports the achievements of goals and objectives. It is recommended that future research on performance management in public service organisations should focus on whether goals and objectives are linked to individual outputs and organisational outcomes and whether there is goal congruence in the activities and outputs of employees and the overall strategic direction of the Department.

7.3.6   Recommendation Six: Resource Goals

It is recommended that in order to promote a performance and results-oriented culture that goals have specific targets and that resources are allocated against each target. This will render the programme–based approach to budgeting, currently used by National and Provincial Treasuries, obsolete.

Sarin and Winkler argue that (1980: 1141) goal-based incentive plans enable the setting of goals for each specific criterion in a policy proposal and evaluation is based on the actual performance and its relationship to the said goal.

The outcome of performance assessments/appraisal must be factored into the career advancement of individuals in public service departments. A data base of performance assessment scores must be available through the Department of Public Service and Administration.

7.3.7   Recommendation Seven: Sanctions

Any performance management system is as good as the people who implement it. The analysis of the data in chapter 6 indicates that there are hardly incentives or sanctions for either good performance or poor performance respectively. It has been indicated in section 3.1.9 above how the appraisal process can culminate in positive rewards concomitantly there must be sanctions for poor and non performance. Mechanisms must be put in place to deal with non-performance, non-compliance and poor performance to strengthen performance management in the Department specifically and in the public service generally.

7.3.8   Recommendation Eight: Designing Specific Performance Agreements and Work Plans

The Department should have specifically designed performance agreements with work plans that cater for both direct delivery and support staff. As indicated in Chapter 1 section 1.6 that: not everyone is responsible for the direct delivery of services, many play a support role and therefore the performance agreement and work plans must address their specific needs. Accordingly, Holmstrom (1982: 324) observed that employees, particularly in the public service, provide two kinds of services: one being, supplying inputs for production (activity) and the other is processing information for decision-making (support). Therefore the assessment for performance cannot be the same. This dichotomy has to be addressed through specifically designed performance agreements and work plans.

7.4   SUMMARY

The seeds of a performance oriented public service in South Africa in general, and the KwaZulu-Natal Department of Education in particular have slowly begun to germinate. For it to take root, grow to its full potential and blossom, it requires hard work and a new performance and results-oriented organisational culture. Performance leadership is required to create a performance management system that will ultimately produce the results.

A new performance oriented culture has to be created in the Department. This culture must permeate throughout the whole Department and must become pervasive or else history will judge it harshly if it continues to fail the children.

It is concluded that performance management in the Department is dealt with in a rather mechanistic and superficial way. Accountability for resources and actions is not demanded and therefore denied, Monitoring of individual performance is poor and feed back and the quality of feed back are absent.

The conclusions and recommendations emanating from this study must provide the impetus, to translate the Department's goals and objectives into measurable results.

In the final analysis, it is hoped that this study will contribute to understanding the public service performance management system, and that the relevant powers and

authority will take heed and implement some of the recommendations, if not all of them.

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Daily News, 12 July 2010.

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Dr R. C. Lubisi, Head of Department, KwaZulu-Natal Department of Education. Date: 15 October 2009.

Ms L. C. Mbobo, Senior-General Manager: Human Resources and Administration. KwaZulu-Natal Department of Education, Date: 25 May 2010.

Mr N. G. Ngcobo, General Manager: Human Resources Management, KwaZulu-Natal. Department of Education. Date: 7 May 2010.

Ms N. J. Dlamini, General Manager: Coastal Cluster, KwaZulu-Natal Department of Education. Date: 26 October 2009.

Mr C. P. Lancaster, General Manager: Midlands Cluster, KwaZulu-Natal Department of Education. Date: 21 June 2010.

Mrs A. P. Majozi, Manager: Provincial Examination Administration, KwaZulu-Natal Department of Education. Date: 21 May 2010.

Mrs T. P. J. Khoza, Manager: Strategic Management Support, KwaZulu-Natal Department of Education. Date: 20 November 2009.

Mrs B T Dlamini, Manager: Curriculum- Further Education and Training, KwaZulu-Natal Department of Education, Date: 14 May 2010.

Computer Software

Statistical Package for the Social Sciences, Version 17, Microsoft.

CONSENT TO PARTICIPATE

DECLARATION BY PARTICIPANT

I……………………………………………………………………(full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project.

I understand that I am at liberty to withdraw from the project at any time, should I so desire.

I wish to participate by completing the questionnaire (tick if yes)

I wish to participate in the interview (tick if yes)

I wish to participate in the focus group discussions (tick if yes)

_____   _____

SIGNATURE OF PARTICIPANT   **DATE**

INVITATION TO PARTICIPATE IN RESEARCH PROJECT
DECLARATION OF INFORMED CONSENT

INTRODUCTION

Please be informed that I, Devan Singh, acting manager in the Directorate: Monitoring and Evaluation of the KwaZulu-Natal Department of Education is undertaking research for a doctoral thesis on performance management and development systems for senior managers in the Public Service.

Consent to conduct this research has been obtained from Dr R C Lubisi, Superintendent-General of the KwaZulu-Natal Department of Education.

In order for me to collect data from the senior management cadre of the KwaZulu-Natal Department of Education I need to obtain your consent to proceed with the administration of a questionnaire and to interview a sample of managers . It is also the intention of the researcher to form a focus group to examine certain fundamental issues pertaining to performance management systems in the Public Service.

THE TITLE OF THESIS

Performance Management and Development System for Senior Managers in the South African Public Service. A Case Study of the KwaZulu-Natal Department of Education.

OBJECTIVES OF STUDY

The objectives of the study are:

- Examine linkages between performance of individuals and the performance of operational units in public sector organisations.
- Elicit whether there is linkage between the performance of individuals and organizational outcomes.
- Establish whether there is correlation between the performance of operational units and organizational outcomes.
- Ascertain whether the performance appraisal system focuses on behaviour or does it focus on performance.
- Investigate whether the design features of performance management and development systems support the achievement of strategic organizational goals.

NAME AND CONTACT DETAILS OF THE INVESTIGATOR

The research is being conducted by Devan Singh as part of a doctoral programme.

The contact details of Mr Singh are as follows:

Address: 3 Lobster Crescent, Seatides, Desainagar, 4399

Telephone: 033-8465550 [Office]   [Cell] 0837931107

NAME AND CONTACT DETAILS OF SUPERVISOR.

Prof D Sing

University of KwaZulu-Natal

Faculty of Management Studies

School of Public Administration

Address:

Telephone: 031-2607951

EXPLANATION OF HOW THE SUBJECT WAS IDENTIFIED:

The need for the study emanates from the fact that the researcher has observed in the performance of his work in the KwaZulu-Natal Department of Education in the Directorate: Monitoring and Evaluation that there seems to be disjuncture between individual performance and expected organisational performance.

The observation of this disjuncture has precipitated the need to investigate the matter fully and to make proposals to the architects of the policy on performance management and development systems so that corrective action may be taken, if necessary.

Since the study pertains specifically to the senior management cadre of the Department, it is the wish of the researcher to have all senior managers ie. Director-level upwards, participate in the research.

REQUIREMENTS OF THE SUBJECTS WHO AGREE TO PARTICIPATE

If you agree to participate in the research, you will be expected to complete a questionnaire of multiple choice type questions and open-ended questions.

The questions are related to your work environment and no questions of a personal nature will be asked.

The approximate time it would take to complete the questionnaire will be 60 minutes. You are expected to respond once only to the questionnaire. However, those who agree to form part of a focus group you will be expected to convene more than once.

A sample of members of the Senior Management cadre in the Department will also be interviewed so that data gathered through questionnaires can be validated and triangulated.

POTENTIAL BENEFITS TO BE DERIVED FROM PARTICIPATING IN THE STUDY

The potential benefit of your participation in the study is that you will be able to gain a better understanding of the performance management system environment as it pertains to senior managers in the Public Service.

The study will also seek to assist policy makers improve the performance management system for all senior managers.

PAYMENTS OR REIMBURSEMENTS.

Participation in the research project is purely voluntary and there shall be no payment for participation.

USE of WRITTEN, AUDIO OR VIDEO RECORDINGS MADE,

You are informed that all interviews will be recorded and these will be dealt with in the strictest of confidence.

There will be no video recording and where written responses are requested these will not be divulged to any unauthorized persons.

DISPOSAL OF GATHERED DATA

The hard copy data will be kept under lock and key for a period of three years and thereafter personally shredded using a mechanical shredder.

Electronic data will be encrypted and stored so that it is not accessible to unauthorized persons.

CONFIDENTIALITY OR ANONYMITY AS APPROPRIATE

Confidentiality of information provided will be protected by the researcher and names will not be divulged in research reports where this is specifically requested. Where persons wish to participate in the research under conditions of anonymity this will be most welcome.

PARTICIPATION AT OWN VOLITION AND FREE WILL

A decision to participate will not result in any form of disadvantage to respondents. Participation is absolutely voluntary and that participants are free to withdraw from the study at any stage and for any reason.

UNIVERSITY OF
KWAZULU-NATAL

RESEARCH OFFICE (GOVAN MBEKI CENTRE)
WESTVILLE CAMPUS
TELEPHONE NO.: 031 – 2603587
EMAIL   : sshrec@ukzn.ac.za

8 SEPTEMBER 2010

Mr. D Singh (7811245)
School of Public Administration

Dear Mr. Singh

PROTOCOL REFERENCE NUMBER: HSS/0728/08D
NEW PROJECT TITLE: Performance Management and Development System for Senior Managers in the Public Service: A case study of the KwaZulu-Natal Department of Education

<u>APPROVAL AND CHANGE OF DISSERTATION TITLE</u>

I wish to confirm that ethical clearance has been granted full approval for the above mentioned project:

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach/Methods must be reviewed and approved through an amendment /modification prior to its implementation.   In case you have further queries, please quote the above reference number. PLEASE NOTE: Research data should be securely stored in the school/department for a period of 5 years

Best wishes for the successful completion of your research protocol.

Yours faithfully

....
PROFESSOR STEVEN COLLINGS (CHAIR)
HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE

cc. Supervisor – Prof. D Singh
cc. Mrs. C Haddon

UNIVERSITY OF KWAZULU-NATAL
SCHOOL OF PUBLIC ADMINISTRATION

DOCTORATE IN PUBLIC ADMINISTRATION

TITLE OF DOCTORAL RESEARCH

PERFORMANCE MANAGEMENT SYSTEMS FOR THE SENIOR MANAGERS IN THE SOUTH AFRICAN PUBLIC SERVICE: A CASE STUDY OF THE KWAZULU-NATAL DEPARTMENT OF EDUCATION

In April 2002, the Department of Public Service and Administration introduced the Performance Management and Development System. The reason for the introduction of such a system was to improve individual productivity and enhance organizational performance that will result in improved service delivery and greater satisfaction to those receiving such services.

The purpose of this survey is to solicit information from the Senior Management Service in the KwaZulu-Natal Department of Education regarding the Performance Management and Development System. The information you provide will go a long way in helping to identify challenges that could be referred to policy makers for consideration and deliberation.

The questionnaire should only take 45-60 minutes to complete. In this questionnaire, you are asked to indicate what is true for you, so there are no "right" or "wrong" answers to any question. If you wish to make any comments that

will aid in enhancing the quality of the research, please write it directly on the

booklet itself. Make sure not to skip any questions.

All information will be treated in the strictest of confidence and no personal details

will be divulged in the research report.

Thank you for participating!

INSTRUCTIONS TO RESPONDENTS

- Please note that the above-mentioned student is undertaking research on performance

   management systems for the Senior Management Services in the South African Public

   Service as part of a doctoral research programme.
- He is eliciting the views of the Senior Management Service in the KwaZulu-Natal Department of Education.
- Your participation in this research project is voluntary.
- In order for you to be an informed participant, you must to firstly read and complete the attached informed consent form.
- Thereafter, kindly complete the questionnaire and return to Devan Singh on or before 31 MAY 2010.

NOTE WELL

All information will be treated in the strictest of confidence.

SECTION A

BIOGRAPHICAL DETAILS OF RESPONDENTS

NAME:

……………………………………………………………. (Optional)

CONTACT DETAILS: (Optional)

………………………………… (o/h)

………………………………… (fax)

………………………………… (cell)

………………………………… (e-mail)

AGE

25-35		01
36-45		02
46-55		03
56-65		04

GENDER

Male		01
Female		02

RACE

African		01
Indian		02

Coloured		03
White		04

DESIGNATION

Superintendent-General		01
Senior General Manager		02
General Manager		03
Manager		04
Other (Specify)		05

HIGHEST QUALIFICATION

Doctoral Degree		01
Masters Degree		02
Honours Degree		03
Bachelors Degree		04
Diploma		05
Certificate		06
Other (Specify)		07

SECTION B

KINDLY COMPLETE THESE QUESTIONS AS BEST AS YOU CAN

1. What is your understanding of the Performance Management and Development System (PMDS) as it is applicable to the Senior Management Service in the South African Public Service?

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2. Discuss whether the Performance Management and Development System has been able to
promote productivity?

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3. To what extent do you think are the under-mentioned11 Core Management Criteria in PMDS
listed below, suitable for achieving the Department's objectives?

| 9. Client Orientation and Customer Focus |
| 10. Communication |
| 11. Honesty and Integrity |
| 3. Financial Management |
| 4. Change Management |
| 5. Knowledge Management |
| 6. Service Delivery Innovation |
| 7. Problem Solving and Analysis |
| 8. People Management and Empowerment |

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4. What in your view is the relationship between individual performance and the Department's

performance? Motivate you response

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5. Explain the relationship between your Key Result Areas and the goals/strategic objectives of the
    Department?

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6. Describe the steps that you follow when appraising the performance of co-workers?

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7. What internal arrangements exist in your Branch to support the achievement of the Department's
    goals and objectives?

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8.　Explain how the performance management and development system is used to identify areas for

　　professional development?

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9.　In what ways are the performance management and development system used to manage the

　　career paths of the senior managers?

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10. How do think the Performance Management and Development System in the Department can be
        improved?

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11. Provide a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the
        Performance Management and Development Systems as it applies to the SMS members in the
        Department

STRENGTHS:

WEAKNESSES:

OPPORTUNITIES:

THREATS:

SECTION C

PLEASE COMPLETE THE TABLES BELOW

1. COMPETENCY AND ORGANISATIONAL EFFECTIVENESS

1.1.In making SMS	Strongly	Disagree	Neither Agree	Agree	Strongly

appointments, the Department places emphasis on the following:	Disagree		nor Disagree		Agree
	01	02	03	04	05
1.1.1. Competency					
1.1.2. Values					
1.1.3. Skills					
1.1.4. Attitudes					
1.1.5. Knowledge					
1.1.6. Qualifications					
1.1.7. Experience					

1.2. SMS appointments are based on network links	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

1.3. Equity targeting in the SMS compromises organizational effectiveness	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

1.4. Are the under-mentioned Core Management Criteria appropriate for the requirements for the KZNDoE?	YES	NO
1.4.1 Strategic Capability and Leadership	01	02
1.4.2 Programme and Project Management	01	02
1.4.3 Financial Management	01	02
1.4.4 Change Management	01	02
1.4.5 Knowledge Management	01	02
1.4.6 Service Delivery Innovation	01	02
1.4.7 Problem Solving and Analysis	01	02
1.4.8 People Management and Empowerment	01	02

1.4.9 Client Orientation and Customer Focus	01	02
1.4.10 Communication	01	02
1.4.11 Honesty and Integrity	01	02

1.5. Rank from 1 to 11 the Core Management Criteria in order of their importance for you.	Ranking	
1.5.1. Strategic Capability and Leadership		01
1.5.2. Programme and Project Management		02
1.5.3. Financial Management		03
1.5.4. Change Management		04
1.5.5. Knowledge Management		05
1.5.6. Service Delivery Innovation		06
1.5.7. Problem Solving and Analysis		07
1.5.8. People Management and Empowerment		08
1.5.9. Client Orientation and Customer Focus		09
1.5.10. Communication		10
1.5.11. Honesty and Integrity		11

1.6. Do SMS members have measurable service delivery targets?	YES	NO
	01	02

1.7. Can the results of the Department be linked to performance of individuals?	YES	NO
	01	02

1.8. Can the results of the Department be linked to the performance of teams?	YES	NO
	01	02

1.9. Are the design features of the PMDS instrument suitable to measure individual performance?	YES	NO
	01	02

1.10. Does an unqualified audit report imply improved organizational performance?	YES	NO
	01	02

2. ORGANISATIONAL EFFICIENCY, EFFECTIVENESS AND ECONOMICAL USE OF RESOURCES

2.1. Effectiveness in the Department is compromised because of low levels of competency	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

2.2. Resources are expended without outcomes being achieved	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

2.3. Can your performance be measured in terms of the following:	YES	NO
	01	02
2.3.1. Quality?		
2.3.2. Quantity?		
2.3.3. Cost?		
2.3.4. Time?		
2.3.5. Process?		

2.4. Is your effectiveness measured in terms of;	YES	NO
	01	02
2.4.1. Quality?		
2.4.2. Quantity?		
2.4.3. Cost?		
2.4.4. Time?		
2.4.5. Process?		

2.5. Are processes measurable?	YES	NO
	01	02

2.6. Are there systems in place to measure individual-efficiency?	YES	NO
	01	02

2.7. Are there systems in place to measure individual effectiveness?	YES	NO
	01	02

2.8. Are there systems in place to measure team-efficiency?	YES	NO
	01	02

2.9. Can the effectiveness of individual performance be assessed in terms of the Department's measurable objectives?	YES	NO
	01	02

2.10. Are there systems in place to measure economical use of resources by individual?	YES	NO
	01	02

2.11. Has the Performance Management System resulted in judicious use of resources?	YES	NO
	01	02

2.12. Is the SMS members Key Result Areas linked to the strategic plan of the Department?	YES	NO
	01	02

2.14. Is the SMS members Key Result Areas linked to the Department's budget?	YES	NO
	01	02

2.1.5. Are you given the autonomy to set your own performance targets?	YES	NO
	01	02

2.1.6. Do you design your own performance indicators?	YES	NO
	01	02

3. RESULTS DRIVEN ORGANISATIONAL CULTURE

3.1. Strategic planning processes are linked to operational planning processes	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

3.2. Operational planning processes are linked to work-planning processes	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

3.3. All planning processes are linked to the budget	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

3.4. All planning processes linked to defined KRAs	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

3.5. Are SMS members work plans linked to the Department's measurable objectives?	YES	NO
	01	02

3.6. Are SMS members targets linked to Department's Service Delivery Indicators?	YES	NO
	01	02

3.7. Do SMS members have specific objectives?	YES	NO
	01	02

3.8. Do SMS members have specific measurable targets?	YES	NO
	01	02

3.9. SMS members have specific targets set by:	RANK ORDER	
3.9.1. Superintendent-General		01
3.9.2. Line-Function Senior-General Manager		02
3.9.3. Chief Financial Officer		03
3.9.4. General-Manager		04
3.9.5. Manager		05
3.9.6. None of the above		06

3.10. Performance Management System promotes a results driven Department	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

3.11. All budgeting processes are linked to Service Delivery Indicators	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

4. INDIVIDUAL PERFORMANCE VERSUS ORGANISATIONAL OBJECTIVES

4.1. SMS members work towards specific goals	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

4.2. SMS members work towards specific strategic objectives	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

4.3. Are SMS members' work plans designed to achieve specific goals?	YES	NO
	01	02

4.4. There is a lacuna between individual	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

performance and the Departments objectives	01	02	03	04	05

4.5. Is there a relationship between the Department's goals and the individuals work programme?	YES	NO
	01	02

4.6. Do the internal arrangements support the achievement of organizational objectives	YES	NO
	01	02

4.7. The bonus system promotes higher levels of productivity	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

4.8. Feedback is given to SMS members regarding their performance	YES	NO
	01	02

4.9. Is the matriculation results a measure of a SMS members individual performance?	YES	NO
	01	02

4.10. Can matriculation results be a measure of the Departments Performance?	YES	NO
	01	02

4.11. Can matriculation results be a measure of the your performance?	YES	NO
	01	02

4.12. Can systemic evaluation results be a measure of the Departments performance?	YES	NO
	01	02

4.13. Can the Departments systemic evaluation results	YES	NO

be a measure of your performance?	01	02

4.14. Should a single generic assessment instrument be used for all Public Service managers.	YES	NO
	01	02

4.15. Your key results areas support the goals of the Department.	YES	NO
	01	02

4.16. Your key results areas has resonance in the Department's Annual Performance Plan.	YES	NO
	01	02

4.17.Have you undertaken a 5 day deployment to a service delivery point in the Department in;	YES	NO
	01	02
2008/09?		
2007/08?		
2006/07?		

5. MANAGEMENT OF CAREERS TO PROMOTE ORGANISATIONAL RESULTS

5.1. Does competency assessment form the basis for personal development plans in the Department?	YES	NO
	01	02

5.2. Is career advancement based on individual performance?	YES	NO
	01	02

5.3. Performance Management in the Department is a desktop exercise	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

5.4. Performance Management	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

in the Department is done for compliance purposes	01	02	03	04	05

5.5. PMDS is viewed as a punitive management tool towards errant managers	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

5.6. PMDS promotes individual growth and development	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

5.7. PMDS promotes career advancement	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

6. MONITORING AND EVALUATION

6.1. Is the appraisal process impartial?	YES	NO
	01	02

6.2. Are there procedures in place to deal with incompetence?	YES	NO
	01	02

6.3. Are there procedures in place to deal with non-compliance?	YES	NO
	01	02

6.4. Is there close monitoring of co-workers' performance?	YES	NO
	01	02

6.5. Do SMS members have planned quarterly reviews?	YES	NO
	01	02

6.6. Is the performance of SMS members closely monitored?	YES	NO
	01	02

6.7. Evaluation reports are provided to co-workers by supervisors	YES	NO
	01	02

6.8. The moderation process is open and transparent	YES	NO
	01	02

6.9. There are mechanisms in place to deal with non-performance	YES	NO
	01	02

6.10. There are mechanisms in place to deal with poor performance.	YES	NO
	01	02

6.11. Does the moderating committee play an effective role?.	YES	NO
	01	02

6.12. Indicate by way of tick/s when performance review is conducted		
Monthly		01
Quarterly		02
Annually		03
Not at all		04
Other (Specify)		05

	Strongly Disagree	Disagree
6.13. Do acts of poor performance receive censure supervising managers	01	02

6.14. Accountability for performance is taken seriously by the Department.	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

6.15. Performance Management System monitors traits over results	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
	01	02	03	04	05

6.16 Rank from 1 to 5, Who takes responsibility for ensuring that the Performance Management Systems receive the desired attention and organizational effectiveness?		
MEC		01
Superintendent-General		02
Senior-General Manager		03
General-Manager		04
Manager		05

THANK YOU FOR YOUR TIME

RESEARCHER: DEVAN SINGH

CONTACT DETAILS:

083 793 1107 (cell)

033-3921085 (o/h)

033-3921225 (fax)

Devan.Singh@kzndoe.gov.za (e-mail)

SUPERVISOR: Prof D Sing (Office Telephone number :031-2607219)

LANGUAGE PRACTITIONER'S CERTIFICATE
M Moodley, D. Litt (UNZ)

P O Box 19542
Dormerton
Durban
4015
Date: 16 August 2010

TO WHOM IT MAY CONCERN

I Manogarie Moodley, hereby certify that:

The thesis entitled, *Performance Management and Development System for Senior Managers in the Public Service: A Case Study of the KwaZulu-Natal Department of Education* has been edited for technical accuracy.

In addition, it has been ensured that, the language used is contextually appropriate.

Yours sincerely

Dr M Moodley
Language Editor

Devan Singh
3 Lobster Crescent
Seatides
Desainagar
4399

TO: Respondent

————————————————

————————————————

DECLARATION OF CONFIDENTIALITY

Thank you for indicating your willingness to participate in the focus-group discussions for the under-mentioned research project.

Performance Management Systems for Senior Managers in the Public Service. A case study of the KwaZulu-Natal Department of Education.

Assurance is hereby given that confidentiality of information provided will be safeguarded with utmost integrity by the researcher and names will not be divulged in research reports.

A decision to participate will not result in any form of disadvantage to respondents. Participation is absolutely voluntary and that participants are free to withdraw from the study at any stage and for any reason.

The researcher gives an undertaking not to abuse his position in the Department by divulging information to persons who ought not to be privy to such information.
Information provided will not in anyway prejudice your continued employment in the Department.

Trust in your co-operation

————————————————

DEVAN SINGH
Student Number: 7811245

PROVINCE OF KWAZULU-NATAL
ISIFUNDAZWE SAKWAZULU-NATALI
PROVINSIE KWAZULU-NATAL

DEPARTMENT OF EDUCATION
UMNYANGO WEMFUNDO
DEPARTEMENT VAN ONDERWYS

Telephone : 033 8465141
Fax 033 8465186

Private Bag X9137
Pietermaritzburg
3200

228 Pietermaritz Street
Pietermaritzburg, 3201

INHLOKOHHOVISI	HEAD OFFICE	PIETERMARITZBURG
Enquiries: Imibuzo: TA Gumede Navrae: 0338465000	Reference: Inkomba: Research Verwysing D Singh	Date: Usuku: Datum 20 MAY 2008

Mr D Singh
3 Lobster Crescent
Seatides
4399

Sir,

PERMISSION TO CONDUCT DOCTORAL RESEARCH

Your letter dated 17 May 2008 has reference.

Please be informed that the above-mentioned department hereby grants you consent to conduct research on performance management and development systems that have been implemented among the senior managers in the department.

It would be appreciated if a research report can be made available once the research is finalized.

I wish to take this opportunity of wishing you every success with your doctoral studies.

Kind regards

R C Lubisi, PhD
Superintendent-General
KZN Department of Education

SCHOOL OF MANAGEMENT STUDIES

May 17 2008

The Superintendent-General
KwaZulu-Natal Department of Education
Private Bag X9137
Pietermaritzburg
3200

PERMISSION TO CONDUCT RESEARCH AS PART OF THE DOCTORATE IN PUBLIC

Name: DEVAN SINGH

Student No: 7811245

Dissertation Topic: Performance Management and Development System for Senior Managers in the South African Public Service: A Case Study of the KwaZulu-Natal Department of Education.

It is a requirement for a Doctorate in Public Administration that all students undertake a practical research project, in their final year of study.

Typically this project will be a "practical problem solving" exercise, and necessitates data gathering by questionnaires or interviews.

Your assistance in permitting access to your organization for purposes of this research is most appreciated. Please be assured that all information gained from the research will be treated with the utmost circumspection. Further, should you wish the result from the thesis "to be embargoed" for an agreed period of time, this can be arranged. Confidentiality and anonymity will be strictly adhered to by the student.

If permission is granted the UKZN requires that this to be in writing on a letterhead and signed by the relevant authority.

Yours sincerely

_____

DEVAN SINGH