An Evaluation of a Performance Management system within a division of a large organisation in the public sector

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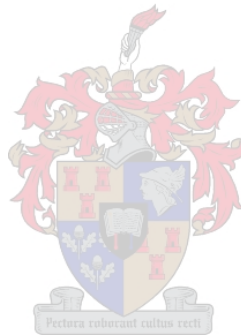**Supervisor**

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March 2007

DECLARATION

I, the undersigned, hereby declare that the work contained in this thesis is my own original work
and that I have not previously in its entirety or in part submitted it at any university for a degree.

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ABSTRACT

Today's competitive and dynamic business world, solicits ever higher levels of performance and productivity. At the core of this drive to higher performance is the enhancement and managing of employees' performance through a Performance Management system. Performance Management however, is a very complex, multi-dimensional and integrated system with a number of interacting critical prerequisites. Even in ideal circumstances, these fundamental elements would, in all likelihood, not all be satisfied during the initial phases of implementing a Performance Management system.

The concern existed, on the basis of the abovementioned probabilities, that the Performance Management system of the Children and Families Division (CAF) of the Department of Health and Human Services (DHHS) of Tasmania, Australia, was not enjoying optimal operational effectiveness. The aim of this study was to identify those factors in the system that are underdeveloped, possibly unsuccessfully implemented or in need of attention as they impact negatively on the effective running of the CAF's Performance Management system.

A suitable tool for this diagnostic purpose already exists in the form of the Performance Management Audit Questionnaire (PMAQ), developed by Spangenberg and Theron (1997). Through administering and analysing the PMAQ results, the CAF could obtain a clear indication of the system's current effectiveness and would be able to identify where the problem areas are in order to refine the system for greater operational effectiveness.

The results successfully identified the underdeveloped or absent areas of the organisation's current Performance Management system. The results further found a clear difference between managerial and non-managerial perceptions of the effectiveness of the Performance Management system. The implications of these findings are discussed in terms of proposed remedial actions that could be implemented to address the problem areas.

OPSOMMING

'n Konstante strewe na steeds hoër vlakke van prestasie en produktiwiteit is aan die orde van die dag in die huidige hoogs kompeterende en dinamiese besigheidswêreld. Die verbetering en bestuur van werknemers se prestasie deur middel van 'n Prestasiebestuurstelsel, blyk 'n sleutel te bied tot hierdie strewe na hoër prestasie. Prestasiebestuur is egter 'n hoogs komplekse, multi-dimensionele en geintegreerde stelsel met 'n aantal interverwante kritieke vereistes. Selfs onder ideale omstandighede, sou dit onwaarskynlik wees dat al hierdie fundamentele elemente aangespreek sou kon word gedurende die anvanklike fases van die implementering van 'n Prestasiebestuurstelsel.

In die lig van die bogenoemde waarskynlikhede, het daar spesifiek twyfel geheers oor die mate waartoe die Prestasiebestuurselsel van die 'Children and Families' (CAF) afdeling van die 'Department of Health and Human Services (DHHS) in Tasmanië, Australie, optimale operasionele effektiwiteit weerspieël. Die doel van hierdie studie was om die faktore binne die stelsel te identifiseer wat onderskeidelik onderontwikkeld, onsuksesvol geimplementeer, of aandag benodig het ten einde hulle negatiewe impak op die effetiewe bedryf van die CAF se Prestasiebestuurstelsel aan te spreek.

'n Geskikte hulpmiddel vir so 'n diagnostiese doelwit het reeds bestaan in die vorm van die Performance Management Audit Questionnaire (PMAQ) wat deur Spangenberg en Theron (1997) ontwikkel is. Deur middel van die administrasie van die PMAQ en die analise van die resultate, sou die CAF 'n duidelike aanduiding kon verkry van die stelsel se effektiwiteit en sou hulle die probleemareas kon identifiseer ten einde die stelsel tot groter operasionele effektiwiteit te verfyn.

Die resultate het die leemtes en onder-ontwikkelde areas binne die organisasie se huidige Presasiebestuurselsel suksesvol geidentifiseer. Die resultate het verder gedui op 'n duidelike verskil tussen die persepsies van bestuurders en nie-bestuurders oor die effektiwiteit van die Prestasiebestuurstelsel. Die implikasies van hierdie bevindings word ten slotte bespreek in terme van die voorgestelde remediëringsaksies wat geimplementeer sou kon word om die probleemareas aan te spreek.

ACKNOWLEDGEMENTS

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CHAPTER 1:

INTRODUCTION, RESEARCH OBJECTIVE AND OVERVIEW OF THE STUDY

"The central aim of Performance Management is to develop the potential of staff, improve their performance and, through linking an employee's individual objectives to business strategies, improve the company's performance."

Incomes Data Services (1992, p. 1)

This introductory chapter provides the reader with an orientation to the subject, covering the background, purpose and significance of the study, as well as the contribution the study makes to the body of knowledge concerning Performance Management. Finally, an overview of the subsequent chapters is given.

1.1 INTRODUCTION AND BACKGROUND

For organisations to be successful, especially in today's dynamic and challenging business world, it is imperative that organisations manage its human resources in such a way as to realise the organisation's strategic goals. In trying to push the organisation to ever higher levels of competitive performance and productivity, organisations must understand that optimising the performance of its employees is of crucial importance.

For a long time, traditional performance appraisal had to play a facilitating role in ensuring that employee performance excellence was maintained (Spangenberg & Theron, 1997). This system's focus was on monitoring and assessing individual work performance periodically and supporting performance-related pay schemes. Due to some serious shortcomings, which will be discussed in detail in later chapters, performance appraisal did not contribute satisfactorily to more effective employee performance. In turn, this meant that the strategic benefits in managing employees' performance proactively were not realised. Committed endeavours to address the shortcomings of performance appraisal essentially lead to the development of Performance Management.

Although Performance Management, in both academic and applied literature, typically includes appraising employees' performance, this is no longer seen as an end in itself. Performance

Management is intended to be a much more integrated and strategically orientated process that not only *measures* employees' performance, but also *manages* performance by improving employees' performance through the development of capabilities of individual contributors and teams. The whole process thus comprises an expanded performance appraisal system, which includes goal-setting, clarification of expectations, providing resources and assistance, training and development opportunities, coaching, regular performance reviews and rewards for performance (Spangenberg & Theron, 1997).

As more organisations realised that human capital is a critical vehicle for achieving its strategic goals, more organisations started to embark on implementing Performance Management. Performance Management, however, is a very complex and integrated system where the potential benefits that can be derived from it, depend on adherence to a number of critical prerequisites (Spangenberg & Theron, 1997). Even in ideal circumstances, these fundamental elements would, in all probability, not all be satisfied during the initial phases of implementing a Performance Management system. In practice, however, organisations have trouble getting past the first hurdle of finding out where exactly the underdeveloped or missing elements are. The ultimate successful implementation of Performance Management would, therefore, require some form of auditing to provide the necessary information to design 'therapeutic' interventions for improving the functioning of the system. A suitable tool for this diagnostic purpose has been shown to already exist in the form of the Performance Management Audit Questionnaire (PMAQ), developed by Spangenberg and Theron (1997).

1.2 RESEARCH PROBLEM

The quest for optimal management of employee performance is as critical, if not more so, in non-profit and local government organisations than in the public sector. In state services where departments and divisions have limited resources and are bound by elevated accountability levels and public scrutiny, it is of the utmost importance that the full potential and performance of each employee is fully realised. One organisation that realised it was not enjoying all the advantages of a well-administered Performance Management system, is the Children and Families Division (CAF) of the Department of Health and Human Services (DHHS) of Tasmania, Australia. Performance Development, as it is referred to within the CAF, plays a cardinal strategic role in reaching the CAF's organisational goals. Through the course of

various informal conversations and correspondence, it was determined, however, that the division is experiencing difficulty with various shortcomings in its current Performance Management system and was in need of identifying the information required for improving the functioning of their system. An inability to accurately identify the problem areas, has led to past improvement interventions being misdirected and having little or no effect on the functioning of the system; all of which were costly to the CAF. Therefore, the problem and challenge for the CAF is to identify those factors in their system that are underdeveloped, possibly unsuccessfully implemented or in need of attention as they impact negatively on the effective running of their Performance Management system. The CAF is thus in need of an assessment and feedback in order to have a clear indication of what the status quo is and to identify where the problem areas are in order to refine the system for greater operational effectiveness.

The implications for the CAF are significant: if the Performance Management system does not show complete operational effectiveness, the CAF is unlikely to provide quality service to customers, let alone attain a competitive advantage. The aim is thus to eliminate the problem areas for the purpose of obtaining the service levels promised to their constituents.

1.3 RESEARCH OBJECTIVE

This study takes the form of descriptive research. Although descriptive research is aimed at a description of some phenomenon, it is nonetheless still guided by a broad theoretical hypothesis about the nature of the status quo and hypotheses on why it appears the way it does. In this study, it is contended that a comprehensive descriptive Performance Management audit would confirm the descriptive hypothesis that certain elements within the CAF's Performance Management system is underdeveloped and that specific remedial actions would be required to rectify the situation. Performance Management is, as stated previously, not a simple system but a very complex, multi-dimensional and integrated system with a number of interacting critical prerequisites. To diagnose the roots of the problem would require the elucidation of the full spectrum of determinants that affect the Performance Management system's efficiency.

The Systems Model, which forms the bases of the PMAQ, already entailed a thorough diagnostic evaluation of all the influential prerequisites for a successful Performance Management system (Spangenberg, 1994a). The comprehensive diagnostic model discussed in

chapter 2, which explicates the major determinants of successful Performance Management, will form the basis of the diagnostic hypothesis explaining the anticipated deviation from the ideal reaction. Through administering the PMAQ, a thorough diagnostic evaluation is done and a clear picture should emerge regarding the system's current effectiveness. This will further facilitate the researcher in making recommendations as to how the CAF will be able to increase the effectiveness of their system. The CAF will consequently be able to move closer to the ideal Performance Management system and obtain the benefits that are to be found in a well-administered system.

The contribution of using the PMAQ as descriptive tool will also entail that organisations no longer have to guess where its Performance Management system needs remedial action, but can now fine-tune the exact areas where problems do in fact exist. Suggested remedial actions would also have a reasonably high probability of improving the status quo as it addresses the actual determinants that produced the existing shortcomings in the organisations' Performance Management system.

It is important to note that the nature of the hypotheses encountered in descriptive research differ from those encountered in explanatory research in that they tend to have an essay format rather than a relational statement format. The specific objectives of this study are:

- To establish the current situation concerning Performance Management within the CAF using the PMAQ as the diagnostic measure;
- To review existing literature in order to identify key elements that contribute to successful Performance Management systems;
- To identify the underdeveloped or absent areas of the organisation's current Performance Management system, taking into account the existing literature and current situation identified by the PMAQ;
- To investigate the discrepancy between managerial and non-managerial employees' perception of the effectiveness of the Performance Management system; and
- To propose remedial actions that could be implemented to address the problem areas as identified in the comparison.

1.4 STUDY OUTLINE

Measuring and managing performance is a challenging enterprise, but one of the keys to gaining a competitive advantage. A superior Performance Management system enables managers to develop high-quality strategic plans, to set ambitious targets, and to track performance closely. This ensures the achievement of strategic objectives and thereby the sustained creation of value. As such, in order to achieve complete success, it is imperative that, in the process of implementing and integrating the Performance Management system, organisations acknowledge and identify those elements, which are missing or underdeveloped.

The concern exists that the Performance Management system of the CAF of the DHHS of Tasmania, Australia, is underdeveloped and in order to gain optimal operational effectiveness it is in need of assessment and feedback in order for this organisation to have a clear indication of where the problem areas are in order to refine the system to greater effectiveness.

The basic research-initiating question in this descriptive research study is:

How do employees of the CAF evaluate the current Performance Management system?

Based on the information gathered, remedial actions will be deduced from the identified determinants that produced the existing shortcomings in the CAF's Performance Management system. It is, however, imperative that differences between managerial and non-managerial perceptions be taken into account. Research has indicated that identified shortcomings possibly pertain only to a specific job-level and not necessarily the whole organisation. The implication for remedial actions is that they need to be directed to the right levels and areas in order to be effective and not misdirected (Le Roux, 1995). The basic research-initiating question thus also has the following collateral question:

*In which aspects do the managers and non-managers of the CAF differ in their **perception** with regards to the **Performance Management system?***

Chapter 2 focuses on the nature of Performance Management, in order to create an understanding of what constitutes an ideal Performance Management System. It aims to provide a general overview of the development of Performance Management as an answer to

Performance Appraisals' shortcomings. Also included are the conceptualisation and definition of Performance and Performance Management, an explanation of the Performance Management process, an overview of the integrative nature of Performance Management and the changing face of Performance Management, the changing practice of Performance Management as well as an indication of those elements and processes that are required in a fully functioning Performance Management system. Chapter 2 concludes with an elucidation of Spangenberg's systems model of Performance Management, which forms the basis of the PMAQ, utilised in the present study.

Chapter 3 provides a background on the context within which the study is conducted, focusing on Performance Management within local governments. The chapter begins with a detailed discussion of the origin of Performance Management within local government, indicating how the focus and process differs from private sector Performance Management systems. Also included in this section are the critical success factors identified, as well as a look into the changing face of Performance Management in local government. This chapter concludes with an illumination of the context in which the CAF's Performance Management system is imbedded. This entails an in-depth coverage of the legislative framework that underpins Performance Management in the public sector in Australia.

Chapter 4 covers the methodology employed, while Chapter 5 presents the findings of the research. Finally, Chapter 6 presents the interpretation and discussion of the research findings, as well as the recommendations that could be implemented to shift the CAF's Performance Management system closer towards the ideal system. The study ends with a conclusion in which limitations of the study and recommendations for further study are discussed.

CHAPTER 2:

PERFORMANCE MANAGEMENT INVESTIGATED

"Performance Management is not another method for conducting a performance review or appraisal. It is a powerful business process used to translate and implement strategy through encouraging interdependence. It is a powerful vehicle to use in changing the culture of an organisation."

Chris Barrow, General Manager, SAB Ltd., in the foreword of *"Understanding and implementing Performance Management"* (Spangenberg, 1994b, p. vii)

2.1 INTRODUCTION

The idea of Performance Management is not a new concept and over the years we have seen many philosophies, systems, tools, techniques and practices developed, which have as their aim the management of performance. These might have been labelled by other names, for example Total Quality Management (TQM) or Management by Objectives (MBO), or may have differed in their concern with performance at an organisational, process or individual level, but the main aim was to increase productivity and performance (Spangenberg & Theron, 1997). The increasing competitive environment, in which organisations find themselves in a constant race to stay productive and have a continual concern for increased performance improvement, has lead to more and more organisations embarking on Performance Management. A question that may be asked at this point, though, is what initially sparked this interest in Performance Management?

Research indicates that the development of Performance Management was largely based on the desire to overcome the inherent weaknesses of the above mentioned and other results- and behaviour-based models of performance appraisal (Spangenberg & Theron, 1997). Some of these weaknesses included bureaucratic systems, characterised by top-down appraisal discussions, a backward-looking focus and an over-emphasis on individual dimensions of performance. Performance Management was developed to overcome these weaknesses and with its holistic, system-wide change- and improvement-orientated approach, it became a potentially powerful tool for strategy implementation.

Successful Performance Management implementation has many advantages, some of which includes serving as a strategy and culture lever, enhancing equitable human resources practices, and creating higher levels of work satisfaction among employees (Spangenberg &Theron, 1997). Performance Management is, however, not an uncomplicated, once-off system and entails various elements and prerequisites for its success. Further, it is unlikely that all these will be correctly applied or satisfied during its initial implementation phases. Many organisations usually still have some traces or elements of old performance appraisals systems left, even if only psychological scars or reluctance to embrace the new system. This can jeopardise the implementation of the Performance Management system. To optimise the development and implementation and honing of the Performance Management system, a thorough understanding of the system's building blocks, principles, goals and functioning is required, in order to be able to develop and adjust the Performance Management system to further effectiveness.

In this chapter a comprehensive overview of Performance Management is provided, discussing Performance Management's evolution from performance appraisal's shortcomings, crucial elements and building blocks, critical success factors, advantages of successful implementation, as well as the new roles and processes Performance Management has engaged in. Finally, the Systems Model of Performance Management, which provides an ideal context in which to understand effective Performance Management, will be discussed in detail. The goal of this chapter is to provide the reader with an understanding of what constitutes a good Performance Management system in order to set a frame of reference against which, the system used by the CAF, can be compared in a later chapter.

2.2 UNDERSTANDING WHAT IS MEANT BY PERFORMANCE

In order to create a basis for a comprehensive discussion about Performance Management, a clear understanding of the term 'performance' is needed as different views exist on what the concept entails. Some authors regard performance as a record of *outcomes* achieved; others regard it as *behaviour* or *the energy-input*; while on an individual level some even regard performance as a record of a person's accomplishments (Armstrong, 2000). These different conceptualisations and interpretations impact on how Performance Management is administered and incorporated in organisations. In this regard, Bates and Holton (1995) have pointed out that it is important to determine whether the measurement objective is to assess *performance*

outcomes or *behaviour* as this will guide the process of identification of performance measures and indicators and the process by which managers and employees agree on these.

2.2.1 Performance as outputs and results

Bernardin and his colleagues (Bernardin, Kane, Ross, Spina, Johnson, 1995) define the output focus as follows:

> "Performance is defined as: The record of outcomes produced on a specified job function or activity during a specific time period. …Performance on the job as a whole would be equal to the sum (or average) of performance on the critical or essential job functions. The functions have to do with the work which is performed and not the characteristics of the person performing."
>
> Bernardin et al. (1995, pp. 470-471)

Output-orientated interpretations use a wide range of terms to denote performance as output, i.e. accountabilities, key result areas, objectives, goals, targets, critical success factors, tasks, etc. Different terminology is also often used for different types or levels of jobs. In figure 2.1 the different focus for the different levels, are shown graphically (Armstrong, 2000). For instance the focus of a senior manager is likely to be based on definitions of key result areas with emphasis mainly on objectives in the form of quantified targets; with less importance given to capabilities (Armstrong, 2000, p. 25). Administrative, clerical and support jobs' performance measures, on the other hand, will be related to continuing standards of performance (Armstrong, 2000).

Senior Managers	Managers, team leaders and professional staff	Administrative and support staff	Production workers
Objectives Effort	Capabilities	Task standards	Work outputs
Key result areas		**Main tasks**	**Standards**

Figure 2.1 Focus of Performance Measures

All these means of expressing performance have the same intended outcome: clarity about expectations (Williams, 2002). The overall philosophy of outputs and results can, however, be labelled as goal setting.

Goal setting is widely advocated in management literature. Some benefits include: "Each person knows what is expected of him or her" and having "Everybody knows how they fit into the bigger picture" (Ainsworth & Smith, 1993, p. 17). What is typically proposed for sound goal-setting is a cascading process, very reminiscent of Management by Objectives (MBO). This top-down, cascading process is commonly seen as a means by which individual goals and objectives are aligned with organisational goals. An illustration of an objective-based system of Performance Management is found at Swale Borough Council, where goals/objectives at council level are passed down through committees and services and on to sections and individuals. Each function or service then has between three and seven main objectives each year, as well as specific performance targets (Audit Commission, 1995a).

Clear organisational goal setting serves many functions, as Mullins (1996, p. 293) indicates.

▪ Goals provide a standard of performance. They focus attention on the activities of the organisation and the directions of the efforts of its members.

- Goals provide a basis for planning and management control related to the activities of the organisation.

- Goals provide guidelines for decision-making and justification for actions taken. They reduce uncertainty in decision-making and give a defence against possible criticism.

- Goals influence the structure of the organisation and help determine the nature of technology employed. The manner in which the organisation is structured will affect what it will attempt to achieve.

- Goals help to develop commitment of individuals and groups to the activities of the organisation. They focus attention on purposeful behaviour and provide a basis for motivation and reward systems.

- Goals give an indication of what the organisation is really like, its true nature and character both for members and for people outside the organisation.

- Goals serve as a basis for the evaluation of change and organisation development.

- Goals are the basis of objectives and policies of the organisation.

Although there is significant evidence pointing to the value of goals and the goal-setting process, this approach is far from trouble-free. Williams (2002) identified some of the problems, which include practical difficulties and theoretical weaknesses. He states that in many organisations mission statements may contain statements of the organisation's goals, but usually in vague and general terms. A mission statement may also contain several goals that might not be wholly consistent with one another. Furthermore, there might be several and different goals formulated across subunits, but goal consistency cannot be assumed. Ensuring consistency of goals and the inter-linking of these goals to the organisations' core goals becomes one of the main challenges.

A further problem is that performance requirements are commonly communicated in a one-way (downward) fashion, rather than by means of a two-way communication process- the latter often advocated in performance management literature. Although some writers do see a place for bottom-up contribution to goal setting, in practice the extent of employee involvement is likely to be limited and reaching shared agreement about their own particular job goals, problematic (Williams, 2002).

Williams (2002) describes that there is also a temptation to focus on elements of the job that are measured relatively easily, omitting key areas or complex aspects which are more difficult to measure. Risk also resides in expressing the required performance levels as minimum

standards- these may become seen as 'maximum' levels which are attained but not exceeded (Williams, 2002). Typically when achievement of goals results in monetary reward, employees might start choosing easier and easier goals in order to ensure achievement (Locke and Latham, 1990). On the other hand, organisations may also justify that goal accomplishment in one year, justifies higher goals the next year. This can lead to potential problems in the longer term, with employees no longer viewing their goals as attainable (Mitchell, Thompson, George-Falvy, 2000).

Mabey and Salaman (1995, p. 194) point to an important problem related to the internal and external environment:

> "Identifying desirable aspects of performance which will be measured and rewarded may be possible in an organisation which enjoys a relatively stable internal and external environment, but where greater turbulence is experienced it is possible that objectives and hence performance dimensions targeted today may be inapplicable tomorrow."

A final difficulty is that not all aspects of jobs may be specified in terms of goals and often not as relatively objective, quantitative ones (Williams, 2002). The implication is that employees' attention is misdirected on the measurable at the expense of other important aspects of performance, and as a result those measures become deficient as performance indicators. Williams (2002) notes that not everything people do while at work is necessarily task related and an over-concentration on outputs ignores important process and interpersonal factors.

2.2.2 Performance as behaviour and competencies

The above-mentioned problems are some of the reasons why the view that performance should be equated to outputs, has been criticised in much of the management and psychological literature. Central to the argument is the fact that the correlation between the level of input and the level of output is not a direct consequential relationship. The production of output may well involve many factors beyond the individual's control, such as the design of the work system or departmental processes. This often leads to workers not having equal opportunities to perform. Campbell (1990) supports this notion and believes that performance is *behaviour* and should be distinguished from *outcomes* as they can be contaminated by systems factors. Outputs of production might also be as a result of other causal factors that do not have anything to do with the individual actually doing the work. For instance, an imbalanced allocation of clients to

agents, could just lead to some agents generating more than others due to luck (Williams, 2002). Although behaviour is not completely free from extraneous influences, it might be expected that individuals have more direct control over their own behaviour.

Typically behaviour is regarded as one of the *causes* of output, with output being one of the means by which the *effectiveness* of performance (that is, behaviour) may be judged (Waldman, 1994). It is important to note that, while performance is behaviour, not all behaviour is performance (Williams, 2002). Only behaviour that is goal relevant, counts as performance. To prevent a one-dimensional understanding of goal-relevant behaviours, some writers have found it important to draw a distinction between facets of the jobs that are required formally and those expectations, which arise in a more informal way, much like a psychological contract. The distinction of Borman and Motowidlo (1993), where they distinguish between task performance and contextual performance, is especially useful. These authors define task performance as activities that for instance contribute to the technical core of the organisation, like selling or marketing, while contextual performance is seen as behaviour which supports the broader social/ psychological environment of the organisation (Borman and Motowidlo, 1993, p. 73). Although, the relation between this kind of performance and goal-relevance is only latent, it is really crucial in overall performance. Some examples of contextual performance include volunteering to carry out tasks activities that are not formally part of the job; helping and cooperating with others; and following organisational rules and procedures even when personally inconvenient, to name but a few (Borman and Motowidlo, 1993, p. 73).

London and Mone (1999), however, state that job requirements are changing at a rapid pace due to organisational, competitive, and technological development, all of which have direct implication on employees' performance. More importantly, employees will now need to show the ability to acquire new information and knowledge as well as demonstrate flexibility in dealing with change. Hesketh and Neal (1999, p. 47) make the same point:

> The rapid pace of change in job requirements arising from technological innovations places employees in a situation where they constantly need to demonstrate a capacity to engage in new learning and cope with change. Under these circumstances, one is no longer assessing absolute performance; rather the focus is on responsiveness to changing demands.

Further, Bowen and Waldman (1999) gave insight into the effects the shifting emphasis towards quality and customer-orientated service may have on performance. They accurately predicted

that, for many jobs, such behaviours would become more explicitly expected. The following concern by Schmidt (1993, pp. 504-505) should however be noted:

> "…consequences and results are often not fully under the control of the individual. That is true. But we may have to use results and consequences anyway; we may have no choice. In most cases, the best we can do is to try and make intelligent judgements about the extent to which specific individuals are responsible for observed outcomes".

2.2.3 Performance as both inputs and outputs

Brumback (1988, p. 387), however, has a more comprehensive view of performance, embracing *both behaviour and outcomes* in his definition:

> Performance means both behaviours and results. Behaviours emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviours are also outcomes in their own right - the product of mental and physical effort applied to tasks - and can be judged apart form results.

Brumback (1988, p. 387) explains this dual importance using an example of a car salesperson. The author explains that the behaviour of a car salesperson can be seen as courteous or rude regardless of whether a car is sold. The other view mentioned above either disregards behaviours totally or sees them only as means to results, thus the sale is what counts. The author understands that although customer appreciation is the immediate result, profitability is not a function of customer appreciation alone. He explains that the next result (the actual sale) must become the expectation, even though the salesperson's control over that result is considerably less than their control over customer appreciation. Brumback (1988, p. 388) explains that where individual accountability stops along any particular chain depends mostly on the person's level of responsibility. This is something that should be taken into consideration when looking at performance.

This mixed model, where both inputs (behaviour) and outputs (results) are considered, should form the basis of any Performance Management process, to ensure that individuals' performance evaluation consider all aspects of employee's jobs, for instance their direct accountability for results, and consequently evaluate their performance more accurately.

2.3 FROM PERFORMANCE APPRAISAL TO PERFORMANCE MANAGEMENT

As previously stated, the development of Performance Management was largely based on the desire to overcome the inherent weaknesses of the results- and behaviour-based models of performance appraisal (Spangenberg & Theron, 1997). It was the inability of performance appraisal to materially contribute to employee performance and satisfaction and, ultimately, achievement of organisational goals, which initiated the development of interest in Performance Management. The inability of Management by Objectives (MBO) programmes to address employee developmental needs also had a big influence on the development of the Performance Management system. Beer and associates (Beer & Ruh, 1976; Beer, Ruh, Dawson, McCaa & Kavanagh, 1978) at Corning Glass were prompted to develop a system that would combine the strengths of MBO's orientation towards results and accountability, with employee development. The result was a Performance Management system that could be used to *manage, measure* and *improve* employee performance. It was believed that by participatively setting goals that are aligned with higher organisational goals, conducting performance reviews and coaching on an ongoing basis, and rewarding an individual's performance based on the outputs of the Performance Management system, desirable outcomes would follow (Spangenberg & Theron, 2001).

2.3.1 Shortcomings of performance appraisal

> Performance appraisal has become more than a management tool. It has grown into a cultural, almost anthropological symbol of the parental, boss-subordinate relationship that is characteristic of patriarchal organisations.
>
> Peter Block, in *Abolishing Performance Appraisals* (Coens & Jenkins, 2000, p. xiii)

> Since performance appraisal is impossible, what actually happens is personnel appraisal.
>
> Bowman (1999, p. 557)

There are many areas of criticism on the performance appraisal system, of which bias that may arise when one person assesses the work performance of another, is but one. Spangenberg (1994b) brings attention to how performance appraisal as traditionally applied, largely operates as a stand-alone system, often removed from the organisational context. There are however contextual variables that could have a significant effect on the success of performance appraisal application. These include, *inter alia*, the environment, organisational objectives and strategies,

organisational culture, and management commitment and support (Spangenberg, 1992). Rummler and Brache (1990, p. 13) voice the same concern: "If you put a good performer against a bad system, the system will win every time. We spend too much time 'fixing' people who are not broken, and not enough time fixing organisational systems that are broken."

Spangenberg (1994b) argues further that a performance appraisal's focus on individual dimensions of performance destroys teamwork. This is especially true when performance appraisals are linked to individual rewards and bonuses, as employees need to then compete *against* one another and not *with* one another. In addition Scholtes (1990) suggests that performance appraisal subverts teamwork in another way. He suggests that the supervisor-subordinate style of management that performance appraisals foster does not fit in with a teamwork structure. Rather than putting the manager at the centre, he argues that a manager should be seen as a coach, a facilitator, a leader among 'equals' where feedback is not a top-down activity but a lateral, circular and mutual team activity.

Another very interesting criticism on performance appraisal is that the usage of standards and goals for evaluation may lead to mediocrity (Spangenberg, 1994b). The foundation of this criticism is that since it is important that standards are met, employees find themselves less inclined to take risks and instead rely on well-proven ways of achieving performance standards. The dynamic of employees being reluctant to try something new and untested, in fear of their ratings and salary increases or bonuses being influenced, is directly contrary to the principle of continuous performance improvement. Goal setting, however, has one of the best track records as a tool of performance improvement. The combination of setting high goals, providing frequent feedback, and discussing problems that may be hampering the achievement of goals has also been found to lead to high performance (Spangenberg, 1994b, p. 9.). The major flaw of the performance appraisal system is thus the tendency to evaluate and reward the achievement of these goals. Deming (1987) calls this an enumerative strategy, leading to mediocre performance. It is for this reason that Deming objects so strongly to setting numerical goals. One of the earliest writers to agree with Deming, was Levinson (1970), who asserts that the greater the emphasis on measurement and quantification, the more likely the subtle, non-measurable elements of the task will be sacrificed. He further declared that the quality of performance frequently loses out to quantification. Armstrong (2000, p. 53) even goes as far as to say that "in some jobs what is meaningful is not measurable and what is measurable is not

meaningful". Goals should be measured in an analytical way, where it is not compared to standards or evaluated, but where ways to improve it is understood.

Spangenberg (1994b) further found several ways in which performance appraisal and rater inadequacies increase performance variability. Firstly, appraisals are over-precise, using rating scales that demand impossible distinctions. Secondly, employee comparison methods such as ranking and forced distribution may cause variations with serious overtones, leading to dissatisfaction, which in turn leads to a variety of reactions including destructive behaviours such as scaling down of performance. Thirdly, supervisory differences with regard to rating skills and biases may be the cause of variation. Finally, variation can be increased by a feedback loop that amplifies deviations. This results in employees who do not receive favourable feedback becoming dejected and uninspired, which leads to poorer performance, lower ratings and even worse dejection.

Performance appraisal's focus on short-term rather than long-term objectives can be seen as another point of criticism. One way in which Performance Management tries to counteract short-term tendencies is through managing by group, system, and organisational goals. This way, performance is evaluated in terms of its overall contribution to higher-level results (Spangenberg, 1994b).
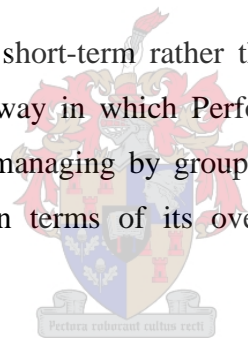
> Detailed studies of performance appraisals show that at their best they are often wildly inconsistent and damaging to the loyalty and commitment that help people do their best.
>
> Jay Mathews, Washington Post (Coens & Jenkins, 2000, p. 53)

Like this quote above states, potential results of performance appraisals and merit-pay processes is the diminishing of self-esteem, increase of fear, and reduction in productivity and motivation (Spangenberg, 1994b). In general, participative processes that involve collaboration between the supervisor and the employee, for example joint review, result in higher job involvement, trust and satisfaction. These key aspects of a culture of participation like 'dialogue', 'shared understanding', 'agreement' and 'mutual commitment' in turn result in increased performance. As Peter Block (1993, p.152) observes in Coens and Jenkins' book 'Abolishing Performance Appraisals':

> Performance appraisals are an instrument for social control. They are annual discussions, avoided more often than held, in which one adult identifies for another adult three improvement areas to work on over the next twelve months. You can soften them all you want, call them development

discussions, have them on a regular basis, have the subordinate identify the improvement areas instead of the boss, and discuss values. None of this changes the basic transaction…If the intent of appraisal is learning, it is not going to happen when the context of the dialogue is evaluation and judgement.

2.3.2 Overcoming performance appraisal's shortcomings

Many academics address the extent to which Performance Management aims to overcome the negative aspects of performance appraisal. One such an academic is Mohrman (1990) who looked at all the problems that Spangenberg, (1994b), Scholtes (1990) and Deming (1987) also explored and neatly discussed Performance Management's responses to these problems in a useful table format, which can be seen in an adapted format in Table 2.1.

Table 2.1 Performance Appraisal problems solved by Performance Management	
Performance Appraisal Problems	**Performance Management Response**
▪ Lack of management commitment ▪ Inappropriate to organisational culture	▪ Designs & implements Performance Management as OD intervention
▪ Performance appraisal destroys teamwork	▪ Manages performance of system & teams that form part of it ▪ Rewards system/team performance as part of overall compensation
▪ Measuring objectives or standards fosters mediocrity	▪ Sets and measures goals aimed at planning & improving system ▪ Uses customer- and-mission-related criteria ▪ Uses job-related behaviour-based scales to facilitate performance planning & employee coaching ▪ No overemphasis of numerical standards
▪ Performance appraisal system and rater inadequacies increase performance variability	▪ Uses only gross comparative judgements about individual performance, i.e. within or outside performance limits of system ▪ Uses narrative assessments based on accomplishments & behaviours rather than numerical ratings ▪ If ratings needed, uses simple, valid rating instrument as part of wider assessment system & train users
▪ Focuses on short-term (local) rather than long-term (general) objectives	▪ Aligns employee & team performance objectives with process, unit & organisational goals
▪ Decreases self-esteem, increases fear, & reduces productivity & motivation	▪ Uses open, collaborative approach ▪ Considers employee needs & purposes

Adapted from Mohrman (1990)

To further elucidate the differences between Performance Management and performance appraisal, Table 2.2 shows a comparison between Performance Management and performance appraisal adapted from Spangenberg (1994b) and Armstrong and Baron (1998). This table is especially useful when investigating the extent to which aspects of Performance Appraisal still reside in a current Performance Management system.

Table 2.2 Performance Management compared with Performance Appraisal		
ELEMENT	**PERFORMANCE APPRAISAL**	**PERFORMANCE MANAGEMENT**
CONTEXT: **Purpose**	Multiple: reward allocation, personal counselling and development, HR planning, etc.	Balancing individual, team, and organisational objectives
Philosophy	Judgement and comparison (enumerative)	First priority- improvement (analytical) Second priority- judgement
Scope	Position, department	Entire organisation
Basis	▪ Job-defined criteria ▪ Goals and standards (sometimes)	Performance defined by business strategy, team mission, customers situation, nature of system, and roles
Ownership	Owned by HR department	Owned by everyone and driven by line management
Adaptability	Monolithic system	Flexible process
SYSTEM: **Performance unit (performer)**	Individual employee	Individual employee, team/unit, system/process
Performance reviewer (rater)	Direct superior of employee	Direct superior, co-workers/team members, performer, customers, others
Instrument	Singular, validated instrument	Multiple methods
Process	Top-down, with ratings	Joint process, ratings less common
Philosophy	McGregor (1957): Theory X	McGregor (1957): Theory Y
PROCESS: **Measurement**	Job-related criteria (trait or behaviour)	▪ Broad measure based on negotiated, improvement-orientated and recurring (routine) objectives (results) ▪ Competencies aligned with strategy and values

		(behaviour)
Focus	Review of past performance	Focus on entire Performance Management process: defining, developing, reviewing
Appraisal discussion	Often one-way	Collaborative
Scheduling	Annual, administratively driven	▪ Initiated by performer or superior ▪ Continuous review with one or more formal reviews ▪ Aligned to natural organisational performance (planning) cycles and administrative systems
Training	Rater	All participants
Performance-reward linkage	Mostly direct (often sublimated)	▪ Primarily reward higher-order unit or performance ▪ Performance linked to pre-determined consequences
Promotion decisions	Employee comparison methods	▪ Special assignments; simulations, e.g. assessment centres; customer involvement. ▪ Therefore, PM outcomes only one of a variety of inputs
OUTCOMES:	Individual effectiveness: evaluation, guidance, development and motivation	▪ Agreement on performance level ▪ Satisfaction (fairness and motivation) ▪ Individual growth, group and systems development, organisational effectiveness and change

Adapted from Spangenberg (1994b) and Armstrong and Baron (1998)

Performance Management is hence not a bureaucratic system, but a continuous and flexible process with a focus on future performance planning rather than the backward-looking system of performance appraisal. It is moreover no longer a top-down process but a joint process or partnership in which top-down appraisals are no longer part, where performance is not even rated, and where the outcome of the formal review is a personal development plan (Armstrong, 2000, p. 13). It provides the basis for regular dialogues between managers and individuals and is seen as essentially a developmental process. As Spangenberg and Theron (2000, p. 36) summarise neatly:

Performance Management represents a move from an isolated, mechanistic, HR-driven approach to performance appraisal towards a more comprehensive, integrated business driven system aiming at organisational and people development.

2.4 DEFINING PERFORMANCE MANAGEMENT

Theorists on Performance Management are generally in agreement that Performance Management is an extremely difficult concept to define. In moving towards a definition of Performance Management it is important to recognise that Performance Management may be viewed narrowly as a set of tools or techniques used to manage performance in organisations, or can be viewed in the broadest sense as a pattern of thinking or culture that has wide strategic impact. For the purpose of this thesis, however, Armstrong's (2000, p. 1) definition will be used as it contains a strategic and developmental focus:

Performance Management is a strategic and integrated process that delivers sustained success to organisations by improving the performance of people who work in them and by developing the capabilities of individual contributors and teams.

On a practical level Armstrong (2000) explains that Performance Management should be seen as a systematic employee management approach, which is based on the agreement of objectives, knowledge, skills and capability requirements, performance improvements and personal development plans. It should further be seen as a shared process between individuals, teams and their managers where joint and continuing review of performance against these objectives, requirements and plans occur and where the agreement and implementation of performance improvement and further development plans take place.

Fowler (1990) states that Performance Management is not a groundbreaking new system or technique but boils down to the natural process of managing an organisation. The business context (the constantly changing internal and external environment) has a direct impact on how Performance Management is developed, the goals it sets out and its very operation. As Armstrong (2000) states, Performance Management is about managing within the context of the business. The context is so important that Jones (1995) even goes as far as to argue that context should be managed, not performance.

Performance Management is an all-embracing process, which takes a holistic view of all the constituents of performance and involves everyone in the business. It is based on the belief that everything every single employee does at every level contributes in some way to achieving of the overall purpose of the organisation (Armstrong, 2000). It replaces the assumptions that Performance Management is an isolated system run by the HR department and that managers are solely accountable for their team's performance and replaces it with a system where individuals and groups take joint responsibility for continuous performance improvement.

2.4.1 Objectives of Performance Management

Performance Management is seen as the system to implement when an increase in competitiveness and productivity is required. To clarify this point an investigation into the motive for implementation of the system, the objectives Performance Management sets out as well as the advantages of a well-administrated system should be undertaken.

Armstrong (2000, p. 175) states that the introduction of Performance Management usually has many instigating reasons, which may include:

- to reinforce a performance-orientated culture or to help change an existing culture towards becoming more performance orientated;
- to weld together different parts of an organisation with different cultures;
- to improve the performance of individuals and teams (*performance-driven Performance Management)*
- to develop the skills capabilities and potential of employees (*development -driven Performance Management)*;
- to provide the information on performance required for performance-related pay (*reward-driven Performance Management)*;
- to provide for increased and sustained motivation (*motivation-driven Performance Management);*
- to empower people - giving them more scope to exercise control over and take responsibility for their work;
- to help in the integration of organisational, functional, departmental, team and individual objectives;
- to provide an extra channel of communications about matters concerning work;

- to provide a framework within which managers can improve their performance in the processes of clarifying responsibilities, delegation, monitoring and reviewing performance, and developing their staff;
- to attract and retain skilled staff; and
- to support total quality management (TQM).

Armstrong's reasons for introducing a Performance Management system are focused on psychological or behavioural aspects while omitting financial aspects such as the impact the system will have on the bottom line. Usually, organisations are primarily concerned on the financial rather than psychological considerations. In their study Fletcher and Williams (1992) also had trouble answering to Strategic Human Resource Management's call to show hard financial evidence in terms of Performance Management's contribution to the bottom line, as their results were also only in terms of employee attitude and commitment. However, these authors (1992, p. 43) argue that where employees report high commitment, job satisfaction, clarity of goals and good feedback, to name but a few advantages, it is difficult to imagine that this has little effect on performance at the individual level and consequently the organisational level. Spangenberg and Theron (1997) agree and emphasise that successful implementation of Performance Management serves as a strategy and culture lever; develops an effective, more productive work force; enhances more equitable human resources practices; creates higher levels of work satisfaction among employees; and contributes to better overall financial performance of the organisation.

2.4.2 Principles of Performance Management

The above-mentioned advantages of Performance Management presuppose a well developed and administered Performance Management system. This is however not an uncomplicated enterprise but one which entails specific features to be put into place, a certain philosophy to be adhered to and definite principles to be pursued. Rogers (1999, p. 11) encapsulates the primary principle of Performance Management perfectly when he states that Performance Management is:

> a set of interrelated and complementary processes concerned with the development and sustenance of a culture and set of organisational values in which the ethical pursuit of improved performance is regarded as a legitimate and necessary part of the everyday workings of the organisation.

Armstrong (2000, p. 63) supports this notion and states that Performance Management is based on the philosophy that emphasizes the achievement of sustained improvements in performance; the continuous development of skills and capabilities; and that the organisation is a 'learning organisation' in the sense that it is constantly developing and applying the learning gained from experience and the analysis of the factors that have produced high levels of performance.

Performance Management is also concerned with *satisfying the needs and expectations* of all the organisation's *stakeholders*-owners, management, employees, customers, suppliers and the general public. It also focuses on *employee development,* as employees are resources the company has to apply to gain more effectiveness. Employee development however would only realise when a *climate of communication and involvement is created.* When there is such a climate of continuing dialogue between managers and members of their teams, it assists in defining expectations and sharing information on the organisation's mission, values and objectives. This creates mutual understanding of what is to be achieved and establishes a framework for managing and developing people to ensure that these will be achieved (Armstrong, 2000, p. 7).

Wright and Brading (1992, p. 16) further describes Performance Management as a balanced approach with the following features:

- less focus on retrospective performance assessment and more concentration on future performance planning and improvement;
- identification and recognition of the skill and capabilities associated with higher levels of performance;
- identification and recognition of outputs that are defined in qualitative and not just quantitative terms;
- a freer, upwardly managed process;
- a more coaching and counselling style of appraisal, with less emphasis on criticism;
- more focus on an individual's contribution to the success of the team as a whole, with some objectives defined in these terms;
- concern for improving an individual's performance as much as assessing it;
- no forced distribution of performance ratings (and so no win-lose scenarios); and
- possibly no formal ratings given.

In their study in 1992 Fletcher and Williams address four additional principles of effective Performance Management, namely that it is owned and driven by line management and not by the HR department; there is an emphasis on shared corporate goals and values; that Performance Management is not a packaged solution but has to be developed specifically and individually for each particular organisation; and it should apply to all staff, not just part of the managerial group. Armstrong (2000) added a fifth principle to this list, namely that some businesses have found it beneficial to apply different processes to different parts of their organisation. The author suggests that this can work, provided that the processes all operate within the same overall framework and are linked to explicit and shared corporate goals and values.

In Appendix A twenty key requirements for an effective Performance Management system, as defined by Renton (2000, p. 44), concludes the discussion of principal elements of a successful Performance Management system.

2.4.3 Underpinning philosophy/ underlying theories

According to Levinson (1970, p. 128) one of the main reasons why MBO (Management by Objectives) did not work was based on the fact that it failed to adequately take into account the deeper emotional components of motivation. This author states that "no objectives will have significant incentive power if they are forced choices unrelated to a man's underlying dreams, wishes, and personal aspirations". The following theories should thus be investigated in order to have a better understanding of these elements and to enable researchers to apply this knowledge in creating systems that supports and enhances employee motivation.

2.4.3.1 Expectancy Theory

The expectancy theory, initially formulated by Vroom (1964) suggests that it is the anticipated satisfaction of achieving valued goals that causes individuals to adjust their behaviour in a way that is most likely to lead to their achievement. It explains motivation in terms of three principle factors namely expectancy, instrumentality, and valence. These three terms relates directly to Performance Management in that e*xpectancy* is an individual's own assessment of whether performing in a certain way will result in a valued outcome for the individual; *instrumentality* being the perceived probability that such an outcome will lead to the attainment of a specified

reward; and v*alence* being the individual's assessment of the likely satisfaction, or value, associated with the reward (Rogers, 1999, p. 117).
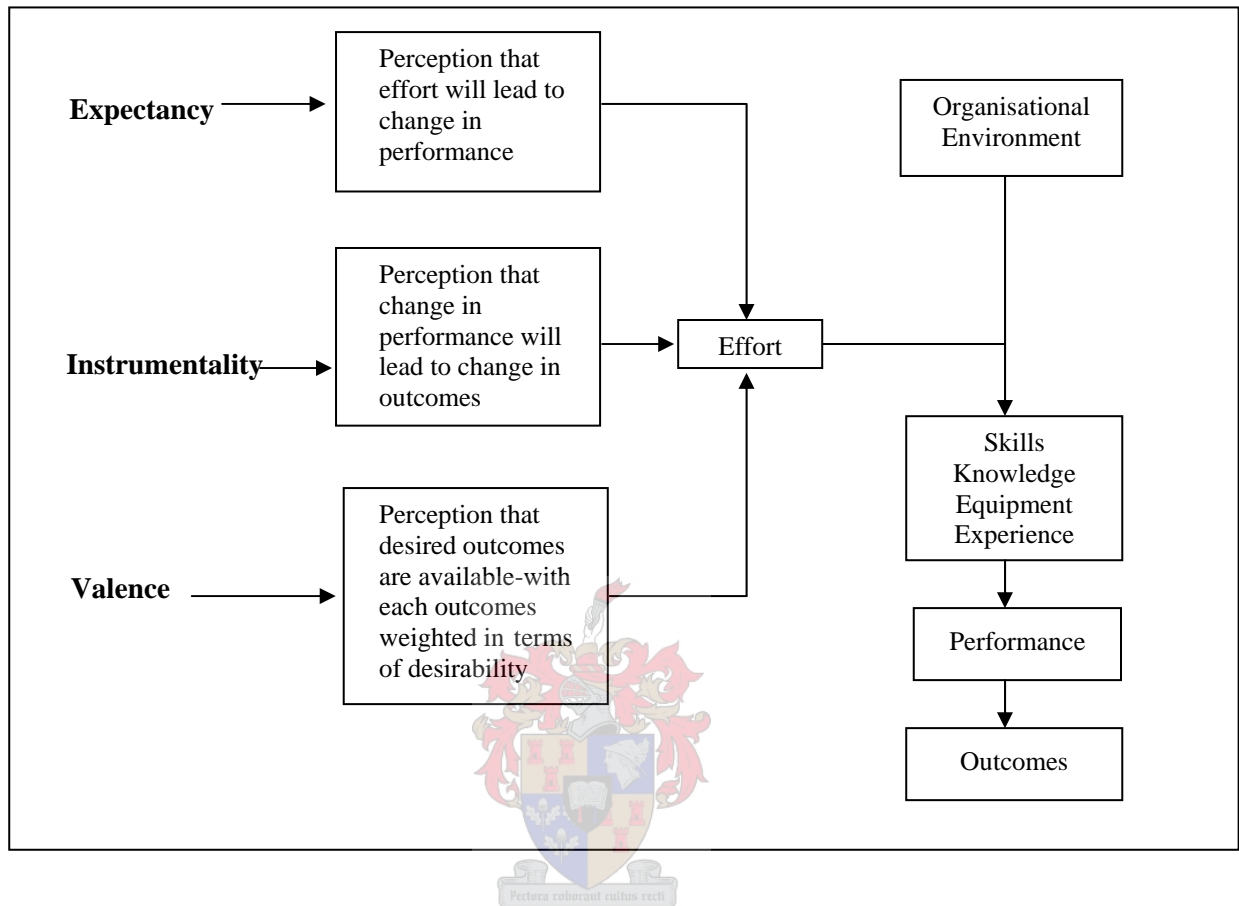
Rogers (1999, p. 118)

Figure 2.2 Motivation Expectancy Theory

In Figure 2.2 Rogers (1999, p. 118) made a useful representation of the Motivation Expectancy Theory within the context of Performance Management. The author also touches on some additional factors that are helpful in explaining the performance achieved. Firstly, although the organisational environment is external to the individual, it may moderate an individual's ability to perform. Secondly, the individual's own skills, knowledge and experience also play a pivotal role in determining the effect of effort on performance.

On a practical level, the theory asserts that the relationship between effort and measured performance, or performance and reward should not be ambiguous. The argument holds that an individual is more likely to attempt to perform in a certain way if he/she can clearly see that their behaviour will bring about a reward that is valued (Rogers, 1999). This insight however, brings about certain difficulty for organisations in managing the performance of their employees.

Organisations might feel incapable of designing working conditions and management systems that can adequately reflect the considerable variation in employees' expectations. Although appraisal discussions aim to create an opportunity for the organisation to learn what individuals expect as well as why individuals behave and respond in the way they do, every individual has a different perception of how best to achieve or satisfy his/her values. The aim is for organisations to learn how to cope with behaviours that may be variable and unpredictable, but as Rogers (1999) argues it is doubtful whether many organisations can consciously and effectively utilise the opportunity.

2.4.3.2 Goal-setting theory

In 1968 Locke formulated the Goal-setting theory, which was subsequently developed with other researchers. Locke argued that employees' goals play an important role in motivating them to greater performance. The motivational ground for this theory is that in pursuing their goals, people observe the consequences of their behaviour. If they thus sense that their goals will not be attained with their present behaviour, they will either change their behaviour or choose more realisable goals (Rogers, 1999, p. 119). This theory underlies the aim of Performance Management and other HRM strategies to achieve alignment between organisational and individual goals. The argument is that organisations that are able to make their employees perceive that it is worthwhile to pursue the organisation's goals will be able to harness a strong source of motivation.

In 1981, Locke, Shaw, Saari and Latham, used evidence from a range of experimental studies and formed the conclusion that goal setting appeared to be the most effective method for attaining personal effectiveness. As the theory developed, it was found that a number of conditions are required to make goal setting motivational. These conditions are:

- Goals should be specific and time related rather than vague and indefinite.
- Goals should be demanding, but also attainable and perceived attainable.
- Feedback on performance is critical.
- Goals need to be accepted by employees as being personally valued and desirable.

In practical terms, these above-mentioned conditions subsequently provide clear guidance to designers of performance appraisal systems (Rogers, 1999).

2.4.3.3 Reinforcement Theory

Skinner's (1971) conclusions such as 'the behaviour that gets rewarded gets repeated' and 'positive reinforcement was more likely to create the required changes of behaviour than negative reinforcement', underlies some of today's most complex performance related pay and other reward systems. Although this behavioural psychologist was later criticised for concluding that people are simply a product of stimuli they receive from the environment and that, therefore, if the environment can be determined precisely enough, the future actions of all people can be precisely predicted, many important behavioural conclusions resulted from his experiments.

Rogers (1999, p. 122) elucidates a number of conditions that have been deduced to help determine the effectiveness of reinforcement. These are:

- Reinforcement must be *specific*. This is a condition that is sometimes used to support results-based appraisal rather than behaviour-based appraisal, in situations where behaviour is more difficult to specify and/or observe.

- Reinforcement should be *immediate*. This condition mitigates the concept of once-a-year appraisals and reward systems as these occur long after the behaviour or performance took place.

- Reinforcement should take account of the *achievability of desired behaviours*. This condition is a concept analogous to the setting realistic and achievable goals.

- Reinforcement must be *informal and almost intangible*. Rogers (1999, p. 122) states that a smile, in some circumstances, can be as influential as formal rewards and punishments.

- *Unpredictable and intermittent* reinforcement works better than regular reinforcement, as the latter loses its impact because it becomes expected. Rogers (1999, p. 122) states that this condition raises important questions about the way in which some performance related pay-schemes have been operated in local government. The reward is often predictable and can be pre-determined by recipients with little or no reference to any change in their behaviour.

2.5 BUILDING BLOCKS OF PERFORMANCE MANAGEMENT

It is also important to give attention to building blocks or prerequisites for a Performance Management system to function effectively. Firstly, the development of the organisation's mission statement and strategic objectives is extremely important (Fletcher, 1993). This also presupposes the development of the business plan (business being interpreted in the broadest sense of the word). Lockett (1992) argues that a clear statement of the organisation's future goals - their vision and the direction in which they intend to move - should also be in place. Fletcher (1993) accentuates the need for communication within the organisation to be enhanced, so the employees are not only aware of the objectives and the business plan but can contribute to their formulation (Fletcher, 1993). A mechanism should also be in place to enable the performance of individuals within the organisations to be aligned with that mission statement and a way of adjusting performance requirements to meet new challenges which might arise (Lockett, 1992). This consequently calls for a set of human resource management policies which support the organisation's strategic aims and which give individuals an incentive to work towards their own personal objectives. This involves creating an environment where high performance is actively encouraged and human resource policies are in tune with corporate goals (Lockett, 1992).

Lockett (1992) argues that a process that enables the critical capability factors within the organisation to be developed as part of the Performance Management process should be in place. This is particularly relevant with regard to the development of people. Employees' competence, skills and knowledge need to be a critical part of the development of capability. Individual responsibilities and accountabilities also need to be clarified, which include amongst other things, having clear job descriptions, comprehensive role definitions and having employees who are willing to be held accountable.

Fletcher (1993) shows the importance of a system of developing staff to further improve performance, and to help with their career progression. This includes defining and measuring individual performance in a way that emphasises being measured against one's own objectives rather than being compared with others. It also entails implementing appropriate reward strategies (Fletcher, 1993).

Armstrong (2000, p. 14) encapsulates what Bevan and Thompson (1991) identified as elements which can be considered prerequisites of a 'textbook' Performance Management system. These are:

- A shared vision of organisational objectives, or a mission statement, communicated to all employees.
- Individual Performance Management targets related both to operating unit and wider organisational objectives.
- Regular formal reviews of progress towards these targets.
- The review process used to identify training, development and reward outcomes.
- Evaluation of effectiveness of the whole process and its contribution to overall organisational performance to allow for changes and improvements to be made.

2.6 ETHICAL CONSIDERATIONS FOR PERFORMANCE MANAGEMENT

Performance Management plays a cardinal role in peoples' lives. It is the basis on which they get promoted, appraised, sometimes even financially rewarded. It is consequently of the utmost importance that individuals experience it as a fair and just process. Winstanley and Stuart-Smith (1996) identified four main ethical principles that have a direct impact on Performance Management and in accordance to which Performance Management should operate. Firstly, *respect for the individual*. This entails that employees should not be treated merely as "means to other ends", but should be viewed as "ends in themselves". The second principle is *mutual respect*. It is very important that the parties involved in the process do in fact respect each other's needs, views, requests and concerns. Without this, the exercise is futile. *Procedural fairness* is in essence the most important principle as it is one of the reasons performance appraisals has developed a negative reputation. This implies that all the procedures included in the Performance Management process should be conducted in a fair manner as to minimise the adverse effect on the individuals involved. Linking strongly with this, especially with the employees' perception of procedural fairness, is the *transparency* of the whole process. All aspects of the Performance Management process should be open for scrutiny by those employees affected by decisions emanating from the Performance Management process.

2.7 ORGANISATIONAL CHARACTERISTICS

There is no one way to design a Performance Management system, although, sound and proven Performance Management principles and procedures do exist that may be adjusted and adapted to suit each organisation's environment, corporate culture and style or work. Performance management systems should be tailor-made to fit in with the specific characteristics of the organisation (Engelmann & Roesch, 1996).

There are certain organisational characteristics that Engelmann and Roesch (1996) identified that require the Performance Management design team's attention before even embarking on putting a Performance Management system together. Firstly, the kind of organisations should be taken into account. Performance Management in the private sector differs greatly from Performance Management in the public sector. Secondly, the support from senior management should be determined. The stronger the commitment from top management, the more comprehensive the system can be. Thirdly, the specific jobs to be covered under the Performance Management system should be considered. As the authors state, the specific job-characteristics play an important role, as a system designed to manage hospital staff will differ greatly from employees in manufacturing. In the fourth place, employee characteristics should also be considered i.e. the employee levels of skill, knowledge and abilities should be gauged. In the fifth place, managers' education and training in terms of coaching, developing, giving feedback, listening, goal setting and evaluating employees' performance, should be assessed. In organisations where the level of management training is very comprehensive, a more sophisticated Performance Management system can be implemented as managers have the skills to support such a complicated system. In the sixth place, the size and the capabilities of the HR staff have to be taken into account. If an HR department can dedicate professional-level staff to assist and train managers and assist them in the process, then a broader Performance Management system can be put into place. Finally, the availability of training and development resources should be considered, as the Performance Management system design should not exceed the organisation's capabilities of existing resources. The authors also accentuate that there should be a commitment to train managers in system administration, to train managers in coaching techniques, and to provide development opportunities for employees.

Engelmann and Roesch (1996, p. 8) go further, stating that the other organisational characteristics like culture and leadership style should also be kept in mind. Fowler (1990)

agrees and states that both people- and process-based systems will fail if they are incompatible with the organisation's culture (its style, beliefs, values) or unless they are an integral part of a planned programme of cultural change. If a highly structured work-planning or staff-appraisal schemes are for instance introduced into organisations, whose style is informal and flexible, the 'alien implant is quickly rejected' (Fowler, 1990, p. 50).

Engelmann and Roesch (1996) also propose the creation of a far less sophisticated system that will be effectively implemented and administered and then expand on this simple design to higher levels of sophistication. Armstrong (2000, p. 176) supports the fact that the culture, management style, structure and present arrangements should also be taken into account and shows the context, content and processes that encapsulate a Performance Development framework in Figure 2.3.
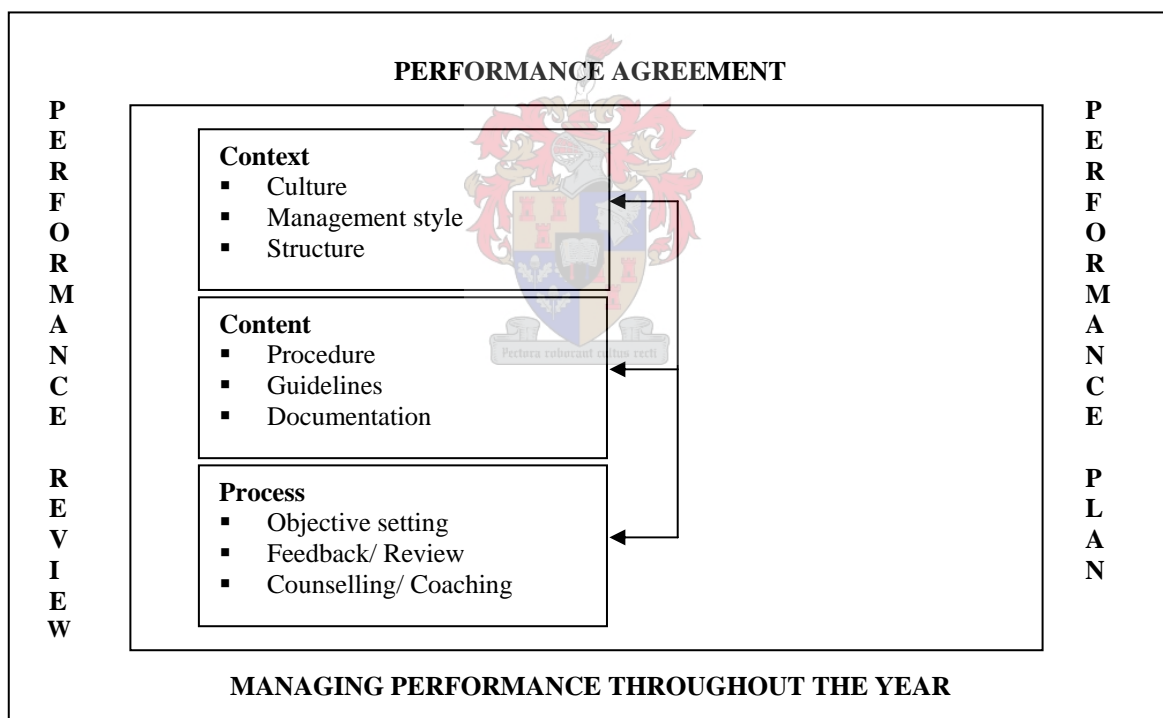
Armstrong (2000, p. 173)

Figure 2.3 Performance Development Framework

2.8 THE PERFORMANCE MANAGEMENT PROCESS

Rather than seeing Performance Management as a rigid *system,* Armstrong (2000) suggests that it should instead be considered to be a flexible *process*, giving a framework for managers and those they manage on how performance can be enhanced. As Armstrong (2000, p. 16) argues: "the use of the term 'system' implies a rigid, standardised and possibly bureaucratic approach which is not consistent with the concept of Performance Management as a flexible and evolutionary process applied by managers working with their staff in accordance with the circumstances in which they work".

Although, as already stated, every organisation should develop its own system given its particular circumstances and environment, it is useful to have a conceptual framework within which appropriate processes can be developed and operated. Armstrong's (2000) continuous, self-renewing cycle of Performance Management is useful in understanding the Performance Management process. This cycle, as adapted by the researcher, can be seen in Figure 2.4. Another example can be seen in Figure 2.5. This is an adapted example of a generic performance system by Spencer and Spencer (1993, p. 265).

Role definition
- Purpose of role
- Key result areas
- Capability requirements

Plan

Performance agreement
- Define expectations
- Set objectives (targets) & standards
- Capability profile
- Performance measures & indicators
- How capability will be assessed
- Core values of organization or operational requirements

Review

Act

Performance review
- Evaluation of achievements, progress and problems
- Revised performance agreement
- Revised personal development plan

Personal development planning
- Actions intended to extend knowledge and skills.
- Increase level of capability
- Increase performance in specified areas

Managing Performance throughout the year
- Continuous process of providing feedback
- Informal progress reviews
- Updating objectives
- Deal with Performance problems

Monitor

Adapted from Armstrong (2000, p. 17)

Figure 2.4 Performance Management Cycle

```
                   ┌─────────────────────┐
                   │ Define Organisational│
                   │      Strategy        │
                   └─────────────────────┘
                             │
Prerequisite                 ▼
   Steps          ┌─────────────────────┐
                  │ Define Organisational│
                  │      Objectives      │
                  └─────────────────────┘
                             │
                             ▼
                  ┌─────────────────────┐
                  │  Define Manager/Work │
                  │    unit Objective    │
                  └─────────────────────┘
                             │
                             ▼
Start of Period:  ┌────────────────────────────────┐
                  │ PERFORMANCE PLANNING           │
                  │  ▪ Definition of job responsib-│
                  │    ilities and work expectations│
                  │  ▪ Goal setting                │
                  └────────────────────────────────┘
```

PERFORMANCE PLANNING
- Definition of job responsibilities and work expectations
- Goal setting

PERFORMANCE MANAGEMENT
- Observe and document performance
- "Coaching" feedback
- Revise work expectations as necessary
- Provide development experiences
- Reinforce effective behaviour and progress towards goals

During Period

End of period

PERFORMANCE APPRAISAL
- Performance results vs. job expectations
- "Judging" vs. "Coaching"

Adapted from Spencer & Spencer (1993, p. 265)

Figure 2.5 Generic Performance Management System

There are several variants on the Performance Management process, with performance management commonly being represented as a cycle. Heisler, Jones and Benham (1988) identified four elements namely directing, energising, controlling and rewarding, while Schneier, Beatty and Baird (1987) propose five elements namely planning, managing, reviewing, rewarding and developing. Armstrong (2000) developed a highly useful checklist managers can use in designing a system, to see that all elements are covered in their process. See Appendix B.

2.9 INTEGRATIVE NATURE OF PERFORMANCE MANAGEMENT

> "It is not enough to change strategies, structures, and systems, unless the thinking that produced those strategies, structures, and systems also change."
>
> Peter Senge, *The Dance of Change* (Coens & Jenkins, 2000, p. 11)

Performance Management is integrative in nature and should have vertical and horizontal links with other organisational processes (Hartle, 1995). The author states that Performance Management should be integrated into the way the performance of the business is managed and should link with other key processes such as business strategy, employee development, and total quality management. Addams and Embley (1988) further state that in a certain sense Performance Management could be considered as a system that provides a link between strategic planning and employee performance review. Spangenberg's (1994a) Systems Model provides further linkages in this regard.

Vertical integration is achieved in so far as the Performance Management system leads to the alignment of strategic business plans and goals with individual and team objectives (Armstrong, 2000). To realise the achievement of corporate goals, there are interlocking or cascading objectives from the corporate level to the functional or business-unit level and down to the teams and the individual level. Within the Performance Management system it is very important that objectives be agreed upon and not set. It should also entail a bottom-up process where individuals and teams are given the opportunity to formulate their own goals within the framework provided by the overall purpose and values of the organisation (Armstrong, 2000). These should be reached through open dialogues that should take place continually between managers and the individuals. As Armstrong (2000, p. 9) puts it, "this needs to be seen as a partnership in which responsibility is shared and mutual expectations are defined". Vertical

integration further takes place between the core values and capabilities of the organisation and the values adopted and level of capability achieved by the individuals (Armstrong, 2000, p. 9).

A checklist developed by Swanson (1994, p. 52) looks at all the performance variables at the different performance levels, namely organisational, process and individual level. If this checklist is applied, the strategic intent of Performance Management will be more clearly defined and vertical integration will subsequently be better understood (See Table 2.3).

Table 2.3 Performance Diagnosis: enabling questions

PERFORMANCE VARIABLES	PERFORMANCE LEVELS		
	Organisational level	**Process level**	**Individual level**
Mission/goal	Does the organisational mission/goal fit the reality of the economic, political and cultural forces?	Do the process goals enable the organisation to meet organisational and individual missions/goals?	Are the professional and personal mission/goals of individuals congruent with the organisation's?
System design	Does the organisational system provide structure and policies supporting the desired performance?	Are processes designed in such a way as to work as a system?	Does the individual design support performance?
Capacity	Does the organisation have the leadership capital and infrastructure to achieve its mission/goals?	Does the process have the capacity to perform (quantity, quality and timeliness)?	Does the individual have the mental, physical and emotional capacity to perform?
Motivation	Do the policies, culture and reward system support the desired performance?	Does the process provide the information and human factors required to maintain it?	Does the individual want to perform no matter what?
Expertise	Does the organisation establish and maintain selection and training policies and resources?	Does the process of developing expertise meet the changing demands of changing processes?	Does the individual have the knowledge, skills and experience to perform?

Swanson (1994, p. 52)

Integration on a horizontal level is achieved by aligning the Performance Management strategies with the other HR strategies. These include those strategies concerned with valuing, involving, developing and rewarding people (Armstrong, 2000). Spangenberg (1994b) has a very clear diagrammatical representation of the powerful force of integration Performance Management plays. This figure can be seen in Appendix C.

Along with the development of competence frameworks, Performance Management is the most important means of assisting organisational effectiveness as it helps to integrate the various approaches organisations adopt to improve effectiveness; namely management, motivation, development and in the broadest sense, reward of employees (Armstrong, 2000, p. 10).

2.10 CHANGING PRACTICE OF PERFORMANCE MANAGEMENT

The rapidly changing, turbulent environment, characterized by fierce competition and unpredictable markets and products has challenged the traditional role and positioning of Performance Management. The Institute of Personnel and Development in the United Kingdom conducted research on the incidence of Performance Management, its main features, developments, characteristics, and the reactions of managers and staff (Armstrong and Baron, 1998). The survey done in 1997-1998 established that 69% of the 562 respondents had Performance Management systems and that considerable changes had taken place since the previous survey done in 1991 by the Institute of Personnel Management (now Institute of Personnel and Development- IPD). These developments are very insightful and are summarized in Figure 2.6.

FROM	TO
Perception as System →	Perception as Process
Appraisal →	Joint review
Emphasis on Outputs →	Emphasis on Outputs & Inputs
Associated with Performance-related pay →	Associated with Development
Ratings are common →	Ratings less prominent
Top down appraisal →	360-degree feedback
Directive approach →	Supportive approach
Monolithic system →	Flexible system
Owned by HR →	Owned by participants

Adapted from Armstrong (2000, p. 202)

Figure 2.6 Developments in Performance Management since 1991

This demanding environment has further lead to new roles of Performance Management. Facilitating the implementation of strategy has become a challenging new role (Schneier, Shaw & Beatty, 1991). According to the authors Performance Management can be a vital tool for strategy implementation as it signals what is really important to measure (critical success factors); determines appropriate ways to measure what is important (performance measures); fixes accountability for behaviour and results; and helps to improve performance.

The second major role of Performance Management is the improvement of organisational processes and of team and individual performance (Rummler & Brache, 1990). Lane (1994) and Egan (1995) both emphasize continuous improvement of employee performance as a major goal of Performance Management. Lawler (1994), however, contends that a team approach makes particular sense in organisations that rely heavily on self-managed teams. The third new development is Performance Management's role in the development of a desired organisational culture. McLagan (1993) supports this notion and considers Performance Management as a driving force in creating a participative culture. According to the author, the way in which a company carries out the different aspects of Performance Management, e.g. goal setting, coaching, feedback, etc., will determine the culture of the organisation, for example whether there will be an autocratic or participative culture, or a team or individual culture. Spangenberg (1994b, p. 41) contends that Performance Management does not only have a powerful impact on the culture of the organisation, but the culture of the organisation has an impact on the effectiveness of the Performance Management system. He further states that during times when business success depends on the ability of the organisation to move towards a more participative management approach, Performance Management becomes an important change management focus.

A fourth and traditional role of Performance Management is to provide inputs into human resource systems and decisions like training and development, career management and remuneration. (Spangenberg & Theron, 1997). This traditional view of Performance Management, as solely for HR purposes, resulted in Performance Management being perceived to be owned and driven by the Human Resource department. However, in organisations today it is of critical importance that the primary purpose of Performance Management is seen as both a process of implementing business strategy and as a vehicle for changing or creating the desired culture (Spangenberg & Theron, 1997). The authors support this notion and states that Performance Management's ties to human resources should be weakened relative to its new and

more strategic role. Bennett and Minty (1999) also agree and state that by putting the HR purpose of Performance Management secondary, organisations will elevate the status of Performance Management to that of a key business or management process, implying that it will be placed on the business calendar and integrated with other business processes such as strategic planning and financial budgeting.

2.11 THE SYSTEMS MODEL OF PERFORMANCE MANAGEMENT

Seeing that the System Model is very successful in giving a better understanding of the complexities surrounding Performance Management's implementation, and due to the fact that it is also the main driving force behind the PMAQ development, the core elements of *Inputs, Processes, Outputs and Linkages* to other systems of the Systems Model will be discussed. A complete discussion of the Systems Model can be found in Spangenberg (1994a, 1994b). A discussion of the adaptation of the Systems Model to major changes in the internal and external organisational environments can be found in Spangenberg and Theron (2001). A diagrammatic presentation of the Systems Model can be seen in Figure 2.7.
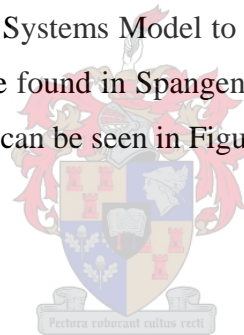
Figure 2.7 Systems Model of Performance Management

INPUTS	PROCESSES		OUTPUTS

INPUTS

Strategic drivers
- ❖ Corporate strategy
- ▪ Purpose Performance Management
- ❖ Leadership
- ❖ Culture
- ❖ *Sense of mission for PM*

Purpose and Strategy
- ▪ *Driving strategy*
- ▪ *Driving culture change*
- ▪ *Driving performance improvement*

Values and Behaviour
- ▪ *Becoming values driven*
- ▪ *Participation*
- ▪ *Openness\Justice and fairness*

Internal stakeholders
- ❖ Management
- ❖ Employees
- ❖ Trade Union

PROCESSES
- ❖ Developing/ clarifying unit mission, goals and strategy
- ▪ *Incorporating core organizational competencies*
- ▪ *Identifying and implementing individual competencies*
- ❖ Formulating goals and creating alignment at team and individual level
- ❖ Designing and redesigning structures
- ▪ *Group orientated PM system*
- ❖ Managing performance at three levels
- ❖ Reviewing performance

Introducing
- ▪ *Mastery descriptions*
- ▪ *Behavioural frequency scales*

LINKAGES
- ❖ Business strategy
- ❖ Balanced scorecard
- ❖ TQM
- ❖ HR
- ▪ Career management
- ▪ Training and development
- ❖ Reward system
- *Linking bonuses to purpose PM*
- ▪ *Merit based pay*
- ▪ *Utilising multi-level pay system*

OUTPUTS

Short-term
- ❖ Production
- ❖ Efficiency
- ❖ Satisfaction
- ❖ *Outcomes of performance review*
- ▪ *Acceptability*

Long-term
- ❖ Stabilisation of PM
- ❖ Organisational adaptability and development

FEEDBACK	FEEDBACK	FEEDBACK

(Spangenberg, 1994b; Spangenberg et al., 2001) - Cursive text shows 2001 adaptations

Spangenberg's Systems Model of Performance Management had its birth in the early 1990s, when Spangenberg (1994a) identified a wide range of problems while conducting a survey among Performance Management facilitators from major South African organisations on potential problems experienced with Performance Management. So many problems emerged that Spangenberg developed a Systems Model of Performance Management in collaboration with those Performance Management experts used in the survey. A wide variety of problems at different levels were identified and the Systems Model would not only clarify the reciprocal relationship between Performance Management and other organisational systems, but also serve to integrate the various impacting issues, to form a holistic picture.

The Systems Model provides a broad framework for Performance Management implementation and as such reminds managers of critical elements of the process that have to be attended to on an ongoing basis. The Systems Model also induced sufficient conceptual order so as to enable:

- a systematic survey of the extent of problems in various domains; and
- systematic classification of prerequisites for successful Performance Management application.

The Systems Model is based on the principle that the effectiveness of Performance Management is greatly influenced by *Inputs* into the system. These inputs include all the strategic drivers and the internal stakeholders (Spangenberg & Theron, 2001). *Strategic drivers* comprise of corporate strategy, purpose of Performance Management, leadership, culture and the later added, *sense of mission for Performance Management*. Spangenberg and Theron (2001) found that there has to be a clear purpose and vision for the system, supported by strong leadership and accepted by all. The author states that according to the Ashridge Mission Model (Campbell & Young, 1991), a sense of mission is achieved when an organisation's purpose, strategy, values and behaviour are aligned. Likewise, to create a sense of mission for an organisational system such as Performance Management, its mission elements must be internally aligned and, importantly, also be aligned to the mission of the organisation. This will stimulate thinking about the true purpose and deliverables of the Performance Management system. The sense of mission consists of two elements namely the (i) sense of mission: purpose and strategy and (ii) the sense of mission: values and behaviour.

Sense of mission (purpose and strategy) comprises of three roles in addition to the traditional Performance Management roles (Spangenberg & Theron, 2001, p. 40):

- Driving mission, vision and strategy.
- Driving culture change.
- Driving performance improvement of the individual, team and business processes.

Sense of mission (values and behaviour) came from the realisation that for Performance Management to become a dynamic, value–driven system, it necessitates a good understanding of the values and ethics involved in Performance Management. These values are the values of participation and involvement, openness, and justice and fairness (Spangenberg & Theron , 2001).

A fair degree of sophistication is expected from all *internal stakeholders*, namely management, supervision and employees, to understand and apply the principles and procedures of Performance Management. The goal is to move managers from an activity-related appraisal to an outcome-orientated Performance Management system (Spangenberg, 1994b, p. 43). Employees also need a generally positive employee performance orientation, while a strong personal growth is required for continuous personal development. Orientation and training programmes prior to implementation may be needed. A productive working relationship with unions or other employee representatives is also essential for the implementation of Performance Management at all levels.
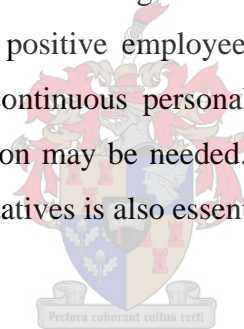
Processes comprise the core of Performance Management (Spangenberg & Theron, 2001, p. 36) and entails:

- an organisational mission, goals, and strategic capabilities communicated to all employees incorporating core organisational competencies, and identifying and implementing individual competencies.
- goals negotiated for teams and individuals related to wider organisational goals;
- expertise and aids available for redesigning structures at organisational, process and team/individual levels (group orientated PM systems- to keep up with the changing nature of the design and structure of modern jobs and groups of jobs);
- performance measured, feedback provided and problem-solving mechanisms utilized at organisational and process levels;
- performance tracked against goals in regular performance reviews; and
- training and development needs identified and coaching conducted at team/individual levels (Mastery descriptions and Behavioural frequency scales).

These two last points namely *Mastery descriptions* and *Behavioural frequency scales* are initiatives to try and overcome problems with numeric rating scales. One of the best-practice organisations, Minnesota Department of Transport in the USA, has come up with an innovative technique namely replacing performance definitions with mastery descriptions, and using behavioural frequency scales (Grote, 2000). Mastery descriptions describe the performance one might observe in someone who has mastered a specific activity. Behaviour frequency scales ask the rater to indicate how frequently the appraisee behaved like a true master, consequently no absolute judgement is made.

Linkages: Performance Management is normally linked to human resources and occasionally to other organisational systems and processes. With regard to human resources, it is linked to training and development, career management and the reward system. Due to the often-negative impact of discussing rewards during the final performance review, the reward issue may be separated from the annual review. Discussions Spangenberg (1994b) had with Performance Management facilitators indicated that performance rewards should be removed from the Performance Management cycle altogether and, instead, it should be considered as a linkage. In 2001 Spangenberg and Theron, however, write that there is a general concern that the reward system and the way it is applied may be detrimental to Performance Management systems. In terms of reward systems the following may be implemented on the grounds of three suggestions Lawler (1989) made:

- Linking bonuses to purpose Performance Management
- Merit based pay
- Utilising multi-level pay systems

There are an increasing number of productive linkages to business strategy, particularly strategic planning and budgeting process. Expanded linkages include *Balanced Scorecard* and *TQM*. The balanced scorecard was originally developed by Kaplan and Norton and introduced in 1992 as a means of overcoming the tendency of the private sector to give undue or exclusive prominence to financially based indicators of performance. Kaplan and Norton take the view that "what you measure is what you get", and they emphasise that no single measure can provide a clear target or focus attention on the critical areas of the business. Managers need a balanced presentation of both financial and operational measures in order to have a fast and comprehensive view of their business. The balanced scorecard thus looks at the customer

perspective, internal perspective, innovation and learning perspective and the financial perspective (Armstrong, 2000, p. 56).

TQM emerged out of a need to balance being analytical and measurement-driven in defining and producing quality at a given cost and the need to develop a culture that encourages and enables employees to contribute to both quality and efficiency. Quality Management has since become a dominant approach in both the private and public sectors and led to numerous changes in the way in which employees are managed and services are designed and delivered. Quality assurance and control, quality circles, benchmarking, charters and standards, continuous improvement programmes and process mapping have all emerged from the 'quality movement' (Rogers, 1999, p. 58).

Outputs spell out criteria for short-term and long-term individual and organisational effectiveness (Gibson, Ivancevich & Donnelly, 1991). Outputs reflect the main purposes of Performance Management, namely implementation of strategy in an efficient manner, with a satisfied employee corps. *Short-term* outputs comprise overall effective performance, namely production, efficiency, satisfaction, and *outcomes of performance review (user acceptance or acceptability)*. Production entails meeting the quantity and quality of products or services demanded by the market place. Efficiency (or productivity) is the ration of outputs to inputs while employee satisfaction and morale refers to the extent to which the organisation satisfies the needs of employees. Research by Hedge and Teachout (2000) uses *User acceptance or acceptability* as the concept that appropriately summarises the ultimately desired outcome of performance appraisal and thus it was incorporated into the Systems Model (Spangenberg, 1994b).

Longer-term outputs entail the stabilisation of Performance Management and further organisational adaptability and development. Stabilisation entails integrating Performance Management with organisational systems and ensuring its continued existence. Adaptability refers to the extent to which an organisation is capable of responding to external and internal changes. Development in this context refers to ensuring effectiveness over time by investing resources in ways that will enable the organisation to meet future environmental demands. Longer-term outcomes therefore reflect the organisation's approach to environmental change (Spangenberg, 1994b).

2.12 CONCLUSION

Performance Management is an approach to create a shared vision and purpose for organisations and its employees, in order for employees to be actively busy with what really matters to the organisation, thus not only enhancing productivity and returns but also increasing work-satisfaction among employees. The various problems with the results- and behaviour-based models of performance appraisal as discussed in this chapter became the motivational grounds for the development of Performance Management. Performance Management is, however, not a system of quick implementation and quick-fixes but rather an intricate process of which all the success factors will not necessarily be satisfied during the initial implementation.

Performance Management entails various elements, principles, prerequisites and goals, which will have to be adhered to in order for the advantages to be reached. These advantages include creating a participating culture, developing more productive work forces and leading to more work satisfaction among employees. The Systems Model developed by Spangenberg (1994a) gives a holistic view of all the elements, linkages and role-players within the Performance Management process and will help organisations to identify where they are currently falling short. It is also the driving-force behind the development of the PMAQ.

In the next chapter, the origin of Performance Management in the public sector is investigated in order to obtain a greater understanding of how Performance Management functions in the public sector, as well as how the focus and the process of Performance Management in the public sector differs from that in the private sector. Critical success factors are discussed as well as recent changes in the local government Performance Management context. Notable documents and legislation that played an influential role in the formation of the CAF's Performance Management system are also discussed. The chapter concludes with an explanation of problems experienced in other organisations in order to identify possible areas of development that may exist within the CAF's system.

PERFORMANCE MANAGEMENT SYSTEMS IN LOCAL GOVERNMENT

If everyone desired to do his or her job correctly and on time, and could be trusted to act with integrity and in support of the firm's aims and goals, what would your organisation's processes and procedures look like?

Dr. John Whitney (Coens & Jenkins, 2000, p.257)

3.1 PERFORMANCE MANAGEMENT WITHIN LOCAL GOVERNMENT INSTITUTIONS

3.1.1 The Origin of Performance Management within local government

The legitimacy of government in society has been under constant discussion, leading to an extensive search for systemic incentives for improved performance of government (Rogers, 1999). For these incentives to be deemed successful, they need to stimulate and enhance the economy in general, as well as increase the efficiency, effectiveness and service quality, or more simply put, enhance governmental performance (Joubert & Noah, 2000, p. 18). Service delivery has also become a key issue in reconstructing this lost legitimacy. Furthermore, cost consciousness and results-orientation have become key criteria for these reforms (Hassen, 1999, p. 37). A system that answers all these requirements and leads to reform is Performance Management.

There are a number of driving forces that led to the introduction of Performance Management into local government. Rogers (1999) identifies five of the main forces as (1) the search for strategy and a sense of direction and purpose, (2) the need for accountability, (3) a quest for achievement, (4) a necessity for survival, and (5) learning. These forces will now be discussed for further clarity.

The author states that *the search for strategy and a sense of direction and purpose* is a direct result of the general criticism that local government lacked sufficient strategic direction. The more strategic approach includes the development of mission statements, corporate strategies and policies and at least an attempt at longer-term, integrated financial, human resources and facilities planning (Rogers, 1999, p. 89).

Apart from adhering to government's legislative requirements, the author states that local authorities in the United Kingdom have been proactive in developing their own mechanisms for *accountability*. The search for internal accountability has been a major stimulus for the introduction of Performance Management.

Local authorities have been under significant pressure to *achieve* greater economy and efficiency and consequently introduced a wide variety of performance review mechanisms that have varying degrees of success. As Rogers (1999, p. 89) explains, the focus on economy and efficiency - at the expense of effectiveness and quality - led to increasing expressions of concern within local authorities. As a result, there was a shift during the late 1980s and 1990s towards the concept of quality control, quality assurance and TQM. In some cases the concern for quality was integrated within the Performance Management framework, while in other cases the two approaches were pursued independently.

The author argues that, due to the growing pressure of customer satisfaction within the local government, economy and efficiency have been pursued as a necessity for *survival* rather than as a model of good management. Rogers (1999) argues that the need to be creative and flexible in responding to changing community needs and to changing government systems has led to more local authorities recognising that the organisational and individual capacity to *learn* has become a core requirement in local government.

3.1.2 Understanding Performance Management within local government

In 1993 the Local Government Management Board (LGMB, 1993) of the United Kingdom published a useful guide to Performance Management for the public sector. In Chapter 2 of the report they define Performance Management to be:

> Performance Management links the strategy and service objectives of the authority to the jobs and people. It is a systematic approach to managing effectively. Approaches vary in degree of formal structure. Its most detailed form is based on: setting corporate, service, team and individual objectives; recognising achievement; identifying training and development needs; and then using the knowledge gained to modify objectives and methods as necessary.
>
> Its prime aims are to improve performance and motivate staff by concentrating on priority objectives, raising commitment and releasing potential. It should be people rather than systems dominated and firmly within the strategy and direction set by elected members. With proper care

and development, introduction and operation it will work, but will take time and effort. It should, however, be tied in with other services management and human resource policies, such as service planning and training and development. In addition, employers have the option of relating PM to their reward strategies.

Rogers (1999) proposes an alternative approach for understanding Performance Management within local government. This author suggests that consideration should be given to the fundamental organisational conditions needed if a local authority is to manage successfully all the key aspects of its performance. Figure 3.1 expresses the view of Performance Management as put forward by Rogers.

THE ORGANISATION OF COMMITTED PEOPLE

THE GOVERNMENT OF COMMUNITY

FLEXIBILITY

Training and development

Community involvement

Morale building Team building

Marketing and customer feedback

Self-evaluation, peer review and action learning

Identifying and acquiring resources

Maximising human interaction and communication

Staff Involvement and Development

Adaptability and Responsibility

Accountability and political sensitivity

INTERNAL FOCUS

EXTERNAL FOCUS

Stability and Control

Goals and Outputs

Formal communication and co-ordination

Strategy planning and goal setting

Management Information and documentation

Quality assurance and effectiveness

Controls
- finance
- procedures
- methods

Productivity and Output targets

CONTROL

THE WELL-REGULATED BUREAUCRACY

THE ACTIVE PRODUCER OF SERVICES

Adapted from Rogers (1999, p. 12)

Figure 3.1 Performance Management- towards integration

50

This figure consists of two axes. The horizontal axis represents the internal and external focus of the organisation, while the vertical axis represents the need for both control and flexibility. The four quadrants that are created represent the four main conditions for managing performance in local government, namely:

- the need for stability and control;
- goals and outputs;
- staff development and involvement; and
- adaptability and responsiveness.

This diagrammatic representation of Rogers illustrates two very important issues. Firstly, it illustrates that the four conditions of management are in constant tension with one another (Rogers, 1999). Effective management necessitates an internal focus but at the same time also requires knowledge of what is happening outside the authority. In the same way, there is a definite need for control and stability while at the same time enough flexibility is essential to enable the organisation to adapt to the changing environment. The second issue that Rogers (1999) illustrates with his analysis is that a good model of Performance Management in local authority is one in which there is an appropriate focus on all four quadrants. As the author explains, without adequate internal control the organisation is likely to become unstable; without planning the outputs and outcomes expected of the organisation it is less likely to produce efficient and effective services; without committed and developing staff it will be incapable of sustaining its achievement of goals; and without the capacity to adapt and respond to its environment it is increasingly more probable that it will be perceived as irrelevant and subjected to criticism (Rogers, 1999, p. 14).

3.1.3 Focus of Performance Management within local government

It is commonly accepted that human capital drive competitiveness and business excellence in the business world. This assumption is also applicable to the public sector. The focus of a Performance Management system for public administration is, however, fundamentally different from that of a system in the private sector as there is a substantive difference in the overarching motives of the two worlds (Joubert & Noah, 2000). Joubert and Noah (2000, p. 19) present the basic differences in an easy-to-use and comprehensible table (See Table 3.1).

Table 3.1 Performance Management- Business vs. Public Administration

Performance Measure	World of Business Administration	World of Public Administration
Measure of Effectiveness (Doing the Right thing)	▪ Competitiveness ▪ Economic Value Added ▪ Market Value Added ▪ Shareholder Value	▪ Better Life for All ▪ National Prosperity
Measure of Efficiency at the Strategic Level (Doing Things Right)	**Some examples:** ▪ Return on investment ▪ Return on Equity ▪ Earnings per Employee, ▪ Profit ▪ Market Share ▪ Earnings per Share ▪ Client Satisfaction ▪ Transaction cycle time ▪ New Product Time to Market ▪ Cost and Wastage Improvement ▪ Multi-factor Productivity	**Some examples:** ▪ State Asset and Enterprise Performance ▪ Level of Self-sustainability ▪ Value Impact of Tax Allocation ▪ Tax Allocation per employee ▪ National Socio-Economic Development Impact ▪ South Africa's Global Competitiveness ▪ New Business Development ▪ Foreign Exchange Earnings ▪ Foreign Investment ▪ International Value of the National Currency ▪ International Security and Sovereignty ▪ National Wealth Creation ▪ National Literacy and Education Level ▪ Job Creation and National Employment Levels ▪ Personal Safety and Security of the Individual

Joubert and Noah (2000, p. 19)

When considering this table, it becomes clear that the effectiveness and efficiency of the two worlds are measured and appraised differently.

3.2 PERFORMANCE MANAGEMENT MODEL WITHIN LOCAL GOVERNMENT

Although the focus of Performance Management in the public and private sectors differs as discussed above, the Performance Management system's architecture remains the same (Joubert & Noah, 2000). Both worlds require components of cyclical performance planning, performance measurement and contracting, cyclical performance appraisal and feedback, competence development planning, and reward/incentives/discipline. Rogers (1999, p. 91) presents a diagrammatic representation of the commonly accepted and 'standardised' model of Performance Management in local government, presented here in Figure 3.2.
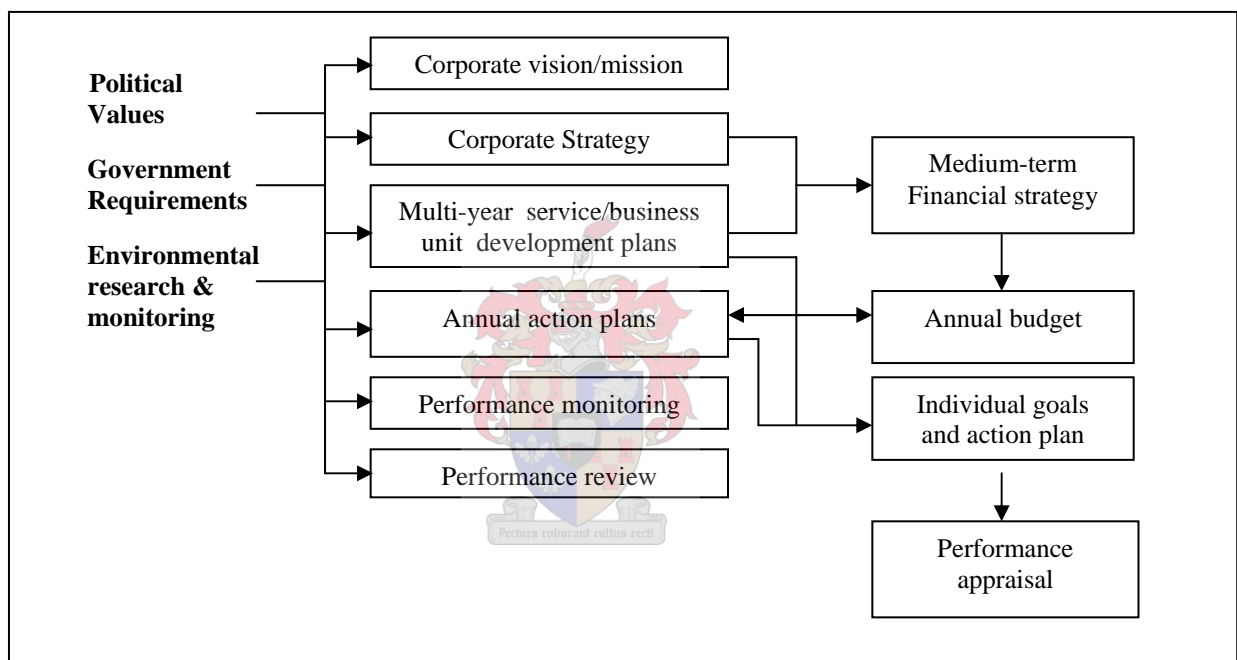
Rogers (1999, p. 91)

Figure 3.2 Typical corporate strategic and Performance Management process

The key aspects of the model are as follows:

- analysis and review of the external environment;
- integration of strategy and implementation;
- integration of strategy and service plans with the budgetary process;
- integration of organisational and individual performance; and
- building in monitoring and review.

The only aspect that truly differs and thus necessitates attention within the local government environment is the *integration of strategy and service plans with the budgetary process.* According to Rogers (1999), some local authorities experience problems relating to 'ownership' of the strategic and budgetary processes, with Treasurers and Finance Committees retaining quasi-independent control of the latter. As a consequence, there is a failure to relate separate processes of policy or strategy development to those of service development and delivery. This model (Figure 3.2) is at best an illustration of how local authorities intend to manage performance, and they only describe formal organisational processes and systems. There is thus no reference to the fundamental organisational characteristics such as organisational and political culture and expectations, communication and information systems that actually underpin how performance is managed.

Joubert and Noah (2000, p. 19) examined the South African public service and proposed a Performance Management approach for the public service. Although it is a South African approach, it can be applied internationally and entails:

- critically review the core service mission, vision and values of a department and define these in terms of stakeholder as well as citizen requirements- in the context of 'A Better Life For All';
- develop a set of overarching objectives and performance measures;
- validate the current organisation structure in terms of these objectives and measures;
- construct a Departmental Service Delivery Plan;
- install individual job compacts by cascading the objectives and measures;
- contract individual performance outputs and levels;
- measure and appraise performance; and
- recognise and reward/penalize good and bad performance.

The derived advantages of a guiding framework for Performance Management include a consistent focus on key issues and strategies assuring core services in the context of national priorities. Furthermore balanced performance is assured in that the focus is not only financial, but also non-financial as well as internal and external. Performance contracts at all levels assure holistic delivery and also create a common database of performance measures for more effective knowledge management. Additional advantages are equity in the treatment of employees and a better control on labour relations. Employees are aware of their targets or outputs, as well as what is meant by good and bad performance. When dealing with underperformance, a due process of performance development can be followed, leading to less strikes and disruptive work

stoppages. This guiding framework is also a dynamic vehicle for sustained change and transformation in response to the demands of the environment, negating the need for dramatic interventions (Joubert and Noah, 2000, p. 20).

3.3 CHANGING FACE OF PERFORMANCE MANAGEMENT WITHIN LOCAL GOVERNMENT

Performance Management has changed within the public sphere, as it has in the private sphere. Rogers (1999, p. 108) looked at these changes and argues that the art of successful Performance Management within local government actually entails finding the best position for an organisation on each of the following continuums:

- Top-down versus bottom-up
- Analysis and planning versus action and implementation
- Conformance and continuity versus challenge and change
- Systems and procedures versus cultures and values

3.3.1 Top-down versus bottom-up

As Performance Management within local authority was implemented in a response to the need to give clearer direction and a sense of purpose, its implementation can be excessively hierarchical and even autocratic in nature (Rogers, 1999). The author states that local authorities have gained experience and have realised that an exclusively top-down approach is less likely to result in a real sense of ownership of objectives and the plans and performance that result from them. Counteracting forces for this tendency, and mechanisms for a dual approach, include the following (Rogers, 1999, p.108):

- Ensuring that the results of individual and team appraisal are fed back into the process for planning organisational performance.
- Ensuring that the strategic planning process includes a consideration of the competencies that will be needed in the organisation to implement the strategies.
- Quality circles and other similar ways of involving front-line staff in service improvements.
- Setting up planning processes at lower levels in the organisation, such as business unit, sectional, divisional and team plans that are identifiable in their own right but are linked to the hierarchical strategic planning process.

The last of these four processes is the most crucial and the most difficult to realise. Planning processes need to be prevalent at all levels with each level having an upward and downward influence on other levels (Rogers, 1999).

3.3.2 Analysis and planning versus action and implementation

Rogers (1999) warns that planning and implementation, and equally analysis and action, need to be balanced otherwise 'paralysis by analysis' or 'load, fire, aim' may come about. The author states that the greatest danger for local authorities lies in the fact that the process of analysis and planning is organisationally separated from that of implementation and action, and that the danger exists that 'specialism' becomes 'separation' (Rogers, 1999, p. 109).

The author also states that government's focus on action and results in recent years has lead to many organisations now being more concerned with achieving seemingly impressive short-term results instead of fully analysing issues in order to produce the best solution. As Rogers (1999, p. 109) puts it, in some cases "to be seen doing something, perhaps anything, has become more important than ensuring that what you are doing is effective". Planning has also, according to the author, too often been conceived as the publication of a document, with insufficient attention paid to the definition of the problem from different stakeholders' perspectives, collection of evidence and information, analysis of the evidence and information, and identification and analysis of possible solutions. All of the abovementioned aspects are necessary preconditions for producing a plan or solution that is likely to be effective (Rogers, 1999).

3.3.3 Conformance and continuity versus challenge and change

Rogers (1999) also addresses an issue that rarely receives any explicit attention, namely the role of performance planning. The author asks the question whether the role of a performance plan is merely to act as a baseline that is continuously tested and challenged, or whether a plan or directive should be followed in a conforming, unfailing manner. The author argues that organisations with a more autocratic, top-down and bureaucratic planning process will tend to implicitly or explicitly develop a culture which stresses conformance and one in which the plan becomes an instrument of organisational control. Conversely an organisation that stresses participative, bottom-up, interactive styles of planning will value the challenging existing plans.

The process of challenge, however, has to be managed in relation to the process of planning and must serve the strategic intent of the organisation (Rogers, 1999, p. 111).

The author also states that an appropriate balance between continuity and change should be gained. Especially within the public service, there is strong pressure for continuity where clear procedures ensure public accountability and specified standards and contracts ensure the continuity of service provision. On the same token, external and internal pressure for change is ubiquitous (Rogers, 1999).

3.3.4 Systems and procedures versus cultures and values

Characterizations of Performance Management tend to dwell more on systems and procedures rather than the need to promote appropriate cultures and values. Rogers (1999) states that this may be due to the fact that structures, systems and procedures are visible and physical manifestations of the organisation and can be changed with ease. Developing a performance-orientated culture, however, is more complicated as cultures and values are not as obvious or evident and appear to be resistant to change. The problem of different cultures emerging in different parts of complex organisations like local authorities also increases problems. Rogers (1999, p. 111) states that a balanced attention to cultures and values as well as structures and systems involves several factors:

- Involving staff in both the analysis of culture and in identifying ways it can and should be changed.
- Involving staff in the design of new systems and procedures.
- Ensuring that senior managers are closely involved with the implementation as well as the design of new systems and procedures.
- Being prepared to adapt systems in the light of cultural and value changes in the organisation.
- Ensuring that there is plenty of feedback throughout the organisation on both cultures and systems that are or are not changing or proving effective.

3.4 LEGISLATIVE AND POLICY FRAMEWORK UNDERPINNING PERFORMANCE MANAGEMENT WITHIN CAF

The CAF is a division within the Department of Health and Human Services (DHHS) of Tasmania, Australia, which is a department within the Tasmanian State Service. As such it falls under the jurisdiction of the State Service Act 2000 and other related legislation of Australia. The legal framework provided by the State Service Act 2000 of Australia outlines the government and community expectation that the State Service is focused on managing its performance and achieving results. The DHHS thus needs to manage, in an effective manner, all medical services, hospital and ambulance services, community health services, government housing and welfare services in Tasmania. So too does the CAF need to deliver on its endeavour to provide high quality services to the children, young people, individuals and families of Tasmania so that they can experience increased health, well being, safety and resilience.

Performance Management is an important tool that can assist agencies to improve their organisational capability, to meet organisational objectives and to deliver high quality policy advice and services to the community on behalf of the government. Performance Management plays such an important role that it was legislatively enforced in the State Service Act (Commonwealth of Australia, 2000), section 34 (1) (g) requiring the Heads of Agencies to "develop and implement systems to evaluate the performance of employees in that Agency to ensure that the duties of the employee are performed effectively and efficiently".

In 2002 the State Service Commissioner issued a Commissioner's Direction under the State Service Act, which set out the minimum principles and standards to assist in developing and implementing a Performance Management system (Commissioner's Direction No.4, 2002, p.1). It provides an outline of the elements of its Performance Management System as it offers suggestions about how to establish and implement effective systems.

3.4.1 State Service Act 2000

The aim of the State Service Act (Commonwealth of Australia, 2000) was to encourage modern management practices within the workplace and provide agencies with the flexibility to manage human resources in a changing environment. Section 8 of the Act requires the heads of agencies to uphold, promote and comply with the State Service Principles found in Section 7 of the Act.

The following Principles are specifically relevant to Performance Management (Commissioner's Advice, 2002, p. 4):

- the State Service is accountable for its actions and performance, within the framework of Ministerial responsibility, to the Government, the Parliament and the community;

- the State Service is responsive to the government in providing honest, comprehensive, accurate and timely advice and in implementing the government's policies and programs;

- the State Service delivers services fairly and impartially to the community;

- the State Service develops leadership of the highest quality;

- the State Service establishes workplace practices that encourage communication, consultation, cooperation and input from employees on matters that affect their work and workplace;

- the State Service focuses on managing its performance and achieving results; and

- the State Service provides a fair system of review of decisions taken in respect of employees.

The State Service Principles require a head of an agency to put in place measures to:

- manage performance and achieve results;

- develop leadership of the highest quality; and

- establish a workplace that encourages communication, consultation, cooperation and input from employees on matters that affect their work and workplace.

3.4.2 Commissioner's Direction on Performance Management

The Commissioner's Direction on Performance Management was issued in 2002 under the State Service Act and is contained in Commissioner's Direction No. 4. It was developed as the State Service Act (Commonwealth of Australia, 2000), requires the State Service Commissioner to develop principles and standards for performance management and provide assistance to heads of agencies in the application of those principles and standards.

These guidelines are consequently designed to assist heads of agency to meet their statutory obligation to implement a Performance Management system within their agency. It sets out the minimum principles and standards to assist the head of an agency to develop and implement a performance management system as required by Section 34 (1) (g) of the State Service Act (Commonwealth of Australia, 2000). It is important to note that formal management of medical

incapacity, inability to discharge duties and breaches of the code of conduct processes are outside the scope of this direction, and are the subject of separate Commissioner's Directions. It should be noted that these Directions encourage preliminary consideration of performance management issues.

3.4.2.1 Performance Management Principle and Standards

The Commissioner's Direction No.4 (2002, p.1.) states that:

- A Head of an Agency must develop and implement a performance management system or systems to assist in giving effect to the State Service Principles as outlined in Commissioner's Direction 2.

The following principles underpin effective performance management systems:

- there is an appropriate level of understanding of the connection between individual duties and performance and broader organisational goals and performance;

- there is sufficient flexibility in the system to accommodate diverse working environments within each Agency;

- there is a clear and agreed understanding of performance objectives, criteria and standards on the part of both supervisors and employees; and

- performance evaluations relate to agreed objectives, criteria and standards, and these are clearly communicated to, and understood by, employees; and resource and training needs relevant to performance objectives are clearly identified and agreed upon and a strategy put in place to address them.

A performance management system must comply with the following minimum standards (Commissioner's Direction No.4, 2002, p.2). The system must:

- promote and maintain the State Service principles;

- be fair and equitable;

- be aligned with corporate objectives, priorities, strategies and processes;

- have clearly defined objectives and be well documented;

- ensure confidentiality and appropriate use of all information generated in the performance management process;

- operate on a regular cycle with performance reviews occurring on at least an annual basis; and

- include measures to report on its effectiveness; and be reviewed on a regular basis.

- The system must not disadvantage, discriminate, harass or victimise any individual on the basis of gender, race, disability, sexuality, age, linguistic or cultural background, being an indigenous Australian or any other attribute not relevant to the workplace.

3.4.2.2 Performance Management Control, Evaluation and Reviews

In terms of *control, evaluation and review*, the Commissioner's Direction No.4 requests three main components:

- As soon as practicable after establishing a performance management system, details of the system and any supporting documentation must be provided to the Commissioner. If the head of agency alters or revises the system in any significant way, the head of agency must as soon as practicable provide details of the revised system to the Commissioner.

- In terms of evaluation of the Performance Management System a head of agency must develop a set of performance indicators to evaluate the effectiveness and outcomes of the agency's performance management system; and evaluate and report on the employment policies and practices of the agency including details of and statistical information (where applicable) relating to performance management (State Service Regulations 2001, Regulation 9(b)). A head of agency must also give the Commissioner the information the Commissioner requires to enable the Commissioner to evaluate and make an assessment of the effectiveness of agencies' performance management system; and make the assessment for the purpose of the Commissioner's report under section 23 of the State Service Act 2000 (Commissioner's Direction No.4, 2002, p.3).

- A head of agency must review the agency's performance management system at least once every four years. The review must ensure that the performance management system continues to assist in promoting and maintaining the State Service Principles; and is consistent with the requirements of section 4 (Performance Management Principles and Standards).

Seeing that it has been more than four years since the implementation of the CAF's Performance Management system, this study with the utilisation of the PMAQ will ensure that this requirement of an assessment of the effectiveness of the system is adhered to.

3.4.3 Commissioner's Guidelines for Performance Management

The Guidelines for Performance Management Systems contained in the Commissioner's Advice (2002), should be read in accordance with the Commissioner's Direction No. 4. (2002).   It articulates that appropriate performance management is an important tool to assist State Service Agencies to meet the requirements of government and the community.   The performance management process articulates the standards of work expected of employees and the values and behaviours employees are expected to uphold in meeting their job requirements, and in communicating and working with others. Effective performance management also integrates organisational, business and individual planning and performance, enabling employees to understand the goals of the organisation and to see how individual and team outputs contribute to the achievement of organisational objectives.   Performance management also assists employees to recognise the work they do well and how they can further improve their performance, and also provides a foundation for career development (Commissioner's Advice, 2002, p. 3).

3.4.4 Related documents

There are two additional Commissioner's Directions that must be considered in the context of performance management. Commissioner's Directions No 5 establishes the procedures to be followed in managing alleged breaches of the State Service Code of Conduct, while Commissioner's Direction No 6 establishes the procedures to be followed when it is alleged that an employee is unable to perform their duties efficiently and effectively (Commissioner's Advice, 2002, p.5).

Those Directions make it clear that most performance issues can and should be able to be dealt with as part of a normal performance management process. Performance management provides the ability for the head of agency to take a number of actions to assist employees to manage their performance without dealing with a matter as a breach of the Code of Conduct or an inability to effectively and efficiently perform duties.   The Commissioner's Directions indicate that performance management should always be considered as the first option for managing performance issues (Commissioner's Advice, 2002, p. 5).

3.5 PREVAILING SITUATION OF PERFORMANCE MANAGEMENT IN THE CAF

The implementation of the CAF's Performance Management system occurred in 2000, as required by Section 34 (1) (g) of the State Service Act (Commonwealth of Australia, 2000). Although guided by all the legislative and policy guidelines, the Human Resource Development Manager indicated that the system has not yet developed its full potential since its implementation five years ago. In the various informal conversations held (personal communication with the CAF's HRD Manager, S. Franck, July 2004), it was clear that while there are various anticipated development areas in the division's Performance Management system, the division has no way of pinpointing exactly where the insufficiencies lie. Administering the PMAQ, will enable the researcher to determine the status quo currently existing within the division. For the purpose of this chapter however, related literature on problems experienced in other organisations will be used to set the scene for discussing problems within the CAF's own Performance Management system.

According to Le Roux (1995) one of the biggest problems in organisations is that *Performance Management systems are run as separate entities and have no direct links to the organisation's strategic plans*. These systems usually just track day-to-day responsibilities and outcomes and focuses on operational rather than key or strategic objectives. As the preceding literature has indicated, however, a Performance Management system at its best is a key part of the strategic management process, bringing the organisation's strategy to every employee. Le Roux (1995) argues that the system should also focus on those relatively few key or strategic objectives that will add the most value to the business. Leading on from this, if the organisation or division has no well-defined strategy the system will be fundamentally flawed.

The CAF's definition of Performance Management in the Performance & Development Program, however, does show a direct strategic link stating:

> Performance Management is a system which consistently aligns individuals and organisational performance to achieve the Agency's mission. It links two major organisational strategies, planning and human resource management, to ensure that there is a focused effort by staff in providing services to clients.

> (DHHS Strategic Framework for Performance Management, 1997, p. 3).

It further defines Planning as a process involving planning, action and review cascading from a whole of agency strategic level to individual contributions. The Performance and Development

Program also links with Business Planning and Position Descriptions. Service units produce Business Plans and every team member's position description entails tasks, which are in line with the Business Plan.

The division also has a well-defined strategy communicated clearly in its strategic plan. It shows clearly how its own goals were directly deduced from the DHHS corporate plan. This is, however, found in the confidential strategic plan and cannot be discussed here. The first ten questions of the PMAQ will, however, indicate whether or not there is a weak link between the Performance Management system and strategic issues, or whether communication of the strategic intent has been successful.

Le Roux (1995) has further found that often when asking questions about organisation's Performance Management system, employees start talking about their problems with the Performance appraisal process. It thus seems that employees *often perceive a Performance Management system to be just another name for performance appraisal*. This also indicates that psychologically, appraisal is still employees' key focus and not performance improvement. Appraisals are, however, not only retrospective - i.e. happening after everything is over - it is also a means to an end, not a goal in itself. If appraisals are consequently not tied to a realistic performance improvement process, then appraisals, although well-designed and well administered, are futile.
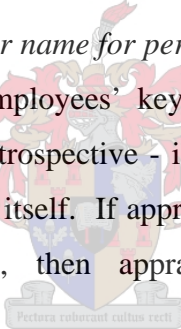
Within the CAF the focus on performance improvement and development is so strong that their Performance Management System is now called the Performance Development Program (PDP). The PDP is:

> a system of planning work and development, putting these plans into action and reviewing progress regularly. Team members and their managers work together to develop and agree on plans for both work performance and learning and development needs.

> (DHHS Strategic Framework for Performance Management, 1997, p. 5).

It further states that the reasons for the PDP are:
- To focus on what we are here at work to do, reflect on our achievements and look at ways of improving our work;
- To help us plan training and development for teams and team members in a structured, organised way;

- To discuss team roles, issues, strengths, areas for improvement and future career aspirations in a constructive and supportive way.

On the other hand, Le Roux (1995) warns that although a Performance Management system could be called a Performance Development system, it is yet very important that it is *not perceived as an imposed control system but is primarily perceived as a development system*. The author states that most employees want direction, freedom to get work done, and encouragement, not control. Within the CAF the PDP works through team members and their managers or team leaders working together as a partnership. Both the team member and their manager contribute equally to the preparation phase, the planning meeting and the review meeting (DHHS Strategic Framework for Performance Management, 1997, p. 5). The PDP also further works best when individuals and their managers approach it with the key principles of collaboration, participation, interaction and development in mind.

Another problem that Le Roux (1995) found was that often organisations urge managers to develop their people but *do not provide a clear framework, processes, skills and rewards needed for managers to do so*. Often organisations also do not take the time to train *supervisors* in the skills needed to make a Performance Management system work effectively. These skills include the communication and process skills needed for innovative dialogue, coaching and counselling, corrective and confirmatory feedback, and debate and conflict management. The author argues that it is in fact unskilled supervision that leads to a Performance Management system being perceived as a control mechanism.

In some organisations *every organisational unit or division obtain a uniform Performance Management system* that they have to make work (Le Roux, 1995). Instead the author argues that performance goals and standards should only be set after the group's or unit's mission and business plans have been specified. Divisions can at best be given a set of broad guidelines, but each department or unit should come up with its own innovative ways to put a system together to increase individual and team productivity. Once created, the system should also be open to continual improvement.

As shown earlier, there is a cascading relationship between the Agency's direction, the Divisions and Services and lastly every individual. Each Service unit produces a Business Plan and every team member's position description entails tasks, which are in line with the Business Plan. It

thus creates a sense of ownership and that every division and service has its own system, own mission, vision and own goals, all aligned to the Agency's Business Plan and Strategic Directions.

Very often employees do not perceive a bad Performance Management system as "Management just talking and not delivering", but as the Human Resource Department not doing its job well and the whole Performance Management system being a system full of empty promises (Le Roux, 1995). A Performance Management system should, however, be presented as a *value-added management system, not an HR system.* It is a tool to be used by all managers, whether in a line or a functional unit, together with all team members to improve both individual and unit productivity. Within the CAF this link is already explained in the definition of the Performance Management system, namely:

> Performance Management is a system which consistently aligns individuals and organisational performance to achieve the Agency's mission. It links two major organisational strategies, planning and human resource management, to ensure that there is a focused effort by staff in providing services to clients.
>
> (DHHS Strategic Framework for Performance Management, 1997, p. 3).

All of the abovementioned problems are big quandaries that can cause an assortment of problems preventing Performance Management from functioning.

3.6 CONCLUSION

The search for strategy and a sense of direction and purpose, the need for accountability, the quest for achievement, the necessity for survival and learning, all supported Performance Management's arrival in the public sector. Although both the private and the public sectors see employees as competitive assets, the focus and the process of Performance Management in the public sector differs from that of the private sector. It is important to understand the critical success factors of Performance Management in the local government and that ample attention is given to recent changes.

Within the CAF division there has been various significant legislative and policy documentation giving guidelines and information on how the Performance Management system has to be

implemented, as well as guidelines for the effective functioning of the system. These include the Commissioner's Direction No. 4 (2002) that was issued by authority of the State Service Commissioner pursuant to Section 20(1) of the State Service Act (Commonwealth of Australia, 2000) and the subsequent Commissioner's Advice (2002) that elucidate guidelines for the Performance Management system and outline some of the critical elements needed in a Performance Management system. The discussion around problems that have been found in other organisations sets the scene for the next chapter, which discusses the research design and methodology utilised in this study, covering aspects such as the overall approach adopted for the study, the research design, the sample and sampling methods used, the data collection procedure as well as the data analysis methods and interpretation thereof.
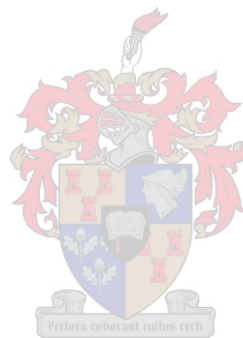
CHAPTER 4:
RESEARCH METHODOLOGY

4.1 INTRODUCTION

The research design and methodology of an investigation guides the research process and ensures that the analysis conducted will meet the aims of the study. The approach adopted for this study is quantitative in nature and involves survey research.

4.2 RESEARCH DESIGN

Survey research design was identified as the most appropriate research design since surveys provide information about people's self-reported beliefs and behaviours (Neuman, 2000, p. 247). This study's aim was to obtain an insight into employees' perceptions of the CAF's Performance Management system, and as such survey research was identified as the most appropriate methodology.

> Survey research studies large and small populations (or universes) by selecting and studying samples chosen from the population to discover the relative incidence, distribution, and interrelations of sociological and psychological variables.
>
> Kerlinger and Lee (2000, p. 599)

Surveys can take on various forms including Internet-based, mail, self-administered, face-to-face and telephone surveys. In the present study the self-administered survey form, in which respondents independently complete questionnaires, was the method utilised.

In order to empirically evaluate the descriptive hypotheses, Spangenberg and Theron's *Performance Management Audit Questionnaire* (PMAQ) was applied to a sample of CAF employees. The PMAQ provided the main mechanism for data collection and the results were analysed statistically to identify significant trends in the data.

The descriptive hypotheses are:
- To establish the current situation concerning Performance Management within the CAF using the PMAQ as the diagnostic measure;

- To review existing literature in order to identify key elements that contribute to successful Performance Management systems;
- To identify the underdeveloped or absent areas of the organisation's current Performance Management system, taking into account the existing literature and current situation identified by the PMAQ;
- To investigate the discrepancy between managerial and non-managerial employees' perception of the effectiveness of the Performance Management system; and
- To propose remedial actions that could be implemented to address the problem areas as identified in the comparison.

Evaluating the diagnostic hypotheses examined in this study involves describing the current state of a set of variables that can be used to determine the level of the Performance Management system's effectiveness. The current state as determined in this way is then compared to the level the variables should be to assure acceptable levels of Performance Management efficiency.
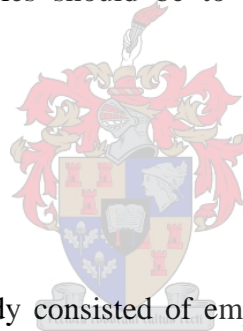
4.3 SAMPLING DESIGN

The target population for this study consisted of employees of the CAF within the DHHS of Tasmania, Australia. This incorporates four departments, namely Youth Justice, Ashley Youth Detention Centre, Child and Family Services, and Family, Child Youth Health Services. The sampling frame consisted of all employees who attended the Performance Development training conducted by the HRD department of the CAF.

To maximize the likely number of responses non-probability sampling was used; more specifically, availability sampling was utilised in which the researcher makes use of all the available subjects (Babbie & Mouton, 2002). This sampling technique was chosen due to the relatively small population size (N = 112) of the CAF. While random or probability sampling would have been the optimal choice, it was unfortunately not possible due to the constraints of the population. The results of the study should therefore be interpreted with caution due to the small size of the sample and the nature of the sampling procedure. The sample is not necessarily representative of the target population, and Babbie and Mouton (2002) remark that great caution should be exercised in terms of generalising from such data. Since the purpose of this particular

research study was to make generalisations about the total division based on the sample, this is a limitation of the study.

Even quantities of each employee level (managerial and non-managerial) were invited to the training, since one aspect being investigated was the difference in perceptions between managerial level and non-managerial level employees. Despite the approximately 75 employees who were invited to attend the training, the effective sample size is only 57 owing to non-attendance (See Table 4.1).

Table 4.1 Survey completion statistics

Questionnaires…	Count	Percentage of total population
Total received	57	57.69%
Useable questionnaires	57	57.69%

There is disagreement between survey researchers about what constitutes a satisfactory response rate. Neuman (2000, p. 267) notes that:

> Adequate is a judgement call that depends on the population, practical limitations, the topic, and the response with which specific researchers.
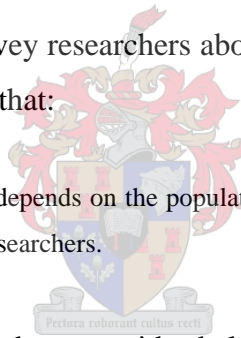
He goes on to say that most researchers consider below 50 percent to be poor, while above 90 percent is excellent. Babbie and Mouton (2002) propose a rule of thumb, stating that a 60 percent response rate is considered good for the purpose of data analysis and reporting. In this respect, the study's response rate of 57.69% is almost adequate, and as such the researcher may be reasonably confident that the views obtained in this survey are representative of the population in general. Caution, however, should be taken to avoid making definitive broad generalisations without further support.

The employees present at the Performance Development training session were informed about the current Performance Development system's evaluation and were asked by the Human Resource development manager to complete the questionnaires as a request from the director. The questionnaire was handed out, completed and handed back to the Human Resource Development Manager.

Since the topic was quite sensitive, aimed at identifying discrepancies between managerial and non-managerial employees, the questionnaires were completed anonymously to facilitate frank and honest responses to the questionnaire. While this study omitted biographical information due to the level of sensitivity, the age and managerial status was obtained. Tables 4.2 and 4.3 present the information available.

Table 4.2 Managerial status of the sample

Managerial Status	Respondents	Percentage
Managerial	23	40.35%
Non-managerial	34	59.65%

Of this sample group, 23 respondents were on the managerial level and 34 were on the non-managerial level. The sample is fairly representative in terms of managerial level, with only slightly more non-managerial employees responding than managerial employees.

Table 4.3 Biographical data (age) available for the sample

Age	Responses	Percentage
21-30	17	29.82%
31-40	24	42.11%
41-50	12	21.05%
51-60	4	7.02%

The mean age of the sample is 23.24 (standard deviation 2.49). The majority of the sample falls in the 21- 40 age group.

4.4 DATA COLLECTION PROCEDURE

Data for the study was collected by means of a self-administered survey form in which respondents independently completed the PMAQ questionnaire, designed to elicit employees' perceptions regarding the CAF's Performance Management system.

Self-administration was chosen as the delivery option as it is relatively cheap and concise, enabling quick completion; minimising interviewer bias; and allowing for anonymous and honest responses from respondents (Babbie & Mouton, 2002; Newman, 1997). Some

disadvantages of survey research, however, might have had an impact on this study, due to the nature and geographical constraints of this study. Firstly, there is the potential for obtaining shallow data that does not provide a 'feel' for the phenomenon under study. Secondly, as the research was done in Australia, the researcher had no opportunity for asking clarification questions and probing for more information. The researcher also did not have an opportunity to observe how the respondents reacted towards questions and the research setting. Thirdly, the researcher tried to eliminate a further disadvantage of survey research relating to lack of control over the conditions accompanying questionnaire completion, by asking the HRD Manager to administer the questionnaires in a controlled environment and within a specific time frame. This was achieved as the CAF employees completed the PMAQ in the training room, in the presence of the HRD Manager. A final disadvantage of survey research entails receiving incomplete questionnaires. This problem was however also circumvented due to the controlled environment in which the data was collected (Babbie & Mouton, 2002; Newman, 1997).

To remove possible contamination of the survey results, the data collection phase was conducted prior to the Performance Development training. As such, the sample's responses were not influenced by the training, but represented their current, uninformed perceptions of the CAF's Performance Management system.
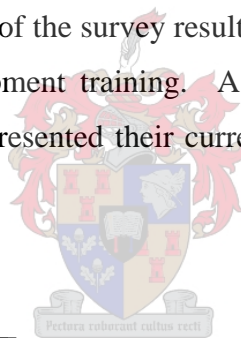
4.5 MEASURING INSTRUMENT

The Performance Management Audit Questionnaire (PMAQ), developed by Spangenberg and Theron (2000), was used as the measuring instrument in this study. Additional questions were included to gather information on respondents' age as well as job level in order to accomplish the job-level comparison as set out in the objectives of the study. Beyond the questions designed to gather biographical data from respondents, the questionnaire consists of 128 items, relating to fifteen scales related to the efficient functioning of a Performance Management system. Ratings on each of the 128 statements are on a 5 point Likert scale, with the response categories being:

STRONGLY AGREE	AGREE	UNCERTAIN	DISAGREE	STRONGLY DISAGREE
1	2	3	4	5

Table 4.4 contains a breakdown of the questionnaire items as they relate to the Performance Management domain.

Table 4.4 The Performance Management Audit Questionnaire's layout

A. INPUTS	Items
1. Strategic issues	10 statements
2. Internal Stakeholders	4 statements
3. The Performance Management System	
i. Creating a sense of mission	3 statements
ii. Sense of mission: purpose and strategy	14 statements
iii. Sense of mission: values and behaviours	5 statements
iv. General	1 statement
B. PERFORMANCE MANAGEMENT PROCESESSES	
1. Clarify Vision, Mission, Roles and Responsibilities	3 statements
2. Plan Performance	24 statements
3. Processes: Competencies	2 statements
4. Design / Redesign Structures	6 statements
5. Manage and Improve Performance	17 statements
6. Review Performance	15 statements
C. PERFORMANCE MANAGEMENT LINKAGES TO OTHER SYSTEMS	
1. Reward and Recognition	14 statements
2. Linkages (general)	5 statements
D. OUTPUTS	
Outputs	4 statements

Spangenberg and Theron (2000)

The PMAQ was reported as having acceptable psychometric properties, with coefficient Alphas ranging from 0.58 to 0.95 (average of 0.81) reported by the questionnaire developers (Spangenberg & Theron, 2000). These values are presented in Table 4.5. Given the diagnostic purpose of the PMAQ, the relatively high item homogeneity found in each subscale is gratifying (Spangenberg & Theron, 1997, p. 147).

Table 4.5 Internal consistency of the PMAQ

Scale	Coefficient Alpha
Strategy	0.88
Internal	0.76
PM Systems	0.87
Clarify	0.75
Planning	0.93
Design	0.85
Manage	0.91
Review	0.91
Rewards	0.91
Linkages	0.83
Outputs	0.76

The reliabilities could not be calculated for Processes: Competencies, as there were less than three items per scale.

Using the data collected for this study, Cronbach's coefficient alpha was calculated for each scale to evaluate the internal consistency of the survey. The Alpha coefficients calculated range between 0.55 and 0.97, with an average of 0.89 (see Table 4.6). The generally high alpha coefficients indicate that the grouping of the items together to give an overall score for the Performance Management system's effectiveness is justified. One possible concern is the low score for the Outputs scale, which suggests that the scale measures a wider construct than those of the rest of the questionnaire.

Table 4.6 Internal consistency of the PMAQ

Scale	Coefficient Alpha
Strategic Issues	0.96
Internal Stakeholders	0.91
Creating a sense of mission	0.88
Purpose and strategy	0.95
Values and behaviour	0.91
General	-
Clarify roles and responsibility	0.94
Goal setting and planning	0.97
Competencies	-
Design and redesign structures	0.79

Manage and improve performance	0.96
Review performance	0.96
Rewards and recognition system	0.90
Linkages	0.89
Outputs	0.55

The reliabilities could not be calculated for Processes: Competencies, as there were less than three items per scale.

In 2002 Spangenberg and Theron performed confirmatory factor analysis using LISREL 8, as results from item analysis and a series of factor analytical investigation provided limited confirmation that the PMAQ provides a reliable and content-valid measure of the Performance Management domain as conceptualised by the Systems Model (Spangenberg & Theron, 1997, p. 143). Structural equation modelling (SEM) was used to perform confirmatory factor analysis and the SEM fit measures are shown in Table 4.7.

Table 4.7 SEM fit measures of the PMAQ	
Root Mean Square of Approximation (RMSEA)	0.054
Root Mean Square Residual (RMR)	0.047
Standardised RMR	0.047
Goodness of Fit Index (GFI)	0.68
Normed Fit Index (NFI)	0.69

This confirmatory factor analysis corroborated that the PMAQ provides a content-valid measure of the Performance Management domain as conceptualised by the Systems Model (Spangenberg & Theron, 2000, p. 32)

4.6 STATISTICAL DATA ANALYSIS

Trends in the data were identified through descriptive statistics. Descriptive statistics such as means, standard deviation and frequency tables are techniques concerned with describing and characterising data gathered. Lehman (1991, p. 119) states that summarizing data by counting frequencies is a powerful technique for condensing a very large amount of information into a more manageable size. The distribution of the frequencies not only gives an overall picture of where the bulk of the observations fall but also highlights unusual values, making them clearly noticeable. To identify trends in the data, frequency tables were calculated for responses on both an item and scale level.

With the above-said in mind, the descriptive methods used in this study include descriptive statistics in the form of means and standard deviations, and one and two-way frequency analysis. The software package used for the data analysis in this study was Statistica version 6.1, published by Statsoft, Inc (2004).
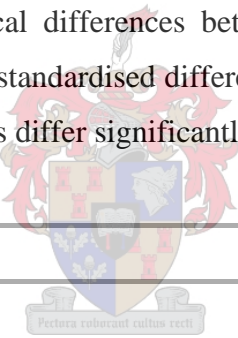
4.6.1 Mean differences between managerial and non-managerial employees

> When comparing the means of two groups in respect of a specified variable the standard statistical method is to test the (null) hypothesis of no difference in means.
>
> Steyn (2000, p. 1)

A potential moderator variable in employees' perceptions of the Performance Management system's effectiveness is the managerial level of the respondent (Le Roux, 1995). As such, potential group differences are explored by calculating Cohen's (1988) d statistic or effect size, which is a measure of the practical differences between groups. Steyn (2000) provides a discussion on how effect size – the standardised difference between two population means – can help to establish whether two groups differ significantly with respect to some variable.

Figure 4.1 Formula for effect size

$$d = \frac{\text{Mean (Group A)} - \text{Mean (Group B)}}{\text{pooled standard deviation}}$$

Aron and Aron (1994)

Cohen's (1988) convention for interpreting effect size suggests that a d statistic of 0.20 is considered small; 0.50 is considered medium; and 0.80 is considered large. Steyn (2000, p. 2) expands on this convention (refer to Table 4.8).

Table 4.8 Interpreting effect sizes

d statistic	Effect size	Interpretation
0.20	Small	If this occurs in new research, the experiment or survey ought to be replicated to determine whether there is an effect or whether the result is practically non-significant.
0.50	Medium	Effect is detectable and might point towards practical significance. A better planned experiment or survey might result in more significant results.
0.80	Large	The results are practically significant and therefore of practical importance.

Steyn (2000, p. 2)

Taking into consideration Cohen's (1988) convention on effect sizes and Steyn's (2000) additional narrative, the researcher is particularly interested in instances where moderate to large effect sizes are found, as these are indicative of differences of practical significance.

The Performance Management profile was subsequently obtained for the total sample, for the managerial group separately and for the non-managerial separately, describing the distribution of scores on each of the PMAQ scales in terms of position, dispersion, symmetry and kurtosis. One-way frequency tables were subsequently calculated for each to evaluate the diagnostic hypotheses developed in Chapter 1. To establish whether the frequency distributions differed across the two levels, the various item responses were cross-tabulated with managerial and non-managerial levels.

4.7 CONCLUSION

This chapter discussed the research design and methodology of the investigation presented in this report, covering the aspects of the overall approach adopted for the study, the research design, the sample and sampling methods used, the data collection procedure, as well as the data analysis methods and interpretation thereof. The presentation of results as well as the integration and discussion of the findings of the study are presented in the next chapter.
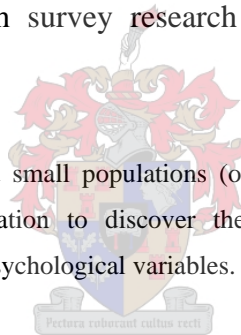
CHAPTER 5:
PRESENTATION OF RESEARCH RESULTS

5.1 DESCRIPTIVE STATISTICS

This section presents a summary of the descriptive statistics calculated for the sample. The format used to present the results is primarily tables and figures. First the sample's mean scores per scale are presented, as a total group and according to managerial level. Following this, potential group differences between the two managerial levels are explored by means of Cohen's (1988) d statistic, and finally, the frequency histograms and cross-tabulations of selected items are presented. For a presentation of the descriptive statistics per item, refer to Appendix D. Appendix E provides the frequencies and cross-tabulations of all 128 items.

5.1.1 Scale means

This section presents the descriptive statistics of the sample's responses to the PMAQ's overall scale (including the mean, standard deviation and skewness, kurtosis, minimum and maximum, coefficient alpha and number of respondents per scale). Table 5.1 refers to the means for the total group.
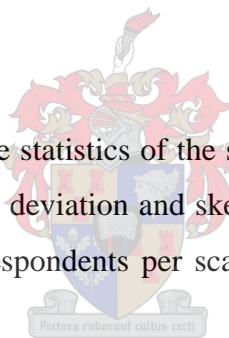
Table 5.1 Scale means for the total group								
	Mean	**SD**	**Skewness**	**Kurtosis**	**Min**	**Max**	**Alpha**	**N**
Strategic Issues	29.75	6.96	-0.32	-1.44	20	40	0.96	57
Internal Stakeholders	13.11	2.63	-0.43	-1.12	8	16	0.91	57
Creating a sense of mission	9.18	2.24	-0.32	-1.38	6	12	0.88	57
Purpose and strategy	45.44	8.55	-0.36	-0.64	28	60	0.95	57
Values and behaviour	15.19	2.68	-0.12	-0.59	10	20	0.91	57
General	3.53	0.66	-1.08	0.04	2	4		57
Clarify roles & responsibility	10.05	2.26	-0.59	-1.16	6	12	0.94	57
Goal setting & planning	71.58	15.22	-0.40	-1.27	48	96	0.97	57
Competencies	5.98	1.33	-0.06	-0.71	4	8		57
Design & redesign structures	18.07	2.53	0.46	0.56	14	24	0.79	57
Manage & improve performance	21.23	4.66	-0.49	-1.28	14	28	0.96	57
Review performance	46.56	10.62	-0.36	-1.11	30	66	0.96	57
Rewards & recognition system	56.46	5.23	-0.87	6.99	34	70	0.90	57

Linkages	16.05	2.41	0.79	-0.47	11	21	0.89	56
Outputs	12.16	1.16	1.43	3.50	10	16	0.55	56

Skewness is a measure of the deviation of the distribution from symmetry; if the skewness is clearly different from 0, that distribution is asymmetrical, whereas normal distributions are perfectly symmetrical (Statsoft, 2004). For the total group, only the scales General and Outputs are significantly skewed, indicating that the distribution of scores for these two scales do not necessarily conform to a normal distribution. Table 5.2 below refers to the scale mean scores for the managerial group alone.

Table 5.2 Scale means for the managerial group							
	Mean	**SD**	**Skewness**	**Kurtosis**	**Min**	**Max**	**N**
Strategic Issues	22.35	3.74	1.90	3.25	20	34	23
Internal Stakeholders	10.39	1.44	-0.47	-1.25	8	12	23
Creating a sense of mission	6.96	1.46	1.33	0.33	6	10	23
Purpose and strategy	38.52	8.47	1.03	0.32	28	59	23
Values and behaviour	13.26	2.80	1.08	0.09	10	19	23
General	3.17	0.78	-0.32	-1.22	2	4	23
Clarify roles & responsibility	7.96	1.80	0.79	0.35	6	12	23
Goal setting & planning	55.48	9.03	1.32	0.30	48	77	23
Competencies	4.96	1.15	0.49	-1.55	4	7	23
Design & redesign structures	16.22	1.95	0.23	-1.36	14	20	23
Manage & improve performance	16.13	2.55	1.07	-0.02	14	22	23
Review performance	36.09	7.65	1.26	-0.11	30	53	23
Rewards & recognition system	53.83	5.11	-3.09	10.66	34	58	23
Linkages	14.45	1.26	-0.20	2.45	11	17	22
Outputs	11.41	0.73	-0.05	-0.06	10	13	22

On the whole, when looking at the skewness statistics for the managerial group alone, more scales appear to be skewed than when looking at the overall group in total. This differs from the overall group as can be expected when looking at, for example, managerial perceptions of strategic issues as compared to non-managerial perceptions. Table 5.3 below presents the scale mean scores for the non-managerial employees.

Table 5.3 Scale means for the non-managerial group							
	Mean	SD	Skewness	Kurtosis	Min	Max	N
Strategic Issues	34.76	2.95	-0.20	0.66	27	40	34
Internal Stakeholders	14.94	1.32	-1.30	0.66	12	16	34
Creating a sense of mission	10.68	1.15	-0.46	-0.71	8	12	34
Purpose and strategy	50.12	4.49	1.01	0.07	45	60	34
Values and behaviour	16.50	1.60	1.27	0.57	15	20	34
General	3.76	0.43	-1.31	-0.32	3	4	34
Clarify roles & responsibility	11.47	1.16	-1.78	1.23	9	12	34
Goal setting & planning	82.47	6.01	0.60	0.21	70	96	34
Competencies	6.68	0.94	0.72	-1.54	6	8	34
Design & redesign structures	19.32	2.07	1.39	0.80	17	24	34
Manage & improve performance	24.68	1.45	1.11	0.63	23	28	34
Review performance	53.65	4.93	0.87	0.10	46	66	34
Rewards & recognition system	58.24	4.58	0.88	3.11	46	70	34
Linkages	17.09	2.42	0.47	-1.79	15	21	34
Outputs	12.65	1.12	1.98	3.38	12	16	34

For the non-managerial employees, while there are more scales that are skewed than in the total group, the extent of this skewness appears less severe than for the managerial group. This could be attributed to the slightly larger sample size having a wider distribution. It is interesting to note, as is shown in the cross-tabulations later in this chapter, that on a number of scales the direction of the skewness for the non-managerial group is opposite to that of the managerial group. This is indicative of differing perceptions between the two groups.

5.1.2 Group differences

Cohen's (1988) d-statistic was used to determine whether the differences in mean score between the managerial and non-managerial groups are practically significant. The mean scores per scale for the total group as well as the managerial and non-managerial groups are presented in Table 5.4 below, together with the corresponding d-statistic.

Table 5.4 Group differences between managerial and non-managerial employees							
	Total Group		Managerial		Non-managerial		d statistic
	Mean	SD	Mean	SD	Mean	SD	
Strategic Issues	29.75	6.96	22.35	3.74	34.76	2.95	-1.78
Internal Stakeholders	13.11	2.63	10.39	1.44	14.94	1.32	-1.73
Creating a sense of mission	9.18	2.24	6.96	1.46	10.68	1.15	-1.66
Purpose and strategy	45.44	8.55	38.52	8.47	50.12	4.49	-1.36
Values and behaviour	15.19	2.68	13.26	2.80	16.50	1.60	-1.21
General	3.53	0.66	3.17	0.78	3.76	0.43	-0.90
Clarify roles & responsibility	10.05	2.26	7.96	1.80	11.47	1.16	-1.56
Goal setting & planning	71.58	15.22	55.48	9.03	82.47	6.01	-1.77
Competencies	5.98	1.33	4.96	1.15	6.68	0.94	-1.29
Design & redesign structures	18.07	2.53	16.22	1.95	19.32	2.07	-1.23
Manage & improve performance	21.23	4.66	16.13	2.55	24.68	1.45	-1.84
Review performance	46.56	10.62	36.09	7.65	53.65	4.93	-1.65
Rewards & recognition system	56.46	5.23	53.83	5.11	58.24	4.58	-0.84
Linkages	16.05	2.41	14.45	1.26	17.09	2.42	-1.09
Outputs	12.16	1.16	11.41	0.73	12.65	1.12	-1.07

Keeping in mind the convention for interpreting Cohen's d-statistic (refer to Chapter 4), the effect size of the mean difference in opinion between managerial and non-managerial employees can be considered large. As such, the differences between the group can be described as practically significant and warrant further investigation.

5.1.3 Frequencies

In this section the histograms and cross-tabulations of selected items, where the managerial and non-managerial groups differed significantly, is shown as well as where there is strong agreement across the groups, suggesting a possible problem area in the Performance Management system.

I INPUTS INTO PERFORMANCE AND DEVELOPMENT (PD) SYSTEM

Strategic Issues

For the item, 'The PD system is line driven', significant difference can be seen between the managerial and non-managerial groups' responses. As shown in the table 5.5 and the figure below, the managerial group mostly agreed, while the non-managerial group mostly indicated uncertainty.
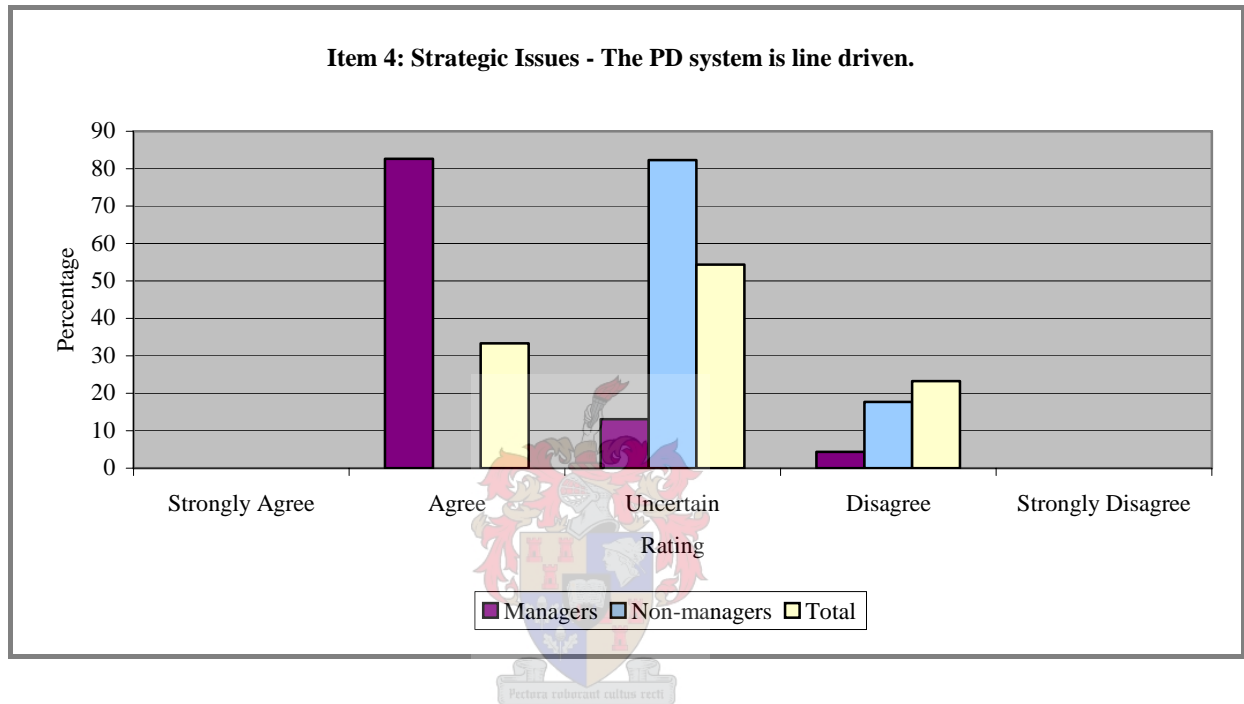
Table 5.5 indicates 82.61% of the managerial group agreed with this statement, while 82.35% of non-managerial employees were uncertain.

	Rating	Managerial	Non-managerial	Row Totals
Table 5.5 The PD system is line driven.				
Count	Agree	19	0	19
Column Percent		**82.61%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	3	28	31
Column Percent		13.04%	**82.35%**	
Row Percent		9.68%	90.32%	
Total Percent		5.26%	49.12%	**54.39%**
Count	Disagree	1	6	7
Column Percent		4.35%	17.65%	
Row Percent		14.29%	85.71%	

Total Percent		1.75%	10.53%	12.28%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Concerning the item, 'A culture characterised by participation and openness, frequent communication across levels, and high level of trust prevails', there was significant disagreement between the managerial and non-managerial groups, as shown in the table and figure below.

Item 7: Strategic issues - A culture characterised by participation and openness.
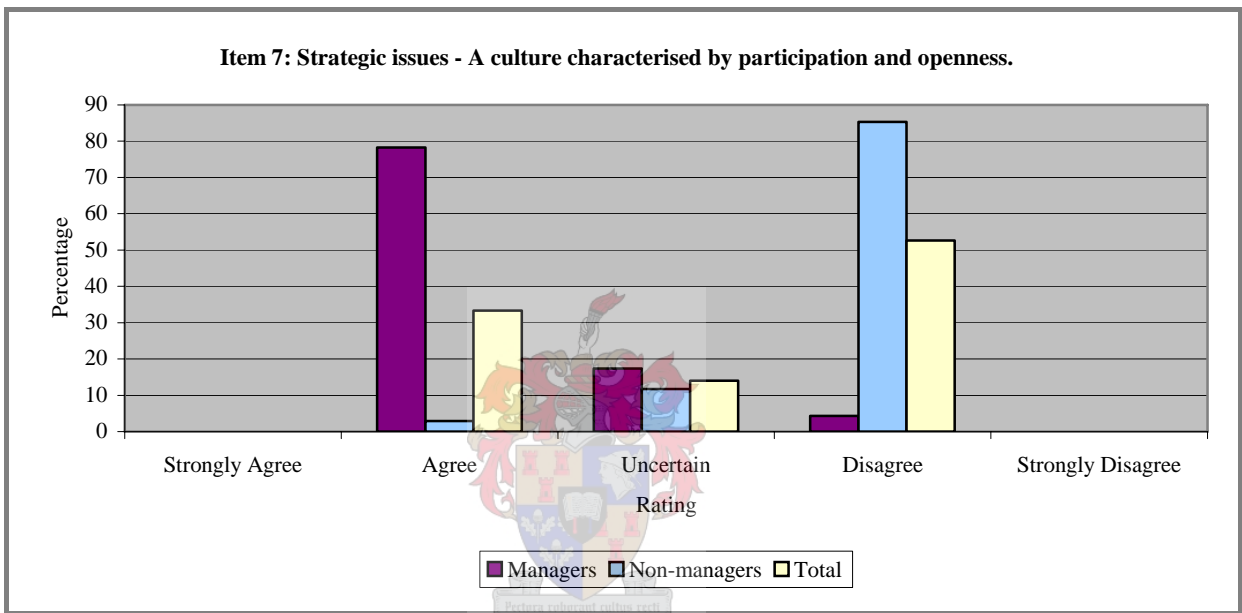
Referring to Table 5.6, 78.26% of the managerial group agreed with this statement, whereas 85.29% of non-managerial employees disagreed with this statement.

Table 5.6 A culture characterised by participation and openness				
	Rating	**Managerial**	**Non-managerial**	**Row Totals**
Count	Agree	18	1	19
Column Percent		**78.26%**	2.94%	
Row Percent		94.74%	5.26%	
Total Percent		31.58%	1.75%	33.33%
Count	Uncertain	4	4	8
Column Percent		17.39%	11.76%	
Row Percent		50.00%	50.00%	
Total Percent		7.02%	7.02%	14.04%
Count	Disagree	1	29	30
Column Percent		4.35%	**85.29%**	

Row Percent		3.33%	96.67%	
Total Percent		1.75%	50.88%	**52.63%**
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Internal Stakeholders

For the item, 'Managers are able to shift from an input orientation (just doing the work) to an output (results) orientation', there was disagreement between the managerial and non-managerial groups, as shown in the table and figure below.
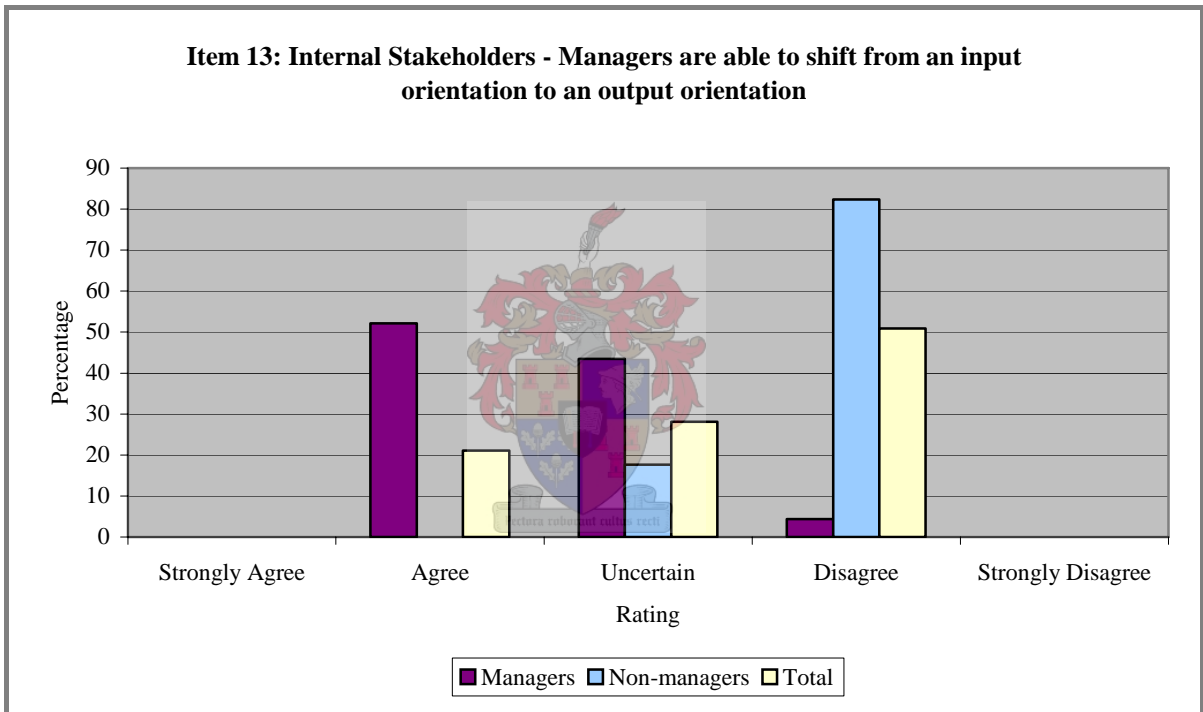
Table 5.7 indicates 52.17% of the managerial group agreed with this statement, while 43.48% were uncertain about this statement. Of the non-managerial employees, 17.65% were uncertain, while 82.35% disagreed with the statement.

Table 5.7 Managers able to shift from input orientation to an output orientation				
	Rating	**Managerial**	**Non-managerial**	**Row Totals**
Count	Agree	12	0	12
Column Percent		**52.17%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		21.05%	0.00%	21.05%
Count	Uncertain	10	6	16

Column Percent		**43.48%**	**17.65%**	
Row Percent		62.50%	37.50%	
Total Percent		17.54%	10.53%	28.07%
Count	Disagree	1	28	29
Column Percent		4.35%	**82.35%**	
Row Percent		3.45%	96.55%	
Total Percent		1.75%	49.12%	50.88%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Performance Development (PD) System

Creating a sense of mission

Concerning the item, 'The PD system in all its facets is communicated to management and staff on an ongoing basis', a significant difference can be seen between the managerial and non-managerial groups' responses. As shown in table 5.8 and figure below, the majority of the managerial group agreed, while the majority of the non-managerial group either disagreed or indicated uncertainty.
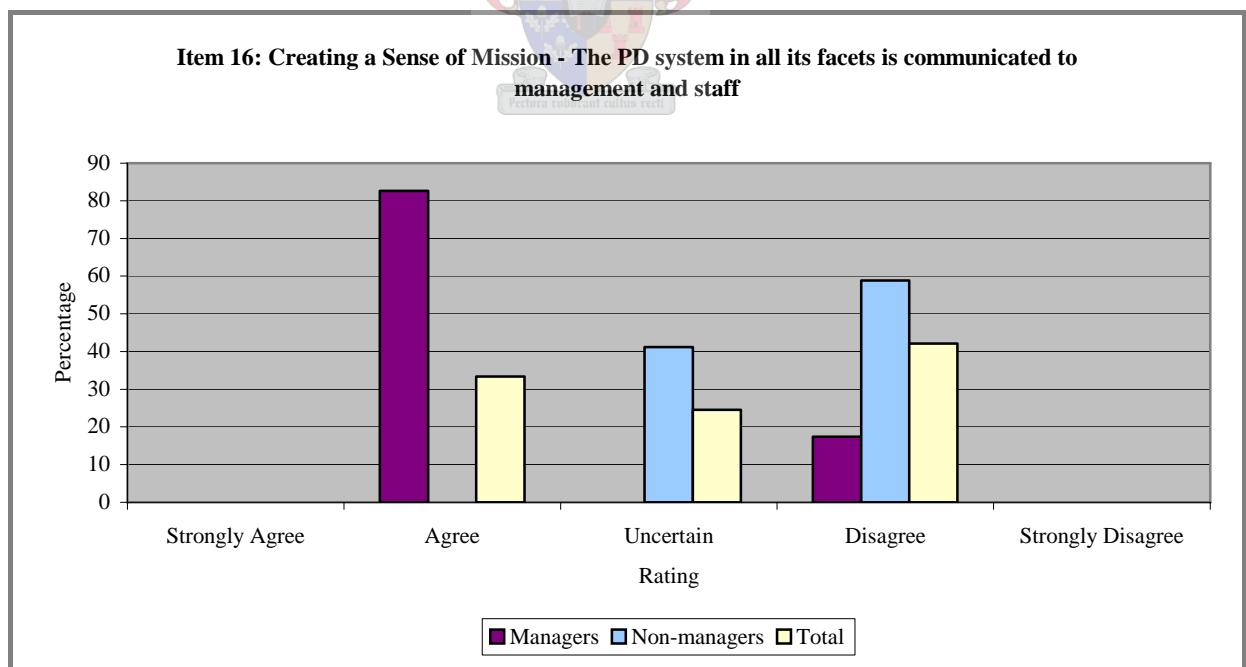
Referring to Table 5.8, 41.18% of the non-managerial group were uncertain, while 58.82% disagreed with the statement. Interestingly, the managerial group showed no uncertainty, and while 82.61% of the group agreed with the statement, 17.39% indicated disagreement.

	Rating	Managerial	Non-managerial	Row Totals
Table 5.8 The PD system in all its facets communicated to management and staff				
Count	Agree	19	0	19
Column Percent		**82.61%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	0	14	14
Column Percent		0.00%	41.18%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	24.56%	24.56%
Count	Disagree	4	20	24
Column Percent		**17.39%**	**58.82%**	
Row Percent		16.67%	83.33%	
Total Percent		7.02%	35.09%	42.11%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Sense of mission: purpose and strategy

For the item, 'PD is directly linked to the strategy of the Division', there was significant uncertainty in the non-managerial group, while the majority of the managerial group agreed, as shown in the table and figure below.

Item 22: Purpose and Strategy - PD is directly linked to the strategy of the Division
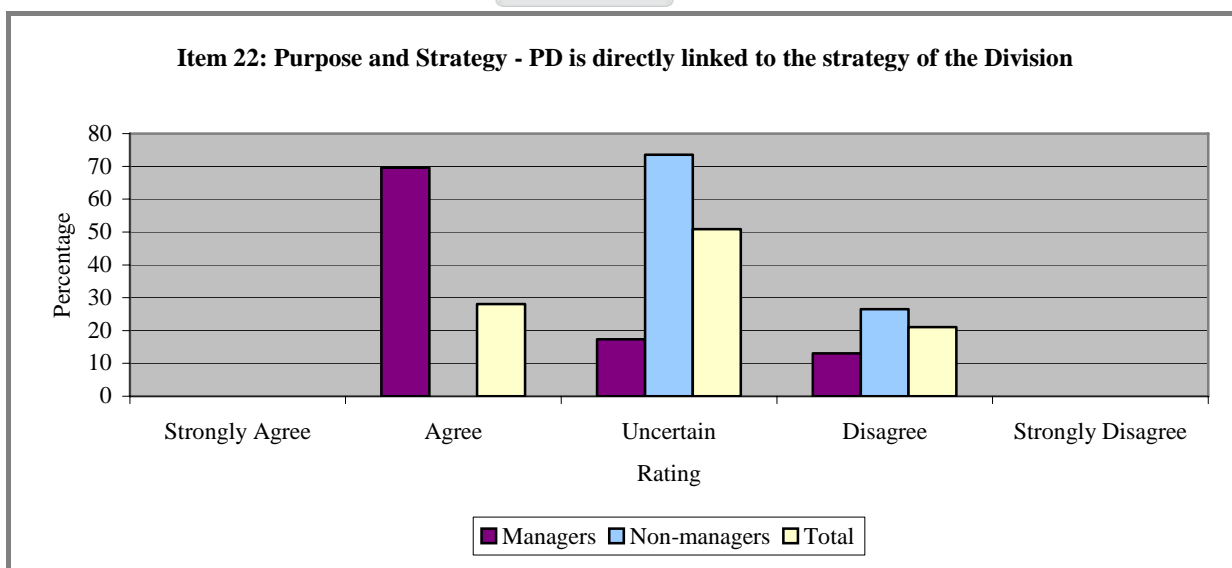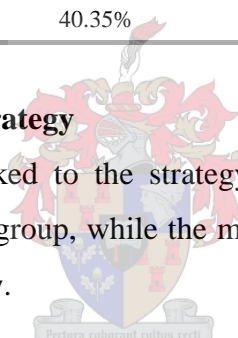
Table 5.9 indicates 69.57% of the managerial group agreed with this statement, 17.39% were uncertain, while 13.04 % of the group disagreed. In terms of the non-managerial employees, 73.53% were uncertain, while 26.47% disagreed with this statement.

Table 5.9 PD is directly linked to strategy of the Division				
	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		**69.57%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	4	25	29
Column Percent		**17.39%**	**73.53%**	
Row Percent		13.79%	86.21%	
Total Percent		7.02%	43.86%	50.88%
Count	Disagree	3	9	12
Column Percent		**13.04%**	**26.47%**	
Row Percent		25.00%	75.00%	
Total Percent		5.26%	15.79%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Concerning the item, 'Goals and performance standards are in place at three levels, i.e. Division, process/functional and team/individual levels', a difference can be seen between the managerial and non-managerial groups' responses. As shown in the table and figure below, the managerial group mostly indicated agreement, while the non-managerial group mostly indicated uncertainty.

Item 24: Purpose and Strategy – Goals and performance standards are in place at three levels, i.e. Division, process/functional and team/individual levels
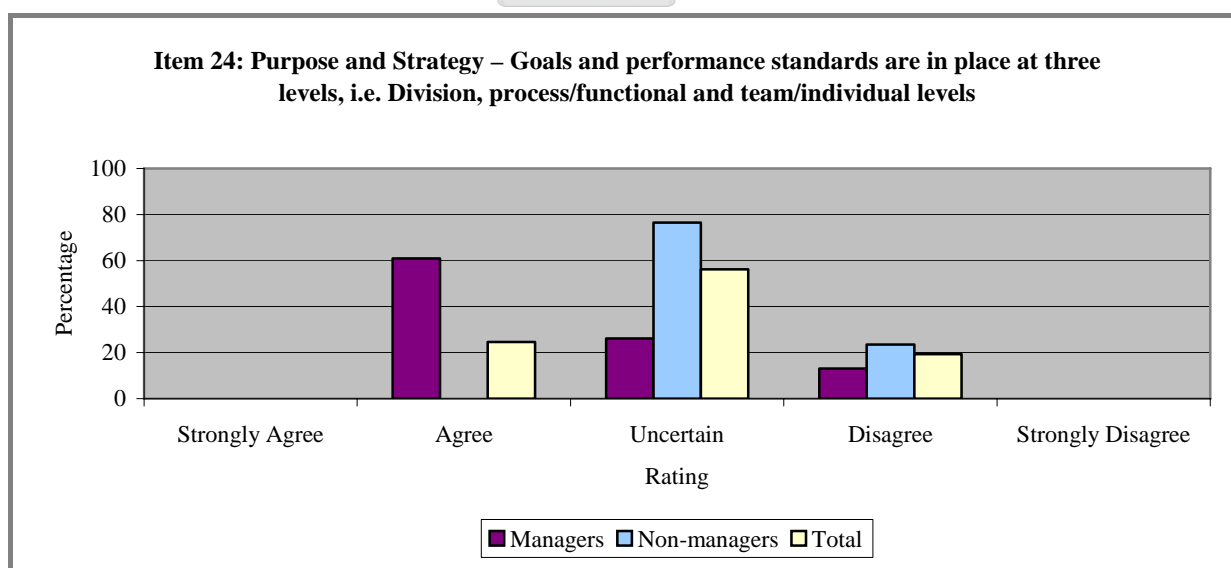
Referring to Table 5.10, 60.87% of the managerial group agreed with this statement, while 26.09% were uncertain and 13.04% disagreed. Of the non-managerial group 76.47% were uncertain, while 23.53% disagreed.

Table 5.10 Goals and performance standards in place at three levels

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	14	0	14
Column Percent		**60.87%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		24.56%	0.00%	24.56%
Count	Uncertain	6	26	32
Column Percent		**26.09%**	**76.47%**	
Row Percent		18.75%	81.25%	
Total Percent		10.53%	45.61%	56.14%
Count	Disagree	3	8	11
Column Percent		13.04%	**23.53%**	
Row Percent		27.27%	72.73%	
Total Percent		5.26%	14.04%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Sense of mission: values and behaviours

For the item, 'Goal commitment is facilitated by regular reviewing of progress against specific job-related goals', significant uncertainty can be seen in both managerial and non-managerial groups' responses.

Item 35: Values and behaviour - Goal commitment is facilitated by regular reviewing of progress against specific job-related goals.
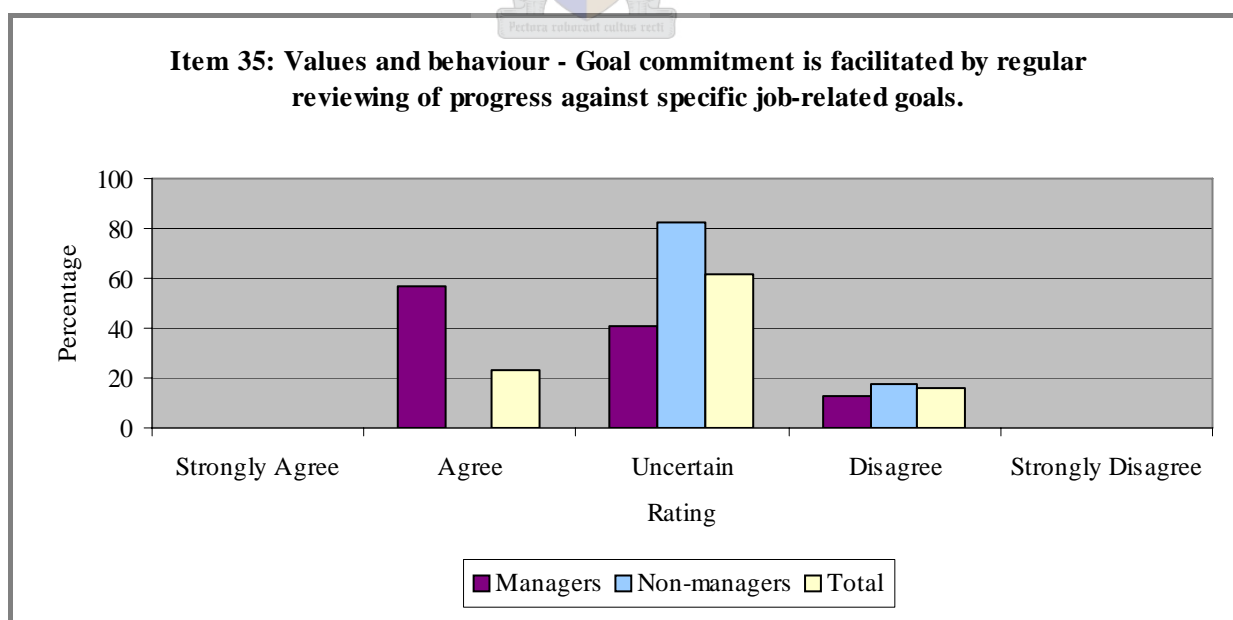
Referring to Table 5.11, 56.52% of the managerial group agreed with this statement, while 30.43% were uncertain and 13.04% disagreed. Of the non-managerial group 82.35% were uncertain, while 17.65% disagreed.

Table 5.11 Goal commitment facilitated reviewing against job-related goals.				
	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		**56.52%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	7	28	35
Column Percent		**30.43%**	**82.35%**	
Row Percent		20.00%	80.00%	
Total Percent		12.28%	49.12%	**61.40%**
Count	Disagree	3	6	9
Column Percent		**13.04%**	**17.65%**	
Row Percent		33.33%	66.67%	
Total Percent		5.26%	10.53%	15.79%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

General

For the single general item, 'Performance is managed and rewarded on an ongoing basis, in line with overall strategy', there was high levels of disagreement and uncertainty in both the managerial and non-managerial groups.
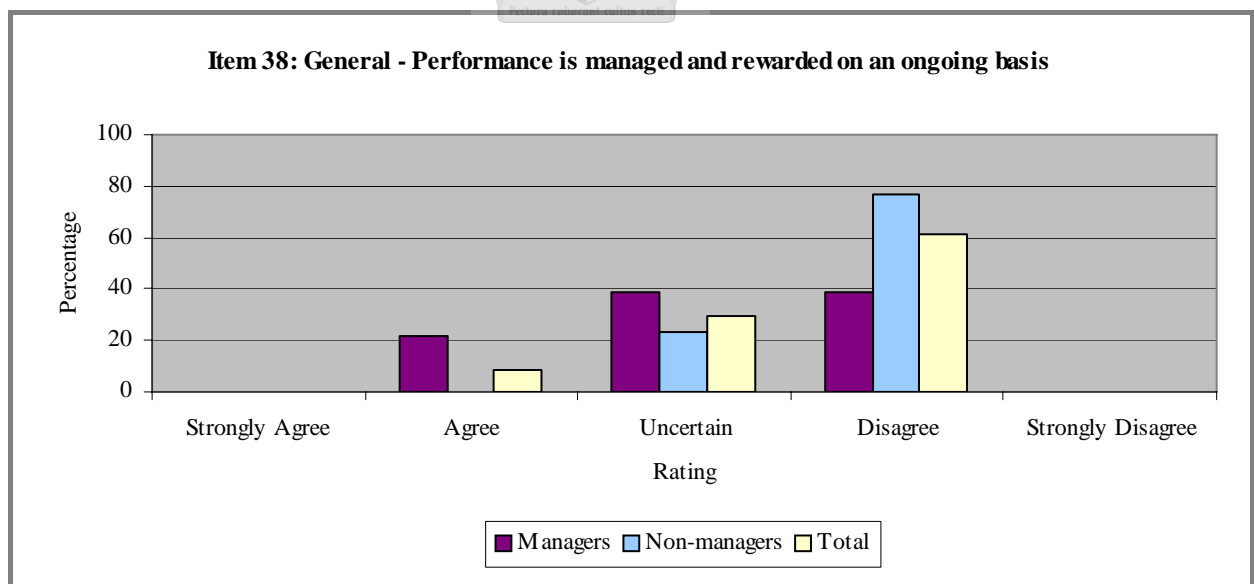
Table 5.12 indicates that only 21.74% of the managerial group agreed with this statement, while 39.13% were uncertain and 39.13% disagreed. In the non-managerial group, 23.53% were uncertain, while 76.47% disagreed with this statement.

Table 5.12 Performance is managed and rewarded on an ongoing basis

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	5	0	5
Column Percent		21.74%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		8.77%	0.00%	8.77%
Count	Uncertain	9	8	17
Column Percent		**39.13%**	**23.53%**	
Row Percent		52.94%	47.06%	
Total Percent		15.79%	14.04%	29.82%
Count	Disagree	9	26	35
Column Percent		**39.13%**	**76.47%**	
Row Percent		25.71%	74.29%	
Total Percent		15.79%	45.61%	**61.40%**
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

II PERFORMANCE DEVELOPMENT (PD) PROCESSES

Clarify vision, mission (strategy and values), roles and responsibility

Concerning the item, 'Business activities are directly related to a customer-driven, people-focused, and value-based team vision', there was significant difference between managerial and non-managerial groups' responses. As shown in the table and figure below, the managerial group showed a higher level of agreement, while the non-managerial group mostly indicated disagreement.

Item 41: Clarify Roles and Responsibility - Business activities are directly related to a customer-driven, people focused & value based team vision
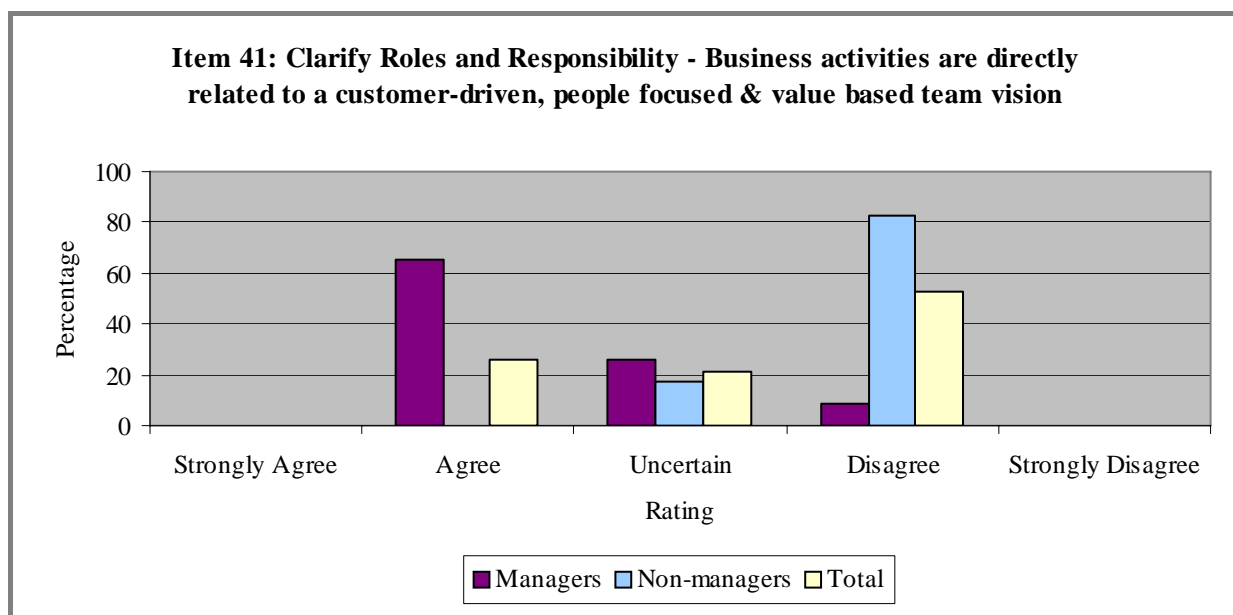
Referring to Table 5.13, 65.22% of the managerial group agreed with this statement, while 82.35% of the non-managerial group disagreed.

	Rating	Managerial	Non-managerial	Row Totals
Table 5.13 Business activities related to customer-driven, people focused & value based team vision				
Count	Agree	15	0	15
Column Percent		**65.22%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		26.32%	0.00%	26.32%
Count	Uncertain	6	6	12
Column Percent		26.09%	17.65%	
Row Percent		50.00%	50.00%	
Total Percent		10.53%	10.53%	21.05%
Count	Disagree	2	28	30
Column Percent		8.70%	**82.35%**	
Row Percent		6.67%	93.33%	
Total Percent		3.51%	49.12%	**52.63%**
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Plan performance i.e. goal setting and planning

For the item, 'Routine ongoing (recurring) goals are set in collaboration with employees', there was significant difference between managerial and non-managerial groups' responses. The managerial group indicated extremely high levels of agreement while the non-managerial group showed strong disagreement.

Item 53: Goal Setting and Planning - Routine ongoing (recurring) goals are set in collaboration with employees
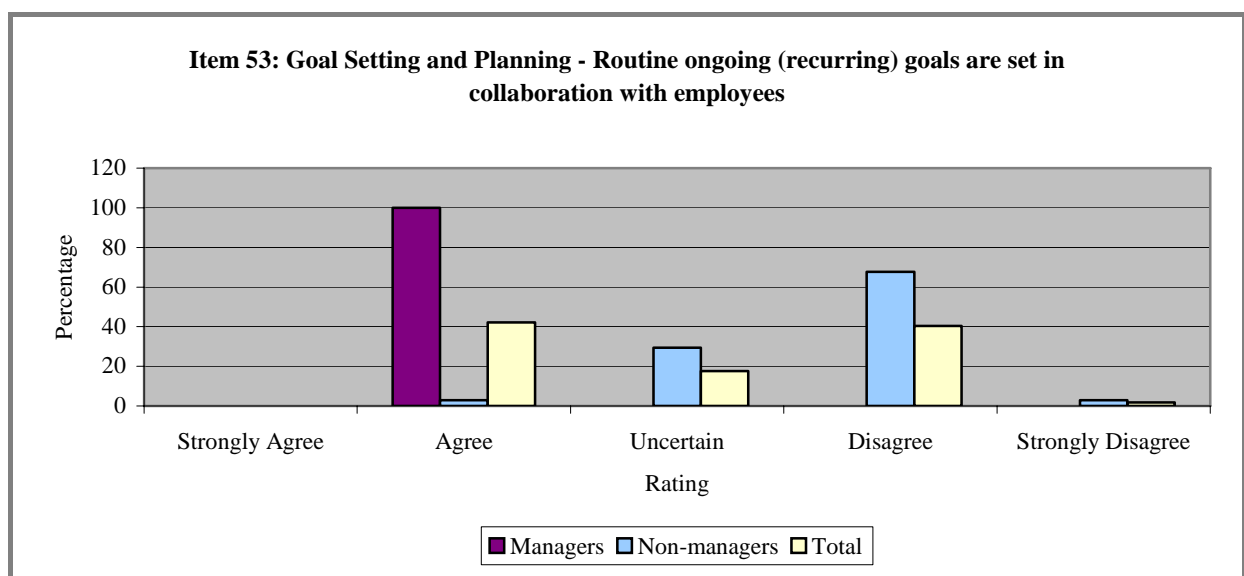
Table 5.14 indicates 100.00% of the managerial group agreed with this statement, while 67.65% of the non-managerial group, disagreed with this statement.

Table 5.14 Routine ongoing (recurring) goals set in collaboration with employees				
	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	23	1	24
Column Percent		**100.00%**	2.94%	
Row Percent		95.83%	4.17%	
Total Percent		40.35%	1.75%	42.11%
Count	Uncertain	0	10	10
Column Percent		0.00%	29.41%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	17.54%	17.54%
Count	Disagree	0	23	23
Column Percent		0.00%	**67.65%**	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	40.35%	40.35%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Concerning the item, 'Employees are clear about the indicators used to assess their performance', there was significant difference between managerial and non-managerial groups' responses. As shown in the table and figure below, the managerial group showed a higher level of agreement, while the non-managerial group indicated strong disagreement.

Item 61 - Employees are clear about the indicators used to assess their performance
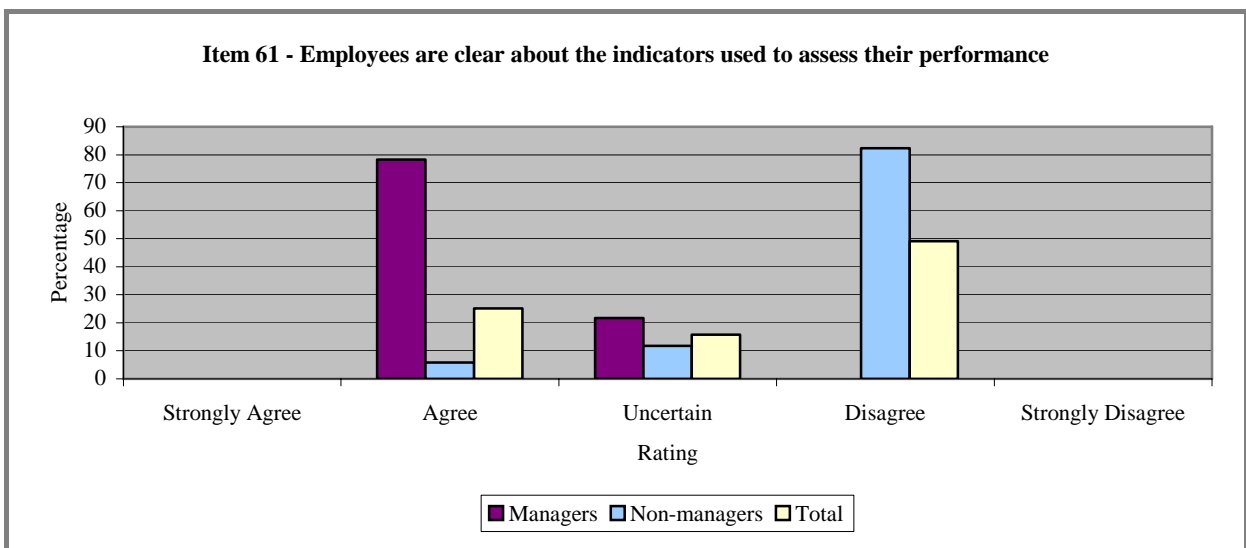
Referring to Table 5.15, 78.26% of the managerial group agreed with this statement, while 82.35% of the non-managerial group disagreed.

Table 5.15 Employees clear about the indicators used to assess performance				
	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	18	2	20
Column Percent		**78.26%**	5.88%	
Row Percent		90.00%	10.00%	
Total Percent		31.58%	3.51%	35.09%
Count	Uncertain	5	4	9
Column Percent		21.74%	11.76%	
Row Percent		55.56%	44.44%	
Total Percent		8.77%	7.02%	15.79%
Count	Disagree	0	28	28
Column Percent		0.00%	**82.35%**	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	49.12%	49.12%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Processes: Competencies

For the item, 'PD plays a key role in establishing competencies and ensuring the understanding thereof', there was significant uncertainty within both the managerial and non-managerial groups' responses. The managerial group mostly indicated agreement while the non-managerial group showed stronger uncertainty.

Item 67: Competencies - PD plays a key role in establishing competencies and ensuring understanding
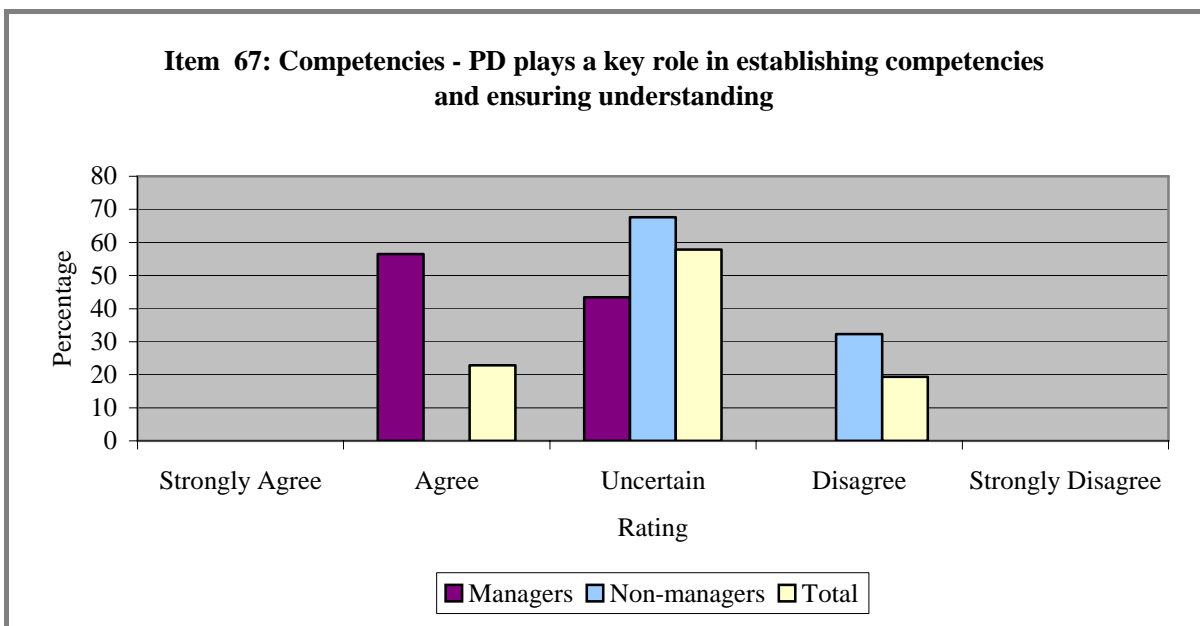
Table 5.16 indicates that 56.52% of the managerial group agreed with this statement, while 43.48% were uncertain. Of the non-managerial group, 67.65% were uncertain, while 32.35% disagreed with this statement.

Table 5.16 PD plays key role in establishing competencies & ensuring understanding				
	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		**56.52%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	10	23	33
Column Percent		**43.48%**	**67.65%**	
Row Percent		30.30%	69.70%	
Total Percent		17.54%	40.35%	**57.89%**
Count	Disagree	0	11	11
Column Percent		0.00%	**32.35%**	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	19.30%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Design and redesign structures

Concerning the item, 'Work performance is enhanced by enabling policies and procedures', there was significant difference between managerial and non-managerial groups' responses. As shown in the table and figure below, the managerial group showed a higher level of agreement, while the non-managerial group indicated strong uncertainty.

Item 72: Design and Redesign Structures - Work performance is enhanced by enabling policies and procedures
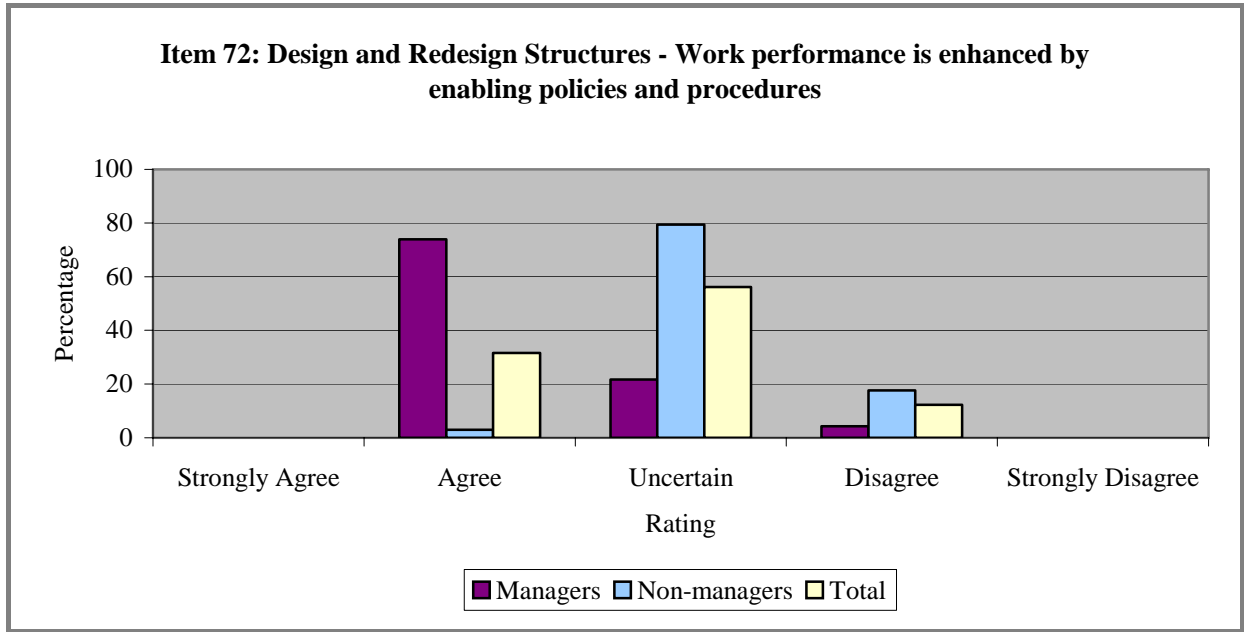
Referring to Table 5.17, 73.91% of the managerial group agreed with this statement, while 79.41% of the non-managerial group were uncertain.

	Rating	Managerial	Non-managerial	Row Totals
Table 5.17 Work performance is enhanced by enabling policies and procedures				
Count	Agree	17	1	18
Column Percent		**73.91%**	2.94%	
Row Percent		94.44%	5.56%	
Total Percent		29.82%	1.75%	31.58%
Count	Uncertain	5	27	32
Column Percent		**21.74%**	**79.41%**	
Row Percent		15.63%	84.38%	
Total Percent		8.77%	47.37%	**56.14%**
Count	Disagree	1	6	7
Column Percent		4.35%	17.65%	
Row Percent		14.29%	85.71%	
Total Percent		1.75%	10.53%	12.28%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Manage and improve performance

For the item, 'Strategic goals are managed, e.g. performance information is fed downwards and goals are adjusted if required', there was significant uncertainty within both the managerial and non-managerial groups' responses.

Item 74: Manage and Improve Performance - Strategic goals are managed
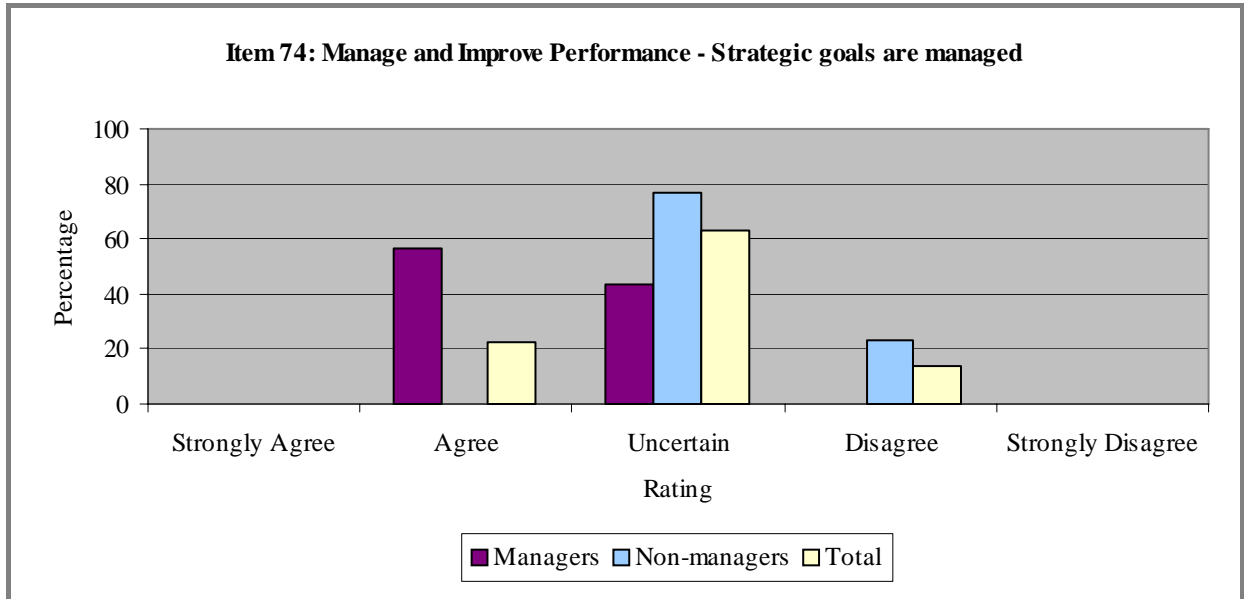
Table 5.18 indicates that 56.52% of the managerial group agreed with this statement, while 43.48% were uncertain. Of the non-managerial group, 76.47% were uncertain, while 23.53% disagreed with this statement.

Table 5.18 Strategic goals are managed				
	Rating	**Managerial**	**Non-managerial**	**Row Totals**
Count	Agree	13	0	13
Column Percent		**56.52%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	10	26	36
Column Percent		**43.48%**	**76.47%**	
Row Percent		27.78%	72.22%	
Total Percent		17.54%	45.61%	**63.16%**
Count	Disagree	0	8	8
Column Percent		0.00%	**23.53%**	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	14.04%	14.04%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Review performance

Concerning the item, 'Performance feedback links everyday employee behaviour to the individual's performance plan', there was disparity in opinion between the managerial and non-

managerial groups. As shown in the table and figure below, the managerial group showed a higher level of agreement, while the non-managerial group indicated disagreement.

Item 95: Review Performance - Performance feedback links everyday employee behaviour to individual's performance plan
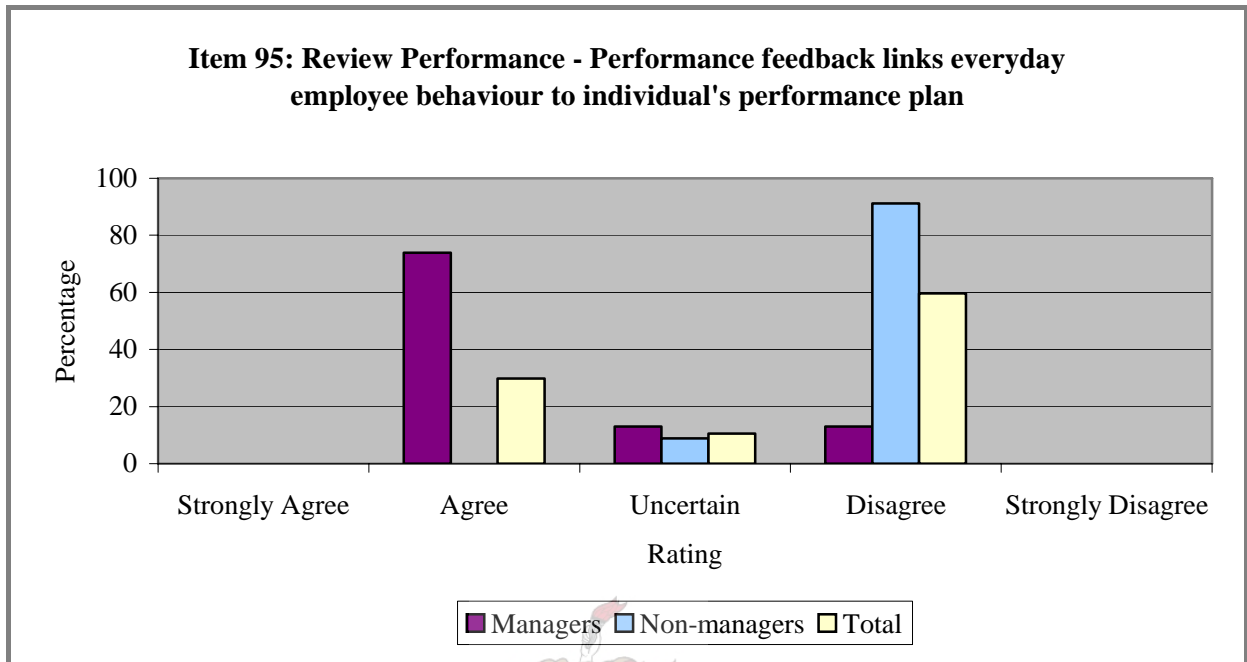
Table 5.19 indicates that 73.91% of the managerial group agreed with this statement, while 13.04% were uncertain and 13.04% disagreed. Of the non-managerial group, only 8.82% were uncertain, while 91.18% disagreed with this statement.

Table 5.19 Performance feedback links employee behaviour to performance plan				
	Rating	**Managerial**	**Non-managerial**	**Row Totals**
Count	Agree	17	0	17
Column Percent		**73.91%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		29.82%	0.00%	29.82%
Count	Uncertain	3	3	6
Column Percent		**13.04%**	**8.82%**	
Row Percent		50.00%	50.00%	
Total Percent		5.26%	5.26%	10.53%
Count	Disagree	3	31	34
Column Percent		**13.04%**	**91.18%**	
Row Percent		8.82%	91.18%	
Total Percent		5.26%	54.39%	**59.65%**
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

III PERFORMANCE DEVELOPMENT (PD) LINKAGES TO OTHER SYSTEMS

Rewards and recognition system

For the item, 'The purpose of reward policies is clear, e.g. improving performance', there was significant agreement between the managerial and non-managerial groups' responses. Both groups indicated some uncertainty, high levels of disagreement, while the non-managerial group even indicated strong disagreement.

Item 108: Rewards and Recognition System - The purpose of reward policies is clear
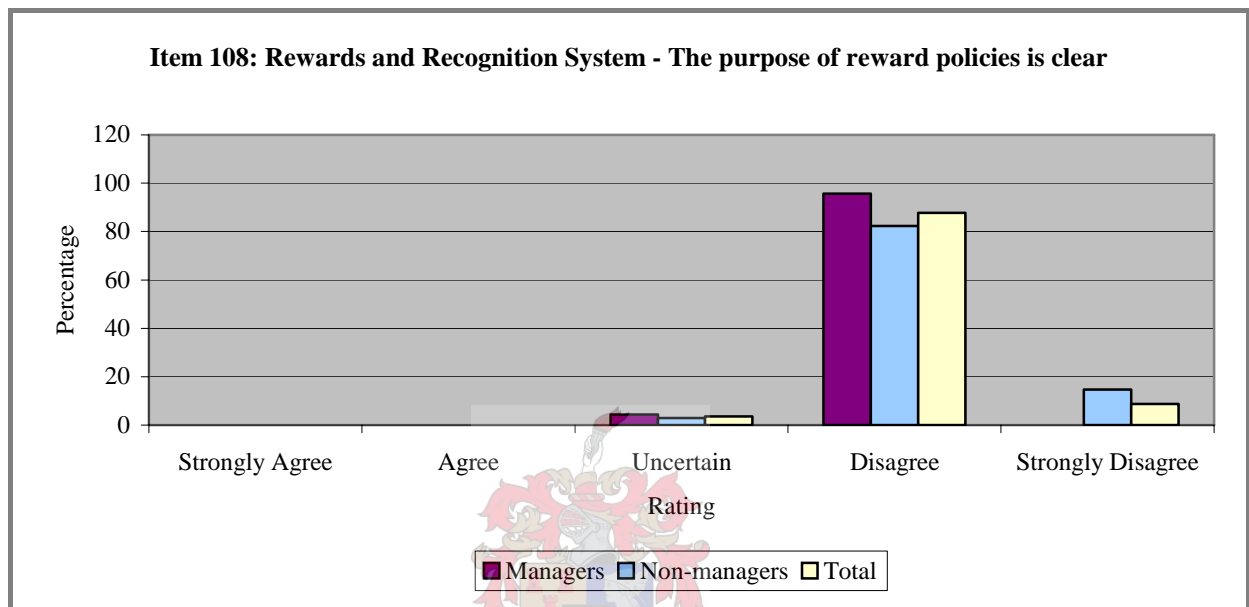
Referring to Table 5.20, 95.65% of the managerial group and 82.35% of the non-managerial group disagreed with this statement. 14.71% of the non-managerial group strongly disagreed with this statement.

Table 5.20 The purpose of reward policies is clear				
	Rating	**Managerial**	**Non-managerial**	**Row Totals**
Count	Uncertain	1	1	2
Column Percent		**4.35%**	**2.94%**	
Row Percent		50.00%	50.00%	
Total Percent		1.75%	1.75%	3.51%
Count	Disagree	22	28	50
Column Percent		**95.65%**	**82.35%**	
Row Percent		44.00%	56.00%	
Total Percent		38.60%	49.12%	**87.72%**
Count	Strongly Disagree	0	5	5
Column Percent		0.00%	**14.71%**	
Row Percent		0.00%	100.00%	

Total Percent		0.00%	8.77%	8.77%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Linkages (General)

Concerning the item, 'Outcomes of the performance review are fed directly into other management systems'; there was agreement between the managerial and non-managerial groups. As shown in the table and figure below, both the managerial and non-managerial group showed higher level of uncertainty and disagreement.

Item 122: Linkages - Outcomes of the performance review are fed directly into other people management systems
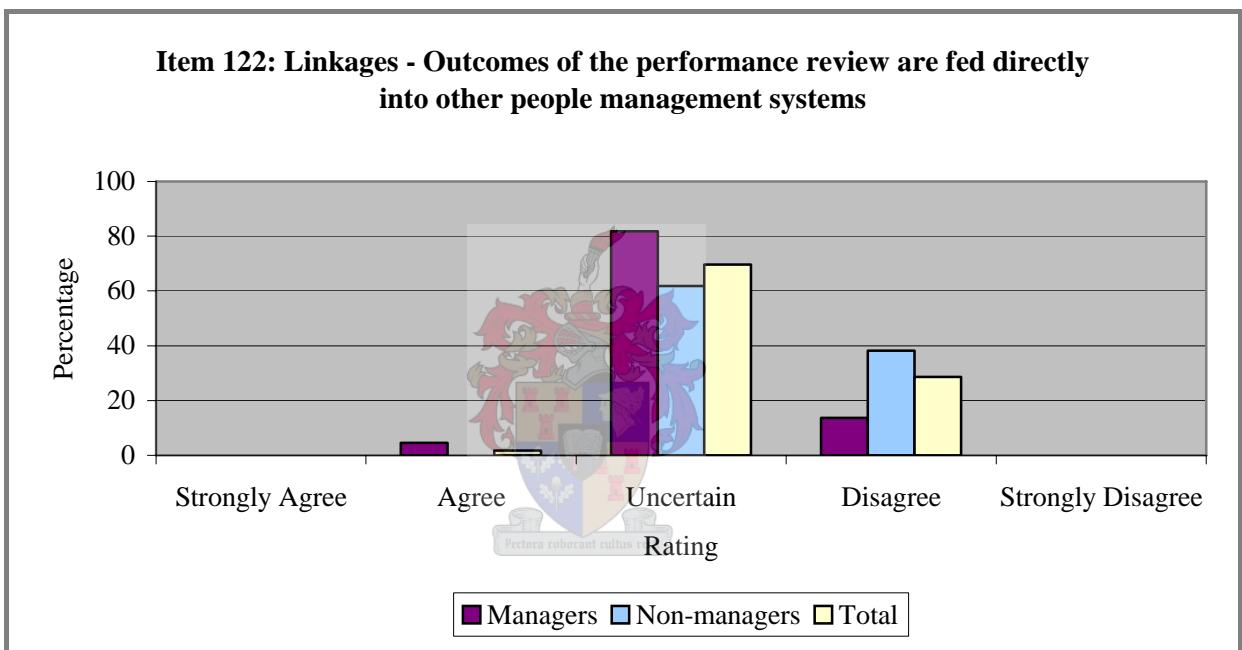
Table 5.21 indicates that 81.82% of the managerial group and 61.76% of the non-managerial group were uncertain about this statement. 13.64% of the managerial and 38.24% of the non-managerial group disagreed with this statement.

Table 5.21 Outcomes of performance review fed into other people management systems				
	Rating	**Managerial**	**Non-managerial**	**Row Totals**
Count	Agree	1	0	1
Column Percent		**4.55%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		1.79%	0.00%	1.79%
Count	Uncertain	18	21	39
Column Percent		**81.82%**	**61.76%**	
Row Percent		46.15%	53.85%	

Total Percent		32.14%	37.50%	**69.64%**
Count	Disagree	3	13	16
Column Percent		**13.64%**	**38.24%**	
Row Percent		18.75%	81.25%	
Total Percent		5.36%	23.21%	28.57%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

For the item, 'Employees know how PD fits into the overall plan for effective people management', there was significant disagreement between the managerial and non-managerial groups, as shown in the table and figure below.

Item 124: Linkages - Employees know how PD fits into the overall plan for effective people management
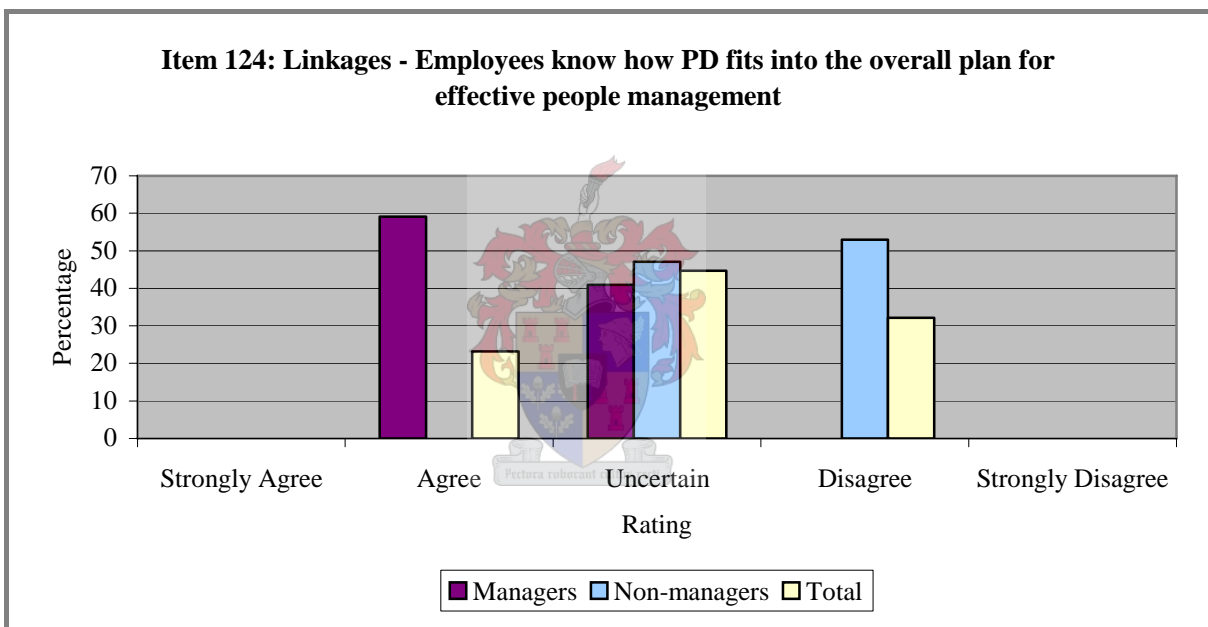
Referring to Table 5.22, 59.09% of the managerial group agreed with this statement, while 40.91% were uncertain. Of the non-managerial group, 47.06% were uncertain, while 52.94% disagreed with this statement.

Table 5.22 Employees know how PD fits into overall effective people management				
	Rating	**Managerial**	**Non-managerial**	**Row Totals**
Count	Agree	13	0	13
Column Percent		**59.09%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		23.21%	0.00%	23.21%
Count	Uncertain	9	16	25
Column Percent		**40.91%**	**47.06%**	

Row Percent		36.00%	64.00%	
Total Percent		16.07%	28.57%	**44.64%**
Count	Disagree	0	18	18
Column Percent		0.00%	**52.94%**	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	32.14%	32.14%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

IV OUTPUTS

For the item, 'Line managers and employees are satisfied with the PD system', there was significant uncertainty within both the managerial and non-managerial groups' responses.
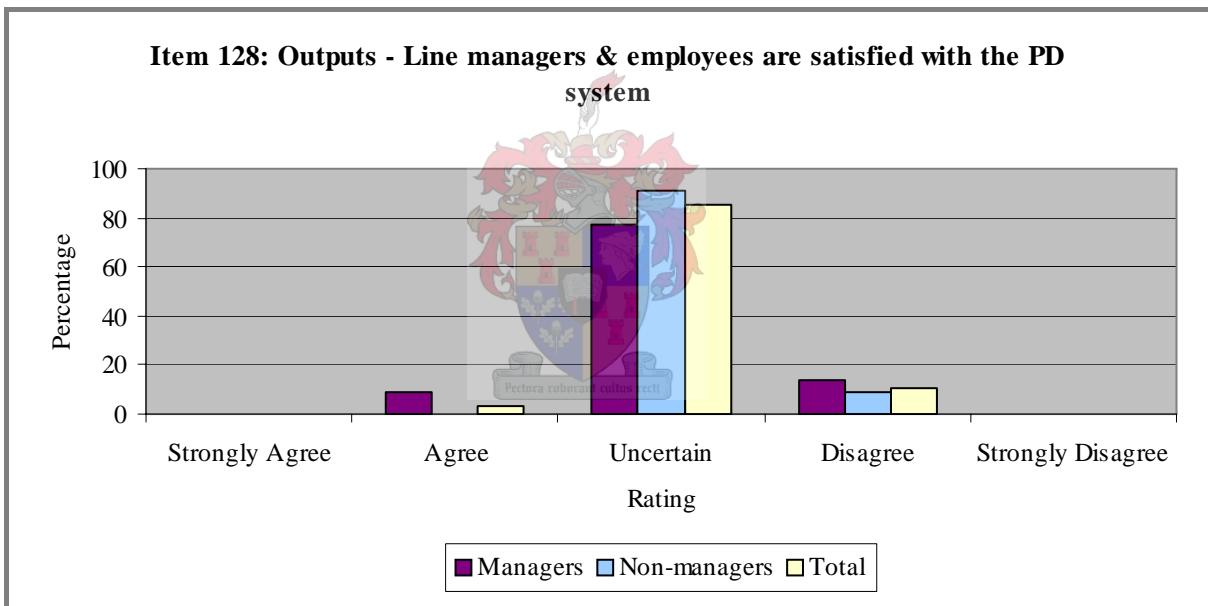
Table 5.23 indicates that 77.27% of the managerial group and 91.18% of the non-managerial group were uncertain, while 13.64% of the managerial and 8.82% of the non-managerial group disagreed with this statement.

Table 5.23 Line managers and employees are satisfied with the PD system				
	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	2	0	2
Column Percent		**9.09%**	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		3.57%	0.00%	3.57%
Count	Uncertain	17	31	48

		77.27%	91.18%	
Column Percent		**77.27%**	**91.18%**	
Row Percent		35.42%	64.58%	
Total Percent		30.36%	55.36%	**85.71%**
Count	Disagree	3	3	6
Column Percent		**13.64%**	**8.82%**	
Row Percent		50.00%	50.00%	
Total Percent		5.36%	5.36%	10.71%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Chapter 6 presents the interpretation and discussion of the research findings shown in Chapter 5 and relevant Appendices. It includes problem areas as identified by the researcher and broad recommendations that could be implemented to shift the CAF's Performance Management system closer towards the ideal system. The chapter includes limitations of the study as well as the estimated value and contribution of the study. It concludes with recommendations for future studies.
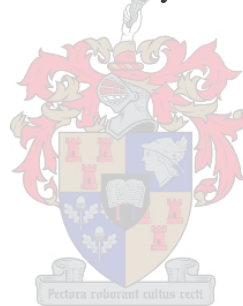
CHAPTER 6:

DISCUSSION OF RESEARCH RESULTS AND RECOMMENDATIONS

Modern management has stolen and smothered intrinsic motivation and dignity. It has removed joy in work and learning. We must give back to people intrinsic motivation: for innovation, for improvement, for joy in work, for joy in learning. The need is to make a person only responsible to him/herself.

Henry Neave in Coens & Jenkins (2000, p. 71)

6.1 INTRODUCTION

In this chapter, the main results as shown in the previous chapter will be analysed and discussed and broad recommendations to the CAF will be made. The limitations of this study will then be highlighted and the estimated value and contributions of the study will be discussed. Finally recommendations for future studies will be made.

6.2 PROBLEM AREAS

Investigating the results shown in Chapter 5, certain main problem areas came to the fore. These areas are either underdeveloped, were possibly unsuccessfully implemented or are in need of attention as they impact negatively on the effective running of the CAF's Performance Management system. These areas will subsequently be discussed.

6.2.1 Communicating a clear mission

If an organisational framework already exists, as is the case within the CAF, this assumes that the important corporate issues of 'mission' and the setting of corporate goals have been addressed and resolved. It assumes that objectives for the sub-section of the organisation (the departments, divisions or business units) have been set within the key result areas, and that the senior manager group identified just where the competitive advantage and value added dimensions of the business lie. It further assumes that all of the above has been "communicated to and understood by those involved" (Ainsworth & Smith, 1993, p. 5.6). Assumption, instead of reality, is often the very reason why Performance Management systems fail.

There was a high level of disagreement from the respondents on the statements "the vision and purposes of the system are clear and communicated effectively" and secondly, "the PD system in all its facets is communicated to management and staff on an ongoing basis." It is of the utmost importance that all employees understand the mission, vision and purpose of the Performance Management system and that it gets communicated to all levels. The best Performance Management systems often fail not because of poor structure or design, but because of a lack of communication and buy-in at different levels.

It is also essential to note that when there is mention of improving organisational performance this can refer to any one of a number of aspects. It can refer to "effectiveness (goal attainment), efficiency (amount of resources used to produce unit of output), productivity in terms of quantity or quality or timing, indications of morale, and capacity to adapt and change to cope with the unexpected and unpredictable" (Dawson, 1996, p. 235). It is thus of the utmost importance that the CAF elucidates what the Performance Development focus is on and also what the key performance areas are in terms of organisational performance. The high level of uncertainty for "PD is considered equally important as other company systems such as business planning and review" thus also needs to be addressed.
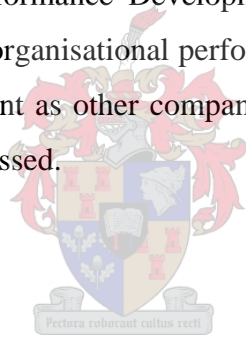
6.2.2 Strategy vs. trivia

A large degree of uncertainty was indicated for the statements that "a clear strategy forms the basis for company, process and job design" and for "the formal company structure supports the implementation of strategy." There was also a high level of uncertainty to the statements "the mission of PD is aligned with the mission of the company"; "the PD system facilitates implementation of strategy" and "PD is directly linked to strategy of the Division." It is furthermore very problematic that there is such a high level of uncertainty and disagreement about "goals and performance standards are in place at three levels, i.e. Division, process/functional and team/individual levels."

The Performance Management system must, through its objective-setting process, carry strategy or it will carry trivia (Egan, 1995). Egan (1995) states that performance management should focus on those relative few key (strategic) objectives that will add the most value to the business. The Performance Management system is not meant to track day-to-day responsibilities and outcomes. If ordinary job responsibilities are not being met, the employee should not be there in

the first place. It is operational objectives rather than key strategic objectives that "clog the system" (Egan, 1995, p. 36). Some time should thus be invested in aligning the PD system with the overall strategy of the Division. Supposing that that is already in place, a cascading strategy model should maybe be drawn up and communicated company wide. It is expected that this will lead to higher agreement on the statement that "goal commitment is facilitated by regular reviewing of progress against specific job-related goals" as these specific goals can be directly linked to that of the Division or even the whole organisation.

6.2.3 Goal setting and Performance Planning

The abovementioned "regular review of job-related goals" presupposes a goal setting session or a performance planning process. From the statements that "routine ongoing (recurring) goals are set in collaboration with employees" and "employees are clear about the indicators used to assess their performance" it seems that JG9+ employees agree while JG1-8 disagrees. Is this only a case of differing perceptions or is the way in which these sessions are held maybe perceived to be "telling you what your goals are" instead of "in collaboration with employees"?

The fact that the statement "goal setting sessions are characterised by sharing relevant, specific information", was met by a staggering 82.4% of JG1-8 being uncertain, is not a positive sign at all. Armstrong (2000, p. 24) states that performance planning is the starting point of the Performance Management cycle and the performance agreement that emerges from this planning, is the core of the Performance Management process. The very important process starts as a joint exploration of what individuals are expected to do and know, and how they are expected to behave to meet the requirements of their role and develop their skills and capabilities. The planning phase should also entail identifying and fully agreeing to the measures and evidence requirements. It also deals with how their managers will provide the support and guidance needed by the employees. It is furthermore a process of discussion, information sharing and joint decision-making.

6.2.4 Employee involvement and information sharing

Employee involvement is a very important prerequisite for complete employee buy in. Armstrong and Baron (2004) found that apart from training, there were three main ways in which organisations were winning support from line managers: by means of leadership from top

the of the enterprise; by involving line managers in the development of performance management processes; and by including the ability to manage performance as a key criterion in assessing line managers' own performance.

The great deal of disagreement on the statements that "leaders stimulate creative involvement by all people in PD application", and "leaders collaboratively develop a team vision with long-tem goals, which give employees a sense of purpose" is thus not positive. There was also a lot of disagreement and uncertainty pertaining to other statements which relate to two-way communication i.e. "improvement-related goals are set with employees"; "clear-cut individual output (results) measures are negotiated"; "observable individual behaviour standards (how things are done) are negotiated"; "mutually developed employee goals are relevant"; and "employees are clear about the indicators used to assess their performance."

The high disagreement from JG1-8 for "continuous feedback is given about overall performance of the business" (82.6% of JG9+ agrees, while 94.1% of JG1-8 disagrees), should thus be addressed by strategy and performance information sharing sessions. It is therefore not surprising that there was also strong disagreement between JG1-8 and JG1-9 on the statement "a culture characterised by participation and openness, frequent communication across levels, and high level of trust prevails".
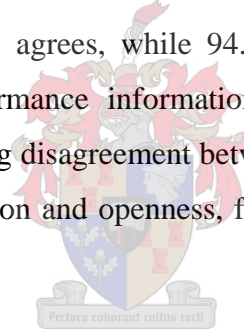
6.2.5 Performance Management Linkages

As Armstrong and Baron (2004) iterates, performance management should be seen as an integral part of the processes involved in running their organisation and achieving its strategic corporate and HR management aims. It is important that employees understand the linkages between the performance management system and the rest of the company aims. The uncertainty around "PD is integrated with other company systems" is therefore problematic. Another statement, states that "employees know how PD fits into the overall plan for effective people management". For this statement 56.5% of JG9+ agreed and 39.1% were uncertain, while 52.9% of JG1-8 disagreed and 47.1% was uncertain. It is important that these links are communicated to every level of an organisation as the objective is to make the management of performance an organic part of everyday life, not a series of mechanical tasks and processes (Armstrong & Baron, 2004).

6.2.6 Development vs. control focus

The statement that "managers and supervisors concentrate on managing rather than controlling performance" was met by some disagreement, especially from the JG1-8. Egan (1995, p. 37) states, "if development is not really valued by the company, then performance management systems cannot work. The time has come to highlight development as a key managerial objective and reward it." If the performance management system is not primarily a development system, it will be perceived as an imposed control system. The difference between management and control is that one wishes to empower the subordinate to perform, while the other expects that the subordinate does not want to perform and needs to be watched and controlled. The uncertainty and disagreement shown for the statement "managers are trained to facilitate employee development and growth" is often seen in large bureaucratic structures as the focus seems to be on control. As stated in literature however, most employees want direction, freedom to get their work done, and encouragement, not control (Egan, 1995).

Especially problematic is the high disagreement on the statement that states that "employees are given sufficient information to execute their responsibilities" as this statement links strongly to the idea of empowering subordinates to improve their performance, not just controlling their performance. This idea also gets carried over to performance review meetings. The focus should be on sharing all possible information with a subordinate to help them succeed, not try to catch them out when they forgot or omitted something. It is thus of the utmost importance that the focus is refocused on sharing experience and knowledge and empowering subordinates.

6.2.7 Managerial skills in development

For the statement that "managers are able to motivate subordinates effectively and handle difficult people and work-related issues" it was interesting that 65.2% of JG9+ were uncertain while JG1-8 disagreed with 79.4%. For the statement that "management has the capability to manage future directed objectives" again a very high level of uncertainty was felt by JG9+ (65.2%), while 82.4% of JG1-8 disagreed. It is problematic that the very individuals, who need to manage these difficult people or future directed objectives, are the ones with such high levels of uncertainty.

Development sounds great, but most supervisors do not have the skills needed to make performance improvement work. The communication and process skills needed for innovative dialogue, coaching and counselling, corrective and confirmatory feedback and conflict management should be second nature. It goes without saying that in most companies they are not (Egan, 1995, p. 36). Most companies urge managers to develop their people, but few provide the framework, processes, skills, and rewards needed for them to do so. Management and supervisory training interventions should therefore include training on how to conduct performance review meetings, how to give constructive feedback, how to act as coach and mentor and other related topics. "Leveraging assets, including human assets, is managerial work". If the average manager is not good at these skills, then investing time and money in making sure that a critical mass of managers has them is a good business decision (Egan, 1995, p. 36).

6.2.8 HR driven vs. line driven

The statement that "the PD system is line driven", was met with a great deal of uncertainty, especially from JG 1-8. This is problematic since in many companies the human resource group has been forced to play a large and principally unwarranted role in the designing and monitoring the performance management system. It is often handed over to the HR department because it deals with human assets, focuses on appraisal, and determines compensation. These are all asinine reasons, because to be effective every manager should be tackling people-related issues daily (Egan, 1995, p. 37). The opposite extreme is just as dire, as line managers will possibly not look at all aspects the same as HR would.

The solution is to present the performance management system as a value-added management system, with strong support from HR. It should be seen as a tool to be used by all managers, whether in line or a functional unit, together with their team members to improve both individual and unit productivity. It is a business system because it is about improved performance and business results. Both managers and their team members should be held accountable by their organisations, not only for its use but also for its continual improvement. The users should fine-tune the system so that they find it indispensable (Egan, 1995, p. 37). The HR group should however, not be expected to police the system. As Egan (1995, p. 37) states: "if the system needs policing, it is already dead and the HR group should rise up in revolt". Stamelman (2000, p. 34) states that it is time for management to recognise the true value of HR

professional in the performance management process- as a consultant and facilitator. Managers can no longer abdicate their people responsibility to HR.

6.2.9 Reward

It should be noted that the CAF does not link their performance development system with monetary rewards or recognition, as they do not have flexibility in terms of finances or budgets. The effect this had on the study was that all the PMAQ statements pertaining to reward, were mostly disagreed with. It is however important to note that there has been a big shift in reward philosophy to understand that it is not only what is done but also how it is done, that is important. Armstrong and Baron (2004) states that organisations now treat performance management as a key part of a total reward approach in which pay is only one element. The focus is on non-financial rewards such as recognition, constructive feedback, personal development and career opportunities. These have much more important roles than pay in encouraging engagement and productive discretionary behaviour. The authors further state that managers should be encouraged to focus on whole-job performance and move away from a focus on achieving an objective that will trigger a reward (Armstrong & Baron, 2004).

In summary, the recommendation is that the CAF pays specific attention to all the highlighted areas mentioned in the discussion. These areas were either underdeveloped, possibly unsuccessfully implemented or in need of more effective communication. A further recommendation is that the CAF repeats this audit in a couple of years to see to which extent the performance development system is moving closer and closer to optimal effectiveness.

6.3 LIMITATIONS OF THE STUDY

The absence of biographical information in terms of which departments each respondent came from, can be seen as a limitation of this study. The reason being that the research could have been even more accurate in pinpointing where exactly the problem areas lie and could have identified clear departmental variations. The two-way frequency between managers and subordinates however provided useful information and the noted tendencies of managers to over evaluate a management program while employees on lower levels could be unhappy about the same program (Le Roux, 1995), was observed.

The fact that the study was only conducted in one organisation can be seen as a limitation as a study consisting of a number of organisations could not only allow for more complete research and comparison, but could also possibly lead to identifying general trends around performance management within the public sector. The conclusions made in this study cannot however, be generalised to other organisation firstly due to it only being conducted in one organisation and secondly, because of the small sample size. Future research studies should aim to increase the sample size to the recommended $N = 200$ (or at a minimum $N = 100$).

The time lapse between introducing the idea of an audit and the actual sending out of questionnaires was extremely small. The argument exists that this is simultaneously an advantage and a disadvantage. The advantage could be that the information about the necessity and advantages of an audit was still fresh in the employees' memories and therefore lead to a greater number of replies. On the other hand, this extreme hasty process could have created the impression that this was just another rushed intervention of which the employees will never hear any results or see any significant improvements. Hopefully the former was achieved.

The fact that the researcher was on a different continent and in a different time zone than the division studied made communication quite complicated. Especially the personal interviews that had to be substituted by email contact could be seen as a severe constraint.

Finally, one of the limitations of this study was the fact that some terms in the original questionnaire were changed in order to be applicable to the services sector. The term "organisation" was for instance changed to "division". The questionnaire was also renamed to the "Performance Development Audit Questionnaire" as this specific division prefers to call its Performance Management System a Performance Development system. The original questionnaire composers, however thoroughly verified that these changes had no direct impact on the validity of the questionnaire, but a validation study would have been valuable, had time allowed.

6.4 ESTIMATED VALUE AND CONTRIBUTION OF STUDY

Organisations experience difficulties within Performance Management systems and then as a result keep on launching one new system after the other. This is a very costly exercise and one that rarely gives return on investment. The reason being that Performance Management is not

only about a system that can be acquired, but is also about a philosophy that has to be bought into and supported by top management.

Organisations just make minor changes and subsequently changes the name of the system, hoping that the name modification will take with it all negative connotations linked to the previous system (Le Roux, 1995). Some organisations go through this process a couple of times starting of with a "Performance Appraisal" system and when it fails to deliver, management changes it to "Performance Management" system and then when that fails once again, management changes it to "Performance Development" system. To use an analogy of a car, the saying: "A Plymouth by any other name still remains a Plymouth" comes to mind. This subsequent name changing actually leads to higher employee distrust of the new system, as they have heard the same story several times before.

What this study aims to achieve, is to give an alternative to expensive systems being bought or name changes being launched, to the disgruntlement of employees. If organisations are able to find and identify the shortcomings of the current system, and the audit is able to show them what should be done to correct the deficiencies, this study would have added immense value. Not only would it solve economic problems, but it will also save the face of Human Resource Management. It will change the idea that HR is a "flavour of the month" run enterprise to one that sticks to what it started and goes to great lengths to correct it.

In terms of Performance Management study, the practical verification of the PMAQ as an applicable diagnostic tool for auditing organisations' current PM systems fills a void that has been in this area for a long time. Short, unsatisfactory surveys do exist but which do not cover the vast spectrum the PMAQ does. This study shows that it is viable to use the PMAQ and the results gained justifies the time spent filling in the questionnaires.

The division that was investigated also gained benefit from this audit. Not only the insight into the shortcomings and problem-areas within its Performance Development system was valuable, but also the recommendations that could be made based on the research. Organisations no longer have to guess where the problems are, but can now apply the PMAQ, continuously enhance areas within the system and possibly come closer to realising all the potential a well-run Performance Management system has to offer.

This study will also provide a broad framework for Performance Management implementation and as such will remind managers of the critical elements of the Performance Management process that have to be attended to on an ongoing basis.

6.5 CONCLUSIONS AND RECOMMENDATIONS

Performance Management systems are complex, integrated systems where often critical prerequisites are not all satisfied during the initial stages of implementations. This leads to organisations not enjoying the complete competitive advantage that should be gained from an effective functioning Performance Management system. The CAF division of the DHHS of Tasmania indicated that this might be the reality concerning their Performance Management system.

The study started by review existing literature in order to identify key elements that contribute to successful Performance Management systems. This was done in order to describe an ideal performance management system against which the CAF's system could be compared theoretically. This was followed by establishing the current situation concerning Performance Management within the CAF using the PMAQ as the diagnostic measure. This diagnostic tool was effective in identifying the specific domains that requires attention and possible corrective interventions. This identification of the underdeveloped or absent areas of the organisation's current Performance Management system, took existing literature and current situation identified by the PMAQ into account and also identified the discrepancy between managerial and non-managerial employees' perception of the effectiveness of the Performance Management system. This was done to enable the CAF in pinpointing where the channel of communication might have stopped or where certain perceptions should be managed by open communication. Finally, broad remedial actions were proposed which could be implemented to address the problem areas as identified.

It would be valuable to conduct an audit, possibly four years from now, to measure the impact various interventions has had on increasing the effectiveness of the CAF's Performance Development system.

Future research could be directed towards shortening the PMAQ, as a lot of organisations did not see its way open for answering such a lengthy questionnaire.

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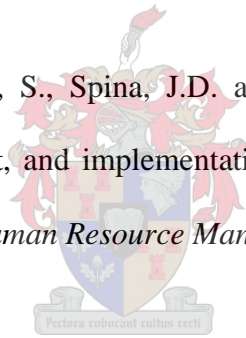
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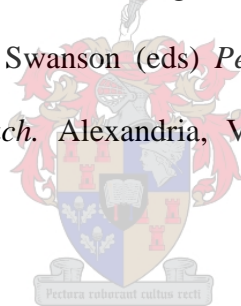
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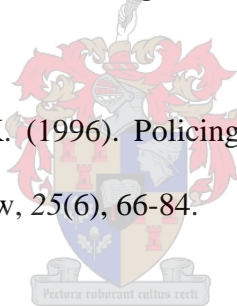
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Twenty Key Requirements for an effective Performance Management System

1. The performance Management system is owned by line management and driven from the top of the organisation.

2. Managers understand and accept the need to measure performance at all levels in a consistent way.

3. Managers accept that the Performance Management processes that have been defined are needed in their business.

4. Managers have the knowledge and skills needed and are committed to manage their subordinates (and be managed) this way.

5. The way consequences and rewards are managed in the organisation reinforces this process in a consistent and positive way.

6. There are no other management processes in place that conflict with the Performance Management processes.

7. The whole process is transparent and can be openly challenged and defended.

8. Position guides clearly define the jobs of the team leader and all team members in output terms without any gaps or overlaps.

9. Each team develops measurable unit targets for the current planning period that reflect their contribution to implementing the short and long term strategy of the business.

10. All the performance targets that are set add significant value to the business and are stretching yet achievable.

11. Managers allocate all their unit targets between themselves and their team members, appropriately to the jobs they are doing.

12. Managers negotiate with each of their team members specific, measurable and stretching performance targets to which they are both committed.

13. Every team member sees the targets they personally accepted as contributing to their unit's performance targets equitably with other team members.

14. Managers and their team members accept that their rewards should reflect their achievement of the targets they accepted.

15. Managers regularly review both unit and individual performance with those concerned and take appropriate action to ensure that targets are reached or exceeded.

16. Managers, jointly with each of their team members, assess each other's performance for the full period under review.

17. Both manager and subordinate accept and sign off the subordinate's performance assessment as valid, balanced and fair.

18. Recorded performance assessment for each unit clearly discriminate between the more effective and less effective performers.

19. Consequences and rewards for each individual and accepted and fairly reflecting their unit results and their own individual performance.

20. The effectiveness of the Performance Management system is formally evaluated at least once a year and appropriate improvements are made for the next cycle.

(Renton, 2000, p. 44)
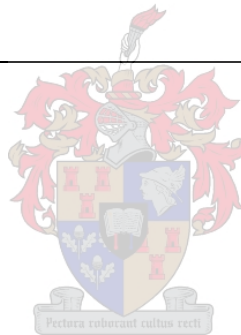
Armstrong's (1994) checklist when designing a Performance Management system:

1. *General*: What are our objectives in introducing performance management?

2. *Performance agreement*: Should the approach be based on a formal performance agreement, plan or contract?

3. *Objectives*: What do we mean by objectives? Do we, for example, differentiated between short-term and standing objectives?

4. *Performance measures or indicators*: Do we include inputs as well as outputs as factors to be considered in assessing performance?

5. *Attributes and competences*: To what extent is it possible or desirable to develop generic competences?

6. *Performance and development plans*: How should we incorporate development and training plans?

7. *Managing performance throughout the year*: How do we ensure that managers are aware of their responsibilities for managing performance throughout the year and carry them out?

8. *Performance reviews*: To what extent do we incorporate self, upward or peer assessment in the review process?

9. *Performance rating*: Do we need performance rating?

10. *Documentation*: What written guidelines do we need for managers and individuals?

11. *Existing arrangements*: What account do we take of existing arrangements for performance appraisal?

12. *Performance management for teams*: Do we want to emphasize the importance of incorporating teams into the performance management process?

13. *Performance-related pay*: If we have performance related pay, how do we prevent this from prejudicing the motivational and development aspects of performance management?

14. *Reaction and behaviour of managers/reactions of other employees*: How can we generate ownership of performance management by line managers? How do we get employees to accept and understand performance management?

15. *Training and briefing*: Do we train both managers and their staff? What sort of briefing is required?

16. *Pilot testing and implementation*.

17. Evaluation and quality.

APPENDIX C:

PERFORMANCE MANAGEMENT LINKAGES TO OTHER HR SYSTEMS
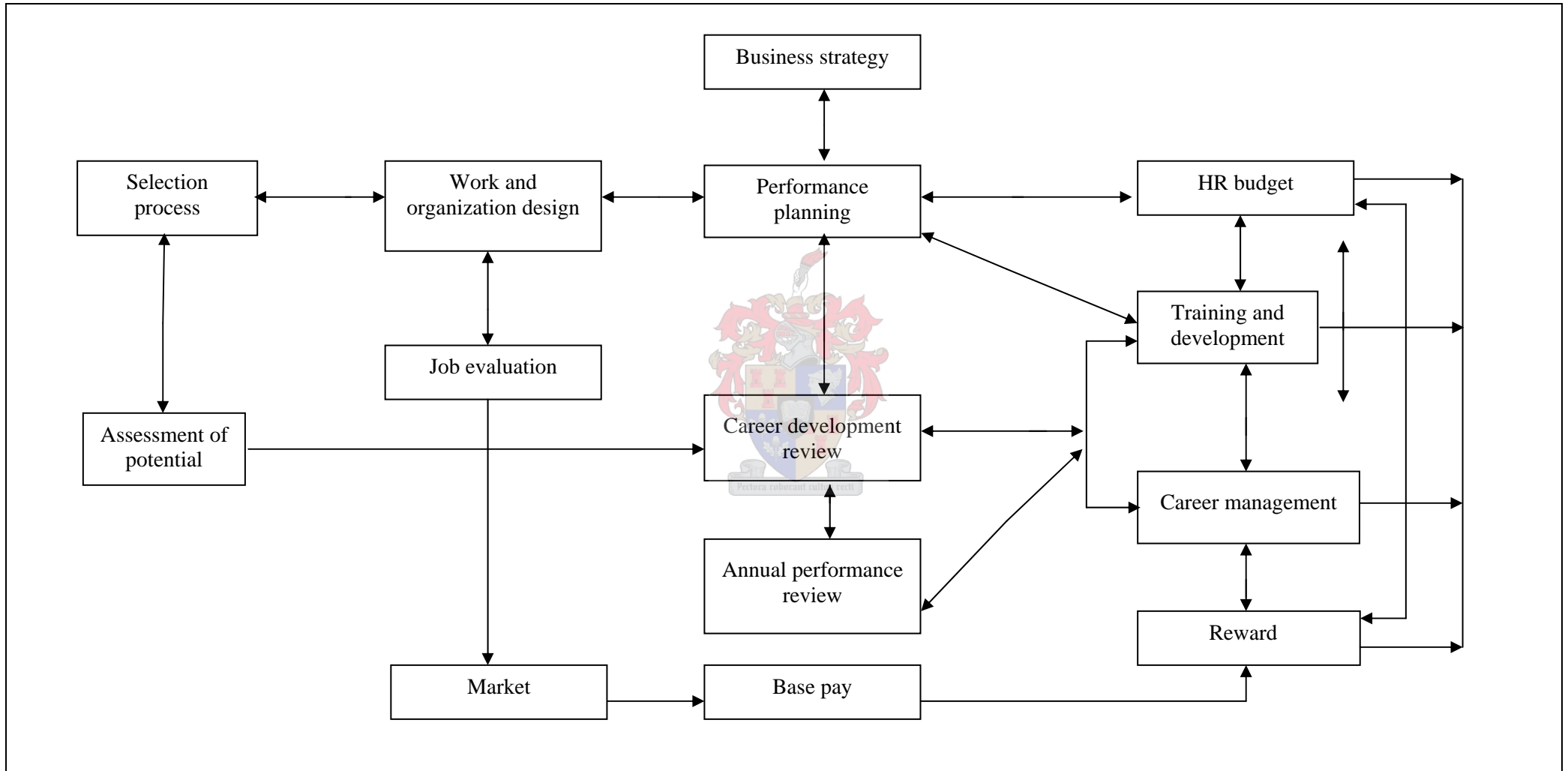
(Spangenberg, 1994, p.51)

APPENDIX D:

RESULTS: ITEM MEANS

Table D.1 Item means for the total group

	Mean	SD	Skewness	Kurtosis	Min	Max	N
Strategic Issues							
Item 1	2.93	0.68	0.09	-0.75	2	4	57
Item 2	2.93	0.56	-0.03	0.29	2	4	57
Item 3	2.79	0.67	0.28	-0.77	2	4	57
Item 4	2.79	0.65	0.23	-0.63	2	4	57
Item 5	3.09	0.81	-0.16	-1.44	2	4	57
Item 6	3.14	0.90	-0.29	-1.72	2	4	57
Item 7	3.19	0.91	-0.40	-1.71	2	4	57
Item 8	3.14	0.91	-0.29	-1.77	2	4	57
Item 9	2.77	0.95	0.35	-1.58	1	4	57
Item 10	2.98	0.92	0.04	-1.84	2	4	57
Internal stakeholders							
Item 11	3.40	0.68	-0.71	-0.57	2	4	57
Item 12	3.33	0.74	-0.63	-0.90	2	4	57
Item 13	3.30	0.80	-0.60	-1.18	2	4	57
Item 14	3.07	0.75	-0.12	-1.20	2	4	57
Creating a sense of mission							
Item 15	3.23	0.87	-0.47	-1.52	2	4	57
Item 16	3.09	0.87	-0.17	-1.68	2	4	57
Item 17	2.86	0.74	0.23	-1.13	2	4	57
Purpose and strategy							
Item 18	3.56	0.80	-1.39	0.06	2	4	57
Item 19	3.04	0.84	-0.07	-1.60	2	4	57
Item 20	2.89	0.72	0.16	-1.04	2	4	57
Item 21	2.93	0.73	0.11	-1.07	2	4	57
Item 22	2.93	0.70	0.10	-0.92	2	4	57
Item 23	2.96	0.71	0.05	-0.94	2	4	57
Item 24	2.95	0.67	0.06	-0.66	2	4	57
Item 25	2.95	0.69	0.07	-0.85	2	4	57
Item 26	3.04	0.78	-0.06	-1.33	2	4	57
Item 27	2.75	0.83	-0.28	-0.35	1	4	57
Item 28	2.77	0.89	-0.32	-0.53	1	4	57
Item 29	2.74	0.79	0.06	-0.63	1	4	57
Item 30	3.16	0.70	0.09	-0.24	2	5	57
Item 31	3.21	0.67	-0.28	-0.77	2	4	57
Item 32	3.56	0.60	-1.02	0.10	2	4	57
Values and behaviour							
Item 33	2.86	0.58	0.01	-0.05	2	4	57
Item 34	2.91	0.63	0.07	-0.44	2	4	57
Item 35	2.93	0.62	0.05	-0.32	2	4	57
Item 36	3.40	0.59	0.12	-0.28	2	5	57
Item 37	3.09	0.69	-0.11	-0.83	2	4	57
General							
Item 38	3.53	0.66	-1.08	0.04	2	4	57
Clarify roles and responsibility							
Item 39	3.30	0.82	-0.61	-1.25	2	4	57
Item 40	3.49	0.71	-1.05	-0.21	2	4	57
Item 41	3.26	0.86	-0.54	-1.43	2	4	57
Goal setting and planning							
Item 42	2.88	0.71	0.18	-0.95	2	4	57
Item 43	2.91	0.66	0.10	-0.65	2	4	57
Item 44	3.12	0.83	-0.24	-1.49	2	4	57
Item 45	3.40	0.62	-0.54	-0.57	2	4	57
Item 46	2.96	0.76	0.06	-1.21	2	4	57
Item 47	2.95	0.72	0.08	-1.01	2	4	57
Item 48	2.86	0.69	0.19	-0.86	2	4	57
Item 49	2.84	0.70	0.23	-0.91	2	4	57
Item 50	2.86	0.72	0.22	-1.00	2	4	57
Item 51	2.89	0.70	0.15	-0.89	2	4	57

Item 52	3.07	0.92	-0.14	-1.85	2	4	57
Item 53	2.98	0.92	0.04	-1.84	2	4	57
Item 54	3.11	1.01	-0.11	-1.86	2	5	57
Item 55	3.19	0.97	-0.40	-1.86	2	4	57
Item 56	3.16	0.98	-0.33	-1.92	2	4	57
Item 57	3.11	0.96	-0.22	-1.92	2	4	57
Item 58	2.32	0.57	1.67	1.88	2	4	57
Item 59	2.98	0.90	0.04	-1.78	2	4	57
Item 60	2.89	0.72	0.16	-1.04	2	4	57
Item 61	3.14	0.91	-0.29	-1.77	2	4	57
Item 62	2.53	0.73	1.03	-0.36	2	4	57
Item 63	3.35	0.86	-0.58	-1.08	2	5	57
Item 64	3.20	0.75	-0.34	-1.12	2	4	56
Item 65	2.93	0.78	0.12	-1.31	2	4	57
Competencies							
Item 66	3.02	0.69	-0.02	-0.86	2	4	57
Item 67	2.96	0.65	0.03	-0.57	2	4	57
Design and redesign structures							
Item 68	2.86	0.61	0.08	-0.30	2	4	57
Item 69	3.00	0.60	0.00	-0.05	2	4	57
Item 70	3.05	0.61	-0.02	-0.19	2	4	57
Item 71	2.84	0.56	-0.05	0.07	2	4	57
Item 72	2.81	0.64	0.19	-0.56	2	4	57
Item 73	3.51	0.60	0.73	-0.39	3	5	57
Manage and improve performance							
Item 74	2.91	0.61	0.04	-0.19	2	4	57
Item 75	3.05	0.72	-0.08	-1.01	2	4	57
Item 76	2.68	0.71	0.55	-0.84	2	4	57
Item 77	2.79	0.67	0.28	-0.77	2	4	57
Item 78	3.26	0.88	-0.55	-1.49	2	4	57
Item 79	3.33	1.04	-0.13	-1.33	2	5	57
Item 80	3.19	1.01	-0.19	-1.66	2	5	57
Item 81	2.60	0.84	0.89	-0.99	2	4	57
Item 82	2.63	0.88	0.81	-1.22	2	4	57
Item 83	2.91	0.85	0.17	-1.61	2	4	57
Item 84	3.09	0.97	-0.06	-1.73	2	5	57
Item 85	3.18	0.93	-0.36	-1.77	2	4	57
Item 86	3.04	0.84	-0.07	-1.60	2	4	57
Item 87	3.09	0.89	-0.18	-1.75	2	4	57
Item 88	3.05	0.87	-0.10	-1.70	2	4	57
Item 89	4.16	0.56	0.05	0.07	3	5	57
Item 90	3.84	0.98	-0.74	-0.32	2	5	57
Review performance							
Item 91	3.32	0.97	-0.56	-1.51	2	5	57
Item 92	3.35	0.94	-0.63	-1.34	2	5	57
Item 93	3.19	0.91	-0.40	-1.71	2	4	57
Item 94	3.32	0.91	-0.68	-1.46	2	4	57
Item 95	3.30	0.91	-0.64	-1.50	2	4	57
Item 96	2.93	0.78	-0.11	-0.74	1	4	57
Item 97	2.95	0.77	0.09	-1.27	2	4	57
Item 98	3.05	0.87	-0.10	-1.70	2	4	57
Item 99	2.96	0.87	0.41	-0.77	2	5	57
Item 100	2.63	0.88	1.14	0.17	2	5	57
Item 101	2.75	0.97	0.76	-0.96	2	5	57
Item 102	2.86	0.91	0.58	-0.90	2	5	57
Item 103	3.26	0.94	-0.15	-1.21	2	5	57
Item 104	3.21	0.67	-0.28	-0.77	2	4	57
Item 105	3.47	0.63	0.10	-0.18	2	5	57
Rewards and recognition system							
Item 106	4.05	0.35	0.83	5.47	3	5	57
Item 107	4.04	0.38	0.40	4.54	3	5	57
Item 108	4.05	0.35	0.83	5.47	3	5	57
Item 109	3.96	0.46	-1.27	6.89	2	5	57
Item 110	3.89	0.62	-1.82	4.86	2	5	57
Item 111	4.04	0.42	0.24	3.02	3	5	57
Item 112	4.09	0.39	0.84	3.34	3	5	57
Item 113	4.02	0.40	0.15	3.74	3	5	57
Item 114	3.88	0.50	-1.12	3.67	2	5	57

	Mean	SD	Skewness	Kurtosis	Min	Max	N
Item 115	4.00	0.38	0.00	4.62	3	5	57
Item 116	4.11	0.31	2.61	4.99	4	5	56
Item 117	4.55	0.50	-0.22	-2.02	4	5	56
Item 118	4.34	0.48	0.70	-1.57	4	5	56
Item 119	3.73	0.82	-0.90	0.45	2	5	56
Linkages							
Item 120	3.14	0.59	-0.02	-0.10	2	4	56
Item 121	3.30	0.50	1.32	0.72	3	5	56
Item 122	3.27	0.49	0.57	-0.48	2	4	56
Item 123	3.25	0.55	0.09	-0.28	2	4	56
Item 124	3.09	0.75	-0.15	-1.15	2	4	56
Outputs							
Item 125	2.89	0.68	0.13	-0.77	2	4	56
Item 126	3.09	0.29	2.96	7.01	3	4	56
Item 127	3.11	0.31	2.61	4.99	3	4	56
Item 128	3.07	0.37	0.84	4.15	2	4	56

Table D.2 Item means for the managerial group

	Mean	SD	Skewness	Kurtosis	Min	Max	N
Strategic Issues							
Item 1	2.35	0.49	0.68	-1.69	2	3	23
Item 2	2.52	0.51	-0.09	-2.19	2	3	23
Item 3	2.22	0.52	2.47	5.86	2	4	23
Item 4	2.22	0.52	2.47	5.86	2	4	23
Item 5	2.35	0.57	1.46	1.41	2	4	23
Item 6	2.22	0.52	2.47	5.86	2	4	23
Item 7	2.26	0.54	2.06	3.82	2	4	23
Item 8	2.22	0.52	2.47	5.86	2	4	23
Item 9	2.00	0.30	0.00	11.00	1	3	23
Item 10	2.00	0.00			2	2	23
Internal stakeholders							
Item 11	2.83	0.58	-0.02	0.12	2	4	23
Item 12	2.61	0.50	-0.48	-1.95	2	3	23
Item 13	2.52	0.59	0.63	-0.47	2	4	23
Item 14	2.43	0.59	1.00	0.16	2	4	23
Creating a sense of mission							
Item 15	2.43	0.66	1.29	0.62	2	4	23
Item 16	2.35	0.78	1.84	1.52	2	4	23
Item 17	2.17	0.39	1.84	1.52	2	3	23
Purpose and strategy							
Item 18	3.26	0.96	-0.58	-1.77	2	4	23
Item 19	2.35	0.78	1.84	1.52	2	4	23
Item 20	2.26	0.54	2.06	3.82	2	4	23
Item 21	2.35	0.65	1.73	1.95	2	4	23
Item 22	2.43	0.73	1.41	0.59	2	4	23
Item 23	2.43	0.66	1.29	0.62	2	4	23
Item 24	2.52	0.73	1.07	-0.17	2	4	23
Item 25	2.52	0.79	1.13	-0.33	2	4	23
Item 26	2.35	0.57	1.46	1.41	2	4	23
Item 27	2.17	0.83	0.68	0.46	1	4	23
Item 28	2.13	0.87	0.64	0.20	1	4	23
Item 29	2.26	0.75	0.92	1.15	1	4	23
Item 30	2.91	0.85	0.17	-1.61	2	4	23
Item 31	3.09	0.90	-0.18	-1.81	2	4	23
Item 32	3.48	0.73	-1.07	-0.17	2	4	23
Values and behaviour							
Item 33	2.39	0.50	0.48	-1.95	2	3	23
Item 34	2.52	0.73	1.07	-0.17	2	4	23
Item 35	2.57	0.73	0.92	-0.41	2	4	23
Item 36	3.13	0.55	0.11	0.60	2	4	23
Item 37	2.65	0.71	0.64	-0.69	2	4	23
General							
Item 38	3.17	0.78	-0.32	-1.22	2	4	23
Clarify roles and responsibility							
Item 39	2.52	0.67	0.93	-0.12	2	4	23

Item 40	3.00	0.80	0.00	-1.39	2	4	23
Item 41	2.43	0.66	1.29	0.62	2	4	23

Goal setting and planning

Item 42	2.30	0.47	0.91	-1.29	2	3	23
Item 43	2.35	0.49	0.68	-1.69	2	3	23
Item 44	2.39	0.66	1.50	1.20	2	4	23
Item 45	3.17	0.72	-0.27	-0.89	2	4	23
Item 46	2.39	0.66	1.50	1.20	2	4	23
Item 47	2.39	0.66	1.50	1.20	2	4	23
Item 48	2.22	0.42	1.47	0.16	2	3	23
Item 49	2.17	0.39	1.84	1.52	2	3	23
Item 50	2.17	0.39	1.84	1.52	2	3	23
Item 51	2.35	0.65	1.73	1.95	2	4	23
Item 52	2.17	0.58	3.14	8.61	2	4	23
Item 53	2.00	0.00			2	2	23
Item 54	2.00	0.00			2	2	23
Item 55	2.35	0.78	1.84	1.52	2	4	23
Item 56	2.35	0.78	1.84	1.52	2	4	23
Item 57	2.22	0.52	2.47	5.86	2	4	23
Item 58	2.22	0.52	2.47	5.86	2	4	23
Item 59	2.22	0.52	2.47	5.86	2	4	23
Item 60	2.22	0.42	1.47	0.16	2	3	23
Item 61	2.22	0.42	1.47	0.16	2	3	23
Item 62	2.13	0.34	2.35	3.86	2	3	23
Item 63	2.57	0.73	0.92	-0.41	2	4	23
Item 64	2.82	0.91	0.39	-1.74	2	4	22
Item 65	2.22	0.52	2.47	5.86	2	4	23

Competencies

Item 66	2.52	0.67	0.93	-0.12	2	4	23
Item 67	2.43	0.51	0.28	-2.11	2	3	23

Design and redesign structures

Item 68	2.35	0.49	0.68	-1.69	2	3	23
Item 69	2.70	0.70	0.51	-0.74	2	4	23
Item 70	2.83	0.78	0.32	-1.22	2	4	23
Item 71	2.39	0.50	0.48	-1.95	2	3	23
Item 72	2.30	0.56	1.73	2.41	2	4	23
Item 73	3.65	0.49	-0.68	-1.69	3	4	23

Manage and improve performance

Item 74	2.43	0.51	0.28	-2.11	2	3	23
Item 75	2.43	0.51	0.28	-2.11	2	3	23
Item 76	2.00	0.00			2	2	23
Item 77	2.39	0.72	1.60	1.13	2	4	23
Item 78	2.57	0.90	1.03	-0.94	2	4	23
Item 79	2.26	0.54	2.06	3.82	2	4	23
Item 80	2.04	0.21	4.80	23.00	2	3	23
Item 81	2.04	0.21	4.80	23.00	2	3	23
Item 82	2.04	0.21	4.80	23.00	2	3	23
Item 83	2.13	0.34	2.35	3.86	2	3	23
Item 84	2.04	0.21	4.80	23.00	2	3	23
Item 85	2.35	0.78	1.84	1.52	2	4	23
Item 86	2.35	0.78	1.84	1.52	2	4	23
Item 87	2.35	0.78	1.84	1.52	2	4	23
Item 88	2.78	0.90	0.47	-1.67	2	4	23
Item 89	3.78	0.42	-1.47	0.16	3	4	23
Item 90	3.00	0.90	0.00	-1.85	2	4	23

Review performance

Item 91	2.35	0.78	1.84	1.52	2	4	23
Item 92	2.43	0.79	1.46	0.39	2	4	23
Item 93	2.43	0.79	1.46	0.39	2	4	23
Item 94	2.39	0.72	1.60	1.13	2	4	23
Item 95	2.39	0.72	1.60	1.13	2	4	23
Item 96	2.39	0.84	1.13	0.31	1	4	23
Item 97	2.35	0.65	1.73	1.95	2	4	23
Item 98	2.17	0.39	1.84	1.52	2	3	23
Item 99	2.17	0.39	1.84	1.52	2	3	23
Item 100	2.17	0.39	1.84	1.52	2	3	23
Item 101	2.17	0.39	1.84	1.52	2	3	23
Item 102	2.43	0.73	1.41	0.59	2	4	23

Item 103	2.35	0.57	1.46	1.41	2	4	23
Item 104	2.78	0.67	0.28	-0.63	2	4	23
Item 105	3.09	0.51	0.17	1.29	2	4	23
Rewards and recognition system							
Item 106	3.96	0.21	-4.80	23.00	3	4	23
Item 107	3.96	0.21	-4.80	23.00	3	4	23
Item 108	3.96	0.21	-4.80	23.00	3	4	23
Item 109	3.87	0.46	-3.71	13.96	2	4	23
Item 110	3.61	0.78	-1.64	0.90	2	4	23
Item 111	3.96	0.37	-0.62	6.00	3	5	23
Item 112	4.04	0.37	0.62	6.00	3	5	23
Item 113	3.91	0.29	-3.14	8.61	3	4	23
Item 114	3.78	0.42	-1.47	0.16	3	4	23
Item 115	3.91	0.29	-3.14	8.61	3	4	23
Item 116	4.00	0.00			4	4	22
Item 117	4.45	0.51	0.20	-2.17	4	5	22
Item 118	4.00	0.00			4	4	22
Item 119	3.09	0.87	-0.19	-1.69	2	4	22
Linkages							
Item 120	2.77	0.53	-0.26	0.14	2	4	22
Item 121	3.14	0.35	2.28	3.50	3	4	22
Item 122	3.09	0.43	0.64	3.17	2	4	22
Item 123	3.05	0.58	0.01	0.51	2	4	22
Item 124	2.41	0.50	0.40	-2.04	2	3	22
Outputs							
Item 125	2.27	0.46	1.10	-0.89	2	3	22
Item 126	3.05	0.21	4.69	22.00	3	4	22
Item 127	3.05	0.21	4.69	22.00	3	4	22
Item 128	3.05	0.49	0.15	2.08	2	4	22

Table D.3 Item means for the non-managerial group

	Mean	SD	Skewness	Kurtosis	Min	Max	N
Strategic Issues							
Item 1	3.32	0.47	0.79	-1.47	3	4	34
Item 2	3.21	0.41	1.52	0.34	3	4	34
Item 3	3.18	0.46	0.71	0.95	2	4	34
Item 4	3.18	0.39	1.78	1.23	3	4	34
Item 5	3.59	0.50	-0.38	-1.98	3	4	34
Item 6	3.76	0.43	-1.31	-0.32	3	4	34
Item 7	3.82	0.46	-2.72	7.33	2	4	34
Item 8	3.76	0.50	-2.07	3.82	2	4	34
Item 9	3.29	0.87	-0.63	-1.40	2	4	34
Item 10	3.65	0.54	-1.23	0.64	2	4	34
Internal stakeholders							
Item 11	3.79	0.41	-1.52	0.34	3	4	34
Item 12	3.82	0.39	-1.78	1.23	3	4	34
Item 13	3.82	0.39	-1.78	1.23	3	4	34
Item 14	3.50	0.51	0.00	-2.13	3	4	34
Creating a sense of mission							
Item 15	3.76	0.50	-2.07	3.82	2	4	34
Item 16	3.59	0.50	-0.38	-1.98	3	4	34
Item 17	3.32	0.53	0.14	-0.71	2	4	34
Purpose and strategy							
Item 18	3.76	0.61	-2.46	4.76	2	4	34
Item 19	3.50	0.51	0.00	-2.13	3	4	34
Item 20	3.32	0.47	0.79	-1.47	3	4	34
Item 21	3.32	0.47	0.79	-1.47	3	4	34
Item 22	3.26	0.45	1.12	-0.80	3	4	34
Item 23	3.32	0.47	0.79	-1.47	3	4	34
Item 24	3.24	0.43	1.31	-0.32	3	4	34
Item 25	3.24	0.43	1.31	-0.32	3	4	34
Item 26	3.50	0.51	0.00	-2.13	3	4	34
Item 27	3.15	0.56	0.07	0.25	2	4	34
Item 28	3.21	0.59	-0.07	-0.22	2	4	34
Item 29	3.06	0.65	-0.05	-0.45	2	4	34
Item 30	3.32	0.53	1.41	1.17	3	5	34

Item 31	3.29	0.46	0.95	-1.18	3	4	34
Item 32	3.62	0.49	-0.51	-1.86	3	4	34
Values and behaviour							
Item 33	3.18	0.39	1.78	1.23	3	4	34
Item 34	3.18	0.39	1.78	1.23	3	4	34
Item 35	3.18	0.39	1.78	1.23	3	4	34
Item 36	3.59	0.56	0.19	-0.92	3	5	34
Item 37	3.38	0.49	0.51	-1.86	3	4	34
General							
Item 38	3.76	0.43	-1.31	-0.32	3	4	34
Clarify roles and responsibility							
Item 39	3.82	0.39	-1.78	1.23	3	4	34
Item 40	3.82	0.39	-1.78	1.23	3	4	34
Item 41	3.82	0.39	-1.78	1.23	3	4	34
Goal setting and planning							
Item 42	3.26	0.57	-0.01	-0.33	2	4	34
Item 43	3.29	0.46	0.95	-1.18	3	4	34
Item 44	3.62	0.49	-0.51	-1.86	3	4	34
Item 45	3.56	0.50	-0.25	-2.06	3	4	34
Item 46	3.35	0.54	0.03	-0.83	2	4	34
Item 47	3.32	0.47	0.79	-1.47	3	4	34
Item 48	3.29	0.46	0.95	-1.18	3	4	34
Item 49	3.29	0.46	0.95	-1.18	3	4	34
Item 50	3.32	0.47	0.79	-1.47	3	4	34
Item 51	3.26	0.45	1.12	-0.80	3	4	34
Item 52	3.68	0.53	-1.41	1.17	2	4	34
Item 53	3.65	0.54	-1.23	0.64	2	4	34
Item 54	3.85	0.56	-2.29	6.62	2	5	34
Item 55	3.76	0.61	-2.46	4.76	2	4	34
Item 56	3.71	0.68	-2.07	2.74	2	4	34
Item 57	3.71	0.68	-2.07	2.74	2	4	34
Item 58	2.38	0.60	1.36	0.95	2	4	34
Item 59	3.50	0.71	-1.09	-0.08	2	4	34
Item 60	3.35	0.49	0.64	-1.69	3	4	34
Item 61	3.76	0.55	-2.35	4.77	2	4	34
Item 62	2.79	0.81	0.40	-1.34	2	4	34
Item 63	3.88	0.41	-0.94	2.66	3	5	34
Item 64	3.44	0.50	0.25	-2.06	3	4	34
Item 65	3.41	0.50	0.38	-1.98	3	4	34
Competencies							
Item 66	3.35	0.49	0.64	-1.69	3	4	34
Item 67	3.32	0.47	0.79	-1.47	3	4	34
Design and redesign structures							
Item 68	3.21	0.41	1.52	0.34	3	4	34
Item 69	3.21	0.41	1.52	0.34	3	4	34
Item 70	3.21	0.41	1.52	0.34	3	4	34
Item 71	3.15	0.36	2.09	2.50	3	4	34
Item 72	3.15	0.44	0.83	1.67	2	4	34
Item 73	3.41	0.66	1.37	0.75	3	5	34
Manage and improve performance							
Item 74	3.24	0.43	1.31	-0.32	3	4	34
Item 75	3.47	0.51	0.12	-2.11	3	4	34
Item 76	3.15	0.56	0.07	0.25	2	4	34
Item 77	3.06	0.49	0.17	1.61	2	4	34
Item 78	3.74	0.45	-1.12	-0.80	3	4	34
Item 79	4.06	0.55	0.05	0.65	3	5	34
Item 80	3.97	0.39	-0.31	4.57	3	5	34
Item 81	2.97	0.90	0.06	-1.82	2	4	34
Item 82	3.03	0.94	-0.06	-1.92	2	4	34
Item 83	3.44	0.66	-0.78	-0.39	2	4	34
Item 84	3.79	0.54	-1.40	3.17	2	5	34
Item 85	3.74	0.51	-1.82	2.70	2	4	34
Item 86	3.50	0.51	0.00	-2.13	3	4	34
Item 87	3.59	0.56	-0.93	-0.12	2	4	34
Item 88	3.24	0.82	-0.47	-1.34	2	4	34
Item 89	4.41	0.50	0.38	-1.98	4	5	34
Item 90	4.41	0.50	0.38	-1.98	4	5	34

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Review performance							
Item 91	3.97	0.30	-0.88	9.71	3	5	34
Item 92	3.97	0.30	-0.88	9.71	3	5	34
Item 93	3.71	0.58	-1.89	2.73	2	4	34
Item 94	3.94	0.24	-3.93	14.24	3	4	34
Item 95	3.91	0.29	-3.04	7.69	3	4	34
Item 96	3.29	0.46	0.95	-1.18	3	4	34
Item 97	3.35	0.54	0.03	-0.83	2	4	34
Item 98	3.65	0.54	-1.23	0.64	2	4	34
Item 99	3.50	0.66	0.33	-0.07	2	5	34
Item 100	2.94	0.98	0.53	-0.99	2	5	34
Item 101	3.15	1.05	0.02	-1.62	2	5	34
Item 102	3.15	0.93	0.18	-0.98	2	5	34
Item 103	3.88	0.54	-0.12	0.60	3	5	34
Item 104	3.50	0.51	0.00	-2.13	3	4	34
Item 105	3.74	0.57	0.01	-0.33	3	5	34
Rewards and recognition system							
Item 106	4.12	0.41	0.94	2.66	3	5	34
Item 107	4.09	0.45	0.42	2.17	3	5	34
Item 108	4.12	0.41	0.94	2.66	3	5	34
Item 109	4.03	0.46	0.13	2.34	3	5	34
Item 110	4.09	0.38	1.02	4.07	3	5	34
Item 111	4.09	0.45	0.42	2.17	3	5	34
Item 112	4.12	0.41	0.94	2.66	3	5	34
Item 113	4.09	0.45	0.42	2.17	3	5	34
Item 114	3.94	0.55	-1.23	4.94	2	5	34
Item 115	4.06	0.42	0.41	3.17	3	5	34
Item 116	4.18	0.39	1.78	1.23	4	5	34
Item 117	4.62	0.49	-0.51	-1.86	4	5	34
Item 118	4.56	0.50	-0.25	-2.06	4	5	34
Item 119	4.15	0.44	0.83	1.67	3	5	34
Linkages							
Item 120	3.38	0.49	0.51	-1.86	3	4	34
Item 121	3.41	0.56	0.93	-0.12	3	5	34
Item 122	3.38	0.49	0.51	-1.86	3	4	34
Item 123	3.38	0.49	0.51	-1.86	3	4	34
Item 124	3.53	0.51	-0.12	-2.11	3	4	34
Outputs							
Item 125	3.29	0.46	0.95	-1.18	3	4	34
Item 126	3.12	0.33	2.48	4.43	3	4	34
Item 127	3.15	0.36	2.09	2.50	3	4	34
Item 128	3.09	0.29	3.04	7.69	3	4	34

STRATEGIC ISSUES:

Table E1- Division strategy aligned with internal and external environment

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	15	0	15
Column Percent		65.22%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		26.32%	0.00%	26.32%
Count	Uncertain	8	23	31
Column Percent		34.78%	67.65%	
Row Percent		25.81%	74.19%	
Total Percent		14.04%	40.35%	54.39%
Count	Disagree	0	11	11
Column Percent		0.00%	32.35%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	19.30%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E2- Division strategic planning and priorities support long term growth

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	11	0	11
Column Percent		47.83%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		19.30%	0.00%	19.30%
Count	Uncertain	12	27	39
Column Percent		52.17%	79.41%	
Row Percent		30.77%	69.23%	
Total Percent		21.05%	47.37%	68.42%
Count	Disagree	0	7	7
Column Percent		0.00%	20.59%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	12.28%	12.28%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E3- Top management fully committed effective implementation PD system

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	3	28	31
Column Percent		13.04%	82.35%	
Row Percent		9.68%	90.32%	
Total Percent		5.26%	49.12%	54.39%
Count	Disagree	1	6	7
Column Percent		4.35%	17.65%	
Row Percent		14.29%	85.71%	
Total Percent		1.75%	10.53%	12.28%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E4- The PD system is line driven

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	1	20
Column Percent		82.61%	2.94%	
Row Percent		95.00%	5.00%	
Total Percent		33.33%	1.75%	35.09%
Count	Uncertain	3	26	29
Column Percent		13.04%	76.47%	
Row Percent		10.34%	89.66%	
Total Percent		5.26%	45.61%	50.88%
Count	Disagree	1	7	8
Column Percent		4.35%	20.59%	
Row Percent		12.50%	87.50%	
Total Percent		1.75%	12.28%	14.04%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E5- Top management lives out division values aligned with strategy

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	3	8	11
Column Percent		13.04%	23.53%	
Row Percent		27.27%	72.73%	
Total Percent		5.26%	14.04%	19.30%
Count	Disagree	1	26	27
Column Percent		4.35%	76.47%	
Row Percent		3.70%	96.30%	
Total Percent		1.75%	45.61%	47.37%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E6- Leaders stimulate creative involvement by all people

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	6	14	20
Column Percent		26.09%	41.18%	
Row Percent		30.00%	70.00%	
Total Percent		10.53%	24.56%	35.09%
Count	Disagree	1	20	21
Column Percent		4.35%	58.82%	
Row Percent		4.76%	95.24%	
Total Percent		1.75%	35.09%	36.84%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E7- A culture characterized by participation and openness

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	18	1	19
Column Percent		78.26%	2.94%	
Row Percent		94.74%	5.26%	
Total Percent		31.58%	1.75%	33.33%
Count	Uncertain	4	4	8
Column Percent		17.39%	11.76%	
Row Percent		50.00%	50.00%	
Total Percent		7.02%	7.02%	14.04%
Count	Disagree	1	29	30
Column Percent		4.35%	85.29%	
Row Percent		3.33%	96.67%	
Total Percent		1.75%	50.88%	52.63%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E8- A development, achievement and improvement oriented culture prevails

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	1	20
Column Percent		82.61%	2.94%	
Row Percent		95.00%	5.00%	
Total Percent		33.33%	1.75%	35.09%
Count	Uncertain	3	6	9
Column Percent		13.04%	17.65%	
Row Percent		33.33%	66.67%	
Total Percent		5.26%	10.53%	15.79%
Count	Disagree	1	27	28
Column Percent		4.35%	79.41%	
Row Percent		3.57%	96.43%	
Total Percent		1.75%	47.37%	49.12%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E9- A customer-driven culture exists

	Rating	Managerial	Non-managerial	Row Totals
Count	S/ Agree	1	0	1
Column Percent		4.35%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		1.75%	0.00%	1.75%
Count	Agree	21	9	30
Column Percent		91.30%	26.47%	
Row Percent		70.00%	30.00%	
Total Percent		36.84%	15.79%	52.63%
Count	Uncertain	1	6	7
Column Percent		4.35%	17.65%	
Row Percent		14.29%	85.71%	
Total Percent		1.75%	10.53%	12.28%
Count	Disagree	0	19	19
Column Percent		0.00%	55.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	33.33%	33.33%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E10- Productivity and quality are entrenched values

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	23	1	24
Column Percent		100.00%	2.94%	
Row Percent		95.83%	4.17%	
Total Percent		40.35%	1.75%	42.11%
Count	Uncertain	0	10	10
Column Percent		0.00%	29.41%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	17.54%	17.54%
Count	Disagree	0	23	23
Column Percent		0.00%	67.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	40.35%	40.35%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

INTERNAL STAKEHOLDERS

Table E11- Managers are able to motivate subordinates effectively

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	6	0	6
Column Percent		26.09%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		10.53%	0.00%	10.53%
Count	Uncertain	15	7	22
Column Percent		65.22%	20.59%	
Row Percent		68.18%	31.82%	
Total Percent		26.32%	12.28%	38.60%
Count	Disagree	2	27	29
Column Percent		8.70%	79.41%	
Row Percent		6.90%	93.10%	
Total Percent		3.51%	47.37%	50.88%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E12- Management has capability to manage future-directed objectives

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	9	0	9
Column Percent		39.13%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		15.79%	0.00%	15.79%
Count	Uncertain	14	6	20
Column Percent		60.87%	17.65%	
Row Percent		70.00%	30.00%	
Total Percent		24.56%	10.53%	35.09%
Count	Disagree	0	28	28
Column Percent		0.00%	82.35%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	49.12%	49.12%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E13- Managers able to shift from input to an output orientation

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	12	0	12
Column Percent		52.17%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		21.05%	0.00%	21.05%
Count	Uncertain	10	6	16
Column Percent		43.48%	17.65%	
Row Percent		62.50%	37.50%	
Total Percent		17.54%	10.53%	28.07%
Count	Disagree	1	28	29
Column Percent		4.35%	82.35%	
Row Percent		3.45%	96.55%	
Total Percent		1.75%	49.12%	50.88%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E14- Unions are fully involved with establishment of the system

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	14	0	14
Column Percent		60.87%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		24.56%	0.00%	24.56%
Count	Uncertain	8	17	25
Column Percent		34.78%	50.00%	
Row Percent		32.00%	68.00%	
Total Percent		14.04%	29.82%	43.86%
Count	Disagree	1	17	18
Column Percent		4.35%	50.00%	
Row Percent		5.56%	94.44%	
Total Percent		1.75%	29.82%	31.58%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
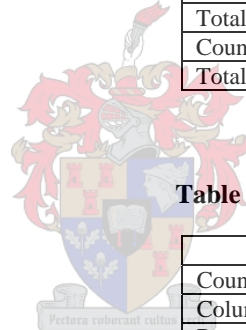
PERFORMANCE DEVELOPMENT (PD) SYSTEM

Table E15- Vision & purpose of system clear & communicated effectively

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	15	1	16
Column Percent		65.22%	2.94%	
Row Percent		93.75%	6.25%	
Total Percent		26.32%	1.75%	28.07%
Count	Uncertain	6	6	12
Column Percent		26.09%	17.65%	
Row Percent		50.00%	50.00%	
Total Percent		10.53%	10.53%	21.05%
Count	Disagree	2	27	29
Column Percent		8.70%	79.41%	
Row Percent		6.90%	93.10%	
Total Percent		3.51%	47.37%	50.88%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E16- PD system in all facet communicated to management & staff

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	0	14	14
Column Percent		0.00%	41.18%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	24.56%	24.56%
Count	Disagree	4	20	24
Column Percent		17.39%	58.82%	
Row Percent		16.67%	83.33%	
Total Percent		7.02%	35.09%	42.11%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E17- Mission of PD aligned with the mission   of division

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	1	20
Column Percent		82.61%	2.94%	
Row Percent		95.00%	5.00%	
Total Percent		33.33%	1.75%	35.09%
Count	Uncertain	4	21	25
Column Percent		17.39%	61.76%	
Row Percent		16.00%	84.00%	
Total Percent		7.02%	36.84%	43.86%
Count	Disagree	0	12	12
Column Percent		0.00%	35.29%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	21.05%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E18- Purpose & strategy: PD indicates what to measure

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	8	3	11
Column Percent		34.78%	8.82%	
Row Percent		72.73%	27.27%	
Total Percent		14.04%	5.26%	19.30%
Count	Uncertain	1	2	3
Column Percent		4.35%	5.88%	
Row Percent		33.33%	66.67%	
Total Percent		1.75%	3.51%	5.26%
Count	Disagree	14	29	43
Column Percent		60.87%	85.29%	
Row Percent		32.56%	67.44%	
Total Percent		24.56%	50.88%	75.44%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
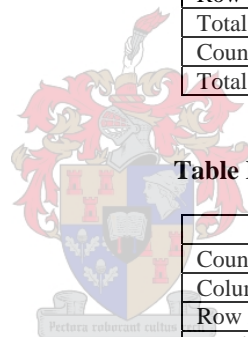
Table E19-PD determines appropriate performance measures

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	0	17	17
Column Percent		0.00%	50.00%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	29.82%	29.82%
Count	Disagree	4	17	21
Column Percent		17.39%	50.00%	
Row Percent		19.05%	80.95%	
Total Percent		7.02%	29.82%	36.84%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E20- PD aligns accountability for performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	18	0	18
Column Percent		78.26%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		31.58%	0.00%	31.58%
Count	Uncertain	4	23	27
Column Percent		17.39%	67.65%	
Row Percent		14.81%	85.19%	
Total Percent		7.02%	40.35%	47.37%
Count	Disagree	1	11	12
Column Percent		4.35%	32.35%	
Row Percent		8.33%	91.67%	
Total Percent		1.75%	19.30%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E21- PD system focuses on relatively few strategic   objectives

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	0	17
Column Percent		73.91%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		29.82%	0.00%	29.82%
Count	Uncertain	4	23	27
Column Percent		17.39%	67.65%	
Row Percent		14.81%	85.19%	
Total Percent		7.02%	40.35%	47.37%
Count	Disagree	2	11	13
Column Percent		8.70%	32.35%	
Row Percent		15.38%	84.62%	
Total Percent		3.51%	19.30%	22.81%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E22- PD is directly linked to strategy of division

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	4	25	29
Column Percent		17.39%	73.53%	
Row Percent		13.79%	86.21%	
Total Percent		7.02%	43.86%	50.88%
Count	Disagree	3	9	12
Column Percent		13.04%	26.47%	
Row Percent		25.00%	75.00%	
Total Percent		5.26%	15.79%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E23- PD facilitates implementation of strategy

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	15	0	15
Column Percent		65.22%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		26.32%	0.00%	26.32%
Count	Uncertain	6	23	29
Column Percent		26.09%	67.65%	
Row Percent		20.69%	79.31%	
Total Percent		10.53%	40.35%	50.88%
Count	Disagree	2	11	13
Column Percent		8.70%	32.35%	
Row Percent		15.38%	84.62%	
Total Percent		3.51%	19.30%	22.81%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E24- Goals & performance standards are in place

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	14	0	14
Column Percent		60.87%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		24.56%	0.00%	24.56%
Count	Uncertain	6	26	32
Column Percent		26.09%	76.47%	
Row Percent		18.75%	81.25%	
Total Percent		10.53%	45.61%	56.14%
Count	Disagree	3	8	11
Column Percent		13.04%	23.53%	
Row Percent		27.27%	72.73%	
Total Percent		5.26%	14.04%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E25- PD focuses on continuous improvement of core processes & systems

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	15	0	15
Column Percent		65.22%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		26.32%	0.00%	26.32%
Count	Uncertain	4	26	30
Column Percent		17.39%	76.47%	
Row Percent		13.33%	86.67%	
Total Percent		7.02%	45.61%	52.63%
Count	Disagree	4	8	12
Column Percent		17.39%	23.53%	
Row Percent		33.33%	66.67%	
Total Percent		7.02%	14.04%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E26- Managers focus on the entire system

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	6	17	23
Column Percent		26.09%	50.00%	
Row Percent		26.09%	73.91%	
Total Percent		10.53%	29.82%	40.35%
Count	Disagree	1	17	18
Column Percent		4.35%	50.00%	
Row Percent		5.56%	94.44%	
Total Percent		1.75%	29.82%	31.58%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
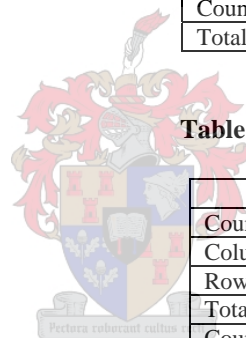
Table E27- PD facilitates development of participative learning culture

	Rating	Managerial	Non-managerial	Row Totals
Count	S/Agree	4	0	4
Column Percent		17.39%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		7.02%	0.00%	7.02%
Count	Agree	13	3	16
Column Percent		56.52%	8.82%	
Row Percent		81.25%	18.75%	
Total Percent		22.81%	5.26%	28.07%
Count	Uncertain	4	23	27
Column Percent		17.39%	67.65%	
Row Percent		14.81%	85.19%	
Total Percent		7.02%	40.35%	47.37%
Count	Disagree	2	8	10
Column Percent		8.70%	23.53%	
Row Percent		20.00%	80.00%	
Total Percent		3.51%	14.04%	17.54%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E28- PD facilitates development of performance culture

	Rating	Managerial	Non-managerial	Row Totals
Count	S/ Agree	5	0	5
Column Percent		21.74%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		8.77%	0.00%	8.77%
Count	Agree	12	3	15
Column Percent		52.17%	8.82%	
Row Percent		80.00%	20.00%	
Total Percent		21.05%	5.26%	26.32%
Count	Uncertain	4	21	25
Column Percent		17.39%	61.76%	
Row Percent		16.00%	84.00%	
Total Percent		7.02%	36.84%	43.86%
Count	Disagree	2	10	12
Column Percent		8.70%	29.41%	
Row Percent		16.67%	83.33%	
Total Percent		3.51%	17.54%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E29- PD facilitates change in division's culture

	Rating	Managerial	Non-managerial	Row Totals
Count	S/ Agree	2	0	2
Column Percent		8.70%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		3.51%	0.00%	3.51%
Count	Agree	15	6	21
Column Percent		65.22%	17.65%	
Row Percent		71.43%	28.57%	
Total Percent		26.32%	10.53%	36.84%
Count	Uncertain	4	20	24
Column Percent		17.39%	58.82%	
Row Percent		16.67%	83.33%	
Total Percent		7.02%	35.09%	42.11%
Count	Disagree	2	8	10
Column Percent		8.70%	23.53%	
Row Percent		20.00%	80.00%	
Total Percent		3.51%	14.04%	17.54%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E30- PD considered equally important as other division systems

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	9	0	9
Column Percent		39.13%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		15.79%	0.00%	15.79%
Count	Uncertain	7	24	31
Column Percent		30.43%	70.59%	
Row Percent		22.58%	77.42%	
Total Percent		12.28%	42.11%	54.39%
Count	Disagree	7	9	16
Column Percent		30.43%	26.47%	
Row Percent		43.75%	56.25%	
Total Percent		12.28%	15.79%	28.07%
Count	S/ Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E31- PD identifies & measures work related competencies

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	8	0	8
Column Percent		34.78%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		14.04%	0.00%	14.04%
Count	Uncertain	5	24	29
Column Percent		21.74%	70.59%	
Row Percent		17.24%	82.76%	
Total Percent		8.77%	42.11%	50.88%
Count	Disagree	10	10	20
Column Percent		43.48%	29.41%	
Row Percent		50.00%	50.00%	
Total Percent		17.54%	17.54%	35.09%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E32- Competency definitions & behaviours required clear

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	3	0	3
Column Percent		13.04%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		5.26%	0.00%	5.26%
Count	Uncertain	6	13	19
Column Percent		26.09%	38.24%	
Row Percent		31.58%	68.42%	
Total Percent		10.53%	22.81%	33.33%
Count	Disagree	14	21	35
Column Percent		60.87%	61.76%	
Row Percent		40.00%	60.00%	
Total Percent		24.56%	36.84%	61.40%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E33- PD facilitates communication & institutionalization of division values

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	14	0	14
Column Percent		60.87%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		24.56%	0.00%	24.56%
Count	Uncertain	9	28	37
Column Percent		39.13%	82.35%	
Row Percent		24.32%	75.68%	
Total Percent		15.79%	49.12%	64.91%
Count	Disagree	0	6	6
Column Percent		0.00%	17.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	10.53%	10.53%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E34- Goal setting sessions characterized by sharing relevant information

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	14	0	14
Column Percent		60.87%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		24.56%	0.00%	24.56%
Count	Uncertain	6	28	34
Column Percent		26.09%	82.35%	
Row Percent		17.65%	82.35%	
Total Percent		10.53%	49.12%	59.65%
Count	Disagree	3	6	9
Column Percent		13.04%	17.65%	
Row Percent		33.33%	66.67%	
Total Percent		5.26%	10.53%	15.79%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
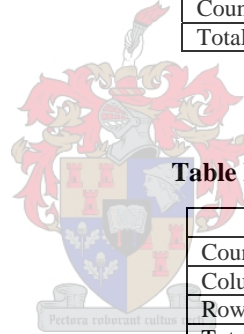
Table E35- Goal commitment facilitated by regular reviewing

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		56.52%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	7	28	35
Column Percent		30.43%	82.35%	
Row Percent		20.00%	80.00%	
Total Percent		12.28%	49.12%	61.40%
Count	Disagree	3	6	9
Column Percent		13.04%	17.65%	
Row Percent		33.33%	66.67%	
Total Percent		5.26%	10.53%	15.79%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E36- Outcomes of PD process

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	2	0	2
Column Percent		8.70%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		3.51%	0.00%	3.51%
Count	Uncertain	16	15	31
Column Percent		69.57%	44.12%	
Row Percent		51.61%	48.39%	
Total Percent		28.07%	26.32%	54.39%
Count	Disagree	5	18	23
Column Percent		21.74%	52.94%	
Row Percent		21.74%	78.26%	
Total Percent		8.77%	31.58%	40.35%
Count	S/ Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
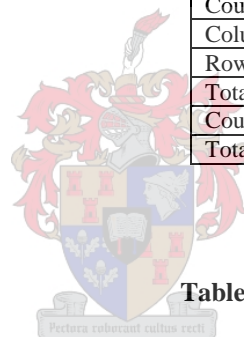
Table E37- Fairness/manner appraisal handled facilitates division commitment

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	11	0	11
Column Percent		47.83%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		19.30%	0.00%	19.30%
Count	Uncertain	9	21	30
Column Percent		39.13%	61.76%	
Row Percent		30.00%	70.00%	
Total Percent		15.79%	36.84%	52.63%
Count	Disagree	3	13	16
Column Percent		13.04%	38.24%	
Row Percent		18.75%	81.25%	
Total Percent		5.26%	22.81%	28.07%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E38- Performance managed & rewarded on ongoing basis

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	5	0	5
Column Percent		21.74%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		8.77%	0.00%	8.77%
Count	Uncertain	9	8	17
Column Percent		39.13%	23.53%	
Row Percent		52.94%	47.06%	
Total Percent		15.79%	14.04%	29.82%
Count	Disagree	9	26	35
Column Percent		39.13%	76.47%	
Row Percent		25.71%	74.29%	
Total Percent		15.79%	45.61%	61.40%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

CLARIFY VISION, MISSION, ROLES & RESPONSIBILITIES

Table E39- Leaders collaboratively develop team vision with long term goals

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		56.52%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	8	6	14
Column Percent		34.78%	17.65%	
Row Percent		57.14%	42.86%	
Total Percent		14.04%	10.53%	24.56%
Count	Disagree	2	28	30
Column Percent		8.70%	82.35%	
Row Percent		6.67%	93.33%	
Total Percent		3.51%	49.12%	52.63%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E40- Performance goals & standards set after business plans specified

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	7	0	7
Column Percent		30.43%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		12.28%	0.00%	12.28%
Count	Uncertain	9	6	15
Column Percent		39.13%	17.65%	
Row Percent		60.00%	40.00%	
Total Percent		15.79%	10.53%	26.32%
Count	Disagree	7	28	35
Column Percent		30.43%	82.35%	
Row Percent		20.00%	80.00%	
Total Percent		12.28%	49.12%	61.40%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E41- Business activities related customer-driven & value based team vision

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	15	0	15
Column Percent		65.22%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		26.32%	0.00%	26.32%
Count	Uncertain	6	6	12
Column Percent		26.09%	17.65%	
Row Percent		50.00%	50.00%	
Total Percent		10.53%	10.53%	21.05%
Count	Disagree	2	28	30
Column Percent		8.70%	82.35%	
Row Percent		6.67%	93.33%	
Total Percent		3.51%	49.12%	52.63%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

PLAN PERFORMANCE, I.E GOAL SETTING AND PLANNING

Table E42- Critical success factors for business to grow are identified

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	2	18
Column Percent		69.57%	5.88%	
Row Percent		88.89%	11.11%	
Total Percent		28.07%	3.51%	31.58%
Count	Uncertain	7	21	28
Column Percent		30.43%	61.76%	
Row Percent		25.00%	75.00%	
Total Percent		12.28%	36.84%	49.12%
Count	Disagree	0	11	11
Column Percent		0.00%	32.35%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	19.30%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E43- Performance goals are chosen very carefully

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	15	0	15
Column Percent		65.22%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		26.32%	0.00%	26.32%
Count	Uncertain	8	24	32
Column Percent		34.78%	70.59%	
Row Percent		25.00%	75.00%	
Total Percent		14.04%	42.11%	56.14%
Count	Disagree	0	10	10
Column Percent		0.00%	29.41%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	17.54%	17.54%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E44- Balanced performance goals are used

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	5	13	18
Column Percent		21.74%	38.24%	
Row Percent		27.78%	72.22%	
Total Percent		8.77%	22.81%	31.58%
Count	Disagree	2	21	23
Column Percent		8.70%	61.76%	
Row Percent		8.70%	91.30%	
Total Percent		3.51%	36.84%	40.35%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E45- Division goals are quantifiable

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	4	0	4
Column Percent		17.39%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		7.02%	0.00%	7.02%
Count	Uncertain	11	15	26
Column Percent		47.83%	44.12%	
Row Percent		42.31%	57.69%	
Total Percent		19.30%	26.32%	45.61%
Count	Disagree	8	19	27
Column Percent		34.78%	55.88%	
Row Percent		29.63%	70.37%	
Total Percent		14.04%	33.33%	47.37%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
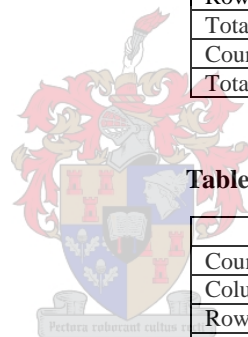
Table E46- Goals help link individuals, teams & division with customers

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	1	17
Column Percent		69.57%	2.94%	
Row Percent		94.12%	5.88%	
Total Percent		28.07%	1.75%	29.82%
Count	Uncertain	5	20	25
Column Percent		21.74%	58.82%	
Row Percent		20.00%	80.00%	
Total Percent		8.77%	35.09%	43.86%
Count	Disagree	2	13	15
Column Percent		8.70%	38.24%	
Row Percent		13.33%	86.67%	
Total Percent		3.51%	22.81%	26.32%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E47- Goals key processes linked to division goals & customer needs

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	5	23	28
Column Percent		21.74%	67.65%	
Row Percent		17.86%	82.14%	
Total Percent		8.77%	40.35%	49.12%
Count	Disagree	2	11	13
Column Percent		8.70%	32.35%	
Row Percent		15.38%	84.62%	
Total Percent		3.51%	19.30%	22.81%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E48- Goals are set for improving processes & systems

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	18	0	18
Column Percent		78.26%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		31.58%	0.00%	31.58%
Count	Uncertain	5	24	29
Column Percent		21.74%	70.59%	
Row Percent		17.24%	82.76%	
Total Percent		8.77%	42.11%	50.88%
Count	Disagree	0	10	10
Column Percent		0.00%	29.41%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	17.54%	17.54%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E49- Functional goals support achievement division & process goals

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	4	24	28
Column Percent		17.39%	70.59%	
Row Percent		14.29%	85.71%	
Total Percent		7.02%	42.11%	49.12%
Count	Disagree	0	10	10
Column Percent		0.00%	29.41%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	17.54%	17.54%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
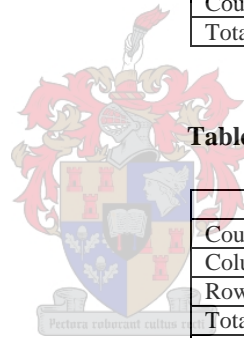
Table E50- Individual, team & unit goals aligned mission & strategy of division

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	4	23	27
Column Percent		17.39%	67.65%	
Row Percent		14.81%	85.19%	
Total Percent		7.02%	40.35%	47.37%
Count	Disagree	0	11	11
Column Percent		0.00%	32.35%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	19.30%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E51- Division's mission & business plans reviewed with employees

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	0	17
Column Percent		73.91%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		29.82%	0.00%	29.82%
Count	Uncertain	4	25	29
Column Percent		17.39%	73.53%	
Row Percent		13.79%	86.21%	
Total Percent		7.02%	43.86%	50.88%
Count	Disagree	2	9	11
Column Percent		8.70%	26.47%	
Row Percent		18.18%	81.82%	
Total Percent		3.51%	15.79%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E52- Goals set by natural teams

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	21	1	22
Column Percent		91.30%	2.94%	
Row Percent		95.45%	4.55%	
Total Percent		36.84%	1.75%	38.60%
Count	Uncertain	0	9	9
Column Percent		0.00%	26.47%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	15.79%	15.79%
Count	Disagree	2	24	26
Column Percent		8.70%	70.59%	
Row Percent		7.69%	92.31%	
Total Percent		3.51%	42.11%	45.61%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E53- Routine ongoing goals set in collaboration with employees

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	23	1	24
Column Percent		100.00%	2.94%	
Row Percent		95.83%	4.17%	
Total Percent		40.35%	1.75%	42.11%
Count	Uncertain	0	10	10
Column Percent		0.00%	29.41%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	17.54%	17.54%
Count	Disagree	0	23	23
Column Percent		0.00%	67.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	40.35%	40.35%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E54- Improvement related goals are set with employees

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	23	2	25
Column Percent		100.00%	5.88%	
Row Percent		92.00%	8.00%	
Total Percent		40.35%	3.51%	43.86%
Count	Uncertain	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	Disagree	0	29	29
Column Percent		0.00%	85.29%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	50.88%	50.88%
Count	S/Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E55- Clear cut individual output measures are negotiated

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	3	22
Column Percent		82.61%	8.82%	
Row Percent		86.36%	13.64%	
Total Percent		33.33%	5.26%	38.60%
Count	Uncertain	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	Disagree	4	29	33
Column Percent		17.39%	85.29%	
Row Percent		12.12%	87.88%	
Total Percent		7.02%	50.88%	57.89%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E56- Observable individual behaviour standards are negotiated

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	4	23
Column Percent		82.61%	11.76%	
Row Percent		82.61%	17.39%	
Total Percent		33.33%	7.02%	40.35%
Count	Uncertain	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	Disagree	4	28	32
Column Percent		17.39%	82.35%	
Row Percent		12.50%	87.50%	
Total Percent		7.02%	49.12%	56.14%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E57- Mutually developed employee goals are relevant

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	4	23
Column Percent		82.61%	11.76%	
Row Percent		82.61%	17.39%	
Total Percent		33.33%	7.02%	40.35%
Count	Uncertain	3	2	5
Column Percent		13.04%	5.88%	
Row Percent		60.00%	40.00%	
Total Percent		5.26%	3.51%	8.77%
Count	Disagree	1	28	29
Column Percent		4.35%	82.35%	
Row Percent		3.45%	96.55%	
Total Percent		1.75%	49.12%	50.88%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E58- Mutually developed employee goals are challenging

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	23	42
Column Percent		82.61%	67.65%	
Row Percent		45.24%	54.76%	
Total Percent		33.33%	40.35%	73.68%
Count	Uncertain	3	9	12
Column Percent		13.04%	26.47%	
Row Percent		25.00%	75.00%	
Total Percent		5.26%	15.79%	21.05%
Count	Disagree	1	2	3
Column Percent		4.35%	5.88%	
Row Percent		33.33%	66.67%	
Total Percent		1.75%	3.51%	5.26%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E59- Mutually developed goals specific, measurable & time framed

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	4	23
Column Percent		82.61%	11.76%	
Row Percent		82.61%	17.39%	
Total Percent		33.33%	7.02%	40.35%
Count	Uncertain	3	9	12
Column Percent		13.04%	26.47%	
Row Percent		25.00%	75.00%	
Total Percent		5.26%	15.79%	21.05%
Count	Disagree	1	21	22
Column Percent		4.35%	61.76%	
Row Percent		4.55%	95.45%	
Total Percent		1.75%	36.84%	38.60%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E60- Goals at specific level are set to prevent overlaps

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	18	0	18
Column Percent		78.26%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		31.58%	0.00%	31.58%
Count	Uncertain	5	22	27
Column Percent		21.74%	64.71%	
Row Percent		18.52%	81.48%	
Total Percent		8.77%	38.60%	47.37%
Count	Disagree	0	12	12
Column Percent		0.00%	35.29%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	21.05%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E61- Employees clear about indicators used to assess performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	18	2	20
Column Percent		78.26%	5.88%	
Row Percent		90.00%	10.00%	
Total Percent		31.58%	3.51%	35.09%
Count	Uncertain	5	4	9
Column Percent		21.74%	11.76%	
Row Percent		55.56%	44.44%	
Total Percent		8.77%	7.02%	15.79%
Count	Disagree	0	28	28
Column Percent		0.00%	82.35%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	49.12%	49.12%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E62- Demanding performance goals that challenge people are set

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	20	15	35
Column Percent		86.96%	44.12%	
Row Percent		57.14%	42.86%	
Total Percent		35.09%	26.32%	61.40%
Count	Uncertain	3	11	14
Column Percent		13.04%	32.35%	
Row Percent		21.43%	78.57%	
Total Percent		5.26%	19.30%	24.56%
Count	Disagree	0	8	8
Column Percent		0.00%	23.53%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	14.04%	14.04%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E63- Employees consider performance standards attainable

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		56.52%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	7	5	12
Column Percent		30.43%	14.71%	
Row Percent		58.33%	41.67%	
Total Percent		12.28%	8.77%	21.05%
Count	Disagree	3	28	31
Column Percent		13.04%	82.35%	
Row Percent		9.68%	90.32%	
Total Percent		5.26%	49.12%	54.39%
Count	S/Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E64- Managers & staff accountable for meeting performance standards

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	11	0	11
Column Percent		50.00%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		19.64%	0.00%	19.64%
Count	Uncertain	4	19	23
Column Percent		18.18%	55.88%	
Row Percent		17.39%	82.61%	
Total Percent		7.14%	33.93%	41.07%
Count	Disagree	7	15	22
Column Percent		31.82%	44.12%	
Row Percent		31.82%	68.18%	
Total Percent		12.50%	26.79%	39.29%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E65- Personal development goals in place for every employee

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	3	20	23
Column Percent		13.04%	58.82%	
Row Percent		13.04%	86.96%	
Total Percent		5.26%	35.09%	40.35%
Count	Disagree	1	14	15
Column Percent		4.35%	41.18%	
Row Percent		6.67%	93.33%	
Total Percent		1.75%	24.56%	26.32%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

PROCESSES: COMPETENCIES

Table E66- Competencies: Senior management involved developing key people

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		56.52%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	8	22	30
Column Percent		34.78%	64.71%	
Row Percent		26.67%	73.33%	
Total Percent		14.04%	38.60%	52.63%
Count	Disagree	2	12	14
Column Percent		8.70%	35.29%	
Row Percent		14.29%	85.71%	
Total Percent		3.51%	21.05%	24.56%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E67- PD key role establishing competencies & ensuring understanding

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		56.52%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	10	23	33
Column Percent		43.48%	67.65%	
Row Percent		30.30%	69.70%	
Total Percent		17.54%	40.35%	57.89%
Count	Disagree	0	11	11
Column Percent		0.00%	32.35%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	19.30%	19.30%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

DESIGN AND REDESIGN STRUCTURES

Table E68- Clear strategy forms basis division, process & job design

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	15	0	15
Column Percent		65.22%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		26.32%	0.00%	26.32%
Count	Uncertain	8	27	35
Column Percent		34.78%	79.41%	
Row Percent		22.86%	77.14%	
Total Percent		14.04%	47.37%	61.40%
Count	Disagree	0	7	7
Column Percent		0.00%	20.59%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	12.28%	12.28%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E69- Formal division structure supports implementation of strategy

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	10	0	10
Column Percent		43.48%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		17.54%	0.00%	17.54%
Count	Uncertain	10	27	37
Column Percent		43.48%	79.41%	
Row Percent		27.03%	72.97%	
Total Percent		17.54%	47.37%	64.91%
Count	Disagree	3	7	10
Column Percent		13.04%	20.59%	
Row Percent		30.00%	70.00%	
Total Percent		5.26%	12.28%	17.54%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E70- Core processes designed to facilitate goal achievement

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	9	0	9
Column Percent		39.13%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		15.79%	0.00%	15.79%
Count	Uncertain	9	27	36
Column Percent		39.13%	79.41%	
Row Percent		25.00%	75.00%	
Total Percent		15.79%	47.37%	63.16%
Count	Disagree	5	7	12
Column Percent		21.74%	20.59%	
Row Percent		41.67%	58.33%	
Total Percent		8.77%	12.28%	21.05%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E71- Jobs designed facilitate effective functioning core division processes

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	14	0	14
Column Percent		60.87%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		24.56%	0.00%	24.56%
Count	Uncertain	9	29	38
Column Percent		39.13%	85.29%	
Row Percent		23.68%	76.32%	
Total Percent		15.79%	50.88%	66.67%
Count	Disagree	0	5	5
Column Percent		0.00%	14.71%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	8.77%	8.77%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E72- Work performance enhanced by enabling policies & procedures

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	1	18
Column Percent		73.91%	2.94%	
Row Percent		94.44%	5.56%	
Total Percent		29.82%	1.75%	31.58%
Count	Uncertain	5	27	32
Column Percent		21.74%	79.41%	
Row Percent		15.63%	84.38%	
Total Percent		8.77%	47.37%	56.14%
Count	Disagree	1	6	7
Column Percent		4.35%	17.65%	
Row Percent		14.29%	85.71%	
Total Percent		1.75%	10.53%	12.28%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E73- PD linked to balanced scorecard

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	8	23	31
Column Percent		34.78%	67.65%	
Row Percent		25.81%	74.19%	
Total Percent		14.04%	40.35%	54.39%
Count	Disagree	15	8	23
Column Percent		65.22%	23.53%	
Row Percent		65.22%	34.78%	
Total Percent		26.32%	14.04%	40.35%
Count	S/Disagree	0	3	3
Column Percent		0.00%	8.82%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	5.26%	5.26%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
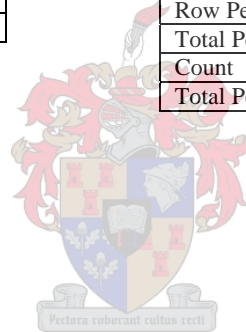
MANAGE AND IMPROVE PERFORMANCE

Table E74- Strategic goals are managed

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		56.52%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	10	26	36
Column Percent		43.48%	76.47%	
Row Percent		27.78%	72.22%	
Total Percent		17.54%	45.61%	63.16%
Count	Disagree	0	8	8
Column Percent		0.00%	23.53%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	14.04%	14.04%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E75- Key resources managed to enhance performance-oriented culture

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		56.52%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		22.81%	0.00%	22.81%
Count	Uncertain	10	18	28
Column Percent		43.48%	52.94%	
Row Percent		35.71%	64.29%	
Total Percent		17.54%	31.58%	49.12%
Count	Disagree	0	16	16
Column Percent		0.00%	47.06%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	28.07%	28.07%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E76- System established for obtaining customer feedback

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	23	3	26
Column Percent		100.00%	8.82%	
Row Percent		88.46%	11.54%	
Total Percent		40.35%	5.26%	45.61%
Count	Uncertain	0	23	23
Column Percent		0.00%	67.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	40.35%	40.35%
Count	Disagree	0	8	8
Column Percent		0.00%	23.53%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	14.04%	14.04%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E77- Mechanisms exist to continuously improve process performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	3	20
Column Percent		73.91%	8.82%	
Row Percent		85.00%	15.00%	
Total Percent		29.82%	5.26%	35.09%
Count	Uncertain	3	26	29
Column Percent		13.04%	76.47%	
Row Percent		10.34%	89.66%	
Total Percent		5.26%	45.61%	50.88%
Count	Disagree	3	5	8
Column Percent		13.04%	14.71%	
Row Percent		37.50%	62.50%	
Total Percent		5.26%	8.77%	14.04%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E78- Employees given sufficient information to execute responsibilities

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	1	9	10
Column Percent		4.35%	26.47%	
Row Percent		10.00%	90.00%	
Total Percent		1.75%	15.79%	17.54%
Count	Disagree	6	25	31
Column Percent		26.09%	73.53%	
Row Percent		19.35%	80.65%	
Total Percent		10.53%	43.86%	54.39%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E80- Managers concentrate managing than controlling performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	22	0	22
Column Percent		95.65%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		38.60%	0.00%	38.60%
Count	Uncertain	1	3	4
Column Percent		4.35%	8.82%	
Row Percent		25.00%	75.00%	
Total Percent		1.75%	5.26%	7.02%
Count	Disagree	0	29	29
Column Percent		0.00%	85.29%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	50.88%	50.88%
Count	S/Disagree	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E79- Superiors facilitate employee performance & development

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	18	0	18
Column Percent		78.26%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		31.58%	0.00%	31.58%
Count	Uncertain	4	4	8
Column Percent		17.39%	11.76%	
Row Percent		50.00%	50.00%	
Total Percent		7.02%	7.02%	14.04%
Count	Disagree	1	24	25
Column Percent		4.35%	70.59%	
Row Percent		4.00%	96.00%	
Total Percent		1.75%	42.11%	43.86%
Count	S/Disagree	0	6	6
Column Percent		0.00%	17.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	10.53%	10.53%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E81- Manager & team try to understand customer needs

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	22	14	36
Column Percent		95.65%	41.18%	
Row Percent		61.11%	38.89%	
Total Percent		38.60%	24.56%	63.16%
Count	Uncertain	1	7	8
Column Percent		4.35%	20.59%	
Row Percent		12.50%	87.50%	
Total Percent		1.75%	12.28%	14.04%
Count	Disagree	0	13	13
Column Percent		0.00%	38.24%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	22.81%	22.81%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E82- Manager encourages continuous improvement

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	22	14	36
Column Percent		95.65%	41.18%	
Row Percent		61.11%	38.89%	
Total Percent		38.60%	24.56%	63.16%
Count	Uncertain	1	5	6
Column Percent		4.35%	14.71%	
Row Percent		16.67%	83.33%	
Total Percent		1.75%	8.77%	10.53%
Count	Disagree	0	15	15
Column Percent		0.00%	44.12%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	26.32%	26.32%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E83- Division establishes specific feedback process

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	20	3	23
Column Percent		86.96%	8.82%	
Row Percent		86.96%	13.04%	
Total Percent		35.09%	5.26%	40.35%
Count	Uncertain	3	13	16
Column Percent		13.04%	38.24%	
Row Percent		18.75%	81.25%	
Total Percent		5.26%	22.81%	28.07%
Count	Disagree	0	18	18
Column Percent		0.00%	52.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	31.58%	31.58%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E84- Manager deals honestly with employees

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	22	1	23
Column Percent		95.65%	2.94%	
Row Percent		95.65%	4.35%	
Total Percent		38.60%	1.75%	40.35%
Count	Uncertain	1	6	7
Column Percent		4.35%	17.65%	
Row Percent		14.29%	85.71%	
Total Percent		1.75%	10.53%	12.28%
Count	Disagree	0	26	26
Column Percent		0.00%	76.47%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	45.61%	45.61%
Count	S/Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E85- Managers & employees capable of using PD system effectively

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	1	20
Column Percent		82.61%	2.94%	
Row Percent		95.00%	5.00%	
Total Percent		33.33%	1.75%	35.09%
Count	Uncertain	0	7	7
Column Percent		0.00%	20.59%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	12.28%	12.28%
Count	Disagree	4	26	30
Column Percent		17.39%	76.47%	
Row Percent		13.33%	86.67%	
Total Percent		7.02%	45.61%	52.63%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E86- Managers trained to facilitate employee development & growth

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	0	17	17
Column Percent		0.00%	50.00%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	29.82%	29.82%
Count	Disagree	4	17	21
Column Percent		17.39%	50.00%	
Row Percent		19.05%	80.95%	
Total Percent		7.02%	29.82%	36.84%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E87- Managers & supervisors demonstrate strong personal commitment

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	1	20
Column Percent		82.61%	2.94%	
Row Percent		95.00%	5.00%	
Total Percent		33.33%	1.75%	35.09%
Count	Uncertain	0	12	12
Column Percent		0.00%	35.29%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	21.05%	21.05%
Count	Disagree	4	21	25
Column Percent		17.39%	61.76%	
Row Percent		16.00%	84.00%	
Total Percent		7.02%	36.84%	43.86%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E88- Employees believe evel of effort will produce desired performance level

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	12	8	20
Column Percent		52.17%	23.53%	
Row Percent		60.00%	40.00%	
Total Percent		21.05%	14.04%	35.09%
Count	Uncertain	4	10	14
Column Percent		17.39%	29.41%	
Row Percent		28.57%	71.43%	
Total Percent		7.02%	17.54%	24.56%
Count	Disagree	7	16	23
Column Percent		30.43%	47.06%	
Row Percent		30.43%	69.57%	
Total Percent		12.28%	28.07%	40.35%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E89- Employees value outcomes of performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	5	0	5
Column Percent		21.74%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		8.77%	0.00%	8.77%
Count	Disagree	18	20	38
Column Percent		78.26%	58.82%	
Row Percent		47.37%	52.63%	
Total Percent		31.58%	35.09%	66.67%
Count	S/Disagree	0	14	14
Column Percent		0.00%	41.18%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	24.56%	24.56%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
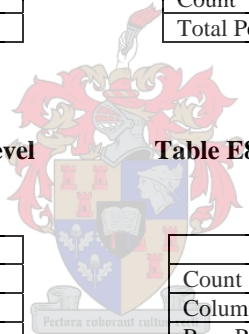
Table E90- Managers know rewards & forms recognition valued

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	9	0	9
Column Percent		39.13%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		15.79%	0.00%	15.79%
Count	Uncertain	5	0	5
Column Percent		21.74%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		8.77%	0.00%	8.77%
Count	Disagree	9	20	29
Column Percent		39.13%	58.82%	
Row Percent		31.03%	68.97%	
Total Percent		15.79%	35.09%	50.88%
Count	S/Disagree	0	14	14
Column Percent		0.00%	41.18%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	24.56%	24.56%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
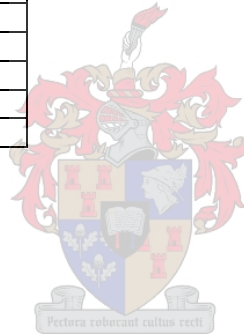
REVIEW PERFORMANCE

Table E91- Continuous feedback given about overall performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	0	19
Column Percent		82.61%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		33.33%	0.00%	33.33%
Count	Uncertain	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	Disagree	4	31	35
Column Percent		17.39%	91.18%	
Row Percent		11.43%	88.57%	
Total Percent		7.02%	54.39%	61.40%
Count	S/Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E92- Functions measured in terms of goal achievement

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	0	17
Column Percent		73.91%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		29.82%	0.00%	29.82%
Count	Uncertain	2	2	4
Column Percent		8.70%	5.88%	
Row Percent		50.00%	50.00%	
Total Percent		3.51%	3.51%	7.02%
Count	Disagree	4	31	35
Column Percent		17.39%	91.18%	
Row Percent		11.43%	88.57%	
Total Percent		7.02%	54.39%	61.40%
Count	S/Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E93- Senior management demonstrate take performance reviews seriously

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	2	19
Column Percent		73.91%	5.88%	
Row Percent		89.47%	10.53%	
Total Percent		29.82%	3.51%	33.33%
Count	Uncertain	2	6	8
Column Percent		8.70%	17.65%	
Row Percent		25.00%	75.00%	
Total Percent		3.51%	10.53%	14.04%
Count	Disagree	4	26	30
Column Percent		17.39%	76.47%	
Row Percent		13.33%	86.67%	
Total Percent		7.02%	45.61%	52.63%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E94- Continuous performance feedback facilitates problem solving

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	0	17
Column Percent		73.91%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		29.82%	0.00%	29.82%
Count	Uncertain	3	2	5
Column Percent		13.04%	5.88%	
Row Percent		60.00%	40.00%	
Total Percent		5.26%	3.51%	8.77%
Count	Disagree	3	32	35
Column Percent		13.04%	94.12%	
Row Percent		8.57%	91.43%	
Total Percent		5.26%	56.14%	61.40%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E95- Performance feedback links behaviour to individual performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	0	17
Column Percent		73.91%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		29.82%	0.00%	29.82%
Count	Uncertain	3	3	6
Column Percent		13.04%	8.82%	
Row Percent		50.00%	50.00%	
Total Percent		5.26%	5.26%	10.53%
Count	Disagree	3	31	34
Column Percent		13.04%	91.18%	
Row Percent		8.82%	91.18%	
Total Percent		5.26%	54.39%	59.65%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E96- Multiple sources of feedback are used

	Rating	Managerial	Non-managerial	Row Totals
Count	S/Agree	1	0	1
Column Percent		4.35%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		1.75%	0.00%	1.75%
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	2	24	26
Column Percent		8.70%	70.59%	
Row Percent		7.69%	92.31%	
Total Percent		3.51%	42.11%	45.61%
Count	Disagree	4	10	14
Column Percent		17.39%	29.41%	
Row Percent		28.57%	71.43%	
Total Percent		7.02%	17.54%	24.56%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E97- Appraisal not over-emphasized at expense of development

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	17	1	18
Column Percent		73.91%	2.94%	
Row Percent		94.44%	5.56%	
Total Percent		29.82%	1.75%	31.58%
Count	Uncertain	4	20	24
Column Percent		17.39%	58.82%	
Row Percent		16.67%	83.33%	
Total Percent		7.02%	35.09%	42.11%
Count	Disagree	2	13	15
Column Percent		8.70%	38.24%	
Row Percent		13.33%	86.67%	
Total Percent		3.51%	22.81%	26.32%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E98- Feedback directed towards activities individual can control

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	1	20
Column Percent		82.61%	2.94%	
Row Percent		95.00%	5.00%	
Total Percent		33.33%	1.75%	35.09%
Count	Uncertain	4	10	14
Column Percent		17.39%	29.41%	
Row Percent		28.57%	71.43%	
Total Percent		7.02%	17.54%	24.56%
Count	Disagree	0	23	23
Column Percent		0.00%	67.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	40.35%	40.35%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E99- Supportive approach used in performance review

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	1	20
Column Percent		82.61%	2.94%	
Row Percent		95.00%	5.00%	
Total Percent		33.33%	1.75%	35.09%
Count	Uncertain	4	17	21
Column Percent		17.39%	50.00%	
Row Percent		19.05%	80.95%	
Total Percent		7.02%	29.82%	36.84%
Count	Disagree	0	14	14
Column Percent		0.00%	41.18%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	24.56%	24.56%
Count	S/Disagree	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E100- Effective personal recognition provided

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	15	34
Column Percent		82.61%	44.12%	
Row Percent		55.88%	44.12%	
Total Percent		33.33%	26.32%	59.65%
Count	Uncertain	4	8	12
Column Percent		17.39%	23.53%	
Row Percent		33.33%	66.67%	
Total Percent		7.02%	14.04%	21.05%
Count	Disagree	0	9	9
Column Percent		0.00%	26.47%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	15.79%	15.79%
Count	S/Disagree	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
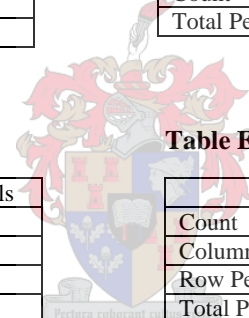
Table E101- Feedback given as soon as possible

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	19	14	33
Column Percent		82.61%	41.18%	
Row Percent		57.58%	42.42%	
Total Percent		33.33%	24.56%	57.89%
Count	Uncertain	4	3	7
Column Percent		17.39%	8.82%	
Row Percent		57.14%	42.86%	
Total Percent		7.02%	5.26%	12.28%
Count	Disagree	0	15	15
Column Percent		0.00%	44.12%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	26.32%	26.32%
Count	S/Disagree	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E102- Information available for appraising employee performance

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	10	26
Column Percent		69.57%	29.41%	
Row Percent		61.54%	38.46%	
Total Percent		28.07%	17.54%	45.61%
Count	Uncertain	4	11	15
Column Percent		17.39%	32.35%	
Row Percent		26.67%	73.33%	
Total Percent		7.02%	19.30%	26.32%
Count	Disagree	3	11	14
Column Percent		13.04%	32.35%	
Row Percent		21.43%	78.57%	
Total Percent		5.26%	19.30%	24.56%
Count	S/Disagree	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E103- Objectivity is maintained

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		69.57%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.07%	0.00%	28.07%
Count	Uncertain	6	7	13
Column Percent		26.09%	20.59%	
Row Percent		46.15%	53.85%	
Total Percent		10.53%	12.28%	22.81%
Count	Disagree	1	24	25
Column Percent		4.35%	70.59%	
Row Percent		4.00%	96.00%	
Total Percent		1.75%	42.11%	43.86%
Count	S/Disagree	0	3	3
Column Percent		0.00%	8.82%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	5.26%	5.26%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E104- Descriptive assessments of behaviour & accomplishments used

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	8	0	8
Column Percent		34.78%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		14.04%	0.00%	14.04%
Count	Uncertain	12	17	29
Column Percent		52.17%	50.00%	
Row Percent		41.38%	58.62%	
Total Percent		21.05%	29.82%	50.88%
Count	Disagree	3	17	20
Column Percent		13.04%	50.00%	
Row Percent		15.00%	85.00%	
Total Percent		5.26%	29.82%	35.09%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E105- If rewards are based on performance, it is measured accurately

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	2	0	2
Column Percent		8.70%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		3.51%	0.00%	3.51%
Count	Uncertain	17	11	28
Column Percent		73.91%	32.35%	
Row Percent		60.71%	39.29%	
Total Percent		29.82%	19.30%	49.12%
Count	Disagree	4	21	25
Column Percent		17.39%	61.76%	
Row Percent		16.00%	84.00%	
Total Percent		7.02%	36.84%	43.86%
Count	S/Disagree	0	2	2
Column Percent		0.00%	5.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	3.51%	3.51%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
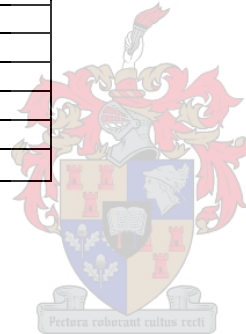
REWARDS AND RECOGNITION SYSTEM

Table E106- Rewards system facilitates implementation of strategy

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	1	1	2
Column Percent		4.35%	2.94%	
Row Percent		50.00%	50.00%	
Total Percent		1.75%	1.75%	3.51%
Count	Disagree	22	28	50
Column Percent		95.65%	82.35%	
Row Percent		44.00%	56.00%	
Total Percent		38.60%	49.12%	87.72%
Count	S/Disagree	0	5	5
Column Percent		0.00%	14.71%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	8.77%	8.77%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E107- Rewards system facilitates strategy implementation by motivating

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	1	2	3
Column Percent		4.35%	5.88%	
Row Percent		33.33%	66.67%	
Total Percent		1.75%	3.51%	5.26%
Count	Disagree	22	27	49
Column Percent		95.65%	79.41%	
Row Percent		44.90%	55.10%	
Total Percent		38.60%	47.37%	85.96%
Count	S/Disagree	0	5	5
Column Percent		0.00%	14.71%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	8.77%	8.77%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E108- Purpose of reward practices is clear

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	1	1	2
Column Percent		4.35%	2.94%	
Row Percent		50.00%	50.00%	
Total Percent		1.75%	1.75%	3.51%
Count	Disagree	22	28	50
Column Percent		95.65%	82.35%	
Row Percent		44.00%	56.00%	
Total Percent		38.60%	49.12%	87.72%
Count	S/Disagree	0	5	5
Column Percent		0.00%	14.71%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	8.77%	8.77%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E109- Departmental rewards linked to accomplishment of specific goals

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	1	0	1
Column Percent		4.35%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		1.75%	0.00%	1.75%
Count	Uncertain	1	3	4
Column Percent		4.35%	8.82%	
Row Percent		25.00%	75.00%	
Total Percent		1.75%	5.26%	7.02%
Count	Disagree	21	27	48
Column Percent		91.30%	79.41%	
Row Percent		43.75%	56.25%	
Total Percent		36.84%	47.37%	84.21%
Count	S/Disagree	0	4	4
Column Percent		0.00%	11.76%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	7.02%	7.02%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E110- Team performance rewarded when essential for achieving higher goals

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	4	0	4
Column Percent		17.39%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		7.02%	0.00%	7.02%
Count	Uncertain	1	1	2
Column Percent		4.35%	2.94%	
Row Percent		50.00%	50.00%	
Total Percent		1.75%	1.75%	3.51%
Count	Disagree	18	29	47
Column Percent		78.26%	85.29%	
Row Percent		38.30%	61.70%	
Total Percent		31.58%	50.88%	82.46%
Count	S/Disagree	0	4	4
Column Percent		0.00%	11.76%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	7.02%	7.02%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E111- Employees involved in design of reward systems

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	2	2	4
Column Percent		8.70%	5.88%	
Row Percent		50.00%	50.00%	
Total Percent		3.51%	3.51%	7.02%
Count	Disagree	20	27	47
Column Percent		86.96%	79.41%	
Row Percent		42.55%	57.45%	
Total Percent		35.09%	47.37%	82.46%
Count	S/Disagree	1	5	6
Column Percent		4.35%	14.71%	
Row Percent		16.67%	83.33%	
Total Percent		1.75%	8.77%	10.53%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	
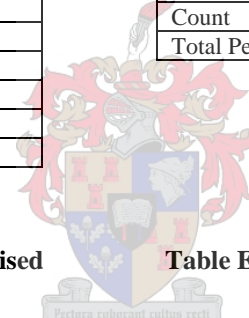
Table E112- Flexible remuneration allows salaries of high performers to be raised

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	1	1	2
Column Percent		4.35%	2.94%	
Row Percent		50.00%	50.00%	
Total Percent		1.75%	1.75%	3.51%
Count	Disagree	20	28	48
Column Percent		86.96%	82.35%	
Row Percent		41.67%	58.33%	
Total Percent		35.09%	49.12%	84.21%
Count	S/Disagree	2	5	7
Column Percent		8.70%	14.71%	
Row Percent		28.57%	71.43%	
Total Percent		3.51%	8.77%	12.28%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E113- Good performance is rewarded

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	2	2	4
Column Percent		8.70%	5.88%	
Row Percent		50.00%	50.00%	
Total Percent		3.51%	3.51%	7.02%
Count	Disagree	21	27	48
Column Percent		91.30%	79.41%	
Row Percent		43.75%	56.25%	
Total Percent		36.84%	47.37%	84.21%
Count	S/Disagree	0	5	5
Column Percent		0.00%	14.71%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	8.77%	8.77%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E114- Poor performance is not rewarded

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.75%	1.75%
Count	Uncertain	5	3	8
Column Percent		21.74%	8.82%	
Row Percent		62.50%	37.50%	
Total Percent		8.77%	5.26%	14.04%
Count	Disagree	18	27	45
Column Percent		78.26%	79.41%	
Row Percent		40.00%	60.00%	
Total Percent		31.58%	47.37%	78.95%
Count	S/Disagree	0	3	3
Column Percent		0.00%	8.82%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	5.26%	5.26%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E115- Clear expectations & understanding how performance measured

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	2	2	4
Column Percent		8.70%	5.88%	
Row Percent		50.00%	50.00%	
Total Percent		3.51%	3.51%	7.02%
Count	Disagree	21	28	49
Column Percent		91.30%	82.35%	
Row Percent		42.86%	57.14%	
Total Percent		36.84%	49.12%	85.96%
Count	S/Disagree	0	4	4
Column Percent		0.00%	11.76%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	7.02%	7.02%
Count	All Grps	23	34	57
Total Percent		40.35%	59.65%	

Table E116- Clear connection between performance & rewards

	Rating	Managerial	Non-managerial	Row Totals
Count	Disagree	22	28	50
Column Percent		100.00%	82.35%	
Row Percent		44.00%	56.00%	
Total Percent		39.29%	50.00%	89.29%
Count	S/Disagree	0	6	6
Column Percent		0.00%	17.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	10.71%	10.71%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E117- Employees trust reward system

	Rating	Managerial	Non-managerial	Row Totals
Count	Disagree	12	13	25
Column Percent		54.55%	38.24%	
Row Percent		48.00%	52.00%	
Total Percent		21.43%	23.21%	44.64%
Count	S/Disagree	10	21	31
Column Percent		45.45%	61.76%	
Row Percent		32.26%	67.74%	
Total Percent		17.86%	37.50%	55.36%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E118- Rewards meaningful from employee point of view

	Rating	Managerial	Non-managerial	Row Totals
Count	Disagree	22	15	37
Column Percent		100.00%	44.12%	
Row Percent		59.46%	40.54%	
Total Percent		39.29%	26.79%	66.07%
Count	S/Disagree	0	19	19
Column Percent		0.00%	55.88%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	33.93%	33.93%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E119- Managers know reward works best given timely

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	7	0	7
Column Percent		31.82%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		12.50%	0.00%	12.50%
Count	Uncertain	6	1	7
Column Percent		27.27%	2.94%	
Row Percent		85.71%	14.29%	
Total Percent		10.71%	1.79%	12.50%
Count	Disagree	9	27	36
Column Percent		40.91%	79.41%	
Row Percent		25.00%	75.00%	
Total Percent		16.07%	48.21%	64.29%
Count	S/Disagree	0	6	6
Column Percent		0.00%	17.65%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	10.71%	10.71%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	
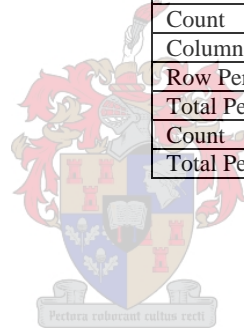
LINKAGES (GENERAL)

Table E120- PD integrated with other division systems

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	6	0	6
Column Percent		27.27%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		10.71%	0.00%	10.71%
Count	Uncertain	15	21	36
Column Percent		68.18%	61.76%	
Row Percent		41.67%	58.33%	
Total Percent		26.79%	37.50%	64.29%
Count	Disagree	1	13	14
Column Percent		4.55%	38.24%	
Row Percent		7.14%	92.86%	
Total Percent		1.79%	23.21%	25.00%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E121- Alignment with MIS, strategic information readily available

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	19	21	40
Column Percent		86.36%	61.76%	
Row Percent		47.50%	52.50%	
Total Percent		33.93%	37.50%	71.43%
Count	Disagree	3	12	15
Column Percent		13.64%	35.29%	
Row Percent		20.00%	80.00%	
Total Percent		5.36%	21.43%	26.79%
Count	S/Disagree	0	1	1
Column Percent		0.00%	2.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	1.79%	1.79%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E122- Performance review fed directly into people management systems

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	1	0	1
Column Percent		4.55%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		1.79%	0.00%	1.79%
Count	Uncertain	18	21	39
Column Percent		81.82%	61.76%	
Row Percent		46.15%	53.85%	
Total Percent		32.14%	37.50%	69.64%
Count	Disagree	3	13	16
Column Percent		13.64%	38.24%	
Row Percent		18.75%	81.25%	
Total Percent		5.36%	23.21%	28.57%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E123- PD tied closely to quality-improvement efforts

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	3	0	3
Column Percent		13.64%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		5.36%	0.00%	5.36%
Count	Uncertain	15	21	36
Column Percent		68.18%	61.76%	
Row Percent		41.67%	58.33%	
Total Percent		26.79%	37.50%	64.29%
Count	Disagree	4	13	17
Column Percent		18.18%	38.24%	
Row Percent		23.53%	76.47%	
Total Percent		7.14%	23.21%	30.36%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E124- Employees know PD fits into overall effective people management

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	13	0	13
Column Percent		59.09%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		23.21%	0.00%	23.21%
Count	Uncertain	9	16	25
Column Percent		40.91%	47.06%	
Row Percent		36.00%	64.00%	
Total Percent		16.07%	28.57%	44.64%
Count	Disagree	0	18	18
Column Percent		0.00%	52.94%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	32.14%	32.14%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

OUTPUTS

Table E125- PD information used ethically & fairly

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	16	0	16
Column Percent		72.73%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		28.57%	0.00%	28.57%
Count	Uncertain	6	24	30
Column Percent		27.27%	70.59%	
Row Percent		20.00%	80.00%	
Total Percent		10.71%	42.86%	53.57%
Count	Disagree	0	10	10
Column Percent		0.00%	29.41%	
Row Percent		0.00%	100.00%	
Total Percent		0.00%	17.86%	17.86%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E126- System's effectiveness is periodically audited division wide

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	21	30	51
Column Percent		95.45%	88.24%	
Row Percent		41.18%	58.82%	
Total Percent		37.50%	53.57%	91.07%
Count	Disagree	1	4	5
Column Percent		4.55%	11.76%	
Row Percent		20.00%	80.00%	
Total Percent		1.79%	7.14%	8.93%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E127- Based on these audits, identified shortcomings are addressed

	Rating	Managerial	Non-managerial	Row Totals
Count	Uncertain	21	29	50
Column Percent		95.45%	85.29%	
Row Percent		42.00%	58.00%	
Total Percent		37.50%	51.79%	89.29%
Count	Disagree	1	5	6
Column Percent		4.55%	14.71%	
Row Percent		16.67%	83.33%	
Total Percent		1.79%	8.93%	10.71%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	

Table E128- Line managers & employees are satisfied with PD system

	Rating	Managerial	Non-managerial	Row Totals
Count	Agree	2	0	2
Column Percent		9.09%	0.00%	
Row Percent		100.00%	0.00%	
Total Percent		3.57%	0.00%	3.57%
Count	Uncertain	17	31	48
Column Percent		77.27%	91.18%	
Row Percent		35.42%	64.58%	
Total Percent		30.36%	55.36%	85.71%
Count	Disagree	3	3	6
Column Percent		13.64%	8.82%	
Row Percent		50.00%	50.00%	
Total Percent		5.36%	5.36%	10.71%
Count	All Grps	22	34	56
Total Percent		39.29%	60.71%	