

**Assessment of the perception of employees on the effective
administration of Performance Management in the Department of
Water Affairs and Forestry (DWAF) Head Office**

Pogiso Molapo

**Thesis presented in partial fulfilment of the requirements for the
degree of Master of Public Administration (MPA) at the University of
Stellenbosch**



Supervisor: Ms. Babette Rabie

DATE: 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 part submitted it at any university for a degree.

Signature:..... Date:.....



Summary

The Department of Water Affairs and Forestry (DWAF) has employed about 18 000 officials in both the water and forestry domains. Employees in the same Forestry and Water sections perform differently. For example, some of these employees in the same sections complain that they have no work to do, while others in the same section complain that they have too much work. It is not clear how performance bonuses are allocated in the same Forestry and Water sections. The situation is affecting staff morale and eventually service delivery provided by DWAF.

DWAF has a performance management system that is currently being implemented throughout the whole Department. As indicated, this system is not effective and it is not applied consistently with regard to all staff members in the same sections and also in different sections of the Department. The study seeks to analyse the causes and circumstances why some that other employees have little work to do, while others have too much work to do. In short, it seeks to analyse as to why the current system is ineffective and inconsistently applied. The main methodology that informs this study is document and data analysis and thereafter, follow interviews with DWAF officials from different sections of DWAF.

The recommendations based on conclusions and findings of this study are that it is important to align individual and organisational goals, that rewards and corrective measures should be part of the performance management system and that capacity building, training and support interventions are essential to ensure an effective and consistent performance management system.

Opsomming

Die Departement Van Water Wwese en Bosbou (DWWB) het sowat 18 000 amptenare in die water- sowel as bosbousfeer in diens. Werknemers in dieselfde Water Wwese- en Bosbou- afdelings presteer verskillend. Byvoorbeeld, van die werknemers in 'n afdeling kla dat hulle nie werk het nie, terwyl werknemers in dieselfde afdeling kla dat hulle te veel werk het. Dit is nie duidelik hoe bonusse toegeken word in DWWB nie. Die faktore het 'n uitwerking op personeelgees en uiteindelik op dienslewering van DWWB.

DWWB het 'n prestasiebestuurstelsel wat tans deur die hele Departement heen geïmplementeer word. Soos uitgewys, is die stelselisteem is nie effektief, en word nie konsekwent toegepas op alle personeellede in dieselfde afdelings en in verskillende afdelings van die departement nie. Dié studie trag om die oorsake te ontleed dat sommige werknemers min werk het, terwyl ander te veel het. Kortliks, word beskryf hoekom die implementering van die prestasiebestuurstelsel in DWWB ondoeltreffend is en inkonsekwent toegepas word. Die hoofmetodologie waarvolgens die studie- inligting verkry, is deur middel van dokument- en data ontleding, en daarna onderhoude met DWWB- amptenare van verskillende afdelings van DWWB.

Die studie se aanbevelings behels dat dit belangrik is om individuele en organisatoriese doelwitte in ooreenstemming met mekaar lyn te bring, dat belonings en korrektiewe maaatreëls deel van die prestasiebestuurstelsel moet uitmaak, en dat kapasiteitsbou, opleiding en steun-ingrypings noodsaaklik is om die implementering van die prestasiebestuurstelsel doeltreffend en konsekwent te maak.

Acknowledgements

I would like to thank my supervisor, Ms. Babette Smit for her guidance and patience she has given to my work. I would also like to thank all the DWAF employees who participated in this research project, particularly Mr. Tshepo Malatji: Director Forestry Regulation, who gave me support throughout all the time. A special thanks also goes to my family, especially my wife, Maria, for her support and understanding during the long process of writing this thesis and during the period I was away from home in this regard. Mr. Werner Scholtz Stephen Heyns also needs to be acknowledged for the editing and printing this thesis. Above all, I thank God for giving me the spirit of patience, perseverance and determination to complete this project.



Acronyms

CCMA	Commission for Conciliation Mediation and Arbitration
DAWF	Department of Water Affairs and Forestry
DPSA	Department of Public Service and Administration
HRM	Human Resource Management
HOD	Head of Department
IDP	Individual Development Plan
KFA	Key Focus Area
KFI	Key Focus Indicator
SMS	Senior Management System
MMS	Middle Management System
MANCO	Management Committee
PM	Performance Management
PARC	Performance Administration Review Committee
PARC	Performance Appraisal Review Committee
PMDS	Performance Management Development System
PMS	Performance Management System
PMH	Performance Management Hand Book
PSC	Public Service Commission
PSR	Public Service Regulation
PSCBC	Public Service Commission Bargaining Council

Table of Content

Page

Declaration.....	i
Summary.....	ii
Opsomming.....	iii
Acknowledgements.....	iv
Acronyms.....	v
Table of Contents.....	vi
Chapters.....	vii
List of Appendixces.....	x
List of Figures.....	x
List of Tables	x
Bibliography.....	ix

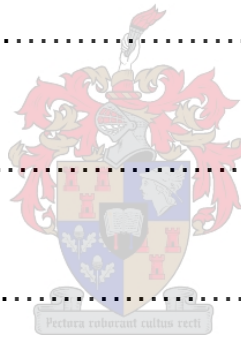


Table of Content

Page

CHAPTER 1

INTRODUCTION AND BACKGROUND TO THE STUDY.....	1
1.1 Background.....	1
1.2. The Research Problem and Objectives.....	2
1.2.1 The Problem Statement.....	2
1.2.2 The Research Question.....	33
1.2.3 The Investigative Questions (Specific Objectives).....	3
1.2.4 The Research Objectives (Motivation).....	3
1.3 Research Design and Methodology.....	4
1.3.1 Documentary Analysis and Survey.....	4
1.3.2 Structured Questionnaire.....	6
1.3.3 Questionnaire Design	6
1.3.4 Interviews.....	7
1.3.5 Documentary Analysis.....	85
1.3.6 Data Analysis and Interpretation.....	9
1.3.7 Ethics.....	9
1.3.8 Research Constrains.....	10
1.3.9 Conclusion.....	10

CHAPTER 2

LEGISLATION AND THEORIES GUIDING PERFORMANCE

MANAGEMENT.....	11
2.1 Introduction.....	11

2.1.1 Government Policy that is guiding Performance Management....	12
2.2 Analysing Performance Management Theory and Practice.....	16
2.2.1 Understanding Performance Management.....	16

Table of Content	Page
2.2.2 Various Definitions of Performance Management.....	17
2.2.3 Performance Management Cycle.....	21
2.2.4 Performance Appraisal.....	23
2.2.5 Performance Incentives.....	25
2.2.6 Corrective Measures for Poor Performance.....	28
2.2.7 Training in Performance Management.....	29
2.2.8 Conclusions.....	30

CHAPTER 3

CASE STUDY: INDIVIDUAL PERFORMANCE MANAGEMENT WITHIN DWAF	
.....	32
3.1 Introduction.....	32
3.2 Strategic Planning in DWAF.....	32
3.3 Balanced Score Card as a Performance Management Tool.....	37
3.41.1 An Individual Performance Management System in DWAF.....	39
3.51.2 Senior Management System.....	39
3.61.3 Middle Management System.....	40
3.71.4 Work Plan System.....	41
3.82 Alignment with Strategic Plan.....	41

3.93 Quarterly and Annual Assessments.....42

3.104 Performance Incentives.....44

3.10.1 4.1 Deputy Director and Below Levels.....44

3.104.2 Senior Management System.....48

3.104.3 Poor Performance.....51

3.4.4. Employee Development.....53

3.4.5. Dispute Resolution.....53

3.56. Conclusion.....56

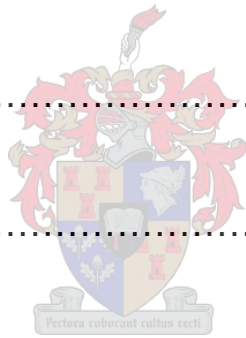


Table of Content

Page

CHAPTER 4

DATA ANALYSIS AND ASSESSMENT OF RESULTS.....57

4.1 Introduction.....57

4.2 Data Presentation and Interpretation.....57

4.2.1 Part A – Information about Respondents.....58

4.3 Part B – Information from Respondents.....61

4.3.1 How do you rate your knowledge of performance management?..61

4.3.2 Is the PM System implemented in your sSection?.....62

4.3.3 Did the PM System implemented in the Department achieve its intended Results of Improved Performance?.....64

4.3.4 Are the incentives that are implemented effective in encouraging good individual Performance?.....65

4.3.5 Are corrective Measures that are implemented effective to mitigate against poor individual Performance?.....67

4.3.6 Suggestions for improved performance at DWAF Head Office..... 68

4.4 Conclusions.....68



CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS.....70

5.1 Introduction.....70

5.2 Research Constrains.....70

5.3 Summary of Preceding Chapters.....71

5.4 Recommendations.....73

5.5 Conclusion.....74

Bibliography.....75

List of Appendixes

Appendix 1: Cover letter for the questionnaire and the interview.....83

Appendix 2: List of candidates who responded.....85

Appendix 3: The questionnaire.....87

List of Figures

Figure 2.2.3: The Performance Management Cycle.....	21
Figure 3.2: Strategic Planning Framework for DWAF.....	34
Figure 3.3: Forestry Balanced Score Card.....	38
Figure 4.2.1.1: Gender of the Respondents.....	58
Figure 4.2.1.2: Job Title of the Respondents.....	59
Figure 4.2.1.3: Functional Areas of Respondents.....	60
Figure 4.3.1: Knowledge of Performance Management System.....	61
Figure 4.3.2: Implementation of Performance Management System.....	62
Figure 4.3.3: Improvement of Performance Management System.....	64
Figure 4.3.4: Incentives and Corrective Measures of PMS.....	65
Figure 4.3.5: Mitigation of Poor Performance.....	67

List of Tables

Table 2.1.1: Legal Framework on Performance Management.....	15
Table 2.2.5: Rewarding High Performance-Annual Assessment.....	27
Table 3.10.1: Performance Management Rating Score.....	45
Table 3.10.2: Framework for linking incentives & rewards to PMS.....	47

CHAPTER 1

Introduction and Background to the study

1.1 Background

Since With the advent of a democratic South Africa in 1994, the South African gGovernment through the Department of Public Service and Administration (DPSA), producedcame up with an integrated framework on performance management and development for the pPublic sService. It This is is designed to effect reforms to improve Public Service government performance and service delivery. Its purpose This is meant to promote effective employee performance and the creation of a motivated pPublic sService.

The White Paper on Transforming the Public Service of 1997 sets out how a transformed public sService will be judged and this will be done through one criterion, which is its effectiveness in delivering services that meets the basic needs of all South African citizens. Improving service delivery is, therefore, the ultimate goal of the pPublic sService transformation programme. The performance management system (PMS) was introduced as a tool to measure individual contributions to service delivery in the pPublic sService.

“Walk the talk” is the slogan of the Department of Water Affairs and Forestry that is used to motivate and maken sure that all employees within the Department contribute to its service delivery mandate. All employees within the dDepartment need to identify with this e slogan and “walk the talk” if the Department is to achieve its objectives. In September 2004, during the celebration of ten years of democracy, the Department celebrated connecting water to the 10 millionth citizen. The theme for this celebration was: is was achieved through the slogan of “Ensuring some for all for ever together”. Since i that the Department adopted due to the contribution of all employees.

These individual contributions towards corporate goals can only be assessed through the performance management system, this . The performance management system was introduced in DWAF precisely for this reason. The Performance management system was introduced in DWAF precisely for this reason. DWAF needs the performance of all its employees for it to be able to achieve its goals. At the moment, this is not the case as explained in the summary and it is also the motivation for this research project.

1.2 The Research Problem and Objectives

1.2.1 The Problem Statement

The problem on which for that this is study focuses on is the typical employee's perception of the effective administration ineffective and inconsistent implementation of the performance management system in DWAF. as explained in the summary and in the previous paragraph. The problem statement in this case is defined as:

“Poor implementation of a performance management system Poor implementation of performance management system within DWAF head office”.

This problem statement directly impacts on service delivery and through poor individual on performance management and measurement in the pPublic sService by DWAF.

1.2.2 The Research Question

The research question formulated from the problem statement as defined, reads as follows:

“How can the impact on service delivery of the poor implementation of a performance management system be mitigated”?

The research question forms the crux of the dissertation, supported by additional research contained within the ambit of the investigative questions.



1.2.3 Investigative Questions (specific objectives)

The objective of the questionnaire was to measure how people feel about performance management system in DWAF and how effective it is. The investigative questions (specific objectives) derived from the problem statement and supporting the research question can be formulated as follows:

- In what manner does the current administration implementation of the performance management system fail to achieve its the results of improved individual performance?
- What incentives/corrective measures are implemented and how effective are these to mitigate poor performance?

1.2.4 Research Objectives (motivation)

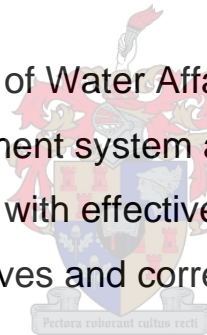
The key objectives for this research are personal for the researcher as well as general for the Department and the pPublic sService at large. These objectives are as follows:

➤ Personal level:

1. Increase the body of knowledge in terms of performance management for the author as a manager,
2. Complete the requirement of the master's degree within a topic that is practical to the author.

➤ General level:

1. Assist the Department of Water Affairs and Forestry to improve its performance management system administration implementation.
2. Assist the Department with effective and consistent implementation of performance incentives and corrective measures throughout all branches and clusters.



1.3 Research Design and Methodology

1.3.1 Documentary Analysis and Survey

The approach of this research is descriptive, within an action research paradigm. It will describe the situation and propose solutions to the problems identified. According to Hussey, J. and Hussey, R. (1997:89), this type of research will be quantitative because due to it being subjective, value laden, biased and inductive rather than deductive. The research will be context-bound, humanistic and accuracy. and reliability will be measured through verification. The action research methods were used.

Documentary analysis include concluded performance agreements or work plans and were done on randomly selected candidates. The performance management incentives/corrective measures were investigated through documentary analysis, interviews and questionnaires. The researcher investigated what happens to poor performers and what types of corrective measures are implemented. The researcher also investigated how performance incentives are implemented. For documentation analysis, documents were selected based on their relevance to the study.

The study used the survey methods of research, using questionnaires and interviews. The questionnaires were piloted with the first five (5) among a few employees in aAppendix 2 and colleagues. It was also important to rehearse the interview until the person conducting the interview one is familiar with the entire interview before facing respondents. This assisted to rectify any mistakes before being sent out to the respondents.

Survey research is one of the most important areas of measurement in applied research. These could be in the form of a questionnaire or interviews. Boone (2003: 105) maintains that although surveys often investigate subjective issues, that are quantitative rather than qualitative (objective), they can be used to produce come up with results that many be rigorously analysed in a qualitative research. According to Watkins (2004:78), the survey design mostly used is the descriptive survey as opposed to the analytical survey. This former will be used in this study. The descriptive survey has as its purpose the counting of a representative sample, which allows for inferences to be made about the population as a whole. Furthermore, descriptive surveys indicate how many members of a population have a certain characteristic.

Primary as well as secondary data will be used in this study. Primary data will be collected at source through structured questionnaires and personal interviews while secondary data will be from Departmental reports, performance agreements and personal files of employees as well as business plans. The research population in this study consists of the National Office Forestry Staff . National office This consisting of about three hundred (300) individuals.

Due to a time shortage of time, it was not possible to interview all or most the number of employees. , 300 in total, this was not possible in the time allocated for the research. A random sampling method was used for selecting employees for interviews and questionnaires. This random sampling frame includes all stratification levels including skills, education and understanding within the Department to get obtain an encompassing view and representation. See Appendix 2 for the list of forty (40) candidates who responded random sample used in this study. The types of questions asked

will differ and are designed to accommodate employees with different depending on the levels of education, skill and understanding, of the selected candidates, but the intended results are will be the same.

1.3.2 Structured Questionnaire

Questionnaires are mostly in the form of paper and pencil instruments that the respondent completes. These questionnaires were administered to both lower level workers and managers i.e. to those who are administering the system and those to whom the system is administered to. One Two hundred (2100) questionnaires were sent out to mitigate the customary low response rate of questionnaires. In the event fForty (40) candidates responded to the questionnaire. The mMail-out questionnaires were the ones used for this study because due to the fact that they are cheap to use and the sample of employees to be surveyed was would be large. Electronic mail (e-mail) and internal mail were also used for this purpose.

Due to the type of information required in the questionnaires, a rapport with the respondent managers and other employees needed to be established first and trust maintained. This was can be achieved through calling them telephonically first and explaining the purpose of the study as well as confirming that their confidentiality was respected.

Personal assistance was given to workers who have no access to e-mail as well as telephones and probably not skilled enough in reading the English language.

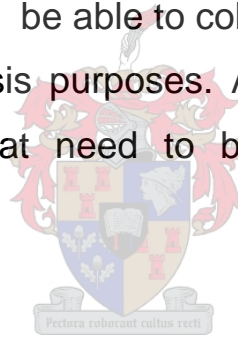
1.3.3 Questionnaire Design

The questions were piloted with the first five (5) employees by choosing the first five (one per category) from different Ssections in DWAF, among a few before being sent out to a wider audience. This was to ensure that other employees to ensure that all respondents should would understand questions in a consistent manner. This was also to will ensure that answers are will not be based on vague assumptions, an aspect that will provide incorrect data. The use of oOpen ended and closed question types wereaswill be used in the study, depending upon what the outcome of the intended answers and analysis method is.

The questions wereshould also be able to collect data of which measurement was will be applied for analysis purposes. According to Fowler (1995: 98) there are different issues that need to be considered when designing questions.

These are the following:

- 1.- *Accuracy of questions;*
- 2.- *Appropriateness of questions;*
- 3.- *Managing the meaning of answers;*
- 4.- *Minimising the role of the interviewer; and*
- 5.- *Confidentiality.*



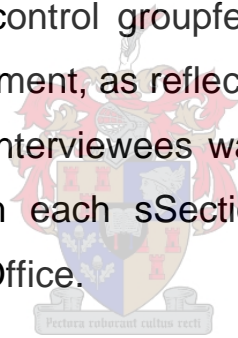
These measures werewill be incorporated into the design of questionnaires as well as interviews. The language and logic used in the questionnaires wasshould be easy to understand and ambiguity of words was ill be avoided.

It is important to keep questionnaires as brief and concise as possible, therefore in this study, multiple choice type questions were used and only one open ended question was used. This was to ensure that questions canould

be completed easily, timorously and they can be compared, rakedrenkedranked and analysed easily. Very long questionnaires cause annoyance and frustration on the part of the respondents resulting in non-return of mailed questionnaires and incomplete or inaccurate responses to questionnaires. To avoid this problem the questions should define precisely the information desired (Fowler 1995: 102)..

1.3.4 Interviews

Interviews for this study were conducted with the first five mainly among a (5) core group members as the control group few of selected employees and management within the Department, as reflected in (See aAppendix 2).. The basis for the selection of the interviewees was that there should be at least one two representatives from each sSection (department / category) of employees in DWAF hHead oOffice.



The purpose of the interviews was to clarify and confirm questionnaire data about individual performance management system in DWAF hHead oOffice and asked for suggestions. Face -to-face interviews took place, with the sample of employees chosen in their workplace with the first five (5) targeting about 10 individuals, as seen in aAppendix 2.

Management was interviewed to get its view on the effectiveness of individual performance management systems and how both groups of employees understand and perceive the system. Semi-structured questions were had been used in order to continue with the follow up on the direction of the argument undertaken by the respondents, based upon initial findings from the

respondents' comments contained in the questionnaires and to verify certain points from the questionnaire.

and to pick out the necessary details backing their points

Oppenheim (1978: 56) makes the point that the greatest advantage of the interview is its flexibility. The interviewer can make sure that the respondent has understood the question and the purpose of the research. This is very important when dealing with illiterate respondents. The design of interview questions was the same as the questionnaires. The sessions with the pilot group, which was also the focus group, sessions were conducted held, with a core group of the first (five) three people seen in Appendix 2.

1.3.5 Documentation Analysis

Analysis This was done at the site and respondents were asked for performance agreements and records of incentives/corrective measures taken in the past for scrutiny and analysis. The performance agreements, branch strategic and business plans were requested from management at national as well as cluster level and analysed.

1.3.6 Data Analysis and Interpretation

The simple Lickert scale will be used to record and analyse the data. The five- (5) agreement choices will be used, namely:

- Strongly agree
- Agree
- Undecided
- Disagree

- Strongly disagree

The Lickert scale was also used to rank the answers to the open-ended questions in the questionnaires as well as interviews. The most important reason for favouring the use of the Lickert scale is the fact that the scale can be used in both respondent-centred (how responses differ between people) and stimulus-centred (how responses differ between various stimuli) studies as cited by Emory and Cooper, 1995 (as cited in Watkins, 2004: 78). Analyses of the results from the semi-structured interviews were also conducted in this manner.

1.3.7 Ethics

Permission was sought from management for the study to be undertaken as well as from the interviewees themselves. The interviews were tape-recorded with the permission of the individuals. Trust is of major importance here if the researcher expects to get their co-operation. Access to premises and documents needed to be negotiated and permission needed to be granted before the study commences.

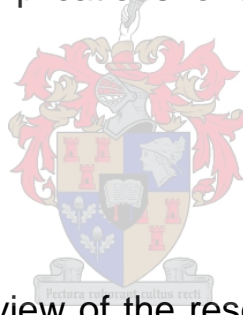
1.3.8 Research Constraints

The limitation of this research is that some employees consider their performance management agreements or work plans to be confidential between themselves and their immediate supervisors and had a problem with an outsider scrutinising them. Biased answers might be given to questions considered to be sensitive by certain employees.

Certain managers might also consider the study as a witch-hunt for those who are not doing what they are supposed to have been doing, as far as performance management is concerned. This was dealt with through a memo sent to all explaining the purpose of the study, attached as aAppendix 1.

The Public Service Regulation of 2004, nNotice No. 1, Regulations Act delegates give the executive authority of each department the right or option to producecome up with systems that will suit his or her dDepartment, as long as the DPSA framework is followed. This may cause different dDepartments to have slightly different systems for implementation. Due tFor the above-mentioned reasons, the results of this research might be relevant only to DWAF, but nevertheless with implications for the wider pPublic sService.

1.3.9 Conclusion



This chapter provided an overview of the research design and methodology. Chapter 2 will focus on the legislation and theories guiding performance management in the pPublic sSector.

2 CHAPTER 2

Statutory Legislation, Policies and Theories guiding Performance Management

2.1 Introduction

The realisation that one of the key roles of supervisors or managers is to manage subordinates' performance is the key to the success of management. Performance management becomes a part of management. Managers are held accountable for their subordinate's performance. Performance management is a way to operationalise the strategy and reach the goals, and as such, it is directly linked to where the organisation and each unit isare going.

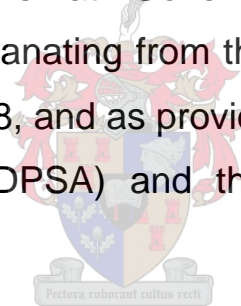
The principles used in performance management, within the pPublic sService are the same as those used in the private sector except with a specific emphasise on service delivery to the public at large, as against the private sector that regards customer satisfaction as important for profit making. The underlying principles are the same and good practises too cmany be used from the private sector experience.

The literature review was based upon both sectors good practises in both sectors and adopting elements that wereare relevant to the publicPublic sSector. Unlike the literature, the policy review was entirely based on policy and legislation governing the publicPublic serviceService. Some best practice policy elements used in the private sector were used.

This chapter firstly analyses looks at Government policies that are guiding performance management and then literature which is informing performance management in general. The literature review discusses issues relating to an understanding of performance management, definitions of performance management, the performance management cycle, the relationship between performance management and strategic planning, the balanced score card, appraisals incentives, corrective measures for poor performance, training and measuring of performance management.

22.1.1 Government Policy that is guiding Performance Management

This section scrutinises looks at Government policy that is guiding performance management, emanating from the cConstitution of the Republic of South Africa, Act 108 of 1998, and as provided by the Department of Public Service and Administration (DPSA) and the Public Service Commission (PSC).



During With thethe advent of a democratic South Africa in 1994, the South African gGovernment createhad came up with the Constitution (Act No. 108 of 1996) drawn up , which is the supreme law of the country,. lthat which also gives guidance on the functionworkings of the Public Administration. Section 195 of Chapter 10 of the Cconstitution, Act 108 of 1998 deals with the basic values and principles governing pPublic aAdministration and makes refers ence to the fact that the pPublic aadministration needs musto be governed by the democratic values and principles enshrined in the Constitution, Act 108 of 1998, including the following:

- a) *efficient, economic and effective use of resources must be promoted, the public administration must be development-orientated*

- b) people's needs must be responded to, and the public must be encouraged to participate in policy-making*
- c) good human-resource management and career-development practices, to maximise human potential, must be cultivated.*

Section 196 of chapter 10 of the R.S.A. Constitution, Act 108 of 1998, relates to the Public Service Commission; and some of its functions in relation to performance management are the following:

- a) to investigate, monitor and evaluate the organisation, administration, and personnel practices of the public service*
- b) to propose measures to ensure effective and efficient performance within the public service.*

The main purpose of this Commission in relation to performance management is to make sure that the public service applies its system adequately and equitably.

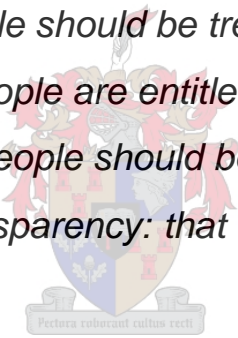


This Constitutional guidance gave birth to the integrated legislative and policy framework on performance management administered mainly through the DPSA, but implemented throughout the public service. This framework is designed to effect reforms to improve Public Sector government performance and service delivery. This is also meant to promote effective employee performance and the creation of a motivated public service.

This framework revolves around the following White Papers which serve as policy documents within the public service:

- White Paper on Transformation in the Public Service, 1995. This paper explains discusses the need for the transformation of the publicPublic serviceService to make it representative of the demographics of ourthe South African population.
- White Paper on Transforming Service Ddelivery, 1997 (Batho Pele White Paper). These paper contains discusses the principles of pPublic serviceService delivery.

These principles are:

- *Service standards: that promises should be kept,*
 - *Access: that one and all should get their fair share,*
 - *Courtesy: that people should be treated with sensitivity,*
 - *Information: that people are entitled to full information,*
 - *Consultation: that people should be consulted about their needs,*
 - *Openness and transparency: that administration must be an open book,*
 - *Redress: that our complaints should spark positive action and*
 - *Value for money: that ourtax payers' money should be used wisely.*
- 
- White Paper on Affirmative Action and Training and Development, 1996. This paper deals with the need for recognition of the previously disadvantaged groups and the training and development of such groups to enable them to take more responsibilities within the Ppublic sService.
 - White Paper on Human Resources Management. This paper deals with the terms and conditions for the management of the publicPublic serviceService employees in general.

In addition, the framework is guided by the following legislation as well as Bargaining Council agreements:

- Public Service Act, 1994, which governs the entire public service in the Republic of South Africa.
- Public Service Regulations, 2001, which brings the public service Act into effect.
- Public Service Coordinating Bargaining Council (PSCBC) Resolution No 13 of 1998 and PSCBC No 9 of 2000.
- Treasury Regulations, 2001.
- Labour Relations Act, 1998, which regulates the relation between management and workers.

According to the Performance Management Handbook (2001:98), the legal framework governing individual performance management agreements are different for the three categories of staff:

- heads of departments
- senior management (level 13 and higher, excluding professionals)
- all other staff

Below, see Table 32.1.12: Legal Framework for individual performance agreements levels in the Public Service.

Performance agreements level	Governance structure	Where covered
Heads of departments	Public Service Act of 1994 as amended	Handbook on career incidents of Heads of

		Departments (HOD's)
Senior managers	Collective Agreement (Resolution No 13 of 1998)	Handbook on the management of performance based pay for senior managers
All other staff	Specific provisions of Part V111 of the new Public Service Regulations	Handbook on performance management and development

Table 2.1.12: Legal framework on performance management

Source: Handbook on performance management and development (2001:176)

This study focuses on is on the senior management and all other staff members, but excludes the Director General, because he declined to participate citing a lack of time. Head of Department. A random sample will be used for all levels. Sangweni (2003: 72) mentioned that the White Paper on Transforming the Public Service sets out how a transformed public service will be judged, and this will be done by means of through one criterion, which is its effectiveness in delivering services that meet the basic needs of all South African citizens. Improving service delivery is, therefore, the ultimate goal of the public service transformation programme. The performance management and development system (PMDS) was introduced as a tool to measure individual contributions to service delivery in the public service.

The Public Service Administration Act, Act No. 38 of 1994, together with all the policy documents as issued by DPSA and PSC, that guide performance management, are influenced by many previous and present literature theories. The next section will scrutinise look at these past and

present literature theories that have influenced the our present Public Service Act and policies.

2.2 Review of Analysing Performance Management Theories and Practices

2.2.1 Understanding Performance Management

The success of any organisation does not depend on the resources at its disposal, but on how they are utilised. These resources need to be deployed, managed and controlled. In the case of human resources, these need to be motivated to create competencies in those activities and business processes needed to run the business. Performance management is a system used by an organisation to achieve its objectives of utilising human capital optimally.



It should be noted that performance management is a continuous management function and should be dealt with on a daily basis. Employees need to know at all times what is expected from them and how they perform, rather than having to wait for the specified time when formal appraisal will take place. The formal appraisal still needs to take place, but continuous feedback and appraisal is of paramount importance.

Having said that an appraisal is part of performance management, management. Informal appraisal is an excellent way of encouraging desirable performance and discourages undesirable performance before it becomes ingrained. This is because of the close connection between the behaviour and the feedback. A continuous

assessment of performance is done by both supervisor and subordinate rather than waiting for the formal appraisal to take place.

Self assessment is very important for employees and this can be achieved through proper planning as well as continuous feedback. Both the manager and employee need to agree on the objectives and measures to achieve these before an employee can be able to assess him or herself. Time lines are very important in motivating employees to achieve and increase their performance. Performance management is then a collective responsibility for both employees and their superiors. Management and employees should all agree and believe that the system will benefit both the individual's development needs as well as achieving organisational objectives and both should be sincere in implementing them.



2.2.2 Various Definitions of Performance Management

Performance management has been defined as a “strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributions” (Armstrong as cited in Woods, 2003: 98). It is very clear from this definition that sustainable employee performance and development of capabilities is the core in performance management.

The current problem that performance management is facing is that the term is often used synonymously with that of performance appraisal. This problem was one of the findings of the study. During interviews with three respondents they said that the only time they heard about performance management it was when they were due for bonuses,. Hence performance management was understood to be synonymous to performance appraisal. Performance management is clearly more than a new name for performance appraisal.

Fletcher as cited in Edmonstone (1996: 109) defined performance management as: “an approach to creating a shared vision of the purpose and aims of the organisation, helping each individual employee understand and recognise their part in contributing to them, and in so doing manage and enhance the performance of both the individual and the organisation.”

Fletcher (1996: 118)He suggests that the main building blocks of such an approach include:

- *Development of the organisation’s mission and objectives,*
- *Enhancing communication within the organisation so that employees are not only aware of the objectives and the business plan, but can contribute to their formulation,*
- *Clarifying individual responsibilities and accountabilities,*
- *Defining and measuring individual performance,*
- *Implementing appropriate reward strategies and*
- *Developing staff to improve performance, and their career progression, further in the future. (Fletcher as cited in Edmonstone (1996: 173).*

Fletcher’s definition (1996; 173) links differentiates performance management and performance from appraisal. According to him, and it is very clear from it

that performance management includes much broader than performance appraisal. Appraisal comes into the picture when measuring individual performance, while performance management starts with the organisation's mission, vision and strategy until individual development plans are put in place.

A performance management system needs to be based on meaningful, realistic, attainable and measurable performance standards. These types of standards are set so that there is no doubt about whether the actual performance meets the standard or not. These standards emanate from the strategy which is converted into plans and objectives for the future. In order to have a proper and fair appraisal, the standards need to be realistic and achievable; otherwise the appraisal process will be a waste of time.

Bacal (1999:87) defines performance management as *“an ongoing communication process, undertaken in partnership, between an employee and his or her immediate supervisor that involves establishing clear expectations and understanding about:*

- *the essential job functions the employee is expected to do*
- *how the employee's job contributes to the goals of the organisation*
- *what doing the work well means in concrete terms*
- *how employee and supervisor will work together to sustain, improve, or build on existing employee performance*
- *how performance management will be measured and*
- *identifying barriers to performance and removing them.”*

Schneier, Beatty and Baird (1982: 107) emphasised the importance of communicating expectations, monitoring, coaching, counselling, providing feedback and training. Schneier & et al They also pointed out that

communication should be on a one to one basis between manager and staff members as well as a management communication in general. This is an opportunity to ensure that all issues pertaining to performance management are clarified and to exchange information in order to improve operational effectiveness. Both supervisor and subordinate should have a common understanding of the performance indicators and time frames for the system to function properly. The monitoring should be on a continual basis with transparency promoted.

Scheier et al , Beatty and Baird (19827: 156) list the following as the purpose of having a performance management system in an organisation:

- *to measure and judge performance,*
- *to relate individual performance to organisational goals,*
- *to foster the increasing competence and growth of subordinates,*
- *to stimulate subordinates motivation,*
- *to enhance communication between supervisor and subordinate,*
- *to serve as a basis for judgement about salary and promotion and*
- *to serve as a device for organisational control and integration.*

Performance management is defined by Poister (2003: 32) as a process of defining, monitoring, and using objective indicators of the performance of an organisation and programmes on a regular basis. Poister (2003: 39H)e brings the important factor of performance indicators into the picture. Myland (1992: 107) simply defined it as a “systematic means of ensuring that managers and their subordinates meet regularly to discuss past and present performance matters, and to agree what future action is appropriate on both sides”. This meeting should be based on a clear and mutual understanding of the job in

question, and the standards and outcomes which are a part of it. *Regular, agree and future* is again key words used here. I agree with Schneier et al , Beatty and Baird, (19827: 160), as illustrated in fFigure 32.23.3 makes the point that performance management goes beyond appraising performance to include planning, managing, reviewing, rewarding and development.

2.2.3 The Performance Management Cycle

Performance management goes through a systematic cycle and it is not all about appraisal only, but also involves planning, managing, reviewing, rewarding and employee development. It should not be looked at from an appraisal point of view only where rewards are awarded, but it should be viewed looked at holistically, including all elements of management. It is a management tool and should include elements such as employee development.

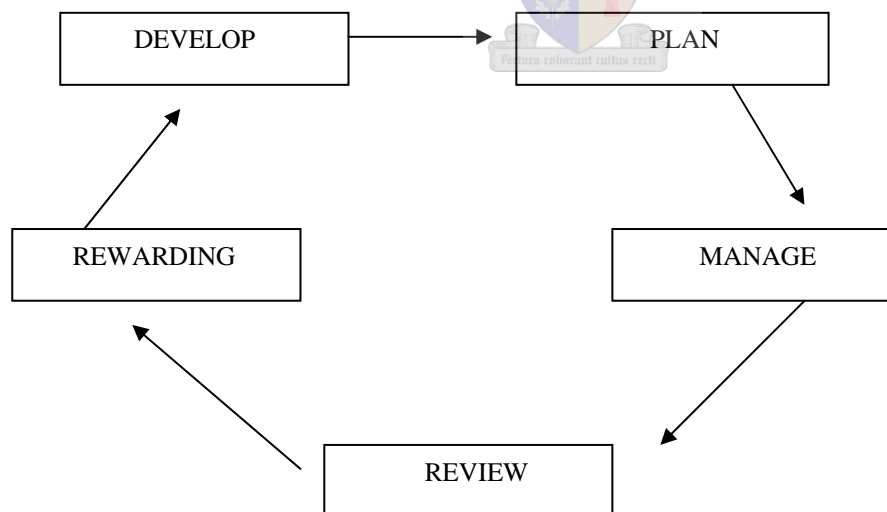


Figure 2.2.3 The performance management cycle

Source: Schneier, Beatty and Baird, (19872:98).

Reviewing is a fundamental factor affecting performance management. Performance needs to be reviewed at predetermined intervals and feedback given to the employee. This is the stage at which Individual Development Plans (IDP's) are dealt with. The review process identifies areas of improvement in relation to the skills, and, knowledge and attitude in performing functions. The IDP's are meant to facilitate employee development. Planning is a continuous process in performance management and should be executed with great care.

Good and excellent performance need to be rewarded. The rewards need to be known upfront and agreed upon by all stakeholders. This will promote transparency and consistency within an organisation. Poor performance needs action from managers with the aim of improving and assisting the relevant employee. Punitive measures are the last resort that managers have at their disposal whenever performance does not improve to the required standard. The cycle of performance management will continue throughout the working life of the employee. (R.S.A: White paper on Human Resource Management; 1986:143)

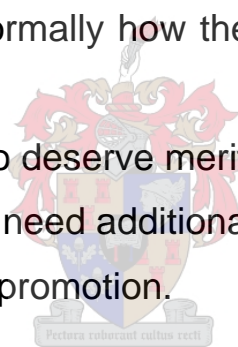
For an employee to be able to perform his or her functions to an acceptable standard, he / she must have a certain level of ability and skill in him or her. The employee must be motivated and should have the knowledge how the functions need to be performed. He or she must be in a positive emotional state and all inhibiting conditions beyond his or her control should be removed by management (R.S.A: White Paper on Human Resource Management; 1986:152)

2.2.4 Performance Appraisal

Performance appraisal is one of the most important functions of a manager/supervisor and can only be learned by training, practising and gaining experience. It is a very critical aspect of achieving objectives in a co-ordinated and collective manner.

According to Stoner, Freeman and Gilbert , Freeman and Gilbert, (1995: 87), formal performance management appraisal has the following four major purposes:

- to let employees know formally how their current performance is being rated;
- to identify employees who deserve merit raises;
- to locate employees who need additional training; and
- to identify candidates for promotion.



Performance appraisal has been identified as one of the factors or elements of a performance management system amongst many others. The most commonly used appraisal system is the informal one where both the employee and manager meet on a regular, day-to-day basis. Both the manager and the employee can initiate an appraisal meeting for feedback purposes. This system is used widely in small organisations where there is no formal system in place.

A formal appraisal system is known when the manager and the employee meet on a predetermined interval, say quarterly, to assess the performance of the employee. According to Stoner et al, Freeman and Gilbert, (1995: 54), there are four different formal appraisal systems, namely:

- manager appraising employee;
- a group of managers appraising an employee;
- a group of peers appraising a colleague; and
- a group of employees appraising a manager.

The first appraisal approach whereby a manager appraises a subordinate is far more commonly used in most organisations followed by a group of managers appraising an employee. The employee is appraised by a managerial committee or a series of managers. This method is the most objective and effective, as opposed to the first one where a single manager appraises an employee. However, it is time consuming and dilutes the employees' feeling of accountability to their immediate supervisor. The methods of mitigating this disadvantage has been when a manager appraises an employee on his her own and send such results to a moderating committee of other managers for approval, Wiese and Buckley (1998: 41).

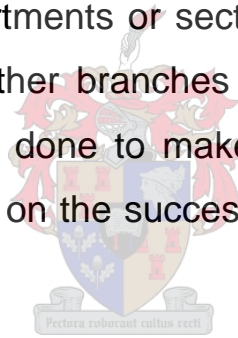
The last two methods are not commonly used. The third one where a group of employees appraise their colleague is effective in teams. The fourth one, whereby employees appraise their manager, is mainly used by sports clubs, universities and other public organisations. These methods can be effective if applied properly in a transparent environment. In profit making entities the fourth method can be used in a 360° feedback whereby even the chairperson of the company gets a review from his or her subordinate. See figure 2.5 for an example of the DWAFF performance appraisal system.

Normally performance management is line function's responsibility with Human Resources Management support. The system needs to be centralised for ease of achieving strategic objectives and consistency. There has been a

move towards a 360° appraisal, which is from a multiple sources perspective..

The 360° feedback process is feedback from multiple sources and it is a performance appraisal approach that relies on the input of an employee's superiors, colleagues, subordinates sometimes customers, suppliers and/or spouses (Yukl and Lepsinger as cited in McCarthy and Garavan, 2001 and Johnson and Scholes, 2002: 89).

In this process, Here not only line managers are responsible for the appraisal, but for other parts of the organisation which their work impacts upon. This simply means that other departments or sections within an organisation that are affected by the work of other branches or sections, will be involved in appraising each other. This is done to make sure that the full scope and impact of the employee's work on the success of the strategic objectives can be judged.



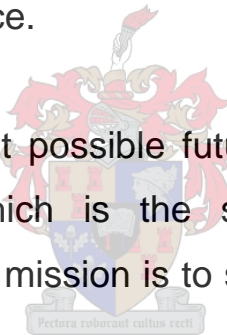
2.3 Strategic Planning in DWAF

The Department: Water Affairs and Forestry wants to be seen as a department that provides “Some for all forever”. This is the department’s slogan and it is captured strategically in the vision, mission, values and strategic plan. The vision of the department is captured in the following statement:

- a democratic people centred nation working towards human rights, social justice, equality and prosperity of all
- a society in which all our people enjoy the benefits of clean water and hygienic sanitation services

- water used carefully and productively for economic activities, promote the growth, development and prosperity of the nation
- a land in which our natural forests and plantations are managed in the best interests of all
- people who understand and protect our natural resources to make them ecologically stable and safeguard them for current and future generations
- a Department that serves the public loyally, meets its responsibilities with energy and compassion and acts as a link in the chain of integrated and environmentally sustainable development and
- development and co-operation throughout our region; of playing our part in the African Renaissance.

This is a statement of the best possible future of the Department and it is followed by the mission, which is the statement of purpose for the Department. The Department's mission is to serve the people of South Africa by:



- Conserving, managing and developing our water resources and forests in a scientific and environmentally sustainable manner in order to meet the social and economic needs of South Africa, both now and in the future
- Ensuring that water services are provided to all South Africans in an efficient, cost-effective and sustainable way
- Managing and sustaining our forests, using the best scientific practice in a participatory and sustainable manner
- Educating the people of South Africa on ways to manage, conserve and sustain our water and forest resources

- Co-operating with all spheres of Government, in order to achieve the best and most integrated development in our country and region and
- Creating the best possible opportunities for employment, the eradication of poverty and the promotion of equality, social development and democratic governance (DWAF Strategic Plan, 2004/5 – 2006/7)

It is then followed by the Departments priorities in term of objectives and goals. This is the level where individual performance agreements should be aligned for the achievements of these goals as a collective of individuals in the Department. Budget allocations, departmental goals, strategic plans as well as business plan for the different business units follows. Individual performance agreements work within this systematic cycle and have to support organisational goals and objectives in a sustainable and collective manner. See figure 2.2 for an illustration of this relationship.



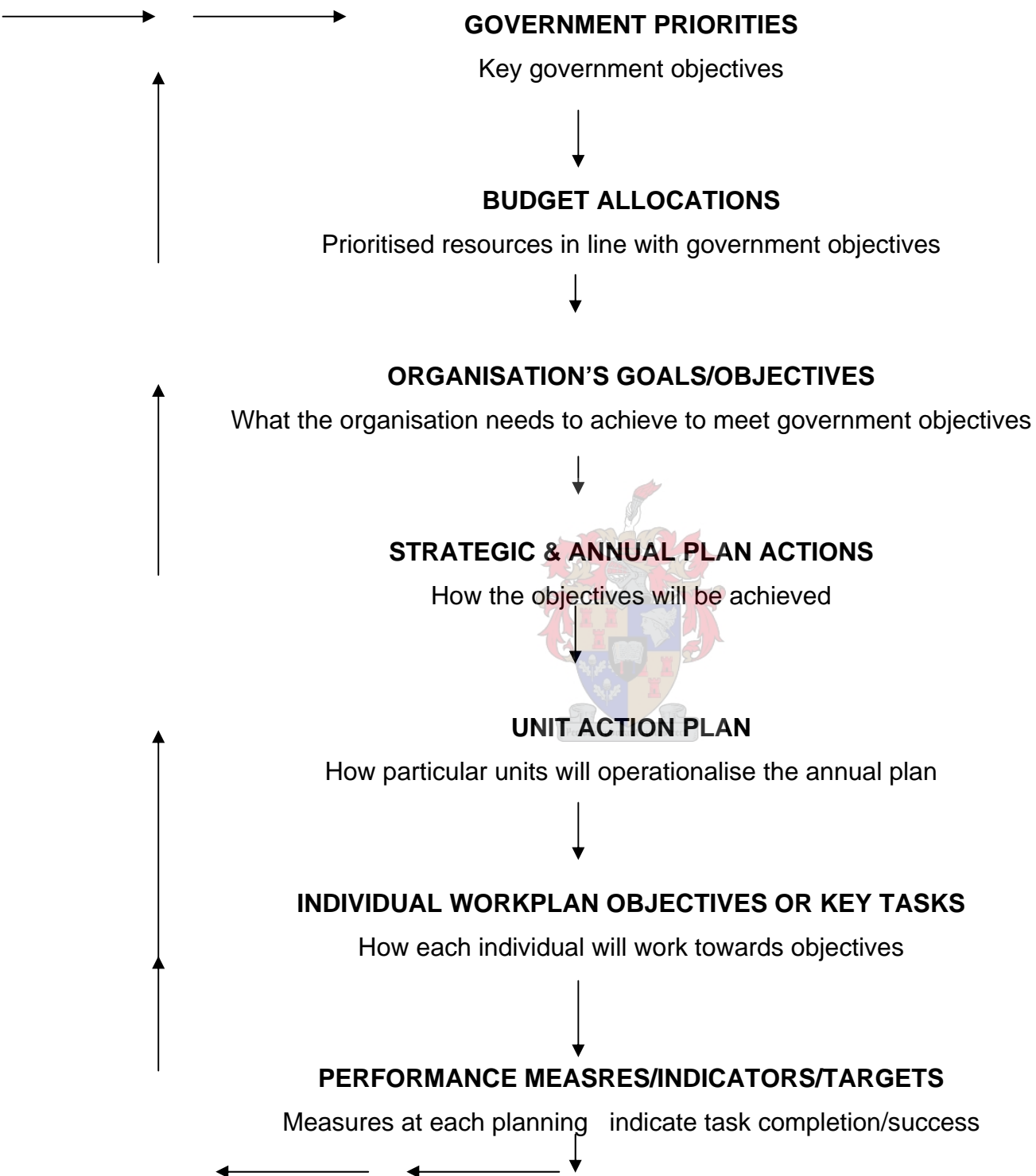
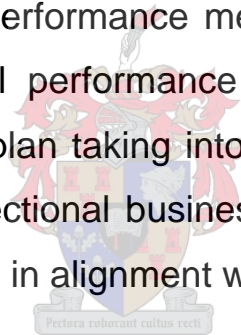


Figure 2.5: Achieving through people

Source: Jorm, Hunt and Manning, (1996: 56).

Role and goal definition and the setting of objectives and priorities for the whole government and individual ministries, departments or other public service organisations set the scene for performance management. Ideally, this occurs within a framework of corporate or strategic planning, which involves development of a vision for the organisation and the public statement about the organisation's role and goals. This is followed by an identification of the best options or strategies to achieve goals and these are translated into a strategic plan for the organisation.

Government priorities are then considered and budgetary allocations are made. Annual business plans for each division, linked to the budget cycle, flow from the strategic plan. Performance measures are then developed for the business plans. Individual performance management agreements are developed from the business plan taking into consideration the performance measures in the division or sectional business plan. Individual objectives or performance outputs should be in alignment with those in the strategic plan.



The DPSA proposes that formal assessments should be done on a quarterly basis, with the final assessment at the end of the financial year. The fifth and last assessment is done by a moderating committee that is headed by the head of the division or section for recommendation on merit bonuses as well as performance consistency.

From the DPSA framework DWAF came with its own guideline to management and other employees through its "Policy on Performance Management and Development system, (2001). The policy guidelines give a clear frame work on how performance management should be implemented in the DWAF. Figure 2.6 gives a schematic DWAF performance management

system in relation to its vision, mission and strategic planning process, leading to individual work plans as well as the rating to be used in appraisals.

The balanced score card is one of the tools used for performance management. According to Harrison and Goulding (1997:183) there are numerous ways of measuring performance although, generally, methods are described as comparative or non-comparative. The former compares one individual's performance with that of others, while the latter looks at each employee's performance individually, comparing their ability or productivity against previously defined targets. The method of comparing individual performance with others is very difficult to implement where non-productive employees are involved.

The most widely used way of comparing individuals is by using rating scales. The actual measurement or grading system used to rate employee's performance needs to be designed carefully. A performance appraisal system which ranks employees according to a numerical rating tends to lead to a great deal of average performers. For example, if a scale of 1-5 is used, five being excellent and 1 poor, a substantial number of employees will be rated average.

While this may reflect their actual performance, few people take gratification in being called average. An organisation in this situation tends to breed mediocre performance even from its outstanding performers. A possible solution to the average rating problem is to have an even scale, for example 1-4 or not have a numerical rating.

The rating used by the DWAF is the one using the 1-5 scale. It is as follows:

- 5 = Excellent Performance
- 4 = Good/Above average
- 3 = Average

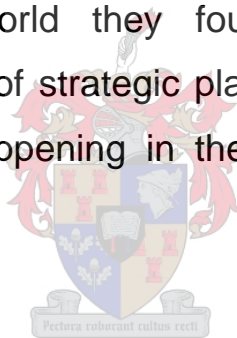
➤2 = Below Average

➤1 = Poor (as shown on figure 3)

The problem with a 1-5 scale is that managers tend to score every on as average to hide their own inadequate knowledge and skill in performing appraisals.

2.4 Balanced Scorecard as a Performance Management Tool

The Balanced Scorecard in performance management was introduced by Kaplan and Norton, (1996: 106) as a tool to assist managers in balancing the achievement of organisations objectives equitably. After researching organisations around the world they found out that although many organisations were doing lots of strategic planning, they were still unable to effectively align what was happening in the organisation with that overall strategy.



They identified 4 barriers to implementing strategy:

- strategy is not understood by those who must implement it
- personal goals, incentives and competencies are not linked to strategy
- budgeting process is separated from strategic planning and
- management systems are designed for operational control and little time is spent on strategy

They found out that successful organisations had overcome these barriers.

Those organisations, in addition to financial outcomes, which only tells us about what happened in the past, focused on the broad categories of customers, processes and people when determining their business strategies. Kaplan and Norton called these 4 broad categories “performance

dimensions". The purpose of a balanced scorecard according to Kaplan as cited in de Waal, (2003:84) is that it links the vision and strategy to employees' every day actions by translating the abstract strategy into clear priorities and initiatives and relating these to clear tangible strategic outcomes the organisation and its employees have to strive for. These outcomes include satisfied shareholders, delighted customers, efficient and effective processes and a motivated workforce. In this way, the Balanced scorecard makes strategy everyone's responsibility. Implementation of the Balanced Scorecard is at strategic as well as on individual performance management level and pervades the entire organisation. The scorecard can be used by profit as well as non-profit making organisations. State departments are also using it with minor adjustment to suit their operating environment. In the public service the same dimensions are dealt with except that shareholder wealth is replaced by satisfied public members and profits replaced by financial responsibility towards the public. Customers as a dimension is also replaced by stakeholders in the public service Balanced Scorecard. Individual work plans can also be implemented using the four dimensions for balancing all the important perspectives of their function towards achieving personal and organisational objectives.

The Forestry Strategy Tree

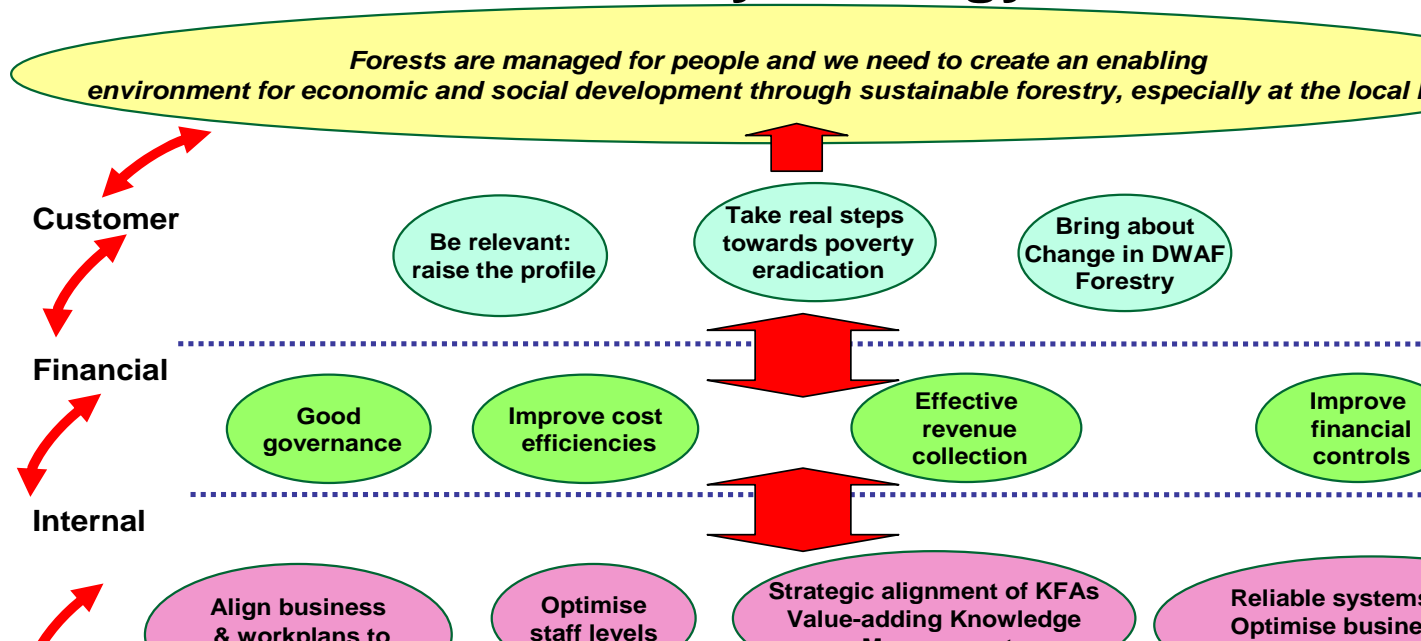


Figure 2.6: Forestry Balanced Scorecard
Source: Forestry Scorecard Toolkit, 2004

2.2.5 Performance Incentives

Most any performance management systems attempt to relate pay to performance. However, this link is often unsatisfactorily established and even less often maintained to the satisfaction of employees and supervisors or organisations. Some Many organisations discovered that in order to stay competitive, it is important that this linkage be strengthened and maintained. When pay is not directly related to performance, it is possible that employees will discount the performance management process.

The issue of a performance-based reward and recognition has long been a contentious one in the public service. Others Many have considered performance reward only in the context of performance pay. There is a question of whether performance pay creates an overly competitive environment. Others also maintain that it is feedback and recognition that motivates employees rather than money. Other factors, such as motivation, skill, knowledge and ability, equally affect performance.

However, financial and other rewards for excellent performance should not be discarded written off as they are widely used in the publicPublic serviceService. Griffin (1987:208) states that pay should be contingent on performance, so that improved performance leads to higher pay. He also states that a merit system does not automatically improve performance and that for the merit system to be effective, employees must believe that their performance will be fairly and accurately evaluated. The difference in pay for difference in performance should also be sizeable.

Other systems used are performance bonuses whereby executive's' bonuses of up to 50 percent and more of their base annuyearly salary may be offered for good individual and corporate performance. Sales people may be paid commission on sales performance and production workers may be placed on incentives of piece rate systems. Group incentives pay employees on the basis of work-group productivity rather than individual productivity. Profit sharing returns a percentage of the whole organisation's profit to each employee and is mainly used by profit making organisations, Myland (1992:71)..

These are the good practise performance management incentives used in the private sector and public managers may well ight learn to adapt some of them to suit their conditions. The South African publicPublic serviceService is using the merit system of bonuses as well as leg promotions to reward good performance. The Public Service Regulations, (2004) Ssection F as amended, stipulates the following in terms of incentives for good performance:

“F.1 If the departmental budget and the medium-term expenditure framework provide adequate funds, a head of department may establish

a financial incentive scheme for employees or any category of those employees.

F.2 To establish a departmental financial incentive scheme, a head of departmentthe department shall-

- (a) In writing determine the nature, rules and control measures of the scheme in advance
- (b) Communicate the nature and rules of the scheme equitably to all employees; and
- (c) Ensure that all employees who implement the quality and quantity control measures of schemes are not entrusted with implementation of that scheme in relation to themselves”.

The DWAF formulated came up with guidelines on rewards for high performers in a Personnel Circular No. 25 of 2001.

Table 3.7 gives a breakdown of rewards as stated in the circular:

REWARDS/INCENTIVES		
DEPUTY DIRECTOR’S & BELOW		
Categories	Total score for KPA/Ss	Cash Bonus
Excellent	85% & Above	18%
Good	80% – 84%	12%
Above average	75% - 79%	8%
SENIOR MANAGEMENT SERVICES		
Categories	Total score for KPA’s	Cash Bonus
Excellent	85% & Above	8%
Good	75% - 84%	5%
Better than satisfactorily	70% - 74%	3%

Table 2.2.57: Rewarding High Performers - Annual Assessment

Source: DWAF Circular No. 25 of 2001

The table above gives managers and employees a good guideline on how the implementation of performance management incentives should be carried out. The percentage cash bonus is calculated between from 8 and-18 percent, that is from Deputy Director downwards, of the employee's basics salary and from 3 to- 8 percent for the senior management services, which is level 13 and upwards.

2.2.6 Corrective Measures for Poor Performance

Performance management includes other activities in the management umbrella, including like corrective actions that mayight be implemented in the development of non-performers. Training and re-skilling of non-performers is of the outmost importance. Disciplinary procedures are another performance management tool used. This should be used as a last resort after all attempts at developing an employee have failed. The same way that managers have recourse to poor performers through the disciplinary procedure, employees also have the same opportunity through the grievance procedure if management is not treating them well.

The DWAF performance management guideline states the following as a means of dealing with poor performance:

(a) Permanent employees

- *corrective measures should be taken against employees found not to be gainfully employed during annual assessmentnt;*
- *the employer (supervisor/manager) may proceed to invoke incapacity procedures in terms of Labour Relations Act should there be no improvement in performance;*

- *as a general rule, dismissal could be considered after all the necessary means have been exhausted;*

(b) Employees on probation

- *extension of probation period;*
- *support in terms of capacity building,; and*
- *where the above does not result in improved performance, the probationer could be discharged accordingly.*

Capacity building, development, counselling and training of the employee will have to be considered first before formal disciplinary steps that may lead to dismissal are considered.

The Performance Management Handbook, (2000) produced by the DPSA supports this point of view by stating that “the key to a developmentally-oriented performance management and development system is that its overall approach to inadequate performance is to promote improvements through feedback, learning and support rather than final judgement, sanctions or punishment”. The Public Service Regulation, (2004) part VIII, section E as amended, states the following in managing unsatisfactory performance: “In the case of unsatisfactory performance, an executing authority shall -

- (a) *“Provide systematic remedial or development support to assist the employee to improve her or his performance*
- (b) *If the performance is so unsatisfactory as to be poor and desired improvement cannot be effected, consider steps to discharge the individual for unfitness or incapacity to carry out her or his duties”.*

2.2.7 Training in Performance Management

A major aspect of developing an effective performance management system is training for those individuals involved as assessors or manager. This training should start, with a focus on providing the managers with a systematic approach to the practice of effective people management (Goff and Longenrcker ??? as cited in Boice and Kleiner, 1997: 176). This training needs to focus on the process of managing, motivating and evaluating employee performance. PAgain, performance appraisal is only a part of the overall process and it is important for managers to understand it within its wider context and not as a simple “quick fix” solution.

Training should start with those levels of management that will be involved in administering the programme. These managers can then provide training to the lower level supervisors. Once these senior managers have “bought into” the system, skills training are needed for junior managers and supervisors. Once an individual assessor or manager has been through the necessary training, periodic refresher courses will be required, to help the manager or assessor maintain the necessary skills in performance assessment (Bruns, 1992: 93)

23.8 Conclusions

This chapter reviewed looked firstly at Government policy that is guiding performance management and it then discussed the theory that is guiding performance management in general and thereafter the implementation. The chapter discussed issues relating to understanding of performance

management, definitions of performance management, performance management cycle, the relationship between performance management and strategic planning, the balanced score card, appraisals incentives, corrective measures for poor performance, training and measuring of performance management.

The policy framework that guides performance management in the publicPublic serviceService in South Africa is very clear in as far as treating the PMS as a holistic management function. It separates performance management from appraisal as the former is considered part of the latter. Some managers make a mistake of confusing the two. The framework revolves around several policy documents as well as pieces of legislation that isare very important in understanding the PMS. The publicPublic serviceService main objective is service delivery to the tax payers in a country. This framework strives to make sure that the objective is achieved through the use of human resources employed in the publicPublic serviceService employment. Best practices, in terms of performance management, can be derived from the considerable vast amount of research already done in this field. in many parts of the world. The literature review proved that this system is being successfully applied in many countries' in the public services. Most researchers and management consultants, as well as managers and employees themselves, are aware of the benefit of the performance management system if implemented adequately. The Balanced Scorecard has been implemented successfully in many organisations in the private sector as well as the publicPublic serviceService, but unfortunately there is not enough literature in South Africa supporting this notion in the publicPublic serviceService.

South Africa as a new democracy can learn a great deal lot from the best practices in the world, including the developing countries likesuch as Taiwan, Singapore and Malaysia, where productivity and service delivery are increasing and having an positive influence on the economic growth at large. In doing so, government has to take into consideration the unemployment rate ravaging the country at the moment and instead of economic growth as the main focus, creating employment should dominate its policy in dealing with the economy.

The next chapter will scrutiniseloook at performance management within the Publiuc Service, and government in particular the DWAF hHead oOffice. An analysis of the way the system is implemented will be done against the guidelines of good practisce. The incentives and corrective measures as pertaining to performance, with in the Public Sector government will be explained and analysed, particularly how this is implemented within DWAF. The question whether quarterly and annual reviews of performance are done on timeously, as well as the question of the manner in which this is done, will be investigated.

3CHAPTER 3.

Case StudyASE STUDY – Individual Performance Management withiin DWAF

3.1 Introduction

A Performance Management System was developed by the Department of Public Service and Administration, for all public service entities. Even some of the State owned entities are implementing the same system with minor adjustments to suit their own circumstances. A PMS should be considered within the broader responsibilities of management, – and to a large extent all employees, – in achieving strategic objectives and to make sure that the reasons for the establishment and existence of the organisation are realised. It needs to be regarded holistically from a strategic point of view.

This chapter aims to present a case study on the implementation of performance management in DWAF.

3.2. Strategic Planning in DWAF

The Department: Water Affairs and Forestry wants to be seen as a Department that provides “Some for all forever”. This is the Department’s slogan and it is captured strategically in its vision, mission, values and strategic plan. The vision of the Department is captured in the following statement (Forestry Balanced Score Card Toolkit, 2004:69).

- *“a democratic people centred nation working towards human rights, social justice, equality and prosperity of all;*
- *a society in which all our people enjoy the benefits of clean water and hygienic sanitation services;*
- *water used carefully and productively for economic activities, promote the growth, development and prosperity of the nation;*
- *a land in which our natural forests and plantations are managed in the best interests of all;*

- *people who understand and protect our natural resources to make them ecologically stable and safeguard them for current and future generations;*
- *a Department that serves the public loyally, meets its responsibilities with energy and compassion and acts as a link in the chain of integrated and environmentally sustainable development; and*
- *development and co-operation throughout our region; of playing our part in the African Renaissance.”*

This is a statement of the best possible future of the Department and it is followed by the mission, which is the statement of purpose for the Department. The Department's mission is to serve the people of R.S.A. by:

- *“Conserving, managing and developing our water resources and forests in a scientific and environmentally sustainable manner in order to meet the social and economic needs of South Africa sustainably;*
- *Ensuring that water services are provided to all South Africans in an efficient, cost-effective and sustainable way;*
- *Managing and sustaining our forests, using the best scientific practice in a participatory and sustainable manner;*
- *Educating the people of South Africa on ways to manage, conserve and sustain our water and forest resources;*
- *Co-operating with all spheres of Government, in order to achieve the best and most integrated development in our country and region; and*
- *Creating the best possible opportunities for employment, the eradication of poverty and the promotion of equality, social development and democratic governance “(DWAF Strategic Plan, 2004/5 – 2006/7).*

It is then followed by the Department's priorities in term of objectives and goals. This is the level where individual performance agreements should be aligned for the achievements of these goals as a collective of individuals in the Department. Budget allocations, departmental goals, strategic plans as

well as business plans for the different business units follows. Individual performance agreements function work within this systematic cycle and have to support organisational goals and objectives in a sustainable and collective manner. See figure 3.2 below for an illustration of this relationship.

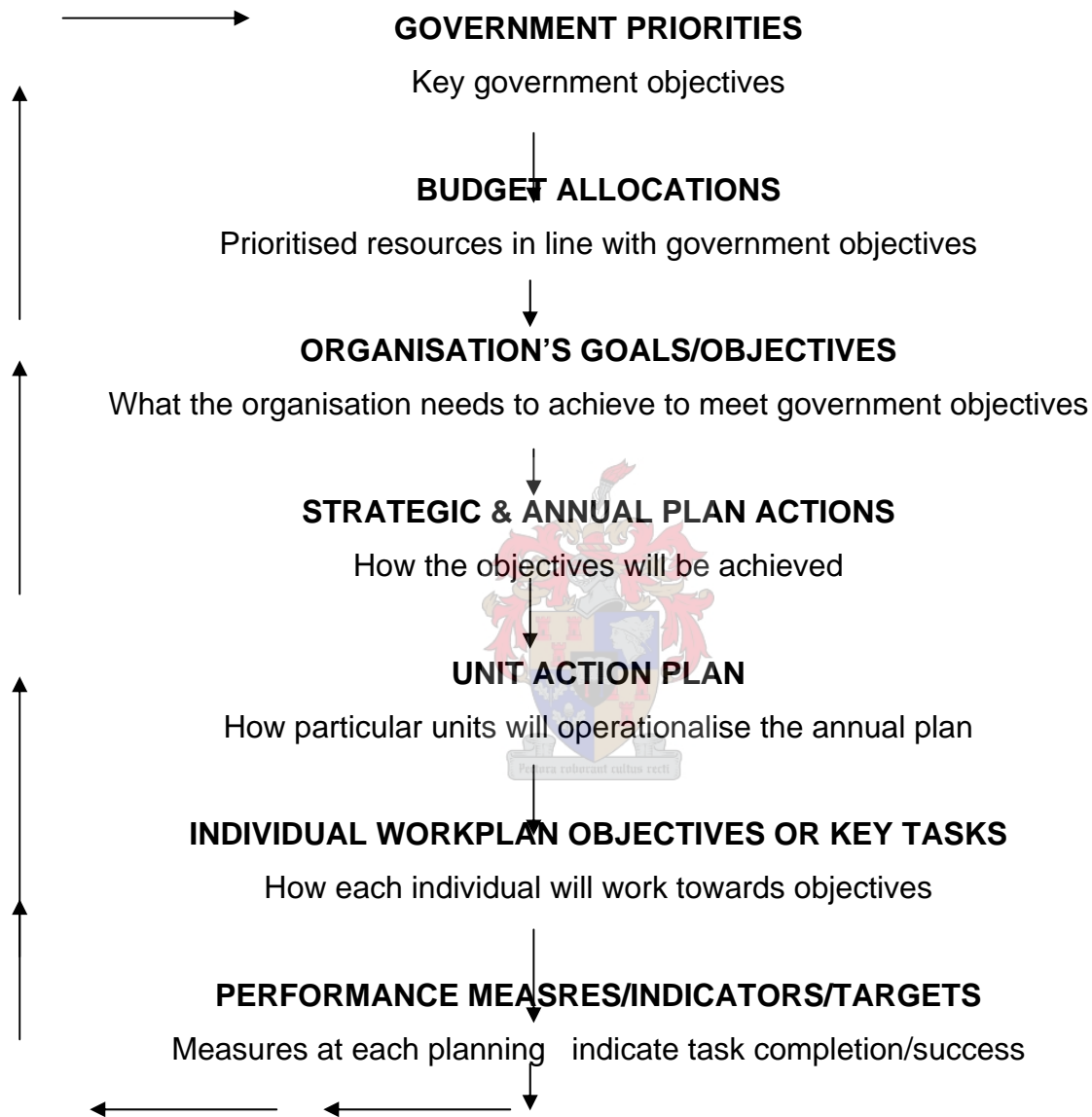


Figure 3.2: Achieving through people

Source: Jorm, Hunt and Manning, (1996: 56)

Role and goal definition and the setting of objectives and priorities for the whole government and individual ministries, departments or other public service organisations set the scene for performance management. Ideally, this occurs within a framework of corporate or strategic planning, which involves development of a vision for the organisation and the

public statement about the organisation's role and goals. This is followed by an identification of the best options or strategies to achieve goals and these are translated into a strategic plan for the organisation.

Government priorities are then considered and budgetary allocations are made. Annual business plans for each division, linked to the budget cycle, flow from the strategic plan. Performance measures are then developed for the business plans. Individual performance management agreements are developed from the business plan taking into consideration the performance measures in the division or sectional business plan. Individual objectives or performance outputs should be in alignment with those in the strategic plan. "(DWAF Strategic Plan, 2004/5 – 2006/7).

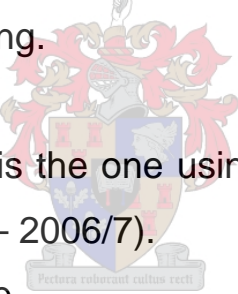
The DPSA proposes that formal assessments should be done on a quarterly basis, with the final assessment at the end of the financial year. The fifth and last assessment is done by a moderating committee that is headed by the head of the division or section for recommendation on merit bonuses as well as performance consistency.

The balanced score card is one of the tools used for performance management. According to Harrison and Goulding (1997:183) there are numerous ways of measuring performance although, generally, methods are described as comparative or non-comparative. The former compares one individual's performance with that of others, while the latter looks at each employee's performance individually, comparing their ability or productivity against previously defined targets. The method of comparing individual performance with others is very difficult to implement where non-productive employees are involved.

The most widely used way of comparing individuals is by using rating scales. The actual measurement or grading system used to rate employee's performance needs to be designed carefully. A performance appraisal system which ranks employees according to a numerical rating tends to lead to a great deal of average performers. For example, if a scale of 1-5 is used, five being excellent and 1 poor, a substantial number of employees will be rated average.

While this may reflect their actual performance, few people take gratification in being called average. An organisation in this situation tends to breed mediocre performance even from its outstanding performers. A possible solution to the average rating problem is to have an even scale, for example 1-4 or not have a numerical rating.

The rating used by the DWAF is the one using the 1-5 scale. It is as follows (DWAF Strategic Plan, 2004/5 – 2006/7).

- 
- 5 = Excellent Performance
 - 4 = Good/Above average
 - 3 = Average
 - 2 = Below Average
 - 1 = Poor

The problem with a 1-5 scale is that managers tend to score every one as average to hide their own inadequate knowledge and skill in performing appraisals.

3.3 Balanced Scorecard as a Performance Management Tool

The Balanced Scorecard in performance management was introduced by Kaplan and Norton, (1996: 106) as a tool to assist managers in balancing the achievement of organisations objectives equitably. After researching

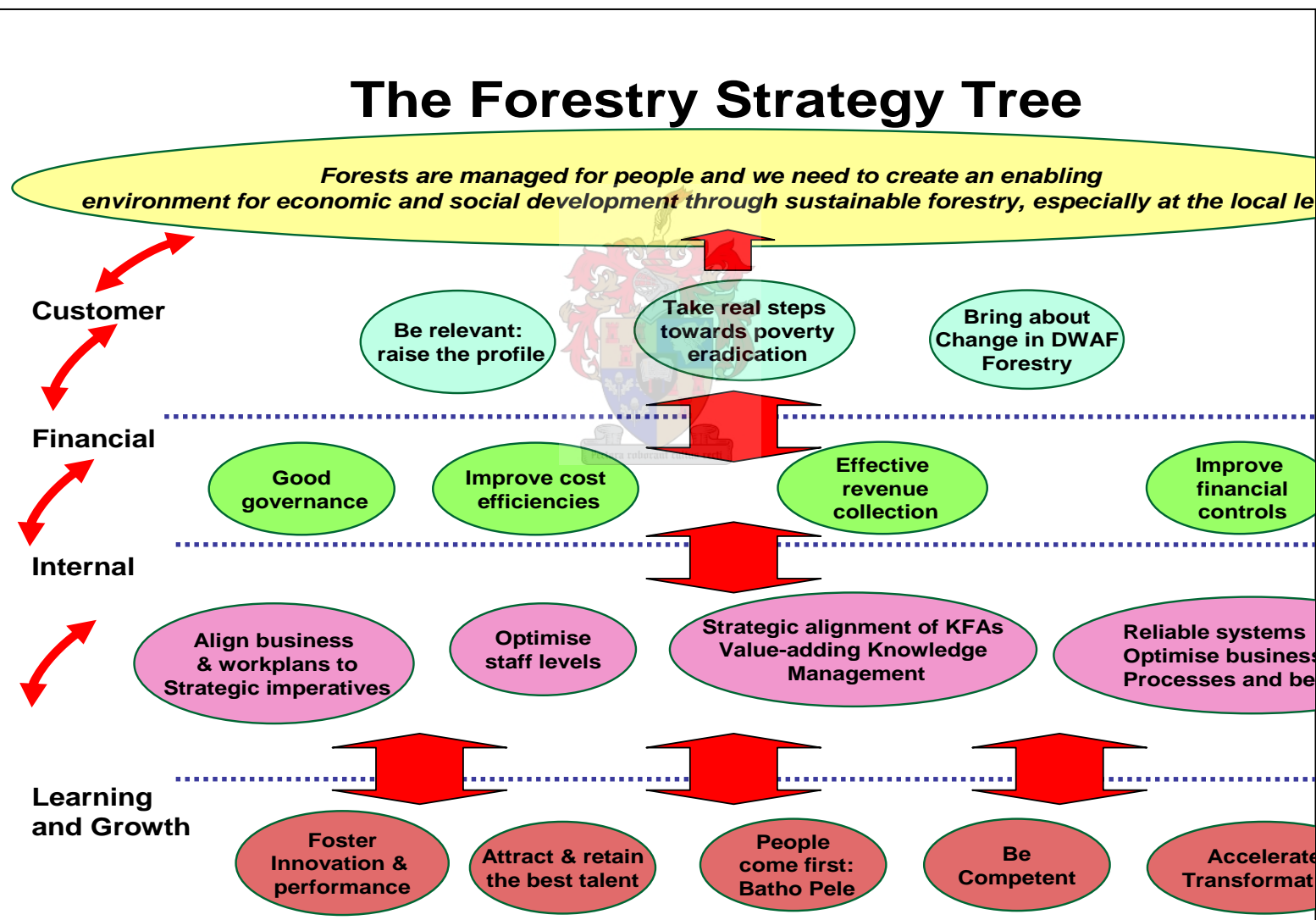
organisations around the world they found out that although many organisations were doing lots of strategic planning, they were still unable to effectively align what was happening in the organisation with that overall strategy. They identified 4 barriers to implementing strategy:

- strategy is not understood by those who must implement it;
- personal goals, incentives and competencies are not linked to strategy;
- budgeting process is separated from strategic planning; and
- management systems are designed for operational control and little time is spent on strategy.

They found out that successful organisations had overcome these barriers. Those organisations, in addition to financial outcomes, which only tells us about what happened in the past, focused on the broad categories of customers, processes and people when determining their business strategies. Kaplan and Norton (1996: 56) called these 4 broad categories “performance dimensions”. The purpose of a balanced scorecard according to Kaplan as cited in de Waal, (2003:84) is that it links the vision and strategy to employees’ every day actions by translating the abstract strategy into clear priorities and initiatives and relating these to clear tangible strategic outcomes the organisation and its employees have to strive for. These outcomes include satisfied shareholders, delighted customers, efficient and effective processes and a motivated workforce. In this way, the Balanced scorecard makes strategy everyone’s responsibility. Implementation of the Balanced Scorecard is at strategic as well as on individual performance management level and pervades the entire organisation. The scorecard can be used by profit as well as non-profit making organisations. State departments are also using it with minor adjustment to suit their operating environment. In the public service the same dimensions are dealt with except that shareholder wealth is replaced by satisfied public members and profits

replaced by financial responsibility towards the public. Customers as a dimension is also replaced by stakeholders in the publicPublic serviceService Balanced Scorecard. Individual work plans can also be implemented using the four dimensions for balancing all the important perspectives of their function towards achieving personal and organisational objectives.

Figure 3.3: Forestry Balanced Score Card (Source: Forestry Scorecard Toolkit, 2004:72)



The DWAF system is based upon three different levels in the publicPublic serviceService. There is the Senior Management System, used within the

senior management level which is from level 13 -16. This is from Director level (13) to Director-General level (16). There is the Middle Management System covering level 11 to 12 which is mostly for Deputy Directors and Professionals. The last level covers level 1 to 10, which includes lower level workers , such as cleaners (level 1) and Assistant Directors (level 9 & 10).(Source: Forestry Tool Kit: 2004:70).

All employees in the employment of DWAF have to have one or other of the performance management tools mentioned above. This is to encourage that all employees' performance either on a senior manager's level or a cleaner's level should be reviewedmanaged. These employees should be developed and rewarded accordingly for their efforts.

It is the publicPublic serviceService long term plan to have all employees on performance management contracts in the future. This is done in the spirit of service delivery as well as "right sizing" the publicPublic serviceService which is bloated at the lower level while there is a shortage of skilled senior managers as well as professionals.

3.51.2 Senior Management System (SMS)

Most senior managers are on performance contracts varying from 3 – 5 years. This category of managers sign performance contracts/agreements on an annual basis, and their continued employment depends entirely on their performance and can be terminated if performance is not satisfactory.

This system of employment has its advantage as well as disadvantages. Some of the advantages show that managers are employed, if their performance is satisfactory and if they fail to perform their contracts are

terminated. The flexible all inclusive salary packages is an endeavour by the publicPublic serviceService to bring these managers salary packages in par with their colleagues on the same level in the private sector. “(DWAF Strategic Plan, 2004/5 – 2006/7).

The disadvantage is that managers feel insecure in their jobs and start looking for work before the end of their contract not knowing if their contracts will be renewed after expiry. This system is actually working against the skill retention objective of government, due to the scarcity of skills at management levels within the publicPublic serviceService.

3.61.3 Middle Management System (MMS)

The Department of Public Service and Administration has introduced from 1 July 2005, a new inclusive flexible remuneration package system for employees on salary level 11 and 12. This system is called the Middle Management System (MMS) and its purpose is to allow individual employees to structure their salary package according to their needs, based on a predetermined criterion similar to the one used for the SMS.

This system is new in government and has only been implemented from July 2005. The difference of the performance awards/bonuses payable in terms of departmental performance schemes is that awards/bonuses are now limited to 14% of the MMS members total package, as opposed to the maximum limit of 18% awarded in the previous dispensation. “(DWAF Strategic Plan, 2004/5 – 2006/7).

Here is an attempt by the publicPublic serviceService to give all workers a flexible remuneration, which is implemented to bring employees in the publicPublic serviceService on par with those in the private sector, and for individual employees to structure their salary packages on their own level of choice.

3.7 1.4 Work Plan System

Employees on level 1 -10 use a work plan as a tool for managing performance and development. The design of the work plan is mostly the same as a performance agreement, except that the former is more focused on activities, while the latter focuses on leadership and management outputs. Both are aligned to the strategic and business plan, as well as the service delivery imperatives of the department.(DWAF Strategic Plan, 2004/5 – 2006/7).



3.82 Alignment with Strategic Plan

On an annual basis the management committee (MANCO), which is the highest governing body within the department, have its own strategic planning sessions, preparing themselves for the next financial year as well as the Medium Term Expenditure Framework (MTEF) period, which was three years in the past and recently extended to five years. The strategic plan covers this planning period and finances are allocated by Treasury (Department of Finance) based on these plans.

The different divisions within the department also have their strategic planning sessions to unpack what MANCO has agreed upon into strategic objectives and outputs for the medium term. This process will go into details

on how these strategic objectives and outputs are achieved. This will culminate in Key Performance Indicators (KPI), Key Success Factors (KSF) and activities with their budgets. The activities are then allocated to different sections within the division.

The performance agreements of the heads of these sections will then cover the strategic objectives, outputs and activities in detail, which will then inform all performance agreements as well as work plans of employees in all sections of each division (DWAF Strategic Plan: Multi-year 2004/5-2006/7). .

3.93 Quarterly and Annual Assessments

The PMDS cycle starts from April of each year and ends in March of the following year. This is in line with the public service financial year, which means that performance management agreements and work plans need to be prepared, agreed upon and signed at the beginning of April every year for the coming financial year. The first and last assessments are as follows:

- *June – 1st quarterly assessment*
- *September – 2nd quarterly assessment*
- *December – 3rd quarterly assessment*
- *April of the following year – 4th and annual assessment. (DWAF Strategic Plan: Multi-year 2004/5-2006/7).*

The normal process is for the incumbent to prepare his/her performance agreement/work plan and submit it to the immediate supervisor for discussion, additions and corrections as well as subsequent agreement based on the incumbent job description, as well as the section

strategic/business plan. A five point scale is used for scoring individual performance and the rating is as follows:

- 5 = Excellent Performance;
- 4 = Good/Above average;
- 3 = Average;
- 2 = Below Average; and
- 1 = Poor. (as shown on Table 4.1)

The rating should be agreed upon by the manager and the incumbent on a quarterly basis and if there are any deviations from the agreed standards, corrective actions should be instituted to rectify it. Individuals have recourse in appealing the decision of the manager or the moderating committee. An independent panel will listen to both parties argument, and then make final decision on the assessment results.



The department is using Key Performance Areas (KPA's) within its strategic plan followed by strategic outputs. The strategic plan is a five year plan and need to be updated on a continuous basis for alignment, with changes and budgetary imperatives.

Proper and achievable mile-stones for outputs and their activities need to be agreed upon based on available resources, financial as well as human and capital, which is cascaded to the performance agreements and work plans. Performance agreements and work plans are living documents that needs to be updated on a continuous basis depending on the circumstances taking

place within the Department's, which could be changes in delivery focus or budgetary constraints .(DWAF Strategic Plan: Multi-year 2004/5-2006/7).

3.104 Performance Incentives

One of the aims of assessment is to identify individuals who should be given incentives. The incentive scheme for good performance is different for the two different levels, that of Deputy Director and below levels and the Senior Management Service schemes (Forestry Balanced Score Card Tool Kit: 2004:49).

3.104.1 Deputy Director and Below Levels

The DPSA proposes that formal assessments should be done on a quarterly basis with the final assessment at the end of the financial year. The fifth and last assessment is done by a moderating committee that is headed by the head of the division or section for recommendation on merit bonuses as well as consistency.

The Policy on Performance Management and Development System (2001:253) of the DWAF stipulates the following incentives:

- Awarding of next higher salary within the salary range of the employee; or
- A non-pensionable cash bonus not exceeding 18% (for an A category merit award) or 10% (for a category B merit award) of an employee's pensionable annual salary (Deputy Director and below) or

- A structured exposure or non-monetary award (this should be done in writing and in a transparent manner possible)
- Granting of rewards will be done in line with Public Service Coordinating Bargaining Council (PSCBC) Resolutions and DPSA guidelines (with the latter subject to PSCBC agreements).

This policy It states that incentives should only be considered if the employee has given sustained above average or excellent performance for a period of at least 12 months.

The table 3.105.1 and table 3.105.2 below provides give a comprehensive guideline to managers and employees on how the implementation of performance management incentives should be rated and awarded. The percentage cash bonus is calculated from 8-18 percent, that is Deputy Director downwards, of the employee's basic salary and from 3-8 percent for the senior management services, which is salary level 13 and upwards. A budget of 1.5% of the Departments salary bill is allocated for the purpose of performance bonuses.

The new MMS incentive system that is mentioned above in terms of bonuses/awards, will bring in changes only, with the maximum limit on bonuses to 14% instead of the 18% previously implemented. This will only affect salary levels 11 and 12. The policy of setting aside 1.5% of the salary bill for bonuses has its own problems, for example in. In some cases the total bonus to be awarded to employees per annum is more than this percentage and the individual bonuses are then reduced to fall within the stipulated amounts. This is a very serious problem for those employees that are trying their best to perform and at the time of being rewarded for their efforts find that they can not receive the maximum bonuses due to them. It actually de-

motivates high performers (Source: DWAF Policy on Performance Management and Development: 2001:68) .

Table 3.104.1: Performance management Rating Score Table:

SCORE	DESCRIPTION	GUIDELINES
1	Unacceptable performance	Objective and/tasks are hardly ever met. Unacceptable level of performance which is far below the minimum requirements of the job. No or little attempt to achieve objective/tasks and avoid taking responsibility. Failure to improve or uplift performance despite attempts to rectify any shortfalls and corrective measures thereof. Not capable or willing to work without close supervision
2	Poor performance	Objectives and/tasks are seldom met. Unacceptable level of performance and below the minimum requirements of the job. Little attempt to achieve objectives and/ or tasks and avoid taking responsibility. Attempts to rectify shortfalls and application of corrective measures have bone little but insufficient improved performance. Seldom able or willing to work without close supervision
3	Good/Average performance	Objectives and/ or tasks mostly met. Acceptable level of performance and fully meets the requirements of the job. Always willing to take responsibility.
4	Above average performance	Objectives and/or tasks always met. Performance exceeds standards expected or set. Level of performance beyond the requirement of the job. Readily accepts responsibility. Self-assured and motivated.

5	Excellent performance	Performance exceeds standards by far expectations i.t.o. the main objectives and/or tasks. Distinguished/exceptional level of performance, significantly beyond the requirements of the job. Highly self-assured, committed, motivated and diligent.
---	-----------------------	---

(Source: DWAF Policy on Performance Management and Development: 2001:108)

Table 3.4.2: Framework for linking incentive rewards to the PMS (i.e. Work plans) for employees on level 1 – 12:

PERCENTAGE	INCENTIVE REWARDS (Fourth Quarterly Assessment)
85% or higher	<ul style="list-style-type: none"> ➤ Probation confirmed (for employees on probation) ➤ A cash bonus/merit award calculated at 18% of the employee's basic salary (i.e. in terms of paragraph 17 of the DPSA's letter 1/7/1/4/1) ➤ Progression to the next notch on the salary level in terms of the DPSA's letter 1/7/1/4/1) ➤ Additional training/access to development opportunities
80% - 84%	<ul style="list-style-type: none"> ➤ Probation confirmed (for employees on probation) ➤ A cash bonus/merit award calculated at 12% the employee's basic salary (same as above) ➤ Progression to the next notch on the salary level in terms of the DPSA letter 1/7/1/4/1 ➤ Additional training/access to development opportunities
75% - 79%	<ul style="list-style-type: none"> ➤ Probation confirmed (for employees on probation) ➤ A cash bonus/merit award calculated at 8% of the employee's basic salary (same as above) ➤ Progression to the next notch on the salary level in terms of DPSA letter 1/7/1/4/1 ➤ Access to development opportunities to improve

	<p>results in areas of less than excellent performance.</p>
65% - 74%	<ul style="list-style-type: none"> ➤ Probation confirmed (for employees on probation) ➤ Employee only benefit from progression to the next salary notch in terms of the DPSA letter 1/7/1/4/1 ➤ Access to development opportunities to improve results in areas of less than excellent performance.
50% - 64%	<ul style="list-style-type: none"> ➤ Probation confirmed, or in exceptional cases, probation period extended. ➤ Performance improvement measures agreed and responsibility for remedial action identified. ➤ Agreed programme for supporting and monitoring performance improvements. ➤ If permanent, performance is satisfactory bt employee needs further development.
49% and less	<ul style="list-style-type: none"> ➤ Probation extended or employment terminated (after prescribed incapacity procedures have been followed) N.B: Work plans or performance agreements cannot be used as a means of dismissal but can serve as evidence thereof. ➤ Provide radical training/development programme and if this is not fruitful, ➤ Consider alternative placement, counselling or disciplinary measures. ➤ If permanent, indicate if the employee is gainfully or not gainfully employed. If not gainfully employed, invoke incapacity procedures. ➤ N.B: The system should not be used as a whipping tool by supervisors or managers. An attempt should be made to support development of employees without being punitive.

(Source: DWAF Policy on Performance Management and Development: 2001:68)

3.104.2 Senior Management Service (SMS)

All members of the Senior Management System (SMS), that is level 13- 16, are eligible to be considered for performance related pay increases (package progression) on a biennial (once every two years) provided that their performance is evaluated to be fully effective (total score of 65% or higher). Those with significantly above expectations score; 80% or higher, annually qualify for performance rewards. (Source: DWAF Policy on Performance Management and Development: 2001:108)



Performance rewards may only be granted to SMS members who have completed an assessment period of at least 12 months over a period commencing from 1 April of a particular year and ending on 31 March of the following year. This will take place provided the SMS member remained on the same level for the duration of the said period. Moreover, departments may not spend more than 1.5% of their total annual SMS remuneration budget (i.e. the budget for the all inclusive flexible remuneration packages of all their SMS members) on performance rewards for the SMS.

Should a situation occur where the budgeted amount, that is the 1.5% of the SMS remuneration budget), for cash bonuses prove to be insufficient to award the maximum of 5% and 8% to deserving members, the department will have to manage the situation by scaling down the applicable percentage

to be granted or setting tighter standards for the granting of performance rewards (DWAF SMS Handbook: 2003: 23)..

Pay progression is an upward progression in remuneration from a lower to a higher remuneration package. This is affected by way of progression within the same remuneration band from the lowest to the highest package based on a time schedule of 24 months to a member of the SMS who achieve a total score of 65% and above (DWAF SMS Handbook, 2003: 45).

Work plans for level 1 -12 and Performance agreements for SMS both are assessed on the Key Results Areas (KRA's), but the SMS one has a second component called the Core Management Criteria (CMC). The SMS member must be assessed against both components with a weighting of 80:20 respectively. Each area of assessment will be weighted and will contribute a specific part to the total score, with KRA's covering the main areas of work of the SMS member, that is 80% while CMC accounting for 20% of the member's assessment score.

There are eleven CMS's that an SMS member can use and the purpose of including these in the SMS performance agreement is to contribute to a common understanding of, and set of expectations about, good management practises. The following is a full list of these CMS's:

- strategic capacity and leadership;
- programme and project management;
- financial management;
- change management;
- knowledge management;
- service delivery innovation;
- problem solving and analysis;

- people management and empowerment;
- client orientation and customer focus;
- communication;
- honesty and integrity.

(The Policy on Performance Management and Development System (2001:59 of the DWAF stipulates the following incentives)

It should be noted that not all CMC's are relevant to all SMS members except for the following three that are a minimum requirement for SMS members with management responsibilities:

- financial management
- people management and empowerment
- client orientation and customer focus.

Incentives can be non-financial rewards, which should be discussed and agreed upon with incumbents and policy needs to be drawn to deal with such cases. This should be clear, transparent and fair, or it may actually end up being demotivating to other staff members. (Source: DWAF Policy on Performance Management and Development: 2001:224)

3.104.3 Poor Performance

The DWAF Policy on Performance Management and Development guidelines: 2001:258) states the following as a means of dealing with poor performance:

(a) *Permanent employees: it is the responsibility of every supervisor to deal with poor performance timeously and firmly. In dealing with poor performance, management should take into consideration the following:*

- *setting of clear performance standards;*
- *provision of working facilities and resources;*
- *employee competence to meet performance standards and deliver on expected outputs;*
- *employee's conduct over time and attitude towards work and performance;*
- *counselling/coaching;*
- *training/retraining;*
- *corrective measures should be taken against employees found not to be gainfully employed during annual assessment;*
- *the employer (supervisor/manager) may proceed to invoke incapacity procedures in terms of the Labour Relations Act should there be no improvement in performance;*
- *as a general rule, dismissal could be considered after all the necessary means have been exhausted;.*

It also states that in the event that an employee does not achieve the prescribed performance, despite the assistance provided in terms of the R.S.A. Labour Relations Act, Act 22 of 1995:, the employer may deal with him/ her in accordance with the procedure outlined in Resolution 3 of 1998 of the Public Service Council Bargaining Council resolution No. 13 of 1998:94).PSCBC.

(b) *Employees on probation*

- *extension of probation period/warning in line with relevant disciplinary procedures;*
- *support in terms of capacity building and training;*
- *counselling/coaching; and*

- *where the above does not result in improved performance, the probationer could be discharged accordingly.*

Capacity building, development, counselling and training of the employee will have to be considered first, before formal disciplinary steps that might lead to dismissal are considered.

The Performance Management Handbook, (2000:89) produced by the DPISA supports this point of view by stating that “the key to a developmentally-oriented performance management and development system is that its overall approach to inadequate performance is to promote improvements through feedback, learning and support rather than final judgement, sanctions or punishment”. The performance management bonuses and corrective action was analysed through interviews with Human Resources and Labour Relation managers to checking on how many cases of incapacity have been dealt with, within the Department in the past three years and what were the outcomes. Documents were requested to make sure that this function is carried out well within the Department

3.4.4 EmEmployee Development

Employee development is at the core of any performance management system, especially in service organisations such as government department. This part of the agreement needs to be filled in with the aim and purpose of developing the employee for sustained performance improvement. An effort should be made to find out areas of development in the incumbent’s performance as well as in his/her career path. Once this is done, funds and efforts to make sure that any capacity building and training identified, is carried out and reviewed at quarterly assessments.

5 3.4.5 Dispute Resolution

If the employee is not satisfied with the way his/her performance management is dealt with by a supervisor, he/she has the right to take the matter up with management for a resolution. The PMDS itself is a measure to prevent conflicts when the time for bonuses comes. If the system is properly implemented and regularly reviewed, such conflicts will be avoided.

The policy introduced a Performance Appraisal Review Committee (PARC) to serve as an appeal body within the department, to resolve any disagreements or dissatisfaction with regards to assessment. The grievances as well as the disciplinary policies are also at employees and managers disposal whenever there is a disagreement pertaining to the implementation of the PMDS.

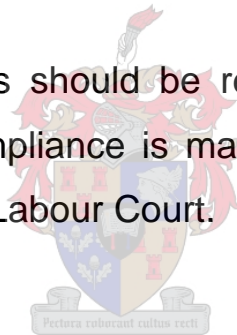
A guideline procedure on Performance Management of the DWAF states the following in terms of dealing with appeals:

1. The DWAF Policy on Performance Management and Development: (2001:247) departmental policy on PMDS (i.e. paragraph 10.13.4) requires that any dissatisfaction arising (as a result of decisions made by the Moderating Committee), should be referred to the appeal body (PARC). As a baseline, all principles of the policy should have been complied with before cases could be considered at this stage, i.e. reference to paragraph 10.5.7. The criteria applicable during appraisals should be used accordingly. (Source: DWAF Policy on Performance Management and Development: 2001:234). (PMDS paragraph 10.13.6)
2. A standing committee (PARC) should be constituted as follows:

- Chief Director: Human Resources Management or delegated authority
- Director: Transformation;
- Director: Legal Services;
- Director: Executive Services;
- Director: Labour Relations;
- A representative from the Sub-directorate: Performance Management; and
- Any two co-opted members from line functionaries or union representatives and a direct supervisor, depending upon the choice of the complainant. (Source: DWAF Policy on Performance Management and Development: 2001:224)

3. The complainant who has lodged an appeal will have the right to object to the manner (only in terms of members), in which the Appeal Committee has been constituted. Substantive reasons should be provided, why a particular member should not serve on the committee.
4. Any request for appeal should be lodged with the head of the Sub-directorate: Performance Management (either through a recognised union representative or supervisor), who will ensure that as a minimum requirement, mediation is used as a first step to resolve the case, before considering to refer it to the appeal body.
5. Should a case be referred to the appeal body, the onus lies with any committee member to recuse him/her in an event there is a clash or vested interest in the matter. A member who tends to be biased towards a particular case, shall be duly requested by the chairperson or any legitimate member of the committee to withdraw any derogatory statements or be recused from the panel.

6. The committee shall have the right to call witnesses, or to be presented with substantive evidence, where reasonable doubt exist, prohibiting the committee to make a sound judgement.
7. Records of the proceedings should be kept and made accessible to interested parties, in terms of the requirements of the Access to Information Act. A tape recorder might be used if deemed necessary.
8. Should the matter fail to be resolved at this level, a deadlock should be declared in accordance with the dispute resolution procedures.
9. In such instances, cases should be referred to the Director: Labour Relations to 'ensure compliance is maintained before cases could be referred to the CCMA or Labour Court.



This shows how serious the department takes disputes arising from PMDS. It is actually not meant to cause conflict, if implemented correctly, but a dispute might arise in any case.

36.5 Conclusion

Performance management in the Department is meant to be understood by all employees as a tool to achieve organisational objectives. The above mentioned policies are government ones from the DPAS and the ones the Department of Water Affairs and Forestry devised. The reason for the department coming up with its own interpretation of the DPAS ones is that the DPAS gives guidelines, and each department has to unpack these into implementable policies.

The process of instigating departmental policies is lengthy, as organised labour has to be consulted on such policies and agree to its fairness.

The public service in its endeavour to improve service delivery has introduced the flexible remuneration for junior management and professionals thus trying to match the private sector, which is level 11 to 12. The aim of introducing this is to improve salary packages for this category of employees and hence retention of skills within the public service.

The next chapter analyses the data about the opinions/feelings of DWAF staff about individual performance management system in DWAF.

CHAPTER

4:

Data Analysis and Assessment of Results

4.1 Introduction



The objective of this section is to analyse and assess the results of the survey which has been conducted and thereafter to make conclusions based on the results of the survey. A Social Program System Analysis (SPSAS) programme had been utilised to analyse the interpretation of the data collected from the questionnaires. Individual Performance Management agreements and work plan documents were reviewed have been looked into. The survey assessed the knowledge of the respondents regarding about performance management systems (Appendix 3, question a). From thense it assessed whether performance management systems are implemented in the particular sSection or not (appendix 3, question b). The study asked for the judgement (opinion) about the effectiveness of performance management (Appendix 3, question c). The study reviewed looked into the method whereby way iincentives weareare awarded for good performance

(aAppendix 3, question d) and . It is looked into how corrective actions are applied when performance is not up to standard (aAppendix 3, question e). The consistency of these corrective actions through-out the Department was investigated. It scrutinislooked at suggestions for improved individual performance management at DWAF hHead oOffice (aAppendix 3, question f). The following are the results (from the questionnaire), using some graphs.

4.2 Data Presentation and Interpretation

The data were has been presented according to the two parts presented in the questionnaire. The questionnaire consistehad of two parts, namely Part A, information about the respondents i.e. their gender, job title and functional areas. Part B, questions on the Individual Performance Management System, related to i.e. questions a, b, c, d, e in aAppendix 3.

Pectora roburant cultus recti

4.2.1 4.2.1 Part A –Information about Respondents

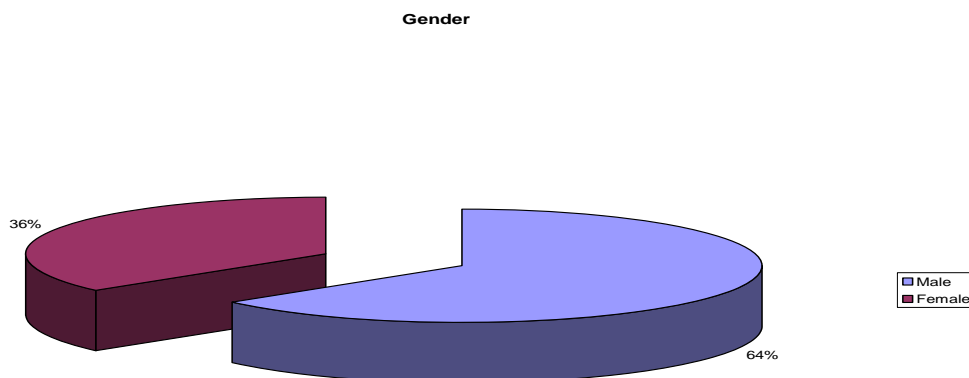
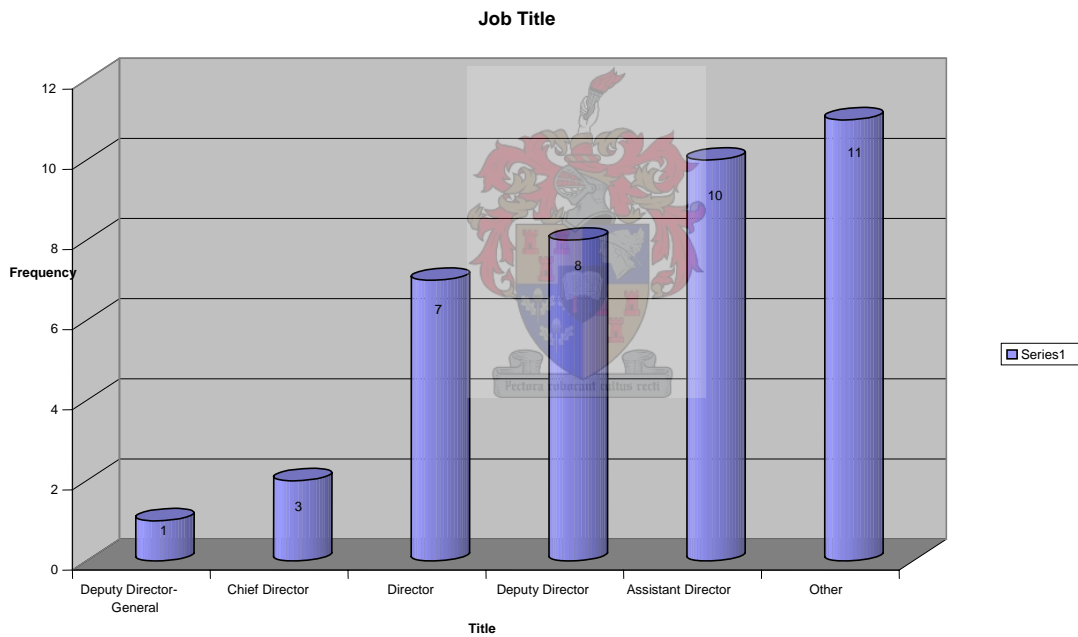


Figure 4.2.1.1: Gender:

The questionnaire was sent to one hundred (100) DWA staff members, as reflected were sent the questionnaire in respondents in Appendix 32. Forty (40) responses were returned received. , by The gender of all officials at in the hHead oOffice who responded to the questionnaires. The data shows that the majority (64%) of officials who responded were male and 36% were female. (Refer to Figure 4.2.1.1).



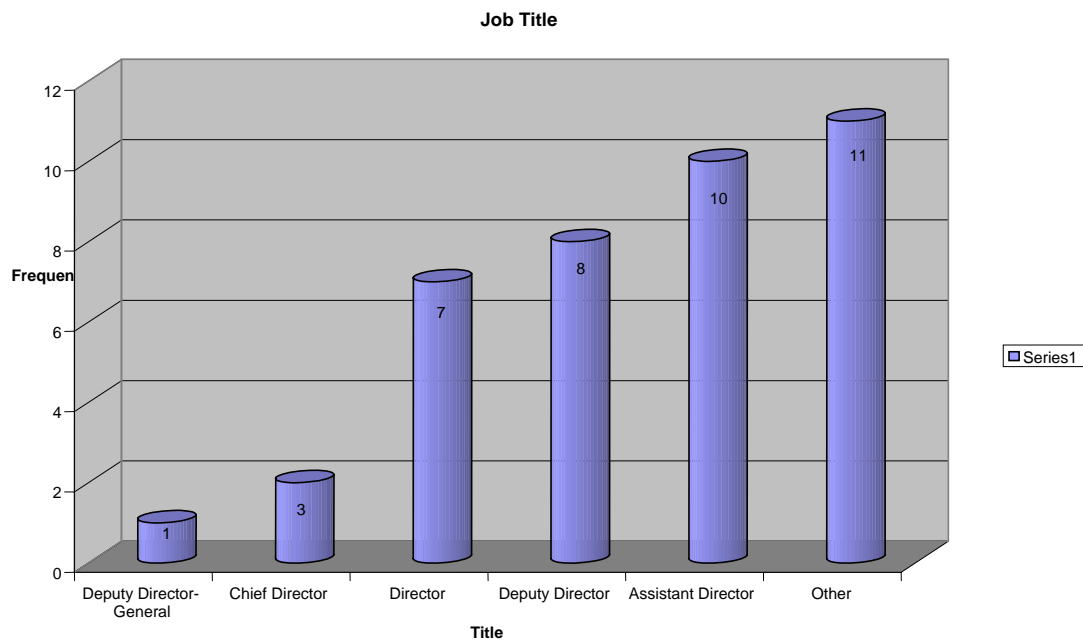


Figure 4.2.1.2: Job tTitle

This following was feedback from question 1 in aAppendix 3 (For which Department are you working in DWAF Head Officequarters?): The distribution by positions held increase in numbers from Deputy Director to others. Data wasere collected from most levels, with the level of dDeputy dDirector, aAssistant dDirector and others contributing the vast majority of twenty nine (29) respondents (74.4%) of the data combined, out offrom the total of forty (40) respondents.. The implication of this feedback is that the views reflected in this study were mainly emanated from lower ranking officials..

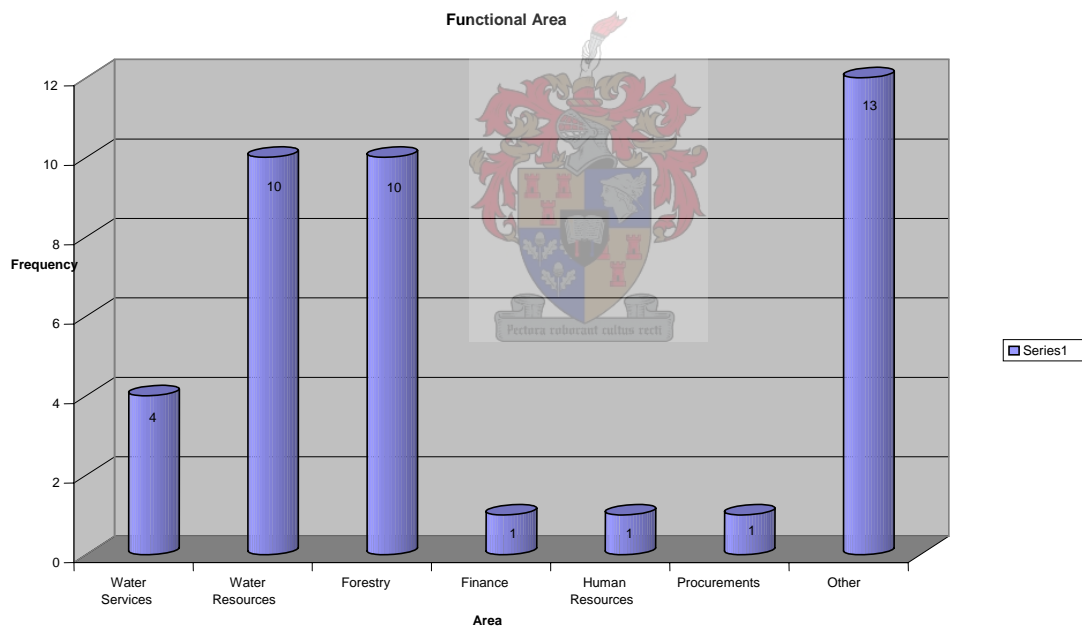
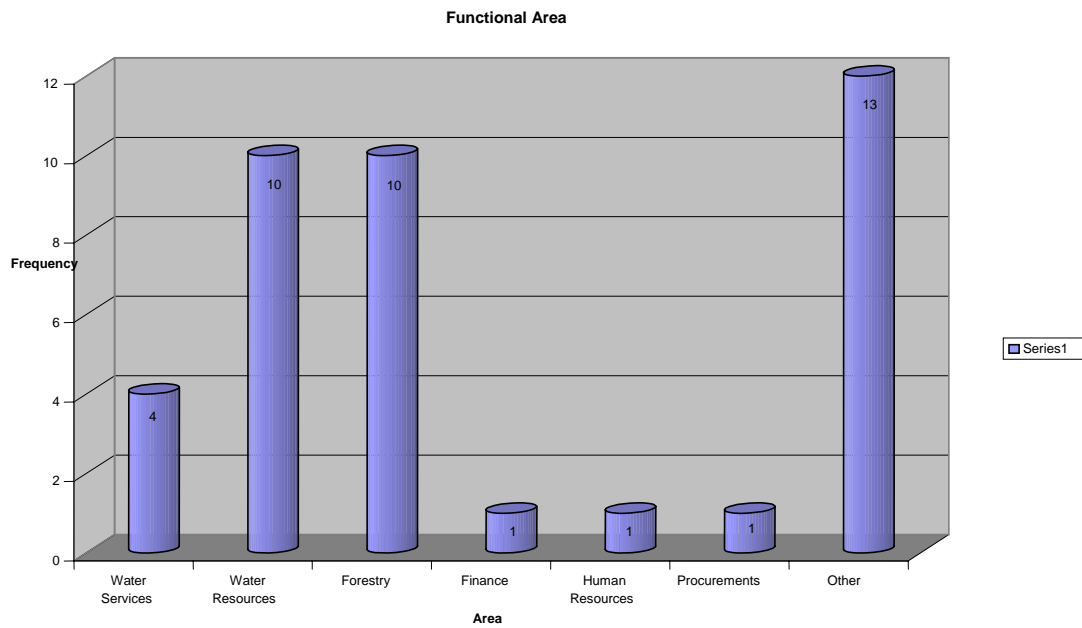
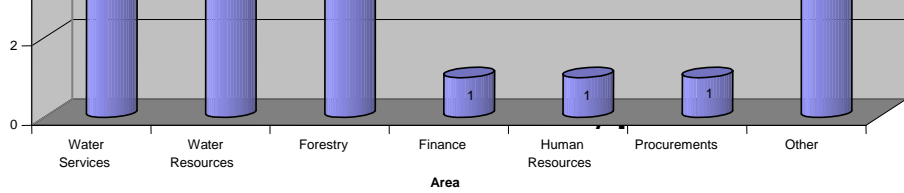


Figure 4.2.1.3: Functional Areas

This above figure contains is feedback from question 2 in aAppendix 3. The above diagram It clearly illustrates that data wasere centred on two functional areas, namely water resources ((10 responses) 25.6%) and forestry (1025.6%) responses)and the composite add up to 51.2%. . Some of the

respondents (12 respondents), 30.8%) did not mention in which dDivision in the DWAF they were postedwork for. This omission has no direct impact on the study, because this question was not about Performance Management.



4.3 Part B – Responses Information from the Respondents to the questionnaire

Question (a) Appendix 3: How do you rate your knowledge of performance management? This question aims to test the DWAF staff about their Knowledge of the PM System

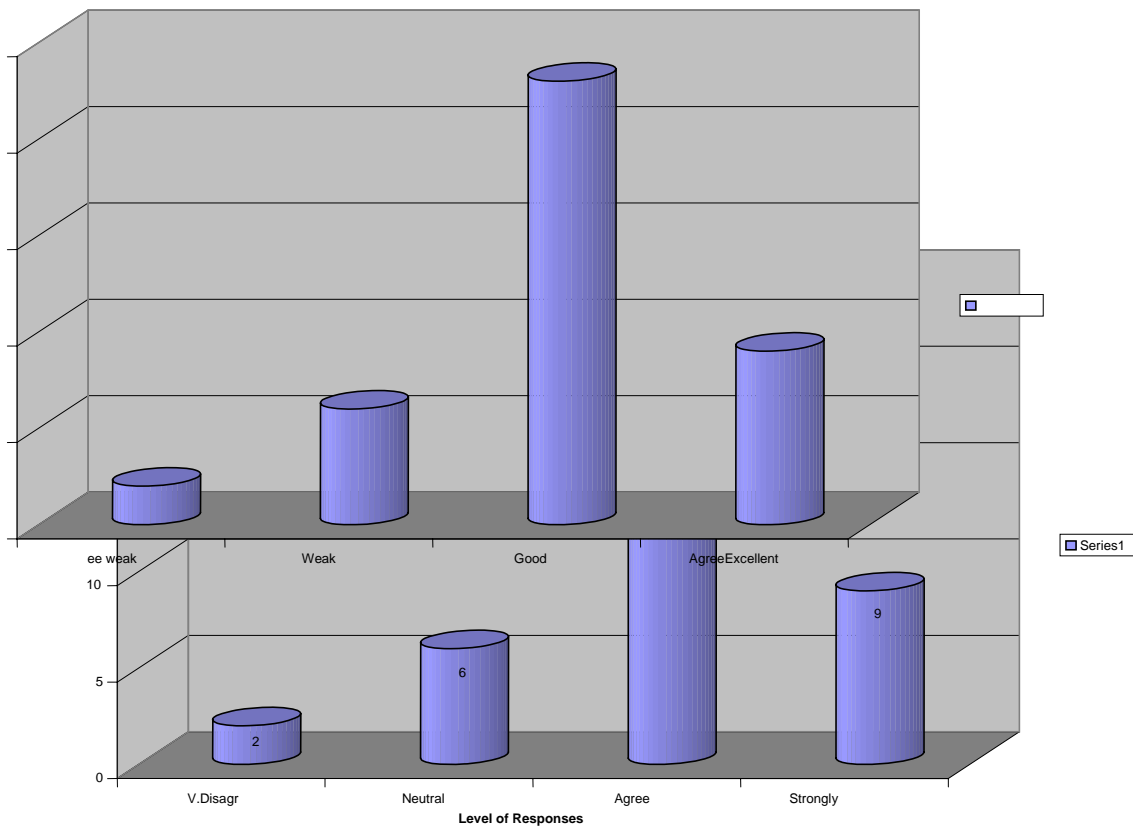


Figure 4.3.1:

4.3.1 Implications of respondents and data. Findings and interpretation.

Figure 4.3.1 contains This is feedback from question (a) in aAppendix 3 (How do you rate your knowledge of Performance Management?): The objective of the question was to determine the knowledge of performance management system among DWAF employees. The response shows that the majority, twenty three (23) respondents % and and nine (9) respondents 9% of respondents agree that they have a have weak knowledge of performance management.

These facts also emerged during focus group discussions with members from different sections on level eight to nine from the technical functional area. Thirty two respondents Some people said that they knew something about performance management.

When I asked them specific questions about performance management, it emerged that they did not know how the structure of the performance management system, the cycle of the system, who was responsible for the system and when assessments are conducted. Sixteen (16) respondents Most of them said that they have not yet attended any training on performance management system. This confirmed that there was very little knowledge about performance management system as a whole amongst with DWAF employees. This has led to one of the final recommendations being, namely that there should be more training and workshops for DWAF staff on the Performance Management System.

4.3.2 Research Objective (1): Is the Performance Management System implemented in your sSection? This question aims to assist DWAF to Improve its Performance Management System Implementation

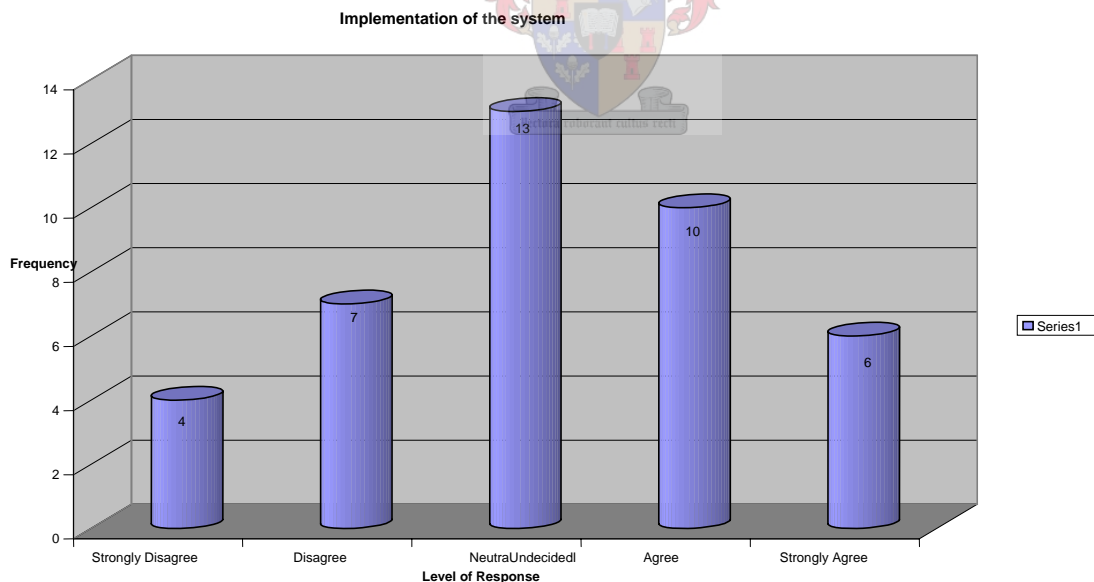


Figure 4.3.2:

4.3.2 Implications of respondents and data. Findings and interpretation.

This figure shows feedback from question (b) in Appendix 3 (Is the Performance Management System Implemented in your section?): The objective of the question was to determine the implementation of performance management system among DWAF employees. The response shows that the majority, twenty four (4 and 7 and 13) , 80% were neutral i.e. did not know if whether or not the system was implemented in their sections or not and only 16 respondents stated more that 60% agree that the system is implemented in their sections. Only 15% respondents disagree that the system is implemented in their sections.



The response in this case also shows that the majority of DWAF staff is not certain that performance management was being implemented or not. A substantial figure of 60% confirmed that the performance management was being implemented in DWAF. This above data clearly demonstrates that most members interviewed at DWAF are not aware of the performance management system irrespective of their level of seniority. During the interviews, I discovered that four most respondents have not been received except for two individuals did not have a performance appraisal since April 2004.

During group discussions, Data shows that performance review is common in most of the division in the DWAF. It became very clear from the data that the divisions in the DWAF are managed by people with higher qualifications. sixteen respondents The majority of respondents agreed that they were

using the performance management system to for their work plans. It was also is very interesting to note during group discussions that there was no relationship between the individuals' job title and their level of understanding of the system.

All officials in the different levels of employ have had ansome experience with regard to the system and how, why and when a person needed to be appraised in the job environment.



4.3.3 Research Objective (1): Did the Performance Management System implemented in the Department achieve its intended results of improved Performance? This question also aims to assist DWAF to Improve its PMS Implementation

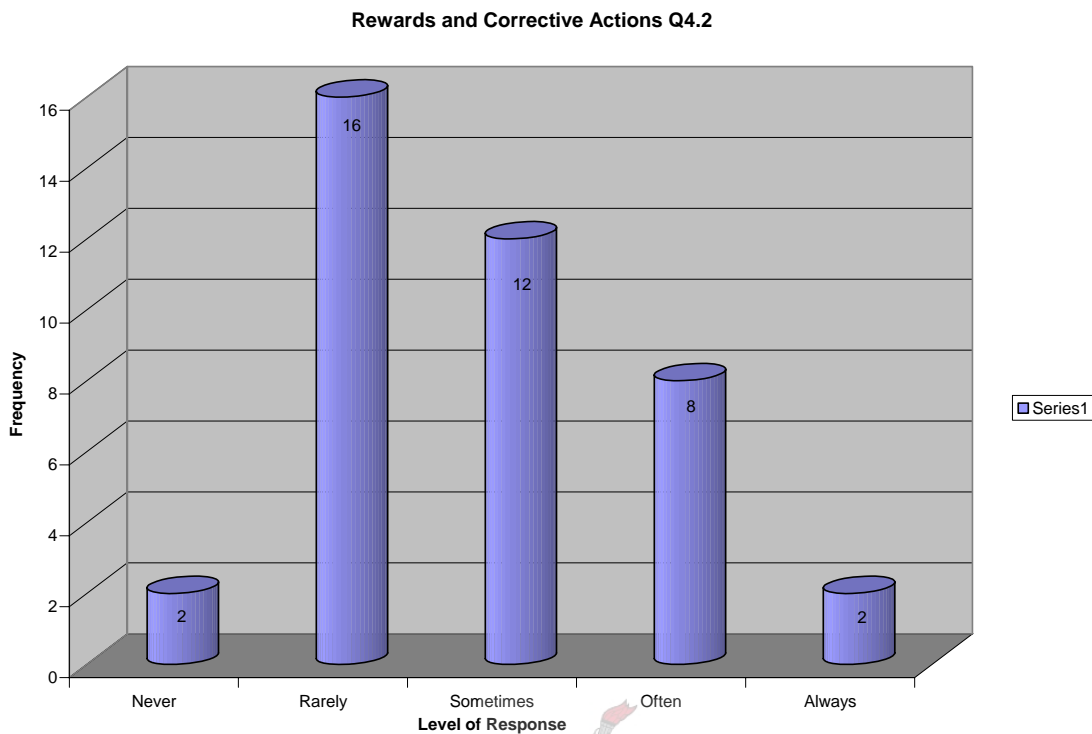


Figure 4.3.3:

4.3.3 Implications of respondents and data. Findings and interpretation.

Figure 4.3.3 contains This is feedback from question (c) in aAppendix 3. (Did the Performance Management System Implemented in the Department Achieve its intended results of Improved Performance?): The above response shows that the majority (18) of staff members feelsaid that the Performance Management System in DWAF did indeed not achieve its intended results of improved performance. Eighteen (16 and 2) respondents, however, disagreed. (16%). 12% felt that sometimes the Performance Management System does achieve its intended results of improved performance. 2% said that the system always does that and another 2% also said the System never achieve its intended results of improved performance. This has led to one of the recommendations, i.e. being that there should be review of the effectiveness of the system.

These viewfacts also emerged during focus group discussions with members from different sSections on level eight to nine from the technical functional area. Twelve respondents Some people said that the system was not effective did not work because it was not well administered. For example five respondents some said that even some of the senior management people did not know much about the system itself and they were thus not using it appropriately.

4.3.4 Research Objective (2): Are the incentives that are implemented effective in encouraging good individual pPerformance? This question aims to review how DWAF Consistently Implements Incentives and Corrective measures

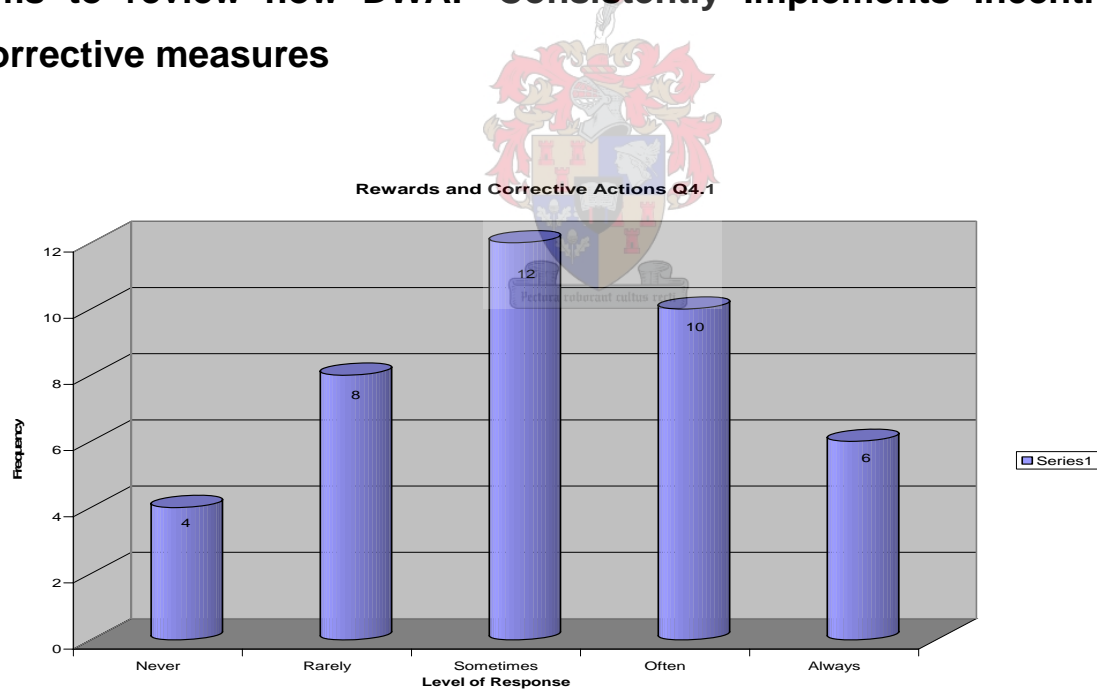


Figure 4.3.4:

4.3.4 Implications of respondents and data. Findings and interpretation.

Figure 4.3.4 contains This is feedback from question (d) in aAppendix 3 (The incentives that are implemented are effective in encouraging good individual

performance?. The aim of the question was to review how DWAF consistently implemented incentives and corrective measures.): The chart above shows the majority (12 and 10 and 6) said that some form of normal distribution of some sort. The data seems more balance but of course slightly towards those who said that, sometimes the incentives were effective in encouraging good individual performance i.e. 12% and 10% who said that oftenly the incentives are effective. The minority (4 and 8) of respondents said disagreed that re is 8% and 4% who said that the incentives implemented were rarely and never effective in encouraging good individual performance.

The incentives that are implemented in DWAF are discussed in details in paragraph 3.4. During interviews and focus group discussion it emerged that four people said some people said that management was biased in recommending the incentives that were implemented. For example it was said that in some Departments the staff always got received the best incentives, no matter how they performed. In contrast in and other Departments the personnel always received got the worse incentives, irrespective of their performance. This was pointed out as the main problem regarding the implementation of the Performance Management System in DWAF. This has also led to the recommendation on the review of the effectiveness of the PMS in DWAF. The majority of the respondents agreed to the concept of reward for good performance and that they were implemented through the measuring performance outcome, and as a result bonus and pay progressions were linked to the performance agreement/work plan. These cannot be achieved as a once- off exercise, but rather as an ongoing process. It is also very important to clarify before members sign their performance agreement/ work plan what exactly is expected from them.



4.3.5 Research Objective (2): Are corrective mMeasures that are implemented effective to mitigate against poor individual pPerformance?This question also aims to review how DWAF with Consistently Implements Incentives and Corrective measures

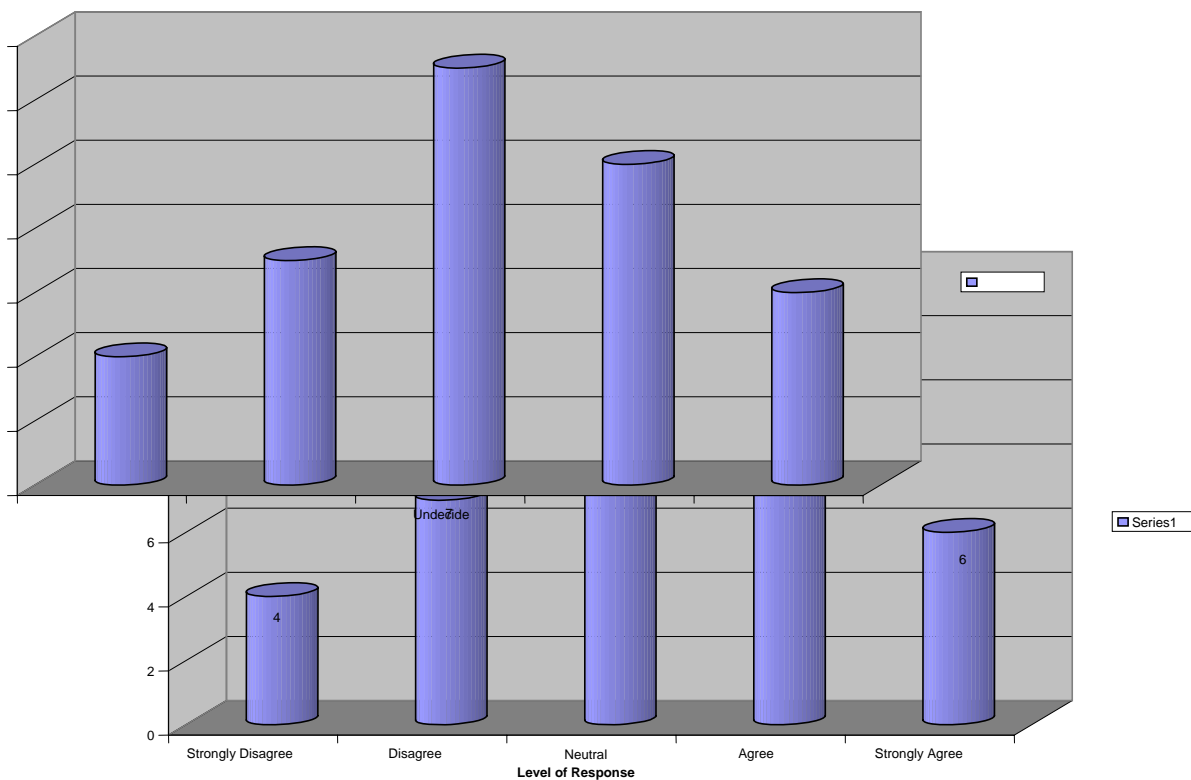


Figure 4.3.5:

5.3.5 Implications of respondents and data. Findings and interpretation.

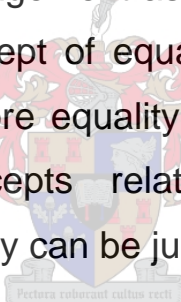
Figure 4.3.5 contains This is feedback from question (e) in aAppendix 3. The aim of this question also aimed to review whether DWAF consistently implemented incentives and corrective measures. (The corrective measures that are implemented are effective to mitigate against poor individual performance?): The fiFigure 4.3.5 above picture isshows that the 16 also interesting as majority of the respondents agreed, while 11 respondents disagreed. Thirteen respondents were neutral. are neu
tral if people are disciplined for failing to deliver and this was said by 13%.of the respondents.

During interviews and focus group discussions it was mentioned that no officialne haswas ever been disciplined for non-performance in DWAF since the system was implemented. This was cited used by people in the interviews to show that there were no measures in place in DWAF to mitigate against

poor performance. Specific poor performing individuals, who are poor performers, were mentioned as examples to illustrate the point. It was said that some of these no-under-performers sometimes they also received performance bonuses. Interviewees wondered how these people were allocated bonuses and some said it was a case of nepotism.

4.3.6 Suggestions for improved performance at DWAF Headquarters

It was suggested that a developmental approach should be followed to mitigate poor performance. Respondents suggested the concepts of coaching, training and work-shopping at all levels of staff around the individual performance management as well as capacity building. These suggestions promoted the concept of equality of opportunity, which had to receive prominence before equality of treatment. People should be exposed to the entire concepts relating to individual performance management systems before they can be judged on those concepts.



4.4 Conclusion (specifically to the two general research Objectives)

The first research objective at general level is to assist DWAF to improve its performance management system implementation. Regarding this objective, it was discovered that respondents knew very little about the performance management system in DWAF.

Respondents said that the performance management system did not achieve its intended objective of improving performance.

It is, therefore, the researcher's conclusion that there should be more training and workshops for DWAF staff on the Performance Management System in DWAF. In addition this will be very important to also improve the support for the implementation of the system within DWAF.

It is also therefore recommended that there should be an independent review to study the effectiveness of the performance management system in DWAF, as part of further research.

The second research objective at general level is to assist DWAF with an effective and consistent implementation of performance incentives and corrective measures. Regarding this objective, the researcher explained that during interviews and focus group discussion, it emerged that some people said that management was biased in recommending the incentives that were implemented. For example it was said that some Departments always received the best incentives, no matter how they performed and other Departments always received the worse incentives, irrespective of their performance. This was pointed out as the main problem regarding implementation of the Performance Management System in DWAF.

It is consequently therefore the researcher's conclusion and recommendation that there should be a review of the implementation of incentives and corrective measures to see how these can assist in improving performance. This subject matter could also be part of a further research.

5

CHAPTER 5

. Conclusion and recommendations

5.1 Introduction

This chapter concludes this thesis with a summary of the preceding chapters. It also provides recommendations based on the research findings and highlights limitations to the study and opportunities for further research.

5.2 Summary of Preceding Chapters

The study focused on the Individual Performance Management System as used by DWAF head office. The Department of Public Service and Administration developed this system based on guidance from several legislations. In particular, the study focused on how this system is implemented within the Department of Water Affairs and Forestry in their head office and makes the following recommendations.

5.23 Research Constraints

In this research exercise there were four main constraints were encountered. Firstly, in this study the majority of respondents were men. See page 67, fFigure 4.2.1.1. This shortcoming may mean that the results of the study, only applies to male workers in DWAF.

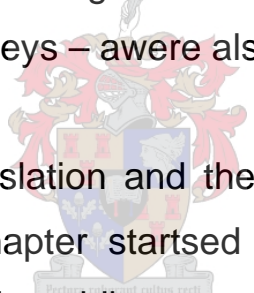
The second shortcoming is that the different sSections of the dDepartment were not equally represented in the study. In some Sectiondepartments – for example in Finance, Human Resource and Procurement –, only one worker in these Sections responded in each of these divisions. See fFigure 4.2.1.3. This may have some implications in terms of the wider applicability of the results. For example, if I was to say that my findings apply to all Sections and Divisions, departments, someone may argue that I have only the opinion of one person in that dDivision and, therefore, the results mcan not be generalised.

Thirdly, some employees considered their performance management agreements or work plans to be confidential between themselves and their immediate supervisors and had a problem with an outsider scrutinising them.

Fourthly, certain employees biased answers mayight be have been given biased answers ton questions considered to be sensitive, by certain employees and lastly, certain managers mayight also have considered the study as a witch-hunt for those who awere not performing.doing what they are supposed to have been doing, as far as performance management is concerned.

5.3 Summary of Ppreceding Chapters

The study focused on the Individual Performance Management System as used by DWAF hHead oOffice. Chapter oOne focussed on the background for the study and on the research design and methodology. Poor implementation of the Individual Performance Management System within the Head Office of the Department of Water Affairs and Forestry in the head office is the problem statement. For the dDepartment to be able to achieve its vision, mission and objectives, all staff members need to strive to achieve the dDepartment's common goals. Efficient and effective individual performance management is of paramount importance towards achievements of such goals. This could be a daunting task in a large organisation, if this is not properly implemented. This chapter then formulatesd objectives which aim to resolve the problem. Various investigative methods and strategies – such as documentary analysis and surveys – awere also discussed.



Chapter tTwo focused on legislation and theories guiding the performance management system. This chapter started with government the relevant policy from DPSA that which is guidinges performance management in the publicPublic sSector. The Department of Public Service and Administration developed this system based on guidance from several legislations. In particular, the study focussed on how this system iw as implemented within the Head Office of the Department of Water Affairs and Forestry in their head office and makedes some the specific recommendations in the next section. This chapter also discussed Individual development plans, the balanced score card, performance appraisal system in DWAF, incentives and corrective measures for performance in DWAF and lastly, training in performance management.

Chapter three focussed on DWAF as the case study. This chapter examined the individual performance management system in DWAF, focusing on the

how this system was applied in DWAF to vis á vis Senior Management, Middle Management and Workers. It also discussed the work plan system, employee development and lastly, dispute resolution. DWAF has been losing skills and knowledge base to the private sector, especially at the senior management and professional level, because of due to uncompetitive remuneration and conditions of service. The proper use of performance management and development systems with its improvements on incentives, as well as improvement of conditions of service, will more likely than not curb the outflow of skills from the Department.


Chapter Four was focussed on data analysis and assessment of results from respondents from the survey questions. A special computerised system, called the Social Program System Analysis (SPSA), was used to analyse the data from the respondents. This system presented data from respondents in the form of different graphs format so that they are easy to understand, interpret and analyse. This was very important in identifying the causes of the problem and suggesting solutions for the problems in DWAF, regarding the performance management system.

Lastly, Chapter Five concludes the research and contains specific recommendations and suggestions to improve the implementation of the performance management system in DWAF. It is argued that at presently, rewards and corrective actions are not being implemented in a consistent way. These could be very valuable management tools, if handled in good faith. Some interviewees complained that no corrective action was taken against non-performers. Most interviewees said that corrective actions did not need to involve have to be a harsh treatment to employees, who did not perform, but such actions should rather they must include support and disciplinary actions in cases where support has failed. It should must be

emphasised that disciplinary action is a last resort whenever all other remedies have failed.

It has also been argued that performance management without incentives for good performance and corrective measures for poor performance will not be able to create a motivated workforce. If employees are not rewarded for good performance, some may not be motivated to improve their performance and bring innovation and creativity. Poor performers will also not mend their ways if there are no corrective measures in place.

5.4 Recommendations and Further Research

- 
- **Based on the study, the researcher has the following recommendations:** It has been demonstrated in page 4.3.1 in page 70 that many respondents knew very little about performance management system. It is therefore recommended that there should be more training and workshops for DWAF staff on the Performance Management System. This will be very important to also improve the support for the implementation of the system.
 - It has also been demonstrated in 4.3.1 in page 71 that many respondents feel that the performance management system did not achieve its intended objective of improving performance. It is therefore recommended that there should be an independent review to study the

effectiveness of the performance management system in DWAF, as part of further research.

Recommendation 1:

In the second paragraph in page 78 it was explained that, during interviews and focus group discussion it emerged some people said that management is bias in recommending the incentives that are implemented. For example it was said that some Departments always got the best incentives no matter how they performed and other Departments always got the worse incentives irrespective of their performance. This was pointed out as the main problem regarding implementation of the Performance Management System in DWAF. It is therefore recommended that there should be a review of the issues around incentives and corrective measures to see how these can assist in improving performance, as part of further research.

RDWAF should employ a consultant who specialises in the performance management system to train and build the capacity of DWAF management and staff about the purpose and processes for the implementation of the performance management system within the dDepartment.

Capacity building, training and support interventions are essential. These training and capacity building should be done using workshops, seminars, role plays and debates on the performance management system. Manuals which are easy to use, should be the product at the end of such training exercises.

Recommendation 2:

DWAF should audit and review the incentives and corrective measures that are being implemented at present. This could also be done by employing a consultant proposed in rRecommendation 1.

The aim of this review will be to audit the basis for the allocation of the current incentives and corrective measures, in order to inform the future incentives and corrective measures

Recommendation 3:

DWAF should develop Individual Development Plans (IDP's) for each staff member, using the Individual Performance Management Reviews. This will help staff to be able to see their future in the organisation and curb the current high staff turnover. It is important to highlight how each an every staff member wishes to grow in his or their current positions.

5.5 Conclusion

In conclusion, respondents agreed in general overall that an Individual Performance Management System, as a management tool, should be implemented to assist DWAF to achieve its strategic objective.

Respondents emphasised that, it iwas only through systems underlying an effective and efficient Individual Performance Management Systems, that the DWAF canould begin to implementdo some checks and balances regardimg the process of where it is going wrong and where it is excelling. This will inform what corrective action is relevant for the dDepartment and it also informs rewards or corrective action that needs to be implemented. This canould be achieved by constant quarterly reviews of work plans and performance review appraisals for each employee of the dDepartment.

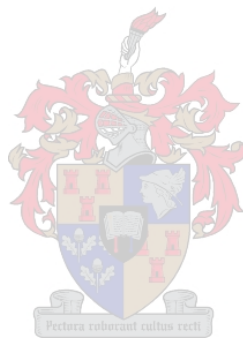
Poor implementation of the Individual Performance Management System within the Department of Water Affairs and Forestry in the head office is the problem statement. For the department to be able to achieve its vision, mission and objectives, all staff members need to strive to achieve the department's common goals. Hence, efficient and effective individual performance management is of paramount importance if a co-ordinated effort towards achievements of such goals is to be met. This could be a daunting task in a large organisation if not properly implemented.

Rewards and Corrective actions are valuable if handled in good faith. Corrective actions do not have to be a harsh treatment to employees, who did not perform but rather they must include support and disciplinary actions in cases where support has failed. It must be emphasized that disciplinary action, is a last resort whenever all remedies have failed.

Performance management without incentives for good performance and corrective measures for poor performance will not be able to create a motivated workforce. If employees are not rewarded for good performance, some might not be motivated to improve their performance and bring in innovation and creativity. Poor performers will also not improve if there are no corrective measures in place.

Capacity building, training and support interventions are essential and they are informed by Individual Development Plans (IDP's) in a consistent manner. It is important to highlight how each an every staff member wishes to grow in their current positions. The data illustrates that the implementation of the PDMS is crucial for organizational success.

The public service has been losing skills and knowledge base to the private sector, especially at the senior management and professional level, due to uncompetitive remuneration and conditions of service. The proper use of performance management and development systems with its improvements on incentives, as well as improvement of conditions of service, will curb the outflow of skills from the public service. This is what needs to be investigated also, as part of further research.



Bibliography

Alwin, D. F., (1978). *Survey design and analysis-current issues*. Sage Publications,. Beverly Hills/London.

Amaratunga, D., Baldry, D., Sarshar, M. and Newton, R., (2002). *Quantitative and qualitative research in the built environment: application of "mixed" research approach*. Work Study, Vol. 51 Issue 1. University Press, London.

Bacal, R., (1999). *Performance Management*. A Briefcase Book. McGraw-Hill,. New York.

Berg, B. L., (2001). *Qualitative research methods for social sciences*. Allyn and Bacon,. Boston.

Bless C. and Higson-Smith, C., (1995). *Fundamentals of social research methods. An African perspective*. 2nd Edition. Juta, Kenwyn.

Boice, D. F and Kleiner, B. H., (1997). *Designing effective performance appraisal systems*. Work Study, Vol. 46, Issue 6.

Boone, K., (2003). *The K-Zone: How to conduct a survey*. School of Computing Science, Middlesex University, Dated and accessed . Retrieved 07 May 2003 from World Wwide Web: <http://www.kevinboone.com/howto-survey.html>.



Bruns, Jr., W., (1992). *Performance Measurement, Evaluation, and Incentives*.. Harvard Business School. Boston, Massachusetts.

Constitution of the Republic of South Africa, 1996 (. Act No. 108 of 1996), Government Printers, Pretoria..

Christopher Pollitt, Xavier Girre, Jeremy Lonsdale, Robert Mul, Hilikka Summa, Marit Waerness (1999): Performance or Compliance?.

De Bruijn, H., (2002). *Managing Performance in the Public sSector*. Routledge,. New York.

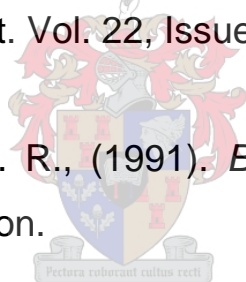
De Vaus, D. A., (1999). *Survey in social research*. 2nd Edition. Unwin Hyman, London.

Department of Water Affairs and Forestry, Strategic Plan. Multi-year 2004/5-2006/7, unpublished.

dDe Waal, A. A., (2003). *The future of the Balanced Scorecard: An interview with Professor Dr Robert S. Kaplan*. *Measuring Business Excellence*. Vol. 7, Issue 1, Bradford.

Edmonstone, J., (1996). *Appraising the state of performance appraisal*. *Health Manpower Management*. Vol. 22, Issue 6.

Emory, C. W. and Cooper, D. R., (1991). *Business research methods*. 4th Edition. Irwin Homewood, Boston.



Fink, A. and Kosecoff, J., (1998). *How to conduct surveys: A step-by-step guide*. 2nd Edition. Sage Publications. Thousand Oaks, California.

Flippo, E. B., (1984). *Personnel Management*. Sixth Edition. McGraw Hill, New York.

Forestry Balanced Score Card Toolkit (2004), Department of Water Affairs and Forestry, Unpublished.

Foddy, W., (1993). *Constructing questions for interviews and questionnaires-theory and practice in social research*. Cambridge University Press, London.

Frary, R. B., (1996). *Hints for Designing Effective Questionnaires. Practical Assessment, Research & Evaluation*. Virginia Polytechnical Institute. Retrieved on 29 April 2003 from <http://ericae.net>.

Fowler, F. J., (1995). *Improving survey questions. Design and Evaluation*. Applied Social Research Methods Series, Volume 38. Sage Publications, Beverley Hills/London..

Griffin, W. G., (1987). *Management*. Second Edition. Houghton Mifflin,. Boston.

Grote, D., (2000). *Public sector organisations: Today's innovative leaders in performance management*. Public Personnel Management. Vol. 29, Issue 1. University Press, Washington.



Handbook on Performance Management and Development (2001),. Department of Public Service and Administration. Republic of South Africa.

Harrison, K. and Goulding, A., (1997). *Performance appraisal in public libraries*, Vol. 98, issue 1138, . New Library World, New York.. Vol. 98, Issue 1138.

Hussey, J. and Hussey, R., (1997). *Business Research. A practical guide for undergraduate and postgraduate students*. New York, Palgrave.

Huysamen, G. K., (1994). *Methodology for the social and behavioural sciences*. Southern Book Publishers, Johannesburg..

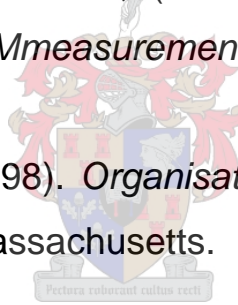
Johnson, G. and Scholes, K., (2002). *Exploring Corporate Strategy – Text and Cases*. Sixth Edition. Prentice Hall. Harlow, England

Jorm, N., Hunt, J., and Manning, N., (1996). *Working towards results: Managing Individual performance in the public service*. Managing the public service. Strategies for improvement series nNo. 3. Commonwealth Secretariat,. London.

Kaplan, R. S. and Norton D., (1996). *The Balanced Scorecard - Translating Strategy into Action*. Harvard Business School Press,; Boston.

Kearney, R. C. and Berman, E. M., (1999). *Public Sector Performance-Management, Motivation, and Mmeasurement*. Westview Press, London.

Kreitner, R. and Kinicki, A. (1998). *Organisational Behaviour*. Fourth Edition. Irwin McGraw-Hill,. Boston., Massachusetts.



Labour Relations Act, 1998. Department of Labour. Republic of South Africa.

Leedy, P. D., (1993). *Practical Rresearch: Pplanning and Ddesign*. 5th Edition. Macmillan, New York.

McCarthy, A. M. and Garavan, T. N., (2001). *360° Ffeedback process: performance, improvement and employee career development*. Journal of European Industrial Training. Vol. 25, Issue 01.

McClelland, S. B., (1994). *Training needs assessment data-gathering methods: part 1, survey questionnaires*. Journal of European Industrial Training, Vol. 18, Issue 1.

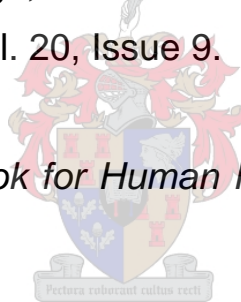
Mc Neil, P., (1985). *Research methods*. Tavistock Publications,. London.

Myland, L., (1992). *Managing performance appraisal. Management skill guide*. Croner Publications Ltd,. Surrey.

Performance Management . Human Hand Bbook, Resource and Policies, . Final version 8 December 20001. Department of Water Affairs and Forestry, Uunpublished..

Pettijohn, L. S., Parker, R. S., Pettijohn, C. E. and Kent, O. L., (2001). *Performance appraisals: usage, criteria and observation*. The Journal of Management Development. Vol. 20, Issue 9.

Pieters, M. A., (1996). *Textbook for Human Resources Practitioners*. Kagiso Publishers,. Bloemfontein.



Poister, T. H., (2003). *Measuring performance in public and non-profit organisations*. Jossey-Bass,. San Francisco.

Polland, R. J., (1998). *Essentials of Survey Research and Analysis*. A workbook for community Researchers. Retrieved on 07 May 2003 from World Wivide Web: <http://www.tn.net/%7Epooalnd/quest.htm>.

Republic of South Africa, Public Service Act, 1994. (Act No. 38 of 1994), Proclamation No. 103 of 1994. Department of Public Service and Administration, Government Printers, Pretoria., Republic of South Africa.

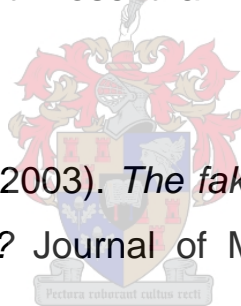
Republic of South Africa, Public Service Regulations, 2004 as amended. Notice No. R.1. Department of Public Services and Administration, Government Printers, Pretoria.. Republic of South Africa.

Republic of South Africa, Public Service Coordinating Bargaining Council (PSCBC) rResolution No 13 of 1998 and PSCBC No 9 of 2000, Government Printers, Pretoria.. Republic of South Africa.

Republic of South Africa, Labour Relations Act, 1998 (Act 22 of 1994), Department of Labour.

Ralph L, Rosnow and Robert Rosenthal: (1996). *Beginning Behavioural Research*.

Rees, C. J. and Metcalfe, B., (2003). *The faking of personality questionnaire results: who is fooling whom?* Journal of Managerial Psychology, Vol.18, Issue 2.



Rossi, P. H., Wright, J. D. and Anderson, A. B., (1983). *Handbook of survey research*. Harcourt Brace Jovanovich Publishers, San Diego.

Sangweni, S. S., (2003). *Performance Management as a leadership and management tool*. SDR. Vol. 2 No. 3

Schneier, C. E., Beatty, R. W. and Baird, L., (1982). *Performance Appraisal Sourcebook*. Human Resources Development Press. Amherst. Massachusetts.

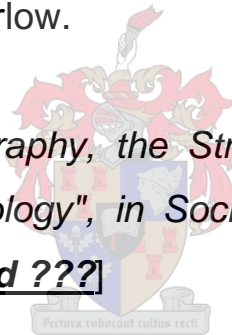
Senior Management Service (SMS) Handbook, (2003). Public Service Handbook. Department of Public Service and Administration.

Simon, A. M., (1979). *A guide to practical social research for students*. Department of Sociology, University of Witwatersrand. South Africa.

Shaikh, T. S. (1995). *Appraising job performance-to be or not to be? An Asian dilemma*. International Journal of Career Management. Vol. 07, Issue 5. MCB University Press.

Slack, N., Chambers, J. and Johnston, R., (2001). *Operations Management*. Third Edition. Prentice Hall. Harlow.

Smelser, N. J., (1980). "*Biography, the Structure of Explanation, and the Evaluation of Theory in Sociology*", in *Sociological Theory and Research*, Hubert [**place where published ???**]



Smit, P. J. and Cronje, G. J. de J, (1997). *Management Principles - A contemporary Edition for Africa*. 2nd Edition. Juta. Kenwyn.

Strategic Plan. Multi-year 2004/5-2006/7u. Department: Water Affairs and Forestry.

Stoner, J. A. F., Freeman, R. E. and Gilbert, Jr, (1995). *Management*. Sixth Edition. Prentice Hall. New Jersey.

Republic of South Africa, Steve Rogers (1999): Performance Management in Local Government:

Synodinos, N. E., (2003). *The “art” of questionnaire construction: some important considerations for manufacturing studies*. Integrated Manufacturing Systems, Vol. 14, Issue 3.

Treasury Regulations, 2001. Department of Finance, Government Printers, Pretoria., Republic of South Africa.

Watkins, J. A., (2004). *A practical guide for students to the preparation of written presentations of academic research*. Published privately by author.

Welman, J. C., and Kruger, S. J., (1999). *Research methodology for the business and administrative sciences*. Oxford University Press.

Wiese, D. S. and Buckley, M. R., (1998). *The evolution of the performance appraisal process*. Journal of Management History. Vol. 4, Issue 3.



Republic of South Africa, White Paper on Transforming the Public Service, 1995,. Department of Public Service and Administration, Government Printers, Pretoria. Republic of South Africa.

Republic of South Africa, White Paper on the Transformation of Service delivery, (1997) (Batho pele White Paper). Notice No. 1459. Department of Public Services and Administration, Government Printers, Pretoria. Republic of South Africa.

Republic of South Africa, White Paper on Affirmative Action and Training and Development,. Department of Public Service and Administration, 1996, Government Printers, Pretoria. Republic of South Africa.

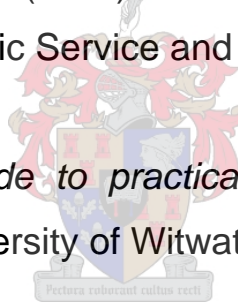
Republic of South Africa, White Paper on Human Resources Management, 1986,. Department of Public Service and Administration, Government Printers, Pretoria. Republic of South Africa.

Sangweni, S. S., (2003). *Performance Management as a leadership and management tool*. SDR. Vol. 2 No. 3, Juta , Pretoria.

Schneier, C. E., Beatty, R. W. and Baird, L., (1981). *Performance Appraisal Sourcebook*. Human Resources Development Press, Amberst.

Senior Management Service (SMS) Handbook, (2003). Public Service Handbook. Department of Public Service and Administration, unpublished.

Simon, A. M., (1979). *A guide to practical social research for students*. Department of Sociology, University of Witwatersrand, South Africa.



Shaikh, T. S. (1995). *Appraising job performance-to be or not to be? An Asian dilemma*. International Journal of Career Management. Vol. 07, Issue 5. MCB University Press, London.

Slack, N., Chambers, J. and Johnston, R., (2001). *Operations Management*. Third Edition. Prentice Hall, Harlow.

Smelser, N. J., (1980). "*Biography, the Structure of Explanation, and the Evaluation of Theory in Sociology*", in *Sociological Theory and Research*, Hubert [**place where published ???**]

Smit, P. J. and Cronje, G. J. de J, (1997). *Management Principles - A contemporary Edition for Africa*. 2nd Edition. Juta, Kenwyn.

Stoner, J. A. F., Freeman, R. E. and Gilbert, Jr, (1995). *Management*. Sixth Edition. Prentice Hall, New Jersey.

Watkins, J. A., (2004). *A practical guide for students to the preparation of written presentations of academic research*. Published privately by author, Johannesburg.

Welman, J. C., and Kruger, S. J., (1999). *Research methodology for the business and administrative sciences*. Oxford University Press, London.

Wiese, D. S. and Buckley, M. R., (1998). *The evolution of the performance appraisal process*. Journal of Management History. Vol. 4, Issue 3. Juta, Pretoria.

Woods, P., (2003). *Performance management of Australian and Singaporean expatriates*. International Journal of Manpower. Vol. 24, Issue 5.

APPENDIX 1: Cover letter for the questionnaire and the interview

P.O. Box 4901

BRITS

0250

To Whom It May Concern:

Dear Colleagues



I am a Masters student in Public Administration at the University of Stellenbosch.

I am currently doing a research on the topic “Assessment of individual performance management within DWAF head office”. The research seeks to evaluate individual performance management at the DWAF head office.

The outcome of this research will be used to inform the process of evaluation of individual performance management at the DWAF head Office. This will help the DWAF to improve service delivery in its area of work regarding Water and Forestry for the benefit of all citizens of this country.

I am therefore requesting you to please respond to the attached questionnaire which will assist me in the research process. It would be appreciated if you can respond by the 15th February 2006. All information received through the questionnaire will be treated, with confidentiality and without prejudice.

You are welcome to respond e-mail, letter, phone or any other means through which you feel comfortable and secure. Those who want to be anonymous are welcome to hide their identity when responding.

Should you wish to contact me regarding this study, questionnaire or validity of this study, please do not hesitate to do so at:

Tel no: (021) 4002422

Fax: (021) 400-3414

E-Mail: Pogiso.Molapo@capetown.gov.za

21st floor, Tower Block

12 Hertzog Boulevard

PO Box 2815

Cape Town

8000

Looking forward to your response.

Yours truly,

Pogiso Molapo



APPENDIX 2: List of selected candidates who responded:

The list of forty (40) respondents from candidates is composed of DWAF staffs whom that are in the position of Directors, Planners, Clerks, Assistant Directors, Secretaries and Foresters mostly at Head Office in Pretoria.

The questionnaires were sent e-mailed to one hundred (100) all these candidates and forty (40) responded and they are listed below for them to respond to by E-mail, letter, phone or any other means through which they would feel comfortable and secure. Those who want to be anonymous are also welcome to hide their identity when responding.

Interviews will be held with the first five (5) about 10 of of these candidates. The five (5) candidates were chosen by , who are randomly selected from the list. The ten candidates to be selected by inviting one two Directors, one two Deputy Directors, one two assistant Directors, two Chief Clerks, two Secretaries, one two Foresters, Two Engineers, two Junior Clerks, two Planners and one Chief Director. The interviews were then be confirmed with these first five (5) ten respondents. invitees.

1. Tshepo Malatji Director

1ef@dawf.gov.za

2.	Ciril Ndou	Deputy Director	1er@dwaf.gov.za
3.	Linda Mossop	Chief Director	1fa@dwaf.gov.za
4.	Sabelo Malaza	Assistant Director	1de@dwaf.gov.za
5.	Busi Skhosana	ForesterAssistant Director	1ej@dwaf.gov.za
6.	Deon Venter	Chief Clerk	1ac@dwaf.gov.za
7.	Jan Truter	Deputy Director	1eg@dwaf.gov.za
8.	Mike Modise	Deputy Director	1cc@dwaf.gov.za
9.	Themba Dlamini	Assistant Director	1ce@dwaf.gov.za
10.	Tebogo Mathiane	Chief Clerk	1cf@dwaf.gov.za
11.	Violet Bokaba	Senior Clerk	1at@dwaf.gov.za
12.	Catherine Setlhata	Chief Clerk	1ce@dwaf.gov.za
13.	Gracia Sekese	Secretary	1aq@dwaf.gov.za
14.	Frans Matrass	Secretary	1ad@dwaf.gov.za
15.	Renny Madula	Deputy director	1af@dwaf.gov.za
16.	Wendy Deathe	Junior Clerk	1a2@dwaf.gov.za
17.	Ephraim Moratho	Planner	1ai@dwaf.gov.za
18.	Jeniffer Lekalakala	Planner	1ar@dwaf.gov.za
19.	Vusi Ximba	Forester	1ed@dwaf.gov.za
20.	Simon Nkosi	Forester	1ew@dwaf.gov.za
21.	Ndina Nemasisi	Forester	1et@dwaf.gov.za
22.	Joel Matshate	Forester	1aj@dwaf.gov.za
23.	Thabitha Maseko	Admin Clerk	1dp@dwaf.gov.za
24.	Mamphoke Phalane	Clerk	1dj@dwaf.gov.za
25.	Gadibolae Moeti	Secretary	1db@dwaf.gov.za
26.	Motsamai Nkosi	Officer	1eq@dwaf.gov.za
27.	Titus Phora	Forester	phorat@dwaf.gov.za
28.	Susan Steyn	Forester	susan@dwaf.gov.za
29.	Luke Radebe	Engineer	radebel@dwaf.gov.za

- 30. Jacolin Mans Engineer mansj@dwaf.gov.za
- 31. Mike Chettiar Forester chettiar@dwaf.kzntl.gov.za
- 32. David Noha Forester
nohad@dwaf.ncape.gov.za
- 33. Patrick Ntabeni Forester ntabenip@dwaf.mpu.gov.za
- 34. JJ le Roux Planner 1ak@dwaf.gov.za
- 35. Shumani Lukheni Planner 1a4@dwaf.gov.za
- 36. Kabelo Selema Forester 1am@dwaf.gov.za
- 37. Msimelelo Nxele Planner 1ag@dwaf.gov.za
- 38. Kagiso Mogale Engineer 1dw@dwaf.gov.za
- 39. Kabelo Molele Engineer 1nm@dwaf.gov.za
- 40. Sebolelo Mokitlane Chief Clerk 1ac@dwaf.gov.za



APPENDIX 3: The Questionnaires:

PLEASE ANSWER THE FOLOWING QUESTIONS BY CHOOSING ONE OF THE OPTIONS PROVIDED:

1. For which department are you working within DWAF headquarters?

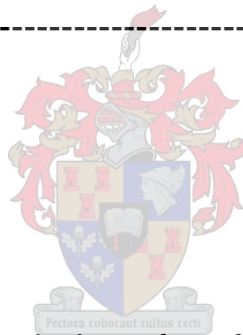
2. Please indicate in the general area within which, your job position may be classified:

- Administration

- Management

- Technical

- Other (Specify)-----



a) How do you rate your knowledge of performance management?

- Excellent

- Good

- Do not know

- Weak

- Very Weak

- Please explain your choice-----

b) Is the performance management system implemented in your section?

- Strongly agree
- Agree
- Undecided
- Disagree



- Strongly disagree
- Please explain your choice-----

c) The performance management systems implemented in the department achieve its intended results of improved individual performance?

- NeverStrongly agree

- Rarely Agree
- Sometimes Undecided
- Often Disagree
- Always Strongly disagree

• Please explain your choice-----

d) The incentives measures that are implemented are effective in encouraging good individual performance?

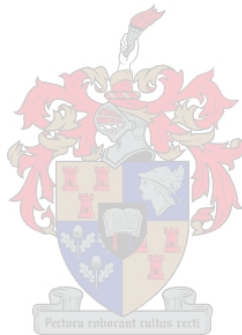


- Never Strongly agree
- Rarely Agree
- Sometimes Undecided
- Often Disagree
- Always Strongly disagree

• Please explain your choice-----

e) The corrective measures that are implemented are effective to mitigate poor individual performance?

- Strongly agree
- Agree
- Undecided
- Disagree
- Strongly disagree



- Please explain your choice-----

f) What suggestion do you have for improved individual performance management at DWAF head office?

