

**READINESS OF AN ENGINEERING SUPPORT SERVICES ORGANISATION FOR
THE IMPLEMENTATION OF A PERFORMANCE MANAGEMENT SYSTEM**

by

THAPEDI JERRY MOFOKENG

submitted in accordance with the requirements for the degree of

MASTER OF COMMERCE

in the subject

INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY

at the

UNIVERSITY OF SOUTH AFRICA

SUPERVISOR: PROF FRANS MALOA

JANUARY 2017

FOR THE ATTENTION OF THE READER

SCOPE OF THE DISSERTATION

For this Master's dissertation of limited scope (50% of the total Master's degree), the Department of Industrial and Organisational Psychology recommends a boundary of approximately 60 to 80 pages. The department prescribes an article format that involves four chapters – an introductory and a literature chapter (Chapters 1 and 2), a research article (presented in Chapter 3) and a final chapter, containing the conclusion, limitations and recommendations of the study (Chapter 4).

TECHNICAL AND REFERENCE STYLE

The APA referencing style, 6th edition was followed in terms of the technical editing and referencing.

DECLARATION

I, **Thapedi Jerry Mofokeng** (student number: **36643475**) declare that this dissertation, entitled:

“Readiness of an engineering support services organisation for the implementation of a performance management system”

is my own work and that all the sources that I have used and/or have quoted from have been indicated and acknowledged by means of complete references.

I further declare that ethical clearance to conduct the research was obtained from the Department of Industrial and Organisational Psychology, University of South Africa, as well as from the participating organisation.

Thapedi J. Mofokeng (Student number: 36643475)

2017

ABSTRACT

Readiness of an engineering support services organisation for the implementation of a performance management system

Implementing a performance management system is a change process that requires that readiness for change is established as a pre-requisite. This study reports on the relationship between readiness for change and the implementation of a performance management system; that is the extent to which readiness for change influences the implementation of a performance management system. The study was conducted in an engineering support services private sector organisation with a footprint across South Africa. A random sample was drawn from the target population. A multiple regression analysis was subsequently conducted.

The findings of this study reflect that readiness for change influences the implementation of a performance management system. Also, reflected in the findings is that the factors of readiness for change influence the implementation of a performance management system, namely business unit climate; job/task requirements; motivation to change; the personal impact of change; the emotional impact of change and change processes. In addition, the findings reflect that there is a statistically significant difference in readiness for change by tenure and by business unit.

KEY WORDS

Organisational change; organisational readiness for change; change management; performance management; performance management system

ACKNOWLEDGEMENTS

- First and foremost, I thank God Almighty for the opportunity He has given me to learn; without Him I would not be who I am and I could not do anything. Thank You Lord for answering this specific prayer about completing my dissertation.
- To my wife, Ndinae, my children, Tlholo and Lesedi, thank you for the invaluable support, when I could have spent the time with you, I spent it on the books; you understood without me having to ask you; thank you very much, this is exactly why I call you “my people”.
- In memory of Mapolo, as I used to call her, my late mom, I am grateful when I remember how she encouraged me to take education seriously, a dream she was forced to abandon. She sacrificed a lot to support me with my journey of learning, even when it was hard for her. I thank God to have had her for a mother.
- Professor Maloa, my supervisor, thank you for believing in me and my study. I specifically remember, when I first approached you and the excitement you had about my topic and the entire approach. I admit, I was somewhat confused and delayed the process, but your patience and well-considered feedback and suggestions came in handy, thank you.
- Mr Andries Masenge, the statistician, thank you for helping me understand those numbers and statistical terms; more so, the telephonic classes at night, thank you.
- To the participating organisation, thank you for permitting me to use your most important asset, your employees to collect data for my study.

TABLE OF CONTENTS

SCOPE OF DISSERTATION	i
TECHNICAL AND REFERENCING STYLE.....	i
DECLARATION	ii
ABSTRACT.....	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS.....	v
LISTS OF FIGURES AND TABLES	x
CHAPTER 1: SCIENTIFIC ORIENTATION TO THE STUDY	1
1.1. BACKGROUND AND MOTIVATION OF THE RESEARCH	1
1.2. PROBLEM STATEMENT.....	9
1.2.1 Specific research questions: literature review	10
1.2.2 Specific research questions: empirical study.....	10
1.3. AIMS OF THE STUDY	11
1.3.1. General aim	11
1.3.2. Specific literature aims	11
1.3.3. Specific empirical aims	12
1.4. PARADIGM PERSPECTIVE OF THE RESEARCH	12
1.4.1. Intellectual climate: meta-theoretical perspective	13
1.4.2. Discipline.....	13
1.4.3. Meta-theoretical assumptions	14
1.4.4. Theoretical base	14
1.4.5. Hypotheses	15
1.5. RESEARCH DESIGN.....	16
1.5.1. Research approach	16
1.5.1.1 <i>Research variables</i>	17
1.5.2. Research procedure.....	18
1.5.3. Research participants	20
1.5.3.1 <i>Ethical considerations</i>	21

1.5.4. Measuring instrument: Change Readiness Inventory	23
1.5.4.1 <i>Psychometric properties of the CRI</i>	24
a <i>Reliability of the CRI</i>	24
b <i>Validity of the CRI</i>	25
1.5.5. Statistical analysis.....	25
1.5.6. Potential limitations.....	26
1.6. CHAPTER LAYOUT.....	27
1.7. CHAPTER SUMMARY	28
CHAPTER 2: LITERATURE REVIEW	29
2.1. ORGANISATIONAL CHANGE	29
2.1.1 <i>Triggers of change.....</i>	31
2.1.1.1 <i>Technology</i>	31
2.1.1.2 <i>Economy.....</i>	32
2.1.1.3 <i>Competition</i>	32
2.1.1.4 <i>Political factors</i>	32
2.1.2 The process of change.....	34
2.2. READINESS FOR CHANGE.....	37
2.2.1 Aspects of change readiness	39
2.2.1.1 <i>Perception of change efforts.....</i>	39
2.2.1.2 <i>Vision for change</i>	39
2.2.1.3 <i>Mutual trust and respect</i>	40
2.2.1.4 <i>Change initiative</i>	40
2.2.1.5 <i>Management support.....</i>	40
2.2.1.6 <i>Acceptance.....</i>	41
2.2.1.7 <i>Managing change</i>	41
2.3. PERFORMANCE MANAGEMENT SYSTEM.....	41
2.3.1. Introduction to performance management system	41
2.3.2. Theoretical model of a performance management system.....	43
2.3.2.1 <i>Vision and mission.....</i>	45
2.3.2.2 <i>Key success factors.....</i>	45
2.3.2.3 <i>Organisational structures</i>	45
2.3.2.4 <i>Strategy</i>	46

2.3.2.5 Key performance measures.....	46
2.3.2.6 Target setting.....	46
2.3.2.7 Performance evaluation.....	47
2.3.2.8 Reward systems.....	47
2.3.3. The objectives of a performance management system	48
2.3.3.1 Strategy.....	48
2.3.3.2 Decision-making.....	48
2.3.3.3 Training and development.....	49
2.4. READINESS FOR CHANGE AND THE IMPLEMENTATION OF A PERFORMANCE MANAGEMENT SYSTEM.....	49
2.5. CHAPTER SUMMARY.....	52
CHAPTER 3: RESEARCH ARTICLE	53
ABSTRACT.....	53
Introduction.....	54
Trends from literature	55
Organisational change.....	56
Organisational readiness for change	56
Performance management system	60
The relationship between readiness for change and the implementation of a performance management system	62
Statement of the problem and research objectives.....	64
Hypotheses	64
The potential value of the study.....	66
Research Design	66
Research approach	66
Research method	67
Research participants	67

Biographical information of the sample	68
<i>Sample distribution by function.....</i>	<i>68</i>
<i>Sample distribution by business unit</i>	<i>69</i>
<i>Sample distribution by job grade</i>	<i>70</i>
<i>Sample distribution by gender</i>	<i>70</i>
<i>Sample distribution by tenure</i>	<i>71</i>
Measuring Instrument	73
Research Procedure.....	74
Statistical Analysis	75
Results.....	76
Descriptive statistics.....	76
Inferential statistics.....	80
Decisions regarding the research hypotheses	84
Discussion	88
Conclusion: Implications for practice.....	92
Limitations of the study	92
Recommendations for future research.....	93
REFERENCES.....	94
CHAPTER 4: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS.....	98
4.1. CONCLUSIONS.....	98
4.1.1 Conclusions regarding the literature review.....	98
<i>4.1.1.1 Aim 1: Conceptualise organisational readiness for change from a theoretical perspective</i>	<i>99</i>
<i>4.1.1.2 Aim 2: Conceptualise performance management system from a theoretical perspective</i>	<i>100</i>
<i>4.1.1.3 Aim 3: Integrate organisational readiness for change and the implementation of a performance management system and conceptualise the theoretical relationship between the two variables</i>	<i>101</i>
<i>4.1.1.4 Aim 4: Formulate the study hypothesis to achieve the study objectives</i>	<i>103</i>
4.1.2 Conclusions regarding the empirical study.....	105
4.1.3 Conclusions regarding the hypotheses	107

4.1.4 Conclusions regarding the contribution to the field of Industrial and Organisational Psychology	107
4.2. LIMITATIONS.....	108
4.2.1 Literature review.....	109
4.2.2 Empirical study.....	109
4.3. RECOMMENDATIONS	110
4.4. INTEGRATION OF THE RESEARCH.....	111
4.5. CHAPTER SUMMARY	111
REFERENCES.....	112

LISTS OF FIGURES AND TABLES

LIST OF FIGURES

Figure 2.1 Lewin’s 3-step change model 34
Figure 2.2 Performance management system framework 44
Figure 3.1 Sample distribution by function 68
Figure 3.2 Sample distribution by business unit 69
Figure 3.3 Sample distribution by job grade 70
Figure 3.4 Sample distribution by gender 70
Figure 3.5 Sample distribution by tenure 71

LIST OF TABLES

Table 2.1 Triggers of change 33
Table 2.2 The Kotter framework for change 36
Table 3.1 Biographical distribution of sample 72
Table 3.2 Descriptive statistics of all factors per variable 77
Table 3.3 Descriptive statistics of the variables 78
Table 3.4 Mean difference by tenure 79
Table 3.5 Mean difference by business unit 79
Table 3.6 Bivariate correlation between variables 81
**Table 3.7 Regression model summary of readiness for change and the
implementation of a performance management system 82**
Table 3.8 ANOVA summary 82
Table 3.9 Estimated model coefficients 83

CHAPTER 1: SCIENTIFIC ORIENTATION TO THE STUDY

This study investigates the relationship between organisational readiness for change and the implementation of a performance management system in an engineering support organisation. The first section of this chapter provides the background and motivation for this study. The second section of the chapter deals with the problem statement, specific literature questions, specific empirical questions and the potential value that this study may contribute to Industrial and Organisational Psychology. Section three discusses the general aim of the study, as well as the specific literature and empirical aims of the study. Section four of the chapter explains the paradigm perspective and includes the intellectual climate within which this study was conducted. The research design section provides details on the research approach, validity and reliability, variables and ethical considerations. Section five discusses the research method used in the study and includes a description of the sample, the psychometric instruments utilised, administration of the instrument, data capturing and data analysis. The last section provides an overview of the conclusions, recommendations and limitations of the study.

1.1. BACKGROUND AND MOTIVATION OF THE RESEARCH

In recent years, there has been an increase in the need for efficient and effective performance management systems (De Waal & Counet, 2009). The effective management of human resources is a vital requirement in all organisations for the achievement of the strategic objective of sustained and speedy growth (Bhattacharjee & Sengupta, 2011). The use of a performance management system has proven to improve the overall quality and performance of an organisation (de Waal & Counet, 2009). Efficient development of human capital enables an organisation to stay ahead of its competitors (Pradhan & Chaudhury, 2012). Performance management forms an essential element in this process, since it enables a culture of support and encouragement in turbulent business times (Ochurub, Bussin, & Goosen, 2012).

The introduction of a performance management system is a change initiative that is pivotal to the strategy of the organisation (Ochurub, et al., 2012). According to Rashidi (2015), a well implemented performance management system leads to favourable results and helps organisations address the changes optimally. Greenberg and Baron (1997) defined organisational change as a planned process of transformation in the organisational structure, processes, people and technology. However, organisational change and organisational development programmes are typically unsuccessful and only a few achieve increased productivity and sustained performance (Parumasur, 2012).

The management of change, as posited above, is an essential part in assisting the organisation in the effective implementation of a performance management system (Weiner, 2009). Change management experts and researchers recently highlighted the importance of ensuring organisational readiness for change (Weiner, 2009). Theoretical and scientific bases for change readiness, however, are limited (Weiner, 2009).

Readiness for change as a concept originates from the field of health psychology (McKay, Kuntz, & Naswall, 2013). Armenakis, Harris, & Mossholder (1993) suggested two necessary courses of action for creating readiness for change in an organisation, namely communicating a clear message about the gap between the current state and the desired state, as well as building the necessary confidence in employees that they have the skills and the knowledge needed to cope with the desired change.

Lutwama, Roos, and Dolamo (2013) identified numerous gaps in the implementation of a performance management system in Uganda. Employees were found to be dissatisfied about the non-transparency of the performance management system (Bhattacharjee & Sengupta, 2011).

In a South African context, Ochurub, et al (2012) found that the organisation they investigated was not ready to introduce a new performance management system and that employees held negative attitudes and feelings about the proposed performance management system. It appeared that limited South African research had investigated the implementation and practice of performance management in the public sector (Ochurub, et al., 2012).

Given the opportunity for further investigation in the field of performance management, the current study investigates the implementation of a performance management system in a private sector organisation within South Africa. The study will contribute to the fields of Industrial and Organisational Psychology and Human Resources in South Africa, in that performance evaluation is a sub-element of Personnel Psychology, which is a traditional field of Industrial Psychology, while organisational change is a sub-element of Organisational Psychology (Schreuder & Coetzee, 2010). Personnel Psychology is also considered as the bridge between the fields of Human Resources and Industrial Psychology (Schreuder & Coetzee, 2010). The outcome of this research will inform the ongoing research in the two fields. It is envisaged that the findings of the study will assist the participating organisation in determining its readiness for implementing change by means of a performance management system. The knowledge gained in this way, will also assist the organisation in implementing further changes.

Organisations face a highly competitive external environment and may have to change their processes more frequently to meet the demands of the market (Hall, 1999). Change may be required, when an organisation is dealing with new technology, mergers and acquisitions, restructuring and new business strategies (Kotter, 2002). Since organisational transformation in most instances involves a change management aspect, it can be concluded that the two processes of transformation and change management are related (Kotter, 2002). Change can occur at different levels in an organisation, namely at organisational, team, departmental and individual level. According to Kotter (2002), the most important part of change management initiatives lies in changing people's behaviour and not the actual systems involved.

Johns and Saks (2005) defined organisational change as a sequence of organisational events or psychological processes that occur over time. The sequence of change involves three steps; namely, unfreezing, changing and refreezing. Unfreezing occurs, when there is a realisation that the organisational current is unsatisfactory (Luthans, 2008). Change is a process of implementing a programme of action to move the organisation from the current unsatisfactory state to the desired state (Johns & Saks, 2005). Refreezing occurs, when the newly developed behaviours and attitudes become embedded in the organisation (Cameron & Green, 2007).

Kotter (2002) suggested that there must be sufficient urgency, which creates a compelling motive for the change to be implemented before any change can be initiated. When sufficient urgency is lacking, large-scale changes are unlikely to succeed. Numerous types of behaviours often block change implementation, such as complacency; unwillingness to change; self-protection and a pessimistic attitude. Kotter (2002) argued that to address the change blocking behaviours, an organisation needs to create a vision. It also should encourage a learning culture to successfully implement and manage change.

According to the knowledge Corporate Leadership Council (2008), change management is also described as the formal process for organisational change, including a systematic approach and application of. Change management means defining and adopting corporate strategies, structures, procedures and technologies to deal with change stemming from internal and external conditions (CLC, 2008). Organisational readiness for change may facilitate the process of change management. Readiness for change is of central importance to organisations that are embarking on any kind of transformational change (Nissen, 2014).

Organisational readiness for change is a shared psychological state among the organisational members, which creates a feeling of commitment to implementing the organisational change with confidence in their collective capabilities to do so (Weiner, 2009, p. 1).

Organisational readiness for change is also described as the organisational ability to rapidly and effectively respond to change (Roodt & Kinnear, 2007). Organisational readiness for change therefore refers to ensuring that the organisational environment is conducive for the implementation of change. This type of change refers to the integration of new organisational processes into the primary functions and the intended outcomes of the organisation (Newman, 2012).

Organisational members are likely to initiate change, when change readiness is high (Weiner, 2009). When organisational readiness for change is low or non-existent, the members of the organisation will most probably resist initiating change and put less effort into implementing the change (Kwahk & Kim, 2008). Furthermore, when organisational readiness for change is low, organisational members will typically not be inclined to persevere in the face of the challenges that come with the implementation of change (Weiner, 2009). Organisational readiness for change focuses on the implementation of new practices and behaviours that are related to planned or unplanned changes to the environment or other aspects of organisational development (Nissen, 2014). Creating readiness for change has proven to reduce resistance to change (Kwahk & Kim, 2008). Organisational change literature suggests that attention to organisational readiness offers great potential for improving organisational development, underscored by an emerging implementation science literature that uses system-based analytics, including implementation drivers to more effectively achieve its aims (Nissen, 2014).

Weiner (2009) states that organisational readiness for change is a multi-level concept that can be present at the individual; team, department or the organisational level. Furthermore, it is a multifaceted construct that can be seen in organisational members' changing commitment and changing efficacy to implement organisational change (Armenakis et al. 1993; Nissen, 2014). Change commitment is the organisational members' shared determination to pursue the courses of action involved in the implementation of change (Weiner, 2009).

Organisational members may commit to the implementation of organisational change in the case of a top-down instruction because they have little say in it. They can also commit to the implementation of organisational change, when they are willing to change, suggesting that they want change because of the value they place on change. Finally, organisational members could commit to the institutionalisation of the organisational change because they feel obliged to do so (Weiner, 2009).

The concept of change efficacy also plays a role in organisational readiness to change. It refers to organisational members' shared beliefs in their collective abilities to prepare for and implement the relevant actions for change implementation (Weiner, 2009, p. 2). All in all, organisational readiness for change is reflected in both psychological terms, referring to attitudes, behaviours and beliefs; and structural terms denoting financial, material and informational resources (Lerch, Viglione, Eley, James-Andrews, & Taxman, 2011; Weiner, 2009). The change readiness of an organisation is further seen as situational, which means that change could be necessitated by the situation that the organisation is faced with (Weiner, 2009).

Organisational members may change their attitudes, when they understand the need for change and are empowered to understand the implemented changes through education and awareness (Ochurub et al., 2012). Weiner (2009) further asserted that a culture that encourages learning and innovation enhances organisational readiness for change. Ochurub et al. (2012) argued that empowering and encouraging organisational members to share and provide new ideas, and ensuring constant communication of the reasons for change is the most successful approach to involve employees. Encouraging participation facilitates organisational members' sense of ownership in the change process (Mckay et al., 2013). In any change process, organisational readiness for change are essential, combined with a set of practices that involves a mutually reinforcing sense of openness, opportunity, vision, efficacy and adequate resources, resulting in willingness and commitment to engage in an organisational transformation (Nissen, 2014).

Performance management, a critical activity for management in both profit-making and non-profit making organisations (Pongatchat & Johnston, 2008), is an on-going process of identifying, measuring and enhancing the performance of individuals or teams and aligning that performance to the organisational strategy (Aguinis, 2009). Performance management entails a process of integrating organisational goal setting, performance appraisal and employee development into a single consolidated system with the aim of ensuring that employees' performance supports the organisational strategic intention (Bhattacharjee & Sengupta, 2011).

Performance management signifies more than just a practice aimed at measuring and adapting employee performance, since it integrates the setting of expectations; measuring and reviewing the results and rewarding performance with the view of impacting organisational success positively (Den Hartog, Boselie, & Paauwe, 2004). Therefore, performance management is a process that aligns organisational strategy to team and individual performance objectives with the aim of ensuring a consistent approach to implementing organisational strategy. The effective measurement and active management of organisational and employee performance is crucial in organisational development and survival (Den Hartog et al., 2004).

In the past, performance management research typically focused on the accuracy of performance appraisals, but in recent years, the focus shifted to also investigating the motivational aspects of employee performance (Den Hartog et al., 2004). Performance management is also a continuous process that involves performance reviews with a focus into the future improvement of performance as opposed to only reviewing the past performance (den Hartog et al., 2004). Performance management creates a framework that encourages, supports and guides, and helps to establish a performance-related culture (Ochurub et al., 2012). Although performance management is an essential tool for managing the most valuable asset in any organisation, the employees (Bhattacharjee & Sengupta, 2011), it has been found that not all employees in an organisation that has implemented a performance management system knew what performance management entailed (Lutwama et al., 2013).

Aguinis (2009) suggested that organisation-wide education on the performance management system should be prioritised in a performance management implementation plan. Previous researchers often investigated performance management, while overlooking the challenges inherent in introducing a performance management system as a new approach/strategy in a company (Ochurub et al., 2012). Aspects embedded in a performance management system such as performance measurement and performance reviews may be threatening to employees (Aguinis, 2009). The introduction of a performance management system could affect the levels of employee engagement and job security in that a performance management system incorporates high levels of open communication and trust (Luthans, 2008). Employees should understand what the organisation aims to achieve by introducing a performance management system (Ochurub et al., 2012).

The implementation of a performance management process incorporates four steps; namely, goal setting; monitoring and feedback; rewards and recognition and learning and development (Bhattacharjee & Sengupta, 2011). Goal setting is a process of creating organisational strategy from the top structures and cascading the strategy to the rest of the organisation through teams and ultimately to the individual level (Luthans, 2008). Monitoring and feedback involve conducting performance reviews and giving employees feedback in terms of how well they are meeting the organisational goals (Bhattacharjee & Sengupta, 2011). Reward and recognition includes a motivational aspect that is intended to encourage the employees through monetary and non-monetary incentives to meet and exceed the organisational goals. Learning and development is a process of identifying development needs and agreeing on the plan of action to create and provide the learning and developmental opportunities (Bhattacharjee & Sengupta, 2011).

The study investigated the relationship between organisational readiness for change and the implementation of a performance management system. In other words, determining whether organisational readiness for change had an impact on the implementation of a performance management system. It was also important to investigate how other biographical variables such as tenure, job levels and business unit influence readiness for change in the organisation.

The following hypothesis emanated from the literature review as outlined in the background and motivation to the study.

H1: There is a relationship between readiness for change and the implementation of a performance management system.

H2: Levels of readiness for change differ based on tenure in the organisation.

H3: There is a difference in the levels of readiness for change based on the business unit within the organisation.

H4: There is a relationship between the individual variables of readiness for change and the implementation of a performance management system.

1.2. PROBLEM STATEMENT

According to Canterucci (2008), change readiness is one of the six major components of successfully implementing change. It is evident from the literature that organisations need to establish levels of change readiness and manage employees' experiences during a transition to a performance management system (Ochurub et al., 2012). Implementing a performance management system would be a completely new process in the participating organisation.

As far as could be determined, a formal performance management system had not yet been established in the participating organisation. It was envisaged that the introduction of a performance management system would impact on how employees perform their jobs. Therefore, the purpose of the study was to assess organisational readiness for implementing a performance management system. The study will contribute towards an understanding of the concept of organisational readiness for change by investigating employees' attitudes about the implementation of a performance management system in the participating organisation.

Terre Blanche, Durrheim, and Painter (2006) defined a research question as the question that the study wants answered. The general research question of the study is as follows:

What is the relationship between organisational readiness for change and the implementation of a performance management system?

1.2.1. Specific research questions: literature review

- (1) How is organisational readiness for change conceptualised in literature?
- (2) How is performance management system conceptualised in literature?
- (3) What is the theoretical relationship between organisational readiness for change and the implementation of a performance management system?
- (4) What are the implications of the theoretical relationships in relation to practice?

1.2.2. Specific research questions: empirical study

- (1) What is the relationship between readiness for change and the implementation of a performance management system (H1)?
- (2) Is there a difference in terms of levels of readiness for change based on tenure in the organisation (H2)?

- (3) Is there a difference in terms of levels of readiness for change based on the business unit within the organisation (H3)?
- (4) Is there a significant relationship between the factors of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of a performance management system (H4)?

1.3. AIMS OF THE STUDY

The general aims of the study are formulated in alignment with the stated hypotheses and research questions.

1.3.1. General aim

The general aim of the study was to determine the relationship between readiness for change and the implementation of a performance management system.

1.3.2. Specific literature aims

The following research aims were formulated for the literature review.

- (1) To conceptualise organisational readiness for change from literature.
- (2) To conceptualise performance management system from literature.
- (3) To discuss the theoretical relationship between organisational readiness for change and the implementation of a performance management system.
- (4) To formulate the study hypotheses

1.3.3. Specific empirical aims

The following research aims were formulated for the empirical study.

- (1) Determine the relationship between organisational readiness for change and the implementation of a performance management system.
- (2) Determine if there is a statistically significant difference by tenure with regards to readiness for change for the implementation of a performance management system.
- (3) Determine, if there is a statistically significant difference by business unit in the participating organisation with regards to readiness for change for the implementation of a performance management system.
- (4) Determine if there is a statistically significant difference between the sub-variables of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of a performance management system.
- (5) Formulate recommendations in terms of implementation and further research for the field of Industrial and Organisational Psychology with regards to the role of organisational readiness for change in implementing performance management systems.

1.4. PARADIGM PERSPECTIVE OF THE RESEARCH

A paradigm is a model or pattern containing a set of legitimated assumptions and a design for collecting and interpreting data (De Vos, Strydom, Fouche & Delport, 2012). Colman (2009) further pointed out that a paradigm is a pattern, model or meta-theoretical conceptual framework within which theories in an area of research are constructed. Three dimensions of paradigms include ontology, which specifies the nature of reality to be studied and what can be known about it; epistemology, which specifies the nature of the relationship between the researcher and what can be known; and methodology, which specifies how the researcher may practically go about

studying what can be known (Terre Blanche, et al. 2006). The paradigm perspective in this study was a positivist methodology, in that the researcher adopted an experimental and quantitative testing of hypotheses (Terre Blanche, et al. 2006). The study was based on the belief that the individuals in the participating organisation had subjective perceptions of readiness for change (Terre Blanche, et al. 2006)

1.4.1. Intellectual climate: meta-theoretical perspective

Intellectual climate refers to the variety of meta-theoretical values or beliefs, which are held by the practitioners within a discipline at any given point in time (Mouton & Marais, 1996, p. 20). The intellectual climate of organisational readiness for change was within the field of industrial and organisational psychology, which refers to the scientific study of people within their work environment and includes the application of psychological principles; theory and research to the work setting (Landy & Conte, 2004; Riggio, 2009).

1.4.2. Discipline

This study was within the Industrial and Organisational Psychology domains of Personnel Psychology and Organisational Psychology. Personnel Psychology scientifically studies individual differences in work settings and includes activities such as job analysis and criterion development; employee selection and placement; psychological assessment; employee reward and remuneration; employee performance evaluation; training and development (Schreuder & Coetzee, 2010). Organisational psychology's focus is on the impact that the organisations have on the behaviour and attitudes of employees, which includes the studying organisational change and commitment (Schreuder & Coetzee, 2010).

1.4.3. Meta-theoretical assumptions

No scientific finding can be conclusively proven based on empirical research data; the research must make assumptions justifying specific theories and meta-theoretical assumptions from the definitive context of the study (Mouton & Marais, 1996). The meta-theoretical assumptions in the study were from the theories of organisational readiness for change and performance management.

1.4.4. Theoretical base

The literature review of organisational readiness was presented from the conceptualisation of readiness for change as a description of employee belief in the benefits of a change in and to the organisation and work processes, and whether these changes have a high likelihood of being implemented successfully (Eby, Adams, Russel, & Gaby, 2000). The review of literature for performance management was presented from a definition that performance management is the range of activities that an organisation engages in to enhance the performance of a target person or group with the ultimate purpose of improving organisational effectiveness (DeNisi, 2000). From the literature, it can be deduced that the introduction of a performance management system in an organisation is an introduction of change. In implementing a performance management system, an organisation has to ensure readiness for the proposed change.

Ochurub et al. (2012) investigated the extent to which employees were ready for change as an indication of whether their organisation was ready to introduce a performance management system. Lutwama et al. (2013) investigated the role of change readiness in the implementation of performance management. These studies were conducted in the public and healthcare sectors, respectively.

The aim of this study was to investigate the relationship of organisational readiness for change and the introduction of a performance management system in a private sector organisation and in this case, an engineering support services organisation.

1.4.5. Hypotheses

The central hypothesis of this study was that organisational readiness for change influences the implementation of a performance management system within an organisation.

Due to the differences in tenure among the employees in the participating organisation, the secondary hypothesis of the study was that the longer the employees have been with the organisation, the less likely they would be ready for change and the implementation of a performance management system.

Also, due to the different business units with the different services and products offered; and the different sub-organisational cultures, the third hypothesis in the study was that there is a difference in the levels of readiness for organisational change for the implementation of a performance management system among the different business units in the participating organisation.

Lastly, since the independent variable, readiness for change, has sub-variables, the fourth hypothesis in the study is that there is a significant relationship between the individual variables of readiness for change and the implementation of a performance management system.

1.5. RESEARCH DESIGN

The section that follows outlines the research approach, which is inclusive of the research variables and the participants. The section also outlines the research procedure and the statistical analysis. The section ends with ethical consideration and potential limitations.

1.5.1. Research approach

Research approach is the arrangement of conditions for the collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Mouton & Marais, 1996). Research approach also refers to the description of the way in which a theory is conceptualised and tested (Terre Blanche et al., 2006). There are two approaches to research; deductive reasoning and inductive reasoning (De Vos et al., 2012). Deductive reasoning emanates from the general to the specific by following a pattern from the belief that the pattern might be logically expected to observations that test the existence of the pattern (De Vos et al., 2012). Inductive reasoning moves from concrete observations to a general theoretical explanation (De Vos et al., 2012). The study was deductive in that from the literature review, the study conceptualised a relationship between readiness for change and the implementation of a performance management system, and subsequently presented testable hypotheses.

The study was conducted quantitatively through a non-experimental survey approach. According to Terre Blanche, et al. (2006), quantitative research collects data in the form of numbers and uses statistical data analysis. Quantitative research approach was appropriate for the study since it employed a survey to assess organisational readiness for the implementation of a performance management system.

The study was descriptive. Descriptive research presents a picture of the specific details of a situation (De Vos et al., 2012). It was envisaged that this study would provide an indication of whether there is a relationship between organisational readiness for change and the implementation of a performance management system in the participating organisation. Furthermore, it was envisaged that there would be differences in the levels of readiness for change and the implementation of a performance management system among the different business units and the tenure of groups of employees within the participating organisation.

1.5.1.1 Research variables

“A variable is defined as a concept that can take two or more values” (Terre Blanche et al., 2006, p. 42). It can either be independent or dependent. An independent variable is a cause variable that has an impact on another variable. The dependent variable is the result or outcome of another variable (Terre Blanche et al., 2006). The independent variable in this study was organisational readiness for change, and the dependent variable was the implementation of a performance management system. The study focused on determining, whether organisational readiness for change had influence on the implementation of a performance management system within the participating organisation.

1.5.2. Research procedure

The study consisted of two phases; namely, literature review and the empirical study.

Phase 1: Literature review

Literature review was conducted as follows:

Step 1: Conceptualised organisational readiness for change from a theoretical perspective.

Step 2: Conceptualised performance management systems from a theoretical perspective.

Step 3: Conceptualised the relationship between organisational readiness for change and the effective implementation of a performance management system in an organisation.

Step 4: Formulated the study hypotheses to achieve the study objectives.

Phase 2: Empirical study

The empirical study was conducted as follows:

Step 1: Choosing and motivating for the instrument

The Change Readiness Inventory (CRI) which was developed by Roodt and Kinear (2007) was chosen. The CRI measures organisational readiness for change and the implementation of change.

Step 2: Choosing and determining the sample

The target sample for the study consisted of 175 non-bargaining unit employees in the participating organisation.

Step 3: Administering the instrument

Due to the geographic spread of the sample, the CRI was administered electronically via e-mail. Permission was obtained from the participating organisation's Group Human Resources Director to conduct the study. A list of non-bargaining employees was obtained from the Human Resources function of the participating organisation.

Step 4: Capturing data

The participants' responses were captured in accordance with the CRI developers' guidelines of anonymity in that no names were captured. The data was captured on Microsoft Excel.

Step 5: Formulation of research hypotheses and statistical analysis

The hypotheses were formulated and statistical analysis performed.

Step 6: Reporting and discussing the results

The reporting and the discussion of the results were aligned to the literature review and the aims of the study.

Step 7: Formulation of research conclusions, limitations and recommendations

The study aimed to determine the relationship between organisational readiness for change and the implementation of a performance management system. The study also aimed to determine if there were differences in readiness for change among the participants in terms of business unit and tenure. Lastly the study aimed to determine if there was a relationship between the individual factors of readiness for change and the implementation of a performance management system.

1.5.3. Research participants

The population of the participating engineering support services organisation comprised of 1 500 permanent employees, based in six business units operating in diverse geographical areas. Of the 1 500 permanent employees, only 700 were salaried employees and were legible for performance evaluation. The remaining 800 employees were bargaining unit employees, who would not be performance managed as their salary increases were determined by union negotiations at the Bargaining Council. The population was further divided into the relevant business functions (finance, engineering, operations, sales, marketing, human resources and information technology) and included five job bands. Stratified random sampling was used in selecting the sample to establish more representativeness, where populations consist of subgroups (Terre Blanche et al., 2006).

A research proposal was presented to the senior management of the targeted participating organisation with the aim of obtaining permission to conduct the research; the permission was granted. The sample included 210 employees in the organisation across its business units, business functions and job bands. According to Terre Blanche et al. (2006), a minimum of 300 is a scientifically appropriate sample, 30% of a population of approximately 1 000. In this study, a sample of 175, which represents 25% of the target population was obtained. The sample size of 25% is sufficient to draw inferences for the population of 700 (Terre Blanche et al., 2006).

Terre Blanche et al. (2006) emphasised the importance of clearly stating the purpose of the study, theoretical paradigms underpinning the study, taking into cognisance the context within which the research takes place and the research technique. The representativeness of the sample and the instrument used are also critical in ensuring validity of the study. To ensure external validity, a representative sample was drawn. Identification of plausible rivalry hypotheses and eliminating their impact was done to achieve design validity. Data were collected, stored and analysed electronically. To ensure protection and authenticity of data, only the researcher had access to the data.

In this study, validity was ensured through:

- Using the models and theories relevant to the research topic, aim and problem statement as guidelines;
- Selecting measuring instruments that are applicable to the models and theories informing the study and that they are presented in a standardised manner.

1.5.3.1 Ethical Considerations

The purpose of research ethics is to protect the welfare of research participants (Terre Blanche et al., 2006). The following ethical aspects were addressed in the study.

Avoidance of harm, which states that research should bring no harm to the participants, is a fundamental ethical rule of research (De Vos et al., 2012). Key consideration in this study was to ensure that the CRI was used according to the rules of its developers in terms of administration, scoring and use of results.

Beneficence, which obliges the researcher to endeavour to maximise the benefits that the research will afford the participants, is also an important ethical aspect in research (Terre Blanche et al., 2006). In this study, beneficence was ensured by sharing the findings with the organisation to assist in effectively implementing and managing change within its business units, functions and work teams.

Voluntary participation is a further ethical principle in research. Voluntary participation protects participants from being forced to participate in a project (De Vos et al., 2012). In this study, participants were informed that their participation in the study is voluntary on the preface to the questionnaire.

Another ethical requirement is that of respect and dignity of participants by ensuring the confidentiality of the participants (Terre Blanche et al., 2006). This study treated the research participants (both the organisation, wherein the study was conducted and the individual members of the organisation) with the strictest confidentiality. A fundamental requirement of the CRI was that it could be used to measure individual readiness for change (Roodt & Kinnear, 2007). In the study, the participants were not required to disclose their names. This requirement aligned with the Health Professions Council of South Africa's ethical codes and the Constitution of the Republic of South Africa (Health Professions Council of South Africa, 2006).

The principle of informed consent requires that research participants be given an opportunity to choose what will and shall not happen to them (De Vos et al., 2012). In this study, participants received informed consent communication that explained the objectives of the study; the expected duration of the participant's involvement; possible advantages and disadvantages that the participants could experience, as well as the credibility of the researcher (De Vos et al., 2012).

In addition to the ethical principles mentioned above, the researcher adhered to the University of South Africa's ethical code of research, as per the ethical clearance that was issued and the Health Professions Council of South Africa's code of ethics.

1.5.4. Measuring instrument: Change Readiness Inventory

The instrument that was used to measure organisational readiness for change and the implementation of a performance management system was the Change Readiness Inventory (CRI). The CRI was developed by Roodt and Kinnear (2007). The inventory had acceptable psychometric properties (Cronbach's alpha of 0.98) for use in the study, and it measured organisational readiness for change (Roodt & Kinnear, 2007). The CRI was developed solely to assess the readiness of change of work teams, work units or organisational sub-divisions. The CRI is strictly intended for use in an organisational (corporate) setting for research as well as for diagnostic (consulting) purposes (Roodt & Kinnear, 2007). The CRI is based on the integrated theoretical model of inertia-related concepts that numerous authors have identified (Roodt & Kinnear, 2007). In a study that involved a group of 340 managers and 347 trainees in a state organisation in Australia, Cronbach alphas of .99 and .78 were found for the CRI (Van Rooyen, 2007).

The CRI incorporates the Burke-Litwin model to systematise and categorise the concepts and factors into an integrative theoretical model (Roodt & Kinnear, 2007). The CRI enables users to identify several specific organisational change facilitating or inhibiting factors, which can be grouped into two broad categories: transformational and transactional variables. Transformational variables refer to the external environment; change mission and strategy; a change supportive culture and change leadership (Roodt & Kinnear, 2007).

Transactional variables refer to the existing structure; work-unit climate; change management practices; change-related systems; change motivation; task requirements applicable to change; needs and values pertaining to change; individual experiences; and the emotional impact of change (Roodt & Kinnear, 2007). The 12 dimensions (transformational and transactional variables) were used as the behavioural anchors to develop the 109 behaviour-based items within each dimension of the CRI (Roodt & Kinnear, 2007).

The questionnaire was divided into the following sections:

Section A – biographical data in terms of business unit, department, job grade, tenure, gender and highest educational qualification.

Section B – Items from the CRI.

1.5.4.1. Psychometric properties of the CRI

a Reliability of the CRI

Reliability refers to the extent to which the measuring instrument gives the same results, when used repeatedly (Terre Blanche et al., 2006). Roodt and Kinnear (2007) reported a Cronbach's alpha (internal consistency) of 0.98 on the inertia scale and 0.89 on the external change forces, change strategy and imposed personal demands scale of the CRI. These figures are based on an initial study that was conducted on 617 individuals from junior to senior management in different industries (Roodt & Kinnear, 2007). Other researchers reported similar reliability scores for this inventory. For example, researchers found a Cronbach's alpha of 0.99 in a group of 340 managers in Australia; and a Cronbach's alpha of 0.78 for a group of 347 trainees who worked for a state organisation in South Africa. The internal consistency reliabilities for the 12 dimensions varied between 0.677 and 0.896 with only two reliabilities below 0.80 (Roodt & Kinnear, 2007).

b Validity of the CRI

According to Terre Blanche et al. (2006), validity refers to the extent to which the research conclusions are sound. Internal and external validity are imperative for a good research design. Roodt and Kinnear (2007) argued that the process followed in constructing the questionnaire is consistent with the generally accepted test construction procedures that both Schepers (1992) and Foxcroft (2005) suggested. This ensured that the inventory would have content validity with a high degree of face validity.

The factor analytical procedures show that the instrument also has structural validity (factorial validity), based on the first robust factor extracted in the reported studies (Burger, Crous & Roodt, 2008). Roodt and Kinnear (2007) maintained that high item-total score correlations also indicate that the items measure the same larger/broader construct; namely, organisational change readiness, alternatively referred to as inertia.

1.5.5. Statistical analysis

Basic quantitative analysis was used for the study and the data were statistically processed and analysed by means of descriptive statistics (frequency distribution by demographics); measures of central tendency (mode, mean and median); measures of variability (range and variance) and inferential statistics (to test hypothesis by using *t*-tests, *F*-statistic and correlation: *r* coefficient). The Statistical Analysis Software (SAS) was used to analyse the data. The SAS is a statistical mainframe package that is friendlier to use (Terre Blanche, et al 2006). Cronbach's alpha coefficients were used to determine internal consistency reliability properties of the CRI. Bivariate correlation coefficients were calculated to describe the relationship between the variables (organisational readiness for change and the implementation of a performance management system).

Multiple regression analysis was used to determine the percentage variance explained by the independent variable (organisational readiness for change) and the dependent variable (implementation of a performance management system). The levels of statistical significance used in this study were $F(p) < .05$ as the cut-off for rejecting the null hypotheses. Gravetter and Wallnau (2013) posit that the p-value of $<.05$ indicates the statistically significant difference. Due to the small sample size ($N = 175$) the significance level was set at $p = .10$ for interpreting the results of the moderated hierarchical analysis.

1.5.6. Potential limitations

It was expected that an empirical relationship exists between organisational readiness for change and the implementation of a performance management system. The study aimed to highlight the potential challenges that the implementation of a performance management system might pose to the organisation.

The following limitations were envisaged:

- (1) Not all participants in the sample would participate in the study, even if they were assured that their participation would be treated with strictest confidentiality.
- (2) Although the study took place in the private sector organisation, its results might not be generalisable to all corporate organisations due to the sample size.

1.6. CHAPTER LAYOUT

The following framework indicates how the study is presented in the final write up of the dissertation:

Chapter 1: Scientific orientation to the study

This chapter provided a scientific overview of the study. The chapter introduced the research topic and further outlined the research design and research methodology that was used to collect and analyse the data.

Chapter 2: Literature review

The literature review conceptualised the research variables, namely; organisational change; organisational readiness and the introduction of a performance management system. The chapter also considered the implications that organisational readiness for change held for the introduction of a performance management system.

Chapter 3: Research article

A research article, which detailed the scientific outline of the study, was the basis of this chapter. This chapter also provided information on the measuring instruments and statistical analysis of the data. The hypotheses of the study were further discussed in this chapter.

Chapter 4: Conclusions, limitations and recommendations

The chapter integrated the discussion and the conclusion of the research findings. It also provided the practical implications and recommendations for the participating organisation. Any limitations that arose during the study were pointed out, and recommendations for future research and the field of Industrial and Organisational Psychology were made.

1.7. CHAPTER SUMMARY

The chapter began by providing the background and motivation for the study. The problem statement for the study was outlined and was followed by the aims of the research. Both the general aim and specific aims of the study were stated. The study aimed to investigate the relationship between organisational readiness for change and the implementation of a performance management system. Following the aims of the study, the paradigm that was adopted in the study was defined and explained. The chapter further outlined the research design, which comprised of research approach, research method and procedure, research participants, research instrument and statistical analysis. The chapter concluded with the potential limitations to the research.

Chapter 2 discusses literature review.

CHAPTER 2: LITERATURE REVIEW

The preceding chapter dealt with the background to and motivation for the study. This chapter, as per the literature review aims, conceptualises organisational change in detail. The chapter proceeds to conceptualised readiness for change and performance management system. A theoretical model of a performance management system by Ferreira and Otley (2009) is presented and discussed. The chapter concludes with the integration of readiness for change and the implementation of a performance management system from a theoretical perspective.

2.1 ORGANISATIONAL CHANGE

Organisational change and change management have captured more attention than any other organisational problem (Wetzel & Van Gorp, 2014). Change, according to van Tonder (2006), is the most often referred to concept that plays a major role in many significant events. It is important to note that no change definition is beyond critique and it is anticipated that some change definitions may be viewed as lacking context or being selective (van Tonder, 2006).

Organisational change is defined as a planned or unplanned process of transformation in the organisation's structure, people and technology (Greenberg & Baron, 1997). Change is also seen as the implementation of a plan to move the organisation from the unsatisfactory state to a more satisfactory state. Johns and Saks (2005) defined change as the process of rethinking and renewing the strategic direction of the organisation. According to Rajput and Novitskaya (2013), change has always been integral in the life cycle of the organisation, whether consciously or unconsciously, and at an individual or a group level.

Johns and Saks (2005) indicated that processes are one of the aspects that can be changed in an organisation. Change in processes includes the alteration or the improvement of the basic ways in which organisational mission is accomplished (Johns & Saks, 2005). Organisational change, rather than a destination, is an ongoing process that requires the capability to ensure that all the levels of the organisation are informed at all times during the planning, implementation and anchoring of change (LC, 2008). Van Tonder (2006) distinguishes change into developmental change; transitional change and transformational change. Developmental change is an improvement of the existing process, system or culture. Transitional change is the introduction of a defined new state and the management of the temporal transition over a given period. Transformational change is the emergence of the new unfamiliar state as a result of the ineffectiveness of the old state, where the new state penetrates the organisation to a point of taking shape.

However, Greenberg and Baron (1997) defined two kinds of change: first order change and second order change. First order change is a continuous change that does not involve major shifts in the operations of the organisation. Second order change is a radical change that often involves myriad levels of the organisation and several aspects of the business (Robbins & Judge, 2013).

Further, the Corporate Leadership Council (2013) provided another alternative view of the types of change: Anticipated change; emergent change and opportunity-based change.

- (1) Anticipated change: Change that is planned for and occurs as per the intention.
- (2) Emergent change: Change that is spontaneous and that may be fuelled by innovation.
- (3) Opportunity-based change: Change that is not anticipated beforehand, but is intentionally introduced as a result of an unforeseen occurrence and opportunity.

In this study, the implementation of a performance management system can be classified as an anticipated change in that the participating organisation has tabled its intention to implement a performance management system. Changes in organisations do not just occur; changes come about as a result of inertia from within or outside the organisation (Robbins & Judge, 2013).

The following section provides an overview of the factors that influence organisational change; namely, the triggers of change.

2.1.1 Triggers of change

Socio-Cultural: Organisations operate in a global environment that requires intentional diversity management. The globalised environment also makes it essential for organisations to gear themselves up for the immigration and outsourcing (Robbins & Judge, 2013).

2.1.1.1 Technology

Technology is continually changing the nature of jobs and the processes that are used within organisations. The organisations constantly pursue faster and cheaper technology, while at the same time, they endeavour to raise the bar to the social media driven industry (Johns & Saks, 2005).

2.1.1.2 *Economy*

Economic instabilities such as rise and drop in the housing market, mergers and acquisitions and the global financial sector market downfall, cause the organisations to downsize and lay off some of their employees (Robbins & Judge, 2013).

2.1.1.3 *Competition*

Competition is rapidly changing, where businesses now have more competitors than ever before, including overseas competition (Johns & Saks, 2005). Organisations that survive the turbulent competitive environment are those that are fast on their feet and can develop the new products and penetrate the market sooner than their competitors (Robbins & Judge, 2013).

2.1.1.4 *Political factors*

Politicians often put laws in place to regulate the countries they govern. When such laws are implemented, they tend to influence how organisations operate within the system of the country, and as such coercing organisations to adapt (Rajput & Novitskaya, 2013).

Table 2.1: Triggers of change (Robbins & Judge, 2013)

Political	<ul style="list-style-type: none"> • Local laws • International laws
Economical	<ul style="list-style-type: none"> • Global markets • Financial meltdown • Global recession
Socio-cultural	<ul style="list-style-type: none"> • Globalisation • The need for cultural diversity • Aging workforce
Technological	<ul style="list-style-type: none"> • Faster and cheaper connectivity • Social networking • Rapid innovation
Competition	<ul style="list-style-type: none"> • Mergers and acquisitions • Global competition • Competition regulations

The triggers of change are an important consideration in this study in that the intention to implement a performance management by the participating organisation is influenced by several triggers of change, namely, competition; socio-cultural and economical factors. Firstly, the participating organisation consistently competes for the work it does within the industry. Secondly, the participating organisation has an average employee age of forty-three, suggesting the need to pass on the knowledge to younger employees. Lastly, the economy within which the participating organisation operates has presented several challenges, including the need to operate with lean budgets.

Therefore, according to Bhattacharjee and Sengupta (2011), the implementation of a performance management system will assist the participating organisation in the effective management of its employees towards achieving a competitive edge. Having identified the triggers of change as they relate to the participating organisation, change does not just happen, there is a process that the organisation should follow to implement any change. The following section looks at the process of change.

2.1.2 The process of change

Even if the need for change is high, change is not an automatic process (Greenberg & Baron, 1997). Kurt Lewin suggested that change occurs in three stages, namely: unfreezing; changing and refreezing (Robbins & Judge, 2013). Unfreezing occurs, when there is a realisation that the current state of affairs is unsatisfactory (Luthans, 2008). Change takes place, when the organisation implements a plan that is aimed at taking the organisation and/or its members to a better/improved desired state (Johns & Saks, 2005). Refreezing is referred to as occurring, when the changes are incorporated; created and maintained into the organisational system (Greenberg & Baron, 1997).

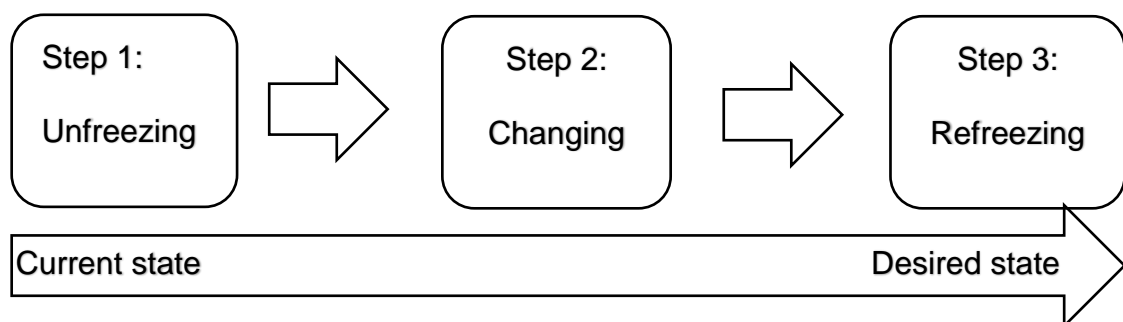


Figure 2.1 Lewin's three-stage change model (Adapted from Greenberg & Baron, 1997).

In today's business turbulence, characterised by flexibility and uncertainty, where forces of change are manifold, the Lewin's three-stage model is becoming less preferred as change is increasingly recognised as a continuous process (CLC, 2003). For any organisation to survive the forces of change, it should manage change as a continuing process and not as a series of discrete events (CLC, 2003). The Kotter eight-stage process of creating change enables the organisations to continuously surpass the barriers to change (Kotter, 2002).

Kotter posits that for change initiatives to be successful, the eight stages, as outlined below, should be followed (Kotter, 2002).

- (1) Establishing a sense of urgency – this requires the examination of the market and competitive realities to identify and discuss crises, potential crises and major opportunities.
- (2) Creating the guiding coalition – assembling a change team with enough influence to lead the change and getting the team to work together.
- (3) Developing a vision and strategy – this stage is about crafting a vision that will direct the change initiative and develop the strategies for the achievement of the vision.
- (4) Communicating the change vision – using every possible communication platform to ensure that the members of the organisation are kept abreast of the changes.
- (5) Empowering broad-based action – the fifth stage requires that the systems or processes that may halt the change vision be altered to encourage risk taking.
- (6) Generating short term wins – the main idea in this stage is to chart the criteria for improvements and recognising and rewarding the people who embrace the change.
- (7) Consolidating the gains and producing more change – hiring, promoting and developing people who can implement the change vision. Additionally, keeping the change alive through the introduction of new projects and the change agents.
- (8) Anchoring new approaches in the culture – this stage is about articulating the connections between the new behaviours and organisational success.

Table 2.2 below provides the Kotter framework for change as described in the preceding section.

Table 2.2 The Kotter framework for change (Kotter, 2007)

Stage	Actions needed
1. Establish a sense of urgency	<ul style="list-style-type: none"> • Examine the market and competitive realities • Identify and discuss crises, potential crises and major opportunities
2. Create the guiding coalition	<ul style="list-style-type: none"> • Assemble a team with enough power to lead the change • Get the team to work together
3. Develop a vision and strategy	<ul style="list-style-type: none"> • Create a vision to help direct the change initiative • Develop strategies for achieving the vision
4. Communicate the change vision	<ul style="list-style-type: none"> • Have the guiding coalition role-model the behaviour expected of employees • Use every possible vehicle to constantly communicate the new vision and strategies
5. Empower broad-based action	<ul style="list-style-type: none"> • Alter systems or processes that undermine the change vision • Encourage risk taking and non-traditional ideas, activities and actions
6. Generate short-term wins	<ul style="list-style-type: none"> • Plan for visible improvements in performance • Visibly recognise and reward the people who improve performance
7. Consolidate gains and produce more change	<ul style="list-style-type: none"> • Hire, promote and develop people who can implement the change vision • Reinvigorate the process with new projects, themes and change agents
8. Anchoring new approaches in the culture	<ul style="list-style-type: none"> • Articulate connections between new behaviours and organisational success • Develop means to ensure leadership development and succession

There are instances when organisations are likely to change and times during which change is less likely to occur (Greenberg & Baron, 1997). Change is essential to organisational survival because it offers an opportunity for reinvention (Kotter, 2007). Change, although a necessary part of organisational development, is mostly resisted by the people it affects the most (Kotter, 2007). Organisational change does not occur automatically, even if the need for change is high and the resistance to change is low, there is therefore a need to ensure readiness for change prior to implementing any change (Ochurub, et al., 2012).

2.2 READINESS FOR CHANGE

There is a myriad of factors that determine the effectiveness of any organisational changes implemented, one such factor is readiness for change (Susanto, 2008). Readiness for change is one of the most prevalent positive attitudes towards change that has been studied in organisational development (Rafferty, Jimmieson, & Armenakis, 2013). The change management experts have emphasised that it is important to establish readiness for change before the introduction of any change process (Weiner, 2009). Readiness for change provides the best early indication of what the reaction to change will be, when the organisation introduces a new business system, such as a performance management system (Ochurub, et al., 2012).

The term change readiness emanates from Lewin's (1952) model of change and is linked to the unfreezing process, which is aimed at preparing the organisation for change (Rajput & Novitskaya, 2013). Weiner (2009) defined organisational readiness for change as the commitment and self-efficacy of organisational members to implement organisational change. Rafferty, et al. (2013) referred to readiness for change as the extent to which the organisational members hold positive views about the need for organisation change as well as the degree to which the organisational members believe such changes are likely to positively impact the individuals and the broader organisation.

Readiness is a mind-set that exists among the employees during the implementation of organisational changes (Vakola, 2013). Readiness for change comprises of beliefs, attitudes and intentions of the employees in terms of the need for and the capability of implementing organisational change (Vakola, 2013). Organisational readiness for change is a construct that can be measured at various levels in the organisation: individual, group, unit, department and organisational (Weiner, 2009). Readiness for change at an individual level is defined as the extent to which the individual members of the organisation hold positive views about the need for organisational change. This includes the degree to which the organisational members believe that the change will possibly have positive implications for themselves and the organisation as a whole (Rafferty, et al. 2013). At an individual level, there are cognitive and affective components of readiness for change (Rafferty, et al. 2013).

In as far as cognitive components of individual readiness for change are concerned, Armenakis and Harris (1993) argued that change communication should create a sense of discrepancy, which is a belief that there is a need for change. The communication about change should also create a belief that the envisaged change is appropriate (Rafferty, et al. 2013). The third cognitive component for readiness for change is efficacy, which is the individuals' belief that they are capable to implement the change (Rafferty, et al. 2013). Lastly, principal support is a cognitive component that assesses the individuals' belief that their organisation will give meaningful support during the change process in a form of information and resources (Rafferty, et al. 2013).

Holt, Armenakis, Field and Harris (2007), and Armenakis (1993), stated that readiness for change is the extent to which the individuals within the organisation are cognitively and emotionally adept to accept, embrace and adopt a change in order to intentionally change the status quo. Weiner (2009) defined organisational readiness for change as organisational members' commitment to change and self-efficacy to implement organisational change. Rafferty, et al. (2013) proposed that organisations' change readiness attitude comes from the cognitions and effects of individuals, which ultimately get shared due to the social interactions that appear as higher level collective

phenomena. There are three beliefs at organisational level that influence readiness for change; the belief that change is needed; that work organisation had the capacity to successfully undertake the changes; and change will produce the expected outcome (Raffety et al. 2013).

2.2.1 Aspects of change readiness

Susanto (2008) identified seven aspects of change readiness: perception towards change efforts; vision for change; mutual trust and respect; change initiative; management support; acceptance and managing change.

2.2.1.1 Perception towards change efforts

Organisational change cannot be implemented successfully, if the members are not willing to change on their own and support the proposed organisational change initiatives (Vakola, 2013). Organisational members' perception of the changes that take place within the organisation is an essential aspect of change readiness and has been identified as an important determinant of change resistance to large scale change initiatives (Susanto, 2008).

2.2.1.2 Vision for change

Communicating the information about change assists in the reduction of anxiety and the feeling of uncertainty (Rajput & Novitskaya, 2013). According to Turina and Savovic (2014), common reasons for resistance to change include ignorance, fear of the unknown, fear of losing jobs and benefits, and fear of increased workload. Turina and Savovic (2014) also posited that organisational members could be made to feel easy in a predictable and clear environment.

2.2.1.3 *Mutual trust and respect*

Kotter (2007) posited that readiness for change will be compromised, when the leadership behaviour is inconsistent with the change message. According to Abrell-Vogel and Rowold (2014), trust in and respect for management is crucial for the implementation of strategic decisions and a key determinant of the employees' openness towards change.

2.2.1.4 *Change initiative*

High failure rate of organisational efforts is caused by employees' lack of adaptability to change (Soumyaja, Kamalanabhan, & Bhattacharyya, 2011). According to Susanto (2008), all the members of an organisation should have the privilege or opportunity to initiate change.

2.2.1.5 *Management support*

Management support for change initiatives is a crucial factor in the creation of change readiness (Susanto, 2008). In their study, Abrell-Vogel & Rowold (2014) found that there is a significant positive effect of transformational leadership style on the organisational members' affective commitment to change.

2.2.1.6 *Acceptance*

Though change should improve the performance of the organisation, for many employees change can create feelings of tension and uneasiness as members may feel a sense of uncertainty (Susanto, 2008). Change acceptance could be improved by increasing change valence, which is an indicator of the organisational members valuing of the impending change (Weiner, 2009).

2.2.1.7 *Managing change*

Change management is indicative of new processes or systems in order to align the organisation with the dynamic demands of the environment (Turina & Savovic, 2014). The organisational track record of successfully implementing strategic change initiatives influences organisational readiness to change (Abrell-Vogel & Rowold, 2014).

2.3 PERFORMANCE MANAGEMENT SYSTEM

2.3.1 Introduction to performance management system

Performance management system is one of the useful tools available to understand and encourage employees' accomplishments (Pradhan & Chaudhury, 2012). Performance management indicates the organisation's approach towards performance and is inclusive of strategy definition, strategy execution, training and performance appraisal (Brudan, 2010). Performance management is linked to the principal agent theory (Pradhan & Chaudhury, 2012). The principal agent theory states that the principal wants certain tasks performed, but is unable to perform those tasks due to capacity and time limitations (Brudan, 2010).

Due to the principal's limitations, the principal then enters into an agreement with an agent, who will perform the tasks as per the principal's requirements (Brudan, 2010). The introduction of a performance management system is generally aimed at changing the attitudes, values and methods of managers and employees towards the strategies and processes to improve organisational productivity and performance (Ochurub, et al., 2012).

Bhattacharjee and Sengupta (2011) defined a performance management system as a process of consolidating objective setting, performance review and employee development in order to ensure employees' performance supports the organisational strategic plan. Cascio and Aguinis (2005) defined performance management as an ongoing process of identifying, measuring and enhancing individual and group performance in an organisation. Ongoing process denotes that performance management is a never-ending process of setting goals and objectives, assessing performance, and giving and receiving feedback, and coaching (Aguinis, 2011). Performance management should link to the organisational mission and goals; employees' activities and outputs should be congruent with organisational goals and as such help the organisation gain a competitive business advantage (Aguinis, 2011).

According to Esu (2008), performance management is a tool that organisations use to manage the individual and the working environment in order for the individual to contribute towards the achievement of organisational goals. Performance management systems guide organisations into target setting, performance standards, best practices and performance indicators that assist in managerial decision-making (Macris & Sam, 2014). Performance management also creates a framework for encouraging, supporting, guiding and establishing a performance culture (Ochurub, et al., 2012).

Kanyane and Mabalane (2009) posited that a good performance management process consists of three elements; namely, performance planning; ongoing coaching and performance review. Performance planning involves goal setting and performance

objectives setting; ongoing coaching helps the organisational members achieve their goals; and performance review examines the organisational members' performance over a specific period of time (Kanyane & Mabalane, 2009).

The success of a performance management system depends on several conditions; firstly, there must be an agreement on the goals to be achieved by the organisation and the employee (Kanyane & Mabalane, 2009). Secondly, the job elements that ensure that the goals are accomplished should be clearly identified and measured (Kanyane & Mabalane, 2009). Macris and Sam (2014) asserted that the utilisation of a performance management system is assumed to bring about change in behaviour of the members of the organisation. Performance management systems are also likely to create an environment conducive to learning; improve the controls within the organisation and also improve the levels of accountability besides the overall aim of improving organisational performance (Van Dooren, Bouckaert, & Halligan, 2010).

2.3.2 Theoretical model of a performance management system

There is a need to adopt a comprehensive approach to performance management (Ferreira & Otley, 2009). The model used in this section of the chapter is based on the research on the broad issues of performance management developed by Otley (Ferreira & Otley, 2009). Ferreira and Otley (2009) posited that the two aspects that cut across performance management systems are organisational culture and contextual factors. According to Ferreira and Otley (2009), the contextual factor relates to the external environment, strategy, organisational structure, size and technology. Organisational culture influences the entire performance management system and also influences the choices and the behaviours of organisational members (Ferreira & Otley, 2005).

The contextual factors that influence the behaviour of organisational members are outlined below as illustrated in Figure 2.2. The diagram illustrates that performance management as a concept, is multidimensional and that the accuracy of a performance management system is dependent on the various measures (Otley, 2008).

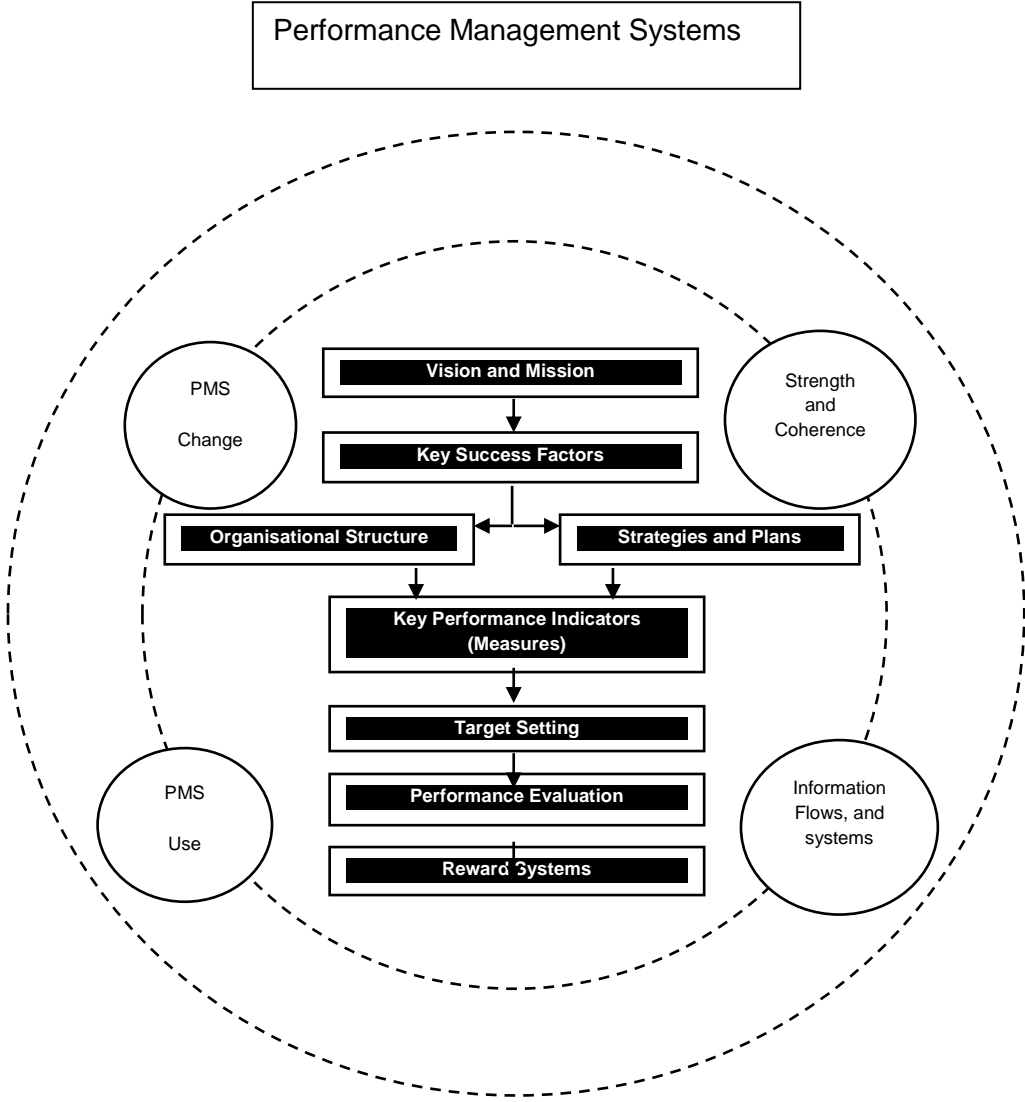


Figure 2.2 The performance management system framework (Ferreira & Otley, 2009)

2.3.2.1 *Vision and mission*

A performance management system emanates from organisational vision and mission (Ferreira & Otley, 2009). Organisational vision determines the desired future, while the mission outlines the overriding purpose of the organisation (Johnson, Scholes & Whittington, 2005). According to Aguinis (2011), a performance management system helps the organisation clarify the organisational goals to its members.

When the organisational members know the vision and the mission of the organisation, there is a guideline for their behaviour. However, there may be variations in how the organisational values are prioritised (Ferreira & Otley, 2009). Performance management requires the line managers to ensure that the employees' activities are aligned with the broad goals of the organisation (Aguinis, 2011).

2.3.2.2 *Key success factors*

Key success factors are the critical activities that are viewed as pre-requisites for the success of the organisation and core to the sustainability of the organisation (Ferreira & Otley, 2009). Through a performance management system, Aguinis (2011) asserted, the employees are able to understand what it takes to be a successful performer.

2.3.2.3 *Organisational structures*

Organisational structures assist in establishing the specification of the individual roles and tasks to be carried out (Ferreira & Otley, 2009). Through organisational structures, the employees gain an understanding of the behaviours and results required of their specific positions (Aguinis, 2011).

2.3.2.4 *Strategy*

Sarwar and Awan (2013) posited that performance management is a bridge between organisational strategy and individual employees' contributions. Strategy gives the direction the organisation chooses to pursue over a long term as the means of reaching organisational goals (Ferreira & Otley, 2009). When the strategy of the organisation is implemented, the employees understand the link between their jobs and the success of the organisation; as such a performance management system helps to improve employees' acceptance of the strategy (Aguinis, 2011).

2.3.2.5 *Key performance measures*

Key performance measures are the financial and non-financial measures that are used to evaluate success in achieving organisational objectives and meeting the requirements of the stakeholders (Ferreira & Otley, 2009). Performance measures are also categorised into quantitative and descriptive. The most critical factor in quantitative measures is numbers, while the descriptive measures assess the quality of delivery without using numbers (Grote, 2002).

2.3.2.6 *Target setting*

Target setting has impact on performance, moderately difficult target levels enhance the performance of the organisation (Ferreira & Otley, 2009). During target setting, the performance and achievements of employees should be clarified. The employees should understand what they have to achieve for the performance period ahead (Rashidi, 2015).

2.3.2.7 *Performance evaluation*

In a performance evaluation process, the employees engage in a self-evaluation process to rate their own performance and achievements (Rashidi, 2015). The process of self-evaluation is then followed by a mutually communicative session, where the employee and the line manager rate the employee's performance (Rashidi, 2015). The process of performance evaluation enhances the line manager's insights about the employee's contribution to the organisation (Aguinis, 2011).

Performance evaluations can be objective or subjective and even fall in-between the two (Aguinis, 2011). In subjective performance evaluations, the employee's performance is determined by the line manager. In objective performance evaluation, the output relationship is clear because the employees have a feeling that they oversee their performance (Ferreira & Otley, 2009).

2.3.2.8 *Reward systems*

The goal of reward systems is to establish the employee's value to the organisation according to the employee's duties and responsibilities (Bhattacharjee & Sengupta, 2011). Reward systems are the outcome of a performance evaluation process. Rewards range from approval utterances and oral/written recognition by management, through to monetary rewards or long-term career development (Ferreira & Otley, 2009). It should be noted that not all rewards are directly related to the performance management system as some rewards may be based on seniority or job requirements; like tools to do the job, as opposed to actual performance (Aguinis, 2011).

2.3.3 The objectives of a performance management system

The section that follows discusses the objectives of a performance management system, i.e. strategy, decision making and training and development.

2.3.3.1 *Strategy*

The objectives of a performance management system vary, the first and most important objective is strategic (Cascio & Aguinis, 2005). The strategic objective of a performance management system helps in ensuring that the performance of the individual employees will reach the desired outcomes and aims (Robbins & Judge, 2013). Performance management systems also fulfil the role of communication with the employees, which enables the employees to know how they are performing and also allowing them an opportunity to know what their organisation expects of them (Cascio & Aguinis, 2005; Rashidi, 2015). In return, the employees, upon receipt of the feedback about their performance, will be inspired to perform better (Aguinis, 2011).

2.3.3.2 *Decision-making*

Performance management systems also serve as a basis for decision-making about the employees (Cascio & Aguinis, 2005). Making decisions about employees includes promotion of outstanding performers, learning and development, career development as well as reward and recognition (Rashidi, 2015). Performance management systems also help with creating a fairer reward system (Rashidi, 2015). Performance management helps organisations in ensuring that the rewards are distributed evenly and fairly in the organisation, thus ensuring that the personnel actions are fair and appropriate (Aguinis, 2011).

2.3.3.3 *Training and development*

Another objective of a performance management system is assisting the organisations to develop through targeted training programmes (Cascio, 2005). Performance management systems also provide a solid foundation for improving the competence of employees through implementing development plans (Aguinis, 2011). According to Cascio and Aguinis (2005), performance management systems can also be used to provide feedback to the employees and serve the purposes of organisational diagnosis.

2.4 READINESS FOR CHANGE AND THE IMPLEMENTATION OF A PERFORMANCE MANAGEMENT SYSTEM

There are numerous factors within the field of organisational behaviour that could possibly affect the design and the implementation of a performance management system. The factors include social power, leadership, influence, trust, group dynamics, mentorship and interpersonal relationships (Karim, 2015). According to Rashidi (2015), research has shown that a well-implemented performance management system leads to favourable results such as helping the organisations to implement and address the changes optimally and with ease. Failure rate of performance management implementation has decreased by 14% in recent years due to the efforts to ensure organisational readiness (De Waal & Counet, 2009). Performance management systems are change initiatives that are pivotal to the strategies of organisations, as such organisations should ensure they are ready to implement performance management systems (Ochurub, et al., 2012).

The successful implementation of a performance management system requires a careful measurement of readiness for change (Ochurub, et al., 2012). Prior to the introduction of a performance management system, the organisation's culture of change should be cultivated (Rashidi, 2015).

A well-designed and implemented performance management system makes a meaningful contribution to the organisation (Aguinis, 2011). The introduction of system changes in organisations depends on positive employee pre-conditions. Pre-existing organisational conditions and employee attitudes could have an effect on the implementation of a performance management system (Ochurub, et al., 2012). Ochurub, et al. (2012) proposed that organisations should plan for the implementation of a performance management system by including logical thought processes that consider internal and external environments. According to De Waal and Counet (2008), when performance management system implementation does not have a clear goal, it becomes unclear to the employees what the goal of the new system is. In turn, the employees resist the change of implementation.

Cascio and Aguinis (2005) posited that common causes can lead to barriers in the successful implementation of a performance management system. Where there are no specific goals and objectives outlined for the performance management system, the managers and the employees will not know what they have to do (Rashidi, 2015). Another challenge to the implementation of a performance management system is insufficient resources and capacity, which delays or even leads to the postponement of the implementation (De Waal & Counet, 2009).

Readiness to introduce a performance management system should be ensured and there must be change leadership to drive the process effectively (Ochurub, et al., 2012). It is important for the organisation to articulate the specific reasons, why there is a need for a performance management system. This will lead to making the right choice as to who the most suitable leader to guide the implementation process is (Rashidi, 2015). Rashidi (2015) also asserted that line manager readiness for the implementation of a performance system has an impact on the introduction of a performance management system. Since managers have a critical and vital role to play in the successful implementation of a performance management system, their commitment should be ensured because the greater the managers' commitment, the more successful the implementation of the performance management system will be (Rashidi, 2015).

When the commitment of managers is lacking, the employees will put little effort in prioritising working on the new performance management system (De Waal & Counet, 2009). Aguinis (2011) suggested that robust engagement of the employees with the organisation can be measured by the employees' perception of the performance management systems through which they are appraised. Lack of employees' positive attitude toward the performance management system could lead to implementation failure (De Waal & Counet, 2009). Interpersonal factors such as communication, which could make employees perceive the performance management system as a "single approach" to performance, can hinder the successful implementation of a performance management system (Cascio & Aguinis, 2005). Bhattacharjee & Sengupta (2011) identified that factors such as ability, motivation, career development, feedback and compensation affect employee performance.

The ability of an employee determines the performance of an employee; the more capable the employee is, the more important that employee is to the organisation, performance management is a tool that an organisation can use to enhance the abilities of its employees (Bhattacharjee & Sengupta, 2011). Lack of training and adequate resources leads to employees and line managers not having enough knowledge and information to work on the new performance management system. This will lead to the unsuccessful implementation of the system (Rashidi, 2015) or the performance management system could end up not being used properly at all (De Waal & Counet, 2009). Managers and employees should work in collaboration to ensure that their duties and responsibilities that will enable the employees reach organisational goals are clarified (Rashidi, 2015).

Having conceptualised readiness for change and the implementation of a performance management system from literature, it is evident that a change management plan is essential to introduce a performance management system appropriately. The change management plan can assist the organisation to implement a performance management system optimally by measuring readiness for change and evaluating the pre-existing organisational conditions like culture. For successful implementation of a performance management system, it is important that the organisation ensures the

goal is clear and that line managers and employees are adequately skilled and resourced. Theoretically, through this review of literature, it can be concluded that there is a relationship between readiness for change and the implementation of a performance management system.

2.5 CHAPTER SUMMARY

This chapter defined and explained the concepts of change and change readiness found in the literature reviewed. The chapter further discussed performance management system and the theoretical model for performance management as per Ferreira and Otley (2009). The implementation of a performance management system was discussed. The concepts of readiness for change and the implementation of a performance management system were then integrated. The theoretical conclusion is that there is a relationship between readiness for change and the implementation of a performance management system.

Chapter 3 is an outline of a research article based on the empirical results of the study. The article is presented in the format as prescribed by the South African Journal of Industrial and Organisational Psychology.

CHAPTER 3: RESEARCH ARTICLE

READINESS OF AN ENGINEERING SUPPORT SERVICES ORGANISATION FOR THE IMPLEMENTATION OF A PERFORMANCE MANAGEMENT SYSTEM

ABSTRACT

Orientation: Effective implementation of a performance management system in an organisation is underpinned by readiness for change.

Research purpose: The study investigated the relationship between readiness for change and the implementation of a performance management system.

Motivation for the study: The introduction of a performance management system is a change initiative that is pivotal to the strategy of the organisation. A well implemented performance management system leads to favourable results and helps organisations address the changes optimally. Readiness for change is pivotal to the introduction of a performance management system. This research investigates the impact of readiness for change on the implementation of a performance management system. The findings of the study contribute to the growing literature of change readiness

Research design, approach and method: The researcher used a quantitative, questionnaire based research design. Due to the organisation being of a large size, a stratified random sampling was used to select the sample. The sample size was 175 and constituted 25% of the total population. The Change Readiness Inventory was used to elicit employee perceptions and opinions.

Main findings: The researcher found that organisational readiness for change influences the implementation of a performance management system. There were differences in levels of change readiness in terms of tenure and business unit.

Practical/managerial implications: The introduction of a performance management system is aimed at aligning individual employees' contribution to organisational strategy, training and development and ensuring that performance management philosophy informs the reward systems in an organisation. It is important that the

leadership ensures organisation-wide readiness for effective implementation of a performance management system. This study adds to the knowledge base about the impact of readiness for change on the implementation of a performance management system, thus highlighting the importance of ensuring change readiness.

Contribution/value add: It is believed that this study adds to the knowledge about aspects of change management, change readiness and implementing change initiatives.

Key words: Organisational change; organisational readiness for change; change management; performance management; performance management system

Introduction

Efficient development of human capital enables an organisation to stay ahead of its competitors (Pradhan & Chaudury, 2012). The effective management of human resources is a vital requirement in all organisations for the achievement of the strategic objective of sustained and speedy growth (Bhattacharjee & Sengupta, 2011). There has been an increased need for efficient and effective performance management systems in recent years (De Waal & Counet, 2009). The use of a performance management system has proven to improve the overall quality and performance of an organisation (De Waal & Counet, 2009). Performance management forms an essential element in this process, since it enables a culture of support and encouragement in turbulent business times (Ochurub, Bussin, & Goosen, 2012). Effective implementation of a performance management system cannot occur in isolation because it involves changes in the processes of the organisation (Rashidi, 2015). Therefore, it should be facilitated and underpinned by change management. Change management experts and researchers recently highlighted the importance of ensuring organisational readiness for change.

Theoretical and scientific bases for change readiness, however, are limited (Weiner, 2009). Organisational change and development programmes typically are unsuccessful and only a few achieve increased productivity and sustained performance (Parumasur, 2012). Readiness for change as a concept originates from the field of health psychology (McKay, Kuntz & Naswall, 2013). Armenakis, Harris & Mossholder (1993) suggested two necessary courses of action for creating readiness for change in an organisation; namely, communicating a clear message about the gap between the current state and the desired state, as well as building confidence in employees so that they have the necessary skills and knowledge to cope with the desired change.

Lutwama, Roos, and Dolamo (2013) identified numerous gaps in the implementation of a performance management system in Uganda. Employees were found to be dissatisfied about the non-transparency of the performance management system (Bhattacharjee & Sengupta, 2011). It appeared that limited South African research had investigated the implementation and practice of performance management in the public sector. Swanepoel, Botha, and Mangonyane (2014) determined that there are weaknesses in how performance appraisals are undertaken in the South African public sector.

Trends from Literature

The section that follows discusses the concepts of organisational change, organisational readiness for change and performance management system. The section concludes by discussing the relationship between readiness for change and the implementation of a performance management system.

Organisational change

The concepts of organisational change and change management have captured more attention than any other organisational problem (Wetzel & Van Gorp, 2014). Rajput & Novitskaya (2013) defined change as the process of rethinking and renewing the strategic direction of the organisation. According to Rajput & Novitskaya (2013), change has always been integral in the life cycle of the organisation; whether consciously or unconsciously and at individual or at group level.

Johns and Saks (2005) indicated that one of the aspects that can be changed in an organisation is its processes. Robbins and Judge (2013) posited that there are five triggers of change; namely, technology, economy, competition, socio-cultural issues and competition. According to Kotter (2002), the most important part of change management initiatives lies in changing people's behaviour and not the actual systems involved. Numerous types of behaviours often block change implementation, among them complacency; unwillingness to change; self-protection and a pessimistic attitude. Organisational readiness for change may facilitate the process of change management. Readiness for change is of central importance to organisations that are embarking on any kind of transformational change (Nissen, 2014). Organisational change does not occur automatically, even if the need for change is high and the resistance to change is low. Therefore, there is a need to ensure readiness for change prior to implementing any change (Ochurub, et al., 2012).

Organisational readiness for change

Rafferty, Jimmieson, & Armenakis (2013), stated that readiness for change is the extent to which the individuals within the organisation are cognitively and emotionally adept to accept, embrace and adopt a change in order to intentionally change the status quo. Creating readiness for change is essential for any change project. Weiner (2009) defined organisational readiness for change as organisational members'

commitment to change and self-efficacy to implement organisational change. Rafferty, et al. (2013) proposed that organisations' change readiness attitude comes from the cognitions and effects of individuals, which ultimately gets shared due to the social interactions that appear as higher level collective phenomena. There are three beliefs at organisational level that influence readiness for change; the belief that change is needed; that work organisation has the capacity to successfully undertake the changes; and change will produce the expected outcome (Rafferty, et al. 2013).

The term change readiness emanates from Lewin's (1952) model of change and is linked to the unfreezing process, which is aimed at preparing the organisation for change (Rajput & Novitskaya, 2013). Weiner (2009) defined organisational readiness for change as commitment and self-efficacy of organisational members to implement organisational change. Rafferty, et al. (2013) referred to readiness for change as the extent to which the organisational members hold positive views about the need for organisational change as well as the degree to which the organisational members believe such changes are likely to impact the individuals and the broader organisation positively.

Organisational readiness for change is a shared psychological state among the organisational members, which creates a feeling of commitment to implementing the organisational change with confidence in their collective capabilities to do so (Weiner, 2009, p. 1). Organisational readiness for change is also described as the organisational ability to rapidly and effectively respond to change (Roodt & Kinnear, 2007). Therefore, organisational readiness for change refers to ensuring that the organisational environment is conducive for the implementation of change. Readiness for change is of central importance to organisations that are embarking on any kind of transformational change (Nissen, 2014). This type of change refers to the integration of new organisational processes into the primary functions and the intended outcomes of the organisation (Newman, 2012).

Readiness for change is one of the most prevalent positive attitudes towards change that has been studied in organisational development (Rafferty, et al. 2013). The change management experts have emphasised that it is important to establish readiness for change before the introduction of any change process (Weiner, 2009). Organisational members are likely to initiate change, when change readiness is high. When organisational readiness for change is low or non-existent, the members of the organisation will most probably resist initiating change and put less effort into implementing the change (Kwahk & Kim, 2008). Furthermore, when organisational readiness for change is low, organisational members typically will not be inclined to persevere in the face of the challenges that come with the implementation of change (Weiner, 2009). Organisational readiness for change focuses on the implementation of new practices and behaviours that are related to planned or unplanned changes to the environment or other aspects of organisational development (Nissen, 2014). Readiness for change comprises of beliefs, attitudes and intentions of the employees in terms of the need for and the capability of implementing organisational change (Vakola, 2013). Organisational readiness for change is a construct that can be measured at various levels in the organisation: individual, group, unit, department and organisational (Weiner, 2009).

Readiness for change at an individual level is defined as the extent to which the individual members of the organisation hold positive views about the need for organisational change, including the degree to which the organisational members believe that the change will possibly have positive implications for themselves and the organisation (Rafferty, et al. 2013). At an individual level, there are cognitive and affective components of readiness for change (Armenakies, et al. 1993). In as far as cognitive components of individual readiness for change are concerned, Rafferty, et al. (2013) argued that change communication should create a sense of discrepancy, which is a belief that there is a need for change. The communication about change should also create a belief that the envisaged change is appropriate (Rafferty, et al. 2013).

Organisational change literature suggests that attention to organisational readiness offers great potential for improving organisational development initiatives, underscored by an emerging implementation science literature that uses system-based analytics, including implementation drivers, to achieve its aims more effectively (Nissen, 2014). Creating readiness for change has proven to reduce resistance to change (Kwahk & Kim, 2008). Furthermore, change readiness is a multifaceted construct that can be seen in organisational members' changing commitment and changing efficacy to implement organisational change (Nissen, 2014; Armenakis et al., 1993, in Kwahk & Kim, 2008). Change commitment is the organisational members' shared determination to pursue the courses of action involved in the implementation of change (Weiner, 2009).

Organisational members may commit to the implementation of organisational change in the case of a top-down instruction because they have little say in it. They can also commit to the implementation of organisational change, when they are willing to change, suggesting that they want change because of the value they place on the intended change. Organisational members could also commit to the institutionalisation of the organisational change because they feel obliged to do so (Weiner, 2009). The concept of change efficacy also plays a role in organisational readiness to change. It refers to organisational members' shared beliefs in their collective abilities to prepare for and implement the relevant actions for change implementation (Weiner, 2009, p. 2). Organisational members may change their attitudes, once they understand the need for change; and when they are empowered to understand the implemented changes through education and awareness (Ochurub et al., 2012). Weiner (2009) further asserted that a culture that encourages learning and innovation enhances organisational readiness for change.

Susanto (2008) identified seven aspects of change readiness that are essential for the implementation of any change programme: perception towards change efforts; vision for change; mutual trust and respect; change initiative; management support; acceptance and managing change.

Performance management system

The introduction of a performance management system is generally aimed at changing the attitudes, values and methods of managers and employees to the strategies and processes to improve organisational productivity and performance (Ochurub, et al., 2012). A performance management system is one of the dominant tools available to get to understand and encourage employees' accomplishments (Pradhan & Chaudhury, 2012). Performance management indicates the organisation's approach towards performance and is inclusive of strategy definition, strategy execution, training and performance appraisal (Brudan, 2010). Performance management entails a process of integrating organisational goal setting, performance appraisal and employee development into a single consolidated system with the aim of ensuring that employees' performance supports the organisational strategic intention (Bhattacharjee & Sengupta, 2011). Performance management creates a framework that encourages, supports, guides and helps to establish a performance-related culture (Ochurub et al., 2012). Although performance management is an essential tool for managing the most valuable asset in any organisation, the employees (Bhattacharjee & Sengupta, 2011), it has been found that not all employees in an organisation that has implemented a performance management system knew what performance management entailed (Lutwama et al., 2013).

Bhattajee and Sengupta (2011) defined a performance management system as a process of consolidating objective setting, performance review and employee development to ensure that employees' performance supports organisational strategic plan. Cascio and Aguinis (2005) defined performance management as an ongoing process of identifying, measuring and enhancing individual and group performance in an organisation. Ongoing process denotes that performance management is a never-ending process of setting goals and objectives, assessing performance and giving and receiving feedback and coaching (Aguinis, 2011). Performance management should link to the organisational mission and goals; employees' activities and outputs should be congruent with organisational goals and as such help the organisation gain a competitive business advantage (Aguinis, 2011).

According to Esu (2008), performance management is a tool that organisations use to manage the individual and the working environment in order for the individual to contribute towards the achievement of organisational goals. Performance management systems guide organisations into target setting, performance standards, best practices and performance indicators that assist in managerial decision-making (Macris & Sam, 2014). Performance management also creates a framework for encouraging, supporting, guiding and establishing a performance culture (Ochurub et al., 2012).

Kanyane and Mabalane (2009) posited that a good performance management process consists of three elements; namely, performance planning; ongoing coaching; and performance review. Performance planning involves goal setting and performance objectives setting; ongoing coaching helps the organisational members achieve their goals; a performance review examines the organisational members' performance over a period of time (Kanyane & Mabalane, 2009). The success of a performance management system depends on several conditions. Firstly, there must be an agreement on the goals to be achieved by the organisation and the employee (Kanyane & Mabalane, 2009). Secondly, the job elements that ensure that the goals are accomplished should be clearly identified and measured (Kanyane & Mabalane, 2009). Macris and Sam (2014) asserted that the utilisation of a performance management system is assumed to bring about change in behaviour of the members of the organisation.

Performance management systems are likely to create an environment conducive to learning; improve the controls within the organisation and improve the levels of accountability besides the overall aim of improving organisational performance (Van Dooren, Bouckaert & Halligan, 2010). There is a need to adopt a comprehensive approach to performance management (Ferreira & Otley, 2009).

Previous researchers often investigated performance management, while overlooking the challenges inherent in introducing a performance management system as a new approach/strategy in a company (Ochurub et al., 2012). Employees should understand what the organisation aims to achieve by introducing a performance management system (Ochurub et al., 2012). The actual implementation of a performance management process incorporates four steps; namely, goal setting; monitoring and feedback; rewards and recognition and learning and development (Bhattacharjee & Sengupta, 2011). Sarwar and Awan (2013) posited that performance management is a bridge between organisational strategy and individual employees' contributions.

The relationship between readiness for change and the implementation of a performance management system

Research has shown that a well-implemented performance management system leads to favourable results such as helping the organisations to implement and address the changes optimally and with ease (Rashidi, 2015). Failure rate of performance management implementation has decreased by 14% in recent years due to ensuring readiness for change (De Waal & Counet, 2009). Performance management systems are change initiatives that are pivotal to the strategies of organisations, and such organisations should ensure they are ready to implement performance management systems (Ochurub, et al., 2012). Rashidi (2015) further posits that the organisation's culture of change should be cultivated prior to the introduction of a performance management system.

A well-designed and implemented performance management system makes a meaningful contribution to the organisation (Aguinis, 2011). Ochurub, et al. (2012), proposed that organisations should plan for the implementation of a performance management system by including logical thought processes that consider internal and external environments.

When performance management system implementation does not have a clear goal, it becomes unclear to the employees what the goal of the new system is and in turn, the employees resist the change of implementation (De Waal & Counet, 2008). Another challenge to the implementation of a performance management system is insufficient resources and capacity, which delays or even leads to the postponement of the implementation (De Waal & Counet, 2009).

Readiness to introduce a performance management system should be ensured through change leadership to drive the process effectively (Ochurub, et al., 2012). It is important for the organisation to articulate the specific reasons, why there is a need for a performance management system as this will facilitate the choice of the most suitable leader is to guide the implementation process (Rashidi, 2015).

Line manager readiness for the implementation of a performance system influences the introduction of a performance management system (Rashidi, 2015). Managers have a critical and vital role to play in the successful implementation of a performance management system, their commitment should be ensured because the greater the managers' commitment, the more successful the implementation of the performance management system will be (Rashidi, 2015). When the commitment of managers is lacking, the employees will put little effort into prioritising working on the new performance management system (De Waal & Counet, 2009). Also, lack of employees' positive attitude toward the performance management system could lead to implementation failure (De Waal & Counet, 2009). Aguinis (2011) suggested that robust engagement of the employees with the organisation can be measured by the employees' perception of the performance management systems through which they are appraised.

According to Cascio and Aguinis (2005), interpersonal factors such as communication could make employees perceive the performance management system as a "single approach" to performance and can hinder the successful implementation of a performance management system.

Bhattacharjee & Sengupta (2011) also identified ability, motivation, career development, feedback and compensation are factors that affect employee performance. Managers and employees should collaborate their efforts in ensuring that key duties and responsibilities that will enable the employees to reach organisational goals are clarified (Rashidi, 2015). Considering the above theoretical base, it can be concluded that there is a relationship between organisational readiness for change and the implementation of a performance management system.

Statement of the problem and research objectives

The leadership of the participating organisation had the intention to introduce a performance management system to link the organisational strategy to individual performance and introduce performance related reward philosophy. It was therefore important to determine the impact of organisational readiness for the introduction of a performance management system. The objective of this study was to determine the relationship between readiness for change and the implementation of a performance management system.

Hypotheses

Emanating from the literature, the following hypotheses were to be tested empirically:

H₀1: There is no significant positive relationship between organisational readiness for change and the implementation of a performance management system (null hypothesis).

H₁: There is a statistically significant positive relationship between organisational readiness for change and the implementation of a performance management system.

H₀2: There is no statistically significant difference in readiness for change for the implementation of a performance management system among the employees who had been with the organisation for a longer tenure and the employees who had been with the organisation for a shorter tenure (null hypothesis).

H2: There is a statistically significant difference in readiness for change for the implementation of a performance management system among the employees who had been with the organisation for a longer tenure and the employees who had been with the organisation for a shorter tenure.

H₀3: There is no statistically significant difference in readiness for change for the implementation of a performance management system among the employees in different business units in the participating organisation (null hypothesis).

H3: There is a statistically significant difference in readiness for change for the implementation of a performance management system among the employees in different business units in the participating organisation.

H₀4: There is no statistically significant positive relationship between the sub-variables of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of performance management (null hypothesis).

H4: There is a statistically significant positive relationship between the sub-variables of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of performance management

The potential value of the study

The findings from this study contribute valuable knowledge by highlighting the importance of ensuring organisational readiness for change prior to implementing a performance management system. Furthermore, the research provides insight for further research in the area.

Research design

In the subsequent section, the research design adopted in the study is discussed. The description of the research approach and method is also elaborated on. The results are then presented. The last part of the section presents the conclusions, limitations and recommendations.

Research design is a framework for executing the research that serves as a bridge between the research questions and the implementation of the research (Terre Blanche et al., 2006). Mouton and Marais (1996) defined research design as the arrangement of conditions for the collection and analysis of data in a manner that aims to combine the relevance of the research purpose with the economy in the procedure.

Research approach

Terre Blanche et al. (2006) stated that research is an objective; logical and empirical activity and that the scientists should strictly adhere to the research procedures as outlined. Research approach is a description of the way in which a theory is conceptualised and tested (Terre Blanche et al., 2006).

There are two approaches to research; deductive reasoning and inductive reasoning (De Vos et al., 2012). Deductive reasoning emanates from the general to the specific by following a pattern from the belief that the pattern might be logically expected to observations that test the existence of the pattern (De Vos et al., 2012). Inductive reasoning moves from concrete observations to a general theoretical explanation (De Vos et al., 2012).

The study was deductive in that from the literature review, the study conceptualised a relationship between readiness for change and the implementation of a performance management system, and subsequently presented testable hypotheses. This study was also a quantitative non-experimental survey design. The quantitative research approach was deemed appropriate as data were collected through a survey in the form of numbers and used statistical data analysis (Terre Blanche et al., 2006). Terre Blanche et al. (2006) also stated that the quantitative approach enables the research to be carried out in an unbiased and objective manner.

Research method

In the following section, an explanation of the research method used in this study is offered. Research participants, measuring instrument, research procedure and statistical analysis are also included in the explanation.

Research participants

The population comprised of 1500 employees of which 700 were salaried employees were the sample was drawn in the participating engineering support services organisation. The employees who made up the population were spread across seven business units of the participating organisation.

They came from different job functions and job grades; they were male and female employees and with different tenures in the organisation. A stratified random sample, which is used to establish more representativeness of different groups in the sample (De Vos et al., 2012), was used to select the participants. Stratified sampling was suitable for the study because of the existence of six similar business units and head office with several job grades and business functions. The only difference between the business units in the organisation was the product and service, respectively that each business unit renders. In this study, 175 responses which make up the sample (n = 175) were received. 175 constitutes 25% of the population of 700. A sample size of 25% is sufficient to draw inferences for the population of 700 (Terre Blanche et al., 2006).

Biographical information of the sample

Sample distribution by function

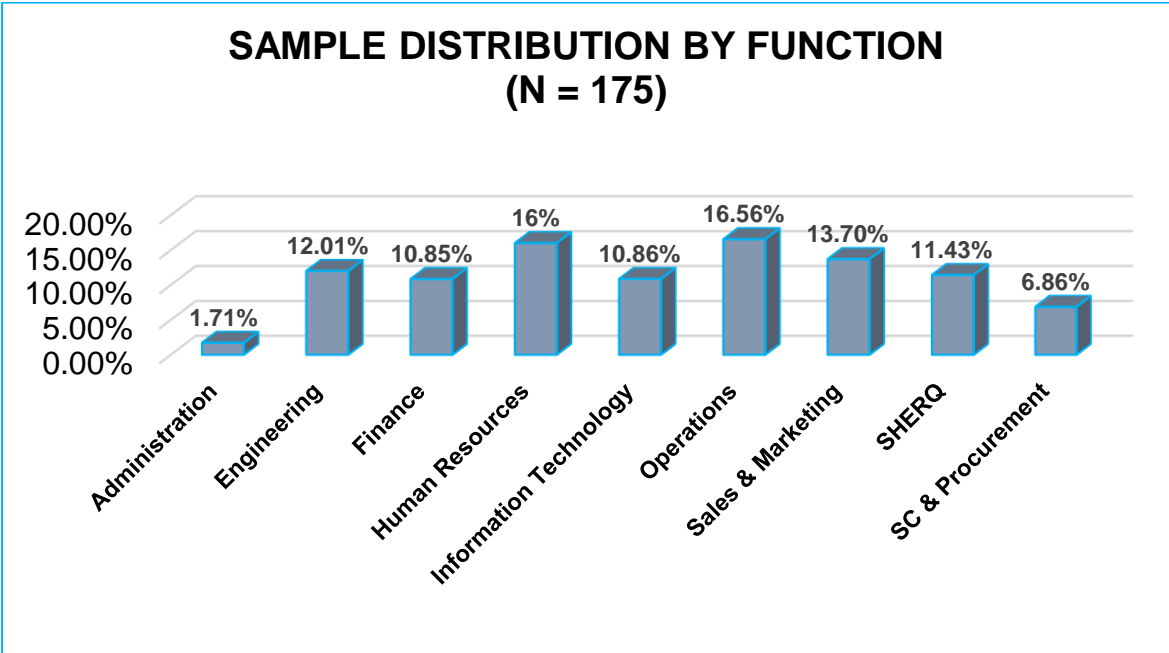


Figure 3.1 Sample distribution by department (N = 175)

The participants were sampled from various functions within the participating organisation, as reflected in Figure 3.1: Administration (1.71%), Engineering (12.01%), Finance (10.85%), Human Resources (16%), Information Technology (10.86%), Operations (16.56%), Sales and Marketing (13.7%), Safety Health Environment Risk and Quality (SHERQ) (11.43%), and Supply Chain (SC) and Procurement (6.86%).

Sample distribution by business unit

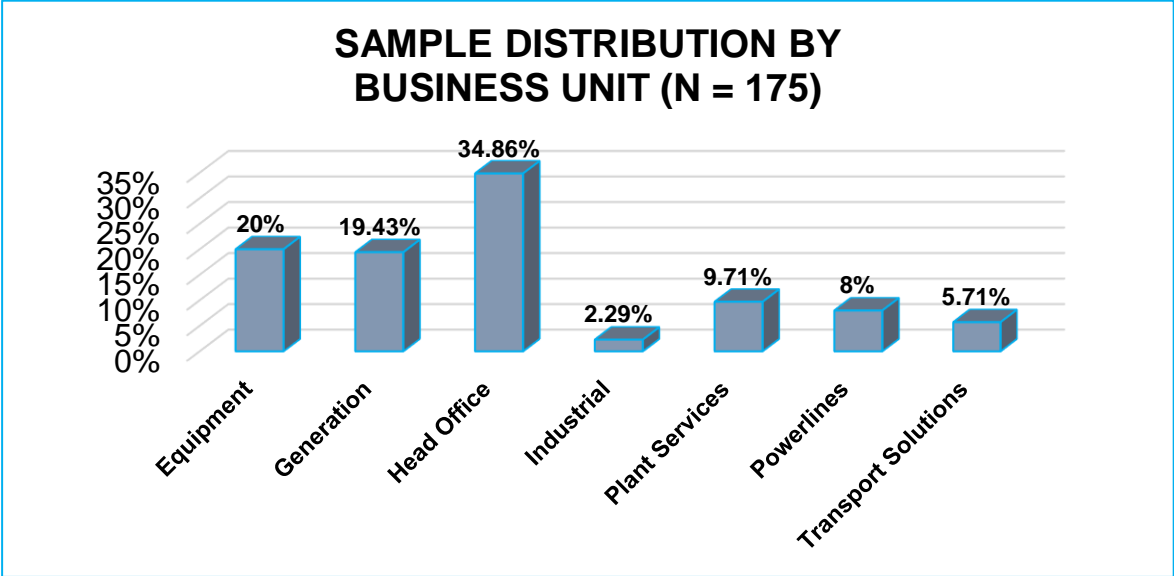


Figure 3.2 Sample distribution by business unit (N = 175)

From a business unit perspective, the sample as shown in Figure 3.2 above, came from Equipment (20%), Generation (19.43%), Head Office (34.86%), Industrial (2.29%), Plant Services (9.71%), Powerlines (8%) and Transport Solutions (5.71%).

Sample distribution by job grade

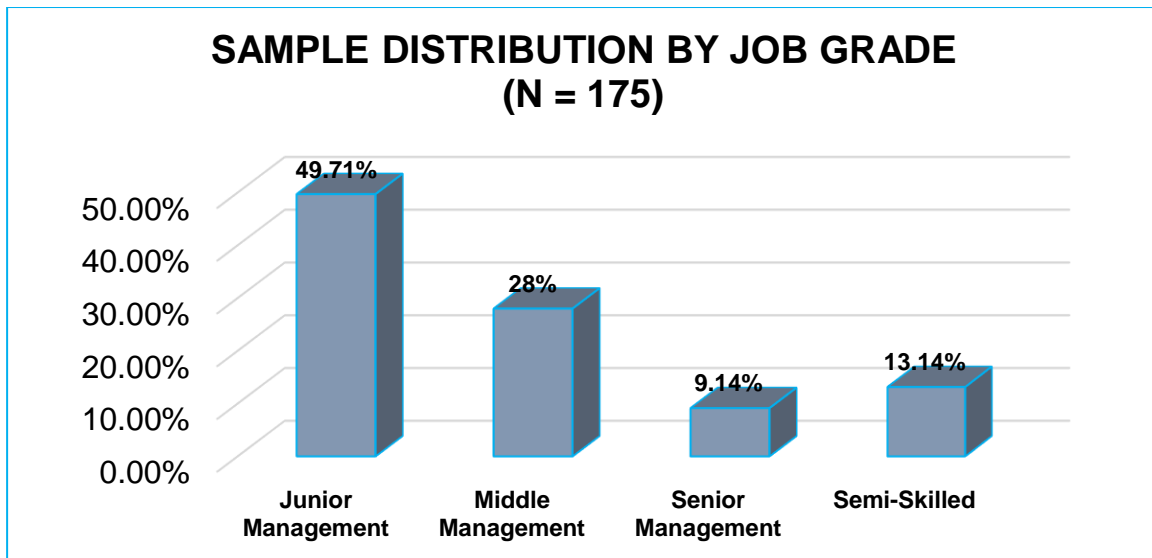


Figure 3.3 Sample distribution by job grade (N = 175)

In terms of job grade, the sample comprised of junior management (49.71%), middle management (28%), senior management (9.14%) and semi-skilled workers (13.14%) as per Figure 3.3.

Sample distribution by gender

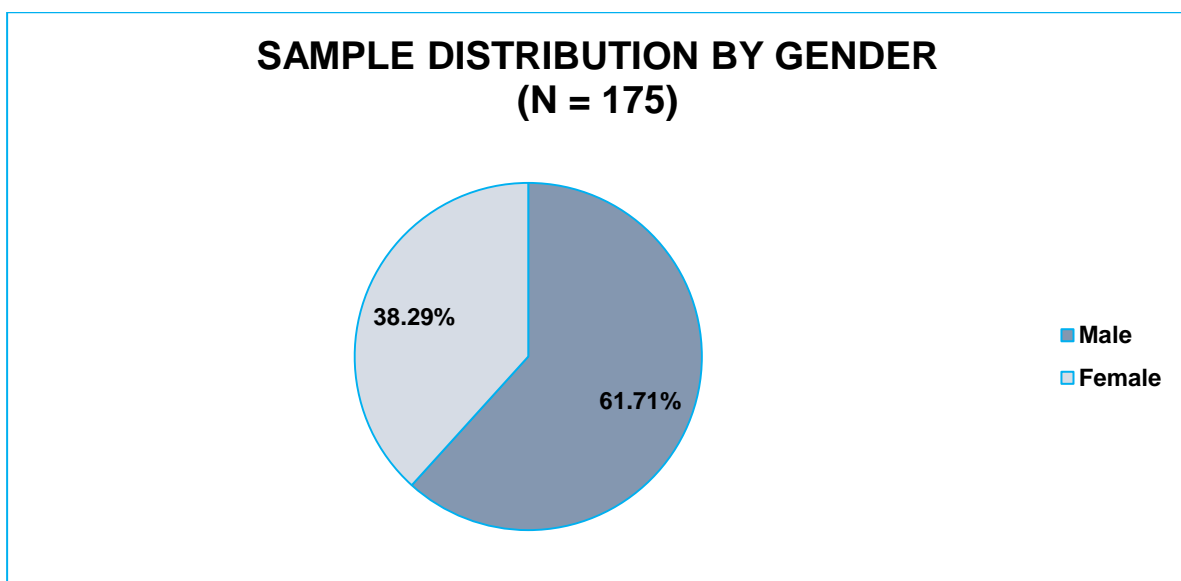


Figure 3.4 Sample distribution by gender (N = 175)

Categorised by gender, as shown in Figure 3.4, the sample was skewed towards males at 61.71%, compared to the female representation of 38.29%.

Sample distribution by tenure

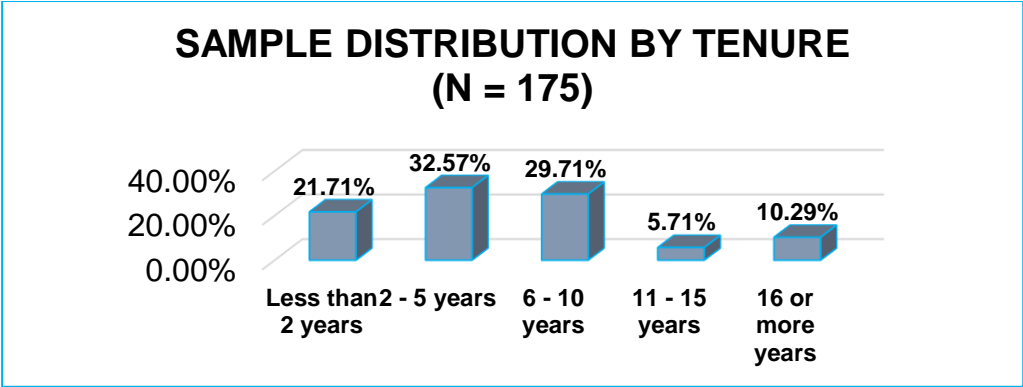


Figure 3.5 Sample distribution by tenure (N = 175)

Lastly, as shown in Figure 3.5 above, the sample distributed by tenure reflected 21.71% of those who had been in the organisation for less than 2 years, 32.57% of those who had served 2 – 5 years, 29.71% of those who had 6 – 10 years of service, 5.71% of those who had 11 – 15 years of service and 10.29% of those who had 16 or more years of service. A large portion of the sample was jointly the participants who had 2 – 10 years’ service.

In summary, the biographical profile of the sample shows the following characteristics as per Table 3.1. Frequency refers to the actual number of the respondents and the percentage (%) reflects the frequency as a percentage of the sample (n=175).

Table 3.1 Biographical distribution of sample

Item	Category	Frequency	%
Function	Administration	3	1,71
	Engineering	21	12,01
	Finance	19	10,85
	Human Resources	28	16
	Information Technology	19	10,86
	Operations	29	16,56
	Sales & Marketing	24	13,70
	SHERQ	12	11,43
	SC & Procurement	20	6,86
	TOTAL	175	100
Business Unit	Equipment	35	20
	Generation	34	19,43
	Head Office	61	34,86
	Industrial	4	2,29
	Plant Services	17	9,71
	Powerlines	14	8
	Transport Solutions	10	5,71
	TOTAL	175	100
Job Grade	Junior Management	87	49,71
	Middle Management	49	28
	Senior Management	16	9,14
	Semi-Skilled	23	13,14
	TOTAL	175	100
Gender	Male	108	61,71
	Female	67	38,29
	TOTAL	175	100
Tenure	Less than 2 years	38	21,71
	2 - 5 years	57	32,57
	6 - 10 years	52	29,71
	11 - 15 years	10	5,71
	16 or more years	18	10,29
	TOTAL	175	100

Measuring instrument

The measuring instrument that was used to measure organisational readiness for change and the implementation of a performance management system is the Change Readiness Inventory (CRI). The CRI was developed by Roodt and Kinnear (2007). The inventory has acceptable psychometric properties (Cronbach's alpha of 0.98) for use in the study and it measures organisational readiness for change (Roodt & Kinnear, 2007). The CRI incorporates the Burke-Litwin model to systematise and categorise the concepts and factors into an integrative theoretical model (Roodt & Kinnear, 2007). The CRI enables users to identify a number of specific organisational change facilitating or inhibiting factors, which can be grouped into two broad categories: transformational (readiness for change) and transactional variables (implementation of a performance management system).

Transformational variables refer to the external environment; change mission and strategy; a change-supportive culture and change leadership (Roodt & Kinnear, 2007). Transactional variables refer to the existing structure; work-unit climate; change management practices; change-related systems; change motivation; task requirements applicable to change; needs and values pertaining to change; individual experiences; and the emotional impact of change (Roodt & Kinnear, 2007). The 12 dimensions (transformational and transactional variables) were used as the behavioural anchors to develop the 109 behaviour-based items within each dimension of the CRI (Roodt & Kinnear, 2007). Roodt and Kinnear (2007) reported a Cronbach's alpha (internal consistency) of 0.98 on the inertia scale and 0.89 on the external change forces, change strategy and imposed personal demands scale of the CRI. These figures are based on an initial study that was conducted on 617 individuals from junior to senior management in different industries (Roodt & Kinnear, 2007). Other researchers report similar reliability scores for this inventory. In a study that involved a group of 340 managers and 347 trainees in a state organisation in Australia, Cronbach alphas of .99 and .78 were found for the CRI (Van Rooyen, 2007).

Ochurub et al., (2012) in a study that involved a sample of 460 in Namibia reported a Cronbach alpha 0.89. The internal consistency reliabilities for the 12 dimensions varied between 0.677 and 0.896, with only two reliabilities below 0.80 (Roodt & Kinnear, 2007). In the current study, the CRI was adapted to meet the objectives of the study. The adaptation resulted in six biographical questions, 52 questions from the CRI and six questions that measured change process. The correlation procedure was performed both on the factors that measured readiness for change and the implementation of a performance management system. The Cronbach's alpha coefficients were 0.91 and 0.86, respectively. According to Hair, Black, Babin, and Anderson (2010), the generally agreed upon lower limit of Cronbach's alpha is 0.70. In this study, the Cronbach's alpha was above 0.70, which is indicative of reliability of the CRI for the study, and corroborates the previous studies.

Research procedure

In order to access the sample for data collection, permission was obtained from the participating organisation. An explanation about the purpose of the study and the confidential and anonymous use of data was communicated to both the organisation and the participants. Having obtained the permission to collect the data, formal informed consent was obtained from the organisation prior to the researcher commencing with the study. Employee data was requested from the Human Resources department of the participating organisation. A stratified random sample, which is used to establish greater representativeness of different groups in the sample (De Vos et al., 2012), was used to select the participants (n = 175). Stratified sampling was suitable for the study because of the existence of six similar business units and a head office with several job grades and business functions. The only difference between the business units in the organisation was the product and service, respectively that each business unit renders.

The CRI questionnaires were sent to the sample via e-mail with informed consent; confidentiality assurance, anonymity assurance and the voluntary participation information. Completed CRI questionnaires were returned only to the researcher via e-mail. All data were in electronic form and coded. The raw data were captured and transferred to SAS data set.

Statistical analysis

The researcher used basic quantitative analysis for the study and the data were statistically processed and analysed by means of descriptive statistics (frequency distribution by demographics); measures of central tendency (mode, mean and median); measures of variability (range and variance) and inferential statistics (to test hypothesis by using *t*-tests, *F*-statistic and correlation: *r* coefficient). The statistical analysis was conducted using the SAS program, the SAS is a statistical mainframe package that is friendlier to use (Terre Blanche, et al 2006). Descriptive and inferential statistics were used to analyse the data. Descriptive statistics are statistical procedures that summarise, organise and simplify data (Field, 2013).

Inferential statistics in the study consisted of techniques that enabled the study to make generalisations about the populations from which they were selected (Gravetter & Wallnau, 2014). In this study, Cronbach's alpha coefficients were used to determine internal consistency reliability properties of the CRI. Bivariate correlation coefficients were calculated to describe the relationship between the variables (organisational readiness for change and the implementation of a performance management system). Multiple regression analysis (analysis of variance – ANOVA) was used to determine the percentage variance explained by the independent variable (organisational readiness for change) and the dependent variable (implementation of a performance management system).

The levels of statistical significance used in this study were $F(p) < .05$ as the cut-off for rejecting the null hypotheses. The p-value of $<.05$ indicates the statistically significant difference (Gravetter & Wallnau, 2014). Due to the small sample size ($N = 175$) the significance level was set at $p = .10$ for interpreting the results of the moderated hierarchical analysis.

Results

In this section, the results of the empirical study are presented and reported on. The objective of the research was to determine the relationship between organisational readiness for change and the implementation of a performance management system.

Descriptive statistics

Descriptive statistics were used to describe the relationship between the variables in the sample. The mean, standard deviation, median, skewness and kurtosis are reported below.

Tables 3.2 and 3.3 show the descriptive statistics for the variables; Table 3.2 shows all the factors of both the independent variable (readiness for change) and the dependent variable (implementation of a performance management system). Table 3.3 with overall descriptive statistics for the two variables. The minimum score is the smallest value of the factor and variable, and the maximum score is the largest value of the factor or variable. The mean is the central measure, whilst the standard deviation is the measure of spread from the mean. From the Tables 3.2 and 3.3, the comparison of the median and mean scores illustrate that the central measures are similar. Regarding Table 3.2, the descriptive statistics for the readiness for change show a mean score of 2.82 ($sd = 0.62$) for the business climate factor and a mean score of 3.90 ($sd = 0.76$) for the motivation to change factor.

The descriptive statistics further show that for implementation of a performance management system, the mean score is 2.80 (sd = 0.53) for the change management practices factor, and the mean score is 3.39 (sd = 0.74) for the organisational structure factor.

In Table 3.3, the mean for readiness for change is 3.45 (sd = 0.39) and the mean for implementation of a performance management system is 3.06 (sd = 0.43). Tables 3.2 and 3.3 also report on the skewness and kurtosis measures of the variables. Skewness is a measure of symmetry (Field, 2013). Kurtosis is a measure of pointiness of the data relative to normal distribution (Field, 2013). The skewness and kurtosis values of zero imply normal distribution (Field, 2013). According to Table 3.3, the factor: change related system of the dependent variable, implementation of a performance management system, has a skewness value of -1.03. This implies that the distribution is negatively skewed. The values of skewness and kurtosis for the rest of the factors on Table 3.1 and the overall values of skewness and kurtosis for the variables as per Table 3.2 are towards zero, which implies symmetry and normal distribution.

Table 3.2 Descriptive statistics of all factors per variable

Variable	Factor	N	Mean	Std Dev	Median	Skewness	Kurtosis	Minimum	Maximum
INDEPENDENT Readiness for change	Business unit climate	175	2.82	0.62	3.00	-0.47	1.30	1.00	4.50
	Job task requirements	175	3.56	0.56	3.50	0.46	-0.13	2.17	5.00
	Motivation to change	175	3.90	0.76	4.00	-0.30	-0.45	1.50	5.00
	Personal impact of change	175	3.08	0.58	3.00	0.25	0.04	1.75	4.75
	Emotional impact of change	175	3.16	0.45	3.00	0.21	2.31	1.33	5.00
	Change process	175	3.84	0.57	3.83	-0.19	0.57	2.00	5.00
DEPENDENT Implementation of a performance management system	Change mission and strategy	175	3.18	0.72	3.25	-0.26	-0.06	1.00	4.75
	External environment	175	3.15	0.49	3.00	-0.20	2.89	1.00	4.50
	Change leadership	175	3.14	0.60	3.17	0.21	0.24	1.50	4.83
	Organisational culture	175	3.16	0.79	3.33	-0.54	0.03	1.00	4.67
	Organisational structure	175	3.39	0.74	3.50	-0.10	-0.46	1.75	5.00
	Change management practices	175	2.80	0.53	2.78	0.36	0.55	1.33	4.33
	Change related systems	175	2.88	0.57	3.00	-1.03	2.22	1.00	4.00

Table 3.3: Descriptive statistics of the variables

Variable	N	Mean	Std Dev	Median	Skewness	Kurtosis	Minimum	Maximum
INDEPENDENT Readiness for change	175	3.45	0.39	3.41	0.40	-0.30	2.63	4.52
DEPENDENT Implementation of a performance management system	175	3.06	0.43	3.00	0.36	-0.08	2.12	4.12

Table 3.4 below shows the mean comparison by tenure. The probability value (p) is $< .05$ for the following factors of readiness for change: change mission and strategy; external environment and motivation to change. The significance level adopted for the study was $.05$; according to Gravetter and Wallnau (2013), the p -value of $< .05$ is indicative of statistically significant differences. The change mission and strategy scores ($p = 0.0119$) suggest that the sample of the population that have 16 or more years and 11 – 15 years of tenure scored lower (mean = 2.78 and 2.90, respectively) than the rest of the sample. This suggests that the longer-serving population of the participating organisation is likely to be less ready for change in terms of change mission and strategy factor. In terms of external environment, $p = 0.0295$, the tenure category that scores the lowest is 6 – 10 years, suggesting that those in the category are less ready for change from an external environment perspective.

Lastly, motivation for change has a p -value of 0.0473, with the tenure category of 16 or more years scoring the lowest at 3.53, suggesting those in that tenure category are less motivated to change than the other groups. Therefore, it can be concluded that the longer the employees have been with the participating organisation, the less likely they are ready for the change of implementing a performance management system.

Table 3.4 Mean difference by tenure

	Pr>F	Less than 2 years (N=38)	2 - 5 years (N=57)	6 - 10 years (N=52)	11 - 15 years (N=10)	16 or more years (N=18)
Change mission and strategy	0.0119	3.45	3.16	3.19	2.90	2.78
External environment	0.0295	3.34	3.16	3.02	3.13	3.05
Motivation to change	0.0473	4.17	3.89	3.86	3.78	3.53

Table 3.5 below displays the mean differences by business unit, with a p-value of 0.0321, which also shows a statistically significant difference between business units. The sample of the population from the Transport Solutions business unit scores the highest (3.7), while the sample of the population from the Industrial business unit scores the lowest (2.50) in terms of organisational culture. Therefore, it can be concluded that the employees based at the Industrial business unit are significantly less ready than the employees in other business units for the implementation of performance management system because of the sub-culture in that business unit.

Table 3.5 Mean difference by business unit

	Pr>F	Head Office (N=61)	Plant Services (N=17)	Transport Solutions (N=10)	Equipment (N=35)	Generarion (N=34)	Industrial (N=4)	Powerlines (N=14)
Organisational culture	0.0321	3.03	3.12	3.7	3.25	3.06	2.50	3.55

Inferential statistics

Inferential statistics were used to make inferences about the population, where the sample was drawn (Gravetter & Wallnau, 2014). The section that follows reports on the correlations and regression analysis of variance of the variables. A bivariate correlation was performed on the data. The results are found in Table 3.6 below. The results in Table 3.6 indicate the following pattern: Six factors of the independent variable, readiness for change: business unit climate, job/task requirements, motivation to change; personal impact of change; emotional impact of change and change process, show a statistically significant relationship with the variables of implementation of a performance management system. According to Field (2013), all significant values of below .05 indicate statistically significant relationship between the variables.

Although direct conclusions cannot be drawn about the causality from a correlation, the correlation can be taken a step further by squaring it. The correlation squared is a measure of the amount of variability in one variable shared by another (Field, 2013). From Table 3.6; business unit climate shares 43% of variability in the implementation of a performance management system. Job/task requirements shares 38% variability in the implementation of a performance management system. Lastly, motivation to change and personal impact of change share 38% and 22%, respectively in the implantation of a performance management system. The remainder of variability is accounted for by other factors.

Table 3.6 Bivariate correlation between variables

Implementation of Performance Management System		
Readiness for change	Significance	
	(p-value)	R-Square
Business unit climate	<.0001	0.4310
Job/task requirements	<.0001	0.3848
Motivation to change	<.0001	0.3792
Personal impact of change	<.0001	0.2247
Emotional impact of change	0.0198	0.0936
Change process	0.0077	0.1069

Table 3.7 below shows the R, R² and the adjusted R², which can be used to determine how well the model fits the data. The multiple correlation coefficient represents the effect size. Cohen (1988) provided guidance for interpreting the effect sizes, and his suggestion was that the R value of .1 represents a small effect size, .3 represents a medium effect size and the R value of .5 represents large effect size. In this case, the R value of .54440 indicates large effect size. The R² column, also referred to as the coefficient of determination, indicates the proportion of variance in the dependent variable that is explained by the independent variable. As per Table 3.7, the R² value is .2964, meaning that 29.64% of the dependent variable is explained by the independent variable. The remaining 70.36% of the dependent variable is explained by other factors.

Table 3.7 Regression model summary of readiness for change and the implementation of a performance management system

Root MSE	Dependent Mean	Coefficient Variance	R	R-Square (R ²)	Adjusted R-Square
0.35944	3.06026	11.74532	0.5444	0.2964	0.2923

The *F*-ratio was used to test, whether the overall regression model was a good fit for the data in Table 3.8 below, the ANOVA summary. Table 3.8 below shows that the independent variable statistically significantly predicts the dependent variable, $F = 72.87$, $p < 0.0005$, the regression model is the best fit of the data. The p -value of $< .0001$ indicates that there is a linear relationship between readiness for change and the implementation of a performance management system.

Table 3.8 ANOVA summary

Source	DF	Sum of squares	Mean Square	F Value	Significance (Pr>F)
Model	1	9.41413	9.41413	72.87	<.0001
Error	173	22.35077	0.12920		
Corrected Total	174	31.76490			

The general form of the equation to predict how much of the dependent variable (average score) varies with the independent variable, when all other variables are held constant is:

$$\text{Average score} = 0.59308 \times (\text{implementation of a performance management system}) + 1.01593.$$

In Table 3.9 below, the unstandardised coefficient for readiness for change is 0.59308. This means that if the readiness for change score goes up by 1, the average score is predicted to go up by 0.59308. A test of statistical significance for the independent variable is also found in Table 3.9. This tests whether the unstandardised (or

standardised) coefficient is equal to 0 (zero) in the population. If $p < .05$, it can be concluded that the coefficient is statistically different to 0 (zero). The t -value and the corresponding p -value are found in the “ t ” and significance columns, respectively. The “ t ” value approximates the shape of a normal distribution (Gravetter & Wallnau, 2014). From Table 3.9 above, it can be noted that the independent variable coefficient is statistically different from 0 (zero), $p < .05$; that is, the coefficient for the independent variable cannot be treated as 0 (zero) and therefore, impacts the model. The t -value indicates that the normal distribution for the independent variable is positively skewed.

In summary, it is important to note that the readiness for change (independent variable) predicts the implementation of a performance management system (dependent variable), $p < .0001$, and is statistically significant ($p < .05$).

Table 3.9 Estimated model coefficients

Variable	Parameter Estimate	Standard Error	t	Standardised Estimates	Significance Pr>t
Intercept	1.01593	0.24102	4.22	0	<.0001
Readiness for change	0.59308	0.59308	8.54	0.54440	<.0001

Decisions regarding the research hypotheses

Based on the results above, the following decisions in relation to the hypotheses were made.

Hypothesis 1:

Null hypothesis 1,

H₀1: There is no significant positive relationship between organisational readiness for change and the implementation of a performance management system; is rejected, $p < .0001$. There is no supportive evidence.

Hypothesis 1,

H₁: There is a statistically significant positive relationship between organisational readiness for change and the implementation of a performance management system. is proven, $p < .0001$. There is supportive evidence.

Hypothesis 2:

Null hypothesis 2,

H₀2: There is no statistically significant difference in readiness for change for the implementation of a performance management system among the employees who have been with the organisation for a longer tenure and the employees who have been with the organisation for a shorter tenure; is rejected.

The mean differences by tenure indicate the p-values of $< .05$ as follows: $p = .0119$ for those employees who had the tenure of 11 – 15 and 16 or more years, respectively, for change mission and strategy. The mean differences further show a p-value of $.0295$

for the employees who have been with the participating organisation for 6 – 10 years for external environment.

Lastly, the p-value for motivation emerges as .0473 for motivation to change for the employees who have been with the participating organisation for 16 or more years; hence, the rejection of the null hypothesis 2.

Hypothesis 2,

H2: There is no statistically significant difference in readiness for change for the implementation of a performance management system among the employees who have been with the organisation for a longer tenure and the employees who have been with the organisation for a shorter tenure; is proven.

H2 is proven with the three p-values of $< .05$, which suggest statistical significance by tenure as per the preceding paragraph.

Hypothesis 3:

Null hypothesis 3,

H₀3: There is no difference in readiness for change for the implementation of a performance management system among the employees in different business units in the participating organisation; is rejected.

The mean difference by business unit indicates a p-value of .0321 in terms of organisational culture.

Hypothesis 3,

H3: There is a difference in readiness for change for the implementation of a performance management system among the employees in different business units in the participating organisation; is proven; with a p-value of .0321 for organisational culture. Employees from the Industrial business unit are less ready for the change of implementing a performance management system.

Hypothesis 4,

Null hypothesis 4,

H₀4: There is no statistically significant positive relationship between the sub-variables of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of performance management; is rejected.

Table 3.6 shows that all the sub-variables of readiness for change: (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) indicate significance values of p-values of < .05 in terms of their influence on the implementation of a performance management system.

Hypothesis 4,

H4: There is a statistically significant positive relationship between the sub-variables of readiness for change and the implementation of performance management; is proven.

The six sub-variables of readiness for change: (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change process) all indicate a statistically significant positive relationship between each sub-variable and the dependent variable: implementation of a performance management system with p-values of $< .05$ across the board. The details of each change readiness sub-variable are outlined below.

Business unit climate (significance value of $p < .0001$) shows predictability of 43.10% (R-Square) for the implementation of a performance management system. Job/task requirements (significance value of $p < .0001$) show predictability of 38.48% for the implementation of a performance management system. Motivation to change (significance value of $p < .0001$) shows predictability of 37.92% for the implementation of a performance management system; and personal impact of change (significance value of $p < .0001$) indicate predictability of 22.47% for the implementation of a performance management system.

The last two sub-variables of readiness for change, namely, emotional impact of change and change processes with respective significance values of $p = .0198$ and $p = .0077$; indicate respective predictabilities of 9.36% and 10.69% for the implementation of a performance management system. Therefore, hypothesis 4, which stated that there is a statistically significant positive relationship between the sub-variables of readiness for change and the implementation of a performance management system has been proven.

Discussion

Literature review conducted suggests that the implementation of a performance management system is an introduction of change. The theoretical objectives of the study were to conduct a literature review by conceptualising readiness for change and the implementation of a performance management system from literature and subsequently conceptualising the relationship between the two variables. Thus, it requires that the pre-existing organisational conditions such as organisational culture, line manager buy-in in terms of understanding the strategy and objectives for the implementation of a performance management system and employee readiness are thoroughly evaluated prior to the implementation of a performance management system.

According to the literature review, it is evident that a change management plan is essential for introducing a performance management system appropriately. The change management plan assists the organisation to optimally implement a performance management system by measuring readiness for change and evaluating the pre-existing organisational conditions like organisational culture. For successful implementation of a performance management system, the literature contends that it is important that the organisation should ensure clarity of the goal and that line managers and employees should be adequately skilled and resourced for the implementation of a performance management system.

Readiness for change was conceptualised as a mind-set that exists among the employees during the implementation of organisational changes. Organisational readiness for change was described as the organisational ability to rapidly and effectively respond to change (Roodt & Kinnear, 2007). Readiness for change was further explained as the extent to which the individual members of the organisation hold positive views about organisational change.

Organisational readiness for change was described as a shared psychological state among the organisational members, which creates a feeling of commitment to implementing the organisational change with confidence in their collective capabilities to do so (Weiner, 2009, p. 1).

A theoretical model of a performance management system was outlined, highlighting the key components of a performance management system; namely, vision and mission, key success factors, organisational structures, strategy, key performance measures, target setting, performance evaluation and reward systems. The objectives of a performance management system, strategy, decision-making and training and development were outlined.

The relationship between readiness for change and the implementation of a performance management system was thus theoretically conceptualised by highlighting that the implementation of a performance management system is an introduction of change. As such, there is a need to ensure organisation-wide readiness for change. Having conceptualised readiness for change and the implementation of a performance management system from literature, theoretically it can be concluded that there is a relationship between readiness for change and the implementation of a performance management system.

The next objective of the study was to formulate the testable hypotheses from the theoretical perspective in order to achieve the study objectives. The empirical objectives of the study were to explore the relationship between readiness for change and the implementation of a performance management system as outlined in the following aims:

H1: There is a statistically significant positive relationship between organisational readiness for change and the implementation of a performance management system. Table 3.6 showed that there is a statistically significant relationship between readiness for change and the implementation of a performance management system, with a p -value of $< .0001$.

H2: There is no statistically significant difference in readiness for change for the implementation of a performance management system among the employees who had been with the organisation for a longer tenure and the employees who had been with the organisation for a shorter tenure. This hypothesis was rejected and proven with the three p -values of $< .05$, which suggest statistical significance by tenure. The mean differences by tenure indicated the p -values of $< .05$ as follows: $p = .0119$ for those employees who had the tenure of 11 – 15 and 16 or more years, respectively, for change mission and strategy. The mean differences further showed a p -value of $.0295$ for the employees who had been with the participating organisation for 6 – 10 years for external environment. Lastly, the p -value for motivation emerged as $.0473$ for motivation to change for the employees who had been with the participating organisation for 16 or more years; hence, the rejection of the null hypothesis 2.

H3: There is a difference in readiness for change for the implementation of a performance management system among the employees in different business units in the participating organisation was proven with a p -value of $.0321$ for organisational culture. Employees from the Industrial business unit were less ready for the change of implementing a performance management system.

H4: There is a statistically significant positive relationship between the sub-variables of readiness for change and the implementation of performance management. This hypothesis is proven.

The six sub-variables of readiness for change: (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change process), all indicated a statistically significant positive relationship between each sub-variable and the dependent variable: implementation of a performance management system with p-values of $< .05$ across the board. According to Table 3.6, the correlation values: $p < .0001$ for business unit climate; job/task requirements; motivation to change and personal impact of change; and respective p-values of .0198 and .0077 for emotional impact of change and change process. All preceding factors of readiness for change indicated that readiness for change was a statistically significant predictor of the implementation of a performance management system. All the p-values of the sub-variables of readiness for change are $< .05$.

Table 3.7 indicated that readiness for change accounts for 29.64% of the implementation of a performance management system, which suggests that readiness for change influences the implementation of a performance management system. According to Table 3.8, readiness for change influences the implementation of a performance management system with statistical significance, F-value of 72.87 and $p < .0005$. Table 3.9 illustrated that readiness for change (independent variable) predicted the implementation of a performance management system (dependent variable), $p < .0001$, and is statistically significant ($p < .05$). The above findings are consistent with Roodt and Kinnear's (2007) study that readiness for change predicts implementation of a change process. In this study, implementation of a performance management system was the change process.

De Waal and Counet (2009) also established that readiness for change, especially employee motivation, increases the chances of success in the implementation of a performance management system. It was also established by Weiner (2009) that the establishment of readiness for change prior to the introduction of any change process increases the probability of the change efforts' success.

Conclusion: Implications for practice

Overall, it can be concluded that there is a statistically significant positive relationship between readiness for change and the implementation of a performance management system. The findings of the study contribute valuable knowledge by highlighting the importance of ensuring organisation readiness for change prior to the implementation of a performance management system.

The conclusions from the findings further suggest that practitioners could benefit from understanding the relationship between readiness for change and implementation of any organisational change to inform organisational change management. Since the study determined that readiness for change accounts for 29% for the implementation of a performance management system, further research could explore other factors that influence the implementation of a performance management system.

Limitations of the study

Though the hypotheses were proven in the study, the limitation of the study is that a survey method was used without a narrative that could be sourced by combining the survey method with a qualitative study. It is anticipated that a qualitative study would aid an exploration of the responses over and above the derived hypotheses. Secondly, the results showed that only 29.64% of the dependent variable (implementation of a performance management system) was predicted by the independent variable (readiness for change). This is a limitation in that there is possibly another 70% predictor for the implementation of a performance management system that could still be investigated and contribute to the factors that influence the implementation of a performance management system. The last limitation is that the results are not generalisable across other organisations as the study was only conducted in the participating organisation.

Recommendations for future research

It is recommended that a bigger sample be obtained for future research to ensure more representation and improve on the generalisability of the findings. It is also important that other factors that could predict successful implementation of a performance management system are identified to increase the percentage variation of the implementation of a performance management system. Possible factors could include coaching and training and development.

It could furthermore be recommended that future research could investigate the relationship between the individual factors of readiness for change and the individual factors of the implementation of a performance management system. Possible hypotheses that could be explored for future research are listed below.

- (1) There is a statistically significant positive relationship between business unit climate and change mission and strategy in relation to the effective implementation of a performance management system in an organisation.
- (2) There is a statistically significant positive relationship between job/task requirements and change leadership in relation to the effective implementation of a performance management system in an organisation.
- (3) There is a statistically significant positive relationship between motivation to change and change management practices in relation to the effective implementation of a performance management system in an organisation.
- (4) There is a statistically significant positive relationship between change process and change related systems in relation to the effective implementation of a performance management system in an organisation.

Further research could use a combination of quantitative and qualitative research design (combined research method) to corroborate the research statistics with a qualitative narrative that explains the findings. The combined research method could possibly increase the predictive ability of readiness for change on the implementation of a performance management system to a value greater than 29.64%.

REFERENCES

- Aguinis, H. A. (2011). *Performance Management*. Edinburgh Business School. Heriot-Watt University.
- Armenakis. A, A., Harris, S, G., & Mossholder, K. W, (1993). Creating readiness for organizational change. *Human Relations*, 46, 681-703.
- Bhattacharjee, S., & Sengupta, S. (2011). A study of performance management system in a corporate firm. *VSRD International Journal of Business & Management Research*, 1(8), 496-513.
- Brudan, A. (2010). Rediscovering performance: systems, learning and integration. *Measuring Business Excellence*, 14(1), 109-123.
- Cascio, W. F. & Aguinis, H. (2005). *Applied psychology in personnel management*. (6th ed.). Upper Saddle River: Prentice-Hall.
- De Vos, A. S., Strydom, H., Fouche, C. B., & Delpont, C. S. L. (Eds). *Research at grass roots: for the social sciences and human service professions*. (4th ed.), pp 45-60. Pretoria: Van Schaik Publishers.
- De Waal, A. A., & Counet, H. (2009). Lessons learned from performance management systems implementations. *International Journal of Productivity and Performance Management*, 58(4), 367-390.
- Esu, B. B. (2008). A case for performance management in the public sector in Nigeria. *International Journal of Business and Management*, 4(4), 16-103.
- Field, A. (2013). *Discovering statistics using IBM SPSS statistics*. (4th ed.). Los Angeles: SAGE.
- Gravetter, F. J. & Wallnau, L. B. (2014). *Essentials of statistics for the behavioural sciences*. (8th ed.). Wadsworth: CENGAGE Learning.
- Johns, G., & Saks, A. M. (2005). *Organizational behavior: understanding and managing life at work*. (6th ed.). Toronto: Pearson Prentice Hall.
- Kanyane, M. H., & Mabalane, M. J. (2009). Performance management and capacity in the government sector. *Journal of Public Administration*, 44(1), 59-109.

- Kotter, P. (2002). *The heart of change: real-life stories of how people change their organisation*. Boston: Harvard Business School Press.
- Kwahk, K., & Kim, H. (2008). Managing readiness in enterprise systems-driven organizational change. *Behavior & Information Technology*, 27, 79-87.
- Lutwama, G. W., Roos, J. H., & Dolamo, B. L. (2013). Assessing the implementation of performance management of health care workers in Uganda. *BMC Health Services Research*, 13: 355. DOI: 10.1186/1472-6963/13-355.
- Macris, L. I., & Sam, M. P. (2014). Belief, Doubt and Legitimacy in a Performance System: National Sport Organization Perspectives. *Journal of Sports Management*, 28, 529-550.
- McKay, K., Kuntz, J. R. C., & Naswall, K. (2013). Resistance to change and change readiness. *New Zealand Journal of Psychology*, 42(2), 29-40.
- Mouton, J. & Marais, H. C. (1996). *Basic concepts in the methodology of the social sciences*. Pretoria: Human Sciences Research Council Publishers.
- Newman, J. (2012). *An organisational change management framework for sustainability*. Yale: Green Leaf Publishing.
- Nissen, L. B. (2014). The power of organizational readiness to boost success with the 2008 EPAS in Social Work Education. *Journal of Social Work Education*, 50, 5–18. DOI: 10.1080/10437797.2014.856223.
- Ochurub, M., Bussin, M., & Goosen, X. (2012). Organisational readiness for introducing a performance management system. *SA Journal of Human Resources Management*, 10 (1), Art.#389, 11 pages. <http://dx.doi.org/10.4102/sajhrm.v10i1.389>.
- Pradhan, S. K., & Chaudhury, S. K. (2012). A survey on employee performance management and its implication to their retention in OCL India Ltd. *Asian Journal of Research in Social Science & Humanities*, 2(4), 249–262.
- Rafferty, A. E., Jimmieson, N. L., & Armenakis, A. A. (2013). Change Readiness: A Multilevel Review. *Journal of Management*, 39(1), 110-135.

- Rajput, M., & Novitskaya, A. (2013). *Role of Organizational Culture in Creating Readiness for Change Project*. Umea School of Business and Economics.
- Rashidi, R. (2015). A review of performance management system. *International Journal of Academic Research*, 7(1), 210 – 214.
- Robbins, S. P., & Judge, T. A. (2013). *Organizational Behaviour*. (15th ed.). New York: Pearson.
- Roodt, G., & Kinnear, C. (2007). *Change Readiness Inventory (CRI) Manual*. Johannesburg: Jopie van Rooyen & Partners SA (Pty) Ltd.
- Sarwar, S., & Awan, U. (2013). Performance education in private schools: a case study of the educators' school. *Journal of Public Administration and Governance*, 3(4), 82-99.
- Swanepoel, S., Botha, P. A., & Mangonyane, N. B. (2014). Politicisation of performance appraisals. *SA Journal of Human Resource Management*, 12(1), Art. #525, 9 pages. <http://dx.doi.org/10.4102/sajhrm.v12i1.525>.
- Terre Blanche, M., Durrheim, K., & Painter, D. (2006). *Research in practice: applied methods for the social sciences*. (2nd ed.). Cape Town: University of Cape Town Press.
- Vakola, M. (2013). Multilevel readiness to organizational change: a conceptual approach. *Journal of Change Management*, 13(1), 96-109.
- Van Dooren, W., Bouckaert, G., & Halligan, J. (2010). *Performance management in the public sector*. New York, NY: Routledge.
- Van Rooyen, J. (2007). *Change Readiness Inventory (CRI) Manual*. Johannesburg: Jopie van Rooyen & Partners SA (Pty) Ltd.
- Weiner, B. (2009). *A theory of organizational readiness for change*. Retrieved January 25, 2015, from <http://www.implementationscience.com/content/4/1/67>. Doi:10.1186/1748-5908-4-67.

Wetzel, R. & Van Gorp, L. (2014). Eighteen shades of grey? *Journal of Organizational Change Management* 27(1): 115–146. <http://dx.doi.org/10.1108/jocm-01-2013-0007>.

CHAPTER 4: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

This chapter focuses on the conclusions arrived at in this study. The chapter further highlights the limitations of the literature review and empirical results are discussed. Recommendations are made for future research studies.

4.1 CONCLUSIONS

The study concentrated on investigating the relationship between readiness for change and the implementation of a performance management system. Study conclusions stemming from the literature review and the empirical study will be formulated below.

4.1.1 Conclusions regarding the literature review

There were four aims for this study. The first aim was to conceptualise organisational readiness for change from a theoretical perspective. The second aim was to conceptualise a performance management system from a theoretical perspective. Thirdly, the study sought to integrate organisational readiness for change and the implementation of a performance management system and conceptualise the theoretical relationship between the two variables. Lastly, the aim was to formulate the study hypothesis to achieve the study objectives.

4.1.1.1 Aim 1: Conceptualise organisational readiness for change from a theoretical perspective

In the study, organisational readiness for change was approached from the perspective of Weiner (2009), who defined readiness for change as the commitment and self-efficacy of organisational members to implement organisational change. Organisational readiness as a concept originates from the work of Lewin (1952) that proposes a model for change that comprises of unfreezing, changing and refreezing (Greenberg & Baron, 1997). The unfreezing process is aimed at preparing the organisation for change (Rajput & Novitskaya, 2013). Literature review highlighted the value of ensuring organisational readiness for change in that readiness for change provides a good indication of what the reaction to change will be when the organisation introduces a new business system such as performance management (Ochurub et al., 2012). According to Vakola (2013), readiness for change is a mind-set that exists among the employees during the implementation of organisational changes. Vakola (2013) also posited that readiness for change is comprised of beliefs, attitudes and intentions of the employees in terms of the need for and the capability of implementing organisational change.

Previous research linked human resources management to organisational performance (Den Hartog et al., 2004). Lutwama et al. (2013) identified several gaps that include performance management planning and setting performance targets in the implementation of a performance management system; these gaps are relevant to this study in that factors such as performance management planning could influence the implementation of a performance management system. According to Bhattacharjee and Sengupta (2011), employees had been found to be dissatisfied with the non-transparency of the performance management system.

From a South African perspective, Ochurub et al. (2012) found that the organisation they investigated was not ready to introduce a new performance management system and that the employees held negative attitudes and feelings about the proposed performance management system. It was also found that there were weaknesses in how performance appraisals were undertaken in the South African public sector (Swanepoel et al., 2014). The above findings highlight the value added by this study in that the study contributes to the ongoing organisational readiness for change and, unlike previous studies, in the private sector as compared to the public sector.

4.1.1.2 Aim 2: Conceptualise performance management system from a theoretical perspective

Literature review showed that performance management integrates organisational goal setting, performance appraisal and employee development into a single consolidated system with the aim of ensuring that employees' performance supports the organisational strategic intention (Bhattacharjee & Sengupta, 2011). Bhattacharjee & Sengupta (2011) further posit that performance management entails a process of integrating organisational goal setting, performance appraisal and employee development into a single consolidated system with the objective of ensuring that employees' performance supports the organisational strategic intention. Performance management is a critical activity for management in both profit-making and non-profit making organisations (Pongatichat & Johnston, 2008), and has been conceptualised as an on-going process of identifying, measuring and enhancing the performance of individuals or teams, and aligning that performance to the organisational strategy (Aguinis, 2009).

Performance management research previously focused on the accuracy of performance appraisals, more recently the focus of performance management research also investigated the motivational aspects of employee performance (Den Hartog et al., 2004).

Lutwama et al., (2013) found that not all employees in an organisation that has implemented a performance management system knew what performance management entailed, this was a gap in the implementation. Other researchers often investigated performance management as a concept and overlooked the challenges that are inherent in introducing a performance management system (Ochurub et al., 2012). Aguinis (2009) suggested that organisation-wide education on the performance management system be prioritised in a performance management system's implementation plan.

Luthans (2008) mentioned that introduction of a performance management system should affect the levels of employee engagement and job security as performance management system incorporates high levels of open communication and trust. Kanyane and Mabalane (2009), state that the success of a performance management system depends on several conditions, including goals to be achieved by the organisation and the employees. The successful implementation of a performance management system requires a careful measurement of readiness for change (Ochurub et al., 2012). In conclusion, the literature highlighted that there is much value in investigating the relationship between readiness for change and the implementation of a performance management system, especially in a private sector organisation.

4.1.1.3 Aim 3: Integration and conceptualisation of a theoretical relationship between organisational readiness for change and the implementation of a performance management system

Research has shown that a well-implemented performance management system leads to favourable results such as helping the organisations to implement and optimally address the changes with ease (Rashidi, 2015). Failure rate of performance management implementation has decreased by 14% in recent years due to a focus on ensuring readiness for change (De Waal & Counet, 2009).

According to Ochurub, et al. (2012) performance management systems as change initiatives, are pivotal to the strategies of organisations, as such organisations should ensure they are ready to implement performance management systems. The successful implementation of a performance management system requires measurement of readiness for change (Ochurub, et al., 2012). The organisation's culture of change should be cultivated prior to the introduction of a performance management system as posited by Rashidi (2015). A well-designed and implemented performance management system can meaningfully contribute to the organisation (Aguinis, 2011). The introduction of system changes in organisations depends on positive employee pre-conditions (Ochurub, et al., 2012).

Pre-existing organisational conditions and employee attitudes could influence the implementation of a performance management system (Ochurub, et al., 2012). Where there are no specific goals and objectives outlined for the performance management system, the managers and the employees will not know what they should do (Rashidi, 2015). Ochurub, et al. (2012) further proposed that organisations should plan for the implementation of a performance management system by including logical thought processes that consider internal and external environments.

Organisations should ensure readiness to introduce a performance management system and assign the change leadership to drive the process effectively (Ochurub, et al., 2012). Rashidi (2015) says that it is important for the organisation to articulate the specific reasons, why there is a need for a performance management system. This will lead to making the right choice as to who the most suitable leader to guide the implementation process is (Rashidi, 2015). Robust engagement of the employees with the organisation can be measured by the employees' perception of the performance management systems through which they are appraised (Aguinis, 2011). Lack of employees' positive attitude toward the performance management system could increase the chances of implementation failure (De Waal & Counet, 2009). Considering the above, it was concluded that investigating the relationship between readiness for change and the implementation of a performance management system is valuable.

4.1.1.4 Aim 4: Formulate the study hypotheses to achieve the study objectives

The central hypothesis of this study was that organisational readiness for change influences the implementation of a performance management system. The null hypothesis was also stated:

H₀1: There is no significant positive relationship between organisational readiness for change and the implementation of a performance management system (null hypothesis).

H₁: There is a statistically significant positive relationship between organisational readiness for change and the implementation of a performance management system.

The null hypothesis was rejected and the central hypothesis was supported by the study.

The second hypothesis in the study, together with the second null hypothesis are stated below:

H₀2: There is no statistical significant difference in readiness for change for the implementation of a performance management system between the employees who had been with the organisation for a longer tenure and the employees who had been with the organisation for a shorter tenure.

H₂: There is a statistical significant difference in readiness for change for the implementation of a performance management system between employees with a longer tenure and the employees with a shorter tenure in the organisation.

The null hypothesis 2 was rejected and hypothesis 2 was proven.

The third hypothesis of the study and the corresponding null hypothesis are outlined below:

H₀₃: There is no difference in readiness for change for the implementation of a performance management system between the employees in different business units in the participating organisation.

H₃: There is a difference in readiness for change for the implementation of a performance management system between the employees in different business units in the participating organisation.

The third null hypothesis was rejected and the third hypothesis was supported by the results.

Lastly, the fourth hypothesis of the study and the corresponding null hypothesis are listed below:

H₀₄: There is no statistically significant positive relationship between the sub-variables of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of performance management.

H₄: There is a statistically significant positive relationship between the sub-variables of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of performance management.

The fourth null hypothesis was rejected by the findings, while the fourth hypothesis was proven by the research results.

4.1.2 Conclusions regarding the empirical study

The aims of the study were as follows:

Research aim 1: Explore the relationship between organisational readiness for change and the implementation of a performance management system.

According to Table 3.7, there is a statistically significantly positive relationship between readiness for change and the implementation of a performance management system, the R value = .54440, which is indicative of large effect size. Furthermore, the R-squared value of .2964 suggests that readiness for change explains 29.64% of the implementation of a performance management system.

Research aim 2: Determine if there is a statistically significant difference by tenure regarding readiness for change for the implementation of a performance management system.

Table 3.4 suggests that the employees who had been employed within the participating organisation for a longer tenure than others were less likely to be ready for the implementation of a performance management system. The sub-variables of the implementation of a performance management system indicating the following:

- (1) The employees who had been with the participating organisation for 11 years and more scored the means of 2.90 and 2.78 (a p-value of .0119) for change mission and strategy, indicating they were likely to not understand – or see no reason for such implementation – the objective of the new performance management system.

- (2) The employees who had been with the participating organisation for 6 – 10 years scored a mean of 3.02 and 3.05 (a p-value of .0295) for external environment, highlighting that they were less likely to appreciate the external business realities that would trigger the implementation of a performance management system.
- (3) Lastly, the employees who had been with the participating organisation for 16 or more years scored a mean of 3.53 (a p-value of .0473) for motivation to change, indicating that they were less likely to be motivated for change than the rest of the employees in the participating organisation. From the above, the conclusion is drawn that there is a statistically significant difference by tenure among the employees in the participating organisation based on tenure.

Research aim 3: Determine if there is a statistically significant difference by business unit in the participating organisation with regard to readiness for change for the implementation of a performance management system.

From Table 3.5, the employees in the Industrial Business unit of the participating organisation scored a mean of 2.50 (with a p-value of .0321) for organisational culture. This means that they are less likely to be ready for the implementation of a performance management system than the rest of the organisation. It can thus be concluded that there is a statistically significant difference by business unit in the participating organisation with regard to readiness for change for the implementation of a performance management system.

Research aim 4: Explore if there is a statistically significant difference between the sub-variables of readiness for change (i.e., business unit climate; job/task requirements; motivation to change; personal impact of change; emotional impact of change and change processes) and the implementation of a performance management system.

According to Table 3.6, the p-values of $< .0001$ for business unit climate; job/task requirements; motivation to change; personal impact of change; and; p-values of .0198 and .0077 for emotional impact of change and change processes, respectively, it can be concluded that there is a statistically significant difference between the sub-variables of readiness for change and the implementation of a performance management system.

4.1.3 Conclusions regarding the hypotheses

With regard to the hypotheses, it can be concluded that a positive relationship exists between organisational readiness for change and the implementation of a performance management system; there is a statistically significant difference by tenure in terms of readiness for change of implementing a performance management system; there is a statistically significant difference by business unit in terms of readiness for change for the implementation of a performance management system; and; lastly, there is a statistically significant positive relationship between the sub-variables of readiness for change and the implementation of a performance management system. The empirical study yielded statistically significant evidence to support the hypotheses.

4.1.4 Conclusions regarding the contribution to the field of Industrial and Organisational Psychology

The findings from the literature review and empirical study have contributed new knowledge to the field of Industrial and Organisational Psychology. The literature review provided valuable insight into the variables of organisational readiness for change and implementation of a performance management system. The results from the empirical study provided a valuable relationship between organisational readiness for change and the implementation of a performance management system.

Conclusions derived at from the literature review indicated that practitioners should consider ensuring organisational readiness for change prior to implementing a performance management system. The theoretical relationship between the variables highlighted that the implementation of performance management system often fails because of low levels of readiness for change, and against this background, readiness for change should always be ensured to cultivate the platform to introduce a performance management system.

Conclusions drawn from the empirical study indicate that a statistically significant positive relationship exists between organisational readiness for change and the implementation of a performance management system. In addition, the results demonstrated that organisational readiness for change predicts 29.64% of the implementation of a performance management system. Practitioners can benefit from understanding the relationship between readiness for change and the implementation of a performance management system as the knowledge could be used in the implementation of performance management systems. The practitioners could also benefit from exploring other factors including the impact of coaching and learning and development in addition to organisational readiness for change that influence the implementation of a performance management system. The results from the empirical study have also provided insight for further research in the area.

4.2 LIMITATIONS

Several limitations regarding the literature review and empirical study have been identified. The limitations of the study are discussed below.

4.2.1 Literature review

As far as could be determined, little research has been done on the relationship between organisational readiness for change and the implementation of a performance management system. This made it difficult to support and integrate the findings from different researchers. Limited scientific studies were found that examined the relationship between organisational readiness for change and the implementation of a performance management system. Limited literature could be found for organisational readiness for change in a private sector organisation, therefore posing a challenge in terms of conceptualising readiness for the implementation of a performance management system in this study.

4.2.2 Empirical study

The main limitation of the study is that a survey design was chosen for the study. It is difficult to accurately predict the success of implementation as the survey is mainly opinions and no practical implications. The study was conducted at one organisation, this means that the results of the study are not generalisable across other organisations that are implementing a performance management system in South Africa.

There was restriction of range in terms of data collection because the data were only collected among the salaried employees since the remainder, who are the majority, are unionised and not proponents of a performance management system. The sample was limited in that it consisted of 61.71% males and 38.29% females. As such, the biographical representation of the sample was skewed in terms of gender.

The other limitation in terms of the sample was that only 175 responses were received, which only makes up 83% of the targeted 30% of the population. It is possible that the sample may not reflect the distribution of the broader population.

The study indicated that only 29.64% of the implementation of a performance management system is predicted by organisational readiness for change. It is possible that other factors may predict the success in the implementation of a performance management system better than readiness for change.

Besides the limitations, the results of this study offer a new explanation for the relationship between organisational readiness for change and the implementation of a performance management system. The study may be used as a basis for understanding the relationship between the variables.

4.3 RECOMMENDATIONS

Based on the findings of this study, recommendations are made. These are discussed below.

- (1) It is recommended that a more representative sample be used in the future to ensure that the sample reflects the true distribution of the broader population.
- (2) Further research should be conducted on other variables that could predict the success rate in the implementation of a performance management system.
- (3) Further research should combine the quantitative and qualitative research method to gain more understanding of the relationship between readiness for change and the implementation of a performance management system

4.4 INTEGRATION OF THE RESEARCH

This study investigated the relationship between organisational readiness for change and the implementation of a performance management system. The results suggested that there is a relationship between the variables.

The literature review illustrated that there is a relationship between the variables. At the same time, the empirical study supported the central hypothesis by indicating that there is a statistically significant relationship between the variables. The findings thus illustrate a relationship between organisational readiness for change and the implementation of a performance management system.

In conclusion, the findings of this study indicate that insight into the relationship between organisational readiness for change has practical significance. The knowledge of the relationship highlights the usefulness of the constructs, thereby enabling its adaptation. In addition, it provided insight for further research in the area.

4.5 CHAPTER SUMMARY

This chapter presented the conclusions, limitations and recommendations of the research. The literature aims and empirical aims of the study were addressed in terms of the conclusions drawn and limitations observed. Recommendations were made for further research based on the findings.

REFERENCES

- Abrell-Vogel, C., & Rowold, J. (2014). Leaders' commitment to change and their effectiveness in change – a multilevel investigation. *Journal of Organizational Change Management*, 27(6), 900-921.
- Aguinis, H. A. (2011). *Performance Management*. Edinburgh Business School. Heriot-Watt University.
- Aguinis, H. (2009). *Performance Management*. (2nd ed.). Upper Saddle River NJ: Prentice Hall.
- Armenakis, A. A., Harris, S. G., & Mossholder, K. W. (1993). Creating readiness for organizational change. *Human Relations*, 46, 681-703.
- Bhattacharjee, S., & Sengupta, S. (2011). A study of performance management system in a corporate firm. *VSRD International Journal of Business & Management Research*, 1(8), 496-513.
- Brudan, A. (2010). Rediscovering performance: systems, learning and integration. *Measuring Business Excellence*, 14(1), 109-123.
- Burger, D. H., Crous, F., & Roodt, G. (2008). Logo-od: the applicability of logotherapy as an organisation development intervention. *SA Journal of Industrial Psychology*, 34 (3), pp 68-80.
- Cameron, E. & Green, M. (2007). *Making sense of change management*. London: Kogan Page.
- Canterucci, J. (2008). *Change, Leadership and Growth*. Retrieved 18 April, 2014, from <http://www.corpchange.com/Resources/Articles/LackofChangeReadinessCanCostMillions.aspx>
- Cascio, W. F. & Aguinis, H. (2005). *Applied psychology in personnel management*. (6th ed.). Upper Saddle River: Prentice-Hall.
- Cohen, J. (1988). *Statistical power analysis for the behavioural sciences*. (2nd ed.). Hillsdale: Lawrence Erlbaum.

- Colman, A. M. (2009). *Oxford Dictionary of Psychology*. Oxford: Oxford University Press.
- Corporate Leadership Council. (2008). *Change management fundamentals*. London: Corporate Executive Board.
- DeNisi, A. S. (2000). Performance appraisal and performance management: A multi-level analysis. In K. J. Klein & S. Kozlowski (Eds.), *Multilevel theory, research and methods in organizations* (pp. 121–156). San Francisco: Jossey-Bass.
- De Waal, A. A. & Counet, H. (2009). Lessons learned from performance management systems implementations. *International Journal of Productivity and Performance Management*, 58(4), 367-390.
- Den Hartog, D., Boselie, P., & Paauwe, J. (2004). Performance management: a model and research agenda. *Applied Psychology: An international Review*, 53(4), 556–569.
- Eby, L. T., Adams, D. M., Russel, J. E. A., & Gaby, S. H. (2000). Perceptions of organizational readiness for change: Factors related to employees' reactions to the implementation of team-based selling. *Human Relations*, 53(3), 419-442.
- Esu, B. B. (2008). A case for performance management in the public sector in Nigeria. *International Journal of Business and Management*, 4(4), 16-103.
- Ferreira, A., & Otley, D. (2005). The design and use of management control systems: an extended framework for analysis. Social Science Research Network. <http://papers.ssrn.com/sol3/papers.cfm?abstract id=682984>.
- Ferreira, A. & Otley, D. (2009). The design and use of performance management systems: An extended framework for analysis. *Management Accounting Research*, 20, 263-282.
- Field, A. (2013). *Discovering statistics using IBM SPSS statistics*. (4th ed.). Los Angeles: SAGE.
- Foxcroft, C. (2005). Developing a psychological measure. In C. Foxcroft & G. Roodt (Eds.) *An introduction to psychological assessment in the South African context*. Cape Town: Oxford University Press.

- Gravetter, F. J., & Wallnau, L. B. (2014). *Essentials of statistics for the behavioural sciences*. (8th ed.). Wadsworth: Cengage Learning.
- Greenberg, J., & Baron, R. A. (1997). *Behaviour in Organizations*. (6th ed.). New Jersey: Simon & Schuster.
- Grote, D. (2002). *The performance appraisal question and answer book: a survival guide for managers*. New York: American Management Association.
- Hair, F. J., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis*. (7th ed.). Pearson Prentice Hall.
- Hall, J. (1999). Six principles for successful business change management. *Management Services*, 43(4), 16-18.
- Health Professions Council of South Africa (2006). Ethical rules of conduct for practitioners registered under the Health Professions Act, 1974 (Act No. 56 of 1974). Government Gazette No. 29079, 4 August 2006.
- Holt, D. T., Armenakis, A. A., Field, H. S., & Harris, S. G. (2007). Readiness for organizational change. *Journal of Applied Behavioral Science*, 43, 232–255.
- Johns, G., & Saks, A. M. (2005). *Organizational behavior: understanding and managing life at work*. (6th ed.). Toronto: Pearson Prentice Hall.
- Johnson, G., Scholes, K. & Whittington, R. (2005). *Exploring Corporate Strategy: Text and Cases*, 7th ed. Prentice-Hall Financial Times, Pearson Education Limited.
- Kanyane, M. H. & Mabalane, M. J. (2009). Performance management and capacity in the government sector. *Journal of Public Administration*, 44(1), 59-109.
- Karim M.O. (2015). Assessing the influential behavioral factors of performance management systems. *Journal of Strategy and Performance Management*, 3(1), 4–16.
- Kotter, P. (2002). *The heart of change: real-life stories of how people change their organisation*. Boston: Harvard Business School Press.
- Kotter, P. (2007, January). *Leading Change: Why Transformation Efforts Fail*. Harvard Business School Press.

- Kwahk, K., & Kim, H. (2008). Managing readiness in enterprise systems-driven organizational change. *Behavior & Information Technology*, 27, 79-87.
- Landy, F. J., & Conte, J. M. (2004). *Work in the 21st century: An introduction to industrial and organisational psychology*. (4th ed.). Hoboken: John Wiley & Sons.
- Lerch, J., Viglione, J., Eley, E., James-Andrews, S., & Taxman, F. S. (2011). Organizational readiness in corrections. *Federal Probations*, 75(1), 5-10.
- Luthans, F. (2008). *Organisational behaviour*. (11th ed.). Boston: McGraw-Hill.
- Lutwama, G. W., Roos, J. H., & Dolamo, B. L. (2013). Assessing the implementation of performance management of health care workers in Uganda. *BMC Health Services Research*, 13(355). DOI: 10.1186/1472-6963/13-355.
- Macris, L. I., & Sam, M. P. (2014). Belief, doubt and legitimacy in a performance system: national sport organization perspectives. *Journal of Sports Management*, 28, 529-550.
- McKay, K., Kuntz, J. R. C., & Naswall, K. (2013). Resistance to change and change readiness. *New Zealand Journal of Psychology*, 42(2), 29-40.
- Mouton, J., & Marais, H. C. (1996). *Basic concepts in the methodology of the social sciences*. Pretoria: Human Sciences Research Council Publishers.
- Newman, J. (2012). *An organisational change management framework for sustainability*. Yale: Green Leaf Publishing.
- Nissen, L. B. (2014). The power of organizational readiness to boost success with the 2008 EPAS in Social Work Education. *Journal of Social Work Education*, 50, 5–18. DOI: 10.1080/10437797.2014.856223.
- Ochurub, M., Bussin, M., & Goosen, X. (2012). Organisational readiness for introducing a performance management system. *SA Journal of Human Resources Management*, 10 (1), Art.#389, 11 pages. <http://dx.doi.org/10.4102/sajhrm.v10i1.389>.

- Otley, D., 2008. Did Kaplan and Johnson get it right? *Accounting, Auditing & Accountability Journal* 21, 229–239.
- Pongatichat, P. & Johnston, R. (2008). Exploring strategy-misaligned performance measurement. *International Journal of Productivity and Performance Management*, 57(3), 207–222.
- Parumasur, B. S. (2012). The effect of organisational context on organisational development (OD) interventions. *SA Journal of Industrial Psychology*, 38(1), Art. #1017, 12 pages. <http://dx.doi.org/10.4102/sajip.v38i1.1017>.
- Pradhan, S. K., & Chaudhury, S. K. (2012). A survey on employee performance management and its implication to their retention in OCL India Ltd. *Asian Journal of Research in Social Science & Humanities*, 2(4), 249–262.
- Rafferty, A. E., Jimmieson, N. L., & Armenakis, A. A. (2013). Change readiness: a multilevel review. *Journal of Management*, 39(1), 110-135.
- Rajput, M., & Novitskaya, A. (2013). *Role of Organizational Culture in Creating Readiness for Change Project*. Umea School of Business and Economics.
- Rashidi, R. (2015). A review of performance management system. *International Journal of Academic Research*, 7(1), 210 – 214.
- Riggio, R. E. (2009). *Introduction to Industrial/Organisational Behaviour*. New York: Pearson.
- Robbins, S. P., & Judge, T. A. (2013). *Organizational Behaviour*. (15th ed.). New York: Pearson.
- Roodt, G. & Kinnear, C. (2007). *Change Readiness Inventory (CRI) Manual*. Johannesburg: Jopie van Rooyen & Partners SA (Pty) Ltd.
- Sarwar, S., & Awan, U. (2013). Performance education in private schools: a case study of the educators' school. *Journal of Public Administration and Governance*, 3(4), 82-99.
- Schepers, J. M. (1992). *Toetskonstruksie: Teorie en Praktyk*. Johannesburg: RAU Drukkers.

- Schreuder, D., & Coetzee, M. (2010). An overview of industrial and organisational psychology research in South Africa: A preliminary study. *SA Journal of Industrial Psychology*, 36 (1), Art.#903, 11 pages. DOI: 10.4102/sajip.v36i1.903.
- Soumyaja, D., Kamalanabhan, T. J., & Bhattacharyya, S. (2011). Employee Readiness to Change and Individual Intelligence: The Facilitating Role of Process and Contextual factors. *International Journal of Business Insights and Transformation*, 4(2), 85–91.
- Susanto, A. B. (2008). Organizational readiness for change: a case study on change readiness in a manufacturing company in Indonesia. *International Journal of Management Perspectives*, 2(1), 50-61.
- Swanepoel, S., Botha, P. A., & Mangonyane, N. B. (2014). Politicisation of performance appraisals. *SA Journal of Human Resource Management*, 12(1), Art. #525, 9 pages. <http://dx.doi.org/10.4102/sajhrm.v12i1.525>.
- Terre Blanche, M., Durrheim, K., & Painter, D. (2006). *Research in practice: applied methods for the social sciences*. (2nd ed.). Cape Town: University of Cape Town Press.
- Turina, A., & Savovic, A. (2014). Does the introduction of changes need to be Sisyphean task? In *Proceedings of 5th Congress of the Croatian Association of Cardiology Nurses*. Croatia: University Hospital Centre.
- Vakola, M. (2013). Multilevel readiness to organizational change: a conceptual approach. *Journal of Change Management*, 13(1), 96-109.
- Van Dooren, W., Bouckaert, G., & Halligan, J. (2010). *Performance management in the public sector*. New York, NY: Routledge.
- Van Rooyen, J. (2007). *Change Readiness Inventory (CRI) Manual*. Johannesburg: Jopie van Rooyen & Partners SA (Pty) Ltd.
- Van Tonder, C. L. (2006). *Organisational change: theory and practice*. Pretoria: Van Schaik.

Weiner, B. (2009). *A theory of organizational readiness for change*. Retrieved January 25, 2015, from <http://www.implementationscience.com/content/4/1/67>.
Doi:10.1186/1748-5908-4-67.

Wetzel, R., & Van Gorp, L. (2014). Eighteen shades of grey? *Journal of Organizational Change Management* 27(1): 115–146. <http://dx.doi.org/10.1108/jocm-01-2013-0007>.