THE EFFECT OF A TRAINING PROGRAMME ON THE ATTITUDE OF MANAGERS TOWARDS PERFORMANCE MANAGEMENT

by

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Submitted in fulfilment of the requirements
for the degree of

MASTER OF ARTS

In the subject

INDUSTRIAL PSYCHOLOGY

at the

UNIVERSITY OF SOUTH AFRICA

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JUNE 2002

DEDICATED TO

JOHN, WIAN, LIZE

AND

MY PARENTS

ACKNOWLEDGEMENTS

My sincere thanks to

- Mr ZC Bergh for his guidance and encouragement throughout this dissertation
- Elize van Zyl for her support and encouragement
- My husband and children for their love and support
- My parents for encouraging me and setting an example
- My company for providing the opportunity to undertake this study
- Mrs Iauma Cooper for her language editing

SUMMARY

THE EFFECT OF TRAINING ON THE ATTITUDE OF MANAGERS TOWARDS PERFORMANCE MANAGEMENT

TEUBES, SW MA (INDUSTRIAL PSYCHOLOGY)

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June 2002

The purpose of this research was to investigate the effect of a performance management training programme on the attitudes of managers towards performance management. The research question was whether a performance management training intervention would change managers' attitude towards performance management. The respondent group consisted of 101 managers who responded to an advertisement and willingly participated in a performance management training programme. A quasi-experimental research design was used in which a pre-test and post-test was applied to the respondent group. The managers in the respondent group completed the same assessment instrument (or questionnaire) before and six months after the performance management training. The results of the empirical analysis indicated that female managers felt less positive about performance management than their male counterparts. No statistically significant change in the attitude and competency of managers towards performance management was found after they had attended the performance management training programme.

Key concepts used in this study:

Performance management; performance appraisal; transformation; attitudes; training; skills development; systems theory; core culture; leadership; strategic planning

OPSOMMING

THE EFFECT OF TRAINING ON THE ATTITUDE OF MANAGERS TOWARDS PERFORMANCE MANAGEMENT

TEUBES, SW MA (BEDRYFSIELKUNDE)

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Junie 2002

Die doel van die studie was om die impak van 'n prestasiebestuuropleidingsprogram op die houdings van bestuurders ten opsigte van prestasiebestuur te ondersoek. Die navorsingsvraag was of 'n opleidingsintervensie in prestasiebestuur, bestuurders se houdings ten opsigte van prestasiebestuur sou verander. Die respondentegroep het uit 101 bestuurders bestaan wat op 'n advertensie gereageer het en vrywillig deelgeneem het aan 'n prestasiebestuuropleidingsprogram. 'n Kwasie-eksperimentele navorsingsontwerp is gebruik waartydens 'n voor- en na-toets op die respondente toegepas is. Die bestuurders in die respondentegroep het dieselfde evalueringsinstrument voor en ses maande na die prestasiebestuuropleiding ingevul. Die resultate van die empiriese ontleding het getoon dat vroulike bestuurders minder positief oor prestasiebestuur gevoel het as hul manlike kollegas. Geen betekenisvolle statistiese verandering in die houdings en vaardighede van bestuurders ten opsigte van prestasiebestuur is gevind nadat hulle die prestasiebestuurprogram bygewoon het nie.

Sleutelterme:

Prestasiebestuur; prestasie-evaluering; transformasie; houdings; opleiding; vaardigheidsontwikkeling; sisteemteorie; kernkultuur; leierskap; strategiese beplanning

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BACKGROUND AND MOTIVATION

1.1 BACKGROUND

This study was undertaken against the background of rapid changes in the business and legislative environment that force managers to become involved in skills development. Since the process of performance management plays an important role in identifying needs for skills development, it also serves as a vehicle for change. The importance of managing performance becomes evident in this study.

1.2 CHANGES IN THE BUSINESS ENVIRONMENT: A NEED FOR NEW SKILLS

South Africa's apartheid policy largely marginalised the country from the international business arena until the 1994 democratic elections. With its re-entry into the international arena, it was immediately clear that many South African workers lacked the necessary skills to meet the challenges of global competition. Many companies had to *change* rapidly to ensure survival and competitiveness. The demands for change include global competition, cost-cutting, downsizing and restructuring, changing demographies, new technologies and a focus on product and service quality. The gains in profitability which companies expect often fail to realise due to deficiencies in their workers' technical skills and their inability to communicate effectively, work in teams, provide quality customer service, and solve problems. Global competition and restructuring in the economy and jobs have left companies with no option other than to change.

The information technology industry (IT) is one of the highest growth sectors in the South African economy. Its growth results mainly from society's increased need for and dependence on information. New product ranges and opportunities to venture into new markets, for example into the rest of Africa, give further impetus to the development of the information technology industry. The industry faces fierce international competition and South African companies are under pressure to increase work productivity and to become technologically more advanced. According to Bate (1994), companies are moving from a mechanical world-view that emphasises structure and gradual decline to a holistic and more organismic view that focuses on processes and capacities for creativity and imagination. This is a vast shift in thinking and acting – a paradigmatic and ideological shift. The IT industry's ability to survive in the international arena depends largely on the availability and quality of people with specialised skills.

The demand to develop new skills filters through to all industries in South Africa. While the IT industry is a dynamic environment and is constantly confronted with the demand to align itself with global trends, it is also a key industry in the South African economy. It has to provide other industries with the technology and support to become globally competitive. There is therefore a critical need for the IT industry to stay at the forefront of skills development. However, this is often a neglected area and the industry constantly suffers skills shortages (Whiteford, Van Zyl, Simkins & Hall 1999:117). These shortages have a negative impact not only on the growth of the IT industry itself, but also influence other industries.

1.2.1 Need for companies to transform to become performance driven

Central to this study is the importance of transforming companies to become performance driven. In the context of this study, the concept *transformation* refers to transforming organisations from ones that perform at a particular level of output to ones that perform at a higher level. In order for companies to survive and to become globally competitive, a transformation process needs to take place. This transformation process is directly linked to the management of performance at different levels of the organisation, such as organisational level, group level and individual level. Such a transformation may include a change in what is called the organisational culture and will certainly impact on its performance infrastructure or performance system. Effective managers and effective organisations balance the need to maximise current performance with the need to develop capability for the future.

1.3 CHANGES IN LEGISLATION

Since 1994 almost the entire spectrum of labour legislation has been revised – especially with a view to enhancing the development of the country and, more specifically, the disadvantaged sectors of society. Two Acts that are directly relevant to this study are the Skills Development Act 97 of 1998 and the Skills Development Levies Act 9 of 1999.

1.3.1 The Skills Development Act, 1998 and Skills Development Levies Act, 1999

The Skills Development Act was passed unanimously by Parliament in 1998 to deal with the lack of skills in South Africa. In February 1999 the Skills Development Levies Act was approved by Parliament.

The groundwork was first done under the National Training Board (NTB), then under the National Economic, Development and Labour Council (NEDLAC) and lastly under the National Skills Authority (NSA). The South African Qualifications Authority (SAQA) also contributed, particularly in the development of a shared vision (captured in the Skills Development Act, clause 2) for human resources development in South Africa.

The purpose of the Skills Development Act 97 of 1998 is to develop and improve the skills of the South African workforce by providing an institutional framework to devise and implement national, sector and workplace strategies; to integrate those strategies within the National Qualifications Framework (NQF); to provide for learnerships to develop skills, financed by means of a levy-grant scheme, and to provide for and regulate employment services of the Department of Labour.

The Skills Development Levies Act requires employers to pay a certain percentage of their salary bill to the Department of Labour as a block grant. Rebates can be claimed on the basis of records of human resources development undertaken by the employer. These human resources development initiatives have to be aligned with the strategic direction of the employing company.

The ultimate success of these transformation efforts will only be evident in a few years' time. It is to be expected that this will be a continuous learning process with the possibility of amendments as the process proceeds. For the sake of South Africa's survival in a global competitive market, it is hoped that such a development system will replace the discriminatory arrangements of the past.

1.3.2 The role of performance management in addressing legislative guidelines

Studies in performance management stress the fact that individuals' measurable performance cannot exceed their competence. Lack of competence (ie, applied skills and knowledge) is a barrier which could prevent people from better performance. An individual's performance can be restricted by a lack of job-specific skills. Without the necessary training and development, people cannot extend their level of competence therefore their performance is limited. The performance management process serves not only as a vehicle to identify and tackle gaps for individual and organisational training and development needs, but also as a vehicle to transform companies to become performance driven.

1.3.3 Implications of legislation for individual companies

The Skills Development Act (1998) emphasises the importance of improving skills in order to increase output and competitiveness and at the same time it impels managers to develop their employees. In order to improve the company's performance and to stay globally competitive, the development of employees will have to be managed consciously. Companies are so often preoccupied with generating the baseline income needed to survive, that they overlook and do not manage performance.

Managers hardly find time to follow a proper performance management programme to set, discuss and manage objectives to ensure employee growth. It also often happens that employees don't know exactly what is expected of them or how to improve performance deficiencies. Therefore it is crucial for companies to follow a formalised performance management programme where employees know exactly what their objectives are and at what level they are expected to perform. The system must allow a manager to assess each employee against agreed standards of performance.

Since the guidelines set by the Skills Development Act and the Skills Development Levies Act are new to all South African companies, the implementation of these guidelines must be considered a learning experience. Time and practice will show where adjustments need to be made. In *changing* or transforming companies, to cure current performance problems, one needs to understand that, according to the systems theory, an organisation and its employees are an adaptive system that exists in a larger environment. As soon as an organisation experiences pressure from its external or internal environment, for example, to perform on a higher level, there will be a tendency to review the organisation's outputs, structures and processes. In general, five subsystems are found in companies, namely the strategic, leadership, cultural, worker and the structural subsystems. If any change is made in one of these subsystems, it will impact on the other subsystems. Therefore transformation in one of these subsystems will affect the other systems as well. These five subsystems exist within the organisation or system. The organisation forms part of the suprasystem, which is the external environment. Input from the environment results in energy exchange which is necessary for systems (companies) to change. In this case environmental information input refers to aspects such as competitors, the general economy, legislation, government policy and culture.

1.3.4 Context of the study

This study was conducted in an IT company with four thousand employees countrywide. The company consists of thirty-seven business units. Business units are clustered according to their function as an independent enterprise. Previous mergers of the company as well as the dynamic nature of the IT industry resulted in the implementation of several performance management systems throughout the various business units. Most of these business units generate income and only a few function as support units. Due to competition in the market, stakeholder needs and the introduction of new legislation, it became necessary to implement a unified standardised performance management system throughout the company.

To deal with all the above issues, a value-driven and standards-based performance management model was conceptualised and implemented in the company. Implementation started with the training of managers in the use of the system. A development plan formed an integral part of this process and had to reflect the development of each individual in the company.

According to new legislation, companies need to improve their skills bases to perform at a higher level in order to survive and be able to compete successfully in the global market. Such a transformation may include a change in the organisation's culture, but the organisation will certainly focus on changing its performance infrastructure.

In order to develop skills, companies need to know their own and their employees' current skills bases. The performance management process serves as a tool or mechanism to determine the skills required and monitor their development. Performance management also serves as vehicle to monitor this change process.

In the initial performance management training sessions presented to managers, a strong negative attitude towards performance management was observed and recorded. This negative attitude stemmed from previous exposure to performance management systems that were not credible. The general feeling among managers was that performance management did not serve any purpose. Models used previously did not identify individuals' development needs, did not necessarily link with a reward or incentive strategy, and were perceived as a waste of time. This negative attitude of managers could undermine the implementation of the new standards-based system and prevent the company from meeting the legislative requirements.

It is generally accepted that training impacts on attitudes, skills and knowledge (see, for example, Buckley & Caple 1990:13). The researcher therefore assumed that training will change attitudes of managers towards performance management. However, empirical evidence was necessary to confirm this and to quantify the extent to which attitudes would change through training.

1.4 STATEMENT OF THE RESEARCH PROBLEM

From the above explanation the research question is stated as follows:

> Will the training of managers in a performance management system change their attitude towards performance management?

1.5 AIMS OF THE STUDY

1.5.1 General aim

The main aim of this study was to assess the impact of performance management training (as intervention) on managers' attitudes towards performance management.

1.5.2 Specific aims

1.5.2.1 Theoretical aims

The study also aimed to

- describe the process of transformation, which in this study refers to transforming organisations from ones that perform at a particular level of output to ones that perform at a higher level, and its effects at organisational and individual level.
- investigate existing performance management models in order to highlight the unique nature of the value-driven and standards-based performance management model.
- identify and describe key constructs in performance management and their composite components (eg, motivation, leadership, rewards and expectations).

1.5.2.2 Empirical aims

Finally the study wished to

- identify and evaluate previous research for the evaluation of attitudes (eg, scales developed for this purpose).
- develop a questionnaire (measuring scale) to measure managers' attitudes towards performance management.
- assess managers' attitudes before and after the training intervention in order to determine whether training changed their attitudes towards performance management.
- make recommendations for the improvement of the current training intervention.

1.6 SIGNIFICANCE AND VALUE OF THE STUDY

The study was important for a number of reasons. Leaders who wish to compete in today's global markets must understand and attend to the customers' demand for meeting or exceeding their expectations. Changing customer demands and accompanying market opportunities constantly challenge employees to acquire new knowledge, skills and attitudes – to be competent in both process and content. Today and in future the organisations who survive and prosper will be the ones who manage individual, team and organisational performance, skills development needs and learning. The importance of a performance management system in organisations to measure performance on an individual, group and organisational level justifies an investigation (study) to determine whether training managers in the performance management system will make the system operationally more effective.

It is often said that attitude is the main determinant of the success of any new endeavour. Attitudes are often reflected in demonstrated behaviour. If managers have a negative attitude towards the change process, it may be reflected in their resistance to change. Another example is when managers have negative attitudes towards performance management. This negativism will be reflected in behaviour such as not following the standard performance management process in the company. For this reason, it is important to determine and monitor managers' attitudes towards performance management before and after the performance management training intervention.

The compilation of a training module is critical because it should be used to train managers in such a way that they know and understand the performance management system when they leave the training.

Successful transformation implies a change in the organisation's culture. In this study specifically, the company's performance was expected to change from a non-performance-driven to a performance-driven culture.

The working environment is dynamic and constantly changing, with constantly emerging trends. This study reports on new trends in management of performance.

1.7 OUTLINE OF THE STUDY

Chapter 1 provides a detailed account of the background of and motivation for the study. This includes a description of the changes in the business environment and legislation and the impact on individual companies.

Transformation is dealt with in **chapter 2** as a process of aligning the vision, mission, value systems, and culture of a company in order to make it more congruent with a radically changing external environment. The study uses a systems orientation to explain the process of change.

In chapter 3 the concept of performance management is discussed with reference to different performance management models. It also refers to the importance of training of managers in performance management.

A fairly comprehensive review of training in performance management is presented in **chapter 4** together with training related to this study. Reference is made to different training models, such as the coaching, counselling and the PRICE models. Findings on the impact of training on the performance management process are also reported.

Chapter 5 deals with attitudes. Different approaches to the study of attitudes are discussed and attitude scaling methods are identified and evaluated.

The research methodology is covered in **chapter 6**. A detailed account of the instrument used for the survey is provided with reference to the underlying attitudinal concepts measured. An outline of the training programme is also provided.

In **chapter 7** the findings of the study are discussed and recommendations made for future research in the field of performance management.

CHAPTER 2

TRANSFORMATION

2.1 BACKGROUND

Companies are often under pressure to transform to ensure that they stay globally competitive. In the context of this study, it is important to understand the phenomenon of transformation. This study used a systems orientation to explain and understand the process of change in an organisation. A systems orientation provides a holistic approach to the process of transformation, which involves changing the behaviour, attitudes, beliefs and values of the people who run an organisation.

Change in an organisation involves its people, processes, power relations, politics, technology and the rationale for its existence, namely to produce its output (products and services) to its client system (Albrecht 1983).

According to the systems theory, the organisation is the sum of formal arrangements, such as structures, processes, systems and subsystems, created and designed by managers to enhance the interface between people and the work the enterprise sets out to accomplish. The design may either enhance or hinder the enterprise's performance. The manager, as organisational designer, must assure alignment of the enterprise's structure, processes, systems, work and people to ensure the enterprise's optimal effectiveness and performance (Nadler & Tushman 1995).

In this chapter reasons why change need to take place are discussed. Barriers that hinder the transformation process from taking place are identified and serve to explain why some companies experience a resistance to change. Change is a managed and well-planned process. The planning, implementation and maintenance of such a process are also discussed.

2.2 THE NEED FOR TRANSFORMATION

According to Stapley (1996), change takes place when the organisation is "out-of-kilter" with its environment. Albrecht (1983:1) refers to this "out-of-kilter" state as the result of customers' needs and attitudes that have changed, the need for the product or services to change, or the fact that management's philosophy about the organisation have changed. When the pressure from an organisation's external or internal environment to change is strong enough, there will be a response. When a feature of an organisation that the top management values highly is threatened, management will attempt to bring about a dramatic change. Stapley (1996) indicates that this is the motive for change in most organisations. In many South African organisations radical change has also been the result of pressure from the socio-political or societal system external to the organisation.

The need for change is often the result of a basic inertia that is characteristic of all human organisations. Inertia is the tendency of people to work out a modus operandi or comfort zone, which they attempt to maintain, and which prevents change.

Incongruent organisations often have leaders with a short attention span, a characteristic of underdeveloped managers who may have practical experience, but lack a conceptual grasp of management practice and organisational behaviour (Albrecht 1983; Cascio 1995; Stapley 1996).

2.3 RESISTANCE TO CHANGE

The natural reaction to pressure for change is to resist it because it causes anxiety (Stapley 1996). Fundamental change may be the result of pressure from the economic system. Transformation implies radical change in the organisation's way of working - its structure, processes, functions, internal relationships, external relationships, and anything else that no longer functions effectively. The purpose of transformation is to move an organisation back into relative harmony with its environment to make the organisation a more effective enterprise (Stapley 1996).

Normally only the executive management team, consisting of a few people, in an organisation are in touch with the bigger picture and concerned with the organisation's mission.

Resistance to change is often the result of strategies not well communicated. In any planned transformation process, it is crucial to properly communicate the reason for change, its implementation as well as its impact, to ensure that both employees and stakeholders are aware of the planned changes (Stapley 1996).

The effectiveness of change depends on the skills of the managers facilitating the change. According to Stapley (1996), the capacity to manage change depends on the skills, attitudes and motivation of the organisation's management team more than any other factor. Management's capabilities seem to be the crucial factor in successful transformation. Depending on their attitudes, skills and levels of sophistication, managers themselves are often the strongest resisting forces of all.

In this study it is particularly important to assess manager's attitudes towards performance management because the process of performance management will serve as the vehicle to transform the company to operate on a higher level of performance than before the performance management system was implemented.

2.4 GENERAL SYSTEMS THEORY: A THEORETICAL FRAMEWORK FOR UNDERSTANDING TRANSFORMATION

An organisation needs to be viewed from the top as a system consisting of a number of subsystems integrated into its environment. The environmental suprasystem refers to the factors outside an organisational system that influence and interact with it. The environment includes economic, legal, political, sociocultural and technological factors, such as competitors, shareholders, customer demands, and standard industrial practices (Stolovitch & Keeps 1999:50).

General systems theory was created in response to practical problems emerging from the knowledge explosion. General systems theory enables people with different sets of specialised knowledge to work together towards common goals. The driving force in early general systems theory was the quest for important similarities across specialised disciplines (Bertalanffy 1968:11).

2.4.1 Systems and their characteristics

Berrein (1983:43) defines a system as "a set of components (also systems) interacting with each other, 'enclosed' by a boundary which selects both the kind and rate of flow of inputs and outputs to and from the system". In simple terms, a system is a set of interrelated elements. These elements are interdependent in that changes in the nature of one component may lead to changes in the nature of the other components. As the system is embedded within larger systems, it is dependent on the larger environment for resources, information and feedback.

According to Skidmore (1994) systems theory is based on the premise that a system consists of four elements: inputs, a transformation process, outputs, and feedback from the environment. The concepts of the organisation interacting with its environment, the interdependence of subsystems, and synergy are critical to understanding organisations.

The following are characteristics of open systems:

(1) Input or importation of energy

A system functions by using energy formation and materials from the environment, for example.

(2) Throughput

Systems move energy through the system, for example, the transformation process, often multiple processes (decision and material manipulation).

(3) Output

Systems export energy to the environment, for example, services, both intended and non-intended.

(4) Homeostasis

Open systems interact with their environment, they are *homeostatic*, and reach a condition called steady-state. The open system does not run down because it can import energy from the world around it. The operation of entropy is counteracted by the importation of energy and the living system is characterised by negative rather than positive entropy (Athey 1982:29).

(5) Element of morphogenesis

Buckley (1967:58) refers to open systems as *morphogenesis*: "those processes which tend to elaborate or change a system's given form, structure, or state ... biological evolution, learning, and societal development are examples of morphogenesis". According to Bertalanffy (1968:32), "living organisms are essentially open systems".

(6) Irreversible and irreducible

Open systems are *irreversible and irreducible.* They cannot return to a previously held state and cannot be broken down into their individual parts. The sum of the parts is greater than the whole creating a synergetic system.

(7) State of equifinality

Another trait of open systems is the concept of *equifinality,* which, according to Bertalanffy (1968:40), means that "the same final state may be reached from different initial conditions and in different ways".

(8) Feedback

Open systems exhibit the ability to learn and grow by relying on a process called feedback. The feedback process allows the system to be conscious of its own environment and to import information on its own status. This information communicates the system's health with relation to its ability to survive within the respective environments. Socio-cultural systems have the capacity to learn, grow, and change through their processing ability of feedback within their environment.

The information that open systems import through their process of feedback does not always generate positive reactions. The ability of a system to receive, process and react to environmental stress is essential for its survival. Negative feedback is the vehicle that identifies the weaknesses in the system and the areas that need immediate improvement. A system that does not react to negative feedback must live with the consequences. Open systems may choose to either react to the information that they receive, ignore the information, or try to balance the system within the confines of the environment (Skidmore 1994; Bertalanffy 1968:161).

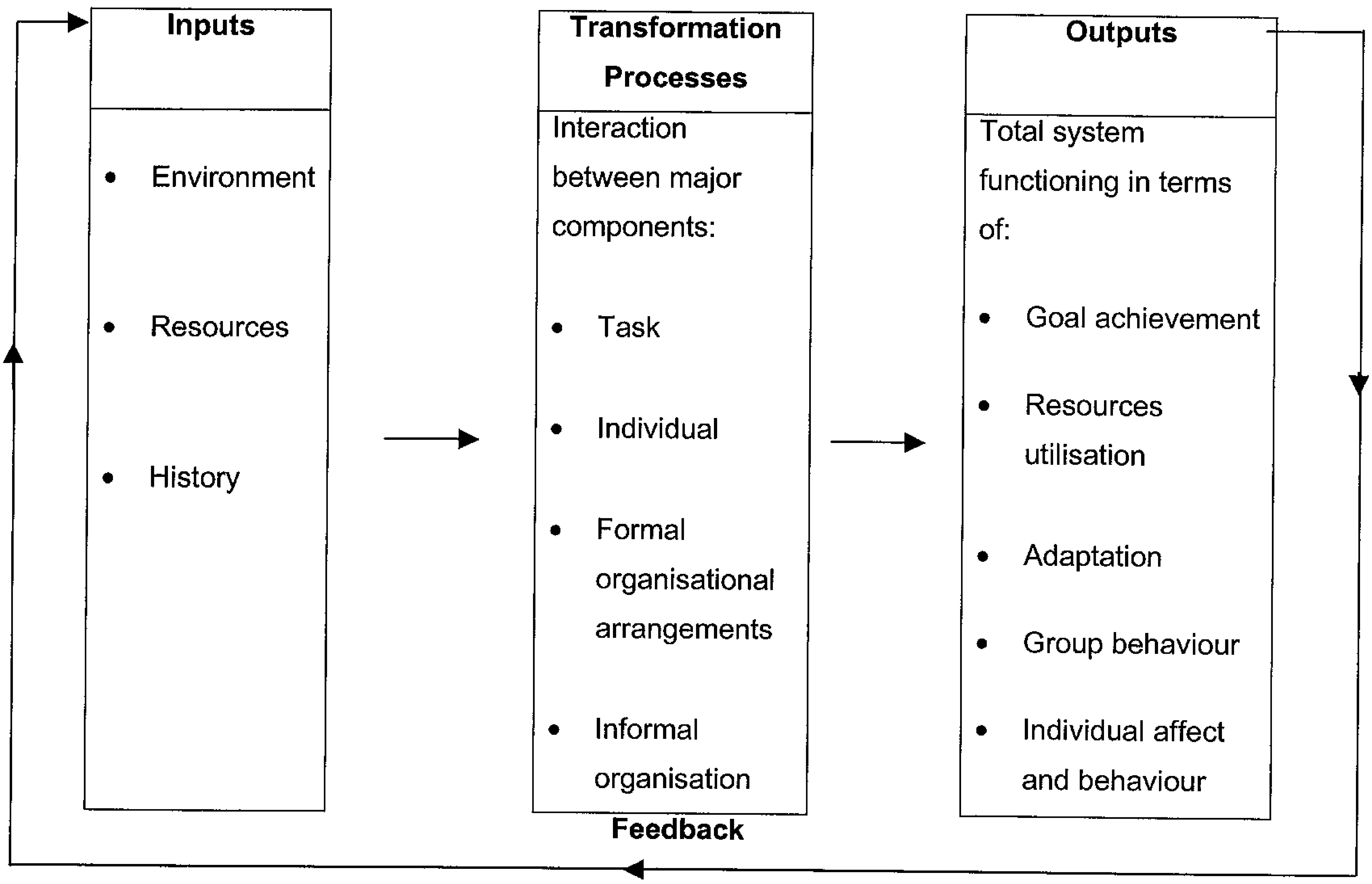
(9) Cycles of events over time

Events tend to occur in natural repetitive cycles of input, throughput and output. These functions are dynamic by nature.

2.5 A SYSTEMS MODEL

The five subsystems relevant to this study, and involved in the internal transformation process, are the structural, cultural, leader, worker and strategic systems. These five subsystems interact and mutually influence one another. Change in one subsystem may have important effects on the others. The configuration of these subsystems is also greatly affected by its suprasystem – the outside environment, especially during times of major changes, such as economic recessions, war and drought (Sperry 1996:30).

Figure 2.1 below illustrates the working of an organisational behaviour system model.



Source: Milton (1981:9)

2.5.1 Structural subsystem

Structure refers to mechanisms that support an organisation to achieve its intended task and goals. Teams, departments, or divisions are made up of clusters of tasks, consisting of person-sized jobs with a variety of roles. Structure specifies the reporting relationship of all roles, their span of control and scope of authority, and their location in a hierarchy of roles – called an organisational chart. It also indicates the expectations of each role along with policies, procedures, and routines for interacting and communicating with others in the performance of tasks.

Structure also specifies the ways in which the person in a role performs. A formal means of measuring role performance is called performance appraisal. Another basic function of structure is to control and coordinate information among the other subsystems as well as the suprasystem.

An organisation's structure might be thought of as a "snapshot" of its work process "frozen" in time so that it can be viewed. That snapshot could show a structure that is rigid, organised or chaotic, decentralised or overly bureaucratic, or fragmented. Because of the interrelated nature of the subsytems, structure moulds culture and strongly influences the decisions of corporate leaders. It can greatly account for a worker's job productivity and satisfaction as well as significantly impact on health and well-being (Sperry 1996:32).

2.5.2 Cultural subsystem

Culture provides meaning to an organisation's existence, because it embodies a set of shared experiences, beliefs, assumptions, stories, customs and actions that characterise an organisation. The major determinants of culture are the values held by senior executives, the history of the corporation, and the senior executive's vision of the organisation. These translate into culture and help to justify why certain behaviours are encouraged and others disencouraged from the corporate culture. Thus, culture defines an organisation's identity both to those inside and outside the organisation. It serves as a guide for new employees to realise what behaviour is acceptable and encouraged in the new work environment.

This subsystem subtly controls the behaviour of its members. Accordingly, management can influence its workers by effectively managing the organisation's culture. Stable organisations have strong, clear cultures that are consistent with other subsystems. The general character of a corporation's culture tends to remain the same, but its manifestations may be healthy or dysfunctional.

Schneider's (1994) concept of core cultures is useful in understanding the character or personality of an organisation. Core culture refers to the innermost essence of an organisation's culture and represents the culture's nucleus. As one moves from the nucleus to the periphery, however, one finds a myriad of different looking organisations.

According to Schneider (1994) there are four core cultures in particular: control, collaboration, competence, and cultivation, and characteristics of all four core cultures can be found in a single organisation. Like an individual character, a core culture develops naturally in the course of human events. One core culture in a given organisation is not better than another. Each has its own mix of strengths and weaknesses and its own role to play in the structure and conduct of organisational life. Nevertheless, a particular core culture may be better suited to a particular organisation's mission than another.

Core culture is closely related to leadership. The way leaders of an organisation believe things should be done determines the kind of culture that is established. Change levers, such as role modelling, symbolic acts, creation of rituals, revamping of human resources systems and management processes, are ways used by the transformational leader to support new cultural messages.

Finally, the foundation of each core culture is reflected in its focus and its decision making because each core culture is uniquely defined by the kind of input that is important to it and by the processes it utilises to form judgments and make decisions.

2.5.2.1 Control culture

The control culture focuses primarily on the tangible, the practical, and the essential. Its decision-making process is analytically detached, formula oriented, and prescriptive. In essence it is a no-nonsense and matter-of-fact approach in a highly realistic world where objective certainty, reliable methods, discipline, predictability and availability of information are necessities. Given its content and process nature, this culture is highly task oriented, particularly concerning daily tasks and strong emphasis is placed on rules and adherence to them.

The epistemology, or view of how something becomes known or believed, for the control culture is distinct from the other three cultures. In the control culture something is believed when the organisation's goals and reality coincide. The control culture is built around the goals for the organisation and the extent to which those goals are met and objectivity lies at its very centre.

2.5.2.2 Collaboration culture

The collaboration culture focuses largely on concrete, tangible reality, actual experience, and matters of practicality and utility. However, its decision-making process is people driven and informal.

Synergy is the natural definition of success in the collaboration culture where involvement and empowerment are important. There is no place for the helpless, or detached, or overly independent employee here. This culture probably puts more trust in its people than any of the other three. Because its content is immediate reality and actual experience, and its process is driven by connections between people, the risk of the organisation being surprised by problems is higher in this culture than in any other. Accordingly, the collaboration culture must be more adaptive, ready and able to make adjustments than the other three.

While the epistemology of a control culture involves the connection between the organisation's goals and reality, in a collaboration culture, the connection is between people's experience and reality. The organisation moves ahead through the collective experience of people from inside and outside the organisation. Collaboration culture is built around people who know something and results in collective experience that has been fully utilised.

2.5.2.3 Competence culture

The competence culture focuses attention on creative options and theoretical concepts. Its decision-making process is analytically detached, formula oriented, scientific, and prescriptive. A research scientist is the best occupational counterpart to the competence culture and focuses on what might be by looking at data, information, patterns, underlying meanings and relationships. The scientist's process is the scientific method where the scientist must stay objective and follow the prescribed formulas for making judgments.

Life in a competence culture is intense and high-strung. People in this culture always have standards to reach and go beyond. The norms are excellence, superiority, and challenge.

In the epistemology of the competence culture, people believe something when conceptual system goals and reality connect. As a result, the framework for information and knowledge is built essentially around the conceptual system goals of the organisation and the extent to which those goals are met. The competence culture has competition at its centre. The more competent individuals are in this culture, the more effective they are at competing. In contrast to the collaboration culture, this culture is often a win-lose world in which less competent people fail. Because superiority is central, inferiority stands out and is discredited.

2.5.2.4 Cultivation culture

The cultivation culture focuses on possibilities, inspirations and creative options. Its decision-making method is people driven, organic, open-minded, and subjective. The cultivation culture is a world of purpose, evolution and change. The cultivation culture gets results because its people believe in the purposes of the organisation, in themselves and their leaders, in enriching their customers and especially in their willpower and determination. This culture is value centred and encourages self-expression. Employees are given every opportunity to reach their full potential and they identify strongly with their organisation.

The epistemology in the cultivation culture is determined by the values and ideals that are at its centre. People understand when there is a connection between what they value and reality and when their ideals are put into operation. Attaining knowledge in the collaboration culture is based on experience, while in the cultivation culture, it is based on what people value or hold as ideal. With this culture's characteristics of growing, creating and developing, change is perhaps more automatic and natural than in any of the other three cultures. In clear contrast to the objectivity of control cultures, the cultivation culture is one of subjectivity. Decision making depends on content and processes that exist within people (Sperry 1996).

2.5.3 Leader subsystem

According to Bennis and Nanus (1986), leadership refers to a process of influence whereby an individual creates a vision that tells members where the corporation is going and how it will get there, and then galvanises members' commitment to the vision by being ethical, open, empowering and inspiring. Leadership and management were formerly used synonymously. Now the two are distinguished, and management involves the five functions of planning, organising, staffing, directing and controlling, while leadership involves only one component of the directing function.

Successful transformational leaders should possess certain qualities. First they need to have a deep understanding of organisations and their place both in society at large and in the lives of individuals. Secondly, they need to understand the concepts of equity, power and freedom, and the dynamics of decision making. Thirdly, they must be able to make difficult decisions quickly.

The leadership subsystem plays a critical role in shaping themes that harmonize the subsystems of structure, culture, and strategy (Kets de Vries 1984).

2.5.4 Worker subsystem

The worker subsystem focuses largely on the attitudes of those in the organisation who are led, namely the workers. It is generally accepted that workers function best with leadership that corresponds with their followership style. The lack of match between leadership and followership style probably accounts for a great deal of conflict, stress and decreased worker productivity and performance.

Individuals normally work in groups. These groups may be a formal part of the structural subsystem, such as work teams, or may be informal (Sperry 1996).

2.5.5 Strategic subsystem

Strategy refers to the organisation's overall plan or course of action for achieving its identified goals (Pfeiffer 1989). Corporate strategy is based on the organisation's vision and mission statements. The vision statement answers the question "What can the organisation become, and why?" while the mission statement answers "What business are we in, and who is our customer?" Strategy answers the "How do we do it?" question. There are three levels of strategy: the corporate strategy, which charts the course for the entire organisation; the business strategy, which is charted for each individual business or division within the corporation; and the functional strategy, which deals with the basic functional areas (eg, marketing, finance, and personnel) within the firm.

Strategy takes the form of a strategic plan, and the process of developing and implementing the strategy is called strategic planning and management. An important consideration in strategic planning is achieving a good fit between the strategic and structural subsystems, since a given strategy can best be carried out by a given structure (Cascio 1995:117).

Most organisations believe strategic planning is essential for corporate success. A key function of strategic planning is helping the corporation achieve its goals by effectively organising its people. Yet, many firms struggle to achieve their goals, often because of a failure to link their business strategies with the ways in which people are managed.

By attempting to incorporate both a "people plan" and a "business plan" into the corporate strategy, corporate leadership may need to change past management practices that resulted in high levels of stress, distrust and/or dissatisfaction. The goal of integrating both plans is to achieve a reasonable balance and synergy between people and production (Sperry 1991b cited in Sperry 1996:40). An effective integrative corporate strategy should positively impact all the other subsystems and will probably require changes in the structural subsystem.

Within the context of this study it is important to be aware of the underlying dynamics in the different subsystems. If the dynamics are clearly understood, it will be easy to anticipate the impact that change in one subsystem will have on the other subsystems.

2.6 THE ORGANISATION AS ADAPTIVE SYSTEM

In the larger context the organisation is an adaptive system with three levels of performance that ultimately determine the overall performance. The three levels of performance refer to the organisational level of performance, processes level and work of the job/performer level (Stolovitch & Keeps 1999:51).

Level 1: Organisational level

This level refers to key performance variables, such as the organisation's strategy and goals. It provides answers to questions of what market the organisation intends to serve, what products and services it will provide and at what levels of price and quality.

Level 2 : The process level

An organisation consists of a myriad of cross-functional and cross-organisational processes by which work gets done and managed. Organisations produce their outputs through these processes. An organisation is only as good as its internal processes. The cross-functional processes are the flywheel that drives the organisation. There will be no permanent change in an organisation until the processes are changed (Rummler 1995 and Hammer 1993).

Processes are the link between individual and organisational performance. The performance variables that determine the effectiveness of processes are parallel to those at the organisational level and include process goals, process design or structure, process measurement and process management.

Level 3: The job / performer level

Processes are performed and managed by individuals and teams doing various jobs. Whether the desired job output will be produced is determined by the five components of a system, namely (1) the performer, (2) inputs (eg, forms, sales, opportunities or phone calls), (3) desired outputs (eg, an inquiry answer or a form processed), (4) consequences or events that affect the performer, and (5) feedback (see figure 2.1 p. 15).

This framework for viewing performance has the benefit of understanding the issues affecting performance.

2.7 ORGANISATIONAL DEVELOPMENTAL STAGES

Successful transformation is often predetermined by the organisation's development stage. Every organisation goes through certain distinct stages in its long-term growth. There are five growth stages. A characteristic crisis has to be handled at each stage. Organisations which are still at the earlier of these five stages may be able to cope with radical transformation because the younger organisations may be more in touch with developments in their environment (Albrecht 1983:10).

2.7.1 The survivor group

This is the most primitive stage of development and refers to the small business entrepreneur who forms a company with a number of other entrepreneurs to produce and market a product or service. At this stage their company is small and may have about 5 to 10 people. The organisation is characterised by simple role relationships in which everyone knows everyone else. According to Albrecht (1983:10), their adaptive crisis at this stage is one of resources. The business needs finance and clients for its survival.

2.7.2 The organisation as a family

In the second stage of development the organisation resembles a family and the number of employees may increase to between 10 and 25. There is still a relatively informal style of leadership and decision making. According to Albrecht (1983:10), the adaptive crisis at this stage is one of control. The company is still young and there is a need to establish leadership roles and divide responsibilities. In a period of radical transformation the leader may have to respond to new demands from the external environment and, because of the small size of the organisation, will be able to adapt flexibly to this.

2.7.3 The small business

This company consists of approximately 100 people and experiences an adaptive crisis of structure. The leaders have to build a formal organisation and a range of administrative systems to serve as a framework for continued growth (Albrecht 1983:10). This kind of organisation may be said to have a culture of its own and may become less responsive to change in the external environment (Bate 1994). Radical transformation may impact acutely on this type of organisation, depending on the quality of its leadership and management who may be largely preoccupied with the production system.

2.7.4 The middle-size organisation

According to Albrecht (1983:11), the middle-size organisation of up to 500 people will have developed a structure, with departments responsible for different functions. Management roles become complex as managers have to deal with administrative matters, personnel matters, marketing problems, planning activities and operational problems. Relationships become formalised and the founders of the business find themselves far removed from product or service innovation since they are fully occupied with running the organisation, which may develop a momentum of its own. The adaptive crisis is one of strategy. This kind of organisation may find adaptation during a period of radical transformation just as difficult as a large organisation.

2.7.5 The large organisation

Albrecht (1983:11) describes a large organisation as one which has 500 or more people. The organisation develops a momentum that makes it run by itself as a system as a result of its formal structures, delegation of authority and the momentum of a well-established process of marketing, selling and distributing its products or services. This is the type of organisation that most writers on transformation have in mind when discussing the subject. Such organisations can disappear as a result of failure to adapt to change. At the same time, they are the most difficult to change and radical transformation of large organisations can impact on societal level and may be subject to governmental intervention, because of the social and political impact of their activities. Many large organisations face an adaptive crisis of values.

Within the context of this study it is important to note the crisis implicit to each growth stage of a company. The crisis in each stage of a company will determine what the problems will be when transformation needs to take place. It will, for example, be difficult to transform a company that is still in its 'family' stage, where clear leadership roles have not been identified.

For a transformation process to be successful, clear leadership roles and leadership commitment to the process is imperative.

2.8 THE PROCESS OF TRANSFORMATION

Transforming an organisation refers to changing an organisation that performs at a particular level of output to one that performs at a higher level. Such a transformation may include a change in what is called the organisation's culture, but the organisation will certainly undergo a change in its performance infrastructure, or system. To complete such a transformation, two things are required:

(1) a method for designing the necessary performance system to achieve the new levels of performance

(2) organisational leadership that can recognise the need for the higher levels of performance and makes the changes and sacrifices necessary to achieve them

Managed change is a process that takes place in steps. Stolovitch and Keeps (1999:57) identify the following five steps in the process of transformation. It may be summarised as follows:

(1) Definition of the problem

The objective of this step is to identify and reach agreement on the performance desired by the organisation. This definition is the starting point of the process. A statement of the project's scope and a plan for the project is formulated.

(2) Analysis

A complete analysis requires an examination of the performance of each of the three levels, namely the organisational level, process level and job/performance level.

(a) The organisational level

The objectives of this step are to determine what changes will be required in the organisation-level variable in order to attain the desired level of performance and identify the cross-functional processes that should be examined further because they are having a negative effect on the desired performance.

(b) The process level

Here the objectives are to determine the changes that will be required at the process level in order to improve performance and identify the jobs that should be examined further because they are key to the effective operation of these processes. Sub-steps include determining the operation of key processes (in terms of the desired performance goals); identifying which process steps are not being performed properly and are leading to the poor operation of those processes; determining the actions required to improve the operation of the processes, and identifying the jobs that are crucial to the successful operation of the processes and that need to be analysed further for performance improvement.

(c) The job/performance level

The objectives of this step in analysis are (1) to determine what job outputs of which critical jobs need to be improved for the key processes to work effectively and produce the desired quality and (2) to identify the actions required to improve job outputs. This step consists primarily of identifying the gaps between desired and actual job outputs and using the framework to determine the cause of poor job performance and the appropriate corrective action.

(3) Design and development

At the conclusion of the analysis steps, a multilevel set of treatments has been compiled to deal with the company's problem.

Design and development may include a broad range of actions, from modifying organisational strategy to redesigning processes and jobs, to designing a new measurement system, a performance management system, and training. The process to be used to evaluate the effectiveness of the treatment must also be developed in this step.

(4) Implementation and maintenance

The objective is to successfully implement and maintain the various solutions. Key success factors to succeed in this step are the sequence for introducing the various treatments and top management's support.

(5) Evaluation

The objective of this step is to gather data on performance and to assess whether the treatments are producing the desired results – and, if not, to determine how the treatments must be modified to achieve the desired outcome. Evaluation is always the final step in the process. It is important to note that evaluation actually starts in step 1, where the problem or opportunity is identified along with the performance to be improved. Evaluation procedures are developed along with solutions. The tracking of performance starts at the implementation stage and should continue as an aspect of the ongoing management of the performance in question. As the data are gathered and analysed, the loop is closed: either the treatment is effective and the problem is solved or the performance/evaluation data provide more insight into the changes that are required at one or more levels, at which point the treatment is altered or a new one is prescribed.

2.9 SUMMARY

An organisation that transforms normally assesses its structures, processes, systems, work and people to ensure the enterprise's optimal effectiveness and performance. This helps it to identify its current performance problems and also allows it to design work environments that promote good performance at the outset. This framework refers to an organisation as an adaptive system, taking in various inputs and producing valued products and services for its customers. It exists in a larger environment or system that consists of competitors, who are competing for the organisation's markets and resources.

Companies often have to change at a rapid rate to ensure their survival in a competitive environment in which customers as well as the external environment force them to change. Aspects such as leadership styles of a company's managers, the development stage of a company at the time of transformation as well as the driving forces (eg, the existing culture, communicating a clear vision and top management's commitment to change), are factors that determine the success of transformation.

The rationale for presenting the concept of transformation in this chapter within the framework of the systems theory, is to ensure that the reader understands the interrelation of different departments in a company as well as the fact that change in one division has an impact on the other divisions. A company does not exist in isolation, but is in close contact with its external environment. Therefore changes in the external environment will also put pressure on companies to change and align themselves to their external environment.

Since the performance management system is seen in this study as a vehicle for transformation it is important to define the term and to get a clear understanding of the benefits of such a system. In the next chapter reference is made to different performance management models as well as appraisal methods that can be used.

CHAPTER 3

PERFORMANCE MANAGEMENT

3.1 INTRODUCTION

Lockett (1992:14) defines performance management as a continuous process in which organisations clarify the level of performance required to meet their strategic objectives, convert them into unit and individual objectives and manage them continually in order to ensure not only that objectives are achieved, but also that they remain relevant to and consistent with overall strategic objectives. This definition stresses the urgent need for employees to achieve results to meet the company's performance requirements. Performance management is a disciplined approach to management of objectives which should ensure that the whole organisation is committed to and capable of providing a quality product or service.

Performance management, therefore, needs to apply two concepts: *performance*, which is the achievement of agreed targets and *competence*, that is the ability and the development of the skills and knowledge required to survive in the current and future business environment. The essence of performance management is to counsel and develop employees working towards the achievement of shared and meaningful objectives in an organisation which supports and encourages that achievement.

In this chapter performance management is discussed as an essential basis for keeping an organisation's processes alive and responsive to changing organisational and external needs.

3.2 PRESENT PERSPECTIVE ON PERFORMANCE MANAGEMENT

Performance management has become a prominent activity in organisations. According to Neale (1991:2) successful performance management systems are found in organisations where performance becomes one of the values of the organisation. Organisations are under pressure to get the most out of their resources, while economic pressures highlight the importance of cost control. Cost control is a critical factor for organisations who have to compete and survive in today's unpredictable marketplace. In order to be effective, organisations need to first have a clear mission and secondly, a proper performance management system to ensure that the mission is achieved (Neale 1991).

It is generally recognised as crucial to link performance management to business objectives and have the commitment of the senior executive team of the organisation to support the process.

3.3 PURPOSE OF A PERFORMANCE MANAGEMENT SYSTEM

A performance management system has a three-fold purpose. First, a performance management system helps managers (1) understand the organisation's mission; (2) set targets and standards for their teams, that focus on objectives, targets and standards for individual jobs; and (3) ensure that clear measures are set for these. Objectives from a centrally agreed business plan are more likely to give direction and prevent different departments from pursuing individual agendas while lacking strategic intent.

3.4 BENEFITS OF A PERFORMANCE MANAGEMENT SYSTEM

The organisation as a whole benefits from an effective performance management system because it serves as a method of formalising and improving communication between manager and subordinate to handle problems and provide clear guidance on the objectives, targets and standards of the job. It provides an opportunity to ensure that there are clear measures for these. It becomes even more effective when these goals are linked directly to the overall strategic aims of the organisation, for example through a business planning process. Service-oriented companies, in particular, benefit from a clear performance management system that enables them to consider and meet their customer needs by converting these needs into workable plans of action (Anderson 1993:18).

The whole organisation should benefit from a performance management system by reducing wasted effort, developing productive working relationships between and within functions, and achieving business plans, both present and future.

3.5 LIMITATIONS OF A PERFORMANCE MANAGEMENT SYSTEM

Current strategic management literature suggests that performance management systems are in place only when there is a strong linkage between objectives, strategic plans and performance measures (Horton and Farnham 1999; Flyn 1997; Kloot and Martin 1998). In many companies this linkage is often not evident. Techniques such as systems analysis (Skidmore 1994; Burch 1992) and the balanced scorecard approach (Olve, Roy & Wetter 1999) amongst others, can provide this linkage.

A limitation of performance management in many companies is that performance management is seen only as management of individual performance where the performance appraisal is central to the process. Although the appraisal is an important step in the performance management process, performance management should rather be seen as the means through which employees' performance can support the organisation's corporate objectives (Edis 1995).

The improvement of both organisational and individual performance depend on certain management functions. A limitation in performance management is often a lack of these functions:

- defining and setting organisational and individual objectives
- corporate planning
- linking organisational strategy and service objectives to jobs and clients
- identifying staff training and development needs
- assessing the results through personal appraisal using relevant performance indicators
- external and internal communication systems
- organisation development and performance review

3.6 PRINCIPLES OF AN EFFECTIVE PERFORMANCE MANAGEMENT SYSTEM

The most important principle of effective performance management is that line management and not the Human Resources Department should take ownership of and drive the process. In well-functioning performance management systems managers share the organisation's vision and mission statement and convey this to employees. The organisation sets individual performance management targets, which are related both to operating units and wider organisational objectives. Progress towards these targets is reviewed regularly and, where needed, changes and improvements made.

Successful performance management systems focus on future performance planning and improvement. The recognition of skills and competencies associated with higher levels of performance is a high priority. Nowadays a more coaching and counselling style of appraisal, with less emphasis on criticism, is followed. The focus is on the individual's contribution to the success of the team as a whole, with some objectives defined in these terms. Successful performance management systems are concerned with improving as well as assessing performance.

Neale (1991:2) indicates that successful performance management systems are found in organisations where performance becomes one of the values of the organisation. These companies have success because they live their values on a daily basis.

3.7 ENVIRONMENT FOR PERFORMANCE MANAGEMENT/APPRAISAL

To be effective, the performance management system should be appropriate for the environment in which it is used. An external environment and an internal environment are distinguished as the environments that influence the success of a performance management system. The external environment consists of legal, economic and social factors (Tracey 1994:280).

3.7.1 External environment

3.7.1.1 Legal factors

Most organisations do not realise that a performance management system, and more specifically the appraisal, is considered a test in the eyes of the law and is thus scrutinised by the courts as closely as selection procedures for any adverse impact on members of a protected class. Finding ways of minimising legal challenges to performance appraisals is a concern to many companies.

Legal issues regarding performance appraisal arise from the way people were historically treated on the job because of their heritage, race, age and gender. Thus, regardless of the uses for which appraisals are conducted, finding ways to minimise legal challenges to them continues to be a concern for employers.

3.7.1.2 Economic factors

An organisation's economic feasibility contributes indirectly to the design and content of the performance appraisal process and also the approach of those involved in the process. If there is a recession, for example, the company's performance appraisal will tend to be more evaluative than developmental. When the economy is healthy again, the organisation may focus on retaining and developing its top performers.

3.7.1.3 Social factors

The impact of social culture should not be underestimated in a performance management system. A performance management system needs to be sensitive to cultural values that affect basic notions of employee rights, entitlements and expectations of due process. Cultures differ in their interpretations of what supervision is; how a supervisor should act; how performance should be measured, how frequently and by whom; how results should be communicated, and how the outcomes might affect the employee.

3.7.2 Internal environment

Tracey (1994:280) lists internal factors that impact on the success of the performance management system as the company's strategies and goals, resources, design and structure, culture, compensation and reward system, managerial roles and group dynamics.

3.7.2.1 Strategies and goals

Organisational strategies and goals significantly affect the choice and viability of any performance management system. Performance management systems should support and reflect an organisation's basic strategy and goals.

An organisation with a short-term focus on cost reduction will have different expectations and needs from a performance management system, for example, to one whose strategy is long-term growth.

3.7.2.2. Resources

Tracey (1994:281) points out that lack of resources can place limits on how comprehensive the performance management system can be, how often it can be conducted, whether there can be administrative support and how the nature of rewards differs for various levels of performance. The lack of top-management support and serious commitment of resources (eg, covering the cost of training) will impair any programme.

3.7.2.3 Design and structure

An organisation's structure shapes many aspects of the performance management system. In a simple hierarchical structure, the performance appraisal is often straightforward. Usually, each subordinate reports to a single manager and there are often limits to the number of subordinates any one manager can have. This type of situation increases the likelihood of a manager having access to the information needed to appraise performance. In more complex structures, however, the information needed to conduct the performance appraisal may be quite fragmented. In such situations, actions taken to carry out appraisal vary accordingly.

3.7.2.4 Work and task design

The tasks that comprise a job frequently vary greatly in their complexity, and a system that measures performance must be designed to account for this. Some tasks are simple and in such jobs output can be measured objectively. Other jobs can be performed in different ways to obtain the same results, and effectiveness might not be as clearly measurable. Thus, tasks and roles vary in the clarity or ambiguity of effective performance measures; in their interdependence with other tasks, jobs, or work units; and in their time frame for accomplishing the work. Therefore, any appraisal developed has to take special care to study the nature of the jobs themselves, assuring that appropriate performance dimensions are reflected in the appraisal design.

3.7.2.5 Compensation and reward system

Performance management is the means through which employees' performance can be improved by ensuring appropriate recognition and reward for their efforts (Mwita 2000).

3.7.2.6 Organisational culture

A performance management system generally touches on a number of areas at the core of an organisation, its internal culture. Culture defines a set of implicit rules or values shared by members of an organisation. For example, these may be norms for the interaction of superiors and subordinates, the acceptability of manager in roles ranging from coaches to evaluators, and protocol for the communication of negative information. One of the most common failures of appraisal programmes occurs when the process designed inadvertently runs counter to such core norms and values; for example, if members of an organisation expect managers to develop subordinates (ie to be coaches), but the appraisal system forces managers mainly to evaluate and judge performance, the system will encounter problems. An organisation's members, managers and subordinates alike, must perceive the performance appraisal system as congruent with the prevailing organisational culture (Tracey 1994:281).

3.7.2.7 Managerial roles

A performance management system is affected by how the managerial role is specifically defined in an organisation. A major managerial job responsibility is not only to be aware of strategic processes, but also to maintain and develop subordinate job performance. In this way, performance appraisal, whether formal or informal, becomes a major part of any managerial job. However, if managers' efforts to appraise and develop the performance of subordinates are not supported in related policy areas (eg, through the availability of training for subordinates or through the manager's own evaluation and rewards), managers will implicitly reduce the importance of subordinates' appraisals, assigning them to a fringe part of their managerial work.

3.7.2.8 Group dynamics

Finally, it has long been recognised that the dynamics among work group members can significantly affect individual performance. Collectively, groups can develop characteristic norms, set standards for behaviour, and mediate rewards and punishments that strongly influence individual performance. These norms, which may emerge spontaneously in groups, can determine what is considered acceptable performance, affect how managers and subordinates view and evaluate performance, and influence perceptions throughout the evaluation process (Tracey 1994:282).

3.8 LINKS BETWEEN PERFORMANCE MANAGEMENT AND REWARDS

If a performance management system is linked to pay decisions, it can affect the organisation both positively and negatively.

On the positive side, all parties involved in the process take it more seriously. Many people see this as a fair basis for pay. In addition, a performance culture is created where high performance leads to greater rewards and low performance results in low rewards.

On the negative side, the pay issue may overwhelm the performance management effort. It may put appraisers under pressure to give high ratings and result in appraisals being less open and honest (Anderson 1993:120).

3.9 THE RELATIONSHIP OF PERFORMANCE MANAGEMENT AND CAREER DEVELOPMENT

Discussions on career development issues can add value to the performance management process. In the performance appraisal process the appraiser is seen as the initiator who takes an active interest in employees' careers. This motivates and encourages employees because they see it as management taking an interest in their careers. It also gives clarity on career goals that employees seek to attain.

3.10 INTEGRATING PERFORMANCE MANAGEMENT WITH COACHING, COUNSELLING AND MENTORING

Neale (1991) found that coaching and counselling have been neglected as part of the performance management process and require greater attention. He goes on to stress the need for feedback on performance and regular discussions on performance improvement and employee development between managers and employees, as the need arises, rather than being confined to formal performance appraisal discussions.

Unlike the biannual performance review, coaching is an ongoing process that should characterise day-to-day interactions between managers and their staff. Coaching focuses on future possibilities, not past mistakes. Coaching unlocks people's potential to maximise their own performance and helps them to learn. Coaching is concerned with strengthening skills and is most effective when people can see the relevance and value of what they are doing. When people see progress being made, they become more motivated to follow the coaching programme. Coaching is not merely a technique to be rigidly applied in certain prescribed circumstances, it is a way of managing, a way of developing people.

Collins English Dictionary (1991:63) defines counselling as "systematic guidance offered by social workers, doctors, etc., in which a person's problems are discussed and advice is given". According to Plug, Louw and Meyer (1997:405-406), counselling is any technique used to help people, who have problems and who are relatively free of personality disorders, with choices and adjustments in important spheres of life like the educational, occupational (work) and marriage situation. In the first place, then, it is preventative. In the counselling process use can be made of interviews, biographical information, psychological tests and advice. Counselling therefore involves deliberation on a wide range of issues, many of which extend beyond the job into personal matters and career development, for instance. Counselling is concerned with helping people to help themselves. It is a way to empower people by helping them to identify problems, finding solutions and encouraging them to draw on their inner resources. Organisations benefit from counselling where it helps staff in the organisation to cope with stress and to overcome the difficulties associated with change.

Collins English Dictionary (1991:977) defines mentoring as "(in business) the practice of assigning a junior member of staff to the care of a more experienced person who assists him in his career".

Successful implementation of a coaching, counselling and mentoring programme depends on the effectiveness of leadership styles. The situational leadership style is a supportive leadership style that can accommodate coaching, counselling and mentoring.

The main thrust of the situational or contingency approach to leadership is that, instead of suggesting a particular leadership style for all situations, it forces the supervisor to search for a proper leadership style best suited to a given situation. So, for example, Hersey and Blanchard's situational leadership model can be applied effectively in coaching, counselling and mentoring (Hersey, Blanchard & Johnson 2001:474).

3.11 THE PERFORMANCE MANAGEMENT PROCESS

The performance management process is essentially a partnership between managers and their teams. This means that at each stage the aim is to obtain joint agreement on roles, accountabilities, tasks, objectives and competence requirements.

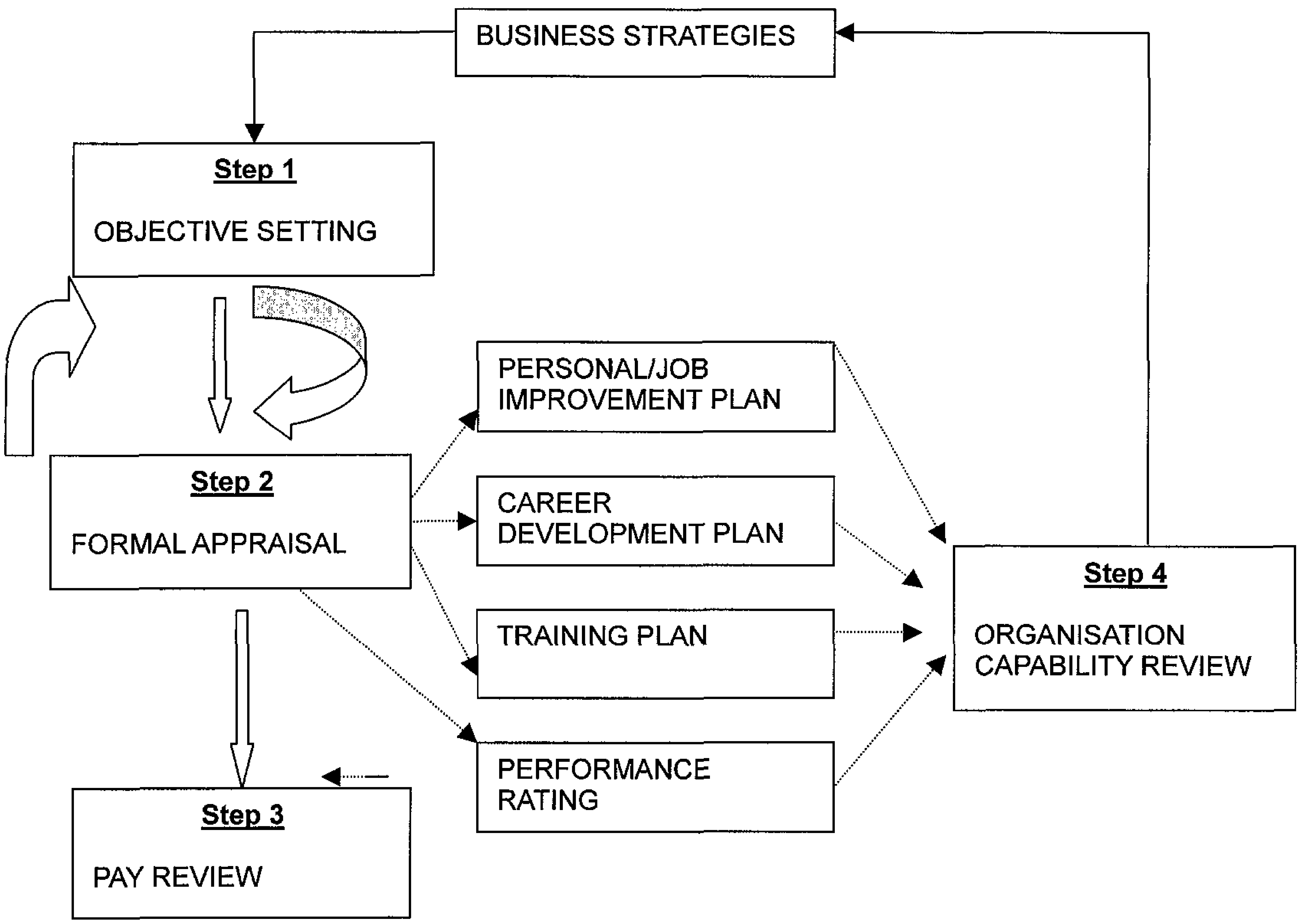
For the purposes of this study, reference is made to two performance management models.

These models are presented as follows:

3.11.1 Neale's ICL performance management system

The ICL model consists of a logical cycle of four steps that are aligned with the company's business strategies.

Figure 3.1 The ICL performance management system



Source: Neale (1991:13)

Step 1 Individual objective setting

By setting objectives, management makes sure that all employees know their roles and what results they need to achieve to maximise their contribution to the overall business. This enables employees to have greater clarity about what their organisation is trying to achieve and to understand what is expected of them in their job. Employees are entitled to regular feedback on how well they are doing and should have the continuous support from their managers. This requires a process to ensure that objectives are jointly agreed in advance between the manager and the individual employee as both realistic and challenging. When all the set objectives in the company are taken together, they must support the overall business strategies of the company and be consistent throughout the company (Neale 1991:12).

Step 2 Formal appraisal/review

The performance review is a discussion between manager and employees, where the manager gives employees feedback on and assistance with their performance and development. The review should be a fair and objective process where feedback is given to assist individuals to develop their skills and to help to improve performance. Performance should be reviewed as an ongoing element to benefit both company and individual. It must establish an effective and reliable link between the actual level of achievement against the objectives and recognise reasons for this level of achievement. To be of mutual benefit in improving performance and personal development, it must involve joint discussion and determination of supportive action plans (Neale 1991:16).

Step 3 Separate pay review

To be effective within the performance management context, the pay review needs to be fairly, logically and directly linked to the level of individual achievement. It must be relevant to everyone. Line managers determine individual employees' level of pay increase within the overall company-determined pay guidelines. They also consider the individuals' position in the salary scale, their recent salary history, the market value of that type of job and factors like scarcity of skills (Neale1991:18)

Step 4 Organisation capability review

Organisational capability relates to the ability of each activity to meet its future business objectives and strategies by considering structure, people and management processes. This review considers whether the business objectives are in line with the organisational structure, the required type and level of skills and the need for adequate succession strength. Where there are gaps (which is almost inevitable when judged against the "ideal"), the focus needs to relate to the training, resourcing, development and structuring plans to be met if the overall business strategies are themselves to be achieved (Neale 1991:19).

3.11.2 Rausch's performance management system

Rausch (1985:24) uses a diagram to illustrate the performance management system. He starts off using a simplistic layout of the process, which is then built up to a complete model. The simplistic model can be illustrated as follows:

Step I Performance standards are set.

Step II Performance is observed and feedback is provided instantly and informally, and at regular formal progress reviews. Data is collected for evaluation and for future standards or revisions.

Step III Performance is evaluated. The performance evaluation is communicated and discussed during an appraisal interview.

Step IVa) A performance improvement plan is developed.

b) The results of the performance evaluation are used for compensation decisions and personnel action.

Step V Follow-up sessions identifies need for revisions in the improvement plan and uncovers areas where standards should be revised or new ones set.

3.12 IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT PROCESS

Irrespective of what performance management model or system a company decides to implement, certain generic steps have to be followed. For example, Lorber's (1984) PRICE model is a five-step productivity improvement system.

Step 1: Pinpointing
Step 2: Recording
Step 3: Involving
Step 4: Coaching and Counselling
Step 5: Evaluate

3.12.1 Step 1 Pinpointing

A job profile indicates what knowledge, skills, experience and attributes the incumbent requires to do the job. The performance agreement defines the work to be done, the results to be achieved and the measures used to assess performance. The agreement is sometimes described as a performance contract, a work planning session, or an objective setting meeting. The objectives set are agreed on jointly between managers and their staff and understood to be a normal process of management, not just a component in a performance management system.

A performance agreement may refer to both outputs and inputs where outputs are objectives or targets and inputs are the knowledge and skills job holders have to use to achieve the purpose of their jobs, for example technical knowledge and skills and behavioural requirements. These serve as basic requirements in a specific job.

When defining the role of job holders, reference can also be made to performance drivers. With performance drivers those factors that will determine or influence future outcomes, will be measured. Performance drivers is an element of the so-called balanced scorecard principle, where performance can be improved by understanding, taking care of and managing performance drivers (Olve, Roy & Wetter 1999:8).

The performance measures to indicate the level of achievement reached are set in a performance agreement. The agreement should be comprehensive enough for employees to monitor and review their own performance (self-assessment) as well as provide the basis for a more formal review processes.

Some organisations use the acronym SMART as a guide to setting objectives. Objectives need to be specific and quantifiable, measurable, agreed, realistic and time-bound. Objectives may change frequently over time (Neale 1991:15).

3.12.2 Step 2 Recording

During this phase the manager as well as the employee prepare for the performance review meeting. During the preparation exercise the manager evaluates whether performance targets were met. If not, areas for improvement in functional and behavioural roles are considered and other aspects, such as the impact of the organisation and management on performance, and external factors such as divorce and financial problems, are reviewed.

3.12.3 Step 3 The performance review meeting and setting of a development plan

During the performance review meeting, referred to as "involving" in the PRICE model, the three key elements of performance, namely contribution, competence and continuous development, are discussed.

The review is an analysis of progress. It determines where those involved are now, and where they have come from. The true role of performance management is to look ahead to what people need to do to achieve the overall purpose of the job, meet new challenges, make even better use of their knowledge skills and abilities, and help them to develop their competencies and improve their performance. This process also helps managers to improve their ability to lead, guide and develop their staff, as individuals or as a team.

The primary emphasis of an effective performance management system is on the improvement plan. The information generated by the performance review enables training needs to be identified. The improvement plan records what specific training should be undertaken, when and who is accountable for ensuring that it is done. Some of these needs can only be satisfied by means of formal training, although many can and should be catered for by on-the-job coaching, counselling, guidance and training. For individuals, this helps to ensure that such training is relevant and can be used to improve performance in specific ways (Neale 1991).

3.12.4 Step 4 Coaching and counselling

The improvement plan records what specific training should be undertaken, when and who is accountable for ensuring that it is done. Some of these needs can only be satisfied by means of formal training, although many can and should be catered for by on-the-job coaching, counselling guidance and training. For individuals, this helps to ensure that such training is relevant and can be used to improve performance in specific ways. The identification of common needs indicates the need for some form of general training. The improvement plan leads to coaching and counselling, depending on the nature of the improvement required (Neale 1991).

3.12.5 Step 5 Follow-up meeting (Evaluation)

The developmental intervention should be followed by a follow-up meeting. Development actions that have or have not taken place are reviewed in this meeting. The employee is allowed the opportunity to give feedback on development interventions that took place. The manager will also report back on the developmental intervention. If the outcome is positive, and the employee completed the training course or intervention successfully, the manager will reinforce positive performance. If the training was unsuccessful, the manager will have to consider various options, keeping internal policy in mind, and discuss them with the employee. The manager and employee will mutually set new objectives and targets for the following period of time and get agreement on that (Neale 1991).

3.13 APPRAISAL METHODS

There are different methods for and approaches to evaluating employee performance. Employees can be appraised against absolute standards, relative standards, or objectives.

3.13.1 Absolute standards

The use of absolute standards means that employees are not compared with each other. Evaluators may write essays describing the employee's strengths and weaknesses. The employee is judged against a rigid standard rather than against other employees' performance. This approach avoids problems like trying to rank five people in a small department whose performance levels are nearly identical. On the other hand, the use of absolute standards tends to result in too high evaluations. That is, evaluators lean towards packing their subjects into the high part of the scale.

3.13.2 Relative standards or multiperson comparisons

In multiperson comparisons, one employee's job performance is evaluated in comparison with one or more other employees. It is a relative rather than absolute appraisal method. In its simplest form, a straight ranking is used. In a 12-employee group, for example, each person would be ranked from number 1, the best performer, to number 12, the poorest performer. A variation is the group order ranking, in which the rater is required to place employees into predetermined groups, such as the top quarter, middle half, or bottom quarter. Another variation is the paired comparison method, in which each employee is compared with every other employee (Tracey 1994:288).

An important disadvantage of multiperson comparison methods is that it forces raters to make distinctions between employees. Multiperson comparisons provide little or no specific information on why an employee's performance is rated the way it is. An employee may receive feedback that he is ranked 10 out of 24 employees, from which he may derive the idea that others performed better than himself. This type of feedback does not provide the employee with information that he can use to improve it. Another disadvantage is that when only a few individuals are being evaluated and there is little actual variability among those being evaluated, relative standards may generate unrealistic appraisals.

3.13.3 Objectives

The third approach to evaluation makes use of objectives. Employees are evaluated by how well they accomplish a specific set of objectives considered critical in the successful completion of their jobs. This approach works well where the organisation – from the top down – is strongly committed to setting objectives and rewarding people based on their success in achieving their objectives. The use of objectives gives performance evaluation a results-oriented emphasis and provides motivation because employees know exactly what is expected of them (Tracey 1994:289).

3.13.4 Forced-choice scales

Forced choice is a rating technique specifically designed to increase objectivity and to decrease biasing factors in ratings. It was introduced by Wherry in the early 1940s to reduce error and increase validity. This method of appraisal was developed by the US Army after World War II (Sisson 1948; Cozan 1955; cited in Gregory 1996:415). Its outstanding feature is that the rater is forced to choose from several sets of four behaviours which behaviour describes the employee best and which is least descriptive. Because the rater does not know which item has a mathematical relationship to an important outcome, it is difficult to manipulate the outcome or results. This ensures an objective outcome and subjective judgement is minimised.

3.13.5 Behaviourally anchored rating scales (BARS)

Anderson (1993:42) maintains that the BARS method, although not yet widely used, appears to address some of the problems such as inconsistency among appraisers when making appraisal decisions. An employee's work might be considered "outstanding" by one superior and only "acceptable" by another. To solve this problem, the use of behavioural descriptions, such as excellent, average, or poor on each performance criterion (eg, technical proficiency) is proposed. Each behavioural description is called an anchor. Behaviourally anchored rating scales (BARS) give clarity on a given level of performance (eg, excellent, satisfactory, below satisfactory, or unacceptable). BARS and related approaches focus on behaviours as opposed to personality or attitudinal characteristics.

Another acronym for BARS is BES, or behavioural expectation scales. Each behavioural example, or anchor, is worded in the form of an expectation. A checklist provides a list of job-related behaviours and requires the person doing the evaluation to check those behaviours that best describe the employee. In some cases, certain behaviours on the list are weighted more heavily than others because of their greater significance or importance in contributing to overall successful performance. Separate checklists are frequently developed for different jobs since required behaviours vary across jobs. Alternatively, the same form may be used across many jobs, while the behaviours on the checklist that are scored for a particular job are varied.

There are mixed findings on the accuracy of ratings with BARS. Champion, Green and Sauser (1988:29) found fewer errors in the ratings, especially in areas of leniency, while Doverspike, Cellar and Hajek (1987:47) maintain there is no difference with BARS compared to other evaluation methods. Muchinsky (1990) states that BARS prove to be no better than graphic rating scales in reducing rating errors. BARS are a variation of the simple graphic rating scale and their major advantage is that they define the dimensions to be rated in behavioural terms and use critical incidents to describe various levels of performance.

Tracey (1994:289) mentions that behavioural checklists are an absolute measure with quantitative results.

3.13.6 Graphic rating scales

Graphic rating scales are one of the oldest and most popular evaluation techniques. A typical graphic rating scale lists a set of dimensions related to successful job performance. Such dimensions might include amount of work, quality of work, initiative, willingness to accept responsibility, knowledge of job, and attendance. For each of these dimensions, the employee is rated on a 4 to 7-point scale (5 points is the most common), reflecting the extent to which the behaviour was exhibited during the period covered by the evaluation.

This technique is popular because it is easy to use, time efficient to complete evaluations, and can be applied to a wide variety of different jobs. Like other subjective ratings, however, it is subject to the biases of the rater, including the tendency towards leniency. Results are normally more qualitative than quantitative (Tracey 1994:296).

3.14 APPRAISAL INSTRUMENTS AND RELATED PROBLEMS

The success of an appraisal system depends to a large extent on the appraisal instrument it uses. The appraisal instrument is the basis for setting goals, which in turn directly affect an employee's motivation (Locke 1990). It also serves as the diagnostic tool the appraiser uses to coach employees.

The main requirement that North American courts stipulate for an appraisal instrument is that it be used in a manner free from bias and discrimination. South Africa also makes the same requirement (Gregory 1996:419; Cascio 1987). Accordingly, industrial-organisational psychologists focus on the reliability and validity of appraisals. In addition, users' reactions to various types of appraisal forms differ because the objective characteristics of an appraisal instrument affect perceptions of fairness and are an important factor that indicates how well the appraisal will be accepted.

The extent to which the user may abuse the appraisal instrument will determine its accuracy. Like any measurement tool, the appraisal instrument is limited in its accuracy to the extent that the user may abuse it.

3.15 RATING ERRORS

The validity of an appraisal is often influenced by rating errors. Rating errors refer to the difference between subjective human judgement and an objective, accurate assessment uncoloured by bias, prejudice, or other subjective, extraneous influences. Examples of rater error are halo, leniency, single criterion measurement, similarity and contrast errors and low differentiation. Wherever these factors are present in an evaluation, the evaluation is likely to be distorted (Gregory 1996:418).

3.15.1 Halo effect

Halo effect is considered the main psychometric error affecting multifactor ratings. Plug, Louw, Gouws and Meyer (1997:136) describe the halo effect as the tendency to be positively or negatively influenced by a particular trait or overall impression of a person when assessing that person. Gregory (1996:417) defines the halo effect as a tendency to rate a person similarly across traits in accordance with an overall or global impression of favourability or unfavourability. It is a tendency to think of a person as being generally good or generally inferior.

The following solutions to control the halo effect are suggested (Gregory 1996:417) :

- training raters prior to the rating exercise
- supervising the supervisors during the rating
- practising simulations before doing the ratings
- keeping a diary of information relevant to appraisal
- providing supervisors with a short lecture on halo

3.15.2 Leniency error (also referred to as "severity")

All evaluators have their own value systems that act as a standard against which appraisals are made. Leniency is the tendency to give overly favourable ratings on all performance dimensions regardless of actual performance (London 1997:91). Relative to the true or actual performance an employee demonstrates, some managers' ratings are unusually easy or difficult. An easy rating is referred to as positive leniency error, and a difficult rating as negative leniency error. When evaluators are positively lenient in their appraisal, an employee's performance is rated higher than it actually is. Similarly, a negative leniency error underrates performance, giving the individual a lower appraisal (Tracey 1994).

A leniency error occurs when people receive a higher rating than they deserve. The prevalence of rating errors on the part of appraisers led to the development of forced-choice scales.

If all the employees in an organisation were appraised by the same person, there would be no problem. Although there might be an error factor, the error would be equally applicable to everyone. The difficulty arises when different raters with different leniency errors make judgments.

Although the error of leniency is difficult to measure, there is no question that this tendency in ratings can be a real problem. Employees normally perceive lenient raters as more considerate, which probably results in a better working environment for both supervisor and subordinate, which creates a better environment to enhance productivity. The problem reflects the multiple purposes of appraisal. Supervisors may be primarily concerned with motivating employees while the personnel specialists may be most concerned with accurate appraisal.

In the above context, the relationship between accurate, nonlenient appraisal and other variables that may impact on organisational effectiveness should be considered.

3.15.3 Single criterion measurement

An employee's job consists of a number of tasks. For example, an airline flight attendant's job consists of caring for passengers, seeing to their comfort, serving meals, and offering safety advice. If performance in this job were assessed by a single criterion measure, such as the time it took to provide food to a hundred passengers, the result would be a limited evaluation of that job. More important, flight attendants whose performance evaluation included assessment on just this single criterion would be motivated to ignore the other tasks in their job. Robbins (1986) points out that where employees are evaluated on a single job criterion, and where successful performance in that job requires good performance in a number of criteria, employees will emphasise the single criterion to the exclusion of other job-relevant factors.

3.15.4 Similarity and contrast errors

As raters, managers tend to evaluate those subordinates more positively whom they perceive to be similar to themselves. By evaluating other people and considering those qualities that they perceive in themselves (eg, age, race or gender), they are making a similarity error, which is very much related to interpersonal attraction (London 1997:91).

3.15.5 Low differentiation

It is possible that many evaluators' style of rating behaviour is such that, regardless of who they evaluate and on what traits they evaluate, the evaluation pattern remains the same.

Robbins (1986) maintains that evaluators may be classified as (1) high differentiators, who use all or most of the scale, and (2) low differentiators, who use a limited range of the scale. Low differentiators tend to perceive different employees' performance more uniformly than it actually is and to rate different traits in the same way. High differentiators normally use all available information to evaluate and are better able to define contradictions than low differentiators.

3.16 OVERCOMING RATER PROBLEMS

Problems encountered with the performance management process should not discourage managers from following the process. These problems can be solved by the following steps:

(1) Use multiple criteria

Since successful performance in most jobs requires doing a number of things well, all those "things" should be identified and evaluated. The more complex the job, the more criteria need to be identified and evaluated. However, not everything need be assessed. The critical activities that lead to high or low performance are the ones that need to be evaluated (Robbins 1986).

(2) De-emphasise traits

Although personality traits are often considered to be related to good performance, they may, in fact, have little or no performance relationship. The actual question to ask is whether characteristics, such as loyalty, initiative, courage, reliability and self-expression, make employees higher performers. Traits like loyalty and initiative may be prized by managers, but there is no evidence to support that certain traits will be adequate synonyms for performance in a large cross-section of jobs (Hersey et al 2001:147).

(3) Combine absolute and relative standards

A major drawback to absolute standards is the fact that standards tend to be biased by positive leniency. Evaluators can lean towards packing their subjects into the high part of the rankings. On the other hand, relative standards suffer when the number of individuals being appraised is small and there is little actual variability among the subjects.

The obvious solution is to consider using evaluation methods that combine both absolute and relative standards (Robbins 1986).

(4) Use multiple evaluators

If more evaluators are used to do the ratings, the probability of more accurate information increases. If rater error tends to follow a normal curve, an increase in the number of appraisers will tend to find the majority congregating around the middle. When a multiple set of evaluators judge a performance, the highest and lowest scores are dropped, and the final performance evaluation is made up from the cumulative scores of those remaining. The logic of multiple evaluators applies to organisations as well.

If an employee has had ten supervisors, nine having rated her excellent and one poor, the value of the one poor evaluation can be discounted. Therefore, moving employees about within the organisation so as to gain a number of evaluations will increase the probability of achieving more valid and reliable evaluations (Robbins 1986).

(5) Evaluate selectively

If appraisers evaluate only those areas in which they have some expertise, the evaluation will become a more valid process. It often happens that an employee's job entails very diverse areas of responsibility, but the employee has to report to one manager, who is a specialist in only one of these areas. The ideal is that supervisors or co-workers evaluate those factors that they are best qualified to judge. Such an approach appears both logical and more reliable, since people are appraising only those dimensions which they are in a good position to judge.

(6) Train evaluators

One approach to performance appraisal training is to make managers aware of common errors of judgment such as the halo effect, leniency and other common errors. Other approaches strive to make managers better observers of performance. In order to become better observers, managers should have a clear understanding of performance standards and criteria for job behaviour to ensure that their judgments will be relatively bias free (London 1997:91). Since the effects of training seem to diminish over time it is suggested that regular training refresher sessions take place.

3.17 SUMMARY

Performance management is a disciplined approach to management of objectives which should ensure that by means of proper communication each employee in the organisation has a clear understanding of the organisation's vision, mission and values that are supported by individual performance agreements.

During the performance appraisal, which is one step in the performance management process, the appraisee, who is the person being appraised, is allowed the opportunity to get clarity on what is expected of him or her and receive feedback on past performance.

Appraisees gain greater knowledge of their strengths and weaknesses. This leads to improved performance because of the development plan that follows the appraisal.

The appraiser, who is normally the manager conducting the appraisal, is allowed an opportunity to motivate staff and discuss career plans with appraisees. The major benefit of an effective performance management system is higher quality of work life through greater employee satisfaction. An effective system results in better control over the activities of the various organisational units and individuals and provides a valid foundation for employee development.

Performance appraisal of employees is essential to the ongoing success of any business or organisation. Performance evaluation serves many organisational purposes, including identification of training and development needs, promotions, transfers, lay-offs, and the setting of salaries. Although objective methods for assessing the effectiveness of employees would appear to be preferable, judgemental approaches are often the only practical choice.

Methods of performance appraisal include performance measures (eg, productivity counts), personnel data (eg, rate of absenteeism, peer ratings and self-assessments), and supervisor evaluations (eg, rating scales). Of these, rating scales are the most common approach.

Performance appraisal is subject to several sources of error, including failure to identify appropriate criteria for acceptable and unacceptable performance, halo effect (rating an employee high or low on all dimensions because of a global impression), rater bias and criterion contamination. In order to improve on a performance appraisal system, raters should be trained to be fair and accurate and to do performance appraisals periodically.

CHAPTER 4

PERFORMANCE MANAGEMENT TRAINING

4.1 INTRODUCTION

South African companies only started recognising the importance of training as a contributing factor in organisational effectiveness in the mid to late 1990s. Legislation, such as the 1998 Skills Development Act, which emphasises skills development for survival in a global competitive market, facilitated awareness and training.

Companies and government have begun to appreciate the value of long-term investment in this function. The South African Government has committed itself to improve labour skills in South Africa. It stresses that in order to survive and operate effectively, all organisations must adapt and respond in a timely and flexible way to technical, economic and social changes.

In chapter 3 the importance of performance management training for managers was emphasised, in order to develop people who will enable the organisational strategy and support the business strategy. They will help to grow the culture, which will ensure the continuous business achievement of the enterprise.

Buckley and Caple (1990:10) define training as "a planned and systematic effort to modify or develop knowledge/skill/attitude through a learning experience, to achieve effective performance in an activity or range of activities". From this it follows that training is task- or job-orientated with particular reference to performing the task or job adequately and economically. Buckley and Caple also point out that training is concerned with attitudes, knowledge and skills. Most training practitioners emphasise that training should include all or at least some of these factors. It is worthwhile bearing these factors in mind when designing training programmes.

Buckley and Caple (1990:13) stress the importance of the learning experience, where learning can be defined as a process that allows individuals to obtain new knowledge, skills and attitudes through experience, reflection, by studying new information and following instruction. Training and learning should be seen against the broader definition of development where development is seen as the general enhancement and growth of an individual's skills and abilities through conscious and unconscious learning.

Within the context of this study it is important to note Buckley and Caple's definition because it particularly points out the possibility that attitudes can change as a result of a training intervention. This raises the question whether training managers in performance management will change negative attitudes that may exist towards performance management to a positive attitude towards it.

4.2 NEED FOR MANAGEMENT TRAINING

Within the broad definition of performance management as a model that encompasses the functions and processes that may be used to manage both organisational and individual performance, certain management functions are important. Managers need to be trained in performing corporate planning sessions to set strategic plans. These plans need to include the setting of organisational and individual aims and objectives.

Managers need to be trained on how to link individual objectives to organisational strategy and objectives. Managers must be able to identify staff training and development needs. Managers need to be trained in assessing the results through personal appraisal using relevant performance indicators.

The importance of providing training to managers to improve objectivity and accuracy in evaluating an employee's performance has been stressed for several years. Research has demonstrated that proper rater training can increase the overall quality of the rating experience for employees and managers alike while at the same time improve rating accuracy (Cardy & Dobbins 1994).

Considering the importance of the manager to the success of the appraisal process, it is surprising to find that many organisations do little to prepare managers to conduct effective appraisals. Recent estimates suggest that few organisations conduct skills-based training with their managers (Grote 1996). Instead, most organisations either make performance rating forms and corresponding instructions available or arrange a meeting to explain the rating purpose and procedure to managers and tell them to have their subordinates evaluated by a specific date.

In summary, managers have a responsibility to involve themselves in both the setting of organisational and individual objective setting. In order to execute a sound performance management system, managers need to be trained in certain skills such as strategic planning, systems thinking, negotiation skills, effective communication and decision-making skills and conflict handling skills.

4.3 BENEFITS OF PERFORMANCE MANAGEMENT TRAINING

There are several benefits to performance management training. In relation to their current positions, trainees may gain greater intrinsic or extrinsic job satisfaction. Intrinsic job satisfaction may come from performing a task well and being able to exercise a new set of skills (Buckley 1992:20).

Benefits for the organisation include improved employee work performance and productivity; shorter learning time, which could lead to less costly training and employees being "on line" more quickly; decreased wastage; fewer accidents; less absenteeism; lower labour turnover and greater customer or client satisfaction.

In preparing an individual to perform a specific task more effectively, training can contribute to the organisation achieving its current objectives. Training can also play a more long-term strategic role either directly or indirectly. The direct role is pursued through the nature of the actual training content. In this respect, training can move away from concern simply for the individual skills and deal with leadership, group and organisational issues.

Training can also affect an organisation's culture more indirectly through the management of individual and group training. Training can have an impact on attitudes towards the learning processes and this, in turn, can help to create a "learning organisation" that is more flexible and responsive in coping with present and future internal and external demands. Related research emphasises the impact of training in changing attitudes (Karam-Hage, Nerenberg & Brower 2001; Soner 2000 and Hoff 1996).

4.4 PERFORMANCE MANAGEMENT TRAINING: A SYSTEMATIC APPROACH

The decision to apply a systematic approach to training is made when the trainer is convinced that training is the most appropriate way to overcome a current or anticipated shortfall in performance.

Buckley and Caple (1992:26) suggests that if the trainer decides to follow a systematic approach the following fourteen stages will be an example of the different stages one can expect to consider when preparing a training programme.

Stage 1 Establish terms of reference

Before any work begins, it is important to establish terms of reference. The client must specify and agree with the trainer on exactly what has to be done and thus indicate a commitment to and an ownership of the project. Line managers who do not have a background of training often find it difficult to formulate terms of reference and it is important that the trainer should be involved in negotiating and defining them. This means that time, cost, human resources and physical constraints can be clarified at the outset so that the expectations of both the trainer and the client can be seen in a realistic light. A reporting system and an action plan should be implemented so that the trainer can work within realistic bounds and the clients can be kept involved.

Stage 2 Further investigation

The process of performance management as defined thus far needs to be confirmed. If it is incomplete, insufficient, inconclusive or unconvincing, a number of analyses could be carried out such as a job analysis to determine its component tasks. In addition to job analysis, part of the further investigation might include a close examination of data provided by reviews or previous training programmes which were designed to tackle the problem currently being attended to.

Stage 3   Knowledge, skills and attitudes analysis

A natural extension of the preparation of the job description is to find out how the job is "made up". This form of analysis is essential if the trainer is to make appropriate decisions about the nature and type of training that may be required.

Stage 4   Analysis of the target population

It is important for the trainer to assess the capabilities and determine other features of the target population. This might include an examination of the current training and development programmes being undertaken by the trainees and their effectiveness. At this stage the trainer might be giving some preliminary thought to solutions and strategies which might be necessary to match the characteristics of the target population. These characteristics would include age, experience, previous training and achievement.

Stage 5   Training needs and content analysis

It is often possible to include all the data gathered during the various analyses although it is often not desirable to do so. There needs to be an identification of the "need to know" and the "nice to know" aspects of the job. This, in turn, would have to be balanced against the constraints, which were identified earlier when establishing the terms of reference.

This stage is an important reporting point and may lead to the trainer and the client negotiating to ensure that the best possible training content is agreed on.

Stage 6   Developing criterion measures

The job content on its own is not of any real value by itself. The standard or level of performance expected of a competent job holder has to be clarified in terms of targets and measurements to ensure that training can be designed to achieve those criteria.

These criteria are likely to be considered in the early stages of investigation and the data will be incorporated into the objectives later and before any training strategies can be considered.

Stage 7 Objective setting

Normally a training objective is presented in three parts. The first part indicates the performance expected of the trainees to show that they have mastered the skills and knowledge, required for the job. The second part states the conditions in which the performance is executed out and includes details of equipment, job aids and environment. The third part sets the standards of performance which trainees are expected to demonstrate by the end of their training.

Training objectives are the key to the design of good training and are essential to assessing its effectiveness.

Stage 8 Consider principles of learning and motivation

The trainer should create a learning environment to ensure that optimal training takes place and the training objectives are achieved. Part of that training environment is the methodology that the trainer can use. Another part includes such factors as physical arrangements, time of day and resources. Important points for consideration at this stage, are the principles of learning and motivation, such as reinforcement, rehearsal and practice. These that may need to be embedded in the training environment.

In setting the training objectives a selection of training methods needs to be considered. This helps to ensure that objectives are realised. The trainer also needs to consider the various ways in which people learn according to their individual differences in personality, age and experience which as far as possible help to identify their learning styles. The training environment often can be modified and adjusted to take account of such styles.

Stage 9 Consider and select training methods

It is important to try to keep an open mind and not to be orientated towards one particular method of training from the outset. Many trainers have fallen for the current fashionable methodology as a means to meet all training needs.

When considering options such as internal and external courses, various forms of open learning and on-job and off-job training aspects such as constraints, target population and objectives should be considered.

Stage 10 Design and pilot training

The design of training should reflect the identified objectives and strategies in a balanced programme of instruction and learning. This does not apply to a course only; it could be a learning package, a video or computer-based training programme.

Stage 11 Deliver the training

A prerequisite for any training is a technically competent tutor, although technical competence is not sufficient in itself. Trainers need to be trained to use a variety of teaching techniques, especially those involved in one-to-one training where a common misbelieve has been that by simply observing an expert doing the job, learning will occur by some form of psychological transfer of skills.

Stage 12 Internal validation

It is important that trainees' performance be measured to see if they have achieved the objectives of the training. Information can be gathered by means of tests, exercises and assessment instruments designed to objectively examine and check on trainees' progress. Trainers need to seek trainees' feedback on their training programme, including such factors as the performance of their tutors or instructors, the learning materials and the environment.

Information from these two sources should point out areas for improvement and will suggest changes and modifications to the existing programme.

Stages 13 and 14 Application and external monitoring of training

After completion of the training course, the trainees should be able to apply their knowledge and skills to the job. Only after the trainees have had sufficient opportunity to put into practice what they learned during their training, should the process of external monitoring be introduced. This process involves the external validation and the evaluation of the training.

Evaluation is the assessment of the total value of training. It attempts to measure the overall cost benefit of training, social and individual benefits as well as the operational effectiveness of training.

The fourteen steps discussed briefly above are referred to as a systematic approach to training. This approach allows trainers to plan and work realistically within the constraints placed on them, such as the availability of staff and other resources. Criticism against the systematic approach is that although it is seen as a sound idea in theory, it is a slow and costly process in terms of resources and it is believed that the investment in time cannot be justified. On the positive side, it allows the trainer to plan thoroughly because it is a logical process, which ensures that nothing is overlooked accidentally. This is an aid to future diagnosis and problem solving, should the need arise (Buckley & Caple 1992:37).

4.5 TRAINING CONTENT

A performance management system and related training must be based on a clear definition of performance – individual as well as collective or corporate performance. The lack of a clear definition is a fundamental cause of many problems associated with performance management.

According to Mwita (2000), managers who attend a performance management training programme, should be trained in the following managerial functions:

- setting objectives
- corporate planning
- linking organisational strategy and service objectives to jobs and clients
- identifying staff training and development needs
- assessing the results through personal appraisal by using relevant performance indicators

Managers needs to be shown how to develop objectives that consist of an end result (what has been achieved) and an indicator of success (how it will be measured). They are shown that each indicator of success must relate to a measure of quantity, quality, time, behaviour, resources or money. For example, "to provide a resourcing service to line management" is not an objective for a recruitment officer but only a statement of purpose for that job, whereas "to provide a list of candidates to line management which meets the approved job specification within 15 working days" is a measurable objective.

Despite the fact that most organisations do provide some training in performance management, only a few provide anything like adequate training, particularly in the skills of appraisal interviewing (Fletcher & Williams 1992).

Longenecker and Finck (1997) find that the following competencies are necessary for effective appraisals:

- knowledge of the organisation's rating forms and procedures
- ability to clarify and communicate performance expectations
- effective decision-making skills and sound judgment
- coaching skills
- effective written and verbal communication
- delegation and empowerment skills
- career counselling skills
- conflict resolution skills
- knowledge of legal/compliance issues

Regardless of the appraisal instrument used, organisations are well advised to expose people who evaluate employees to a training programme to minimise rating errors. Rating errors, such as bias in the observation and appraisal of behaviour, must be eliminated. Training programmes also emphasise the link between performance and reward as well as the setting of development plans as an outcome of the appraisal.

Legislation on performance management in organisations has put organisations under increasing pressure to ensure that their appraisal procedures are not only supported by sound business practices but are also legally defensible. The costs of legal cases are high.

People who evaluate employees are obliged to undergo the necessary training since illegal performance management actions put the company at risk of having to defend its case in court.

4.6 REASONS WHY ORGANISATIONS FAIL TO PROPERLY TRAIN MANAGERS TO CONDUCT EFFECTIVE PERFORMANCE MANAGEMENT

According to Finck and Longenecker (1998) there are several reasons why training of managers in performance management does not take place.

Organisations often assume that the process and requirements of performance management are obvious and that the manager already possesses the requisite skills to execute the performance management process.

In many instances training in any form, including performance management training, is not an organisational priority. If training in performance management is not a priority, it can be assumed that the performance management process itself will not be an organisational priority.

With limited budgets many organisations resist engaging in training programmes they perceive as a cost burden. Another reason for not engaging in performance management training is that the company lacks the resources who have the skills required to conceptualise the necessary training plan to support skill development. These plans require time, discipline and commitment to develop, to train managers and to implement.

4.7 THE USE OF MODELS IN TRAINING

A model is a replica of the event it represents. The model usually specifies the elements of the event and the nature of the relationship between them. As such, it provides a testable replication of reality. The utility of the model lies in the extent to which it accurately predicts resulting behaviour or possible outcomes.

4.7.1 Benefits of using training models

Among the benefits of using training models are that they explain different aspects of human behaviour and interaction; integrate knowledge in research and observation; simplify complex human processes and guide observation. They also have the advantage that research findings can be integrated into a meaningful whole. Models furthermore are extremely useful in theory construction.

4.7.2 Specific training models

4.7.2.1 Training adults: Experiential learning models

Experiential learning assumes that people learn best by doing. In experiential learning, participants gain knowledge and understanding, explore their own attitudes, see skills in action, learn from each other, and demonstrate their own learning through structured experiences (Kolb 1984).

According to Kolb (1984), the experiential learning model includes five progressive stages of learning.

- *Experiencing*: Participating in some activity designed to produce information or understanding - to identify, explore, examine, or study a problem, topic, or issue and generate a common base of knowledge for the steps which follow. Experiencing can lead to a sense of discovery. Experiences can be individual, small-group, or full-group based.

- *Reporting:* Sharing the experience, reporting reactions and observations. The facilitator or trainer helps to structure the reporting stage; members discuss "What happened?" and "How did it go?" When the structured activities are small-group rather than individual-learning based, different groups may experience the activity in different ways. Each group may be given a slightly different assignment so its members have a somewhat different experience. Reporting enables the entire group to share these varied experiences.

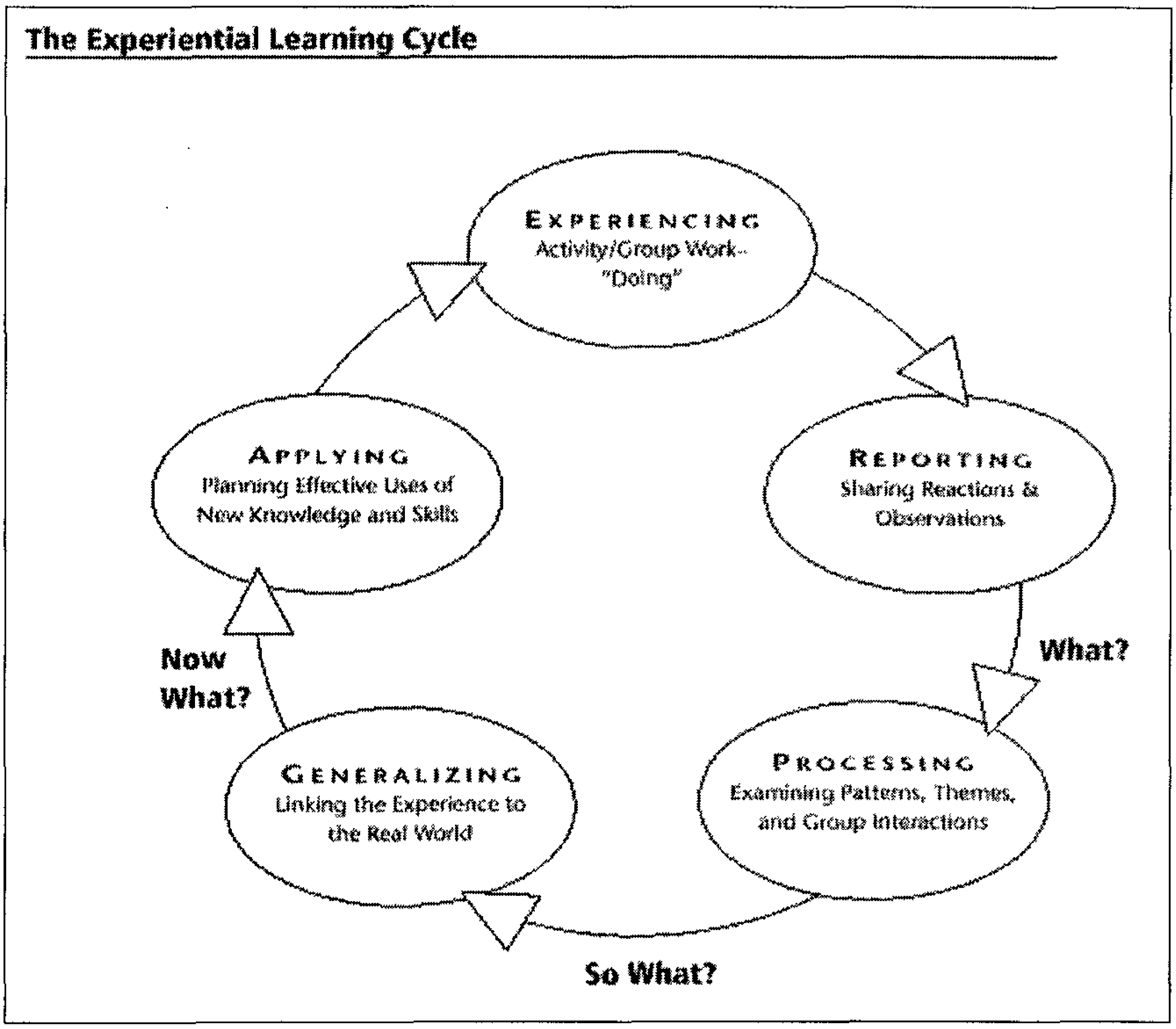
- *Processing:* Systematically examining and analysing the shared experience, looking for patterns, themes, relationships, and group interactions. Members are most likely to learn from the experience if they consider "What kinds of things happened and why?" The trainer's role is to help members to fully discuss the experience through such approaches as reports from observers, identification of recurring themes or topics, and full-group discussion on specific questions.

- *Generalising*: Linking or extrapolating the experience to the real world, by identifying useful concepts or approaches. Generalising answers the question "So what?" or "How can this be used in the work of the planning group?" The facilitator should present additional theoretical information or research data, where appropriate, and help participants consider the implications of what they have learned.

- *Applying*: Using the new information and skills in real-life situations. This can be done through planning and discussing how to apply what was learned, role-playing its use, or actually putting it to use through planning group activities. Giving members the opportunity not only to use the learning but to share with and teach others further enhances learning retention.

These stages may overlap and need not always occur in the same order or in such clear and discrete steps, but all are important in maximising retention.

Figure 4.1 The experiential learning cycle



Source: http://hab.hrsa.gov/hab3/test/tg/tg/tg4b.htm

A success factor of the experiential learning model is to use a diverse team rather than one individual, if possible, to plan and provide the orientation and training. This not only shares the work, but also provides diverse input into training content and format (Kolb 1984).

Adults typically tend to focus on how what they learn can be used in real-life situations. They are self-directed and motivated, provided the training is relevant to their needs, and have considerable life experience that serves as an important resource for their own learning and that of other members of the group. They react best to a training model in which they are active partners, not passive recipients.

Small groups, where participants can be grouped according to experience level or put in mixed groups to learn from and help each other, also contribute to the overall success of the experiential model.

The following three points are important when preparing a training programme:

1) To help trainees to remember the information that is provided and to learn new skills, they need opportunities to use the material presented — to discuss, understand, and apply what they have learned.

2) Adult training needs and learning styles are different from those of children. Adults learn best when they see how new knowledge and skills can be applied to real-life situations. Effective training for adults requires an understanding of adults as learners.

3) When training is arranged in which participants are expected to work together to analyse situations, solve problems, and practise skills, then they take primary responsibility for their learning. They learn more, and the trainer serves as a facilitator and "coach."

4.7.3 Training methodology: choosing the right one

There are several ways to train people. It is important to choose the correct and most effective way of training. Charney and Conway (1998:104) divide training into two categories, namely *self-directed* and *facilitated.*

Self-directed training allows delegates to control their own training when they determine what to learn, how to learn it, where to do it and when to complete it.

Facilitated learning gives participants limited control over the content and process of learning. This learning most often takes place in a classroom setting. Training courses that focus on learning and practising skills that involve relationships with others (eg, customer service) are better suited to facilitated learning. In these courses it is important to discuss reactions and previous experience as part of the learning process.

Charney and Conway (1998:104) describe eight methods to transfer knowledge in facilitated learning:

i) Verbal

This is probably the least effective way. Lecturing as the sole medium of training limits transfer of information. Used correctly, however, it can be a powerful training device.

ii) Visual

People retain more when they see the message. An image is easier to recall than verbal messages. Visual images are conveyed through slides, overheads, and flip charts.

iii) Video

Videos are often used in training groups and the advantage of this medium is that a video can be stopped to point out an important issue.

Videos are also used in self-development. This method combines visual and verbal messages and is often an effective training tool, particularly if the message is short (under ten minutes) and demonstrations of what is right and wrong closely approximate the learners' real world.

iv) Simulation

A simulation is a lifelike event, in a classroom-type setting of the realities of the job. It tests people's ability to apply learning principles. Simulations can be used as part of training and as part of assessing prospective employees. In training, simulations encourage participants to demonstrate their use of newly acquired skills (Charney & Conway 1998:168). Simulations can take the form of role plays, games and dramatisations of real situations. The advantage of simulations is that people can practise skills in a nonthreatening environment where they are allowed to make mistakes.

Simulations are most effective when done after a key teaching lesson and if the simulation exercise is realistic. An important part of a simulation exercise is that enough time is allowed to debrief and provide feedback to participants. This is the creation of a situation representing the real world, which enables people to be put into situations that produce behaviour typically less than desirable. At the end of the exercise, the group debriefs and reviews the observations of participants, observers, and even video. The learning can be powerful. It can also be threatening and upsetting if feedback is not handled effectively.

v) Case study

After the theory has been discussed, participants are given a case study to read and analyse. They can be given questions to answer, which will determine how effectively they applied the theory.

vi) Group development

This exercise is facilitated by an experienced person who enables the group to identify and deal with issues that prevent them from performing at a high level.

vii) Role play: design and conduct

A very effective way to create an opportunity to practise interviewing skills is to create a role-playing exercise for trainees. This is specifically a useful method to prepare managers for the interviews that they will conduct in appraising employees. Role play is useful in assisting adults to apply new concepts and skills and in shifting attitudes. The trainer can include a number of attitudes and situations so that the required teaching points are brought out during the interview. It is useful to record the interview on video-tape and to use the rest of the group to give feedback on the actual performance. Role play is an example of experience-based learning. Trainers must clarify the learning outcomes that are essential in the exercise and motivate why they want to use a role play and what they hope to accomplish (Charney & Conway 1998:161).

Role playing has many benefits if planned and presented in the correct way. It is used to reinforce the theory taught in the classroom; provides an opportunity to practise new skills in a nonthreatening atmosphere and feedback from peers is valuable for further improvement.

Role plays work best when the scenarios are realistic and there is adequate time to debrief the process. It is ideal if the role play can be followed by discussion of theory to reinforce the learning experience.

viii) Action learning

Action learning takes place when a group of people are brought together to form a learning group. Normally a facilitator assists by facilitating roles although a relatively passive approach is taken. No or few objectives are set before the meeting and the first few meetings are normally spent in the members' setting objectives for themselves. In addition to moving to a final solution, other forms of learning can arise within the set through exposure to the group (eg, interactive skills, decision-making skills and consulting skills).

4.8 SUMMARY

This chapter emphasised the importance of training managers in a performance management programme and the benefits and advantages of training. It also indicated that the programme designer needs to compile the programme systematically, working through fourteen stages to ensure that the training module meets the clients' expectations.

It was pointed out that training is about learning and that adult learning takes place, to a great extent, through problem solving, analysing situations and other methods found especially in the experiential learning model.

Performance management training has a positive impact on the organisation because being properly trained in the rationale for a performance management system and equipped to implement the system effectively after the training can only lead to improving company performance.

CHAPTER 5

ATTITUDE CHANGE TOWARDS PERFORMANCE MANAGEMENT

5.1 INTRODUCTION

As stated in chapter 1, one of the specific aims of this study was to identify and evaluate previous research on the evaluation of attitudes (eg, scales developed to measure attitudes). The concept of attitudes is central to this study and therefore needs to be defined clearly.

In this chapter attitudes are defined and the nature, formation and change of attitudes as well as methods to measure attitudes are discussed.

5.2 DEFINING "ATTITUDE"

The definition of "attitude" is still highly debated and there is no consensus on a single definition. For the purpose of this study, the following two definitions apply:

Allport (1954:43, cited in Rajecki 1982:4) defines an attitude as a "mental and neural state of readiness, organised through experience, exerting a directive or dynamic influence upon the individual's response to all objects and situations with which it is related".

From this definition it is clear that attitudes are psychological entities. They reside in the private experience of the individual; therefore, we cannot directly observe another person's attitudes. If these attitudes truly exist, they can be measured. As in the case of other psychological states or variables (eg, fear, anger, joy), measurement will have to be indirect. A simple method of measurement of attitude is simply to ask an individual to report his or her attitude towards an object, person or issue and write down what is reported.

According to Allport's definition, attitudes are gained from experiences. It is unlikely that people were born with their current attitudes. It is far more likely that they acquired these attitudes along the way. Attitudes can arise from single and multiple experiences, both direct and indirect. People's attitudes are shaped through direct experiences, but also in an indirect manner through the socialisation process where one learns from parents, friends, teachers and family.

In his definition Allport points out that an attitude is a mental and neural state that exerts an influence upon the individual's response to all objects and situations with which the attitude is related. Attitudes not only influence people to do things but direct them to do them in an orderly and coherent way. Behaviour is generally consistent because of people's attitudes. By knowing people's attitudes, a person can predict or anticipate their behaviour in general.

Eagly and Chaiken (1993:1) define attitude as "a psychological tendency that is expressed by evaluating a particular entity with some degree of favour or disfavour." A psychological tendency represents the internal state of the person, while reference is made to an evaluative response. The response can be overt or covert, cognitive, affective, or behavioural. An attitude is based on this evaluative response, that is, a person does not have an attitude until he or she responds evaluatively to an entity on an affective, cognitive, or behavioural basis. Although attitudes are not observable, they can be inferred from observable responses (Rajecki 1982:5).

5.3 THE NATURE OF ATTITUDES

Although there is no consensus on all the issues of the concept of attitude, some characteristics of attitude are commonly accepted:

(1) Attitudes are not inborn; they are learned through experience (Mohsin 1990:75).

(2) Like most psychological concepts, attitudes become perceptible through the observed antecedent stimulus and the consequent behaviour pattern (Hewstone & Stroebe 2001:270).

(3) An attitude is an evaluative response to an individual, a group, a concept or a thing. This evaluative response can be expressed cognitively, for example in the form of thoughts or beliefs about the attitude object. The evaluative response can also be expressed affectively, for example in the form of feelings or emotions about the attitude object. Finally, the evaluative response can be expressed behaviourally, for example in the form of intentions to behave or actual behaviour towards the attitude object (Eagly et al 1993).

(4) Attitude objects can be either abstract (eg, liberalism, secular humanism) or concrete (eg, a chair, a shoe). In this respect, they differ from motives or personality traits, which have subjective reference.

(5) Attitudes differ in valence; having an attitude regarding an object signifies that the person concerned is either favourably or unfavourably disposed towards it. Attitudes are therefore positive or negative, pro or anti (Oskamp 1977:36).

(6) Attitudes orient the organism to the attitude object and channel the energy at the disposal of the organism (Eagly et al 1993).

(7) Once formed, attitudes persist in time. However, the permanence or changeability of attitudes depends on their origin and on the intensity and duration of the factors that gave substance to them. Usually attitudes are enduring dispositions and are unlikely to change under ordinary conditions.

(8) Attitudes have the following five physical properties:

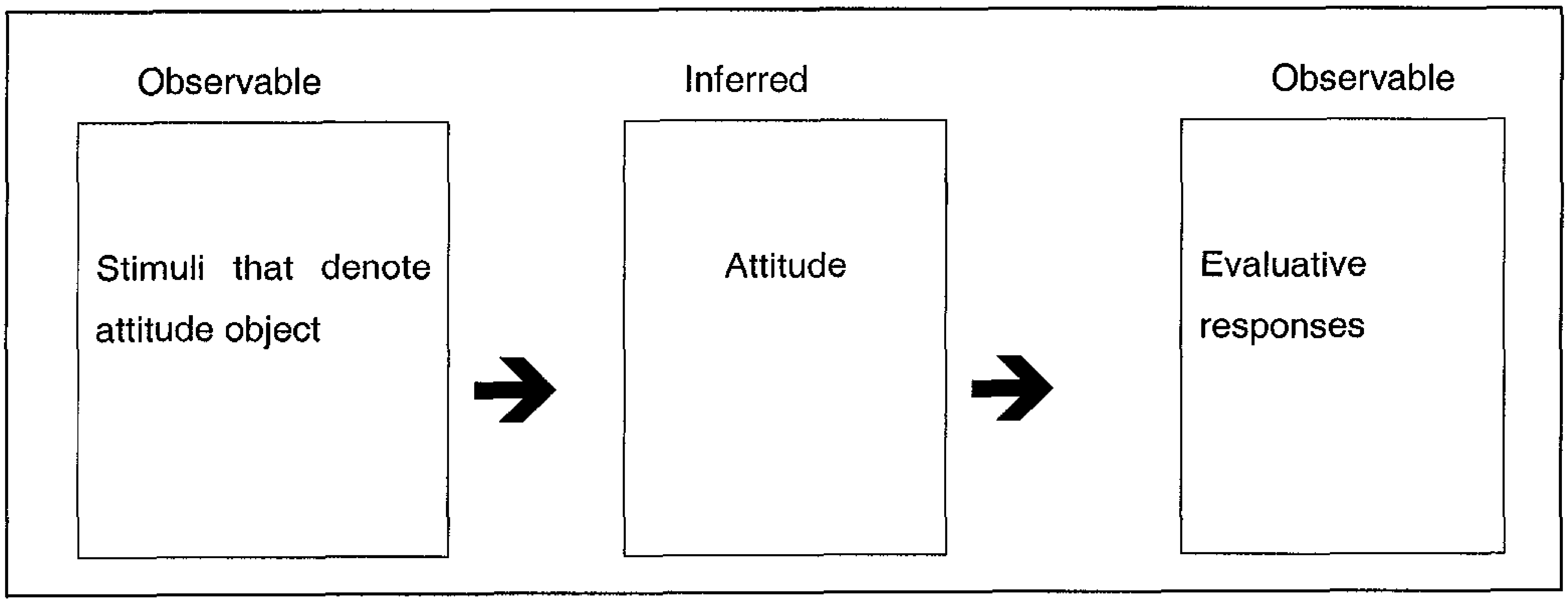
- *Direction* means that individuals are either for or against the attitude object.
- *Degree* indicates how far individuals are for or against the attitude object and in what situations.
- *Intensity* reflects how strongly individuals feel towards or about the attitude object.
- *Consistency* reflects how far individuals extend their attitudes beyond the specific object. From an operational point of view, attitudes are manifested in the consistency of responses made to a specific object or situation.
- *Salience* reflects individuals' willingness to express their attitude in actions (Eagly et al 1993).

5.3.1 Attitudes are evaluative

With reference to Eagly et al's definition (1993), attitude as an evaluative tendency presumes that attitude is an evaluative state that intervenes between certain classes of stimuli and certain classes of responses. Responses regarded as attitudinal are evaluative in nature, where evaluation is defined as the imputation of some degree of goodness or badness to an entity. Evaluative responses express approval or disapproval, favour or disfavour, liking or disliking, approach or avoidance, attraction or aversion, or similar reactions.

An attitude is an inferred state that accounts for covariation between stimuli denoting the attitude object and evaluative responses to these stimuli. This process is described in figure 5.1 below:

Figure 5.1 Attitudes as evaluative tendency



Source: Eagly and Chaicken 1993

5.3.2 The cognitive, affective, and behavioural components of attitudes

There are different points of view on the exact nature of the components of attitudes; for example, the connection between opinions, attitudes and behaviour. Three main points of view are often debated:

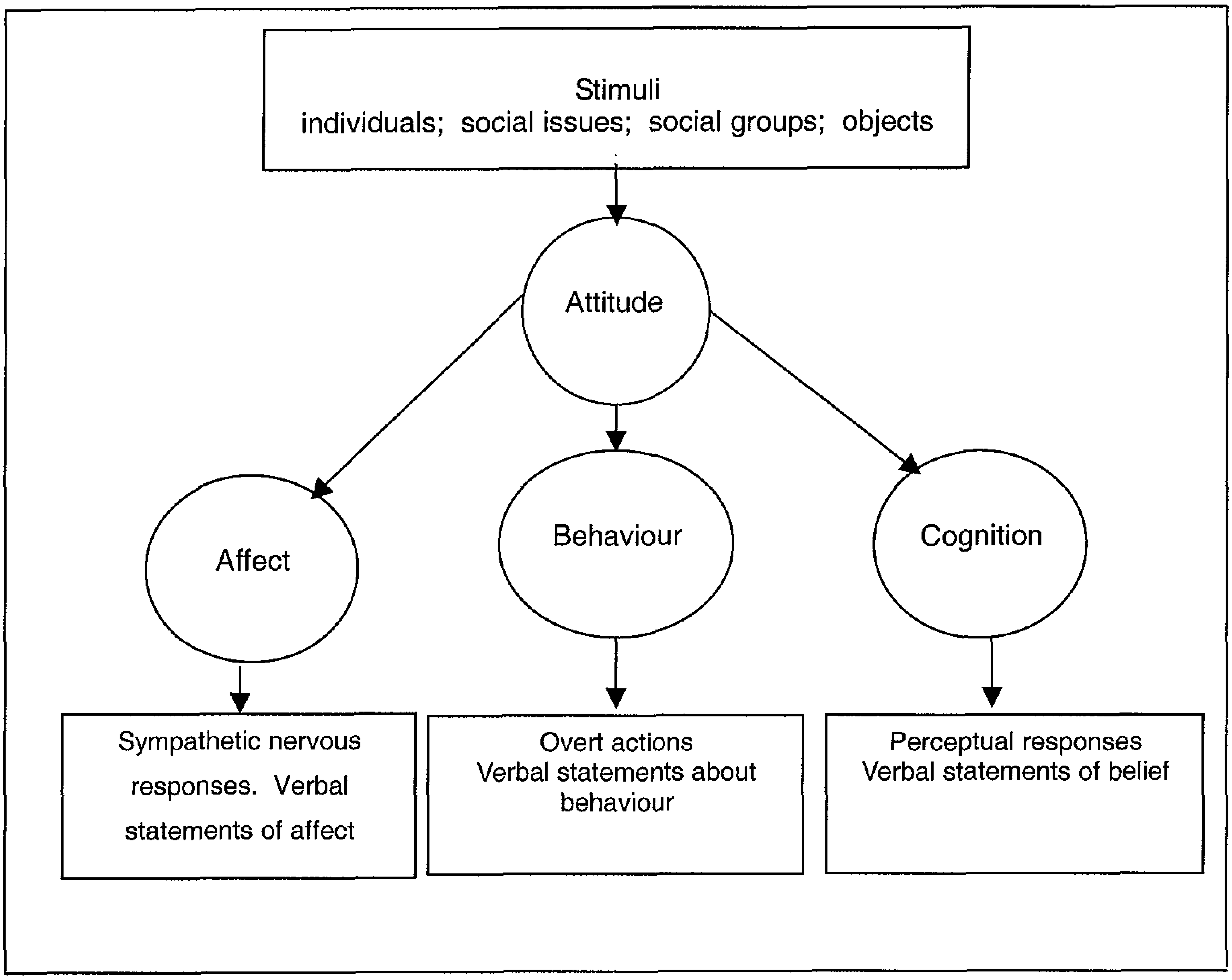
(1) The three-component model, in which attitudes include a cognitive, an affective and a conative component

A common view of attitudes is that they have three components. The distinction between thinking (cognition), feeling (affect) and behaviour (conation) has its roots in ancient Greek philosophy. Although the term "attitude" was first used by Herbert Spencer in 1862 the thought-emotion-behaviour distinction is essentially identical with one made by Plato, who used the terms "cognition", "affection" and "conation" (Hewstone et al 1997).

Since the 1960s this tripartite distinction of thoughts, feelings and behaviour has often been used in attitude theory to refer to the different ways in which people can express their evaluative response towards an attitude object (Eagly et al 1993, ch 1). The assumption of the tripartite perspective is that the three components of attitude are reasonably correlated with one another. If someone has positive thoughts about an attitude object, that person would also be expected to have positive feelings about the object and to be inclined to behave in a positive way towards the object. However, this need not always be the case. For example, most people believe that visiting the dentist for a check-up is good for their health. Nevertheless, these positive thoughts about going for a dental check-up are not always accompanied by positive feelings.

The tripartite model refers to *affect* as an emotional response that can be measured by monitoring physiological responses such as heart rate, or by means of verbal reports of feelings of mood. *Behaviour* includes overt actions, behavioural intentions and verbal statements regarding behaviour. The *cognitive* component consists of beliefs, knowledge structures, perceptual responses and thoughts.

Figure 5.2 The tripartite model of attitude structure



Source: Rosenberg and Hovland (1960)

Some theorists take a different stance from the above tripartite model because there is still doubt about its empirical validity and usefulness.

(2) The two-component model, in which attitudes only include a cognitive and an affective component

Bagozzi and Burnkrant (1979) proponents of a two-component model of attitudes: affect and cognition. In their statistical approach they found that a two-factor solution "fits" attitudinal data better than a one-factor solution.

(3) The single-component model, in which attitudes only consist of an affective component

Fishbein and Ajzen (1975) make a distinction between the three components. According to them, the term "attitude" be reserved solely for the affective dimension, indicating that attitudes are learned dispositions to respond to an object in a favourable or unfavourable manner. Fishbein and Ajzen exclude cognition and conation from the attitude concept. They maintain that treating only the affective component as attitudinal permits a more productive approach to the study of attitudes. They label the cognitive dimension as "beliefs", which can be defined as indicating a person's subjective probability that an object has a particular characteristic.

For the purpose of this study, the tripartite perspective is followed where the cognitive, affective and conative components of attitudes are considered important.

5.3.2.1 Approaches to the study of attitudes

In order to understand attitudes it is necessary to know that five main theories influence studies on the subject.

(1) Learning theory

Learning theory tries to resolve attitudinal tension by means of a simple stimulus-response focus – thus behaviourally. According to learning theory, attitudes are learned through conditioning (ie, reward or punishment). Reward is positive conditioning or reinforcement.

Negative conditioning is punishing, depriving and inflicting pain of a physical, emotional and verbal nature. Parents, teachers, groups, leaders, heroic figures and others influence children's attitudes by means of imitation, habituation, imprinting, transference and identification. The process of association plays a role in conditioning. Attitudes are dispositions, which cannot be observed directly and are thus subject to change as individual experience new and different associations (Oskamp 1977:134).

(2) Cognitive theory

According to the cognitive approach, attitudes are based on the tendency to maintain cognitive balance or consonance. Cognitive consonance (balance) is a consistency between the knowledge, ideas and beliefs, which make up a cognitive system so that the system is harmonious and without internal contradictions. A basic assumption is that people have a need to see a logical and meaningful relationship between certain ideas, concepts and associations. If there is no correlation between them, people are inclined to change their attitude, or components of it, in an effort to achieve cognitive balance. Cognitive theory also reflects the Gestalt approach which stresses the organisation of perceived facts into a whole with qualities different from those of its components considered separately.

Fritz Heider developed his balance theory as part of cognitive theory. In Heider's view, people tend to harmonise or balance their evaluations (assessments) of different elements of a system. If people like the poetry of certain poets, for example, and they find out that the particular poet is someone they do not like they will probably change one of their evaluations. In other words, they will either (have to) change their view of the poet or of the poetry. For Heider, it was all a question of balance. Another example would be when a new employees' attitude at work is determined by whether they like or dislike both a senior colleague and the leader of the work group. If their feelings towards both are the same, their sentiments are balanced and their attitude is either positive or negative (Mohsin 1990:84).

Festinger, an American psychologist and educator is well known for his research into expectation, aspiration and decision making. In his theory of cognitive dissonance, Festinger (1957) maintains that attitudes are formed and changed through *cognitive dissonance*. Thus, two elements are consistent (consonant) when one element follows the other – one would be expected from the other. Moreover, two elements are inconsistent (dissonant) when knowledge of one suggests the opposite of the other. Two elements can also be irrelevant when knowledge of one tells people nothing about what they might expect regarding the other (Petty & Cacioppo 1981:138).

Cognitive dissonance theory deals with the relations between "cognitive elements". These elements are items of knowledge, information, attitude, or belief that people hold about themselves or about their surroundings. Two elements may either be consistent or compatible, or dissonant and irrelevant. The basic principle of the theory is that dissonance will motivate the person to try to reduce the dissonance and achieve consonance.

Whereas other consistency theories simultaneously consider the interrelationships among a number of elements to determine whether or not the structure of elements is balanced (Cartwright & Harary 1956 cited in Petty & Capaccio 1981), dissonance theory considers only pairs of elements at a time.

(3) Self perception theory

Bem, an American psychologist and proponent of self-perception theory, who developed the Bem sex-role inventory - a scale to measure masculinity and femininity as two separate/distinct dimensions rather than a single bipolar dimension (1967:186, cited in Petty and Cacioppo 1981:165), reasoned that "an individual's statements may be viewed as inferences from observations of his own behaviour and its accompanying stimulus variables. As such, his statements are functionally similar to those any outside observer could make about him."

Individuals use *self-perception theory* as a self-analysis paradigm in which they observe their own behaviour – for instance, "I must like coffee, I'm always drinking it" (Mostyn 1978:24). Self-perception processes are operative when a person's behaviour is generally consistent but not in total agreement with the initial attitude – that is, when the behaviour falls within the person's latitude of acceptance. This attributional approach to attitudes helps to explain the subtle adjustments in attitudes that follow acts generally consistent with a prior attitude. But it does not account for attitude change following insufficiently justified behaviour that is inconsistent with a person's initial attitude.

(4) Social judgment theory

Sherif and Hovland's (1961 cited in Petty et al 1981), social judgment theory is an attempt to derive specific persuasion predictions by the application of judgmental principles. The social judgment approach assumes that people tend to arrange stimuli in a meaningful order on a psychological dimension (eg, people may be arranged from the youngest to the oldest, shortest to the tallest). Judgments about physical and social stimuli are thought to be subject to two judgmental distortions: contrast and assimilation. Contrast refers to a shift in judgment away from an anchor and assimilation refers to a shift in judgment towards an anchor (Petty & Cacioppo 1981:99).

The information flow paradigm forms the main focus of *social judgment theo*ry in which the individual evaluates incoming information in terms of acceptance, rejection or neutral categories. People's own attitude is perceived to serve as a powerful anchor, and the opinions and attitudes expressed by others may be displaced either towards or away from their own position. Attitudes relatively close to people's own are assimilated since they are seen as closer to their own view. Thus, if the position advocated by a communication falls within a person's latitude of acceptance, assimilation occurs, but a position that falls within the latitude of rejection is contrasted (Oskamp 1977:67; Rajecki 1982:276).

Both the *cognitive dissonance* and *self-perception theories* emphasise the predominance of behaviour over attitudes based on a self-analysis paradigm in which individuals form and change their attitudes as they observe their own behaviour. Whether or not the advocated position of a communication falls within a person's latitude of acceptance or rejection will thus primarily determine whether or not persuasion will occur.

(5) Functional theory

Whereas Fishbein's model was developed within the framework of behavioural theory, Rosenberg's formulation was influenced by the functional approach to attitudes. This approach suggests that attitude formation and change can be understood only in terms of the functions that attitudes serve for the individual. For example, Smith, Bruner, and White (1956 cited in Fishbein & Ajzen 1975) discuss three functions: object appraisal, social adjustment, and externalization. Katz (1960, cited in Fishbein & Ajzen 1975:31) refers to the instrumental, adjustive and the ego-defensive function, the value-expressive function, and the knowledge function of attitudes. According to this view, attitudes are necessary because they permit individuals to achieve certain goals or value states. This view allows individuals to organise knowledge, to maintain their self-esteem, and to express their views.

Rosenberg later expanded his definition of attitude to include beliefs in the concept of attitude, adding an explicit statement of affective-cognitive consistency. Rosenberg (1965a:123–124) maintained that "humans have a need to achieve and maintain affective-cognitive consistency"

Fishbein's model accounts for the relation between beliefs and attitude in terms of conditioning processes, whereas Rosenberg's formulation relies on the assumption of a need for cognitive-affective consistency to account for the same relations. The two models have several structural similarities. Rosenberg's theory of cognitive-affective consistency is one of the theories dealing with the effects of inconsistencies among beliefs, attitudes, intentions and behaviours. Consistency theories originated largely from Fritz Heider's principle of balance (Mohsin 1990:84) (see section 5.3.2.1).

Table 5.3 below presents a comparison of contemporary attitude theories. It is evident that theories may differ in terms of their conceptual variables and thus the kinds of relations they can deal with.

Table 5.3 Comparison of contemporary attitude theories

CLASSIFICATION	**Conceptual variables**	**Operational variables**
Fishbein	belief, affect	belief, affect,
Rosenberg	belief, affect	belief, affect,
Balance (Heider)	belief, affect	belief, affect, intention, behaviour
Congruity (Osgood & Tannenbaum)	belief, affect	affect
Dissonance (Festinger)	belief	belief, affect, intention, behaviour
Self-attribution (Bem)	belief	belief, affect, intention

5.4 ATTITUDE FORMATION

The term "attitude formation" refers to the initial change from having no attitude towards a given object to having some attitude towards it, either positive, negative, or in-between. For adults to have no attitude may mean that they have never had any experience, either direct or vicarious, with the object, or simply that they have never thought evaluatively about it. Direct personal experience, either in salient incidents or in repeated exposure over time, is the most fundamental factor in attitude formation. Because of people's need to simplify the complexity of their personal experience, they develop cognitive categories for classifying events and objects around them. One example of such categories is a stereotype, an image or set of beliefs, which a person holds about most members of a particular social group. Stereotypes are highly simplified, frequently highly evaluative and rigidly resistant to change, and therefore often inaccurate. However, it is possible that they can contain at least a small element of truth.

Parental influence is very great in forming the child's early attitudes. Children learn through observing the actions of others. In many cases children hear their parents say things not intended for their ears, or observe their parents engaging in actions that the parents tell them not to perform. For example, parents who smoke often warn their children against the health risks of smoking.

In their lifetime people are exposed to many experiences and therefore stimuli. As a result of this exposure attitudes are formed out of the residue of feelings, beliefs and patterns of response. Certain traces are formed and stored in the memory where they are formed into mental dispositions and tendencies. Psychologists label these "attitudes". People normally create meaningful associations with the attitude object and the evaluation of the object is either positive (eg, good quality) or negative (eg, poor quality). Furthermore, if the style of presenting the message is right in terms of speech style, grammar, accent, appeal (emotional or serious), body language and volume, attitude formation is likely to take place.

Another important element in attitude formation is that the main persuasive point is presented at the beginning and the end of the message and that both sides of a persuasive argument are presented.

Individuals differ in their acceptance of a new attitude. Some people are either more rigid or persuadable than others. Factors such as motivation, emotional make-up, belief systems and group affiliations, which tend to lead to "selective perception" on the part of individuals, play a role in the way a new attitude is accepted.

5.5 MEASURING ATTITUDES

Attitude can be measured with surveys and scales. Attitude assessments can be used to achieve the following objectives:

- reflect respondents' personal choices
- identify areas of concern
- identify causes of specific problems
- determine morale in different parts of the company or business
- assess training and provide feedback on performance
- allow people their views
- improve job satisfaction provided there is no frustration and poor management
- allow different forms or channels of communication, including group discussions with employees on their attitudes and the co-operation and assistance they need from management.

5.5.1 Attitude surveys

Attitude surveys can be conducted in three ways, namely focus groups, interviews and questionnaires.

(1) Focus groups

Focus groups represent a sample of respondents who give feedback on opinions and attitudes towards their work and the organisation, if required. Focus groups should be informed about the process and its purpose.

The following steps need to be taken when planning focus groups:

(1) Formulate objectives.
(2) Allow enough time to cover the relevant points.
(3) Agree on group membership by having a representative sample of not more than ten respondents.
(4) Co-ordinate and organise groups
(5) Plan follow-up and give feedback to groups.

(2) Interviews

Interviews can be structured and are, in a sense, the verbal application of a questionnaire. Semi-structured interviews allow discussion on certain points to obtain individuals' frank and open views. The advantage of individual interviews is that they normally reveal a lot of information and are easy to analyse. The disadvantage is that they are expensive and time consuming. Group discussions have the advantage of reaching more people, but the results are not easy to quantify.

Questionnaires may be followed by structured interviews with respondents. This assists some members to express their feelings more fully.

(3) Attitude questionnaires and scales

Attitude questionnaires and scales are a structured method to collect information from all or a sample of respondents. Questionnaires may be developed specifically for the organisation, or standardised, such as the Brayfield and Rothe Index of Job Satisfaction (Gregory 1996). Standardised questionnaires have normally been tested and often have norms available. Therefore the results can be compared against the norms. Standardised questionnaires may also be used and some questions specifically relevant to the company added.

The advantage of questionnaires is that they are relatively cheap to administer and analyse, especially when large numbers are involved. Attitude surveys can provide helpful information on attitudes and emotions as a source for creating and establishing policies.

5.5.2 Attitude scaling methods

Scales serve as a method to make qualitative facts more manageable by converting them into a quantitative series of variables. In addition, scales serve as a record of past and future attitudes. Scales are an indirect method of acquiring knowledge on feelings, beliefs, fears and desires. The advantage of scales is that they can be used with many people when conducting research.

Six assumptions underlie the use of scales (Mostyn 1978):

(1) Pretesting (a pilot run) tests the clarity and meaning of the questions in an effort to ensure that researcher and respondents understand them.

(2) If applied correctly, different opinions and views of attitudes will emanate.

(3) If comprehensive statements are provided, respondents tend to favour options like, "agree – disagree" rather than the neutral options.

(4) It must be assumed that respondents selecting the same answer have the same attitude in order to generalize about the attitudes of the entire sample.

(5) Different beliefs or views (can) lead to different responses. It must be assumed that there are differences in belief systems of those with positive answers and those with negative answers.

(6) Whenever a normal sample is large enough, the positive and negative ratings will neutralise each other.

In the late 1920s and early 1930s a number of attitude scaling methods were developed which are still in common use today.

Each of the major attitude scaling techniques is discussed below briefly, to clarify their major characteristics and points of difference. Various scales are available, such as the simple bipolar scale, the complex Thurstone scale and the Likert scale.

- **Bipolar scales**

Respondents are given a choice of two or more (multiple) statements and asked to select the most appropriate answer that reflects their own attitude or opinion. The main advantage of a bipolar scale is its simplicity. It only requires a simple question to coincide with the answer. Bipolar questions are straightforward.

These scales are not suitable when researchers want respondents to choose between two extremes or respondents prefer a more neutral outcome as a motivational research technique.

Mostyn (1978:40) gives the following example of a bipolar scale:

> After each number listed below there are two statements. Please select the one that best expresses your opinion and underline it.

1. Sugar is bad for you. Sugar is good for you.
2. You will have good teeth only if you care for them properly.
   You're either born with good teeth or you're born with bad teeth.
3. Health foods are a fad. Health foods make a lot of sense.
4. You need milk for good skin and healthy hair. Milk makes no difference to the quality of your skin and hair.
5. Most people eat sensibly. Most people haven't got a clue about a proper diet.

Where necessary, the interviewer can read the statements to the respondents if their linguistic skills or vision are impaired. However, statements usually have to be read several times and this can be very time consuming.

Because of the black-and-white choice that respondents have to make, bipolar scales are quite reliable, meaning that the respondents are likely to select the same statement next time. Re-spondents will not easily change their answer from "Seat belts prevent accidents and injury" to "Seat belts contribute to accidents and injury".

Bipolar scales are not good predictors of future behaviour. They force respondents to make extreme and hypothetical choices, which are not realistic for them. The fact that they may not be willing to "put their money where their mouth is" results in reduced validity.

Although bipolar scales are, by their very nature, too simplistic to provide adequate insight into complex motivational and emotional issues, such as self-image, they can be constructed to answer questions about attitudes towards products, services, firms, retail outlets, media, advertising concepts, packaging or social issues as long as the researchers can feel that they have gained insight by dividing the sample into the "yes" and "no" responses. If that is the purpose of the research then the bipolar scale is more than adequate.

- **Thurstone's method of equal – appearing intervals**

Thurstone (1928, cited in Oskamp 1977:27) attempted to develop a method which would indicate precisely the amount of difference between one respondent's attitude and another's. The method that he developed is rather complex. A series of 5, 7, 9 or 11 statements, representing a range of opinions from being very much in favour of an issue to strongly against it, are presented to the respondents. The respondents are asked to select the statement with which they are most in sympathy.

According to Thurstone, the actual method of deriving the scales is long and involved but makes the scale quite reliable. In the first instance, various groups are asked to write out their opinions on a specific issue such as preserving the earth's resources. In addition, the literature is reviewed for brief, concise statements related to the issue. All the statements are then edited down to 100 or 150, including a fair range of neutral statements. Then judges are asked to sort the statements into piles (usually 11) ranging from very positive (+5), to very negative (-5) and one neutral category of 0. After the judges have completed the evaluation process, the mean favourability rating (from 1 to 11) and standard deviation for each item are determined. Because the standard deviation of an item's favourability rating reflects ambiguity, items with large standard deviations are dropped. Usually, about 20 to 30 items are chosen so that the statements cover the range of the dimension (favourable to unfavourable). It is assumed that the differences between items on the final scale fulfil the properties of an interval scale.

A major drawback of Thurston's method is that it is time consuming and tedious to apply. For that reason it is used much less extensively that the Likert scales.

- **Likert's method of summated ratings**

Likert's method was the first approach which measured the extent of the respondent's agreement with each item, rather than simply obtaining a "yes-no" response. In this method, a large number of opinion statements on a given topic are collected, but each one is phrased in such a way that it can be answered on a 5-point scale. Respondents are asked to agree or disagree with a series of statements, such as "Incentives are a good source of motivation": Strongly agree, Agree, Neutral, Disagree, Strongly disagree.

In formulating Likert scale statements, the items should ideally emerge from in-depth interviews or be standardised items that have been used and tested by the researcher for the research problem in question.

Likert (1932:5, cited in Oskamp, 1977:29) recommends the following scoring system:

Agree very much	=	4
Agree	=	3
Neutral	=	2
Disagree	=	1
Disagree very much	=	0

An advantage of the Likert scales is that if a statement is unfavourable, the scoring system is reversed. This means a summation to get a total score for each subject as well as a total evaluation for the sample as a whole. That is why the Likert scale has become known as the "method of summated ratings".

Likert scales are often used in self-administered questionnaires because of their simplicity. The problem is to select the most meaningful statements and not repeat ideas in a set of statements unless they are to be specially factored.

A disadvantage of Likert scales is that although respondents find them easy to understand because of their simplicity, it is not so easy to understand what the respondents actually understood by them. It often happens that one scale position represents a whole range of attitudes.

Typically, the respondents are handed a card with the 5, 6 or 7 answer choices printed on it and asked the following:

> Looking at the answer choices printed on this card, could you please select the one that best expresses your own attitude for each of the statements that will be read out to you. As you can see, the answer choices are: agree very much; agree; neutral; disagree; disagree very much. The statements that will be read are typical of those made by average people, they are neither right nor wrong. We are interested in knowing how you feel about them.

Table 5.4 An example of a Likert scale used in a questionnaire

	Agree very much	Agree	Neutral	Disagree	Disagree very much
I like to be one of the first to try new products.					
Having a clean house is the most important goal of my week.					

While there is no limit to the number of questions in a typical Likert scale, respondents are usually asked to respond to at least three or as many as 25, using the same answer choices.

Much research has been done on Likert scales, including studies on how to phrase and formulate statements and how to place the agree-disagree answer choices on the page. Studies on the positioning of statements found a bias for the left hand side of the page of the Likert scale, irrespective of whether it contains the agree or disagree item. Kraut, Wafson and Ruthenberg (1975 cited in Mostyn 1978) found that responses to statements at the end of the questionnaire were more likely to stay unanswered, were less extreme and in general less favourable.

According to Worcester and Burns (1975:181), the following should be borne in mind when using Likert scales:

- Use extreme statements to describe extreme positions (eg, strongly agree or strongly disagree.
- Avoid ambiguous words like "same", "moderate" and "considerable" because they have vastly different meanings.
- Balance absolute statements ("no effect") with equally absolute statements ("total effect").
- Use modifying adverbs to balance side point statements: "agree strongly", "agree slightly" rather than "agree strongly" and "agree". Research indicates that the word "slightly" is a better modifier than either "fairly" or "quite".
- Grammatically balanced scales are often unbalanced in interpretation – "tend to disagree" is not the opposite of "tend to agree". This is because respondents are more likely to give positive answers in order to appear helpful and also because of a left hand bias for the first position on the scale which is usually a positive position.

According to Mostyn (1978:45), Likert scales are not as reliable as bipolar scales, for instance. Because it is so difficult to construct meaningful statements in Likert scales, respondents could change their opinion from one day to the next. Respondents might even change their response from "disagree very strongly" to "disagree" or even "agree" if the statements are not precise enough. Likert scales nevertheless achieve higher reliability coefficients with fewer items than Thurstone scales.

Likert scales can be formulated to gain information on various matters, such as attitudes, motivation or emotional feelings any social issue, firm, product, retail outlet, service, media, advertising concept, packaging, and self-image.

- **Guttman's scalogram analysis**

One of the limitations of both the Thurstone and Likert techniques is that the respondent's attitude score does not have a unique meaning. That is, any given score can be obtained in many different ways. On a Likert scale, for instance, a mid-range score can be obtained by giving mostly "undecided" responses, or by giving many "strongly approve" responses balanced by many "strongly disapprove" responses, or by both "approve" and "disapprove" responses. Guttman (1944 cited in Oskamp 1977:31) proposed a method in which scores would have unique meanings. This was to be accomplished by insuring that response patterns were cumulative. In the Guttman method, a respondent who is moderately favourable towards the attitude object should answer "yes" to all of the items accepted by a mildly favourable respondent plus one or more additional items. Similarly, a strongly favourable respondent should endorse all the items accepted by moderately favourable respondents plus additional items.

The Guttman technique is unidimensional and measures only one underlying attitude. The Thurstone and Likert scales may be measuring two or more underlying dimensions and Triandis' (1974) expansion of the social distance scale illustrates the possibility of several related but different dimensions in one measure.

5.6 ATTITUDES TOWARDS PERFORMANCE MANAGEMENT

People work better and more productively when they feel involved, important and affirmed, valued and rewarded for the work they do. However, managers and supervisors do not seem to understand or value this. Employees' motivation at the individual level depends on the quality of management more than any other single variable. According to Albrecht (1983), the critical issue is the reward system and the behaviour of the managers. In addition, training plays a major role in developing skills and the company's willingness to train its people results in a positive attitude because people feel that the company is investing in them.

5.6.1 Relationship between performance management and attitude change

Although not much information is available on the relationship between performance management and employees' attitude towards their work as such, job satisfaction may be a good indicator of how employees perceive their work.

Job satisfaction may be defined as a predominantly favourable attitude towards work. Individuals may be dissatisfied with certain aspects of their work and satisfied with others, but provided they manifest positive feelings and behaviour towards a relatively large number of factors, it is assumed that they are satisfied with their job. There is a strong relation between satisfaction, motivation and performance of people at work (Furnham 1995).

5.6.2 Determinants in attitude change

Attitudes can change without the individual's awareness. Methods to change attitudes include *repetition of a persuasive message, allowing individuals to choose freely and creating a* feeling of being on the winning side if they identify with a particular concept; providing the last straw that pushes individuals from one attitude to another, and providing an opportunity to experience the other viewpoint.

People show opposition to attitude change in many ways, such as verbally trying to impose views, associating attitudes with the current central values system and avoiding perceived pressure and manipulation.

The following factors can effect a change in attitude:

(1) Changing the facts

By evaluating the opinions of workers, management can determine which factors in the work situation should be changed in order to change attitudes. If it is known, for example, that there is a lot of noise in the working environment which leads to negative feelings, the company can decide to try and prevent or lessen the noise and in that way change employees' attitudes.

(2) Influence of group membership

People who feel that their contributions are valued high normally have a positive attitude towards their work. Attitudes can be positively influenced by allowing a work group to feel that they form an important part of the organisation, by introducing benefits, for example, that allow the distribution of profits across the company, which apply to all levels – irrespective of status.

(3) The communicator's credibility

An attitude is changed more readily if the source of information is regarded as credible. People's (communicators) credibility is determined by factors such as their credibility in the past, their authority, prestige and position of power.

Not only individuals, but also the mass media are sources of communication, and individual attitudes change according to the source in which they believe, such as printed newspapers and research reports.

(4) Fear-evoking messages

Messages evoking excessive fear are inclined to be ineffective. They may trigger defence mechanisms or have an immunisation effect, with the result that similar messages will elicit no reaction in future and may cause the communicator's motives to become suspect. A relatively impersonal message, causing mild anxiety is usually more effective. Fear-evoking messages can be effective if they illustrate how the consequences of fearsome situations may be avoided, such as an advertisement that demonstrates that road accidents are often the consequence of not wearing safety belts.

(5) The organisation of information

Attitudes can be changed through one-sided messages that give purely positive information or two-sided messages that give both positive and negative information about an organisation or type of work. One-sided messages are normally more effective if people are neutral or if they already agree with the message. Two-sided messages are more effective for people whose attitudes conflict with that of the communicator and if propaganda or counter-information is involved.

The effectiveness of any attitude change is determined by whether attitudes are central or peripheral. A further complication is the fact that attitudes are not always directly perceptible. Although the measurement of attitudes through surveys, for example, may indicate the nature or effects of attitudes, their causes are also pertinent to change.

5.7 SUMMARY

In the context of this study it is important to note the relationship between attitude and work behaviour and that changed attitudes will result in changed work behaviour. This chapter discussed the definition and classification of attitudes, approaches to attitudes, attitude formation and change, and scales to measure attitudes.

CHAPTER 6

RESEARCH METHODOLOGY

6.1 INTRODUCTION

One of the aims of this study was to assess the impact of performance management training (as intervention) on managers' attitudes towards a performance management programme.

In this chapter the research design, research sample, the questionnaire and the development of one component of the questionnaire into an attitude scale that measures managers' attitudes towards performance management are discussed. The content of the training programme, the research hypotheses and the methods for the statistical analyses of data are also discussed.

6.2 RESEARCH DESIGN

A quasi-experimental research design was used in which a pre-test and post-test were applied to the respondent group.

In this study the intervention of a performance management training course served as independent variable, while managers' attitudes towards performance management (as measured by the attitude scale) were the dependent variable. The performance management attitude scale was used to analyse and describe the respondent group in terms of their attitude before and after the performance management training course.

The assessment instrument, which included the attitude scale, was a paper and pencil test applied before the performance management training programme took place. On the day of the training, before the training programme commenced, the assessment instrument was completed. Training delegates were instructed to complete the questionnaire as honestly, accurately and quickly as possible. They were also told that there were no "right" or "wrong" answers and that the answers would indicate how they felt about each item.

The second application of the attitude questionnaire (post-test) was by means of electronic communication. Managers who completed the performance management training course, as well as the pre-test, received the pro-forma of the questionnaire via e-mail and were asked to complete it electronically and to e-mail it back to the researcher. The second application took place six months after the implementation of the performance management process in the company.

The data obtained through the two assessments were captured in electronic format and analysed with the use of statistical software.

6.3 RESEARCH SAMPLE DESCRIPTION

For the purpose of this research study the term "respondent group" was specifically used and not the term "research sample", because it was not possible to draw any kind of representative sample from the population. The respondent group consisted of 101 managers who responded to the advertisement of the performance management training programme and presented themselves for the course.

The biographical data of the group was collected by means of Section A of the questionnaire. Table 6.1 presents the respondent group's biographical information. Chapter 7 discusses the results with the aid of this data.

Table 6.1 Biographical data of the respondent group

Age

Age	**20 – 29**	**30 – 39**	**40 – 49**	**50 –59**	**60 - 69**	**Total**
Number	10	41	37	12	1	101

Gender

Gender	**Male**	**Female**	**Total**
Percentage	26%	74%	100%

Years' work experience in the company

Years work experience in the Company	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 - 29
Number	35	31	23	10	2	1

Years' management experience

Years management experience	0 – 4	5 – 9	10 – 14	15 – 19
Number	57	27	11	2

6.4 ASSESSMENT INSTRUMENT

6.4.1 Questionnaire design

The attitude questionnaire was developed on the basis of information obtained from the literature review (see chapters 2 to 5). Gregory's (1996:120) steps in questionnaire design and Likert scales were used to draw up the questionnaire.

A set of constructs that represent the attitudes towards performance management were identified in the literature review. The items were formulated and a preliminary questionnaire was made available to five experts in the fields of Industrial Psychology and Psychology for evaluation. The purpose was to determine which items to retain and which to discard.

A pilot test was performed in which eight managers, who did not plan to attend the training course, completed the questionnaire. Their feedback was valuable to determine biased and unclear items.

The questionnaire consisted of four sections:

(1) Section A

This section aimed at obtaining biographical data. Information on age, gender, years of work experience in the company, years of experience as a manager in the company, name of business unit and name of geographical region were obtained (see appendix 1).

(2) Section B

This section consisted of one qualitative question to assess the respondents' general feeling towards performance management. Respondents had to indicate whether they felt positive or negative towards performance management. An open-ended question as to the reasons for their feelings was added.

(3) Section C

Section C consisted of 95 items all related to people's attitudes towards performance management. In this section the respondents, on the basis of a Likert scale had to assess each of the items by using a scoring key of 1 to 4 where 4 meant strongly agree and 1 meant strongly disagree. Each of the statements represented a component of the theoretical constructs that represent the attitudes of managers towards performance management (ie, structure; leadership; rewards and reward systems; strategy; collaboration culture; competence culture; cultivation culture and the impact of the environment).

In order to use these items effectively in combination to measure attitudes towards performance management, the set of items were subjected to a process of factor analysis.

Factor analysis was used to:

(1) analyse interrelationships among the large number of items
(2) explain these items in terms of their common underlying dimensions (factors)
(3) reduce the information contained in the number of original items into a smaller set of factors with a minimum loss of information
(4) identify a small number of factors that explain most of the variance observed in the total number of items

Factor analysis was conducted in three basic steps:

Step 1 Data collection and generation of the correlation matrix

The starting point for the factor analysis was the correlation matrix, which is a complete table of intercorrelations among all variables. Variables that intercorrelate strongly means that these variables measure something in common – they reflect a common underlying factor.

A *factor* is a weighted linear sum of variables. This means that each factor is a precise statistical combination of items that loaded onto the particular factor.

Statistical calculations for each variable resulted in the number of valid cases, mean, and standard deviation. The factor analysis resulted in a correlation matrix of variables, communalities, total variance explained, component matrix and a pattern matrix (see appendix 2).

Factor loadings (which can take on values from –1.00 to +1.00) indicated the weighting of each variable on each factor.

The method used to analyse the factors was the principal component analysis. The method provided a unique solution so that the original data was reconstructed from the results. It analyses the total variance among the variables, so that the solution generated included as many factors as there were variables, although it was unlikely that they would all meet the criteria for retention.

Step 2 Rotation and interpretation

It was very difficult to interpret an unrotated factor solution. All the most significant loadings were on factor 1. This was a common pattern. One way to obtain more interpretable results was to rotate the solution. After rotation the loadings were distributed between the factors and the results were easier to interpret. After a critical analysis of the three final factors, it was decided to use factor 1 as the instrument for measuring attitudes towards performance management. The items in this factor showed a conceptual coherence to support the purpose of the measurement, namely to measure the attitude of managers towards performance management. Items with a correlation of more than 0.3 were included in the scale.

Step 3 Construction of scales or factor scores to use in further analyses

The most common use of factor scores is to construct summated scales based on the factor structure. This was done with the scale that emanated from the process described above.

The final scale consisted of 28 items as reflected in table 6.2 below:

Table 6.2 The final scale – performance management attitude scale (PMA scale)

Item	Description of item	Construct
61	My direct manager informs me when I am performing both above and below his/her expectations.	Structure
80	I usually feel that I can confide in and trust my colleagues.	Collaboration culture
92	I find it easy to talk to my supervisor	Collaboration culture
17	The new targets set annually for me by my manager give me direction	Leadership
42	I understand my job duties and responsibilities.	Structure
71	Most of my work objectives are clearly defined.	Structure
75	I can usually see the results of my work.	Control culture
78	I have a clear idea of my work group's goal.	Collaboration culture
79	I feel that I am really part of my work group.	Collaboration culture
81	Members of my work group usually maintain high standards of performance.	Competence culture
82	My work group usually emphasises team goals.	Strategy
83	My work group usually plans together and co-ordinates its efforts.	Strategy
14	My organisation inspires the very best in me in the way of job performance.	Leadership
67	There is ample opportunity for advancement in my job.	Cultivation culture
70	I feel personally responsible for the tasks I perform in my work.	Control culture
84	In my work environment there are factors which encourage me to work hard.	Cultivation culture
19	When I do a good job, I get praised for it.	Reward

Item	Description of item	Construct
20	I get paid for doing a good job.	Competence culture
21	My pay compares with that of similar jobs in other companies.	External environment/suprasystem
24	My organisation rewards the behaviour/performance that is critical for organisational success.	Rewards
25	My supervisor/manager rates everyone fairly when considering him or her for promotion.	Leadership
85	My business unit is known for a reward system (salaries, promotion, and benefits) based on employee worth, ability and performance rather than luck, who you know and how well people can be manipulated.	Reward
87	In my business unit definite psychological distinctions (eg, informal social boundaries, treatment of subordinates as inferior, etc), are made.	Reward
88	My company is characterised by an interest in the welfare of its employees.	Structure
43	I have all the tools and resources I need to do my job.	Control culture
49	There is definitely scope for growth and development for me as an employee my business unit.	Cultivation culture
53	Although I possess the required skills, my company hires external consultants to execute functions that I am equipped to do.	External environment/ suprasystem
45	My duties and responsibilities are in line with the business unit's strategies	Strategy

Rationale for and description of constructs measured by the performance management attitude scale

a) Structure

Structure specifies the reporting lines of all roles in an organisation. It indicates their span of control and scope or extent of authority. Structure moulds culture and can contribute to a worker's job productivity and satisfaction and has an impact on the employee's health and well-being.

It was important to include items that measure the construct of structure in the questionnaire. Managers understand the important role that structure plays in a performance management system. They know how important it is to communicate to all employees what skills are required for them to do the job. One of the functions of a manager is to communicate the company's strategies and objectives to employees and to meet with each employee in order to discuss and get agreement on the employee's objectives. One of the reasons why employees often feel disheartened is lack of role clarity. Although managers have the function of clarifying the roles of their reportees, they often experience frustration themselves, because of lack of clarity of their own roles and responsibilities, because that is not clearly communicated to them by their managers.

b) Leadership

Leadership refers to a process of influence whereby an individual creates vision and directs members on where the corporation is going and how to get there. The leader will empower and inspire team members to enhance the execution of plans.

In completing the questionnaire, managers realised from their own experience what an important role leadership plays in performance management. Organisations that lack leadership and where no vision, mission, strategies and goals exist, have a poor chance of implementing and maintaining a sound performance management system. One of the critical success factors of a performance management system is that the executive management team must provide clear direction on what the company strategy is and the leaders in the company must drive the implementation of that strategy by means of the performance management system.

c) Rewards and reward systems

In many organisations rewards serve as a motivator to optimise performance. In those organisations all levels of employees can benefit from the explicit link between goals and rewards under individual incentive and bonus schemes. In these organisations employees are paid for achieving their goals.

Other less explicit rewards, such as fringe benefits, base pay, seniority awards, job security, flexible hours and good equipment, may not serve directly to motivate high performance, but they do encourage the employee to remain with the organisation rather than leaving.

Another type of reward that is identified in employees (an internal reward) is a sense of achievement based on attaining a certain level of excellence. Promotion and recognition are forms of external rewards that are most likely linked to performance in relation to goals and pay.

Items that measure the construct of reward and reward systems were included in the questionnaire because managers themselves have experience of what motivates them to do a good job. All managers have their opinions on what motivates employees in general, including themselves. Even though they are in managerial positions, it can be accepted that they also need recognition.

d) Strategy

Strategy refers to the organisation's overall plan for achieving its identified goals. Corporate strategy is based on the company's vision and mission statements. An important factor in executing the strategic plan is achieving a good fit between the strategic and structural subsystems to ensure that a strategy can best be carried out by a given structure.

Items measuring the construct of strategy were included in the questionnaire because managers are expected to communicate the company and business units' strategies.

Managers often find it difficult to direct their employees if the company's strategies and goals are not clearly defined.

e) Control culture

Aspects such as objective certainty, reliable methods, discipline, predictability and availability of information are necessities in the control culture. This culture is characterised by a high task orientation and is concerned with daily tasks. Strong emphasis is placed on rules and adherence to them.

The construct of control was included in the questionnaire because generally managers have the responsibility to plan, direct, organise and control their units' or teams' activities. Some managers know how it feels to be overly controlled as well as to lack control. Both these ways of control have an impact on subordinates. In managing performance, control is an important aspect. Managers understand the importance of aspects such as rectifying underperformance as well as the monitoring of timeframes.

f) Collaboration culture

Synergy is a critical success factor of the collaboration culture where involvement, trust and empowerment of its people are important. In a collaboration culture the organisation's goals are reached by utilising the collective experience of people from inside and outside the organisation.

Items were included in the questionnaire to measure collaboration culture because managers can provide important feedback on the importance of aspects such as teamwork, trust and effective communication. These aspects are particularly important in creating a healthy environment for the implementation and maintenance of a performance management system.

g) Competence culture

The competence culture has competition at its centre. The norms are excellence, superiority and challenge. *In this culture high standards are set. Some organisations have established a* corporate culture that supports employees' continuous learning and development. This culture is formed by means of modelling and reinforcement of continuous learning, providing feedback, seeking feedback, and changing behaviour in response to feedback.

Items that measure this construct were included in the questionnaire because it was realised that managers understand the importance of recruiting and retaining the right skills for the organisation. Managers often find themselves in a position where they have to improve their own skills to survive in a constantly changing environment where they have to meet the needs of their clients.

h) Cultivation culture

The cultivation culture focuses on possibilities, inspirations and creative options. This culture is a world of purpose, evolution and change because its employees believe in the purpose of the organisation. In this culture employees are provided every opportunity to reach their full potential of growth, creativity and developing change.

It was felt that managers could provide realistic feedback on the challenges that they have to confront on a daily basis where they have to be creative, enhance their own personal growth to reach their full potential as well as encourage their employees to constantly grow in order to let the organisation reach its full potential. The cultivation culture plays a major role in performance management because for constant improvement of performance managers are expected to be creative and adaptive to change.

i) Impact of the environment

The environmental suprasystem refers to the factors outside an organisational system that impact on the organisation's performance. The environment includes economic, legal, political, and sociocultural factors. It also includes technological factors, such as competitors, shareholders, customer demands, and standard business practices.

(4) Section D

Section D comprised 11 items in which respondents had to assess themselves according to how well they perform in terms of performance management, how performance management is applied in their business units and lastly how they experienced the application of performance management in the company. A different scale to the one in Section C was used. Respondents had to indicate their choice by using a scoring key of 1 to 4 where 1 meant never and 4 meant always.

6.4.2 Validity

The validity of a test is the extent to which the test measures what it claims to measure. A test is valid to the extent that inferences made from it are appropriate, meaningful and useful (Gregory 1996:107).

The literature on scale validity, used various concepts. According to Gregory (1996:127), a test has "face validity" if it looks valid to test users and examiners. Bailey (1978:58) states that two major questions need to be considered in terms of *face validity,* namely whether:

- the instrument is really measuring the kind of behaviour that the investigator assumes it is,
- it provides an adequate sample of that kind of behaviour.

The questionnaire used in this study was considered to have face validity because in the initial design of the questionnaire a copy was sent to experts in the field of Industrial Psychology and Psychology and they reported back that the questionnaire had face validity. This meant that at first glance it seemed as if the questionnaire was linked to constructs relevant to the attitudes towards performance management and that the items included in the questionnaire represented the constructs sufficiently.

It should be noted that the questionnaire and performance management attitude scale were used for the first time in this study and therefore the validity of the instrument needs to be tested further.

Gregory (1996:110) is of the opinion that face validity is important for the social acceptability of any testing instrument. He claims that the main areas of validity that need to be assessed are:

- content validity
- construct validity
- criterion-related validity

Gregory defines *content validity* as a sampling issue where the items of a test can be looked upon as a sample drawn from a larger population of potential items that stipulate what the researcher really wishes to measure. If the sample or specific items in the test are representative of the population or all possible items, then the test possesses content validity (Gregory 1996:108). Gregory's interpretation of content validity to some extent resembles Bailey's definition of face validity.

Construct validity pertains to psychological tests which claim to measure complex, multifaceted, and theory-bound psychological attributes such as psychopathy, intelligence and leadership ability. Although the construct validation of a test is a lengthy and complex process, the one important question that needs to be answered is: "Based on the current theoretical understanding of the construct which the test claims to measure, do we find the kinds of relationships with non-test criteria that the theory predicts?" (Gregory 1996:119).

Criterion validity involves multiple measurement of the same concept. Ideally, the criterion validity of an instrument is assessed by comparing the scores obtained through this instrument with the scores of another instrument that claims to measure the same concept. This was not possible within the context of this study. However, a simplified validity test was used.

For the purpose of this study, criterion validity was investigated. A single item asking respondents about their attitude towards performance management was included in the questionnaire (section B). In this question managers could choose from two options: feeling positive or feeling negative about performance management. These responses were compared with the total score on the performance management attitude scale. The following hypothesis was tested:

Null hypothesis

H_0: $\mu_p = \mu_n$

where μ_p = *the mean score of managers who felt positively about performance* management and = μ_n the mean score of managers reported that felt negative.

Alternative hypothesis

H_a: $\mu_p \neq \mu_n$

In order to test the null hypothesis, a t-test for paired samples was performed. A t-value (t_s) of -2,6 was obtained. The critical t-value (t_c) at a 0.05 level of significance is between 1,98 and 2. Thus $t_s > t_c$ and the null hypothesis is rejected.

This analysis thus confirms the criterion validity of the scale.

6.4.3 Scale reliability

The researcher had to determine whether the questionnaire measured attitudes towards performance management in a consistent way, therefore the reliability analysis (Alpha Cronbach) model was applied to determine the extent to which the items in the questionnaire were related to each other, and to obtain an overall index of the repeatability or internal consistency of the scale as a whole. The reliability analysis also helped to identify problem items that had to be excluded from the scale.

The reliability coefficient of the scale used in section C of the questionnaire was .8783. This was an indication that there is a high inter-item correlation which is the result of internal consistency.

6.5 PERFORMANCE MANAGEMENT TRAINING

6.5.1 The training intervention

The performance management training course was presented over two days. Each training group consisted of not less than eight and not more than twelve training delegates. The total training programme was presented over a period of six months.

6.5.2 Contents of the training programme

For the purpose of this study, the performance management training programme conceptualised by the Human Resources Department of the company where the study was executed was used.

The course objectives stated that by the end of the training programme managers should be able to:

- implement performance management in accordance with the corporate performance management policy and guidelines
- set individual performance targets in line with business unit and corporate performance objectives
- apply the principles of the balanced score cards when compiling a contract for success
- manage and develop the individual and business unit performance in line with the corporate business objectives
- apply sound coaching and counselling principles and practices
- allocate job titles and compile job profiles in accordance with the corporate title matrix

This performance management programme consisted of five modules as summarised below.

Module 1- Performance Management

In this module performance management is defined. Discussions take place on the aim and purpose of performance management. The rationale of using performance management as a vehicle for transformation (as defined in chapter 1 of this study) is explained within the broad framework of the Skills Development Act. The performance management process is also used to translate the organisational goals and objectives into business unit goals and objectives.

By means of small discussion groups, training delegates make a distinction between the definition of a manager and a leader. Leaders in the organisation play a major role in the execution of the following five principles:

- Managing change from the top. This means that the executive team must mobilise change
- Translate the strategy into operational terms (eg, by using the balance scorecard process).
- Link and align the organisation around its strategy.
- Make strategy everyone's job by linking it to individual performance agreements.
- Make strategy a continual process (by means of the performance management process).

Training delegates have to highlight the benefits of a performance management system and by means of group discussions they also mention the prerequisites of an ideal performance management system.

During the training course managers are made aware of their specific roles and responsibilities in terms of the performance management process. They need to understand complexities of their environment in terms of a matrix system, the reporting lines and execution of their units' goals and objectives.

Module 2 – The balance scorecard

The balance scorecard is explained by introducing the four balanced perspectives as described in chapter three. According to Olve, Roy and Wetter (1998:8), a balance scorecard consists of the following four perspectives:

i) financial perspective
ii) internal process perspective
iii) learning and Growth perspective
iv) client perspective

The rationale of using the balance scorecard is to reflect the company's strategies as goals on the scorecard in all four the perspectives. It is important for the training delegates to understand that the different business units have to align their balance scorecards with the corporate scorecard to ensure that the business units support the company's strategic goals.

In this module terms such as "value drivers" and "value indicators" are explained and examples of each are provided to ensure understanding.

The balance scorecard becomes every employee's responsibility by means of strategic awareness and goal alignment. The link between organisational goals and a reward and incentive system is also explained during the training course.

Module 3 – Corporate title matrix

The basis of classification used in the development of the corporate job title matrix, is explained. It is important for managers to understand that the titles are grouped on different levels. These levels are an indication of the impact that a specific job has on the company's performance. The process of using the title matrix as a basis to first select a title on the matrix and then to select and customise a generic job profile, is explained.

The title matrix is also used as a tool to indicate reporting lines even though some employees work in a cross-functional way.

Module 4 – Company's contract for success

The performance agreement is introduced to the training delegates as a mutual agreement between manager and employee. The link between the job profile and performance agreement is explained. Guidelines are provided on how to set personal goals and targets.

Module 5 – The PRICE model

The performance management implementation is based on the PRICE model (see chapter 3). One of the benefits of using the model is that all managers will follow the same process to implement the performance management process.

Training delegates are introduced to the PRICE model consisting of the following five steps:

i) Pinpointing performance outputs and inputs

In order for the job incumbent to know exactly what is expected of him or her the job profile is set to indicate what knowledge, skills, experience and attributes the incumbent requires to do the job.

The next step will be for the manager and employee to set and agree on the objectives. The SMART acronym is introduced as a guide to setting objectives. Objectives need to be specific and quantifiable, measurable, agreed on, realistic and time-bound.

ii) Recording and diagnosing performance

This is the preparation phase where both the manager and the employee prepare for the performance review meeting. During the preparation exercise the manager evaluates whether performance targets were met. If not, areas for improvement in functional and behavioural roles are considered and other aspects, such as the impact of the organisation and management on performance, and external factors, such as divorce and financial problems, are reviewed.

Support tools, such as the behavioural checklist, are introduced during the course. An explanation on how to use the checklist is discussed in detail during the course.

iii) Involving employees in the direct report

Managers need to involve employees during the performance interviews. Techniques on how to involve them are discussed and case studies are performed to ensure clear understanding. In addition to this the situational leadership model is explained (See section 3.10).

iv) Conduct (develop): General framework for effective coaching and counselling

This is where the actual performance evaluation takes place. Training delegates are provided with a logical procedure to follow during the meeting to ensure that all the important aspects for discussion between the manager and employee are covered. The performance gaps are identified in this phase and a development plan is set and agreed upon between the manager and the employee. The standard forms such as the appraisal form and development plan are used to execute this phase of the process.

v) Evaluate and provide feedback

Managers are made aware of the importance of the evaluation session. The main reason for this session is for both manager and employee to provide feedback on the developmental intervention that took place.

Before the course presenter starts with the five modules, the delegates are presented with a case study or role play in which each delegate is given the opportunity to play the role of a manager in the process of conducting a formal performance assessment of an employee. The course presenter plays the role of the employee. The role play is recorded on video and after the two days' training, it is played back to the delegates for discussion.

The content of the course makes it clear that the performance management module is not only about assessing performance. The first step in the process of managing performance is to find a title for an employee's job in the corporate job title matrix. That title is used to compile a job profile for the employee, stating his or her functional (technical) and behavioural competencies. Only then, after the skills and knowledge required for the position have been stated, does the actual process of setting performance objectives start. The objectives set are evaluated six months later during the formal performance review process. The performance management implementation is based on the PRICE model (see chapter 3).

The performance management training course was initially presented to all managers on senior levels in the corporate title matrix. Eventually all managers on those levels will have done the course. It will also be possible for managers to do a one-day refresher course.

6.6 HYPOTHESIS

6.6.1 Attitudes before and after training

The general aim of this study was to assess the impact of performance management training on manager's attitudes towards performance management. The question was asked whether the training intervention would change managers' attitudes towards performance management. Although most definitions of training imply that attitudes will be changed through training, there is very little empirical evidence that training really impacts on attitudes. No empirical evidence could be found that training impacts on attitudes towards performance management. In order to tackle the gap in the literature, a hypothesis was formulated to test the effect of this particular training programme on the attitudes of managers empirically.

Null hypothesis

H_0: $\mu_{pre} = \mu_{post}$

where μ_{pre} = the mean score of managers before the training programme and μ_{post} = the mean score of managers after training.

Alternative hypothesis

H_a: $\mu_{pre} \neq \mu_{post}$

6.6.2 Gender

Despite the fact that equal opportunities in the workplace have been advocated over the past decade, women are still under-represented in managerial positions and those who are appointed in these positions are relatively less experienced than their male counterparts (Hind & Baruch 1997). It is therefore reasonable to expect differences in attitudes towards performance management between men and women. To test this empirically, the following hypothesis was formulated:

Null hypothesis

H_0: $\mu_m = \mu_f$

where μ_m = the mean score of males on the PMA scale and μ_f = the mean score of females on the PMA scale.

Alternative hypothesis

H_a: $\mu_m \neq \mu_f$

6.6.3 Managers' competence in performance management

In this study the training intervention specifically aimed at the development of manager's competence in performance management. In Section D of the questionnaire 11 items were formulated to determine how managers experience their own competence in terms of performance management. These items were assessed prior to the training intervention and again after training took place and were used to determine whether the training intervention improved managers' competence in performance management. The general form of the hypothesis that was tested was as follows:

Null hypothesis

H_0: $\mu_{pre} = \mu_{post}$

Where μ_{pre} is the mean score of managers on items 93 to 103 before training and μ_{post} is the mean score of managers on items 93 to 103 after training.

Alternative hypothesis

H_0: $\mu_{pre} \neq \mu_{post}$

6.7 STATISTICAL ANALYSIS

Statistical analysis for this research study was performed on the Statistical Package for Social Sciences (SPSS).

Section A of the questionnaire, which contains the biographical information, was analysed to obtain the frequencies and percentage distributions of the respondent group.

Section B contains an open-ended question and was analysed to identify common themes among the responses. No statistical analysis was done on this section of the questionnaire.

The items in *Section C* were first used to develop the performance management attitude scale described in section 6.4.1. Then the hypothesis on the changes in managers' attitudes towards performance management was tested in the following manner:

i) Each respondent's total score on the performance management attitude scale was calculated by adding together the scores on each item. Thus a potential total score of 92 was obtained for each individual respondent. This was done for the pre-test as well as the post-test. Thereafter the mean score for the total group was calculated on both the pre- and post-tests.

ii) To determine whether a statistically significant difference in attitude resulted from the training intervention, a t-test for paired samples was performed on the mean scores. The t-value was compared to the critical t-value, given particular degrees of freedom applicable to the sample.

iii) To assess the difference between attitudes of male and female managers towards performance management, a similar procedure to i) and ii) above was followed. However, the t-test used in this instance was for independent samples.

A similar analysis was done on the items contained in *Section D* of the questionnaire. Each of the items that occurred in section D of the questionnaire was analysed separately. The mean score of the total group of managers for each item was calculated on both sets of questionnaires: the one completed before and the one completed after training. The difference was calculated by subtracting the score after training from the one before training. Not all the items showed a difference large enough to warrant further analysis for statistical significance. Only those items that differed more than 0.1 were subjected to further hypothesis testing. Hypotheses were tested by using the t-test for paired samples.

6.8 SUMMARY

This chapter described the methodology, the questionnaire design, implementation of the questionnaire, as well as the steps in the statistical analysis of items. The content of the performance management training programme and its relevance to the theoretical survey of this study were discussed as well as the research hypotheses and statistical analysis of the research data. Chapter 7 covers the findings of the study.

CHAPTER 7

FINDINGS

7.1 INTRODUCTION

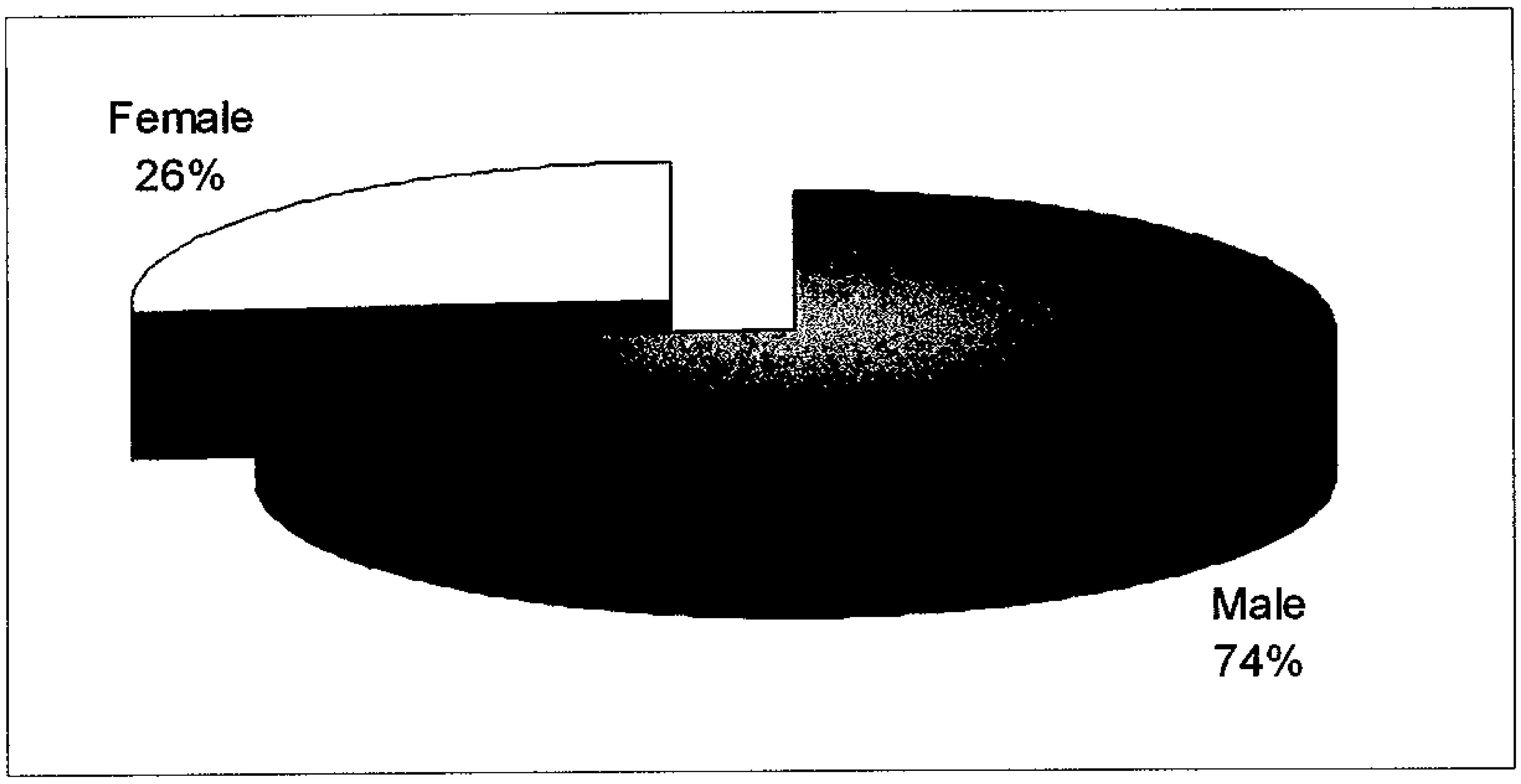
The findings of the study are discussed and interpreted in this chapter. The respondent group is described according to gender, age, years' work experience in the company, years' management experience, business unit representation and regional representation. Finally respondents' pre- and post-training attitudes towards performance management are assessed.

7.2 DESCRIPTION OF RESPONDENT GROUP

7.2.1 Gender

Figure 7.1 illustrates that males are more represented (74%) in the respondent group than females (26%). This is in accordance with general gender distribution of the company.

Figure 7.1 Gender distribution of respondents

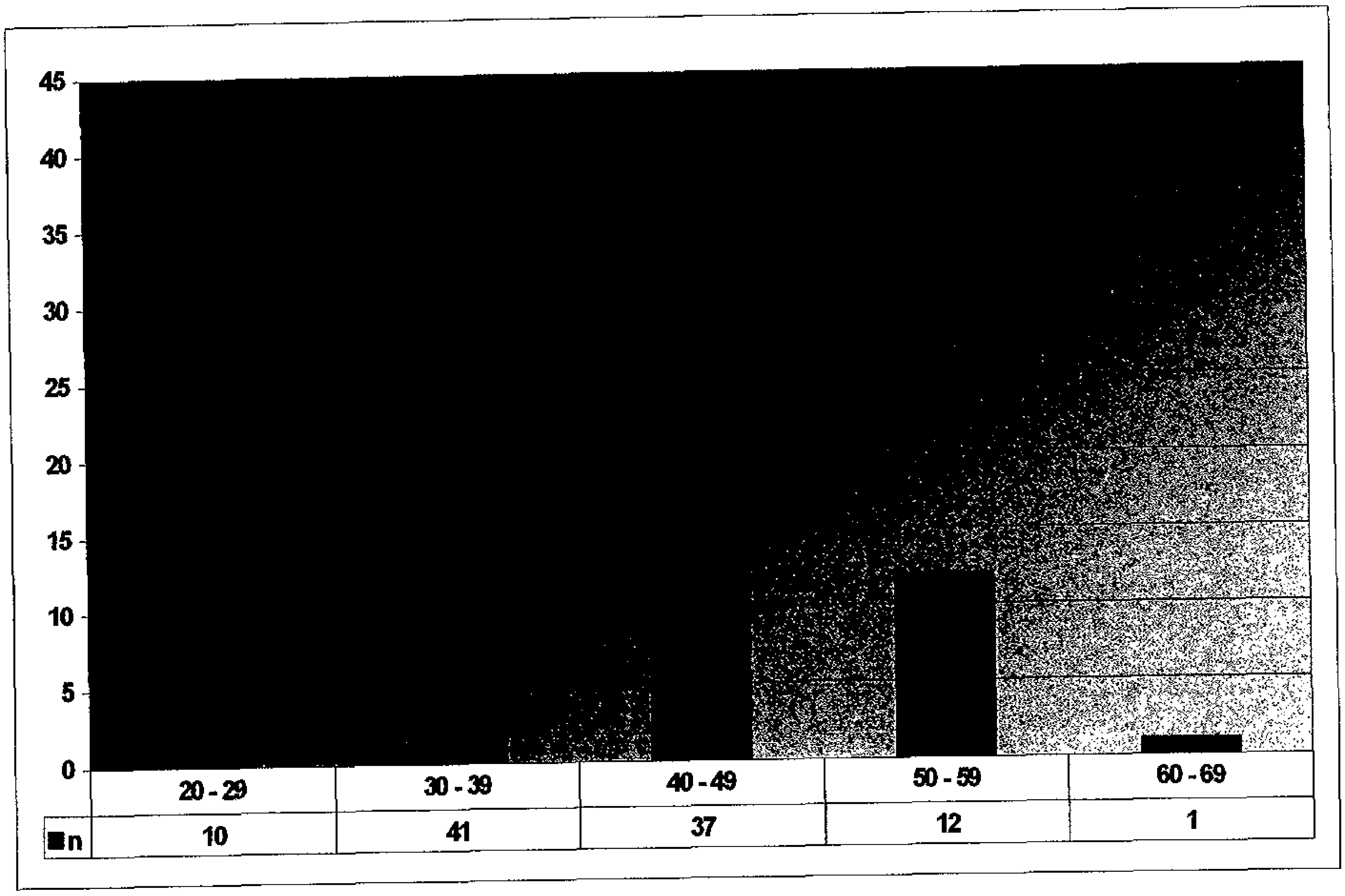


7.2.2 Age

Figure 7.2 shows the age distribution. The majority of the respondents (41) were in the age group between 30 and 39 years, followed by 37 respondents who were between 40 and 49, 12 respondents aged between 50 and 59, 10 respondents aged between 20 and 29 and only one respondent aged 60 to 69.

The age distribution indicates that the majority of managers who completed the questionnaire were still relatively young and did not have much managerial experience. Consequently their frame of reference in terms of performance management was perhaps also more one of how they used to perceive it as employees rather than from a managerial point of view.

Figure 7.2 Age distribution of respondents

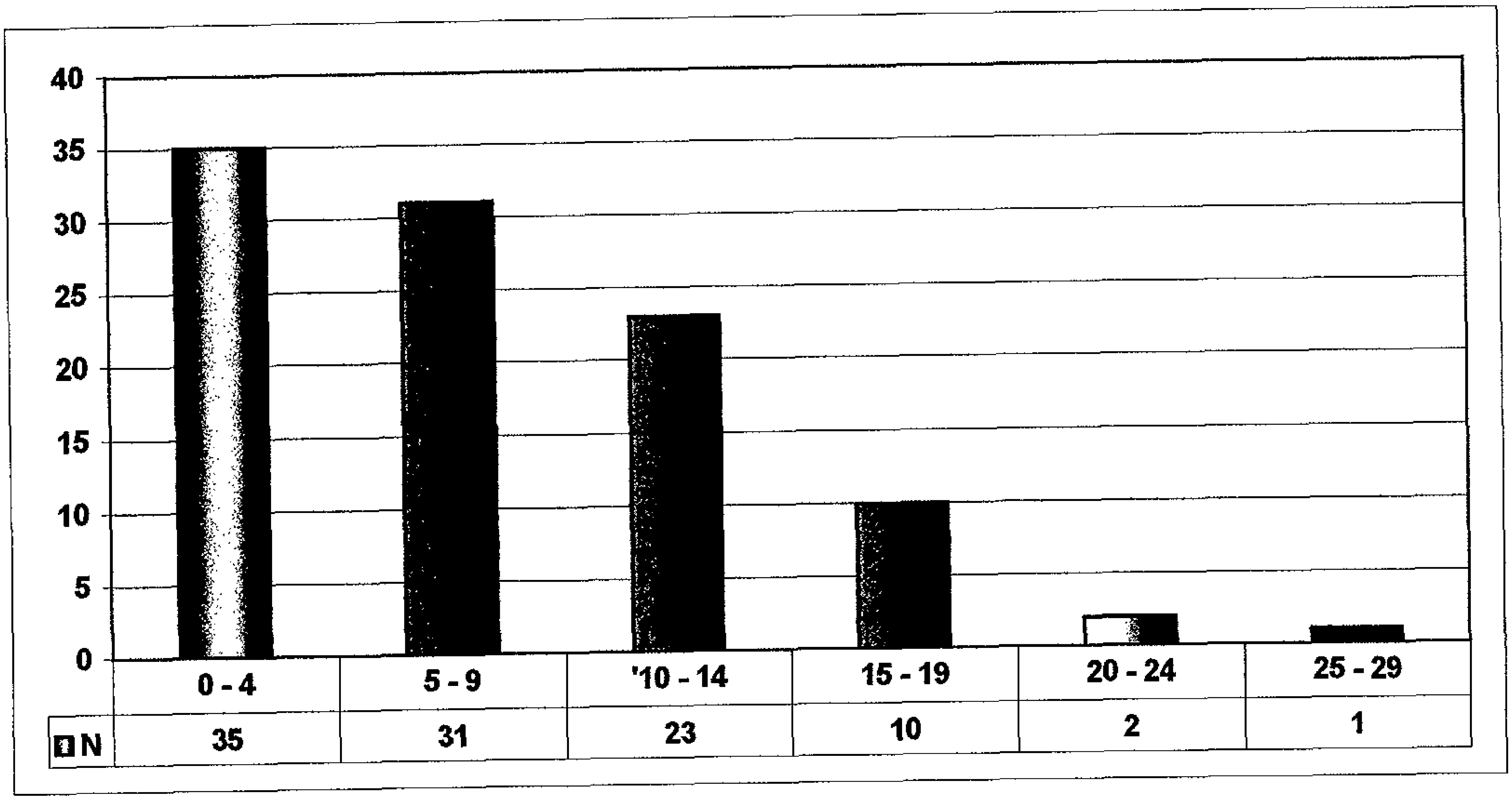


7.2.3 Years' work experience in the company

Most of the managers who participated in the study had less than 10 years' work experience in the company. A third of them (35) had less than five years' experience while another third (31) had between 5 and 9 years' experience (see Figure 7.3).

The fact that most of the respondents did not have many years' work experience in the company means that the history of performance management in the company probably did not affect them as much as those who had more years' work experience in the company. It was assumed that those managers who were affected by the failure of previous performance management systems in the company would have a negative attitude towards performance management in general, and more specifically about the implementation of a new performance management system in the company.

Figure 7.3 Years' work experience in the company



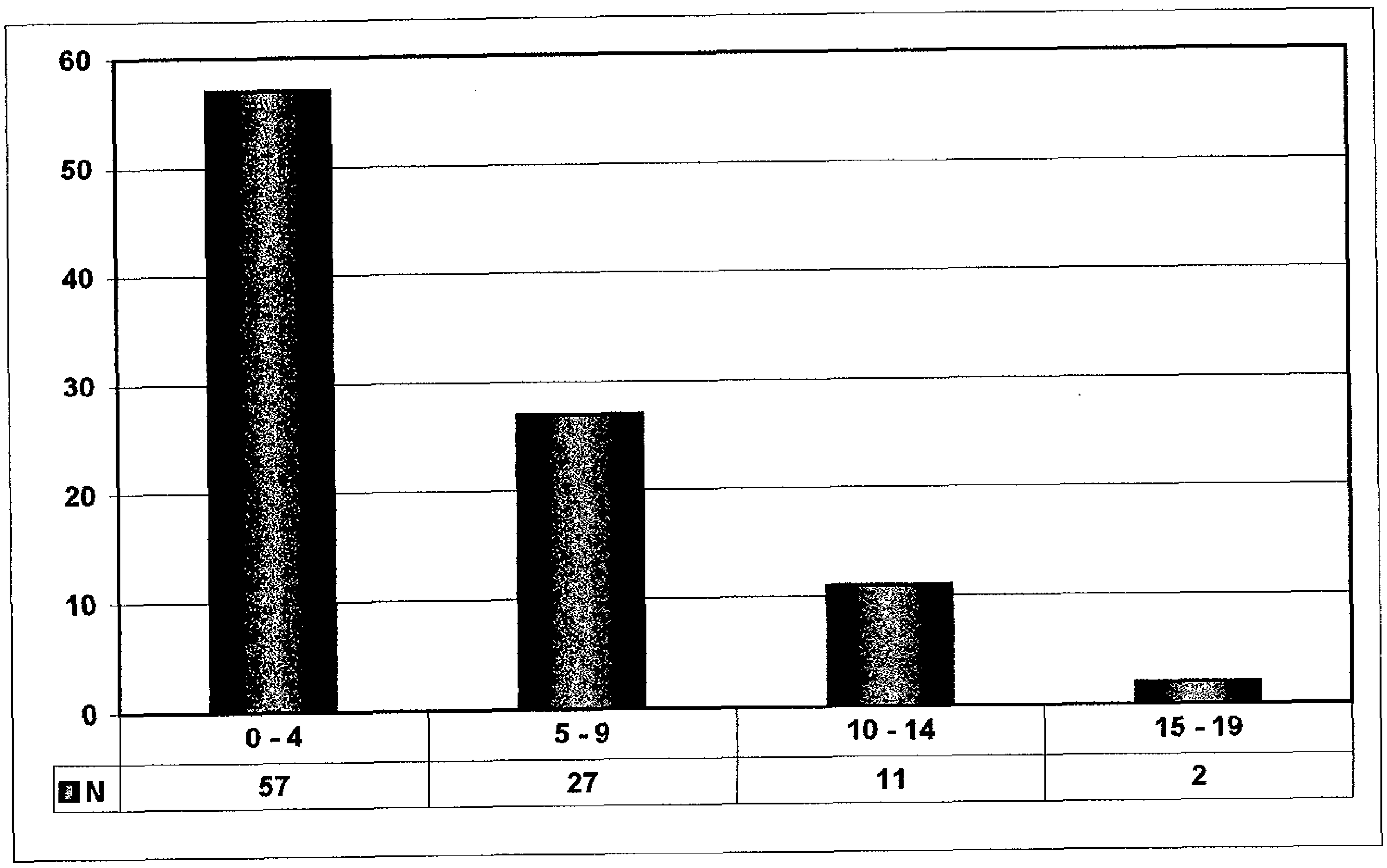
7.2.4 Years' management experience

Most of the respondents were relatively new to managerial positions. More than half of them reported that they had 0 to 4 years' experience in management positions. Twenty-seven respondents reported a 5 to 9 years in management positions while eleven respondents had 10 to 14 years' managerial experience. Only two had 15 to 19 years' managerial experience. It was important to keep in mind that most of the respondents did not have much managerial experience and consequently also did not have many years of managing performance.

This lack of experience in managerial positions could have an impact on the findings of this study because it was assumed that managers would respond to the questions from their previous experience as managers who had to manage the performance of their employees, business units and company.

There was also a possibility that lack of experience in managerial positions could have an impact on the findings because respondents could have responded to the questionnaire from an employee's rather than a manager's point of view.

Figure 7.4 Years' management experience

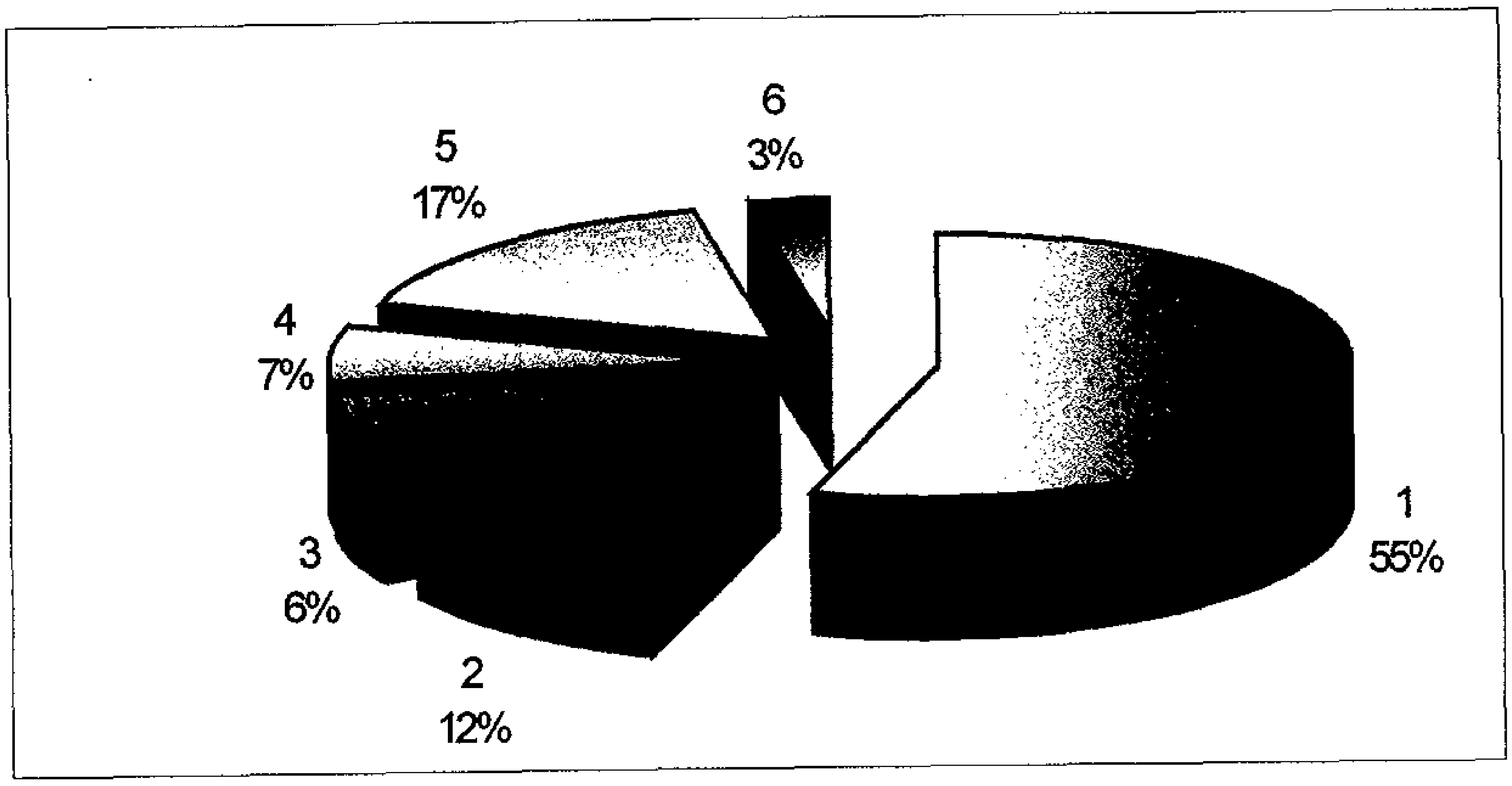


7.2.5 Business unit representation

From figure 7.5 it is clear that one business unit was more represented than the others. The reason for this was that a lot of effort went into marketing the training course in this business unit specifically. This business unit was known for non-conformance to corporate governance. This is a very dynamic business unit and it was felt that if the company could get their "buy-in" into the performance management process, the rest of the business units would follow automatically.

In terms of the company where the study was executed, a business unit is defined as a functional area with its own vision and mission statement – its own *raison d'être*. Although the business unit was seen as an independent enterprise in its operational processes, it needed to comply with and support the overall company vision, mission, strategies and objectives.

Figure 7.5 Business units represented

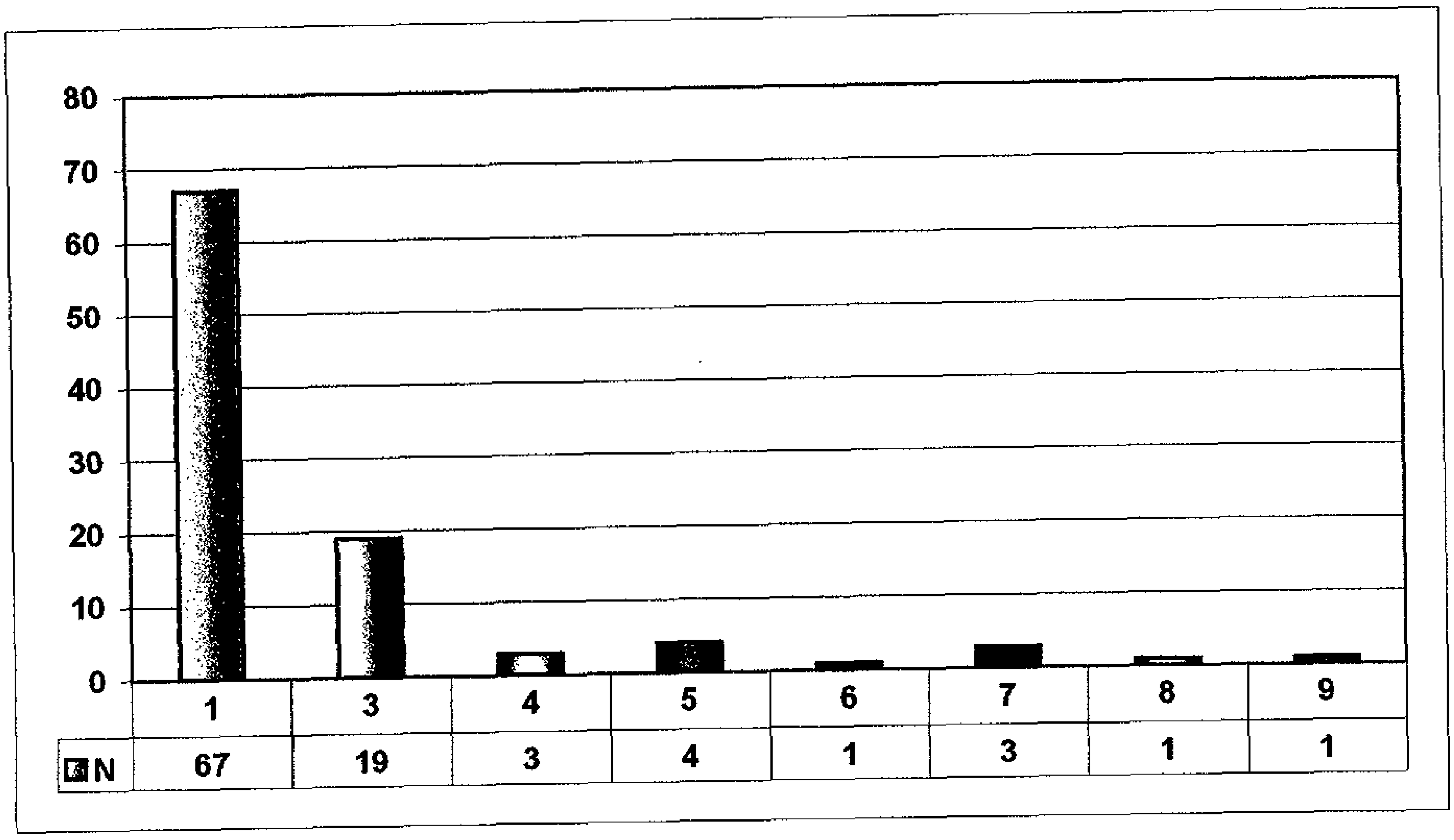


7.2.6 Region

The company's activities are organised in nine regions. To a large extent, the regions follow a provincial demarcation with an office in each province. Most of the regional offices are an extension of head office activities, in the different regions.

From figure 7.6 it is clear that one region was extremely well represented at the performance management training course. The corporate support services (specifically the Human Resources Department) are responsible for the performance management training and are located in this region. For the performance management training to take place in the other regions, the trainer had to travel to that region, or the training delegates from other regions had to travel to the head office where most of the training took place.

Figure 7.6 Regions represented



7.3 PRE-TRAINING ASSESSMENT OF ATTITUDES TOWARDS PERFORMANCE MANAGEMENT

7.3.1 General attitude towards performance management

a) All respondents

In Section B of the questionnaire a question was asked to determine managers' general attitude towards performance management. Respondents were simply asked to indicate whether they felt positive or negative towards performance management. There was also space to justify their feelings.

A total of 89 managers responded to the question, of whom 28 (31%) reported negative feelings towards performance management, while 61 (69 %) said that they felt positive about it.

b) Gender differences

Of the men, 19 (28 %) reported a negative feeling towards performance management and 49 (68 %) felt positive. Of the women, 8 (40 %) felt negative while 12 (60 %) felt positive.

c) Age differences

From table 7.1 it appears that there are more managers in the age group 20 to 29 who are negative towards a performance management system (71.42%) than those who are positive towards a performance management system (28.58%). This is not surprising because these managers are still very young and probably have not had a lot of exposure to previous performance management systems. They may perhaps also have negative connotations about the performance management process, where, in the past, they were assessed by means of such a process.

Another interesting observation is that in the age group 50 to 59, 45.45% of the managers indicated a negative attitude towards performance management, while 54.55% indicated a positive attitude towards a performance management system. This may perhaps be due to the fact that these managers have been in companies for many years and are now close to retirement age. They may be less committed to internal processes in supporting company goals. Many years of exposure to poor performance management systems with biased results, may also perhaps have left them with negative connotations of such systems.

Table 7.1 Managers' attitudes towards performance management according to age

Age group	Total number responded	Negative		Positive	
		n	%	n	%
20 –29	7	5	71.42	2	28.58
30 – 39	34	6	17.64	28	82.35
40 –49	36	12	33.33	24	66.67
50 –59	11	5	45.45	6	54.55
Total	88	28	31.81	60	68.18

d) Business unit

Business units 1 and 5 were significantly more positive towards performance management than the others. This is not surprising because a general observation was that managers from these units thought that a standardised performance management system would solve their problems, which had been created by many years without such a system. One of the main problems for many years was lack of communication of these business units' strategies. The advertisement of the performance management training course indicated that the new standardised performance management system would serve as a tool to communicate strategy from corporate level to business unit level and from business unit level to individual level. It was assumed that in response to this advertisement these units had a positive attendance.

7.3.2 Reasons for managers' feelings

The respondents were not only asked to record their feelings but were also provided with a space below the answer to substantiate their answers. Those who indicated that they felt positive towards a performance management system felt so, mainly because they realised that it was difficult to manage their reportees without a formal performance management system. Without a formal system, no outputs per individual would have been formulated, which made it difficult to assess the individual against at a later stage. Without clearly stated objectives, it was also difficult for individuals to know exactly what was expected of them. At the time that the first training courses were presented the requirements of the Skills Development Act were also very prominent in the company and managers felt that it was their responsibility to identify areas that needed improvement. The only way they could do this, was by means of a formal performance management system. Only by measuring performance in an objective way and on a regular basis, can areas and reasons for non-performance be identified. In many cases, a lack of the appropriate skill turns out to be the reason.

Respondents who indicated a negative feeling towards a standardised performance management system, indicated that their feelings mainly stemmed from previous experiences of performance management systems. Many of the business units had had performance management systems that failed to provide the ideal outcome. Some respondents mentioned the problem of a biased system, where they felt the performance management system was subjective and not fair. Others mentioned inconsistency as a problem, where they felt that one manager was more strict or lenient than others. Some respondents indicated that they had previously still been in the employee category (not yet managers) and knew how it felt to be rated unfairly.

7.3.3 Attitudes towards performance management as measured by the performance management attitude scale (PMA scale)

The performance management attitude scale was developed through a process of factor analysis and item analysis. The items in the performance management attitude scale represented the theoretical concepts underlying performance management (see chapters 2 and 3).

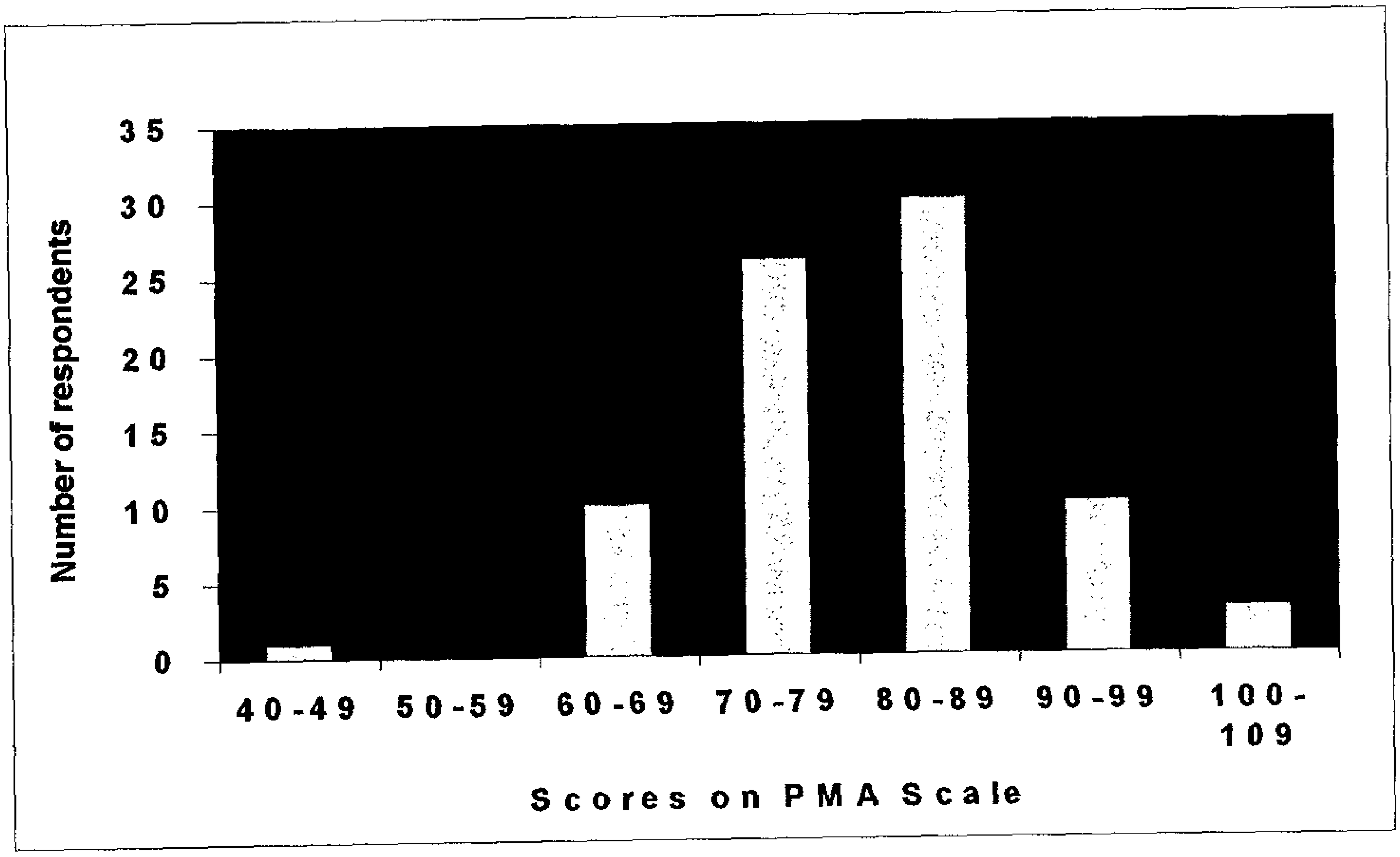
The performance management attitude scale consisted of 28 items. The lowest possible score on the scale was 28 and the highest possible score on the scale was 112.

a) All respondents

The scores of the respondent group before training varied between 48 and 108. The mean score was 80.42. Although 102 respondents completed the questionnaire, only 80 respondents' data were used in the analysis and interpretation of the performance management attitude scale, because a total of 22 respondents did not complete the questionnaire in total and were therefore excluded from the total respondent group.

Figure 7.7 illustrates the distribution of scores. Most respondents scored between 70 and 89.

Figure 7.7 Distribution of scores on performance management attitude scale (PMA scale)



b) Gender

The average score for males was 80.87 and for females, 74.82. In order to determine whether this difference was statistically significant, formal hypotheses were formulated and (see section 6.7.3).

Nill hypothesis

H_0: $\mu_m = \mu_f$

where μ_m = the mean score of males on the PMA scale and μ_f = the mean score of females on the PMA scale.

Alternative hypothesis

H_a: $\mu_m \neq \mu_f$

In order to test the null hypothesis, a t-test for independent samples was performed. A t-value (t_s) of 2,158 was obtained. The critical t-value (t_c) at a 0.05 level of significance was between 1,98 and 2. Thus $t_s > t_c$ and the null hypothesis was rejected.

From this result it was thus clear that female managers felt less positive about performance management than their male counterparts.

c) Business units

Table 7.2 represents the average scores of the business units.

Table 7.2 Average score of business units on the PMA scale

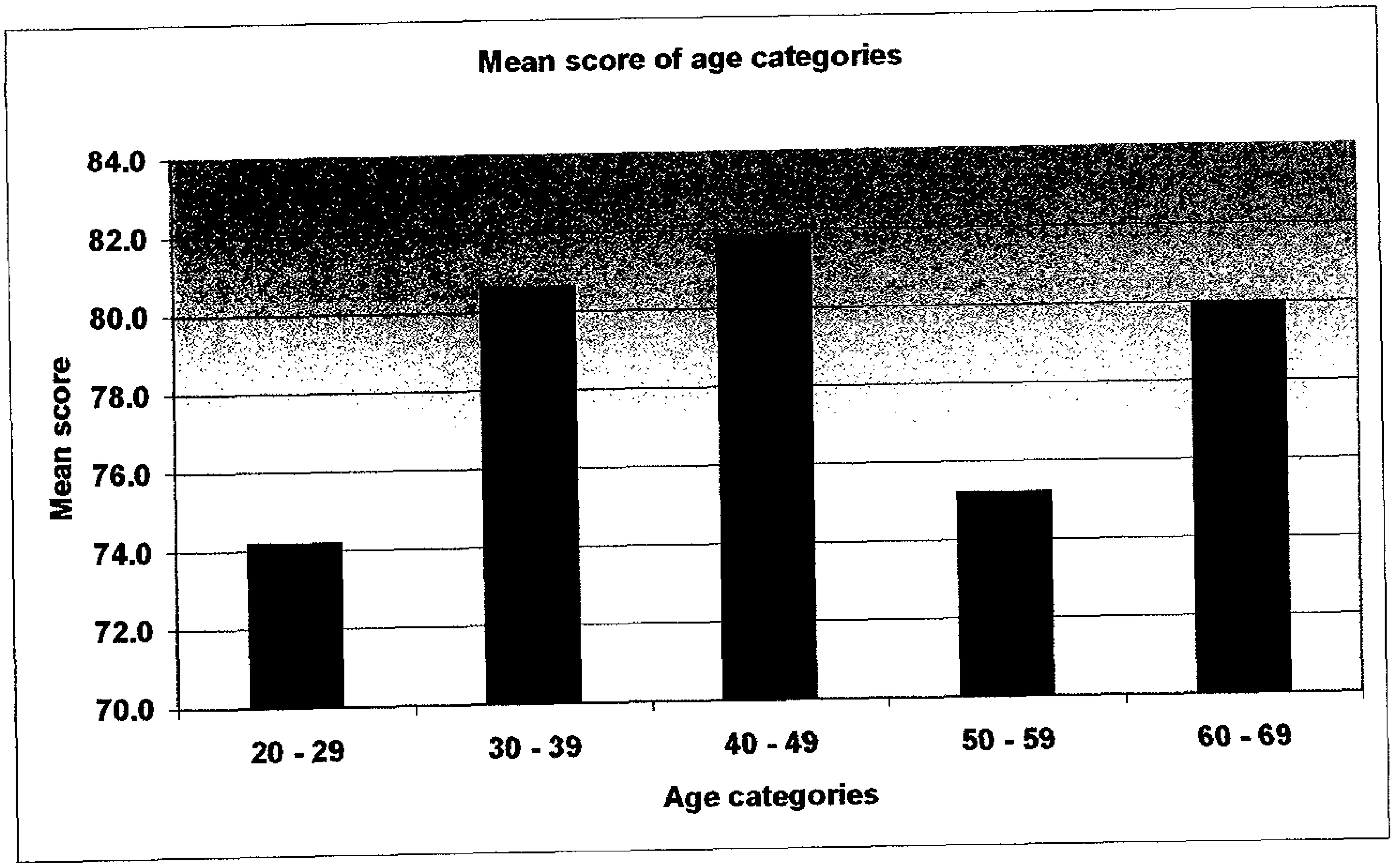
Business unit	Number of respondents	Mean score
1	43	80.23
2	9	77.88
3	5	70.4
4	6	75.66
5	14	83.14
6	3	82.0

Business units 1,5 and 6 were slightly more positive than the other units. However, the number of respondents in some of the business units was too small to warrant an in-depth analysis of differences in mean scores.

d) Age category

From Figure 7.8 it is clear that the respondents in the age category 40–49 responded most positively to Section C's questions. Respondents in the age categories 30–39; 60–69; and 50–59 still reflected a fairly positive feedback. Respondents in the age category 20–29 reflected a less positive feedback to the questions. This was probably due to a lack of exposure to managerial responsibilities and specifically a lack of performance management experience.

Figure 7.8 Mean scores of age categories

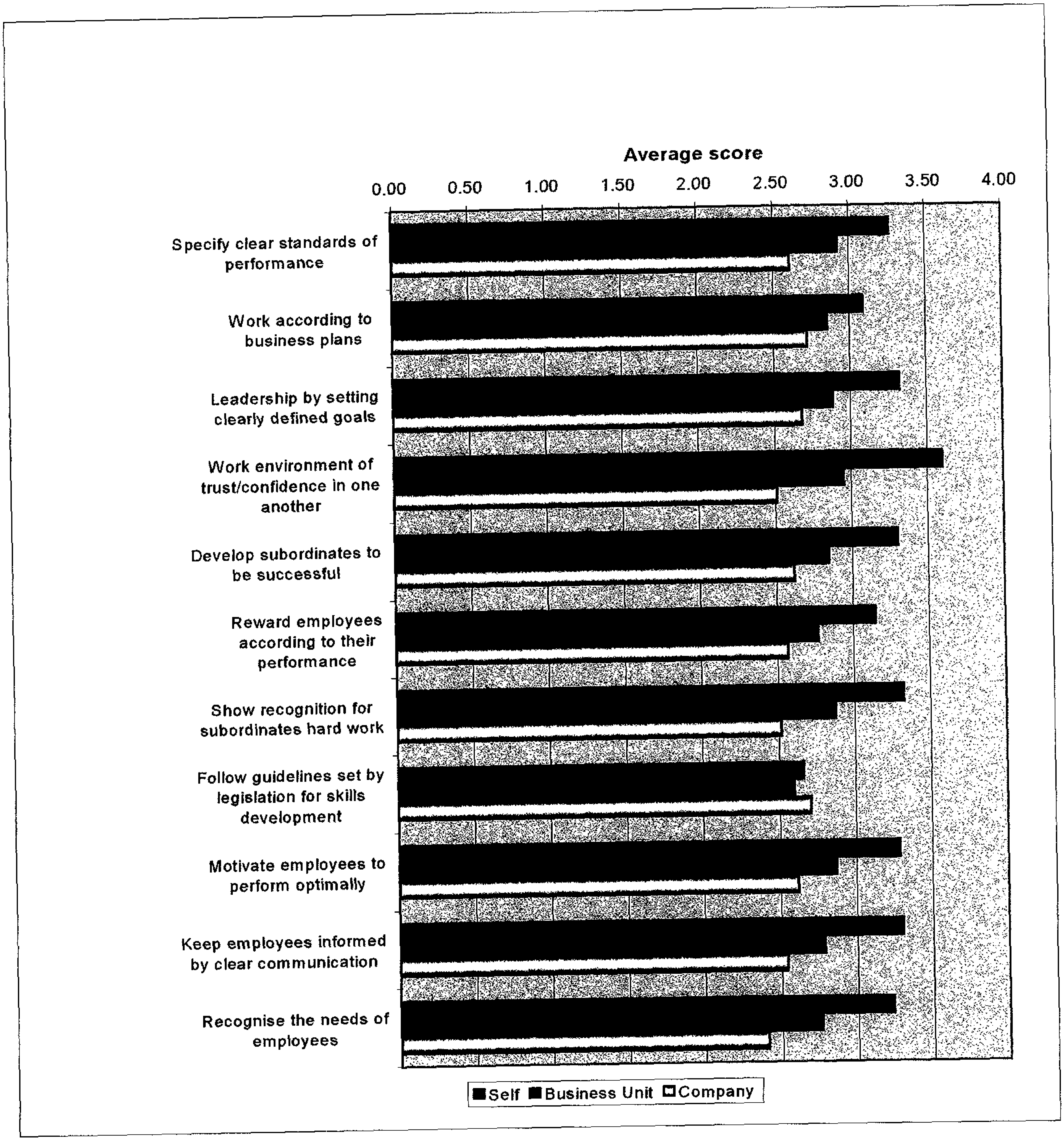


7.3.4 Assessment of competency in performance management

Answers presented in Section D of the questionnaire provided information on how the managers experience their own competence in managing performance, how they view performance management at business unit level and lastly, how they experience performance management at company level.

Figure 7.9 illustrates clearly that the managers generally seemed to be more positive towards their own competence in performance management than towards performance management at business unit and corporate level. The reason for this may be that managers knew exactly what the strategies, goals and targets were in their own departments, but were less clear about those at business unit and company level.

Figure 7.9 Perceived competency in performance management



7.4 POST-TRAINING ASSESSMENT OF ATTITUDES TOWARDS PERFORMANCE MANAGEMENT

The managers were asked to complete the same questionnaire six months after the training programme. In order to assess any possible changes in their attitudes towards performance management, their scores on the PMA scale were compared. The average score of all the managers after the six-month period was 79,64. To determine whether this differed significantly from the pre-training mean of 80,42, formal hypotheses were once again formulated and tested.

Null hypothesis

H_0: $\mu_{pre} = \mu_{post}$

where μ_{pre} = the mean score of managers before the training programme and μ_{post} = the mean score of managers after training.

Alternative hypothesis

H_a: $\mu_{pre} \neq \mu_{post}$

In order to test the null hypothesis, a t-test for paired samples was performed. A t-value (t_s) of 0.624 was obtained. The critical t-value (t_c) at a 0.05 level of significance was between 1,98 and 2. Thus $t_s < t_c$ and the null hypothesis was accepted.

It was therefore clear that there was no statistically significant change in the attitudes of the respondent group as a result of the training programme.

7.5 POST-TRAINING ASSESSMENT OF MANAGERS' COMPETENCE IN PERFORMANCE MANAGEMENT

The managers completed the attitude questionnaire before the training took place and again six months after the training programme. The training intervention specifically aimed at improving the managers' competence in performance management. An analysis was done to determine whether their competence in performance management improved as a result of the training programme. As stated in chapter 6, Section D of the questionnaire consisted of 11 items that tested managers' own perceptions of how well they handled different aspects of performance management. These items were completed before and after the training programme. The mean scores for the group were calculated for each of the items for the pre-test as well as the post-test. The differences between the pre- and post-tests were then calculated. These results are shown in Table 7.3 below. Of the 11 items, only 4 changed with more than 0,1. These four items were subjected to formal hypothesis testing in order to determine whether these changes were statistically significant.

Table 7.3 Pre- and post - training assessment of managers mean scores on competence in performance management

Item	Before		After		Difference
	Mean	N	Mean	N	(After - Before)
93. Specify clear standards of performance	3.27	98	3.39	95	*0.12
94. Work according to business plans	3.09	99	3.27	97	*0.18
95. Leadership by setting clearly defined goals	3.32	99	3.34	96	0.02
96. Create a work environment of trust and confidence in one another	3.60	97	3.50	97	-0.10
97. Develop subordinates to be successful	3.30	97	3.26	96	-0.04
98. Reward employees according to their performance	3.15	96	3.16	93	0.02
99. Show recognition for subordinates' hard work	3.32	96	3.42	95	0.10
100. Follow guidelines set by legislation for skills development	2.66	91	2.67	92	0.01
101. Motivate employees to perform optimally	3.29	97	3.45	94	*0.16
102. Keep employees informed by clear communication	3.30	97	3.36	95	0.06
103. Recognise the needs of employees	3.24	97	3.35	95	*0.11

Item 93

Null hypothesis

H0: $\mu_{93pre} = \mu_{93post}$

Where μ_{93pre} is the mean score of managers for item 93 before training and μ_{93post} is the mean score of managers for item 93 after training.

Alternative hypothesis

H0: $\mu_{93pre} \neq \mu_{93post}$

The t-value obtained through the t-test (t_{93}) was –1,92. The critical t-value (t_c) at a 0.05 level of significance was between 1,98 and 2. Thus $T_{93} < T_c$ and the null hypothesis was accepted. It was therefore concluded that managers were not of the opinion that their own specification of standards had improved from before to after the training intervention.

Item 94

Null hypothesis

H0: $\mu_{94pre} = \mu_{94post}$

Where μ_{94pre} is the mean score of managers on item 94 before training and μ_{94post} is the mean score of managers on item 94 after training.

Alternative hypothesis

H0: $\mu_{94pre} \neq \mu_{94post}$

The t-value obtained through the t-test (t_{94}) was –3,044. The critical t-value (t_c) at a 0.05 level of significance was between 1,98 and 2. Thus $T_{94} > T_c$ and the null hypothesis was rejected. It was therefore concluded that managers were of the opinion that they had worked more according to the business plan after the training intervention than before.

Item 101

Null hypothesis

H0: $\mu_{101pre} = \mu_{101post}$

Where μ_{101pre} is the mean score of managers for item 101 before training and $\mu_{101post}$ is the mean score of managers for item 101 after training.

Alternative hypothesis

H0: $\mu_{101pre} \neq \mu_{101post}$

The t-value obtained through the t-test (t_{101}) was –2,17. The critical t-value (t_c) at a 0.05 level of significance was between 1,98 and 2. Thus $T_{101}>T_c$ and the null hypothesis was rejected.

It could therefore be said that managers were of the opinion that from before to after the training intervention they had improved in their efforts to motivate employees to perform optimally.

Item 103

Null hypothesis

H0: $\mu_{103pre} = \mu_{103post}$
Where μ_{103pre} is the mean score of managers on item 103 before training and $\mu_{103post}$ is the mean score of managers on item 103 after training.

Alternative hypothesis
H0: $\mu_{103pre} \neq \mu_{103post}$

The t-value obtained through the t-test (t_{103}) was –1,5. The critical t-value (t_c) at a 0.05 level of significance was between 1,98 and 2. Thus $T_{103} < T_c$ and the null hypothesis was accepted. This result indicated that managers did not see themselves as improving significantly in recognising the needs of their employees.

7.6 DISCUSSION OF FINDINGS

7.6.1 Attitudes before and after training

There was no statistically significant change in the attitude of managers towards performance management after they had attended the performance management training programme. Possible reasons for this could be the following:

a) Managers felt positive to start with

There may have been a bias in the respondent group because those who attended may have been the eager ones who felt the need for a standardised performance management system. From the start, therefore, they were positive towards such a system, because they realised that by means of such a system many of their problems could be resolved or addressed.

b) External consultants

At the time that the research study was executed external consultants, hired by the company, intervened in the performance management process. Their assignment was to link performance management to an incentive bonus scheme. The result of this exercise had a definite impact on the attitudes of managers to the performance management process in general. The consultants suggested that performance or a lack thereof would in future be linked to an on-risk portion of the managers' bonus.

It is not certain precisely when in the research process this would have impacted, because most of the managers would perhaps already have responded to the post-test assessment when the outcome of the consultants' findings became known.

c) Time period

It was not clear whether the results of the post-test would have been more positive if the second test had been administered closely after attendance of the training. It could be that with the newly obtained information on the implementation of the performance management system, managers might have felt much more enthusiastic about the process and therefore more positive.

d) Culture of company

Managing performance had not been part of the culture of this company for many years. If a performance management system was in place in some of the business units, it often had more negative results than positive ones. People often felt that these systems were unfair and served as a stick to punish them with if they underperformed/underachieved.

e) Company's strategy

At the time when the performance management training programme took place, the company was busy revisiting its corporate strategy. Consequently, by the time the managers went back to their different business units to implement the performance management process, there was a delay in the implementation because the new corporate strategy had not yet been announced. This could be one of the main reasons why managers' attitudes did not become more positive after the training intervention. The importance of linking business unit strategies to the corporate strategy was emphasised during the training programme.

7.6.2 Gender differences in attitudes towards performance management

From the empirical analysis it was clear that female managers felt less positive about performance management than their male counterparts. There could have been various reasons for this.

a) Lack of exposure

One possible reason why female managers felt less positive towards performance management than their male colleagues was that many of them had not had much exposure in managerial positions, but with the introduction of the Employment Equity Act the imbalances of the past had been redressed. Since performance management is one of many processes in a company that is executed on an ongoing basis one learns from previous mistakes. Many female managers did not have the opportunity to have learned from past mistakes. Lack of exposure to performance management in the capacity of manager could have impacted on their attitudes towards performance management.

Hind and Baruch (1997) confirm this finding in an article on gender variations in perceptions of the performance appraisal. According to them, males and females perceive their jobs differently because women's experiences of the inequalities of the workplace have led to differing perceptions of career development and opportunities, and to lowered expectations. These may be held within a cognitive framework of rationalisation that will affect all work-oriented perceptions.

b) Perception of performance management

Female managers may perceive performance management negatively because they may have excelled in the past, but were not given the expected promotion or reward. It is possible that female managers blame the performance management system for this, rather than the root cause namely the chauvinistic attitudes and behaviours of some of their male counterparts and managers.

Hind and Baruch (1997) found that males and females perceive their jobs differently and advocate a review of the appraisal process for promotion, for three main reasons:

- the performance criteria for professional and managerial level are usually set by men.
- the techniques and instruments, such as interviews for assessing managerial ability are often biased in favour of men.
- the assessors, are almost exclusively male and have their own prejudices with regard to women and their suitability or unsuitability to fill a managerial position.

c) Personality factors

It is generally accepted that females prefer a gentler approach in their interpersonal relationships. It is possible that some female managers find it difficult to reprimand their subordinates and this may be a reason for negative connotations regarding performance management.

Hind and Baruch (1997) found that males and females use different information bases when evaluating performance appraisal systems.

7.6.3 Managers' perceptions regarding their competence in performance management

The training course was too short and too focused on the transmission of information to really impact on managers' attitudes towards performance management. The same applies to their actual competence in this area. This was clearly reflected in the pre- and post-test scores for the items in Section D of the questionnaire. In general, a very small improvement was discernible. The only two items to which the scores changed significantly, were those related to working according to business plans and motivating employees. These findings make sense in relation to the content of the training programme. The importance of the business plan was repeatedly emphasised in the programme and a great deal of time was spent on the issue of coaching and counselling (and thus motivating) employees.

7.7 CONCLUSIONS

7.7.1 Shift in focus in performance management

From the literature review it is clear that there is a shift in focus in performance management. Many companies seem to perceive performance management only as the performance appraisal, rather than the process described in chapter 3. In the past there was a tendency to focus on managing individuals' performance. The result of this was that many companies did not support their strategic goals because performance management took place in isolation.

With the introduction of the balance scorecard (referred to in chapter 3), a shift in focus in performance management became evident. The balance scorecard is a useful way to set and communicate the corporate strategies and goals to the rest of the company. This new approach assures that each individual in the company is aware of the corporate strategies and goals and managers find it much easier to link their business unit's strategies to the corporate strategy. It is also simpler to link individual goals to the business unit and corporate goals and strategies. The advantage of this new way of managing performance is that corporate and business unit strategies and goals are supported by individual goals as stated in employee's performance agreements.

The usefulness of the systems approach in the performance management process was once again emphasised during this study. Although the systems theory has been known for many decades, it still applies to companies today. It is clear that companies are systems that function closely in relation to their larger environments or suprasystems. Companies or systems consist of sub-systems where it was once again confirmed that change cannot take place in a system if not all the subsystems cooperate. For example, if a company changes its strategy and it is not executed by all the subsystems, the chance of implementing the new strategy is very limited.

7.7.2 Performance management is a broader concept than performance appraisal

The literature review found that performance management and performance appraisal are often used synonymously. The current perspective or the shift in focus described in section 7.7.1 stresses that performance management is a larger concept than just performance appraisal. Performance appraisal is one step in the larger performance management process.

Performance management is seen as managing performance in the company, not only in terms of its people, but also in terms of its structures, processes, products and services. In a proper performance assessment an analysis is done on organisational level, process level and job level of performance. The performance appraisal is used as a tool to manage individuals' performance at the job level. The result of such an analysis of performance of the organisation in its totality is often a restructuring process, re-engineering or development of new products and services.

7.7.3 The human factor in the performance appraisal

It is clear that the human factor of subjectivity was a problem in appraisal for many years. It is still a concern. From the literature review it was concluded that as long as people are part of the performance appraisal process, ratings will be subjective. One way to minimise subjectivity is to set very clear goals for an individual to reach, but even more important is setting the criteria against which the individual will be assessed.

7.7.4 Performance management and organisational change are interlinked

Change is a planned process. There is a close link between performance management and change. Even though a company may have a proper performance management system in place, there may be resistance to change from certain groups or individuals in the company. In order for a company to transform to perform at a higher level than it did previously, its change agents must be aware of all the underlying dynamics in the company. These dynamics may contribute to the slow transformation or an unsuccessful attempt to transform the company. Once again, the systems approach plays a major role in the change process and it is important for the change agent to familiarise himself or herself with the different systems and subsystems in the company that are closely interlinked and that impact on one another.

7.7.5 Attitudes

It was evident from the literature review that the concept of attitude is still a controversial topic. Not only are there several definitions of the concept, but there are also different explanations of the components of the concept. It seems as if this complex matter will not resolve itself easily because of the different perspectives or approaches.

7.7.6 The effect of training on attitudes

Although there are many training and theoretical models that describe attitudes, little, if anything, has been published on whether training can change attitudes or not. There is no empirical evidence to prove that performance management training specifically has an impact on changing attitudes, although related research emphasises the impact of training in changing attitudes (Karam-Hage, Nerenberg & Brower 2001; Soner 2000 and Hoff 1996).

One reason for limited empirical evidence, could be the fact that so many other variables can intervene in the empirical process to contaminate the results. For example, in this study a research process was planned and implemented to determine whether training can change attitudes towards performance management. Unfortunately, at a critical stage of the study, external consultants intervened in the process. To what extent the external consultants' intervention impacted on the results of the study is not (and will not be) known.

7.7.7 Scale to measure attitudes towards performance management

From the literature review it was evident that there was no scale to measure attitudes towards performance management. Scales that showed some resemblance to the scale developed in this study were ones used for climate studies.

This study developed an attitude scale to measure attitudes towards performance management. The scale has a high validity in that it measures the constructs that it is supposed to measure (see sections 6.4.2 and 6.4.3). The scale reliability is also high.

The scale was used to point out that female managers feel less positive towards performance management than male managers. Although the scale was applied to measure the attitudes of managers before and after the training intervention took place, for various reasons there was no statistically significant change in the pre- and post-test (see section 7.6.2).

7.8 RECOMMENDATIONS

The fact that the concepts of performance management and performance appraisal are used practically synonymously is cause for concern. Not only does performance management impact on the implementation of strategy but it also forms part of all organisational development interventions. The definition of the two concepts needs to be clarified and tackled in training programmes and should be seen as an important aspect for education. This area should be investigated and clarified with future research.

With the growing tendency for females to fill managerial positions, it would be interesting to investigate how female managers perceive performance management in a few years' time. Special attention needs to be given to female managers' perceptions of their own competence in managing performance. More importantly, the development of female managers' assertiveness in the organisational context needs to be addressed.

With regard to the development of future training programmes in performance management, it is recommended that training programmes should stretch over longer periods. It is also recommended that refresher courses be designed and presented on a regular basis.

In the development of a performance management training programme it is recommended that more use be made of interactive methods and experiential learning techniques. These methods and techniques allow training delegates to learn from others' shared experiences and make the training an interactive experience.

This study once again confirmed the importance of a systems approach in change management. If the performance management process is used as a vehicle for change in a company, it is recommended that the systems approach feature prominently in a performance management training programme. It is important to stress in the programme how interrelated the sub-systems in a company are and how change in one sub-system impacts on the other sub-systems.

It is recommended that companies that have a culture of not managing performance, use performance management training to change that culture into one in which performance is managed. The performance management attitude scale (PMA scale) would be a useful assessment instrument to determine managers' attitudes towards performance management before and after the training intervention has taken place.

It is recommended that performance management training programmes be assessed systematically and specifically in terms of change in attitudes.

Since no existing scale was found in the literature review that measures attitudes towards performance management, it is recommended that future research in performance management improve on the performance management attitude scale developed in this study.

It is recommended that the performance management attitude scale be tested further especially its validity since the scale was used for the first time during this study.

Another recommendation is that future research follow the procedure described in this study and that, if possible, the performance management attitude scale be applied in a situation with less external inference.

A final recommendation is that the post-test takes place sooner after the training intervention to limit the time for any other factors to jeopardise the intent of the training programme.

7.9 CONCLUSION

The aim of the study was to determine the effect of a training programme on the attitudes of managers towards performance management. Although there was no statistically significant change in the attitude of managers towards performance management after they had attended the performance management training programme, there were several possible reasons for this, as substantiated by the literature review.

A positive outcome and contribution of the study was the development of a performance management attitude scale (PMA scale). Perhaps this scale can serve as inspiration for future scales to measure attitudes towards performance management.

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APPENDIX 1

PERFORMANCE MANAGEMENT QUESTIONNAIRE

Name : **Contact number:**

Card number ☐☐

Record number ☐☐☐☐☐☐

SECTION A

SOCIO-DEMOGRAPHIC INFORMATION - Please tick the following questions by using the ✓ symbol

1. Are you male or female?	1. ☐ Male 2. ☐ Female
2. What is your age?	☐☐
3. Years of work experience in this company	☐☐
4. Years of experience as a manager in this company.	☐☐
5. The name of your business unit	1. Professional Services ☐ 2. Networks ☐ 3. Developing Business ☐ 4. Regional Sales Offices ☐ 5. Technical Solutions ☐
6. Geographic Region of business unit	1. Johannesburg ☐ 2. Cape Town ☐ 3. Pretoria ☐ 4. Port Elizabeth ☐ 5. Durban ☐

SECTION B

7. How do you feel about the existing performance management program? 1. Negative ☐ or 2. Positive ☐
Please motivate your answer.

SECTION C

Below a *number of issues important to the workplace are presented.* Please *express* your *views/opinions by choosing an* appropriate category and circle it.

Please be honest and indicate your choice as quickly as possible with the first reaction that comes to mind. The results will be used mainly for research purposes and are strictly confidential.

Looking at the answer choices printed on the following pages, could you please select the one that best expresses your own attitude for each of the statements. As you can see the answer choices are: Strongly agree, Agree, Disagree and Strongly Disagree. The statements that are stated here are neither right nor wrong. We are interested in knowing how you feel about them.

	Strongly Agree	Agree	Disagree	Strongly Disagree
8. Successful implementation of a performance management system implies good leadership from the business unit management.	4	3	2	1
9. It is the responsibility of line management to implement the performance management system in a company.	4	3	2	1
10. *Managers are responsible to develop their employees.*	4	3	2	1
11. It is management's responsibility to manage and retain talented employees.	4	3	2	1
12. Managers who involve their employees in decisionmaking have better results than those who make decisions on their own.	4	3	2	1
13. A manager must set targets for the new employee and re-confirm with permanent employees the different objectives and targets set for the person.	4	3	2	1
14. My organisation inspires the very best in me in the way of job performance.	4	3	2	1
15. Working towards a central goal(s) involves everyone and it gets people motivated.	4	3	2	1
16. Incentive schemes play an extremely important role in motivating myself.	4	3	2	1
17. The new targets set annually for me by my manager give me direction	4	3	2	1
18. I feel like working hard for the sake of our team's success.	4	3	2	1
19. When I do a good job, I get praised for it.	4	3	2	1
20. I get paid for doing a good job.	4	3	2	1
21. My pay compares with that of similar jobs in other companies.	4	3	2	1
22. I feel flattered if my companies' CEO notes my excellent performance.	4	3	2	1
23. I believe there is a relationship between my annual pay increase and my annual *performance review.*	4	3	2	1
24. My organisation rewards the behaviours/performance that are critical for organisational success.	4	3	2	1
25. My supervisor/manager rates everyone fairly when considering him or her for promotion.	4	3	2	1
26. My employer pays me a competitive market related salary for my work - more than I would receive from other organisations in this area.	4	3	2	1
27. Creative ideas saving cost and generating income, should be rewarded accordingly.	4	3	2	1
28. Each employee has a need for recognition.	4	3	2	1
29. I need to be developed to my full potential.	4	3	2	1
30. I get bored with my job the moment I am very familiar with it.	4	3	2	1
31. I need to know exactly what is expected from me.	4	3	2	1
32. I need to know how my job impacts on the business unit as well as on the company.	4	3	2	1
33. Constantly exceeding one's performance targets should be rewarded	4	3	2	1
34. *I need a medium and long-term career development plan.*	4	3	2	1
35. My immediate supervisor is solely responsible for the development of the employee.	4	3	2	1
36. The general feeling is that the more I put into the job, the more I should get out of it. In *other words, if I excel in my job, I expect to be rewarded/ recognized for it.*	4	3	2	1

APPENDIX 1

	Strongly Agree	Agree	Disagree	Strongly Disagree
37. I am more satisfied when I feel equitable rewarded.	4	3	2	1
38. Now that legislation provides guidelines on the development of skills and training and development, needs will be addressed properly.	4	3	2	1
39. The shortage of skills in my company should be addressed first, not the needs of the individual.	4	3	2	1
40. Insufficient integration of business plans connecting to the different divisions& activities, result in a fragmented understanding of where my company is heading.	4	3	2	1
41. I am familiar with the organisation's strategic mission statement.	4	3	2	1
42. I understand my job duties and responsibilities.	4	3	2	1
43. I have all the tools and resources I need to do my job.	4	3	2	1
44. There is a sense of team spirit in my department.	4	3	2	1
45. My duties and responsibilities are in line with the Business Unit's strategies	4	3	2	1
46. It often happens that performance evaluation is emphasized to the partial or total exclusion of development.	4	3	2	1
47. Criticism and the stress of a face-to-face performance review do little to set the proper tone for a constructive discussion of future improvement.	4	3	2	1
48. Subordinate, peer, and self-performance appraisals will be an appropriate and useful supplement to the traditional top-down method.	4	3	2	1
49. There is definitely scope for growth and development for me as an employee within my business unit.	4	3	2	1
50. I am worried that I am not skilled enough to do my job.	4	3	2	1
51. I am worried that I am too skilled for my job.	4	3	2	1
52. I may loose my expertise/skills because it is not fully utilized by my company.	4	3	2	1
53. Although I possess the required skills, my company hires external consultants to execute functions that I am equipped to do.	4	3	2	1
54. Practical experience can only be obtained from the actual working environment.	4	3	2	1
55. Proper communication between the manager and employee is a vital aspect in the management of performance.	4	3	2	1
56. I have been exposed to at least four different performance management systems in the past.	4	3	2	1
57. Managing performance would be a lot easier if my sub-ordinates also understand the rationale behind the process.	4	3	2	1
58. As a manager it is primarily my job to manage performance	4	3	2	1
59. As a manager it is primarily my job to generate business and money.	4	3	2	1
60. I am aware of the latest international trends in my field.	4	3	2	1
61. My direct manager informs me when I am performing both above and below his/her expectations.	4	3	2	1
62. Change is a necessary dimension of maintaining a competitive edge.	4	3	2	1
63. On the job training is preferable to theoretical training courses.	4	3	2	1
64. I get a feeling of personal satisfaction from doing my job well.	4	3	2	1
65. I don't care what type of work I am doing as long as I get money.	4	3	2	1
66. It is very important for me that people treat me with respect	4	3	2	1
67. There is ample opportunity for advancement in my job.	4	3	2	1
68. The tasks I perform in my work are usually meaningful to me.	4	3	2	1
69. The tasks that I do in my work are usually important to me.	4	3	2	1
70. I feel personally responsible for the tasks I perform in my work.	4	3	2	1
71. Most of my work objectives are clearly defined.	4	3	2	1
72. The amount of work I am usually asked to do is fair.	4	3	2	1
73. I usually don't seem to have enough time to get my work done.	4	3	2	1
74. It is primarily my own responsibility to decide how to do my work.	4	3	2	1
75. I can usually see the results of my work.	4	3	2	1
76. Various organisation members are affected by how well I do my work.	4	3	2	1
77. I am usually provided with sufficient training to do my work well.	4	3	2	1

	Strongly Agree	Agree	Disagree	Strongly Disagree
78. I have a clear idea of my work group's goal.	4	3	2	1
79. I feel that I am really part of my work group.	4	3	2	1
80. I usually feel that I can confide in and trust my colleagues.	4	3	2	1
81. Members of my work group usually maintain high standards of performance.	4	3	2	1
82. My work group usually emphasizes team goals.	4	3	2	1
83.My work group usually plan together and co-ordinate its efforts.	4	3	2	1
84. In my work environment there are factors which encourage me to work hard.	4	3	2	1
85. My business unit is known for a reward system (salaries, promotion, and benefits) based on employee worth, ability and performance rather than luck, who you know and how well people can be manipulated.	4	3	2	1
86. In my business unit a definite physical distinction is made between (e.g. size of offices, office equipment) people on different hierarchical levels.	4	3	2	1
87. In my business unit definite psychological distinctions (e.g. informal social boundaries, treatment of subordinates as inferior,etc). are made.	4	3	2	1
88. My company is characterised by an interest in the welfare of its employees.	4	3	2	1
89. I usually feel despondent about my future at my company/ business unit.	4	3	2	1
90. My manager/supervisor always reprimand me.	4	3	2	1
92. I find it easy to talk to my supervisor	4	3	2	1

SECTION D

Please evaluate yourself, then your business unit and then the organisation on performing the following issues:
Please use the following key:

4. Always
3. Often
2. Seldom
1. Never

	Self	Business Unit	Company
93. Specify clear standards of performance			
94. Work according to business plans			
95. Leadership by setting clearly defined goals			
96. Create a work environment of trust and confidence in one another			
97. Develop subordinates to be successful			
98. Reward employees according to their performance			
99. Show recognition for subordinates hard work			
100. Follow guidelines set by legislation in terms of skills development			
101. Motivate employees to perform optimally			
102. Keep employees informed by clear communication			
103. Recognise the needs of employees			

If you have any other information which may assist us with this study, but is not captured in the above items, kindly use the section below:

Thank you very much for your kind assistance and valuable information.

Component Matrix **APPENDIX 2**

	Component 1	2	3	4	5	6	7
ITEM8	0.141854132	0.201529577	-0.2430004	-0.25328171	-0.2284	0.468934845	0.285198245
ITEM9	0.264683808	0.266308138	-0.10031114	-0.04698038	-0.07567133	-0.14963083	0.25212551
ITEM10	0.192070909	0.298991441	-0.27017342	-0.12024282	0.21823206	0.15638922	-0.339135442
ITEM11	0.141691506	0.431788421	-0.26827015	-0.16376116	0.3360252	-0.25066894	-0.242769159
ITEM12	0.13502727	0.144347066	-0.15136018	-0.28620391	-0.07748991	-0.14340928	0.242507262
ITEM13	0.240215238	0.06021639	-0.38420554	-0.27995149	-0.09048248	-0.1417328	0.149171736
ITEM14	0.586855342	-0.0465744	0.181215835	0.139984616	-0.12537638	0.275213228	0.173476073
ITEM15	0.328998164	0.173509049	-0.13910615	-0.18120896	-0.29100173	0.240642657	-0.156467107
ITEM16	0.125967067	0.094119981	0.176662043	-0.00893566	-0.02204387	0.01528638	0.454434546
ITEM17	0.501354205	0.240360738	0.112568898	-0.21211163	0.4016459	0.134614193	0.026123124
ITEM18	0.353288541	0.279406738	-0.26788623	-0.20338757	0.24481175	-0.13492281	-0.279853128
ITEM19	0.651125955	-0.0792133	0.065290862	-0.04679113	0.15422217	0.034893089	-0.205387273
ITEM20	0.421742816	0.080513557	0.330751193	-0.11760113	-0.15034636	0.377544227	-0.314551745
ITEM21	0.468299928	0.037104296	0.295053886	-0.22517371	-0.31485307	0.078467136	-0.160110239
ITEM22	0.047840364	0.535751535	0.077078006	-0.14724968	-0.15536214	-0.06438049	-0.039214109
ITEM23	0.372691752	-0.00925742	0.277858155	-0.29624809	0.46472787	0.043428237	-0.311826462
ITEM24	0.428020675	-0.00974992	0.076175005	-0.01049574	0.10213724	0.509273107	0.008319182
ITEM25	0.739211227	-0.10185086	0.004359116	0.002718755	0.11239483	-0.09285689	-0.222640599
ITEM26	0.266834192	-0.25735056	0.51699252	-0.15759734	0.0927494	-0.00473121	-0.01798136
ITEM27	0.10059485	0.402769283	-0.13676494	-0.11631529	-0.16312929	0.026120297	-0.04589769
ITEM28	0.200426732	0.391082306	-0.24176715	0.038576597	0.02160688	-0.35782875	0.068335915
ITEM29	-0.01140306	0.421949508	-0.00203987	-0.2943984	-0.19536437	0.157582887	0.434059048
ITEM30	-0.21113135	0.40777536	0.052577173	0.087906373	-0.01872663	0.17762328	0.481729953
ITEM31	0.2882063	0.257309424	0.19732967	-0.32985736	-0.1116757	-0.24708775	-0.00478537
ITEM32	0.160632038	0.575425797	0.320593546	-0.11964717	-0.27239046	0.012147826	-0.037618096
ITEM33	0.03201368	0.615820613	-0.14019676	0.019332553	-0.27369392	-0.18366122	0.043016804
ITEM34	0.202963983	0.534269021	0.009215687	-0.41514987	0.03571622	0.305845471	0.101759143
ITEM35	0.179672539	0.163093035	-0.02197768	0.297276984	0.37659345	0.000394386	0.049659306
ITEM36	-0.01109093	0.593536087	-0.19620125	0.136937946	-0.09655171	-0.02789757	-0.206054346
ITEM37	-0.07793815	0.418177365	-0.15628667	0.018149969	-0.16135165	0.051735953	0.232310159
ITEM38	0.165840679	0.21327477	0.153436578	-0.01472052	0.16853759	0.373830458	0.312664739
ITEM39	0.059287112	0.008760395	0.350014284	-0.01534685	0.31736506	-0.26543819	-0.060497404
ITEM40	-0.0999157	0.260769509	-0.11604287	-0.17706465	0.13197968	0.085319872	0.199144687
ITEM41	0.288778296	0.072594846	0.130971059	-0.14589563	0.01459589	0.004398432	0.218087874
ITEM42	0.398222004	0.309219124	-0.11530218	0.242058268	-0.09441948	-0.12467167	-0.029259099
ITEM43	0.551795175	-0.0931478	0.185703058	-0.00028186	-0.18156137	-0.38660763	-0.040495135
ITEM44	0.38216709	-0.13302485	-0.52385669	0.221339221	0.27817792	0.283591497	0.173335358
ITEM45	0.58584614	0.183002343	0.13633528	0.065713898	0.03555704	0.227801177	-0.017288921
ITEM46	-0.15644804	0.217639619	0.104229613	-0.22018202	0.0465495	-0.04729566	0.441771567
ITEM47	-0.13324376	0.092253403	0.211934765	0.276346704	0.17791412	-0.09977126	0.292810531
ITEM48	0.102048517	0.272742347	0.035235547	-0.40608441	-0.2556935	0.063766328	-0.040969842
ITEM49	0.466581522	0.12447087	0.288169263	-0.23950132	-0.07222924	0.006755143	-0.003332453
ITEM50	-0.10963666	0.071034372	0.401989202	-0.11303597	0.51498664	-0.17520903	0.320284727
ITEM51	-0.36996983	0.18296505	0.21874978	0.021386683	0.23465733	0.055211992	-0.309132051
ITEM52	-0.37089286	0.359320927	0.007113298	-0.01221372	0.41777022	0.34667547	-0.223287045
ITEM53	-0.47843318	0.290269913	-0.06080164	0.347206102	0.17202023	0.316389633	0.029594477
ITEM54	-0.07181119	0.338308175	-0.08113156	0.212783845	-0.11439605	-0.14338961	0.029094217
ITEM55	0.0217222	0.464644533	-0.20657816	-0.04812044	-0.08869037	-0.23658799	-0.127269934
ITEM56	-0.20799375	0.088526031	-0.32335511	-0.40849252	0.03558018	-0.06712171	0.024519368
ITEM57	0.12852592	0.398228887	-0.3803165	-0.28507587	0.03659901	0.122805269	-0.174626312
ITEM58	0.099955089	0.415964727	-0.25117107	0.093850962	0.34821674	0.123520572	0.046181684
ITEM59	0.241268329	0.294292671	-0.05444728	0.463513538	0.19394247	-0.01861046	0.177223924
ITEM60	-0.02706039	0.280276425	-0.30542514	0.310621455	-0.31172938	0.085044257	-0.03953991

ITEM61	0.46793254	-0.20720982	-0.05734448	0.228128206	-0.26241041	-0.2731855	0.151179356
ITEM62	0.127610135	0.405714097	-0.20598593	-0.05505242	0.01768654	0.059722977	0.004735193
ITEM63	0.109563379	0.32076631	-0.01776901	-0.29217879	0.26718821	-0.06779821	0.003120983
ITEM64	0.20533035	0.569031855	-0.06732685	-0.06669698	-0.02850338	-0.28971327	-0.029126311
ITEM65	-0.08048205	-0.09637076	-0.09275584	-0.18689246	0.45965653	-0.20531468	0.165657132
ITEM66	0.133590304	0.541306897	0.143891979	0.294863426	-0.29003411	0.143746135	0.030089979
ITEM67	0.561713676	0.052579809	0.365578244	0.059595614	0.09960313	0.134743552	0.060113549
ITEM68	0.228691532	0.304896658	0.391061445	0.462343327	-0.05567473	0.030111397	-0.264071083
ITEM69	0.315763973	0.366082382	0.309184494	0.266453248	0.16964994	-0.21601652	-0.202038324
ITEM70	0.406421554	0.338152093	0.054549128	-0.12516322	0.15170141	-0.39471482	0.102706998
ITEM71	0.572508908	0.180473754	0.158626369	0.290028035	-0.30408891	0.091333923	-0.031678379
ITEM72	0.394147549	-0.08012622	0.376640727	-0.03297557	-0.05658194	0.129305965	0.265744312
ITEM73	-0.21624583	0.394698182	0.02723794	0.471375042	0.1586619	-0.20823252	0.026141466
ITEM74	0.146220218	0.143844311	0.212532505	0.160473619	-0.1183901	-0.09772062	0.2915869
ITEM75	0.396898715	0.351970468	0.308663729	0.254758777	-0.15368526	-0.02573493	-0.013698164
ITEM76	0.127903109	0.376383403	0.090507834	-0.04182191	0.34474956	-0.15576356	0.116727161
ITEM77	0.34792894	-0.14093603	0.002067336	0.263857421	-0.29434492	-0.17971296	-0.102710783
ITEM78	0.426569824	-0.17551569	-0.16471378	0.088219545	-0.00703112	-0.43616592	0.239608609
ITEM79	0.48176127	-0.18008172	-0.21022088	0.207181804	0.16668193	-0.15251716	0.180043103
ITEM80	0.548092748	-0.3434359	-0.20951195	0.001669741	-0.10709566	-0.06210981	0.069976259
ITEM81	0.532220899	-0.16834759	-0.42499969	0.201792871	0.07527277	0.022056023	0.283199518
ITEM82	0.580674923	-0.09850376	-0.17306874	0.280616868	0.30673084	0.311278948	0.212271739
ITEM83	0.455765255	-0.23639578	-0.2112313	0.187195185	0.32590902	0.237218865	0.112938294
ITEM84	0.547615259	0.094530472	-0.17512512	0.052792365	0.0577189	0.129807411	-0.123428268
ITEM85	0.62970713	-0.2246974	-0.03241451	0.079961533	-0.06343499	0.173147488	-0.197749628
ITEM86	-0.31446824	0.614364912	0.050432013	0.224947184	-0.03417512	0.033670435	-0.178331919
ITEM87	-0.44049327	0.52850097	-0.07169768	0.4221447	0.03079934	0.100071498	-0.12971287
ITEM88	0.593668602	-0.02929546	-0.14884818	0.014585445	0.17095327	-0.14076318	-0.142604108
ITEM89	-0.36688086	0.234343868	-0.0729014	0.109551933	0.12184979	0.108582449	-0.08482122
ITEM90	-0.1712444	0.327126521	0.536470722	-0.0117237	0.25553197	-0.19403721	0.158453891
ITEM91	0.535465742	-0.1483175	-0.46650376	0.032975801	0.03657871	-0.14736459	-0.083463846

Extraction Method: Principal Component Analysis.
a 7 components extracted.