EFFECTIVENESS OF PERFORMANCE MANAGEMENT SYSTEM IN MOSES KOTANE LOCAL MUNICIPALITY

T.C MOGOROSI
20965850

Mini-dissertation submitted in partial fulfillment of the requirements for the degree Master of Business Administration in the Faculty of Commerce and Administration at the Mafikeng Campus of the North-West University

Supervisor: Prof W. Musvoto

November 2016
**Declaration Regarding Plagiarism**

<table>
<thead>
<tr>
<th>I (full names &amp; surname):</th>
<th>Tebogo Charlotte Mogorosi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student number:</td>
<td>20965850</td>
</tr>
</tbody>
</table>

**Declare the following:**

1. I understand what plagiarism entails and am aware of the University’s policy in this regard.

2. I declare that this assignment is my own, original work. Where someone else’s work was used (whether from a printed source, the Internet or any other source) due acknowledgment was given and reference was made according to departmental requirements.

3. I did not copy and paste any information directly from an electronic source (e.g., a web page, electronic journal article or CD-ROM) into this document.

4. I did not make use of another student’s previous work and submitted it as my own.

5. I did not allow and will not allow anyone to copy my work with the intention of presenting it as his/her own work.

-signature-_________________________ | -date-_________________________
ACKNOWLEDGEMENTS

No battle can be won alone. I would like to dedicate this thesis to every single one who has been part of my academic journey. It was not an easy road but was made possible by my Lord Almighty who strengths me. I would like to express my deepest appreciation to all who were involved at various stages of this research as they played a unique and vital role to ensure its completion.

- First and foremost, I would like to thank God who made all this possible and never forsaken me through all the challenges I had experienced in this journey.
- I would like to thank my supervisor Professor W. Musvoto for the faith he had in me to complete even though I wanted to give up at times. I thank you for your invaluable support and guidance through the creation and completion of this research.
- To my mom, Nkgabe Mogorosi, you have always been my pillar of strength no matter the circumstance I have had to endure. I dedicate this research to you as you have never seized to support me with your unconditional love being a bonus.
- To my brother, Thapelo Mogorosi, sister-in-law, Whiteny Mogorosi, my nephew, Lefika Mogorosi and niece Leano Mogorosi, I would like to thank you for your patience, always telling you I can’t be with you because I am studying. Thank you all for the support and love through it all.
- To my friends and family, you were great pillars of strength and gave me all the support I need to see me through this program.
- To my partner, Mosweu Manganye, I would like to thank you for the support, motivation and encouragement. You stood by me through it all.
ABSTRACT
Section 38 of the Local Government Municipal Systems Act (32 of 2000) mandates municipalities to establish and implement performance management systems. The aim was to curb and assign responsibility to the utilizing of resources to be effective, efficiently and economically. It further mandates municipalities to develop Integrated Development Plan (IDP) to prioritise delivery of services to communities. Thus, Moses Kotane Local Municipality has the statutory obligation to ensure delivery of sustainable and quality services to its communities through the guidance of local government legal prescripts.
Hence, the objective of this paper is to measure the effectiveness of performance management system implemented in measuring organisational performance at Moses Kotane Local Municipality. The implementation of an effective performance management is affected by various factors depending on the organisation and industry. Effective implementation of PMS is characterised as the epitome of exceptional performance management of an organisation. Hence, when it is well-implemented, organisations perform well and vice versa. Furthermore, the IDP is deemed the driving tool of service delivery and has been characterised to be an essential document which municipalities are mandated to.
The study was conducted within Moses Kotane Local Municipality as the employees were the relevant subject matter in the research. The results of the study found that various factors affected the effective implementation of PMS. Furthermore, PMS was found to be ineffective in MLMK. The results show that the respondents are knowledgeable about PMS processes although this does not improve on organisational performance. As a result of the findings, the recommendations were that the municipality should re-evaluate the entire performance management system to determine vulnerabilities discovered within the system. The municipality should further introduce the balance scorecard mechanism as a strategic tool to warrant that resources are used efficiently, economically and efficiently.
For the purpose of this study, the quantitative methodology has been used to conduct the study in MKLM as it was found to be useful and fairly represents the observations. Furthermore, a self-administered questionnaire was utilised as a data collection instrument which consisted of closed-ended questions.
Key words: Municipality, Moses Kotane, performance management system, organisation, performance.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGSA</td>
<td>Auditor General South Africa</td>
</tr>
<tr>
<td>BSC</td>
<td>Balance Scorecard</td>
</tr>
<tr>
<td>IDP</td>
<td>Integrated Development Plan</td>
</tr>
<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
</tr>
<tr>
<td>MKLM</td>
<td>Moses Kotane Local Municipality</td>
</tr>
<tr>
<td>PMS</td>
<td>Performance Management System</td>
</tr>
<tr>
<td>SDBIP</td>
<td>Service Delivery and Budget Implementation Plan</td>
</tr>
<tr>
<td>SMART</td>
<td>Specific, Measurable, Attainable, Realistic and Time-bound</td>
</tr>
<tr>
<td>MSA</td>
<td>Municipal Systems Act</td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS

ACKNOWLEDGEMENTS ........................................................................................................ III

ABSTRACT .......................................................................................................................... IV

ABBREVIATIONS AND MEANINGS ............................................................................... VII

LIST OF TABLES ............................................................................................................... XIII

LIST OF FIGURES ........................................................................................................... XIII

CHAPTER 1 ......................................................................................................................... 1

INTRODUCTION AND BACKGROUND .............................................................................. 1

1.1 INTRODUCTION ........................................................................................................ 1

1.2 BACKGROUND ......................................................................................................... 2

1.3 PROBLEM STATEMENT .......................................................................................... 5

1.4 RESEARCH QUESTIONS ........................................................................................ 6

1.5 RESEARCH AIMS/OBJECTIVES .......................................................................... 7

1.6 SCOPE ...................................................................................................................... 7

1.7 CRITICAL LITERATURE REVIEW ....................................................................... 7

1.8 IMPORTANCE AND BENEFITS OF THE PROPOSED STUDY ..................... 11

1.9 CHAPTER OUTLINE .............................................................................................. 12

CHAPTER 2 ......................................................................................................................... 14

LITERATURE REVIEW ..................................................................................................... 14

2.1 INTRODUCTION ....................................................................................................... 14

2.2 LEGISLATIVE FRAMEWORKS, POLICIES WHICH GUIDES
    ESTABLISHMENT, IMPLEMENTATION AND MONITORING AND
    EVALUATION OF PERFORMANCE MANAGEMENT IN MUNICIPALITIES ... 14
2.2.1 The constitution of the republic of South Africa ........................................ 15
2.2.2 Municipal Planning And Performance Management Regulations, 2001 ........ 15
2.2.3 Performance Management Guide for Municipalities, 2001 ........................ 15
2.2.4 Municipal Systems Act No.32 of 2000 and Regulations ............................ 16
2.2.5 The Batho Pele White Paper on the Transformation of the Public Service ...... 16
2.3 PERFORMANCE MANAGEMENT SYSTEMS ....................................................... 18
2.4 EVALUATING EFFECTIVENESS OF PERFORMANCE MANAGEMENT ...... 24
2.5 FACTORS INFLUENCING EFFECTIVE IMPLEMENTATION OF PERFORMANCE MANAGEMENT .......................................................... 26
2.5.1 Relationship between Performance and Training and Development .......... 26
2.5.2 Relationship between Performance and Competence ............................... 28
2.5.3 Relationship between Performance and Organisational Culture ............... 29
2.5.4 Performance Management and Strategic Planning ................................. 31
2.5.5 Dimensional Approach of Performance Measurement through the Balanced Scorecard ........................................................................ 35
2.5.6 Linking Rewards to Performance .............................................................. 39
2.6 IDENTIFICATION OF SUCCESS FACTORS ....................................................... 40
2.7 DEVELOPMENT, IMPLEMENTATION AND MONITORING OF IDP PROCESS ................................................................................. 41
2.7.1 Linking Integrated Development Plan to Performance Management ........ 42
2.8 CONCLUSION .................................................................................................. 45

CHAPTER 3 ........................................................................................................... 46

RESEARCH METHODOLOGY ............................................................................... 46
3.1 INTRODUCTION ............................................................................................... 46
3.2  RESEARCH METHODOLOGY ................................................................. 46
3.3  QUANTITATIVE METHODOLOGY ...................................................... 47
3.4  RESEARCH DESIGN ........................................................................ 48
3.5  RESEARCH STRATEGY ..................................................................... 49
3.6  RESEARCH INSTRUMENT .............................................................. 50
   3.6.1  Questionnaires ........................................................................ 50
3.7  POPULATION ................................................................................ 52
3.8  SAMPLING ................................................................................... 52
3.9  SECONDARY DATA FROM REPORTS ............................................ 53
3.10 DATA ANALYSIS .......................................................................... 54
3.11 ETHICAL CONSIDERATIONS ........................................................ 54
3.12 RELIABILITY .............................................................................. 55
3.13 VALIDITY .................................................................................... 56
3.14 CONCLUSION ............................................................................... 57

CHAPTER 4 ........................................................................................ 58

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA .......... 58
4.1  INTRODUCTION .............................................................................. 58
4.2  RESPONSE RATE .......................................................................... 58
4.3  PERSONAL INFORMATION ANALYSIS ...................................... 58
   4.3.1  Section 1: Socio-demographic data ....................................... 59
4.4  Responses from the questionnaires ............................................. 62
   4.4.1  Section 2: Evaluating the knowledge and understanding of the municipal operations and regulatory legislation ................................................. 62
4.4.2 Section 3: Evaluating the effectiveness of PMS in measuring performance
Moses Kotane Local Municipality ................................................................. 66

4.4.3 Section 4: Identifying performance indicators and key processes of IDP
development ................................................................................................. 77

4.4.4 Section 5: Identifying critical factors influencing effective implementation of
municipal PMS ......................................................................................... 81

4.5 DRAWING THE RELATIONSHIP BETWEEN VARIABLES ..................... 89

4.5.1 Correlation analysis ........................................................................ 89

4.5.1.1 Test of Significance (Spearman’s Rank Correlation) ..................... 89

4.5.1.2 T – Test between Two Independent Samples ............................... 92

4.6 CONCLUSION ..................................................................................... 93

CHAPTER FIVE ......................................................................................... 94

DISCUSSIONS OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS .... 94

5.1 INTRODUCTION ................................................................................... 94

5.2 PERFORMANCE MANAGEMENT SYSTEMS ...................................... 94

5.3 RESEARCH METHODOLOGY AND DESIGN .................................... 94

5.4 DISCUSSION OF RESULTS ................................................................. 95

5.4.1 Research Objective 1: To establish the knowledge and understanding of
municipal operations the respondents possess in order to determine the
level of understanding of performance management. ............................. 95

5.4.2 Research Objective 2: To measure the effectiveness of performance
management systems at Moses Kotane Local Municipality in order to
determine if the PMS in place is effective or not ........................................ 96

5.4.3 Research Objective 3: To identify and measure awareness and knowledge
of respondents pertaining indicators and key processes of IDP
development ......................................................................................... 97
5.4.4 Research Objective 4: To identify and measure awareness and knowledge of respondents pertaining to critical factors influencing effective implementation of municipal PMS. ............................................................. 98

5.5 LIMITATIONS .................................................................................. 99

5.6 RECOMMENDATIONS ...................................................................... 99

5.7 CONCLUSION .................................................................................. 101

REFERENCES ....................................................................................... 102
LIST OF TABLES

Table 4-1: Evaluating the knowledge and understanding of the municipal operations and regulatory legislation........................................................................................................... 63

Table 4-2: Evaluating the effectiveness of PMS in measuring performance Moses Kotane Local Municipality........................................................................................................... 66

Table 4-3: Identifying performance indicators and key processes of IDP development.......... 77

Table 4-4: Identifying critical factors influencing effective implementation of municipal PMS ... 81

Table 4-5: Spearman's rank correlation between age group (V86) and views of respondents about the performance of the Moses Kotane Local Municipality ........................................................................................................... 90

Table 4-6: Spearman's rank correlation between period of service (V88) and views of respondents about the performance of the Moses Kotane Local Municipality ........................................................................................................... 91

Table 4-7: Comparing perceptions (views) of male and female respondents concerning the performance of the Moses Kotane Local Municipality................................................. 92
LIST OF FIGURES

Figure 2-1: Resource-based performance management view ........................................... 21

Figure 2-2: Performance Management System ..................................................................... 22

Figure 2-3: Strategy: Vision, Mission and Core Values .......................................................... 37

Figure 4-1: Age category ....................................................................................................... 59

Figure 4-2: Gender .................................................................................................................. 59

Figure 4-3: Job experience at the municipality ........................................................................ 60

Figure 4-4: Highest qualification held ..................................................................................... 60

Figure 4-5: What position do you hold? .................................................................................. 61

Figure 4-6: Which Department do you work at? ................................................................. 62
CHAPTER 1

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

The purpose of the study is to evaluate the effectiveness of the performance management system implemented in the Moses Kotane Local Municipality in measuring organisational performance. According to Abera and Khalo (2014), it is difficult to ascertain whether communities are satisfied with the service or not in the absence of performance measurement within an organisation. Hence measuring municipalities’ organisational performance through the evaluation of the effectiveness of its performance management system is imperative as it reflects on the services delivered to its communities and satisfaction of all its stakeholders.

Municipalities work according to a legislated 5-year strategic document namely the Integrated Development Plan (IDP). This document outlines the objectives and resources to guide in the delivery of services to communities (Local Government: Municipal Systems Act, No. 32 of 2000 and Regulations). Munzhedzi and Phago (2014) concurs that performance management system manages performance through an authoritative framework which includes a policy framework. Goal achievement of the IDP is thus essential in evaluating municipal performance. In the case of Moses Kotane Local Municipality, its performance has not been the epitome of excellence. As a result, the Auditor General has opinionated a qualification for the municipality’s performance management.

Since the IDP is a legislated document, it is thus essential in local government that performance management systems be in accordance with the Municipal Systems Act of 2000 and regulations section 38. Hence, if PMS is effectively implemented accordingly, it will enable a municipality to monitor, review and assess performance, train and develop underperformers.

Therefore, in light of the above, it can be depicted that Moses Kotane Local Municipality is not performing as desired. Hence, it is necessary for the study to be undertaken to evaluate the effectiveness performance management system in measuring performance in Moses Kotane Local Municipality.
This chapter commences with delineating the background of the study in section (1.2), this will be followed by a brief outline of the problem statement in section (1.3). It will be followed by the conceptualization of the research questions and objectives section 1.4 and 1.5 respectively, and it will be followed by literature review in Section 1.6

1.2 BACKGROUND

Moses Kotane Local Municipality was first incepted after the non-racial and inclusive local government elections which took place in December 2000 (Moses Kotane Local Municipality Integrated Development Plan 2014/2015). According to Kok (2008), the new local government approach was to foster an integrated process and perception of co-operative governance between municipalities and other government entities. Kok (2008) further reiterate that this would ease the responsibility for inter-related developments which rested entirely on provincial and national governments. Since then, municipalities have been categorically classified into the following categories:

**Category A**

A metropolitan municipality which has exclusive executive and jurisdictive authority

**Category B**

A local municipality which is segmented to municipal executive and jurisdictive with a district municipality within its area

**Category C**

A district municipality that has municipal executive and jurisdictive authority in an area that includes more than one municipality.

In terms of the draft 2014/2015 Municipal Integrated Development Plan Moses, Kotane Local Municipality is classified as Category B4 Local Municipality which is mainly rural and with communal tenure. MKLM has two townships in the juristic area as well. The municipality has an estimated 61 759 households and a population of 242 554 since the last conducted censors in South Africa in 2011.

The Municipality covers an area of approximately 5220 km2 and is mostly rural in nature. It encompasses 107 villages, 2 two townships, namely Mogwase and Madikwe.
It also consists of 31 Wards, served by 62 councilors which make up the municipal council. In accordance with the 2014/2015 Integrated Development Plan, services delivered to its communities are incorporated in the IDP as organizational objectives. Amongst others, these services include infrastructural services which comprise of roads, water, sanitation, storm water drainage systems, community high mast lights and community halls. On the community services, the municipality delivers services such as HIV, elderly and disables community programmes, landfill sites maintenance, parks and recreation and cemetery services.

Moses Kotane Local Municipality is governed by a municipal council which was elected by voters residing in the municipal jurisdiction. Preceding the municipal council is the administrative governance. The administrative structure comprises of 6 departments namely; budget and treasury, the office of the municipal manager, community services; infrastructure and technical services; corporate services and planning and local economic development.

Objectives of all these departments are contained in the Integrated Development Plan (IDP). The IDP is legislated 5-year strategic document which mandates municipalities’ service delivery priorities to its communities (Municipal Systems Act of 2000). These service delivery priorities are in the form of key performance indicators. A criterion is set out in which these have to be specific, measurable, attainable, and relevant and time-bound (SMART). These KPIs are a mechanism for measuring performance, including outcomes and impact. The link between planning and implementation is of vital importance. This link is facilitated by the Service Delivery Budget Implementation Plan (SDBIP) and the Performance Management System of the municipality. The SDBIP is the municipality’s year plan deduced from the 5-year strategic plan. It serves the purpose of implementing the delivery of municipal services and the allocation of the annual budget.

The Integrated Development Plan (IDP) is arguably the most valuable tool utilised in municipalities as it sets out the guiding vision of the municipality (Municipal Systems Act of 2000). In general terms, the IDP sets out the vision and mission of the council over the five year period. Herewith in, the executive committee must identify the communities’ needs and review and evaluate them in order of priority. The executive
committee must determine the best methods to deliver on the goals set out in the IDP to maximise benefits of the communities (LaFoy, 2012).

Consequently, performance goes hand in hand with service delivery. Hence according to Mweemba and Malan (2009), the main priority of a municipality is to serve its communities with quality service delivery efficiently, effectively and economically. According to Haines and St-Onge (2012), the performance management system should be developed in a way that it will have the ability to detect early warning indications of underperformance.

Municipalities’ performance in South Africa is of note as the Auditor General South Africa has mentioned in its most recent report of period 2013/2014. It reported that a total of 34 (13%) of the municipalities did not adopt a performance management system as required by the MSA. The PMS was adopted by 41 (15%) municipalities and was not as comprehensive as required. A further 44 (16%) did not have mechanisms to monitor and review their performance management system (Consolidated general report on the audit outcomes of Local Government 2013-14). This highlights red flagging of South African municipalities about their performance.

Hence, White Paper on Local Government legislation was introduced with the aim of assisting municipalities with the regulation of performance management system and curb on poor performance. The White Paper on Local Government (1998) proposed that local government develop and implement PMS as a monitoring tool to ensure progressive service delivery. After two years, in the year 2000, the Municipal Systems Act of 2000 was subsequent and mandated the local government to cultivate a PMS in order enable municipalities to evaluate and monitor their performance consistently. This development concluded the inception of the Integrated Development Planning document, Budgeting, and Performance Management systems.

Furthermore, Moses Kotane local Municipality has implemented performance management system as per the White Paper regulation and the MSA. Although in the financial years 2012/2013, 2013/2014 and 2014/2015 the municipality has not been performing well as per the reports of the Auditor General. In light of the above, this
study seeks to evaluate the effectiveness of performance management system in measuring performance Moses Kotane Local Municipality

1.3 PROBLEM STATEMENT

In terms of Section 38 of the Municipal Systems Act (Act 32 of 2000), a municipality must establish a performance management system which is proportionate with its resources and aligned with the priorities, indicators and targets as contained in its IDP. The system must cultivate a high-performance culture throughout the municipality including political structures and office bearers and its entire administration. Also, it should conduct its undertakings in a more economic, efficient and effective manner (Municipal Systems Act 32 of 2000). Performance management system in MKLM has been developed and implemented as per the regulations. Its mandate is to evaluate and monitor the organisation’s performance and mitigate any challenges, prepare quarterly and annual performance reports for Auditor General to review (Moses Kotane Local Municipality organogram 2015).

According to Municipal Systems Act of 2000 municipalities are subjected to performance evaluation on a quarterly basis. Henceforth, according to Sanger (2008), PMS affords value add when it assists executives to enhance on accountability for upholding mandates. It also promotes effective reward management system, restraints and improves on motivational efforts.

Performance evaluation is a critical aspect of any organisation as Sanger (2008) further highlights that through performance measurement politicians and the municipality can have insight on how well to deliver services. This would assist in meeting the needs of citizens and would enable the politicians to keep abreast on whether political demands they were elected for are achieved.

As highlighted on the importance of PMS, challenges in Moses Kotane Local Municipality have persisted over a period of time. It has been highlighted in the Auditor General South Africa’s reports for financial years 2011/2012, 2012/2013 and 2013/2014 that municipality has received a qualification opinions with respect to organizational performance. All reports for the stated periods obtained qualified opinions on the overall
performance management. Amongst the challenges highlighted by AG, the following were noted for performance management information:

- Measures taken to improve performance not disclosed;
- Consistency, i.e. reported targets are not consistent with planned indicators and targets, and changes to development priorities’ indicators and targets not approved; and
- Measurability, i.e. indicators not well defined, not verifiable, targets not specific, not measurable and not time bound.

Performance information of pre-determined objectives for financial years 2011/2012 and 2012/2013 obtained disclaimers and an adverse opinion was obtained for 2013/2014 financial year. The opinions are because AGSA experienced limitation of scope because the municipality did not provide sufficient and appropriate evidence in support of the information presented on municipal performance information. The performance information consisted of targets set out development priorities, i.e. basic service delivery: roads and storm water, water and sanitation, community facilities, housing and building controls. The information was found to be inaccurate, invalid and incomplete.

It is against this backdrop of serious challenges experienced at the Moses Kotane Local Municipality that the study seeks to evaluate the effectiveness of performance management system in measuring performance in Moses Kotane Local Municipality.

1.4 RESEARCH QUESTIONS

- What is the performance management system put into place at Moses Kotane Local Municipality?
- How effective is the performance management system put into place at Moses Kotane Local Municipality in managing employee performance and improving service delivery?
- What are the factors that influence the effective implementation of performance management systems?
What recommendations can be offered to improve the effectiveness of the performance management system in promoting service delivery at Moses Kotane Local Municipality?

1.5 RESEARCH AIMS/OBJECTIVES

- To establish the performance management system put into place at Moses Kotane Local Municipality;
- To establish the effectiveness of performance management system put into place at Moses Kotane Local Municipality;
- To establish which factors influence effective implementation of organisational performance; and
- Provide recommendations which can enhance the effectiveness of the performance management system in improving service delivery in the Moses Kotane Local Municipality.

1.6 SCOPE

The scope of the research is founded on performance management system of the Moses Kotane Local Municipality, as the target group is indicated as municipal employees. The focus will be put on municipal KPIs, Integrated Development Planning, performance reports, performance measures and customer satisfaction on service delivery.

1.7 CRITICAL LITERATURE REVIEW

According to Warnich et al. (2014:72), performance management is defined as a process whereby organisational success is vitally affected by getting employees and their managers to effectively work together. The process has the aim of achieving the set objectives, review results and rewards performance accordingly. Costello (2014:101) describes performance management “as a process that connects each individual’s goals to those of the overall mission of the organisation and supports an organisation’s overall business goals.

With the two views, it is highlighted performance management starts with setting clear goals/objectives to give a clear direction of what needs to be done to meet the set
organisational objectives. Hence, according to Ellis and Normore (2015), the process of performance management system consists of elements which result in a continuous cycle for the performance management system to be effective.

Furthermore, Ellis and Normore (2015) emphasises that the PMS process commences with determining and clarifying objectives, clarify and prescribe performance standards using the SMART principle, communicating the performance standards, ensuring availability of resources, monitoring, and evaluation of performance and progress towards achievement of the objectives, training and development, performance appraisal and performance rewards. Thus, performance management should be an ongoing process.

According to Madzivhandila and Asha (2012) in the municipal setting, the integrated development planning tool is expected to contribute to the transformation of service delivery initiatives by focusing attention on community-felt needs and priorities.

Madzivhandila and Asha (2012) further reiterates that the national government has mandated the local government sphere to plan and provide various basic services through the adoption of IDPs. Madzivhandila and Asha (2012) further highlights that the IDP integrates and coordinates a municipality’s projected plans, and aligns the resources and capacity of the municipality. Therefore it is regarded as a single inclusive and strategic plan.

Organizational management sets the targets and applies performance management to monitor whether these targets are achieved at a required standard. According to Mweemba and Malan (2009), performance management can be considered from a leadership perspective as well. The author further infers that when building up measurement systems, organisations have to consider which organisational level the measurement is applied on and which organisation level sets the targets.

Elzinga et al. (2009) state that many authors believe that people’s behaviour about information has pointed out to be the major reason organisations experienced short-lived performance measurement. This view is supported by Akhtar and Mittal (2015) that their research investigated the reasons for performance management implementation failure. The important reasons identified are non-selection of right and critical measures, non-alignment with strategy, and lack of senior management
commitment, poor organisational communication and limited application in compensation management.

It is imperative not only to measure organisational performance as Padovani et al. (2010) reckons that for performance to be effective in municipalities one has to define the level of effectiveness PMS can be evaluated regarding its validity, legitimacy, and functionality. From a strategic document IDP, the objectives have to be cascaded to managers and their subordinates to align their individual objectives to those set out in the strategic documents.

Hence Umashev and Willett (2008) states that PMS is a process which utilises the Balance Score Card mechanism to measure and appraise performance. Although, over the years there have been challenges in implementing the BSC mechanism.

According to Houck et al. (2012:209) balance scorecard is defined as "a performance measurement medium designed to connect the critical success factors of an organisation through capturing the financial and no-financial aspects of an organisational strategy in a cause-and-effect manner. Houck et al. (2012) demonstrated that the purpose of the BSC is to assess activities to sustain organisational performance and to ensure that an organisation meets its vision and realise its strategy.

Kartalis et al. (2013) support the view that the BSC may assist organisations to improve performance as compared to traditional performance measurement system.

Furthermore, Bianchi and Rivenbark (2014) critically emphasises that in fact, research has demonstrated that when performance is well managed it will be an essential tool to accurately and systematically display functional accountability within governmental institutions. In the perfect execution of the performance management system, all stakeholders in the organisation should be involved and orientated.

Decramer et al. (2012) articulated that a skilled workforce may be developed through performance management practices, which involves functional behaviour for the institution. A skilled workforce will result in improved performance and ultimately should effect an increased productivity. Ayers (2015) supported the view and suggested that
aligning individuals’ performance with organisational goals is one of the crucial practices for effective performance management.

Competency of employees is critical to organisational success and has key factors that could affect performance negatively if not well managed. According to Mkumbeni (2008), these factors include inadequate skills and experience among staff, poor municipal leadership quality, and municipal institutional factors.

Hence, the evaluation of the municipal’s performance management system, the Auditor General’s report for periods 2011/2012, 2012/2013 and 2013/2014 all obtained qualified opinions on the overall organizational performance. When dissecting the information thoroughly, common challenges are noted about performance management systems of the mentioned financial years, these include:

- Measures taken to improve performance not disclosed;
- Consistency, i.e. reported targets are inconsistent with planned indicators and targets, and changes to development priorities’ indicators and targets not approved; and
- Measurability, i.e. indicators not well defined, not verifiable, targets not specific, not measurable and not time bound.

Furthermore, on the reports, disclaimer audit opinions about the reliability and consistency of the performance information were obtained for 2011/2012 and 2012/2013 financial years while an adverse opinion was obtained for 2013/2014 financial year. This was due to AGSA experiencing the scope of limitation because the municipality did not provide sufficient and appropriate evidence in support of the information presented with the municipality’s pre-determined objectives, i.e. basic service delivery.

On the above note, Jurnali and Siti-Nabiha (2015) highlights that public sector PMS is critical to public organisations to improve transparency and accountability, improve efficiency, restructure governments and salvage trust in governmental institutions.

Jurnali and Siti-Nabiha (2015:354) further reiterates that the local government must ensure the implementation of PMS cover five areas to achieve a good result:
• First, monitoring and evaluation mechanisms are in place and effective to ensure attainment of organisational objectives;
• Second, performance indicators and budgeting should be utilised as strategies to implement and measure the achievement of objectives;
• Third, performance target setting and measurement of effectiveness and efficiency;
• Fourth, a punishment and reward system for consequences to be punitive or reward in accordance to performance; and finally
• Information flow to empower the organisation to spot from its experience.

As a result, well execution and implementation of an organisational performance management system will often produce positive outcomes. Mweemba and Malan (2009) demonstrated in a study that performance management has had a positive impact on the employees’ motivation. It has also improved on learning opportunities, decision-making, and achievement of organisational goals.

In conclusion, the quality service delivery can be achieved through specific, measurable, attainable, relevant and time-bound key performance indicators outlined within the municipal IDP. Furthermore, the success of PMS lies in the alignment of employee goals with the organisational strategic objectives, continuous training, and development to retain competent employees, linking performance with rewards and fair appraisal system.

1.8 IMPORTANCE AND BENEFITS OF THE PROPOSED STUDY

This study will be beneficial to the organisation as findings might lead to recommendations which may improve the performance management system of Moses Kotane Local Municipality. This would enable the municipality to service its communities with quality service delivery.

Better performance from the Moses Kotane Local Municipality will lead to enhancing the relationship between the communities and the municipality to improve on customer satisfaction. As the vision of Moses Kotane Local Municipality states that it:

• Provides a responsive, transparent and accountable leadership;
The research study may help improve the chances of achieving this vision into a reality whereby the Moses Kotane Local Municipality performs exceptionally well.

1.9 CHAPTER OUTLINE

The chapter outline of the study is as follows:

CHAPTER 1: Introduction
The introduction section provides an overview of the study. The chapter outlines the aim of the study, the research problem statement, research question and research objectives.

CHAPTER 2: Literature review
The chapter details theoretical exposition of performance management system.

CHAPTER 3: Research methodology
It gives details and explains the research methods that will be applied in the study.

CHAPTER 4: Results Presentation, Data Analysis, and Discussions
The chapter will present and analyse the research results and interpret data into meaningful information.

CHAPTER 5: Summary of findings, recommendations, and conclusion
The summary research findings will be discussed, and recommendations are given thereof. The research will then be concluded in this chapter.

CONCLUSION
The chapter outlined the purpose of the research, objectives and aims. It further detailed the background and a problem statement of the research which is based on the study of Moses Kotane Local Municipality. The chapter discussed the literature review
in a minimal to outline, define and discuss the core concepts of the study. It further detailed the structure of the research paper in the outline of chapters.
CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

According to Öcal (2015:56), there is a communal sense in recent decades that public sector organisations (PSOs) are characterised as bureaucratic and mechanistic norms which result in inefficient regarding low productivity and low capacity structures. Furthermore, Öcal (2015:56) highlights that Public service organisations maintain reasonable levels of employment to millions of people and do provide significant amounts of financial sources to the worldwide economy because they are valuable governmental structures.

Thus, Mkhumebi (2008) elaborates that it is imperative to explore and comprehend the practices surrounding performance management and also to establish how PMS impacts on the quality, efficiency, and effectiveness of services delivered within the organisation.

Therefore, this chapter will explore the performance management legislative framework which guides establishment, implementation and monitoring & evaluation of PMS in municipalities. It will further discuss dimensional approaches to organisational performance management system, aligning PMS with organisational strategic plans and Integrated Development Plan. Factors affecting the effective implementation of PMS and identification of key performance areas will also be focal points in the research paper.

2.2 LEGISLATIVE FRAMEWORKS, POLICIES WHICH GUIDES ESTABLISHMENT, IMPLEMENTATION AND MONITORING AND EVALUATION OF PERFORMANCE MANAGEMENT IN MUNICIPALITIES

Performance management within the public sector has been regulated by governmental prescripts as well as organisational internal policies and procedures. They are being regulated to ensure that public organisations perform as intended and that state resources are used efficiently, effectively and economically. The prescripts mandate the establishment and appropriate implementation of performance management to guide
public organisations to serve communities with notable standards. The legal prescripts are discussed below.

2.2.1 The Constitution of the Republic of South Africa

The Constitution of South Africa serves as a reference point of the country’s legislation and the highest rule of law. Local government sphere has a mandate within the constitution to provide a democratic and accountable government for local communities (Constitution of the Republic Of South Africa, 1996). A municipality must strive, within its financial and administrative capacity, to achieve its objectives to deliver services to its communities. The performance of a municipality can be evaluated against the satisfaction of its communities. The public is at the helm of the Constitution of South Africa as it mandates that basic services be delivered to communities.

Public service administration is also the core element highlighted in the constitution in section 197(1). It specifies that there is public service for the Republic within the public administration. It is stated that the values and principles which impact performance management and in the manner services are delivered.

2.2.2 Municipal Planning and Performance Management Regulations, 2001

Municipal Planning and Performance Management Regulations is a prescript that gives guidance to the effective implementation of municipal performance management. According to section 7(1) of the regulation stipulates that a municipality’s performance management system should entail a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted. According to Mweemba and Malan (2009), good execution and implementation of an organisational performance management will often produce positive outcomes.

2.2.3 Performance Management Guide for Municipalities, 2001

The purpose of the guide is to guide the effective implementation of municipalities in South Africa (Performance Management Guide for Municipalities, 2001). According to the Performance Management Guide for Municipalities of 2001, the guide has been developed to guide in developing and implementing a performance management
system as required according to legal prescripts through assisting councilors, managers, officials and local government stakeholders. It outlines the processes and procedures the municipalities should adopt for effective implementation of performance management.

2.2.4 Municipal Systems Act No.32 of 2000 and Regulations

In accordance with the Municipal Systems Act of 2000 and regulations section 38; municipalities must establish performance management system to enable a municipality in establishing, monitoring, reviewing and assessing performance, training and develop underperformers. It should promote and encourage a sense of responsibility in staff, and also be able to identify and manage underperformance. As Mkhumbeni (2008) pointed out a significant aspect that performance management is not a single track activity. She further explains that it is, in fact, diverse, more of a life circle of a public organisation in the sense that it underpins every business activity of a public organisation.

2.2.5 The Batho Pele White Paper on the Transformation of the Public Service

The purpose of this White Paper is to provide a policy framework and a practical implementation strategy for the transformation of public service delivery (The White Paper on the Transformation of the Public Service of 1995). It basically details how public services should be provided, and precisely how details are improving the efficiency and effectiveness in the provision of these services. Furthermore Madzivhandila and Asha (2012) state that through the adoption of the IDP, quality delivery of basic services by a municipality forms the basis of the performance measurement criterion as it is stipulated in the Integrated Development Plan.

Within the regulation, there are eight service principles which are mandatory for public service administration to abide by when working towards quality service delivery for citizens:
1. Consultation
Citizens should be given a choice about the services that are offered to them and be consulted about the level and quality of the public services they receive.

2. Service Standards
Citizens must be made aware of the level and quality of public services they will receive so that they are aware of what to expect.

3. Access
Equal access to the services which all citizens are entitled to.

4.Courtesy
Courteous and consideration should be the key treatment given to all citizens

5. Information
Citizens should have full and accurate information about the public services they are entitled to receive.

6. Openness and transparency
Citizens should be told who is in charge of the national and provincial government, how much it cost to run the government and how their operations work.

7. Redress
Amends must be made to residents when the promised standard provided is no longer delivered; residents ought to be provided with an apology, a full explanation and a rapid and fine remedy. Citizens must obtain a sympathetic and positive response when complaints are made.

8. Value for money
The best possible value for money is provided through an economical and efficient public service to all citizens.
2.3 PERFORMANCE MANAGEMENT SYSTEMS

Taylor and Taylor (2014:848) defines performance management system as a “system that delivers a brief overview of performance through financial and/or non-financial systems of measure which direct and support the organisational decision-making processes.” The process is done through gathering, processing and analysing information about performance, and communicating it in a concise overview to enable reviewed improvement of strategy deployment and alignment of key business processes.

According to Bilgin (2007:365), performance management is defined as "a system which increases the organisation’s effectiveness through strategic and integrated approach by refining the performance of the people who work in them and by developing their capabilities. Further, Bilgin (2007) states that performance management is not exclusively the appraisal of performance but rather an integrated and perpetual system. The system is seen to have the ability to mature, communicate and allows the future route, core skills, and values of the organisation. Through all of this, a horizon of understanding is created.

From this view, it can be understood that for the performance to be measured a certain standard/objective has to be set to enable to assess performance about its achievement respectively. Campbell (2014) highlights that performance management through the anchored ideal conceptions of absolved, quantifiable goals. An effective reward system and accountability have the capability to encourage employees to act in the best interests of an organisation on their own accord.

According to Campbell (2014), the aspect of developing clear goals is co-operative to the relative objective of performance measurement that can potentially enhance decision making and performance at an organisational level.

Jurnali and Siti-Nabiha (2015) supports the view that public sector PMS is acute of a few issues in the sense that it stimulates greater efficiency, efforts to contour governments, enhance transparency and accountability and regain public trust in governmental institutions. Jurnali and Siti-Nabiha (2015) further emphasizes that the
local government should be in a position to be cautious to select applicable standards and pertinent performance indicators to obtain the continued benefits from the system.

Although, Sanger (2011) argues that, due to increased government resource constraints, calls for the protests for governmental performance have become more pervasive because citizens demand better results. Sanger (2011) further highlights that as according to their research performance measurement does not necessarily lead to value-added governmental performance or improved efficiency and accountable municipal management. Other organisational factors come to influence as well.

According to Jurnali and Siti-Nabiha (2015:354), five areas should be covered by the local government to in the implementation of PMS to achieve a good result.

- Firstly, organisational aims and objectives which should be put in place to measure and monitor goal attainment.
- Secondly, the strategies and the processes used to implement and measure the achievement of the objectives in the sense of strategic planning, performance indicators and budgets.
- Third, performance target setting and measurement of effectiveness and efficiency.
- Fourth, punishment, and reward system for consequences for achieving or failure to achieve the performance targets
- Lastly, PMS will produce information flow which will enable the organisation to acquire notable knowledge from its experiences.

In a municipal setting, the performance management system commences with performance planning (Setting of KPI’s and targets), performance measuring monitoring, reviewing and reporting. (Moses Kotane Local Municipality Performance Management Framework)

In Öcal (2015) view, there are two dimensions in the public sector were performance management can be examined:

- **Internal performance**
  The degree of success in realizing operational and administrative functions about the institutional mission is referred to as internal performance.
• **External performance**

When public satisfaction is provided by organisational mission fulfillment which, in turn, increases governmental support is referred to as external performance.

Bianchi and Rivenbark (2014) also have two views on performance management, the views as a resource-based view of performance management and a dynamic view of performance management and are explained as follows:

• **Resource-based view on performance management**

This view refers to the focus on strategic resources on which decisions are aimed at affecting the organisation. Assets which are strategic in nature are exhibited as stocks of available tangible or intangible factors in a given time which timely contribute to organisations’ performance. Strategic management of these resources is more specifically appropriate to balance and maintain such assets. It is essential to ensure developmental sustainability within an organisation. These strategic resources are to a certain extent able to be managed in the separation of the others. However, when a balanced growth in the assets does not exist, then organisational areas in which they function will probably be unable to manifest to their own potential. The following figure, adapted from Bianchi and Rivenbark (2014), depicts the resource based performance view of an organisation.
Figure 2-1: Resource-based performance management view
Source (Bianchi & Rivenbark, 2014:948)

It illustrates the requirement for consistency between strategic assets and the need to actively manage each strategic asset to maintain balance in the strategic resource management’s two common features. For example, if a municipality experiences changes in its population this will affect the municipality’s workload and possibly its availability of financial resources, and eventually capacity and service delivered.

- **Dynamic view of performance management.**
  Bianchi and Rivenbark (2014) highlights that systems are unable to give information which can affirm dynamic, multifaceted management systems which can detect interruption. The ability to understand the connection between the short and long term goals and appropriate system limits in strategic planning should be set.
Furthermore, to cope with such challenges, Bianchi and Rivenbark (2014) states that the balanced scorecard (BSC) is used by many companies as it outlines two principal standards fundamental of the BSC framework. The principles can be synthesised as follows: overall organisational performance cannot be managed to concentrate only on the final outcomes, and overall performance cannot be measured solely regarding finance. It ought to also include the customer, the process, and the learning and growth quadrants.

Ferreiraa and Otleyb (2009) highlights a PMS framework that explores issues centralised which he argues needs to be well-thought-out as part of the process of developing a comprehensible structure for performance management systems.

![Figure 2-2: Performance Management System](image)

Adapted: Ferreira and Otley (2009), Source: (Draghicia et al. 2014:546)
Draghicia et al. (2014) further explain that the aim of the framework is to give a managerial emphasis through the integration of various dimensions of managerial activity with the control system. Ferreira and Otley (2009) states that in the projected framework it has been regarded that key performance measures are the economic and non-financial measures used at exclusive tiers in the organisation to consider success in accomplishing their objectives.

In the view of Bilgin (2007), performance management is a rounded procedure which warrants that the following are developed and efficiently accomplished:

1. Corporate, department, team and individual objectives should be set;
2. Performance appraisal system;
3. Strategies and schemes rewards systems;
4. Strategies and plans to manage training and development;
5. Communication, feedback and coaching mechanisms;
6. Career planning for individual employees; and
7. Monitoring effectiveness of performance management system and interventions mechanisms.

Bilgin (2007) points out that performance measurement is still flaunted as an enhancement tool for the government as public executives and policymakers now are stated to have performance measurement tools to assist in carrying out their responsibilities. Still, Bilgin (2007) reiterates that the performance and management of the entire resources of an organisation should be enriched to ensure that benefits are reaped if well implemented and monitored. These benefits include the following:

- It improves work performance of employees;
- It identifies employees with potential for advancement;
- Plans for augmentation of future HR needs;
- Assists in the realization of objectives;
- Improves staff morale;
- Mends customer satisfaction;
- It clearly achieves the linkage between performance and pay;
- Achieves and maintains a competitive advantage for an organisation; and
- Improves on the quality of supervision
2.4 EVALUATING EFFECTIVENESS OF PERFORMANCE MANAGEMENT

The IDP process involves formulating or reviewing of the vision, mission and strategic goals of the municipality. The following step in the process involves the identification of the key performance areas (KPAs), development objectives and key performance indicators (KPIs).

Within the Municipal organisational Performance Management Implementation Guide of 2007 highlights that performance management system is effective in municipalities when PMS:

- Provide appropriate information which is used to make essential decisions
- Affords a mechanism for controlling prospects and warranting amplified accountability between communities and the municipal council; the political and administrative components of the municipality; and every subdivision and the municipal management.
- Warning signals are provided to predict forthcoming challenges with the execution of the IDP regarding risk.
- It is capable of identifying major or systematic. It will guide upcoming planning and development objectives and resource utilization of the municipality.
- Encourages the path of the resources reachable to the municipality for the delivery of tasks and programmes that meet improvement priorities.
- Assists in ensuring that the delivery is happening as planned.
- Has the capability to promote efficient utilization of resources.
- Delivery of the envisioned quality services is endorsed.
- Assists municipalities in making timeous and suitable adjustments in the allocation and adjustment of resources.
- It assists to determine the right-sizing requirement and helps in identifying gaps for human and non-human resources.
- Communities and areas lagging behind about development are being identified and further assists in spatial and sectoral integration.

According to Ding et al. (2016) employees’ job satisfaction has an association with some components of performance management. Ding et al. (2016:p9) define job satisfaction as “an emotional state which is either pleasurable or positive and may result
from appraising of one’s job or job experiences”. According to Kinicki et al. (2013), negative anecdotal findings were encountered due to two reasons. One is that reaction by employees towards performance management processes have proven to bee poor. For instance, maybe the employees do not have sufficient understanding processes or realise that the processes might even lack credibility. Secondly, managers might display flares of ineffectiveness when implementing the performance management process; namely, they are not clear on exactly what to do, or they simply do not make the time to perform performance management behaviours. The two reasons have been established to have an impact on the effective implementation of performance management.

However, Hvidman and Andersen (2013) reckon that according to theoretical arguments it was purported that there are at least three diverse interior organisational characteristics which may mitigate the challenges of the effectiveness of performance management. The characteristics include incentives, capacity, and goal clarity. Firstly, managers involved in a performance management system need to have incentivising capabilities to take action on the information. As a result, managers will use PMS to make superior decisions although it is rested upon the assumption that effective performance management systems generate useful information to act upon.

The second characteristic according to Hvidman and Andersen (2013) stipulates in addition to managers having had strong incentives; they must also have the capacity. It includes the independence for decision making and acting on them when performance information is available. Hvidman and Andersen (2013) further states that when the there’s absence of managerial capacity it results in performance information left underutilised. Public organisations are associated with low levels of managerial autonomy and high levels of bureaucracy which impact on the effective implementation of PMS.

The third characteristic according to Hvidman and Andersen (2013) stipulates that is centralised on goal clarity. This means that although executives do have the ability to exploit performance information, they should have an awareness of how to react, that is, they need to know what their goals are. Hvidman and Andersen (2013) further states that the lack of goal clarity is a factor associated most frequently with public organisations. As a result, it has dire results in managers having the inability to focus
not solely on efficiency but also on an overview of a superior diversity of goals and criteria (e.g., political responsiveness and social equity).

2.5 FACTORS INFLUENCING EFFECTIVE IMPLEMENTATION OF PERFORMANCE MANAGEMENT

There are various factors affecting the effective execution of performance management systems in organisations. They vary from organisation to organisation and are very pivotal to ensuring achievement of organisational goals. These factors are discussed in this chapter.

2.5.1 Relationship between Performance and Training and Development

Ji et al. (2012) state that with the forever evolving organisational environment today, organisations and its managers are confronted by an increasing social or political pressure to improve on performance to ensure sustainable development. Then according to Bednall et al. (2014;45) to curb this ongoing challenge learning have been identified to benefit both employees and their organisations. Bednall et al. (2014) further explain that ongoing learning allows employees to adjust to an increasingly complicated and evolving work environment. Also, it enhances employees’ employability. For organisations, training, and development improves employees’ performance about improving on their works’ quality and consistency, and ultimately the performance of the entire organisation.

According to Ji et al. (2012) employee training assists organisations to grow its human capital which should improve organisational performance. Evidence from the study supports the positive effects of employee training on organisational performance as stated by Ji et al. (2012). Therefore it can be deduced that training and development have a positive relationship with performance hence poor performance can be attributed to lack or inadequate training at times. It thus follows that since service delivery is the crux of business for municipalities, the quality of services delivered is reliant on the skills, abilities, and competence of the employees.
According to Buckley and Caple (1995:34), training can be delineated as achieving an effective performance in an activity or a range of activities through a learning experience of planned and systematic effort. As a result to modify or develop the much-needed knowledge, skill, and attitude. Further, Dhar (2015) states that in this regard, training in on the much needed and shortage of skills and knowledge can be considered an outstanding investment and an essential organisational resource. Scheel et al. (2014) further define training as the development of knowledge, skills and abilities through encountering extensive formalised programs.

Based on the above Delery and Shaw (2001) states that training through these high-performance work practice is meant to increase employees’ skills, knowledge, and abilities while simultaneously empowering and inspiring them to leverage more as human capital for organisational benefit.

Úbeda-García et al.(2014) support this view that organisations which regularly implement formal training programs for its employees do so to improve their level of productivity. Furthermore, Delaney and Huselid (1996) revealed that the human resource practices which have the ability to effect an improvement in employee skills, self-efficacy, and work structure are positively related to organisational results.

Scheel et al. (2014) reiterate that the reasons organisations’ attempt to accumulate and develop their inimitable resources is to gain competitive advantage. Thus training is a crucial means of achieving objectives and enhancing performance.

It is not only about improving performance within the organisation but also contributes to employee commitment. Hence Dhar (2015) explains that studies have shown a higher level of employee commitment is evidenced when employees are given an opportunity to learn to develop as compared to other incentives such as job security, monetary benefits, and job satisfaction.

According to Ji et al. (2012), training employees can improve on employee learning and develop the essential leadership traits. This should have a constructive effect on the logical insinuation of making managerial verdicts or formulating tactics for sustainable development.
Furthermore, Ji et al. (2012) states that training often helps cultivate employees about business ethics. Thus the heightened sense of business ethics and responsibility should help improve performance in sustainable development.

Although, according to Bednall et al. (2014) it has been highlighted in the literature on the importance of informal learning contributing towards employees' knowledge and expertise. Bednall et al. (2014) state that in contrast to formal learning, informal learning occurs outside a classroom or training program through formalised procedures. It is stereotypically not highly structured and customarily involves being directed by the individuals themselves. Bednall et al. (2014) further highlight that activities learned informally have advantages of being context-specific, on a timely basis, relevant to individuals’ learning needs by being social, divisible and manageable into small chunks at a time.

2.5.2 Relationship between Performance and Competence

Provision of public services has been identified as the most important characteristic of public personnel. According to Bilgin (2007), government agencies are considered to be effective only when its stakeholders are satisfied with the services provided to them. This is an indication that employees should possess the knowledge, skill, and ability to carry out their respective duties.

According to Olido et al. (2015) competencies are defined as specific, measurable knowledge, skills and abilities needed to successfully perform a unique function as well as duties in a described work setting. Competencies are traits that are the necessary foundation upon which an integrated intelligence management system can be designed, managed and improved. According to Liang et al. (2013) competencies are considered to be education, vocational qualification, work-related knowledge, work-related competencies and occupational assessments, and psychometrics. Core competence includes knowledge, skills, and attitude and combines the elements of knowledge, attitude, and skills.

According to section 2(1) of the Skills Development Act, 1998 (Act 97 of 1998), it states that employee development should be prioritised to facilitate beneficial and effective performance of employees in an organisation.
Furthermore, a noteworthy relationship exists between individual competencies and workers performance. This further implies that employees who display and develop behavioural competencies, are better performers. Olido et al. (2015) demonstrate that both operant and competencies personal in nature are critical and contributes to employee performance although it varies in its magnitudes. It may be deduced and further illustrated as according to Mansfield (1999) who emphasises that competencies should not only be focused on the functional tasks of the job but rather as technical and behavioural actions which enable individuals to effectively execute their jobs.

2.5.3 Relationship between Performance and Organisational Culture

According to Zheng et al. (2010), organisational culture refers to shared assumptions, values, and norms. Zheng et al. (2010) further explain positive organisational culture can be used in the organisation as an antidote for sustainable competitive advantage. Bell (2013) defines organisational culture as the collection of values, traditions, policies, beliefs, and attitudes which can constitute a permeated context for everything done and thought within an organisation. On that note, according to Hogan and Coote (2014), organisational culture generally refers to the communication and involvement of organisational values through norms and observed behavioural patterns.

All these views highlight the facts in simpler terms that it is how things are done in the organisation that really makes the organisation what it is. Culture is very crucial in its contribution to organisational performance. It has two folds, and it can result in better organisational performance or may result in poor organisational performance.

Although Bell (2013) cautions that even though organisational culture gives a constant outlook and maintains values to aid decision-making, cooperation and control, the negative outlook was possible. This constancy may additionally result in many of these attitudes and beliefs becoming everlasting structures and unchallenged consequently ensuing in them being exceedingly resistant to change. Based on this view evidence will be gathered in this study to prove how culture does contribute to how an organisation performs.
According to Zheng et al. (2010), organisational culture consists of four dimensions that are conducive to organisational effectiveness are adaptability, consistency, involvement, and mission. In Zheng et al. (2010:765), the dimensions are explained as follows:

**Adaptability**
The degree to which an organisation can modify behaviour, structures, and systems to survive in the evolving environmental variations is referred to adaptability

**Consistency**
The extent to which beliefs, values, and expectations which are expected be held consistently by organisational members are referred to as consistency.

**Involvement**
Involvement of an organisation's employees in all tiers to participate in the firm's decision making.

**Mission**
Mission denotes the existence of a shared definition of the organisation's purpose.

Hence, philosophies which guide behavioural patterns and sets a broad framework for organisational routines and practices are imperative for performance improvement. Zheng et al. (2010) oppose this view and state that organisational culture does not directly influence on organisational effectiveness, but it rather utilises its influence by molding around the organisational members’ behaviour.

According to Taylor (2014), organisational culture defines important aspects of an organisation which can affect how organisational members feel and exhibit behavioural patterns depending on the kind of organisational culture the organisation adopts. It has a remarkable impact on the performance of the organisation, i.e. culture of late coming, lack of accountability, lack of disciplining measures, absenteeism, etc. These factors can impact negatively on the performance of the organisation. All this will lead to the organisation being unable to retain exceptional talent. According to Chopra (2015), a creation of a conducive enables an organisation to foster a captivating culture which will ensure that its employees feel more accountable for their individual responsibilities.
Hence, according to Taylor (2014) performance management essentially requires leaders of corporations to use culture as a tool to turn the administrative standard around to challenge the values, assumptions, and behaviours in governmental organisations.

2.5.4 Performance Management and Strategic Planning

According to McHatton et al. (2011), the strategic planning of an organisation is the navigator and key driver of the organisation to attain its set objectives. It is a vital tool which enables the organisation the know-how of steering towards exceptional or poor performance depending on the basic planning level to implementation to monitoring and evaluation. Strategic planning at a local government level revolves around quality service delivery and maintenance as adopted in the municipal's Integrated Development Plan (Moses Kotane Local Municipality Integrated development Plan 2014/2015). In such instances, strategic planning usually promotes and supports in the allocation and utilization of limited resources through the use of efficient processes that align objectives with resources.

The ultimate purpose of performance management is to manage and get employees to implement and execute the organisational strategy. Caymaz et al. (2013:190) define strategic planning as a mechanism which assists organisations to make long-term plans with the consideration of the risks and opportunities faced by an organisation. Thus it improves the organisation's efficiency by acting by the set out plans. Cervone (2014) also defines strategic planning by two fundamental concepts (a) the identification and manifestation of the organisation’s long-term goals and (b) and the ability to provide and align resources to bring those goals to realisation.

Caymaz et al. (2013) further explain strategic planning as a process which commences with the identification of the overview of the current organisational situation by taking into consideration of the external and internal factors. It also goes forward to formulate appropriate strategies to maintain the organisation’s sustainability through the implementation of these strategies and finally performance evaluation.

According to Caymaz et al. (2013), public administration’s strategic planning level consists two focal components; namely management component and budget component.
Caymaz et al. (2013) further elaborate that the strategic management component mainly conceptualises the organisation at a high-level overview statement of mission and vision, core values, internal and external environment analysis, monitoring, and evaluation, reporting thereof. On the contrary, the budget component includes current organisational state analysis, goals, performance indicators of the budget programs, funding programs and results.

While Adler (2011) emphasises and further states that there are four main performance management components which are connected to the implementation of the strategy. The components are namely operating systems and procedures, organisational structure, organisational culture, and selection and training and development. The components are described as follows;

**Operating systems and procedures**
Operating structures and approaches serve to both encourage and constrain. For instance, budgets are used as motivating tools. Organisational resources are infrequent and limited. Consequently, budgets are created as a way to speak how these scarce and restrained assets will be utilised. The ability to work within and control budgets serve as motivation for employees.

**Organisational structure**
An organisational structure which should support organisational objectives serves both to sanction and constrain employee patterns. This means that employees are required to conduct themselves by virtue of the specific organisational roles they occupy. Meanwhile, employee behaviour is constrained by the existence of specified reporting lines and through the presence of superior/subordinate relationships.

**Organisational culture**
Organisational culture tends to inspire as well as constrain worker behaviour. Shared values, norms, and beliefs outline an organisation’s culture, and these reciprocate a strong role in influencing or sanctioning permissible worker behaviour.
Selection and training and development

Training and improvement typically have two objectives: to standardise behaviour through offering personnel with lacking talent sets, and to facilitate possibilities for increased challenge, growth, and in the end motivation via up-skilling of employees.

Hendrick (2003) reckons that at its core, strategic planning requires organisations to establish objectives, and conduct matrix analysis on the organisation's internal and external environments to enable the organisation to match environmental opportunities and threats with its capabilities. Saleh et al. (2013) further supports the view and states that the development of a strategic plan ideally is centralised around the core function of assessing organisational external and internal environments. On the foundation of findings from these assessments, a strategic map is drawn with goals, objectives, and strategic thrust.

Hence, according to Caymaz et al. (2013), the technique in which an organisation implements strategy affects the possible outcomes and the organisation's performance. Dibrell et al. (2014) highlight that evidence suggests when environmental uncertainty increases the effectiveness of strategic planning declines due to the perceived value of the strategic planning process.

Based on the technique applied when implementing strategic planning McHatton et al. (2011) has highlighted the factors contributing to effective implementation of strategic planning in the organisation;

- Collaboration is emphasised as a way in the skills, knowledge, and perspectives of all stakeholders in the strategic planning process are valued.
- All stakeholders’ participation asserts higher job satisfaction among organisational employees. Collaboration and conflict resolution values during the strategic planning process are encouraged through participation by all stakeholders
- Systematic way to monitor progress

According to Rudd et al. (2008) organisations anticipated environmental commotion and had to acquire the ability to allocate resources accordingly through the effective strategic planning. Rudd et al. (2008:100) further emphasised that flexibility is identified as a core alternative to enable adaptation when decisions are made and well-thought-out in
strategic planning. Thus permitting positive organisational change and adjust to deal with environmental commotion.

According to Cervone (2014), a few challenges in the implementation of strategic planning were identified, and were highlighted as problematic areas which organisations should be aware of;

**Failure of executive leadership**

It is significant that planning is disseminated throughout the organisation; the entire stakeholder level of the organisation should partake during the planning process. This additionally, goes hand in hand with organisational operations as it becomes a way to do things when top level management involves their employees in the strategic planning. This may boost their confidence and result in better performance for the organisation.

**Problems in the organisational culture**

A planning culture is critical to be created and maintained to ensure the success of strategic planning of an organisation. It is imperative to build up trust and faith in a strategic planning of an organisation where it is rigged with a culture that is risk-adverse or resistant to change. This would ease the employees’ anxiety and would assist in handling things better within the organisation.

**Failure to integrate planning with the operations of the organisation**

Organisations seem to hesitate in integrating the strategic plans in their daily. Due to lack this integration, many initiatives eventually become unsuccessful or deliver far less than originally envisioned. Also, organisations may be unsuccessful on integrating strategic planning into the organisation because leadership fails to review previously developed plans to ensure that everyone in the organisation understands them and realign if necessary.

**Poor execution**

Non-alignment of budgets and objectives of other core departments, i.e. information technology and human resource management to the strategic plans will ultimately lead to the poor execution of the organisational strategy. This should be a caution as the deemed common objective is not always common for all departments within the organisation.
Too much formality and structure in the planning process
Strategic planning process tends to be overly complex, inflexible and restraining of participants’ creativity when conducted in an excessively formal environment. This can predominantly be problematic in large organisations whereby strategic planning can become complex and of a high magnitude.

It is clear from the literature that organisational strategic plans should be severely communicated throughout the organisation and be flexible in nature to have the ability to adapt to the forever changing environments. If not carefully planned, the execution may lead to the dismay of the organisation. Organisational success is heavily reliant on the strategic plans as they are navigation maps towards achieving objectives and organisational success.

2.5.5 Dimensional Approach of Performance Measurement through the Balanced Scorecard

Houck et al. (2012:209) describe the balanced scorecard as “a performance measurement matrix designed to seize economic and non-financial metrics that connect the essential success factors of an organisation in a cause-and-effect manner to organisational strategy.” Houck et al. 2012 state that the main objective of the BSC is to evaluate activities to ensure that an organisation will be able to realize its vision and strategy and to sustain performance into the future. As an invention of Kaplan and Norton, it has become a widespread tool used to measure performance and has been professed to be better than other performance measurement tools. Budde (2007) states that the primary objective of the balanced scorecard is to classify, communicate, and implement strategy within an organisation.

Umayal and Suganthi (2012) noted in the study of Kaplan and Norton (1992) that there are proposed four perceptions by which an organisation may evaluate its performance. In a nutshell, it refers to the success of its strategy implementation. Namely; (a) the customer perspective; (b) the financial perspective; (c) internal process perspective; and (d) learning and growth perspective. The strategic objectives should be linked up with this perspective to be able to measure the performance effectively. According to Budde (2007), the BSC is the most protruding of the new concepts which provide a framework
whereby both financial and nonfinancial success measures are connected by the organisations' strategy.

Houck et al. (2012) are in support of the view that a balanced scorecard is more than just a measurement system as it involves the strategy and is a management system as well. The process of the BSC engages activities such as identifying and balancing financial and non-financial measures, objective setting and reviewing them to assure that if current practices meet expectations. Hence, Umayal and Suganthi (2012) emphasises that the BSC awards opportunities to motivate organisational employees to achieve their goals which do support the long-term vision of the organisation.

Houck et al. (2012) and Umayal and Suganth (2012) explain the perspectives in a framework as follows:

**Financial perspective**
The goal of governmental organisations is to maximise benefits to stakeholders which are subjected to resource constraints with the aim of ensuring sustainability in the future. This is referred to as maximizing cost-effectiveness. Monetary metrics should be interactively managed with the organisation’s vision, mission, and core values related to its stakeholders to rather avoid misalignment.

**Customer perspective**
An organisational is only successful in achieving its goals through the satisfaction addressing their customers’ desires. Customers’ satisfactory experience tend to involve issues such as quality, delivery, and their overall experience. A key to a successful consumer satisfaction metrics is for the organisation establishes mechanisms that will enable the organisation to address customer standards, rather than generic business standards. In the municipal setting, quality service delivery to communities is key to customer satisfaction as service delivery is a pertinent priority in local government.

**Internal business processes**
Internal business processes enhance efficiencies and effectiveness of an organisation by inspecting, controlling, and enhancing processes to improve customer value. This should
be done through the internal assessment of the business processes which have an impact on the performance and customer service.

![Diagram: Strategy: Vision, Mission and Core Values](image)

**Figure 2-3: Strategy: Vision, Mission and Core Values**
Adapted from Houck et al. (2012)

**Learning and growth**
Learning and growth examine the culture of the organisation as a basis for achieving organisational excellence. According to Houck et al. (2012) learning incorporates more than training and takes into deliberation worker empowerment, and metrics often include worker morale, the prospect for skills development, employee satisfaction, turnover, and participatory management for problem-solving and problem resolution. Learning and growth can be cultivated within the organisational culture to enhance organisational performance as well as individual performance.

Luoa et al. (2012) further highlight the advantage of the BSC has over other performance measurement tools. It is stated that the BSC is less of an analytic control system and
more of an interactive system. This means that it doesn’t frequently highlight abnormal activities but rather furnishes signals to the organisation about its management objectives, ways to improving quality, and achieving organisational learning.

Emett and Tayler (2013) states that just like any other model or theory critiques noted some weakness on the balanced scorecard that it has a flaw as it is unable to demonstrate how the numerous strategic objectives should cooperate to form a company’s overall strategy. As a result, according to Emett and Tayler (2013:29), BSC perspectives fail to express reasons of how and why these objectives in each perspective contribute to an organisation’s efforts to accomplish its ultimate goals.

Awadallah and Allam (2015) highlighted some of the following limitations in the implementation of the BSC:

- Inflexibility has been identified in the commencement of the BSC as a performance measurement tool has been observed; and
- The overall potential of the organisation is underutilised beyond the targets of the BSC even though organisation can manage to achieve the goals of the BSC.

Furthermore, Awadallah and Allam (2015) cited a few benefits in utilizing the BSC in the organisations:

- Organisations tend to develop and implement effective business strategies with more ease;
- Managers are helped by the BSC to focus on organisational strategy, structure and vision;
- Incorporation financial and non-financial-based metrics helps managers to concentration on the complete business process and ensure current business activities; and
- Maps cause-and-effect connections between employee activities and strategy implementation to help managers to monitor the execution of a strategy.

According to the reviewed literature, the BSC is beneficial to most organisations who have implemented it as it has enhanced the organisational performance of many firms. Although limitations are noted, the BSC is still used mainly as a performance measurement tool which is widely used and effective.
2.5.6 Linking Rewards to Performance

According to Muduli (2011) performance based reward principally refers to a flexible pay secured to a measurement of performance. Muduli (2011) further states that it is grounded on the concept that employees should be rewarded (e.g. paid, promoted) in accordance to how they perform their jobs, with those performing better being offered a greater proportion of the available rewards and vice versa.

Güngör (2011) classifies rewards into financial and non-financial, also called extrinsic and intrinsic:

- **Financial/extrinsic**
  The salary increase, bonus system, prerequisite and others.

- **Non-financial/intrinsic**
  Promotion and title, education and further training, appreciation and praise, employee recognition, involvement in decision making, social activities, feedback, flexible working hours, vacation time, the design of work, recognition, social rights and authority and responsibility.

Güngör (2011) emphasises that morale and productivity of employees are impacted on by the effectiveness of an organisation’s performance and reward management systems.

To ultimately attain these organisational goals, organisations have adopted a reward management system with hope to assist in employee motivation to enable them to assist in achieving organisational goals. Hence, according to Güngör (2011), undoubtedly humans are the most vital factors within an organisation. As a result, organisations should prioritise strategies to wisely invest in their employees. Ho et al. (2009:167) further reiterate that economic theory argues that employees can be achieved through performance-based compensation contracts which also increase employees' incentives to exert effort. Ho et al. (2009) support this view that with the aim of influencing employees, a company can apply the compensation plan to influence recruitment and retention as performance-based compensation contracts can attract and retain high performers and distinguish exceptional from poor performers.
For an organisation to perform exceptionally, each within the organisation should contribute towards attaining the desired set objectives. Jain (2014) emphasises that for employees to perform well, performance should be made for employee retention and their commitment to work, which ultimately improvise the contributing factor of the employee. In Ho et al. (2009) study, it was found out that the exchange in compensation layout reduced character productiveness and compensation, particularly for higher-performing employees.

According to Yoon et al. (2015), rewards to motivate employees to perform better can only be effective if it is accompanied by positive performance feedback, and is given in a context that provides choice or autonomy that is related to the task. Although Yoon et al. (2015) caution that organisational rewards may result in varying interpretations and stimulate different types of work effort. Jain (2014) supports this view that although the pay raise motivates the employees to an extent, ultimately they want them to be appreciated and recognised in the society for their work.

Güngör (2011) highlights that with contingent rewards, leaders and employees will not just have a clearer definition of their job performance, but also are likely to have a more shared understanding of it. Garbers and Konradt (2014) is in support of this view that financial incentives for performance are largely regarded as an adequate means to motivate employees and to improve their performance. Jain (2014) emphasises that an effective reward system needs to be connected to the overall performance improvement system.

2.6 IDENTIFICATION OF SUCCESS FACTORS

According to LaFoy (2012), the process of identifying success factors which are referred to as the key performance indicators (KPI) within the local government sphere essentially revolves around the community needs. KPIs vary greatly from municipality to municipality and cover both efficiency measures and human development indices (Municipal Systems Act of 2000). The community needs are developed into success factors which the organisation is tasked to achieve. These success factors are initially is the basis of the formation of the IDP (Moses Kotane Local Municipality Integrated development Plan 2014/2015). It is then pivotal for community involvement in identifying these success factors to enable the organisation to align its objectives to be achieved.
with its community’s needs. The IDP is then utilised as an instrument to drive and mandate municipalities in achieving their set objectives.

2.7 DEVELOPMENT, IMPLEMENTATION AND MONITORING OF IDP PROCESS

With the effort of developing sustainable settlements to meet the necessities and improve the quality of life of local communities, municipalities are prone to encounter mammoth difficulties. To be able to mitigate these challenges, various dynamics operating within municipal environment should be well understood by municipalities to develop a concrete vision in partnership with other stakeholders (The White Paper on Local Government, 1998).

The White Paper on Local Government (1998) pronounces that a municipality can establish a development plan for a short, medium and long term through the integrated development planning process. The Act further outlines these are the main steps in producing an integrated development plan:

- An evaluation of the current reality in the municipal area considering social, economic and environmental factors.
- Conduct close consultation processes to determine the needs of the communities.
- Developing a vision for development in the municipal area. Public consultations are a major factor in determining critical success factors.
- Availability of scarce resources, skills and capacities should be subjected to an audit.
- A prioritization of these needs in order of urgency and long-term importance. It includes community consultation for developing key performance indicators as it increases the accountability of the municipality as well as public trust in local government.
- Integrated frameworks and goals to meet identified needs should be developed.
- Strategies to achieve the goals within precise timeframes should be formulated.
- Projects and programmes should be implemented accordingly to the set plans to achieve key goals.
- Monitoring and evaluation tools should be utilised to measure effect and performance.
Furthermore, there are essential elements required to affirm that integrated development plans are beneficial and practical instruments for municipalities to operate and they are discussed as follows:

**Developing a strategy and clear objectives**

One of the requirements for municipalities is to develop objectives for service delivery. This refers to services which a municipality are mandated to provide upholding the service standards.

**Developing action plans and budgets**

Financial planning activities should be connected with the Integrated Development Plan. The financial plans should identify priorities in the budget change over the five-year period to achieve the goals set out in the integrated development plan. The budget translates into the Service Delivery and Budget Implementation Plan, which are short term, usually a year, goal targets and their budgets.

**2.7.1 Linking Integrated Development Plan to Performance Management**

The Integrated Development Plan (IDP) is the most important strategic planning instrument of the municipality. It sets out the vision or business plan of the council over a period of five years. (Municipal Systems Act of 2000). According to LaFoy (2012), it is vitally important that the vision set out in the IDP is carried downwards into council programmes; given effect to individual unit business plans and finally, that effective management is measured against the achievement of goals set out in the IDP. The essence of performance management is to ensure that plans are being implemented as designed and that they are having the desired developmental impact through the utilization of the resources to be used efficiently

The IDP serves as a pathway to delivering services to communities. According to Madzivhandila and Asha (2012), the municipal integrated development planning is a tool which is expected to contribute to the transformation of service delivery initiatives by focusing attention on community-felt needs and priorities. Madzivhandila and Asha (2012) further elaborates that for the IDP to be effective for service delivery in South
Africa, community participation should take centre stage for people to identify their most urgent needs and prioritise those needs.

The overall performance of the municipality is based on the deliverance of the IDP as it is the core mandate of local government.

The IDP is a 5-year strategic document which contains key deliverables in the form of key performance indicators (KPIs). A criterion is set out in which these have to be specific, measurable, attainable, and relevant and time-bound (SMART). These KPIs is a mechanism for measuring performance, including outcomes and impact. The KPIs provides valuable information for two purposes. Firstly, development indices such as the household index assist municipalities to understand their areas better and plan more efficiently. Secondly, indicators which measure value for money in the service provision can provide valuable guidance for municipal organisational transformation (The White Paper on Local Government, 1998). The connection between planning and implementation is vital. This link is facilitated by the Service Delivery Budget Implementation Plan (SDBIP) and the Performance Management System of the municipality. The SDBIP is the municipality’s year plan deduced from the 5-year strategic plan. It serves the purpose of implementing the delivery of municipal services and the implementation of the annual budget (Moses Kotane Local Municipality Draft Integrated Development Plan, 2015/2016).

There is a link between the Integrated Development Plan and organisational performance as the IDP is the basis of measurement. Madzivhandila and Asha (2012) states that one of the core mandates of local government is to decrease poverty at local scale through the provision of sufficient and quality basic services such as water, housing and sanitation to the poor. As a result, services contained with the IDP include; roads, water, sanitation, storm water drainage systems, community street lights, community halls, HIV, elderly and disabled community programs (Moses Kotane Local Municipality Integrated Development Plan 2014/2015). The government in the Constitution of the Republic of South Africa mandates that service delivery to the people is their constitutional right.
According to Manyaka and Sebola (2012) enhancing a positive impact in service delivery through performance management requires competent management and leadership as a foremost requisite. To make a meaningful contribution to the people’s lives, they need to be part of setting the objectives so to let those in authority know of their needs.

Public participation is a vital element of IDP process which it is even legislated. It is mandatory for communities to be involved in the planning and implementation of municipal strategies to voice their needs as a community. Hence the vision and mission of the organisation should be well encompassed in the IDP. Madzivhandila and Asha (2012) emphasises that the importance of community participation in planning and implementation of services and development has been widely recognised in government policies and practices in South Africa. Section 152 of the Constitution requires local municipalities to encourage the involvement of communities and community organisations in matters of local governance (The Constitution of the Republic of South Africa, 1996).

Since community participation is essential and service delivery objectives are made up through the IDP, Madzivhandila and Asha (2012) has highlighted challenges when implementing the IDP which could hamper delivery of quality services as follows:

- The absence of meaningful participation by communities and local stakeholders has undermined the legitimacy of IDPs in a sense that they may not be true reflections of community needs and priorities.
- Lack of interdepartmental co-operation and lack of horizontal integration has disadvantaged the effective local development planning and thereby contributed to crippling service delivery.
- Effective implementation of IDPs has been direly affected by a shortage of the relevant skills and capacity as well as shortcomings in the financial management.

When challenges are experienced in the implementation of the IDP, it hampers the performance of the organisation which in turn results in the unsatisfactory deliverance of services to the people. Manyaka and Sebola (2012) reiterated that adequate management of performance had got the potential to improve public service delivery.
Hence performance management aims at improving service delivery through a results-orientatated performance management framework which is legislated in South Africa.

Manyaka and Sebola (2012) further emphasises that overall performance measurement has been added genuinely to make certain that there is continuous enchantment of employees’ and organisational performance in the South African public service. To this end, it can be argued that the legal framework and guidelines to manage performance in the public service reflect the government’s commitment to improving and accelerating service delivery to members of the public (Republic of South Africa, 2007).

Manyaka and Sebola (2012:307) states that “it can be noted that performance management in the public service is still a challenge. While performance management has arguably been a major component of the South African public service reform, it has in most cases, been erratically and inconsistently applied. Performance management is considered to be a critical success factor if service delivery is to be improved.” Performance management in accordance the Public Service Regulations (RSA, 2001), is chartered to improve organisational efficiency and effectiveness through the accountability for the use of the scarce resources and achievement of results. The regulations further state that the principal orientation of performance management in the public service should be developmental.

2.8 CONCLUSION

It is clear that performance management is a vital component of any organisation as it is integrated throughout the entire organisation. It is a continuous process of which when implemented effectively can ensure efficiency of employees and smooth running business operations which lead to improved performance. Challenges and factors affecting the effective implementation were highlighted as well as the legal prescripts which guide its implementation.

Literature has shown that the public sector has excellent performance management frameworks and policies guiding on the effective implementation of PMS. Although public sector still struggles with poor performance as quality service delivery to communities has dwindled.
CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

In this chapter, the researcher outlines the research design and methods which have been used to conduct the research. As according to Leedy (1993) the common sense and the clear thinking essential for the management of the entire research undertaking are expressed through research designs. In this research, the researcher will discuss research methodology, research design, data collection instrument, data analysis, the motivation for particular research instrument, sample design, data analysis, procedures and quality assurance.

Research methodology is simple processes whereby they assist in answering the research questions and achieving the research objectives. A questionnaire was designed as a data collection instrument and administered within the Moses Kotane Local Municipality. The questionnaire would assist in answering the research questions as the data collected will be processed using statistical tests, analysed and interpreted into meaningful results.

3.2 RESEARCH METHODOLOGY

“Even though research has been defined differently by several authors, the agreement seems to have been made by the fact that research is a process of inquiry and investigation. It has further been described as systematic and methodical and capable of increasing knowledge” (Hussey & Hussey, 1997). Leedy (1993) defined research as “a studious inquiry or examination, specifically an essential and exhaustive investigation or experimentation having its aim, the discovery of new ideas and facts and their right interpretation, the revision of usual conclusions, theories, or legal guidelines in the mild of newly discovered data or the realistic software of such conclusions, theories or laws.” Leedy (1993) elaborates further and states that a systematic approach is often used by people in their data collection and information interpretation with the aim of solving their small problems of daily living.
According to (Phophalia, 2010) research methodology is defined as a manner to a vigilant and critical autopsy or examination in search of detail for principles to enable industrious investigation to assure somewhat.

According to Hyland (2016), methods or ways of collecting data needs to be distinguished (such as observations, surveys, and interviews), and methodologies are the principles and understandings that guide and influence our choice and use of methods. Methods are explained to be front line techniques and methodologies, on the other hand, are the systematic application of them. Hence Hyland (2016) states that therefore methodology concerned about how research is conducted, how things are found out through research, and how knowledge is gained.

Though there are different kinds of research methodologies, for this research study, quantitative research methodology will be understudied because the objective of this research focuses on the design to produce statistically reliable data that tells us how many people are aware of the municipal performance management system and measuring its performance thereof. Quantitative data characteristically is in arithmetical forms such as averages, ratios or ranges.

3.3 QUANTITATIVE METHODOLOGY

Maree (2012:2) defines quantitative research as a controlled manner of gathering data in the form of numbers from a certain group extracted from a population and analysing that data to get the findings that will represent the population that is being studied.

Hence, it is independent of the researcher, and one should get similar results regardless who conducts the research. The information collected through quantitative research is objective and reliable if properly structured, administered and validated.

A descriptive design will be used in this research paper. As according to Brink et al. (2012) highlights that it may be used to identify challenges with recent practices; in justification of recent practices; or make judgements or determine what other professionals in similar situations are doing. As it is the case as the researcher seeks to understand and explore performance management systems put into place at Moses Kotane Local Municipality.
3.4 RESEARCH DESIGN

According to Ary et al. (2014), an overall strategy which can be chosen in the integration of different components of the study in a comprehensible and logic way with the aim of ensuring that the research problem stated by the researcher will be effectively addressed is referred to as research design. The process involved comprises of data being collected, measured and analysed. Therefore in this manner, the design of the research directs the right method of data collection. The research design of this paper is quantitative in nature as statistical analysis will be used to analyse the collected data with the aim of answering the study’s research questions. The data will be collected through and administered questionnaire within the municipality consisting of close-ended questions with the aim of quantifying the results of analysis. The study focusses on Moses Kotane Local Municipality as a qualitative case study method will be undertaken.

A quantitative method will be conducted on Moses Kotane Local Municipality. A more descriptive approach will be used to express views, describe events and situations within the municipality.

Furthermore test-retest, this technique is used in interviews and questionnaires to measure the stability of research instrument, as well as the Cronbach’s alpha will be used to establish internal consistency for questionnaires.

Both primary data and secondary data will be utilised to answer the research questions. Primary data will be collected through administering questionnaires to strategic management, middle and junior management.

For the purpose of this research, a questionnaire consisting of close-end questions was administered to the sample extracted from the entire Moses Kotane Local Municipality employees. The sampling method used in the research study is purposive sampling as the subjects should be inclined to organisational performance management system. The researcher is the assumption that the subjects possess some information pertaining
performance management. The researcher estimated that the self-administered questionnaire would take approximately 30-45 minutes to complete.

The collected data will be processed and analysed using the statistical tool Statistical Package for Social Sciences (SPSS) as the data will be interpreted in meaningful results.

3.5 RESEARCH STRATEGY

According to Kohlbacher (2006), organisational studies, as well as the social sciences, commonly uses case studies. There is a suggestion that the case study method is progressively being used and with a growing confidence as a rigorous research strategy in its own right.

Furthermore, (Kohlbacher, 2006) defines case study research as an experiential autopsy that examines a cutting-edge phenomenon within its real-life context. In particular when the boundaries between phenomenon and context are not truly evidenced. The goal in case study research is to understand the boundaries of the case and the complexity of the behaviour patterns of the bounded system.

The case study inquiry copes with the technically unique state of affairs in which there will be many more variables of activity than data points, and as one result. It depends on more than one sources of evidence, with statistics wanting to converge in a triangulating fashion. It, in addition, it benefits from the prior improvement of theoretical propositions to guide records on collection and analysis.

Cohen et al. (2006) highlight the strengths and weaknesses of case studies as following:

**Strengths**

- They are strong on reality.
- Assists in interpreting of other similar cases as they provide insights into other comparable situations and cases.
• Due to their distinctive characteristics, in unanticipated events and uncontrolled variables they can embrace and build.

Weaknesses

• They are now not without difficulty on cross-checking. As a result, they can also be selective, biased, non-public and subjective.

• They are inclined to troubles of observer bias, notwithstanding attempts made to tackle flexibility.

Hence according to Ary et al. (2014) an involved case study, the researcher decides on the case because it characterises some other issue under investigation. Furthermore, the author highlights that the researcher believes that this particular case can help provide insights into that issue. Therefore the case is illustrative of something investigative.

Case studies are anchored in real life and can provide rich, detailed accounts of phenomena. Case studies permit an in-depth examination of factors that explain the present status and that may influence change overtime.

A case study will be conducted on Moses Kotane Local Municipality as its performance management will be measured to quantify its effective. It is a unique situation to the organization as the real-life context is based specifically on the organisation.

3.6 RESEARCH INSTRUMENT

3.6.1 Questionnaires

Brink (1996) states that a questionnaire is printed questions on a document which are commonly referred to as self-report instruments in which the respondent responds to. Brink (1996:154) further highlights that the respondents find a well-designed questionnaire easy to fill out while the researcher finds it easy to administer and score. The questionnaire shall comprise of close ended questions to assist in answering
the research questions. They are convenient for gathering large quantities of structured data. Hyland (2016) states that without problems they are analysable statistics about textual content users’ characteristics, beliefs or attitudes, statistics that is now not usually accessible from the commentary of their behaviour or their texts.

Since the study is quantitative in nature, the questionnaire will assist in the analysis of data as the results will be descriptive in nature. Hence according to McCusker and Gunaydin (2015), the goal is to classify features, calculate them and assemble statistical methods in an attempt to provide an explanation for what is observed. The questionnaire consists of 85 close-ended questions with questions based on the following sections namely; performance management at Moses Kotane Local Municipality, factors influencing performance management and success factors of performance management.

The design of the questionnaire is divided into five sections namely; 1. Socio-demographic, 2. Knowledge and understanding of the municipal operations and regulatory legislation, 3. Effectiveness in measuring performance Moses Kotane Local Municipality, 4. Performance indicators and key processes of IDP development and 5. Critical factors influencing effective implementation of municipal PMS.

**Section 1** aims to quantify the socio-demographic information of respondents, into understanding their background. That is the level of education, age, department, position, and others.

**Section 2** aims to establish the knowledge and understanding of municipal operations the respondents possess to determine the level of understanding of performance management.

**Section 3** aims to measure the effectiveness of performance management systems at Moses Kotane Local Municipality to determine if the PMS in place is effective or not.

**Section 4** aims to identify and measure awareness and knowledge of respondents pertaining indicators and key processes of IDP development

**Section 5** aims to identify and measure awareness and knowledge of respondents about critical success factors influencing effective implementation of municipal PMS.
A Likert scale described by Ary et al. (2014) that its objective is to evaluate attitudes toward a topic by presenting a set of statements about the topic. It requests respondents to indicate for each whether they strongly agree, agree, unsure, disagree or strongly disagree.

3.7 POPULATION

According to Yount (2006), a research population is generally a large collection of individuals or objects with the fundamental centre of attention of a scientific query. Yount (2006) further population in the following manner:

- **Target Population**
  
  The entire group of individuals or objects to which interest of the researcher is focused upon in generalizing the conclusions is referred to as target population. The target population usually has varying characteristics, and it is also known as the theoretical population.

For the purpose of this research target, population type will be used as the population concerned is targeted for the Moses Kotane Local Municipality’s performance management information. All Moses Kotane municipal employees in different departments constitute the research population and will all be considered for sampling. Permission for their participation has been granted by the municipality.

The total population of Moses Kotane Local Municipality is 409, comprising of 6 administrative departments; Budget and Treasury, Infrastructure services, Community services, Municipal Manger’s Office, Corporate Services and Local Economic Development & Planning. The municipality has a municipal manager, directors heading the five departments, 17 head of units and 45 managers within the departments, the rest make up supervisors and lower ranking employees.

3.8 SAMPLING

Yount (2006) explains sampling as the process of selecting a group of subjects for a study in such a manner that the individuals are legible to represent the larger group from which they were selected is known as sampling. A sample will be drawn from the target population about performance management to optimally answer the research questions. Marshall (1996) identified the following types of sampling methods:

- **Convenience sample**
It involves the selection of the most accessible subjects and has been opinionated to be the least rigorous technique. It has an advantage as it is classified as the least costly to the researcher, in terms of time, effort and money. A convenience sample may, however, result in poor quality data and may lack intellectual credibility.

- **Judgement sample**
  The most productive sample to answer the research question is actively chosen by the researcher. This can involve creating a framework of the variables that might influence an individual's contribution. The research will be primarily based on the researcher's realistic expertise of the research area, the reachable literature, and proof from the study itself.

The approach utilised to collect the data for the research is the judgemental sampling method as it is used primarily when there is a limited number of people that have knowledge in the area being researched (Marshall, 1996). All five directors, the municipal manager, integrated development planning and performance management system head of units and their departmental line managers, as well as other employees not on managerial positions, will be given the questionnaire to complete to assist in answering the research questions. They are deemed responsible for organisational performance management within the municipality. A sample of 100 employees was judgementally sampled to view their opinions on the municipal performance management system and its effectiveness when answering the questionnaire. Since employees of an organisation are performers of that particular organisation, it is perceived that the subjects are knowledgeable about organisational performance as they are entrusted to achieve specific organisational objectives.

### 3.9 SECONDARY DATA FROM REPORTS

Irwin (2013) elaborates that qualitative secondary analysis entails the use of already produced facts to increase new social scientific and/or methodological understandings. Secondary to be utilised will be the analysis of internal municipal documents, i.e. 2014/2015 auditor general’s report, 2014/2015 Integrated Development Plan, quarterly and yearly performance reports. It will bring more insight on the currently implemented
performance management within in the municipality. These documents will assist in the evaluation of the organisational

3.10 DATA ANALYSIS

According to Larson-Hall and Plonsky (2015), descriptive statistics are the basis of all quantitative reasoning, and it is necessary that they are reported in research studies. They are vital to everything accomplished quantitatively because they describe the records set, providing a factor estimate of the average vogue of the information as well as estimates of variability in the statistics as stated by Larson-Hall and Plonsky (2015).

According to Brink et al. (2012), descriptive statistics are used to describe and summarise data and tell what the data set looks like. Brink et al. (2012) further reiterate that a descriptive approach uses measures such as frequency distributions, measures of central tendency, dispersion or variability and measures of relationships. The data collected from Moses Kotane Local Municipality is classified into scales of measure, namely nominal scale whereby it expressed in the socio-demographic data section of the questionnaire. Ordinal scale whereby the data collected relates to variables that can be categorised and rank ordered or assessed incrementally as expressed by the four sections questionnaire.

In organizing the research data for this study, a systematic arrangement of individual measures from highest to lowest called frequency distribution will be utilised as one of the data analysis techniques. Ary et al. (2014) emphasize that it is utilised for relationships between variables correlation and regression cross tabulations and contingency tables, the analysis of variance will be utilised

3.11 ETHICAL CONSIDERATIONS

The ethical definition of David and Resnik (2013) focuses on the disciplines that study standards of conduct, such as philosophy, theology, law, psychology, or sociology. David and Resnik (2013) further reiterates that ethical standards such as trust, accountability, mutual respect, and fairness should be promoted among many different
people with different views and beliefs after research often involving a great deal of collaboration and synchronization and are critical for collaborative work.

The researcher reckons the need of the organisational information and data collected to be kept confidential and private. The consent form was submitted to the office of the municipal manager, and prior consent was given to conduct research at the Moses Kotane Local Municipality. Furthermore, this study does not contravene or infringe on any human rights as the collection of data through the use of a questionnaire was consensual with entrusting of anonymity and confidentiality of the respondents.

3.12 RELIABILITY

Golafshani (2003) states that reliability is an idea used for checking out or evaluating research studies, the concept is most frequently used in all types of research, the most vital check of any qualitative study is its excellence. Furthermore, Golafshani (2003) emphasises that examination of trustworthiness is essential to ensure reliability in quantitative research. According to Brink (1993), reliability is relatively associated with characteristics such as consistency, stability, and repeatability of the informer’s explanations as well as the researcher’s ability to gather and record information accurately. Brink et al. (2012) further highlights the characteristics of reliability that are commonly evaluated as follows;

- **Stability**
  
  Stability of a research instrument refers to its consistency over time. This method is called the test-retest, and the technique is used in interviews and questionnaires.

- **Internal consistency**
  
  Internal consistency addresses the extent to which all items on an instrument measure the same variable, measures the homogeneity. This type of reliability is appropriate only when the instrument is examining one concept or construct at a time.
Ary, et al. (2014) highlights that Cronbach alpha coefficient is the test most frequently used to establish internal consistency for questionnaires. Ary, et al. (2014) emphasises that the researchers’ use Cronbach’s alpha when measures have items that are no longer scored truly as right or incorrect as the object rating might on a range of values on a Likert mind-set scale.

A model or survey’s internal consistency is referred to as Cronbach’s test which at times is referred to as a ‘scale reliability coefficient. The aim of the Cronbach’s alpha is the assessment of the reliability of a rating summarizing a group of test or survey answers which measure some underlying factor (e.g., some attribute of the test-taker). From each test item, a score is being computed, and a ‘scale which is the overall rating is defined summing up these scores over all the test items. 0.7 is the cut-off point, which emphasises that an alpha value which is below 0.7 is intolerable. It is essential to calculate and report Cronbach’s alpha internal consistency reliability for any scales or subscales one may be using (Parson, 2006). The reliability analysis is presented in the table below:

<table>
<thead>
<tr>
<th>Data</th>
<th>Cronbach’s Alpha</th>
<th>Items</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipality Employees’ data</td>
<td>0.960</td>
<td>35</td>
<td>Excellent and consistent</td>
</tr>
</tbody>
</table>

*Table 3.1: Cronbach Alpha*

### 3.13 VALIDITY

Validity in research is involved with the accuracy and truthfulness of scientific findings. A legitimate study needs to demonstrate what honestly exists. A valid instrument or measure have to sincerely measure what it is supposed to measure as it was highlight by Brink (1993). Validity is concerned with how the research truly measures what is truly intended to measure or how honest and factual the research results are. According to Golafshani (2003), validity is generally determined by the researcher through asking a series of questions and will often search for answers in the research of others. According to Cohen et al. (2006) through diligent and careful sampling, appropriate instrumentation, as well as appropriate statistical treatments of data, might improve validity in a quantitative research study. Brink (1993) identified types of validity as follows:
• **Internal Validity**  
The degree to which research findings mirror an authentic illustration of certainty than being effects of inessential variables is referred to as inner validity.

• **External Validity**  
Addresses the degree or extent to which such representations or reflections of reality are legitimately applicable and generalised across to the wider population. Cohen et al. (2006) further identify different forms of validity:

  o **Content Validity**  
    To demonstrate this form of validity the instrument must show that it fairly and comprehensively covers the domain or items that it purports to cover.

  o **Construct Validity**  
    Refers to the construct the research instrument is actually measuring as a construct is abstract.

The questionnaire was developed to cover all the research questions as it is divided into sections as per the research questions, this would give the satisfaction that the instrument will collect accurate, truthful and will measure that which is intended to measured.

**3.14 CONCLUSION**

The section detailed the research method to be utilised as well as the questionnaire as the research instrument which will be used for data collection. Reliability and validity issues about the instrument were also highlighted. The self-administered questionnaire is simple and unambiguous. However, the researcher has availed herself to assist just in case the respondents do experience challenges in completing the questionnaire.

The following chapter will deal with the data analysis and interpreting results into meaningful information.
CHAPTER 4

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

4.1 INTRODUCTION

The chapter presents data obtained by a questionnaire administered to employees of Moses Kotane Local Municipality. The data from the questionnaire is presented and analysed in the order of the research objectives presented earlier in chapter one. The questionnaire was divided into the following five sections namely; Section 1: Demographics/Personal Information and Section 2 to 5: General Questions.

Part A: Demographics

4.2 RESPONSE RATE

The total number of questionnaires dispersed to respondents was hundred (100). All the questionnaires were administered at Moses Kotane Local Municipality. From the 100 dispersed, 100 questionnaires were completed and returned which is 100% response rate.

4.3 PERSONAL INFORMATION ANALYSIS

This section is depicting the personal data of the respondents.
4.3.1 Section 1: Socio-demographic data

**Figure 4-1: Age category**

There is a greater representation of youth amongst the municipality with the ranges of under 30 being 28.57% and 31-40 at 32.14%; there is a minimum percentage (11.9%) of 51 years and older.

**Figure 4-2: Gender**

The above figure shows the split of the total number of respondents. 51% is the representative for females and 49% as the representative for males. The results indicate the difference in the frequency of the genders is insignificant as it is balanced between male and female.
The outcome concerning the experience of respondents is as follows; 

- 28.74% has less than 4 years’ experience;
- 39.08% has 4-10 years’ experience; and
- 13.79% has 11-15 years’ experience and 18.39% has more than 15 years’ experience.

According to the results, it indicates that there is vast experience within the municipality as the majority has more than four years of experience within the municipality, it indicates that the employees are now accustomed to the manner in which things are done within the municipality and that experience to improve their work performance.

**Figure 4-3: Job experience at the municipality**

**Figure 4-4: Highest qualification held**
Results with regards to the highest qualifications of respondents are as follows:

- 28, 41% has matric, 35, 23% has diplomas, and 19.32 have bachelor's degree;
- 13, 64% has honours degrees and only 3, 4% has master's degrees.

Qualification results further give evidence that majority of the sampled municipal employees do have formal qualification as it forms part of factors influencing effective implementation where competency was one of the base factors.

![Position held](image)

**Figure 4-5: What position do you hold?**

Results about positions of respondents are as follows:

Respondents who made up 2, 41% were above the head of the department, 3,61% were head of departments, 16,87% were head of units, 22,89% of respondents were managers, 14,46% were supervisor representative and 39, 76% were respondents who are below the superior.

The sample was made up by the majority of employees who are below supervisory level; these results will indicate if performance management is sufficiently cascaded to lower ranking positions within the municipality and that do these employees aware and have knowledge about municipal performance management.
Figure 4-6: Which Department do you work at?

The Municipal Manager’s office is represented by 15.66%, Budget and Treasury Office is represented by 22.89%, 13.26% is Infrastructure and Technical Services, 19.28% is Community Services, 8.43% represents Planning & LED and 20.48% represents Corporate Services. The administrative departments are fairly represented with planning and development having the least representation as this is because it is a smaller department within the municipality.

4.4 Responses from the questionnaires

These sections are illustrating general responses of the respondents from the four (4) sections in the questionnaire.

4.4.1 Section 2: Evaluating the knowledge and understanding of the municipal operations and regulatory legislation

**Keys:**  
**SA** = Strongly Agree (1),  
**A** = Agree (2),  
**U** = Unsure (3),  
**D** = Disagree (4),  
**SD** = Strongly Disagree (5)
Table 4-1: Evaluating the knowledge and understanding of the municipal operations and regulatory legislation

<table>
<thead>
<tr>
<th>Item</th>
<th>Item Description</th>
<th>SA(%)</th>
<th>A(%)</th>
<th>U(%)</th>
<th>D(%)</th>
<th>SD(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The mission and vision of the municipality is easily understandable (N=100)</td>
<td>45</td>
<td>42</td>
<td>7</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>I know the motto of our municipality (N=99)</td>
<td>45.45</td>
<td>39.39</td>
<td>11.11</td>
<td>4.04</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>I know and understand the municipality’s strategic goals (N=99)</td>
<td>33.33</td>
<td>47.47</td>
<td>13.13</td>
<td>4.04</td>
<td>2.02</td>
</tr>
<tr>
<td>4</td>
<td>I am well aware of the services that our municipality provides to communities (N=100)</td>
<td>48</td>
<td>41</td>
<td>9</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>I know which legislative framework is applicable for municipalities in relevance to PMS (N=100)</td>
<td>29</td>
<td>44</td>
<td>17</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>I often read and acquaint myself with legislative framework relevant to PMS (N=99)</td>
<td>22.22</td>
<td>46.46</td>
<td>12.12</td>
<td>15.15</td>
<td>4.04</td>
</tr>
<tr>
<td>7</td>
<td>I am always guided by the legislative frameworks which govern PMS in executing my duties (N=100)</td>
<td>21</td>
<td>47</td>
<td>15</td>
<td>14</td>
<td>3</td>
</tr>
<tr>
<td>8</td>
<td>I know how the municipal departments are interrelated in terms of their performance, i.e. how IDP unit relates to finance, infrastructure, community services, etc. (N=100)</td>
<td>39</td>
<td>48</td>
<td>7</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>9</td>
<td>I know and understand that there is performance management system implemented in the municipality (N=100)</td>
<td>37</td>
<td>42</td>
<td>13</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>10</td>
<td>I am aware of the performance management framework for municipalities which is a guide by National Treasury (N=100)</td>
<td>29</td>
<td>43</td>
<td>19</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>11</td>
<td>Policies are normally reviewed once a year (N=100)</td>
<td>19</td>
<td>32</td>
<td>32</td>
<td>14</td>
<td>3</td>
</tr>
</tbody>
</table>

**AVERAGE RESPONSE (%)** | 33.45 | 42.94 | 14.12 | 7.48 | 2.01 |
The majority consisting of strongly agree (45%) and agreeing respondents (42%) indicate that they know and understand the mission and motto of the municipality. Further, on to this, (45.45%) of strongly agree and (39.39%) agree respondents indicated that they have an understanding of the organisational goals. This indicates that the strategic planning of an organisation is the navigator and key driver of the organisation to attain its set objectives. The two results indicate that employees do know what they are working towards. The mission and vision of an organisation are the fundamental starting points to guide in the achieving of the organisational goals. When employees do honour and work towards fulfilling organisational mission and vision, it can be stated that can assist in improving organisational performance. According to Zheng et al. (2010), the mission is one of the four dimensions that are conducive to organisational effectiveness, thus indicating that a mission statement is a vital fundamental element of an organisation. Caymaz et al. (2013) further support that mission and vision are one of the critical components in strategic planning.

Significant respondents who strongly agreed (39%) and agree (48%) know how the municipal departments are interrelated regarding their performance, i.e. how IDP unit relates to finance, infrastructure, community services. These results of the respondents mean that respondents are aware of the interrelatedness of municipal administrative departments which should evidence the efficiency of municipal operations. Through efficient municipal operations, this would result in better performing organisation.

Thus, according to Mkhumebi (2008), it is important to discover and understand the tactics surrounding performance management and also to establish how it associates to guaranteeing quality, environment-friendly and fine provider transport within organisations. It is a positive result that there are awareness and understanding of municipal operations based on the results of the respondents.

Furthermore, legislative requirements are imperative in governing the municipality and ensuring its functionality. This was noted by the respondents who strongly agreed (29%) and agreed (44%) that they know which legislative framework with regard to performance management system is applicable, (22.22%) strongly agreed and (46.46%) agreed that they often read and acquaint themselves with legislative framework relevant to performance management system, and (21%) strongly agree and
(47%) agree respondents indicated that they are always guided by the legislative frameworks which govern PMS in executing their duties. On the contrary, just over half of the respondents who strongly agreed (19%) and (32%) know that municipal policies should be reviewed at least once a year. It indicates that there is a lack due to diligence and workshops on municipal policies for all the employees. The respondents’ results mean that there is a lack of due diligence about municipal legislation, policy, and procedure. When legislation and policy and procedures are not implemented sufficiently, vulnerabilities and inefficiency would be evident in the municipal operations. Öcal (2015: 56) believes that there has been communal sense in recent decades that public sector organisations are characterised as bureaucratic and mechanistic norms which result in inefficient regarding low productivity and low capacity structures.

In terms of knowledge and understanding that there is performance management system implemented in the municipality, (37%) strongly agreed and (42%) agreed that they do know and understand and only (29%) strongly agreed and (43%) agreed that they are aware of the performance management framework for municipalities which is a guide by National Treasury. By the show of results, the majority of the respondents are aware of the performance management framework regulating municipalities. It can be perceived that the employees know how performance management should be effectively and efficiently be implemented as per the regulations. If the municipal performance management system framework is implemented as per the regulations, it could enhance on organisational performance, since the responses are just average it means that municipal PMS is not implemented consistently as per the National Treasury performance management regulations and would affect the performance of the municipality. The results are reiterated by Bilgin (2007 ) who points out that performance measurement is still flaunted as an improvement tool for the government for decades. Bilgin (2007 ) further reiterates that managers in the public sector and policymakers are stated to have performance measurement tools to assist carrying out their responsibilities to enable delivery of improved services.

With the overall average results of for the section evaluating the knowledge and understanding of the municipal operations and regulatory legislation, the majority of (76.39%) respondents agreed and strongly agreed towards questions based on the mentioned section. This means that the majority have knowledge and understanding of municipal operations and regulatory legislation, with this knowledge and understanding
an organisation should be performing exceptionally. However based on the Auditor General’s performance information report of the financial years 2011/2012, 2012/2013 and 2013/2014, the municipality has been performing dismally as opposed to the positive results obtained from the respondents. The results are in contradiction to the performance of the municipality in the mentioned financial years since employees are knowledgeable and understand the municipal operations, it could be perceived that the organisation is performing well of which it is not the case according to Auditor General’s reports.

4.4.2 Section 3: Evaluating the effectiveness of PMS in measuring performance
Moses Kotane Local Municipality

Table 4-2: Evaluating the effectiveness of PMS in measuring performance Moses Kotane Local Municipality

<table>
<thead>
<tr>
<th>Item</th>
<th>SA (%)</th>
<th>A(%)</th>
<th>U(%)</th>
<th>D(%)</th>
<th>SD(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 I know how the municipality has performed over the last 3 years (N=100)</td>
<td>25</td>
<td>32</td>
<td>29</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>13 I understand the importance of performance management system in an organisation (N=100)</td>
<td>34</td>
<td>43</td>
<td>19</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>14 I know and understand my roles and responsibilities in the municipality (N=100)</td>
<td>46</td>
<td>45</td>
<td>7</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>15 I clearly know what I must achieve in order to improve my organisation’s performance (N=99)</td>
<td>40.4</td>
<td>47.47</td>
<td>8.08</td>
<td>4.04</td>
<td>0</td>
</tr>
<tr>
<td>16 I have individually set objectives to assist my organisation to perform better (N=100)</td>
<td>29</td>
<td>40</td>
<td>12</td>
<td>17</td>
<td>2</td>
</tr>
<tr>
<td>17 I often discuss my work with my superior (N=100)</td>
<td>36</td>
<td>49</td>
<td>5</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>No.</td>
<td>Description</td>
<td>Mean</td>
<td>Mode</td>
<td>Median</td>
<td>Std Dev</td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------------------------------------------------------</td>
<td>------</td>
<td>------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td>18</td>
<td>Performance management system provides appropriate management information for informed decision making (N=99)</td>
<td>23.23</td>
<td>50.51</td>
<td>23.23</td>
<td>3.03</td>
</tr>
<tr>
<td>19</td>
<td>I know my department’s Key Performance Indicators (N=99)</td>
<td>39.39</td>
<td>42.42</td>
<td>15.15</td>
<td>3.03</td>
</tr>
<tr>
<td>20</td>
<td>PMS provides mechanism for managing expectations and ensuring increased accountability between the citizens and the municipality (N=100)</td>
<td>17</td>
<td>53</td>
<td>25</td>
<td>5</td>
</tr>
<tr>
<td>21</td>
<td>PMS provides early warning signals to future problems with implementation of the IDP in terms of risks (N=100)</td>
<td>20</td>
<td>44</td>
<td>30</td>
<td>6</td>
</tr>
<tr>
<td>22</td>
<td>PMS identifies major challenges systematically stumbling blocks and guides future planning and developmental objectives and resource utilization of the municipality (N=100)</td>
<td>26</td>
<td>36</td>
<td>30</td>
<td>7</td>
</tr>
<tr>
<td>23</td>
<td>PMS assists in ensuring that service delivery is happening as planned (N=100)</td>
<td>27</td>
<td>47</td>
<td>21</td>
<td>4</td>
</tr>
<tr>
<td>24</td>
<td>PMS promotes the efficient utilization of municipal resources (N=98)</td>
<td>24.49</td>
<td>50</td>
<td>19.39</td>
<td>6.12</td>
</tr>
<tr>
<td>25</td>
<td>PMS promotes the delivery of envisioned quality service (N=98)</td>
<td>23.47</td>
<td>55.1</td>
<td>15.31</td>
<td>5.1</td>
</tr>
<tr>
<td>26</td>
<td>PMS identifies communities and areas that lag behind others in terms of development and thus it assists in</td>
<td>14.14</td>
<td>41.41</td>
<td>39.39</td>
<td>5.05</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>spatial and sectoral integration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N=99)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>After performance information has been audited by AGSA, the results are communicated through the organisation (N=100)</td>
<td>19</td>
<td>28</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Customer satisfaction surveys are usually conducted to obtain feedback from the communities about the quality of the service delivery. (N=98)</td>
<td>15.31</td>
<td>21.43</td>
<td>24.49</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Challenges by the municipality when delivering services are reported back to the communities (N=99)</td>
<td>12.12</td>
<td>36.36</td>
<td>23.23</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>There are challenges in the effective implementation of the performance management system (N=100)</td>
<td>19</td>
<td>47</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Failure of executing leadership in involving and communicating well plans of the organisation challenges the effective implementation of PMS (N=100)</td>
<td>28</td>
<td>44</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Leaders within the organisation need to ensure that all levels and areas of the organisation are able to be part of the process and that their input is demonstrably taken into consideration (N=100)</td>
<td>33</td>
<td>44</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Failure to develop outcomes of the goals or objectives that are appropriate and measurable. (N=95)</td>
<td>12.63</td>
<td>45.26</td>
<td>31.58</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Mean</td>
<td>Std Dev</td>
<td>Median</td>
<td>Mode</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------------------------</td>
<td>------</td>
<td>---------</td>
<td>--------</td>
<td>------</td>
</tr>
<tr>
<td>34</td>
<td>Lack of integration of operational plans and strategic plans may ultimately failure or delivery of far less than originally envisioned (N=98)</td>
<td>30.61</td>
<td>45.92</td>
<td>19.39</td>
<td>4.08</td>
</tr>
<tr>
<td>35</td>
<td>When budgets and objectives of other core departments, i.e. information technology and human resource management are not aligned with the organisational strategic plan this will lead to poor execution of the organisational strategy (N=100)</td>
<td>42</td>
<td>40</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>36</td>
<td>The way an organisation implements strategy affects the possible outcomes and the organisation's performance (N=99)</td>
<td>29.29</td>
<td>47.47</td>
<td>21.21</td>
<td>2.02</td>
</tr>
<tr>
<td>37</td>
<td>My work is often evaluated and feedback is given my manager (N=100)</td>
<td>16</td>
<td>34</td>
<td>16</td>
<td>23</td>
</tr>
<tr>
<td>38</td>
<td>I often evaluate work of employees I manage (N=98)</td>
<td>14.29</td>
<td>40.82</td>
<td>12.24</td>
<td>27.55</td>
</tr>
<tr>
<td>39</td>
<td>I know and apply the 8 batho pele service standards (N=99)</td>
<td>51.52</td>
<td>29.29</td>
<td>13.13</td>
<td>5.05</td>
</tr>
<tr>
<td>40</td>
<td>Organisational performance is usually communicated through the municipality (N=97)</td>
<td>14.43</td>
<td>34.02</td>
<td>28.87</td>
<td>17.53</td>
</tr>
<tr>
<td>41</td>
<td>I know and understand what performance evaluation entails (N=97)</td>
<td>25.77</td>
<td>43.3</td>
<td>21.65</td>
<td>7.22</td>
</tr>
<tr>
<td>42</td>
<td>I am usually assisted when I cannot</td>
<td>16.67</td>
<td>36.46</td>
<td>20.83</td>
<td>19.79</td>
</tr>
</tbody>
</table>
Respondents who strongly agreed (34%) and agreed (43%) indicated that the PMS was important to the organisation as performance management system. The minority of (19%) who were unsure and (4%) disagreed still requires being educated on the importance of organisational PMS. This means that if PMS is a driving tool towards outstanding organisational performance and was effectively implemented performance of the organisation should be upwards. The minority might be the vulnerability within the municipal performance management system. Knowing the importance of performance management system in the municipality should be a driver for employees to perform better and enhance the effectiveness of the municipal PMS. According to Taylor and Taylor (2014:848), PMS delivers a succinct performance of an organisation through sets of financial and/or non-financial metrics which guides and support the decisionmaking processes of an organisation.

A significant majority (40.4%) strongly agreed and (47.47%) agreed understood what’s needed for them to achieve to assist the organisation to perform better. This means that employees do understand their roles and responsibilities in assisting the organisation to achieve its objectives and delivering quality service delivery to the communities. Further, since the respondents understood the interrelatedness of the municipal departments, this would prove efficient and effective performance management system in the municipality. Campbell (2014) supports the results and highlights that the capability of performance management is grounded in the idea that clear, measurable goals are formulated and communicated.

A number of strongly agreed (25%) and agreed (32%) respondents said that they knew how the municipality has performed over the last three years. This means that average respondents are aware and know how the municipality has been performing. This reflects that employees do not really know how the municipality has been performing. It is very detrimental to the effective implementation of municipal PMS as one should know (monitoring and evaluation) what to do, how to do it, what to improve on based on
previous performance. This indicates that performance management system is not adequately cascaded to the lowest ranking position within the municipality. It proves to be a challenge to effectively implement municipal performance management system. As according to Taylor and Taylor (2014) collecting, processing and evaluating information about organisational performance and communicating it enables awareness of strengths and weaknesses.

Respondents who strongly agreed (29%) and agreed (40%) showed that they have individually set objectives to assist the organisation perform better. The minority of respondents who were unsure (12%), (17%) disagreed and (2%) strongly disagreed don’t have individually set objectives. This may seem like a minority, but it can actually have an impact on the achievement of organisational goals. The minority results indicate that these employees work without any target set, meaning that their performance is not towards achieving any objectives. It is, therefore, vital for all employees to have common objectives with those of the organisation. According to Campbell (2014), clear and precise objectives may act as standards towards which individuals can evaluate their overall personal performance and contextualise their work efforts.

The majority strongly agreed (36%) and agreed (49%) that they often discuss their work with their supervisors, this might assist the managers to make better and informed decisions as stated. The results mean that evaluation and monitoring are consistent since the majority agreed that they often discussed work with their supervisor. This means that the monitoring and evaluation step in the PMS process is consistently implemented as areas of improvement or excellence may be identified timely. This would lead to better organisational performance. Hvidman and Andersen (2013) reckons that performance management system executives must incentives to pursue information as performance management systems and encourage on dialogs with subordinates.

The majority of respondents who strongly agreed (23.23%) and agreed (50.51%) indicated that PMS provide appropriate information for informed decisions. The results show that information gathered from the performance management system is utilised in municipal operations and decision making. This indicates that plans made will be acted on with the knowledge of relevant information to assist in improving performance and
achieving organisational objectives. The previous information is vital in the sense that going forward as an organisation; it gives guidance on how to perform better, different methods in performing employee tasks and municipal operation efficiency. Hvidman and Andersen (2013) reiterates that it is assumed that managers will execute better decisions when performance information is produced.

A significant number of respondents who strongly agreed (17%) and agreed (53%) indicated that PMS provides a structure to enable management with opportunities which will ensure increased accountability between the communities the municipality. The minority may not know this due to lack of understanding and knowledge of performance management system. These results entail that municipal performance management system provides accountability mechanisms for citizens to maintain public trust between the municipality and the communities. This actually opens a gateway for the communities to hold the municipality accountable for poor performance. Jurnali and Siti-Nabiha (2015) highlights that public sector PMS is critical to efforts to enhance transparency and accountability, streamline governments, productivity, and effectiveness and gain greater efficiency. This according to Jurnali and Siti-Nabiha (2015) will assist regain public trust between governmental establishments and make a contribution by a reorientation concerning the role and applications of government.

The majority of respondents who strongly agreed (20%) and agreed (44%) believe that PMS provides early warning signals to detect future challenges which may impact on the implementation of the IDP regarding risk. Strongly agreed (26%) and (36%) agreed respondents also believe that PMS identifies major challenges, systematic stumbling blocks, further planning and developmental objectives and resource utilization of the municipality. The minority who were unsure (30%), 7% disagreed and 1% strongly disagreed, indicated the adverse. The results indicate that when monitoring and evaluation within the municipality are done on a consistent basis, challenges can be detected timeously and reducing the delay in the implementation of the IDP and improve the efficiency of quality service delivery. However, Sanger (2011) contradicts the statements and points out that performance measurement hardly ever leads in imitation of increased governance performance or accountable municipal management.
Respondents who strongly agreed (27%) and agreed (47%) stated that PMS assist in ensuring that service delivery is happening as planned. According to the results, if service delivery happens as planned, this entails that that municipal PMS is effectively implemented as projects are kept on track and reporting thereof. If PMS is effectively implemented, it is perceived that service delivery would be efficient as performance management systems is an organisational driving tool to improved efficiency and organisational performance. Although the study’s results contrary to the Auditor General’s report, the municipal performance management system is inefficient. Bilgin (2007) accentuates that performance measurement has been exhibited as an improvement for the government for decades as this assisting manager within the public sector with an improvement tool through PMS to ensure effective execution of their duties and deliver services to communities.

A major strongly agreed (24.49%) and agreed (50%) respondents believe that PMS promotes the efficient utilization of municipal resources, a further (23.74%) strongly agreed and (55.1%) agreed respondents indicated that through PMS envisioned superior service delivery would be promoted. Respondents who strongly agreed (14.14%) and agreed (41.41%) believe that through PMS communities and areas which still needs development will be identified. Although just under half (44.44%) of the respondents in contrary believe that PMS assists identify communities and areas still in need of development. As highlighted in the Municipal organisational Performance Management Implementation Guide of 2007, when the conditions above are a satisfied, it can be deemed that a performance management system of the municipality is effective. The results as presented above mean that municipal PMS is partially effective as not all requirements are satisfied as per the responses from the respondents. It is evident that there are vulnerabilities within the municipal performance management system which prevent it from being entirely effective. Performance Management Implementation Guide of 2007 highlights that performance management system is effective in municipalities when certain minimum PMS guidelines are met and achieved.

The majority of the respondents who were unsure (36%), disagreed (12%) and strongly disagreed (5%) indicated that audit results from AGSA on performance information are not communicated back. Since feedback, communication and coaching form a vital step in performance management system, it may indicate vulnerabilities within the municipal
system. This means that there is poor communication about the municipality’s performance. Employees do perform duties although they do not know how the organisation they are working for is performing. This proves personnel inefficiency. Communication and feedback are vital within the PMS process as mistakes have to be corrected and developmental areas identified for future reference. In this regard, it means that they execute duties without knowing where they lack, where they can develop and most importantly to be held accountable for their poor performance. Bilgin (2007) highlighted that performance management in its holistic manner involves feedback, communication and coaching and imperative to improving organisational performance.

A majority who were unsure (24.43%), disagreed (20.2%) and strongly disagreed (10.2%) indicated that customer satisfaction surveys are not usually conducted to obtain feedback from the communities about the quality of services delivered. Furthermore, the majority who were unsure (23.23%), disagree (20.2%) and strongly disagree (8.08%) indicated that challenges are not reported back to the communities as well. It is much imperative according to The White Paper on the Transformation of the Public Service (WPTPS), published on 24 November 1995, as municipalities are required to have feedback mechanisms to enable them access to continuous feedback to assist in improving municipal operations and service standards in delivering services. These results indicate further vulnerabilities within the municipal performance management system as there are no mechanisms put into place for communities to give feedback about the services delivered to them. The municipality is unable to evaluate itself about the service delivered to its communities. This results in municipal performance management being ineffective without the feedback from the fundamental core of service delivery recipients.

The majority comprised of strongly agreed (19%) and agreed (47%) respondents believe that there are challenges in the effective implementation of the municipal PMS. This may ultimately hamper the performance of the organisation. This is further reiterated by the majority of respondents who strongly agreed (33%) and agreed (44%) that leaders need to take into consideration inputs of all employees at all organisational levels for PMS to be implemented effectively. The majority of respondents who strongly agreed (28%) and agreed (44%) also believe that leadership failure to well
communicate plans also affects effective implementation of PMS. This means that the majority of the respondents have indicated that leadership failures contribute to the poor performance of the municipality as they fail to communicate well the plans of effective performance management system implementation. It further means that if leadership failures are excessive, it plainly leads to ineffective performance management system. As according to Cervone (2014), failure of executive leadership was one of the challenges in effectively implementing PMS.

When analysing the integration and alignment of business operations, i.e. objectives and budgets, the respondents who strongly agreed (42%) and agreed (40%) believe that municipal core business operations are integrated and aligned. According to the respondents’ results, this signifies that municipal operations are integrated and leads to efficiency when performing duties. When PMS is implemented consistently, efficient operations will lead to better organisational performance. Cervone (2014) identified lack of integration of business operations and poor execution as challenges to effectively implementing of PMS.

The majority consisting of strongly agree (29.29%) and agree (47.47%) respondents indicated that the manner in which an organisation implements its strategy affects all possible outcomes. The results imply that the strategy can be well developed, but the implementation of the strategy dictates the performance of the organisation. When a good strategy is badly implemented, there is a great opportunity that the organisation will poorly perform. Probabilities are that if the municipality is performing poorly as reported by the Auditor General, the cause may be rooted to poor implementation of strategies, policies, plans and regulations. Caymaz et al. (2013) have noted that the ability of an organisation to implement its strategy accordingly is essential as all possible outcomes rest upon it.

Furthermore, half of the respondents consisting of strongly agreed (16%) and agreed (34%) indicated that their work is usually evaluated. Respondents who strongly agreed (14.29%) and agreed (40.82%) indicated that they often evaluate the work of their subordinates as in the performance management process, evaluation and monitoring form part of the key steps in the process. The results show concern that employees’ work is not often evaluated. For performance management system to be effective, consistent monitoring and evaluation are necessary to keep track of the work done and
performance of employees. If employees are not often monitored and evaluated, employees would not be simply held accountable for poor performance in the quest of improving organizational performance and better service delivery. Bilgin (2007) reiterated that monitoring and evaluation were essential to keep abreast of any challenges which can interrupt the process of performance management and ultimately impact on organisational performance.

Mentoring and coaching are more key steps in the performance management process and most respondents who were unsure (26.04%), disagreed (18.75%) and strongly disagreed (9.38%) indicated that they do not receive any mentoring and coaching to improve their performance. This points out to the underlying weakness of the municipal performance management system as employees are not afforded the opportunity to improve with techniques such as mentoring and coaching. As echoed in the preceding paragraph, concerns are highlighted by the number of respondents; this implies that employees are inadequately developed in areas where they lack as it is probable that their supervisors are not aware of where their subordinates’ developmental areas. When employees are inadequately equipped to execute their duties, they will not perform well which will then affect the organisational performance in its entirety.

The majority of respondents consisting of strongly agreed (51.52%) and agreed (29.29%) indicate that they know and apply the eight batho pele standards. The standards’ main objective is to enhance efficiency and effectiveness of the public sector as per The White Paper on the Transformation of the Public Service (WPTPS), published on 24 November 1995. Knowledge of the eight batho pele service standards is of vital importance and should be upheld by every government employee. This signifies that the majority applies the eight service standards and they execute their duties with immensity as the service standards resemble the honour, commitment, and dedication of in executing one’s duties.

The overall majority strongly agreed (25.54%) and agreed (41.46%) indicate that performance management systems in Moses Kotane Local Municipality prove to be effective. This means that when performance management is effective and should have a positive effect on organizational performance enhancement. Although, the Auditor General’s report show adverse opinions on performance information. Sanger (2011)
further highlights that as according to their research performance measurement does not necessarily lead to value-added governmental performance or improved efficiency and accountable municipal management. Other organisational factors come to influence as well.

4.4.3 Section 4: Identifying performance indicators and key processes of IDP development

Table 4-3: Identifying performance indicators and key processes of IDP development

<table>
<thead>
<tr>
<th>Item</th>
<th>SA (%)</th>
<th>A(%)</th>
<th>U(%)</th>
<th>D(%)</th>
<th>SD(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>44 I know what the Integrated Development Plan entails (N=100)</td>
<td>34</td>
<td>50</td>
<td>11</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>45 I know the link between the municipality's strategic objectives and the Integrated Development Plan (N=100)</td>
<td>26</td>
<td>54</td>
<td>14</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>46 During the IDP process, the vision and mission and strategic goals of the municipality are formulated or reviewed (N=100)</td>
<td>21</td>
<td>54</td>
<td>19</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>47 Identification of key performance areas, development of objectives and key performance indicators are the building blocks of PMS (N=100)</td>
<td>30</td>
<td>48</td>
<td>17</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>48 Identification of key performance areas, development of objectives and key performance indicators is the data used as a set of measures against which the municipality’s performance will be measured against. (N=100)</td>
<td>26</td>
<td>51</td>
<td>19</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>49</td>
<td>I know the community is the most determining factor of the performance area (N=99)</td>
<td>31.31</td>
<td>46.46</td>
<td>16.16</td>
<td>4.04</td>
</tr>
<tr>
<td>50</td>
<td>Funds are provided to realise the specific goals set out in the IDP (N=99)</td>
<td>33.33</td>
<td>45.45</td>
<td>13.13</td>
<td>7.07</td>
</tr>
<tr>
<td>51</td>
<td>The municipal budget clearly specifies the finances available for different development initiatives (N=100)</td>
<td>39</td>
<td>40</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>52</td>
<td>It is important to monitor the spending patterns by comparing the allocation of resources and amounts spent (N=100)</td>
<td>40</td>
<td>45</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>53</td>
<td>The operational plans should set out the detailed planning for each project which should include a complete set of measures, including KPAs, performance targets, target dates and persons responsible (N=100)</td>
<td>32</td>
<td>47</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td>54</td>
<td>Measuring the performance against the KPIs and performance targets is continuous throughout the life of a project (N=100)</td>
<td>8</td>
<td>41</td>
<td>22</td>
<td>9</td>
</tr>
<tr>
<td>55</td>
<td>Data collected during the measurement is reported through the financial year on how far are the projects on/off schedule (N=100)</td>
<td>22</td>
<td>44</td>
<td>26</td>
<td>8</td>
</tr>
<tr>
<td>56</td>
<td>Performance reports for the year must be consolidated and audited by internal audit and AGSA as per MSA</td>
<td>41</td>
<td>33</td>
<td>20</td>
<td>6</td>
</tr>
</tbody>
</table>
Table 4.3 discusses the identification of performance indicators and key processes of IDP development as the respondents have answered.

According to the above table, the majority strongly agreed (34%) and agreed 50% and stated that they do know and understood what the Integrated Development Plan entails. Further, a majority of the respondents strongly agreed (26%) and agreed (54%) and stated that they knew the link between the municipality’s strategic objectives and the IDP. The results indicate a positive when employees understand the mandate of the IDP. If a common goal is established it would stimulate employees to align their individual objectives with those of the organisation. Hence, The White Paper on Local Government (1998) pronounced that the integrated development planning processes can be utilised by the municipality to establish a development plan for the short, medium and long term.

The respondents who strongly agreed (21%) and agreed (54%) indicated that they know what the IDP process entails, that the vision and mission are being reviewed or verbalised, and furthermore (30%) that they strongly agreed and (48%) agreed that they understood that some of the PMS building blocks included the expression of key performance areas (KPA), expansion of objectives and key performance indicators (KPI).

Another important step in the process was to conduct close consultation to determine the communal needs as public participations are a major factor in determining critical success factors. Based on this the respondents who strongly agreed (31.31%) and agreed (46.46%) stated that they knew that the community is the most determining factor in the determination of the performance areas. As echoed above in the preceding two paragraphs, this means that the respondents signify the importance of the IDP as a municipal strategic document. The IDP is the priority off any municipality as it endorses service delivery activities in the form of projects to be carried out. Employees’ knowledge about the IDP is vital in stimulating performance and creativity. Awareness of all the key performance areas and related budgets enables municipal operations efficiency and most importantly satisfies municipal stakeholders. Furthermore,
Madzivhandila and Asha (2012) reiterated that the importance of community participation in planning and implementation of services and development had been widely recognised in government policies and practices in South Africa.

According to The White Paper on Local Government (1998), the municipal financial plan should indicate budget and expenditure over the period of the IDP. Most of the respondents strongly agreed (33.33%) and agreed (45.45%) and stated that they knew that funds were provided to attain the objectives contained within the IDP. Respondents who strongly agreed (39%) and agreed (40%) indicated that they know how the municipal budget outlines financial viability of various activities. With relevance to the budgets, the respondents who strongly agreed (40%) and agreed (45%) indicated that it was important to keep track of the actual expenditure in comparison to the allocated resources as per The White Paper on Local Government (1998). Still, this means that the IDP has been identified significantly as the core strategic municipal document which is the start off point. The results indicate that the IDP strategic is at the forefront of the employees which shows that it’s very vital in performing their duties. This imparts priority setting in the employees’ mindset that with the limited resources service delivery has to be efficiently and effectively be delivered to communities.

Most respondents strongly agreed (32%) and (47%) and felt positive that operational plans outline detailed project plans including all project milestones. The results signify that the respondents know that proper planning should be at the helm of any project or duty and that constant monitoring and evaluation should be consistently conducted. This would ensure spending well within budget and timeframes of projects be well on course. Performance management system would be effective when planning was conducted and implemented as deliberated. Hence according to LaFoy (2012), performance management is vital as it has the capability to assure that plans are implemented as intended and resources are utilised efficiently and effectively.

Most respondents who strongly agreed (22%) and agreed (44%) indicated that data collected during the measurement of projects is reported through the financial year on how far are the projects on/off schedule. The results imply that even though there is monitoring it doesn’t result in improved performance as the municipality’s recorded performance is not idealistic. There vulnerabilities in the effective implementation of municipal PMS and they do have an impact on the municipal performance. These
challenges which interrupt the effective implementation may be rooted from a lot of courses such as unsound strategy implementation, poor planning, and execution, unclear organisational objectives. Manyaka and Sebola (2012) has since echoed that when challenges are experienced in the implementation of the IDP, it impedes the performance of the organisation which in turn results in the unsatisfactory deliverance of services to the people.

This section attempted to answer the research question how effective is the performance management system and processes put into place at Moses Kotane Local Municipality. The overall results indicated that municipal performance management system is not effective as perceived. Based on the results of Table 4.9, it can be seen that on average there’s a minority smaller than 25% who responded adversely to the questions. This may be due to lack of thorough performance management knowledge, or as explained in the literature they might be unsatisfied with their jobs. Ding et al. (2016) highlighted that some components of performance management are associated with employees’ job satisfaction.

4.4.4 Section 5: Identifying critical factors influencing effective implementation of municipal PMS

Table 4-4: Identifying critical factors influencing effective implementation of municipal PMS

<table>
<thead>
<tr>
<th>Item</th>
<th>SA (%)</th>
<th>A(%)</th>
<th>U(%)</th>
<th>D(%)</th>
<th>SD(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>57 Training and development enhances the quality and consistency of employees’ performance, and ultimately the performance of the entire organisation (N=98)</td>
<td>38.78</td>
<td>43.88</td>
<td>11.22</td>
<td>6.12</td>
<td>0</td>
</tr>
<tr>
<td>58 Training and development needs analysis often conducted to enable the municipality awareness of the skills shortages (N=98)</td>
<td>27.55</td>
<td>39.8</td>
<td>25.51</td>
<td>6.12</td>
<td>1.02</td>
</tr>
<tr>
<td>59 I have attended the necessary training and development to improve</td>
<td>30.61</td>
<td>43.88</td>
<td>9.18</td>
<td>15.31</td>
<td>1.02</td>
</tr>
<tr>
<td></td>
<td>Training in desired skills and knowledge can be considered an investment in the most important resource of the organisation (N=99)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---------------------------------------------------------------------------------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>60</td>
<td>Training in desired skills and knowledge can be considered an investment in the most important resource of the organisation (N=99)</td>
<td>43.43</td>
<td>34.34</td>
<td>17.17</td>
<td>5.05</td>
</tr>
<tr>
<td>61</td>
<td>Giving employees an opportunity to learn develops a higher level of commitment among employees (N=99)</td>
<td>45.45</td>
<td>36.36</td>
<td>13.13</td>
<td>5.05</td>
</tr>
<tr>
<td>62</td>
<td>Employee commitment levels are high when they are given training opportunities and, hence, they display a higher rate of training participation. (N=99)</td>
<td>32.32</td>
<td>49.49</td>
<td>11.11</td>
<td>5.05</td>
</tr>
<tr>
<td>63</td>
<td>Organisational culture refers to the collection of traditions, values, policies, beliefs, and attitude that constitute a pervasive context for everything we do and think in an organisation (N=99)</td>
<td>29.29</td>
<td>52.53</td>
<td>13.13</td>
<td>5.05</td>
</tr>
<tr>
<td>64</td>
<td>Characteristics of municipal organisational culture consists of adaptability, consistency, involvement, mission, etc. (N=98)</td>
<td>23.47</td>
<td>46.94</td>
<td>20.41</td>
<td>8.16</td>
</tr>
<tr>
<td>65</td>
<td>Municipal organisational culture have an impact on the effective implementation of PMS at the municipality (N=99)</td>
<td>32.32</td>
<td>41.41</td>
<td>18.18</td>
<td>8.08</td>
</tr>
<tr>
<td>66</td>
<td>Organisational culture promotes learning culture in the municipality (N=66)</td>
<td>27.27</td>
<td>39.39</td>
<td>18.18</td>
<td>14.14</td>
</tr>
<tr>
<td></td>
<td>Statement</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>---</td>
<td>---------------------------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>67</td>
<td>Organisational culture serves to encourage as well as constrain employee behaviour (N=99)</td>
<td>23.23</td>
<td>46.46</td>
<td>23.23</td>
<td>5.05</td>
</tr>
<tr>
<td>68</td>
<td>A conducive work atmosphere needs to be created because a winning culture will see its employees feeling more accountable for their individual responsibilities (N=99)</td>
<td>39.39</td>
<td>45.45</td>
<td>10.10</td>
<td>3.03</td>
</tr>
<tr>
<td>69</td>
<td>Municipal organisational culture is positive and efficient for one to carry out their duties (N=99)</td>
<td>22.22</td>
<td>35.35</td>
<td>21.21</td>
<td>17.17</td>
</tr>
<tr>
<td>70</td>
<td>Culture of accountability has been cultivated within the municipality for employees to take responsibility of their actions (N=99)</td>
<td>14.14</td>
<td>28.28</td>
<td>23.23</td>
<td>26.26</td>
</tr>
<tr>
<td>71</td>
<td>There is an effective reward system implemented at the municipality (N=99)</td>
<td>9.09</td>
<td>13.13</td>
<td>22.22</td>
<td>42.42</td>
</tr>
<tr>
<td>72</td>
<td>Linking rewards with my work performance improves my work and ability (N=98)</td>
<td>24.49</td>
<td>33.67</td>
<td>20.41</td>
<td>14.29</td>
</tr>
<tr>
<td>73</td>
<td>There is employee recognition in the municipality when one performs well (N=98)</td>
<td>9.18</td>
<td>12.24</td>
<td>24.49</td>
<td>35.71</td>
</tr>
<tr>
<td>74</td>
<td>The effectiveness of an organisation’s performance and reward management have an impact on morale and productivity of employees (N=99)</td>
<td>24.24</td>
<td>36.36</td>
<td>21.21</td>
<td>15.15</td>
</tr>
<tr>
<td>75</td>
<td>Performance-based compensation increase employees' incentives to</td>
<td>19.39</td>
<td>46.94</td>
<td>20.41</td>
<td>8.16</td>
</tr>
<tr>
<td></td>
<td>exert effort, resulting in improved performance (N=98)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>76</td>
<td>Rewards to motivate employees to perform better can only be effective if it is accompanied by positive performance feedback (N=98)</td>
<td>34.69</td>
<td>43.88</td>
<td>13.27</td>
<td>6.12</td>
</tr>
<tr>
<td>77</td>
<td>There are consequences if I do not perform to the best of my ability (N=99)</td>
<td>18.18</td>
<td>32.32</td>
<td>27.27</td>
<td>13.13</td>
</tr>
<tr>
<td>78</td>
<td>Necessary intervention is made if I display trends of poor work performance (N=99)</td>
<td>14.14</td>
<td>30.30</td>
<td>28.28</td>
<td>19.19</td>
</tr>
<tr>
<td>79</td>
<td>Training and development, mentoring, coaching, disciplinary, etc. are some of the remedial actions to the poor performance of municipal employees (N=99)</td>
<td>23.23</td>
<td>39.39</td>
<td>20.20</td>
<td>13.13</td>
</tr>
<tr>
<td>80</td>
<td>Employees should possess the knowledge, skill, and ability to carry out their respective duties (100)</td>
<td>46.00</td>
<td>43.00</td>
<td>7.00</td>
<td>3.00</td>
</tr>
<tr>
<td>81</td>
<td>Competencies are specific, measurable knowledge, skills, and abilities needed to effectively perform a particular function or role as well as tasks in a defined work setting (N=99)</td>
<td>30.30</td>
<td>50.51</td>
<td>12.12</td>
<td>6.06</td>
</tr>
<tr>
<td>82</td>
<td>Core competence includes knowledge, skills, and attitude and combines the elements of knowledge, attitude, and skills. (N=99)</td>
<td>34.34</td>
<td>48.48</td>
<td>13.13</td>
<td>3.03</td>
</tr>
</tbody>
</table>
Employees who exhibit and develop behavioural competencies are better performers (N=100)  

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>83</td>
<td>Employees who exhibit and develop behavioural competencies are better performers (N=100)</td>
<td>24</td>
<td>48</td>
<td>21</td>
<td>5</td>
</tr>
</tbody>
</table>

Operant and personal competencies are important contributors to employee performance but with varying magnitudes (N=100)  

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>84</td>
<td>Operant and personal competencies are important contributors to employee performance but with varying magnitudes (N=100)</td>
<td>21</td>
<td>56</td>
<td>16</td>
<td>6</td>
</tr>
</tbody>
</table>

Competencies and behavioural actions enable people to carry out their job effectively (N=100)  

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>85</td>
<td>Competencies and behavioural actions enable people to carry out their job effectively (N=100)</td>
<td>35</td>
<td>46</td>
<td>12</td>
<td>6</td>
</tr>
</tbody>
</table>

AVERAGE RESPONSE (%)  

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>27.45</td>
<td>40.13</td>
<td>17.72</td>
<td>11.24</td>
<td>3.39</td>
</tr>
</tbody>
</table>

Sections 5 of the questionnaire results are presented in Table 4.10; the section identifies critical factors influencing effective implementation of the municipal performance management system.

A significant number of respondents who strongly agreed (38.78%) and agreed (43.88%) indicated that training and development enhanced their quality of their work. The results imply that the employees deem training and development significance in their ability to do their tasks. The municipality should invest more in its human capital to enhance their performance. An organisation with competent employees can augment the firm’s performance and boost employee morality into performing well for the firm. Ji et al. (2012) indicate that the employee training is a critical tool to assist an organisation to mature its human capital which can, in turn, improve on organisational performance.

The majority of respondents who strongly agreed (27.55%) and agreed (39.8%) indicated that training needs are often conducted. Furthermore, majority who strongly agree (27.55%) and agree (39.8%) indicated that they had attened the necessary training. As observed, the results of respondents above showed that employees’ work was not often discussed with their supervisors. Now a challenge arises in how to determine which training and development will be relevant for the employees to develop and enhance their abilities. These results indicate that employees do attend training and development activities or courses without being evaluated to determine where they lack
and should be developed. Training and development are done, although it can be found to be irrelevant since employees are not often evaluated. If done in the right manner, according to Bednall et al. (2014;45) perpetual learning is beneficial for both workers and their organisations. Bednall et al. (2014;45) further state that it assists employees to adjust to evolving turbulent work environment and it further improves their employability.

Training is a crucial for the ability to achieve competitive advantage, hence the respondents strongly agreed (43.43%) and agreed (34.34%) and indicated that training in desired skill is the most crucial resource of an organisation. This means that relevant training and development does increase the performance of the municipality. It can also be said that an organisation is as good as its employees. Investment of an organisation into its human capital will assist the organisation in competing healthily against other competitors. There is a war of retaining talent; it is particularly very vast for the government as people opt for the private sector. So when a municipality invests in its employees, it would assist in talent management and retention. Hence Scheel et al. (2014) concur that organisations attempt to accumulate and develop their unique and incomparable resources to gain competitive advantage through training and development.

The majority of the respondents who strongly agreed (45.45%) and agreed (36.36%) stated that training opportunities improve employee's level of commitment hence a higher rate of training participation has been showcased. As highlighted, talent management and retention can be excellent strategies against the talent war. The results signify that when the municipality invests in developing its employees, it will improve on employee commitment and moral. The majority highlighted that they would rather be developed and trained than be given monetary benefits. This indicates the aspiration in the employees to experience learning and growth within the municipality. This is evident since Dhar (2015) reckons literature has indicated that affording workers to prospects of learning mature an increased level of commitment as compared to monetary benefits, job security, and job satisfaction.

Most of the respondents who strongly agreed (29.29%) and agreed (52.53%) indicated that they are aware of what organisational culture is and most respondents strongly agreed (23.47%) and agreed (46.94%) that they could identify the four dimensions as such, i.e. adaptability, consistency, involvement, and mission. The results signify a
positive note that the respondents are aware and understand what organisational culture entails. This implies that employees can adapt and get involved with the organisational culture. This would mean unity and improved performance. Zheng et al. (2010) entail that organisational culture referred to shared assumptions, values, and norms. Zheng et al. (2010) further emphasised these dimensions of organisational culture as the fundamental concepts.

The majority of respondents who strongly agreed (32.32%) and (41.41%) indicated that municipal organisational culture has an impact on the effective execution of performance management system of the municipality. Respondents strongly agreed (27.27%) and agreed (39.39%) that organisational culture promotes a learning culture within the municipality. Respondents strongly agreed (23.23%) and agreed (46.46%) that organisational culture attends to inspire as well as restrict employee conduct. These results mean that the employees recognise the importance of organisational culture and that it has the influence on the performance of the municipality. The results indicated that the more positively connotative, the better the municipality would perform, and the more negative connotative, the less the municipality would perform. Taylor (2014) emphasises that organisational culture can redefine importance within the organisation and can alter the conduct of organisational employees.

Most of the respondents who strongly agreed (39.39%) and agreed (45.45%) highlighted that creation of favourable work environment has the capability to manifest accountability within employees as it was stated by Chopra (2015). The respondents who strongly agreed (22.22%) and agreed (35.35%) also indicated that municipal organisational culture is positive and efficient for one to carry out their duties. As per the results, this means that the municipality should invest more in creating conducive workplace for employees. This indicates that work can still be done by the municipality to create a more conducive workplace since it has the ability to increases productivity and will improve organisational performance.

On the contrary, only the minority strongly agreed (14.14%) and agreed (28.28%) that culture of accountability within the municipality is effectively instilled. This is a major red flag as there might be a lack of consequence management within the municipality, which is a major vulnerability in the municipal PMS. These results point out to a flaw within the municipal performance management system. It is highly appalling for an organisation which has the mandate to deliver services to its communities to have poor
accountability measures for poor performance. Accountability is an elementary factor where the needs of communities are concerned as a result poor performance should be accounted for. On this note, Jurnali and Siti-Nabiha (2015) supports the view that public sector PMS should enhance transparency and accountability to regain public trust in governmental institutions.

When coming to rewards from the municipality, only a minority of the respondents strongly agreed (9.09%) and agreed (13.13%) that there is an effective reward system within the municipality. Furthermore, most of the respondents who strongly agreed (24.49%) and (33.67%) feel that linking rewards with their work performance may actually improve their performance. The results mean that employees in the municipality are not rewarded for their exceptional performance. This can lead to demoralise individuals as recognition is not a core principle within the municipality. Incentives have to be there to accentuate on the employees’ performance and assist in talent retention and management. The reflection on the results highlights neglected employees who will not perform to the best of their abilities as there are no incitements. Güngör (2011) concurs as well that the effectiveness of an organisation’s performance and reward management have an impact on morale and productivity of employees.

The respondents who were unsure (24.49%), disagreed (35.71%) and strongly disagreed (18.37%) refuted that they are normally recognised for their exceptional performance. Most of the respondents strongly agreed (19.39%) and agreed (46.94%) indicated that performance based compensation increases employees' incentives to exert effort as highlighted by the economic theory in the study of HO et al. (2009). Furthermore, respondents who strongly agreed (34.69%) and agreed (43.88%) stated that rewards motivate employees to perform better and can only be effective if it is accompanied by positive performance feedback. This will have a detrimental effect on the organisational performance of the municipality as there is no adequate motivation for employees to perform exceptionally. This consists of many elements, job satisfaction, job commitment, self-efficacy of employees, etc. which will be affected by this current organisational situation. Employee recognition was identified as one of the non-financial/intrinsic rewards by Güngör (2011). Jain (2014) further supports this view that employees in addition to increased economic benefits, they still need to be appreciated and recognised by the organisation the work for.
About competency on the questionnaire, most of the respondents strongly agreed (46%) and agreed (43%) that employees should possess the knowledge, skill an ability to carry out their respective duties. Also, the majority of the respondents strongly agreed (30.3%) and agreed (50.51%) that they were familiar with the description of competencies as described by Olido et al. (2015). The majority of respondents who strongly agreed (34.34%) and agreed (48.48%) seemed familiar with the competency attributes of a combination of knowledge, attitude, and skills. In general, the respondents showed the awareness and understanding of what competency entailed and how it was vital to assist them to carry out their respective duties on a daily basis. These results signify that employees do comprehend that competency is a core element needed to execute duties. It is equally important for employees to have the knowledge and understanding of which competencies are relevant for them and how to acquire these competencies. The municipality should ensure that its employees do develop those competencies which are needed by these employees as competent employees will result in better performing municipality. Olido et al. (2015) emphasise that competencies may be utilised to create a foundation whereby integrated talent management systems can be built upon, controlled and enhanced.

The overall results indicate an average of respondents who strongly agreed (27.45%) and agreed (40.13%). The table attempted to answer the question of identifying critical factors and influencing effective implementation of municipal PMS. It shows that the respondents are aware of the factors which are critical to the effective implementation of municipal PMS. The awareness of respondents’ shows that organizational performance should be enhanced by which it is not the current state of affairs within the municipality.

4.5 DRAWING THE RELATIONSHIP BETWEEN VARIABLES.

4.5.1 Correlation analysis

4.5.1.1 Test of Significance (Spearman’s Rank Correlation)

This test is concerned with the relationship between two ranked variables (X and Y). The relationship is statistically significant if the p-value is less than 0.05 level of significance.
Table 4-5: Spearman’s rank correlation between age group (V86) and views of respondents about the performance of the Moses Kotane Local Municipality

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Views</th>
<th>Correlation coefficient(r )</th>
<th>p - value</th>
</tr>
</thead>
<tbody>
<tr>
<td>V5</td>
<td>I know which legislative framework is applicable for municipalities in relevance to PMS (N=84)</td>
<td>-0.221</td>
<td>0.043</td>
</tr>
<tr>
<td>V46</td>
<td>During the IDP process the vision and mission and strategic goals of the municipality are formulated or reviewed (N=84)</td>
<td>-0.317</td>
<td>0.003</td>
</tr>
<tr>
<td>V48</td>
<td>Identification of key performance areas, development of objectives and key performance indicators is the data used as a set of measures against which the municipality’s performance will be measured against. (N=84)</td>
<td>-0.223</td>
<td>0.042</td>
</tr>
<tr>
<td>V53</td>
<td>The operational plans should set out the detailed planning for each project which should include a complete set of measures, including KPAs, performance targets, target dates and persons responsible (N=84)</td>
<td>-0.228</td>
<td>0.037</td>
</tr>
<tr>
<td>V59</td>
<td>I have been to necessary training and development to improve on my work (N=82)</td>
<td>-0.281</td>
<td>0.011</td>
</tr>
<tr>
<td>V67</td>
<td>Organisational culture serves to encourage as well as constrain employee behaviour (N=83)</td>
<td>-0.290</td>
<td>0.008</td>
</tr>
</tbody>
</table>
There are consequences if I do not perform to the best of my ability (N=83)

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Views</th>
<th>Correlation coefficient(r)</th>
<th>p - value</th>
</tr>
</thead>
<tbody>
<tr>
<td>V77</td>
<td>There are consequences if I do not perform to the best of my ability (N=83)</td>
<td>-0.254</td>
<td>0.020</td>
</tr>
<tr>
<td>V81</td>
<td>Competencies are specific, measurable knowledge, skills, and abilities needed to effectively perform a particular function or role as well as tasks in a defined work setting (N=83)</td>
<td>-0.220</td>
<td>0.046</td>
</tr>
</tbody>
</table>

SPSS 23 software package has been utilised to achieve the correlation analysis, and the results are shown in Table 4.5. Since the p-values are less than 0.05 level of significance, then the correlation between age category and views of respondents about the items listed in Table 4.5 is significant. The correlation coefficients are all negative, implying that young respondents tend to disagree (or slightly agree) with the items listed in Table 4.5 whereas older respondents tend to agree.

Table 4-6: Spearman’s rank correlation between period of service (V88) and views of respondents about the performance of the Moses Kotane Local Municipality

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Views</th>
<th>Correlation coefficient(r)</th>
<th>p - value</th>
</tr>
</thead>
<tbody>
<tr>
<td>V2</td>
<td>I know the motto of our municipality (N=86)</td>
<td>-0.229</td>
<td>0.034</td>
</tr>
<tr>
<td>V3</td>
<td>I know and understand the municipality’s strategic goals (N=86)</td>
<td>-0.270</td>
<td>0.012</td>
</tr>
<tr>
<td>V46</td>
<td>During the IDP process the vision and mission and strategic goals of the municipality are formulated or reviewed (N=87)</td>
<td>-0.263</td>
<td>0.014</td>
</tr>
</tbody>
</table>
I have been to necessary training and development to improve on my work (N=86)  

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Views</th>
<th>Gender</th>
<th>Sample Size</th>
<th>Mean</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>V59</td>
<td>I have been to necessary training and development to improve on my work</td>
<td></td>
<td></td>
<td></td>
<td>-0.214</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.048</td>
</tr>
</tbody>
</table>

Since the p-values are less than 0.05 level of significance, then the correlation between job experience and views of respondents about the items listed in Table 4.6 is significant. The correlation coefficients are negative, implying that less experienced respondents tend to disagree with the items listed in Table 4.6, whereas more experienced respondents tend to agree.

4.5.1.2 T – Test between Two Independent Samples

The purpose of the t-test is to compare the average responses of two populations. Samples are selected randomly from these populations, and the variances of the population’s responses are assumed to be equal. The population’s responses are also assumed to be normally distributed.

Table 4-7: Comparing perceptions (views) of male and female respondents concerning the performance of the Moses Kotane Local Municipality

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Views</th>
<th>Gender</th>
<th>Sample Size</th>
<th>Mean</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>V49</td>
<td>I know the community is the most determining factor of the performance area</td>
<td>Female</td>
<td>43</td>
<td>2.26</td>
<td>0.029</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Male</td>
<td>40</td>
<td>1.80</td>
<td></td>
</tr>
<tr>
<td>V77</td>
<td>There are consequences if I do not perform to the best of my ability</td>
<td>Female</td>
<td>42</td>
<td>2.90</td>
<td>0.043</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Male</td>
<td>41</td>
<td>2.39</td>
<td></td>
</tr>
</tbody>
</table>

The statistical software package (SPSS 23) was used to perform a t-test between two independent samples (male and female respondents) in Table 4.7. Since the p-values are less than 0.05 level of significance, it means that there is a significant difference of...
opinions concerning the performance of the Moses Kotane Local Municipality. The mean scores of the male respondents are lower than those of the female respondents. This indicates that male respondents tend to strongly agree with the items listed in Table 4.7, whereas female respondents tend to agree slightly.

4.6 CONCLUSION

Chapter 4 presented empirical data. The data was analysed for ease of presentation and interpretation. However, the raw data had been processed through the SPSS system, and the SPSS (Statistical Packaging for Social Science) output was input into the tables. The next chapter discusses the results and concludes with recommendations.
CHAPTER FIVE

DISCUSSIONS OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

Chapter five presents and discusses findings from the study. The discussion is based on the results obtained on each of the research objectives. Based on the discussions, conclusions and recommendations are made. Finally, areas that need further research are proposed.

5.2 PERFORMANCE MANAGEMENT SYSTEMS

Performance management system has been proven to be instrumental in driving enhanced organisational performance and gaining competitive advantage. Costello (2014) has stated that performance management is a technique that assists in achieving an organisation’s overall business objectives by linking individual’s objectives with the overall mission of the organization as well as their departmental objectives. Therefore it is deducted that organisational performance and employees’ performance cannot be treated in isolation as one affects the other.

It was, however, noted that a lot of factors do affect effective implementation of performance management as these factors differ from organisation to organisation. The public sector has been furnished with appropriate frameworks to ensure that PMS is implemented efficiently through the performance of municipalities is still dire situations (Consolidated general report on the audit outcomes of LOCAL GOVERNMENT 2013-14). The state of affairs of South African Municipalities is still dire even though they are governed by decent regulations.

It is clear that when PMS is effectively implemented it benefits the organisation more; amongst other things the achievement of objectives, enhanced staff morale, better competitive advantage, satisfied stakeholders.

5.3 RESEARCH METHODOLOGY AND DESIGN

The study was conducted through the quantitative methodology as the choice of the method was perceived as most appropriate on the population of the municipality and a fair representation was needed. Furthermore, the quantitative study quantifies the data
making it easier to observe the relationship between the variables. The data collection instrument used in the study was a questionnaire which bolstered 85 close end questions. From the 100 distributed within the municipality, a 100 was returned resulting in a 100% response rate. The sampling method utilised in the study was judgemental sampling as the respondents were in a better position to give practical knowledge of the research area, the available literature and evidence from the study itself.

5.4 DISCUSSION OF RESULTS

5.4.1 Research Objective 1: To establish the knowledge and understanding of municipal operations the respondents possess to determine the level of understanding of performance management.

Accordingly, majority of the respondents were in favour of the all the statements under this research objective, namely that: the mission and vision of the municipality is easily understandable; that they know the motto of our municipality; that they know and understand the municipality’s strategic goals; that they are well aware of the services that the municipality provides to communities; that they know which legislative framework is applicable for municipalities in relevance to PMS; that they often read and acquaint themselves with legislative framework relevant to PMS; that they are always guided by the legislative frameworks which govern PMS in executing their duties; that they know how the municipal departments are interrelated in terms of their performance, i.e. how IDP unit relates to finance, infrastructure, community services, etc.; that they know and understand that there is performance management system implemented in the municipality; that they are aware of the performance management framework for municipalities which is a guide by National Treasury; and that policy are normally reviewed once a year.

According to Zheng et al. (2010), the mission is one of the four dimensions that are conducive to organisational effectiveness, thus indicating that a mission statement is a vital fundamental element of an organisation. When employees do honour and work towards fulfilling organisational mission and vision, it can be stated that it can assist to improve organisational performance. As it has been highlighted by Caymaz et al. (2013), that strategic planning at public administration level comprises of two fundamental conceptions namely the strategic management and budget components. The strategic management components include mostly of internal organisational affairs
such as vision, mission, core values, environmental analysis of both external and internal factors, objectives, monitoring and evaluation and reporting. The budget component outlines budget plans for the funding programs, current analysis of the state of affairs and keeps track of the spending patterns. It also monitors progress on achieving the objectives through the efficient utilization of limited resources. It is a positive result that there are an awareness and understanding of municipal operations based on the results of the respondents. These results of the respondents mean that respondents are aware of the interrelatedness of municipal administrative departments which would evidence the efficiency of municipal operations. Through efficient municipal operations, this would result in better performing organisation.

5.4.2 Research Objective 2: To measure the effectiveness of performance management systems at Moses Kotane Local Municipality to determine if the PMS in place is effective or not.

Accordingly, the majority of respondents are in favour and supportive to all the statements except for the statement that customer satisfaction surveys are usually conducted to obtain feedback from the communities about the quality of the service delivery. They responded by disagreeing. This highlights that there is no customer satisfaction survey conducted within the municipality and no feedback was received from the communities about the quality of their service delivery.

Taylor and Taylor (2014:848) states that PMS provides a summary performance of an organisation through sets of economic and/or non-financial metrics which aids with techniques of decision making within an organisation. According to Taylor and Taylor (2014), an improved strategy due to the alignment of the business strategy and objectives through collecting, processing and examine organisational performance and communicating it succinctly through the organisation is highly beneficial.

The results imply that evaluation and monitoring are consistent since the majority agreed that they often discussed work with their supervisor. This signifies that the monitoring and evaluation step in the PMS process is consistently implemented as areas of improvement may be identified timely and recognitions for excellent performance is observed. This would lead to better organisational performance.
Ferreira and Otley (2009) indicated that in the proposed PMS framework, there is the principle of performance measures used at various tiers of the organisation to appraise organisational goals as well as satisfy respective stakeholders. Jurnali and Siti-Nabiha (2015) highlights that public sector PMS is critical to efforts to enhance transparency and accountability, streamline governments, productivity, and effectiveness, gain greater efficiency, communal salvage conviction in governmental institutions. On the contrary, Sanger (2011) highlights that performance measurement seldom resulted in efficient and accountable municipal management. The results denote that they contradict the research conducted by Sanger (2011) when monitoring and evaluation within the municipality are done on a consistent basis, challenges can be detected timeously and reduce the delay in the implementation of the IDP and improve the efficiency of quality service delivery.

According to Campbell (2014) explicit and precise goals might also be displayed as standards in which individuals execute and compare against their very own performance as well as contextualise their assignment efforts. It is vital for employee stimulation in workplaces as they are solely responsible for organisational performance.

According to Cervone (2014), failure of executive leadership was one of the challenges obstructing the effective implementing of PMS. It further means that if leadership failures are excessive, it plainly leads to ineffective performance management system. Cervone (2014) identified failure to integrate and poor execution as challenges to effective implementing of PMS as well.

5.4.3 Research Objective 3: To identify and measure awareness and knowledge of respondents pertaining indicators and key processes of IDP development

Accordingly, the majority of the respondents were in favour of all the statements as listed in the tool: that they know what the Integrated Development Plan entailed.

Madzivhandila and Asha (2012) reiterated that the importance of community participation in planning, development and implementation of services had been widely recognised in government policies and practices in South Africa. The IDP is the priority off any municipality as it endorses service delivery activities in the form of projects to be
carried out. According to The White Paper on Local Government (1998), it emphasises the need for municipalities to outline their financial plans for the objectives set out in the IDP over the legislated five year period to ensure attainment of maximum achievement. According to LaFoy (2012), performance management is an essential tool that ensures programs are executed as intended and have the much-expected impact on the organisational performance through the efficient utilization of resources. Manyaka and Sebola (2012) echoed that when challenges are experienced in the implementation of the IDP, it impedes the performance of the organisation which in turn results in the unsatisfactory deliverance of services to the people.

5.4.4 Research Objective 4: To identify and measure awareness and knowledge of respondents about critical factors influencing effective implementation of municipal PMS.

Accordingly, the majority of the respondents were in favour and supportive of all the statements as listed in the tool except for two statements: that there is an effective reward system implemented at the municipality; that there is employee recognition in the municipality when one performs well.

Ji et al. (2012) research indicated that there is a high possibility that organisational performance can be improved through training their employees and it can further build a foundation of an effective human capital within the organisation. The results point out that the employees deem training and development significant in their ability to do their tasks. According to Bednall et al. (2014;45), perpetual learning is beneficial for both the employee and the organisation as it assists individuals to adjust to the evolving and complicated work environments and it further enhances their employability.

Dhar (2015) reckons that past studies have shown that a high-level commitment to the organisation can be achieved through affording employees training prospects as compared to financial benefits, job security, and job satisfaction.

Taylor (2014) highlighted that organisational culture is critical and expresses important beliefs and values of an organisation and has an effect of the conduct of the organisational employees.
Güngör (2011) emphasised that morale and productivity of organisational employees are inclined to be impacted by the effectiveness of an organisation’s performance and reward management. Employee recognition was identified as one of the non-financial/intrinsic rewards as stated in Güngör’s (2011) study.

5.5 LIMITATIONS

The study was conducted within Moses Kotane Local Municipality, and the focus was placed upon its employees as they best represented the subject matter of organisational performance management. The research can still be further carried out to explore the performance of municipalities which forms part of the Bojanala District; namely Moretele Local Municipality, Rustenburg Local Municipality and Kgetleng Local Municipality which can encourage improved organizational performance.

5.6 RECOMMENDATIONS

The following recommendations are made by the researcher based on the research findings of the study for consideration for Moses Kotane Local Municipality;

- The municipality should re-evaluate the entire performance management system to determine the depth of vulnerabilities discovered within the system. Performance management system can indicate possible problem areas at an early stage to implement corrective measures. Every single legislature guiding the effective implementation of performance management system should be adhered to. Internal policies should be reviewed on an annual basis and discussed with relevant stakeholders. Furthermore, the policies should be workshopped to all municipal employees to enable them to execute their duties within legislative requirements.
- The municipality should introduce the balance scorecard mechanism as a strategic tool to warrant that resources are used efficiently, economically and efficiently. The balanced scorecard evaluates activities to ensure the municipality will realise its objectives and strategy implementation with metrics carefully affiliated with the organisation’s ability to sustain performance into the future.
- Municipal performance should be thoroughly communicated to all the municipal employees as it is a general system used to enhance dedication and employee and organisational efficiency, effectiveness, and economy. Yearly Auditor
General’s reports are circulated to all municipal employees to ensure that employees become aware of organizational performance.

- The municipality should develop a mechanism which will allow communities to give feedback on the satisfaction of the services delivered. This would allow the municipality to assess itself and come up with strategies to rectify the flaws which would persist and impede the effective service delivery. This would result in departments to gain knowledge on what stakeholders deliberate as important in improving service delivery. A hotline should be established and be well maintained so that members of the communities can be able to lodge all queries and complaints on a daily basis.

- Coaching, training and mentoring should be introduced within the municipality to encourage the development and growth of municipal employees. This would in return boost the morale of the employees. Career for employees planning should be.

- Municipal management should prioritise the IDP processes within the municipality and regularly engage with the stakeholders and municipal employees to emphasise on the achievement of IDP strategic objectives and organisational performance. Management should reiterate that plans based on the IDP should not be simply diverted from as accountability should be enforced.

- Talent management strategies should be developed for the municipality to ensure that the municipality will be in a position to be able to compete and retain talent. Human resources strategies should be well integrated with the objectives of the municipality to enable HR unit to be able to assess what kind of talent is needed to achieve organisational objectives.

- Furthermore, on the integration of human resource management strategies, a consistent and impartial reward system should be developed as well. This would serve as a motivation for employees to perform and exceed expectations, improving on employees’ self-efficacy. On this note, the municipality should develop a platform whereby efforts of the employees would be appreciated to boost the employees’ morale.

It is unblemished that organisational performance and service delivery are persuaded by a number of factors. Therefore, a performance analysis matrix is essential for a diverse interpretation of areas of underperformance. This should be reinforced
regarding institutional arrangements to be able to monitor and evaluate performance progress and the impact thereof towards service delivery.

5.7 CONCLUSION

In conclusion, the data clearly illustrates that the respondents seem to understand the purpose, scope and the nature of performance management system at the local municipality. It is clear that performance management system is vital for any organisation which is profit making or non-profit making, as at the end of it all sustainability of the business is the fundamental core. Performance management has proven to be an integral function since when it is appropriately implemented, it leads to improved organisation organizational culture. Consistent implementation of performance management system would improve organisational performance of the municipality. There must be an awareness campaign at Moses Kotane Local Municipality so that employees can be educated and made aware of its importance towards service delivery. It is still observed that the municipality is still performing poorly as per the Auditor General’s report of the 2014/2015 has stated, a year which was not under review in this study. Even though there is an implemented performance management system which is regulated by local government legislation, the municipality is still experiencing spells of poor organisational performance. As a result, PMS was found to be ineffective in measuring performance at Moses Kotane Local Municipality. The culture of accountability should be bred and maintained within the municipality to curb poor performance by employees. The culture would also assist in ensuring that employees are held accountable for their behaviour or actions (fraudulent activities, late coming, abuse of state resources, etc.) that are found to be against the values of the municipality and can hinder improvements on organisational performance.

It is of note that these findings and recommendations the researcher hope to stimulate change and prospective discussions amongst the relevant stakeholders within the municipality. Furthermore, it is now envisaged that further research is conducted to explore the causes of poor organisational performance.
REFERENCES


Auditor Generals South Africa’s report to Moses Kotane Local Municipality, 2011/2012

Auditor Generals South Africa’s report to Moses Kotane Local Municipality, 2012/2013

Auditor Generals South Africa’s report to Moses Kotane Local Municipality, 2013/2014


Draft Integrated Development Plan 2015/2016, Moses Kotane Local Municipality


Integrated Development Plan 2014/2015, Moses Kotane Local Municipality


Municipal Systems Act, No.32 of 2000 and Regulations


ANNEXURE A-
QUESTIONNAIRE
QUESTIONNAIRE

Miss Tebogo Mogorosi is a Masters of Business Administration (MBA) student at the Graduate School of Business and Government Leadership in the Faculty of Commerce and Administration, North West University, Mafikeng Campus. She is conducting research on ‘Evaluating the effectiveness of performance management system in measuring performance in Moses Kotane Local Municipality” under the supervision of Prof. Wedzerai Musvoto.

This questionnaire should take you approximately 30 minutes to complete. Your feedback will be helpful in my research study to help enhance performance or find solutions to problems hindering exceptional municipal performance.

Your name and surname will not be necessary, this questionnaire is anonymous and voluntary. Should you have any questions or concerns regarding this questionnaire or the study feel free to contact me.

Kind regards;

Contact: 073 546 7019/014 555 1411

Thank you for your time.

The aim of this questionnaire is to establish effectiveness of performance management systems at Moses Kotane Local Municipality and help improve municipal performance even better.

The study is for academic purposes. Respondents will remain anonymous in the analysis of data, presentation of results and discussion of the outcomes. Please answer
each question honestly and from your perspective in your current working environment. Please mark your answer clearly with an X

1. Section 1: Bibliographical data of respondents

<table>
<thead>
<tr>
<th>1.1 Age</th>
<th>1.2 Gender</th>
<th>1.3 What is your experience at the Municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under the age of 30 years</td>
<td>Female</td>
<td>1-3</td>
</tr>
<tr>
<td>Between 31 and 40</td>
<td>Male</td>
<td>4-10</td>
</tr>
<tr>
<td>Between 41 and 50</td>
<td></td>
<td>11-15</td>
</tr>
<tr>
<td>51 and older</td>
<td></td>
<td>More than 15</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1.4 Highest qualification held</th>
<th>1.5 What position do you hold?</th>
<th>1.6 Which Department do you work at?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matric/Grade 12</td>
<td>Above Head of Unit</td>
<td>Municipal Manager’s office</td>
</tr>
<tr>
<td>Diploma</td>
<td>Head of Department</td>
<td>Budget and treasury</td>
</tr>
<tr>
<td>Bachelor of Degree</td>
<td>Head of Unit</td>
<td>Infrastructure and technical services</td>
</tr>
<tr>
<td>Honors Degree</td>
<td>Manager</td>
<td>Community services</td>
</tr>
<tr>
<td>Masters Degree</td>
<td>Supervisor</td>
<td>Planning, Local</td>
</tr>
</tbody>
</table>
Section 2: Evaluating the knowledge and understanding of the municipal operations and regulatory legislation

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>unsure</th>
<th>disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The mission and vision of the municipality is easily understandable</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>I know the motto of our municipality</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>I know and understand the municipality's strategic goals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>I am well aware of the services that our municipality provides to communities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>I know which legislative framework is applicable for municipalities in relevance to PMS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>I often read and acquaint myself with legislative framework relevant to PMS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7. I am always guided by the legislative frameworks which governs PMS in executing my duties

8. I know how the municipal departments are interrelated in terms of their performance, i.e. how IDP unit relates to finance, infrastructure, community services, etc.

9. I know and understand that there is performance management system implemented in the municipality.

10. I am aware of the performance management framework for municipalities which is a guide by National Treasury.

11. Policies are normally reviewed once a year

### Section 3: Evaluating the effectiveness in measuring performance

**Moses Kotane**

**Local Municipality**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>unsure</th>
<th>disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>I know how the municipality has performed over the last 3 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>I understand the importance of performance management system in an organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>I know and understand my roles and responsibilities in the municipality</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>I clearly know what I must achieve in order to improve my organization’s performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>I have individually set objectives to assist my organization perform better</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>I often discuss my work with my superior</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Performance management system provides appropriate management information for informed decision making</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>I know my department’s Key Performance Indicators</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>PMS provides mechanism for managing expectations and ensuring increased accountability between the citizens and the municipality</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>PMS provides early warning signals to future problems with implementation of the IDP in terms of risks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>PMS identifies major challenges systematical stumbling blocks and guides future planning and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

118
<table>
<thead>
<tr>
<th>Page</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>PMS assists in ensuring that service delivery is happening as planned.</td>
</tr>
<tr>
<td>24</td>
<td>PMS promotes the efficient utilization of municipal resources.</td>
</tr>
<tr>
<td>25</td>
<td>PMS promotes the delivery of envisioned quality service.</td>
</tr>
<tr>
<td>26</td>
<td>PMS identifies communities and areas that lag behind others in terms of development and thus it assists in spatial and sectoral integration.</td>
</tr>
<tr>
<td>27</td>
<td>After performance information has been audited by AGSA, the results are communicated through the organization.</td>
</tr>
<tr>
<td>28</td>
<td>Customer satisfaction surveys are usually conducted to obtain feedback from the communities about the quality of the service delivery.</td>
</tr>
<tr>
<td>29</td>
<td>Challenges by the municipality when delivering services are reported back to the communities.</td>
</tr>
<tr>
<td>30</td>
<td>There are challenges in the effective implementation of the developmental objectives and resource utilization of the municipality.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>31</td>
<td>Failure of executing leadership in involving and communicating well plans of the organization challenges the effective implementation of PMS.</td>
</tr>
<tr>
<td>32</td>
<td>Leaders within the organization need to ensure that all levels and areas of the organization are able to be part of the process and that their input is demonstrably taken into consideration.</td>
</tr>
<tr>
<td>33</td>
<td>Failure to develop outcomes of the goals or objectives that are appropriate and measurable.</td>
</tr>
<tr>
<td>34</td>
<td>Lack of integration of operational plans and strategic plans may ultimately failure or delivery of far less than originally envisioned.</td>
</tr>
<tr>
<td>35</td>
<td>When budgets and objectives of other core departments, i.e. information technology and human resource management are not aligned with the organizational strategic plan this will lead to poor execution of the organizational strategy.</td>
</tr>
<tr>
<td>36</td>
<td>The way an organization implements strategy affects the</td>
</tr>
</tbody>
</table>
possible outcomes and the organization's performance

<table>
<thead>
<tr>
<th>37</th>
<th>My work is often evaluated and feedback given my manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>38</td>
<td>I often evaluate work of employees I manage</td>
</tr>
<tr>
<td>39</td>
<td>I know of the 8 batho pele service standards</td>
</tr>
<tr>
<td>40</td>
<td>Organizational performance is usually communicated through the municipality</td>
</tr>
<tr>
<td>41</td>
<td>I know and understand what performance evaluation entails</td>
</tr>
<tr>
<td>42</td>
<td>I am usually assisted when I cannot perform my duties</td>
</tr>
<tr>
<td>43</td>
<td>Mentoring is usually given when need to improve an individual's help</td>
</tr>
</tbody>
</table>

Section 4: Identifying performance indicators and key processes of IDP development

<table>
<thead>
<tr>
<th>44</th>
<th>I know what the Integrated Development Plan entails</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td>I you know the link between the municipality's strategic objectives</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>unsure</th>
<th>disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>
and the Integrated Development plan

| 46 | During the IDP process the vision and mission and strategic goals of the municipality are formulated or reviewed |
| 47 | Identification of key performance areas, development of objectives and key performance indicators are the building blocks of PMS |
| 48 | Identification of key performance areas, development of objectives and key performance indicators is the data used as a set of measures against which the municipality’s performance will be measured against. |
| 49 | I know the community is the most determining factor of the performance area |
| 50 | Funds are provided to realize the specific goals set out in the IDP |
| 51 | The municipal budget clearly specifies the finances available for different development initiatives |
| 52 | It is important to monitor the spending patterns by comparing the allocation of resources and |
The operational plans should set out the detailed planning for each project which should include a complete set of measures, including KPAs, performance targets, target dates and persons responsible.

Measuring the performance against the KPIs and performance targets is continuous throughout the life of a project.

Data collected during the measurement is reported through the financial year on how far are the projects on/off schedule.

Performance reports for the year must be consolidated and audited by internal audit and AGSA as per MSA regulation.

Section 5: Identifying critical factors influencing effective implementation of municipal PMS
<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>57</td>
<td>Training and development enhances the quality and consistency of employees' performance, and ultimately the performance of the entire organization.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>58</td>
<td>Training and development needs analysis is often conducted to enable the municipality awareness of the skills shortages.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>59</td>
<td>I have been to necessary training and development to improve on my work.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>Training in desired skills and knowledge can be considered an investment in the most important resource of the organization.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>61</td>
<td>Giving employees an opportunity to learn develops a higher level of commitment among employees.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>Employee commitment levels are high when they are given training opportunities and, hence, they display a higher rate of training participation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>63</td>
<td>Organizational culture refers to the collection of traditions, values, policies, beliefs, and attitude that constitute a pervasive context for</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>everything we do and think in an organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>64</td>
<td>Characteristics of municipal organizational culture consists of adaptability, consistency, involvement, mission, etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65</td>
<td>Municipal organizational culture have an impact on the effective implementation of PMS at the municipality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>66</td>
<td>Organizational culture promotes learning culture in the municipality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>67</td>
<td>Organizational culture serves to encourage as well as constrain employee behaviour</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>68</td>
<td>A conducive work atmosphere needs to be created because a winning culture will see its employees feeling more accountable for their individual responsibilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>69</td>
<td>Municipal organizational culture is positive and efficient for one to carry out their duties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70</td>
<td>Culture of accountability has been cultivated within the municipality for employees to take responsibility of their actions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>71</td>
<td>There is an effective reward system implemented at the municipality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>Linking rewards with my work performance improves my work and ability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>73</td>
<td>There is employee recognition in the municipality when one performs well</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>74</td>
<td>The effectiveness of an organization's performance and reward management have an impact on moral and productivity of employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>Performance-based compensation increase employees' incentives to exert effort, resulting in improved performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>76</td>
<td>Rewards to motivate employees to perform better can only be effective if it is accompanied by positive performance feedback</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>77</td>
<td>There are consequences if I do not perform to the best of my ability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>78</td>
<td>Necessary intervention is made if I display trends of poor work performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Training and development, mentoring, coaching, disciplinary etc. are some of the remedial actions to poor performance of municipal employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80</td>
<td>Employees should possess the knowledge, skill and ability to carry out their respective duties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>81</td>
<td>Competencies are specific, measurable knowledge, skills and abilities needed to effectively perform a particular function or role as well as tasks in a defined work setting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>82</td>
<td>Core competence includes knowledge, skills, and attitude and combines the elements of knowledge, attitude and skills.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>83</td>
<td>Employees who exhibit and develop behavioural competencies are better performers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>84</td>
<td>Operant and personal competences are important contributors to employee performance but with varying magnitudes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>85</td>
<td>Competencies and behavioural actions enable people to carry out their job effectively</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ANNEXURE B APPROVAL LETTER
ANNEXURE C EDITOR’S CERTIFICATE