Stakeholder views on the drivers and inhibitors of performance of IT Outsourced employees

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Abstract

Employee performance has become increasingly important due to increased competiveness and organisations are aiming to do more with less. IT Outsourcing is one of the options organisations use to reduce costs. However at the core of IT Outsourcing is the performance of the highly skilled knowledge worker. The IT Outsourced employees find themselves in a triangular relationship between the IT Outsourcing client company and the IT service provider company.

The objective of this research was to empirically quantify the factors that drive or inhibit performance of IT Outsourced employees and compare the results between the IT Outsourcing stakeholders in a two phased research. The first phase of the research was a qualitative study that focused on the development of constructs which drive and inhibit performance of IT Outsourced employees. The second research phase had a quantitative focus. The sample consisted of 116 IT Outsource stakeholders.

The study identified the key drivers and inhibitors of performance of IT Outsourced employees. The empirical evidence from this study shows that the key drivers of performance are intrinsic factors and leadership whilst the inhibiting factors are mainly related to poor leadership. Furthermore the study revealed that the IT Outsource stakeholders have misaligned perceptions on inhibitors and somewhat congruent perceptions with regards to drivers of performance. Moreover the study found that managers and poor performers' perceptions of inhibiting factors of performance are significantly different, and that understanding the differences and reducing them could unlock outstanding performance. To this effect a model was developed to guide managers through this process.

Key Words

Performance

Stakeholders

Employee

Outsourcing

Information Technology

Declaration

I declare that this is my own work. It is submitted in partial fulfilment of the requirements for the degree of Masters of Business Administration at Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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Olebogeng Glad Dibetso

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1. <u>CHAPTER ONE: INTRODUCTION TO THE RESEARCH PROBLEM</u>

1.1. Introduction

Information Technology Outsourcing (ITO) has become a common phenomenon across the world and it has been driven by both business competitiveness and the drive to reduce the cost of doing business (Al-Gharbi, Al-Kindi, & Al-Salti, 2009). "On conservative estimates, looking across a range of reports and studies, global ITO revenues probably exceeded $270 billion in 2010" and are projected to grow by 5% to 8% per annum (Lacity, Khan, Yan, & Willcocks, 2010, p. 417). A key determinant of the success of outsourcing is the performance of ITO employees. However not enough is understood regarding how to manage the performance of ITO employees.

Figure One below depicts the three stakeholders identified in this study:

- ITO client managers, who are IT managers from the companies that are outsourcing IT functions to service providers.
- ITO managers, defined as managers of ITO employees who are part of the vendor/service provider company rendering services to the client company.
- ITO employees are the employees working for the vendor/service provider company that is providing IT services to the client company.

Figure 1: ITO Stakeholders
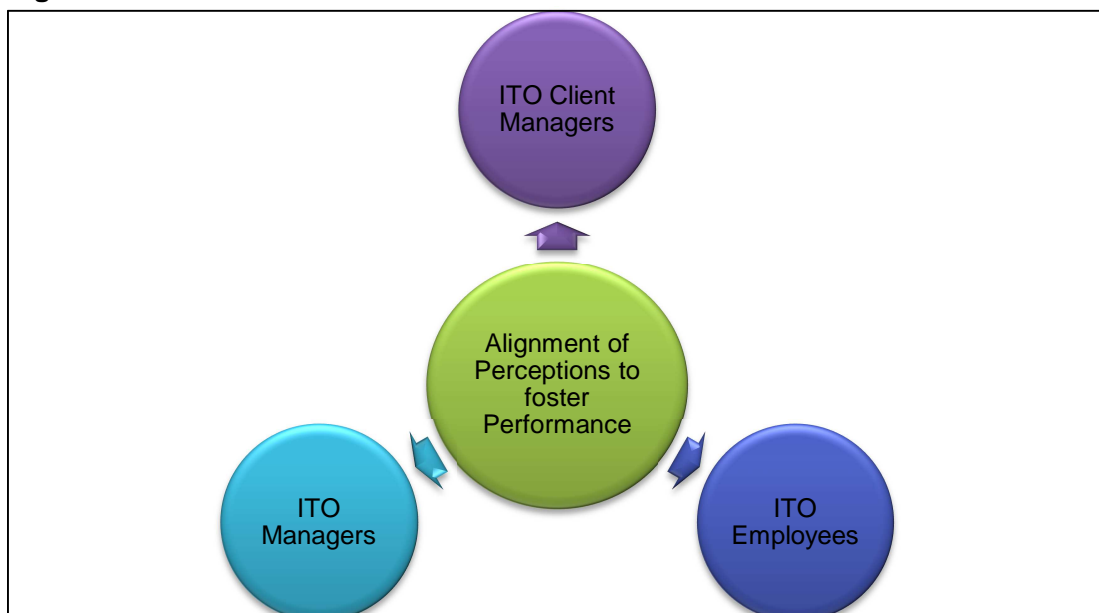
The ITO management, client management and the ITO employees themselves may have different perceptions regarding the factors that drive or inhibit performance. This study will unpack these differences with the hope to assist ITO managers and client managers to align their perceptions. These perceptions have grown to be more important as the assumption is that both the client and the ITO management are interested in driving performance of ITO employees (Choudhuri, Maguire, & Ojiako, 2009). This assumption is the result of the partnership model which most outsourcing deals aspire to. In a study conducted on the ITO projects within the service sector, researchers "found that the majority of the respondents (seven out of eleven) confirmed the existence of measures to train employees. Similarly, programmes geared at ensuring work satisfaction and morale boosting initiatives were also highlighted" (Choudhuri *et al.*, 2009, p. 576).

This joint partnership strategy is due to the realisation that "vendor's human resource-related issues are a key source of risk for client's IT projects. To mitigate this risk, clients aspiring to be outsourcing-centric can help their vendors develop robust human resource management policies and practices" (Mehta & Mehta, 2010, p. 162).

The challenge of IT outsourcing is further amplified by divided loyalties, "loyalty, or affective commitment to the employer and the employee differ over time spent either at the primary employer or the employee organisation and that this is evidenced by a changing psychological contract" (Wöcke, Chipp, & Drummond, 2012, p. 2). This introduces challenges for both the client and the ITO organisation in managing performance of the outsourced employees, evidenced by the high employee turnover in the industry (Mehta & Mehta, 2010). It is therefore not surprising that approximately seventy eight percent of the client vendor partnership fail in the long term (Mehta & Mehta, 2010).

Furthermore, ITO creates an agency situation whereby the principal that is the client company employs the agent, namely IT outsourcing organisation, to perform IT functions on its behalf. The challenge then arises when we consider the

> "hidden action problem, which occurs after they [principal and agent] enter into a contract, are the concern of the principal that the agent may not perform in the best interests of the principal. It is difficult for the client firm to verify the quality of work

performed by the outsourcing vendor in professional settings such as IT-related jobs" (Gorla & Lau, 2010, p. 92).

Over and above the challenge posed by ITO; different levels of employee performance is one of the challenges that managers have to contend with. Some researchers view low performance as a "spur to reflection, hard work, and improvement, rather than an indictment of one's fixed abilities that must be defended against at all costs" (Jordan & Audia, 2012, p. 226).

It is therefore very important to jointly drive the performance of the outsourced employees; however this can only happen if all stakeholders align their perceptions with regard to factors that inhibit and drive performance at different stages of the employee performance cycle. Therefore this study will investigate the causes of the different performance levels of employees. Furthermore this study will provide managers with information that will enhance joint stakeholder management of outsourced employees' performance.

1.2. Research Scope

The research will focus on the perceptions of three stakeholder groups namely: ITO employees; ITO organisation managers and ITO client managers. The research will add to the body of knowledge on the understanding of performance drivers and inhibitors of ITO employees deployed at client premises. This study will be limited to employees and managers of ITO companies and their clients. ITO has been defined as follows: "the significant contribution by external vendors in the physical and/or human resources associated with the entire or specific components of the IT infrastructure in the user organization" (Loh, & Venkatraman in Brooks, 2006, p. 46). It must be noted that this study will not cover offshore outsourcing which refers to IT outsourcing to a company across borders.

1.3. Research Motivation

ITO and outsourcing in general is growing in popularity as a means to cut costs and increase flexibility (Garaventa & Tellefsen, 2001). ITO has continued to grow in recent times but now at a rapid pace (Gorla & Lau, 2010). The reason for this rapid pace is due to the drive for greater efficiencies and competitiveness, leading organisations to specialise increasingly in a limited number of key areas (Mcivor, 2011).

The IT industry relies mainly on the performance of its people to achieve organisational goals. It is therefore crucial that the work force is productive especially in the IT industry where human resources are scarce and costly. Innovation and creativity have become requirements of ITO clients as more and more is demanded from these strategic partnerships (Bhagat, Byramjee, & Taiani, 2010). These employees are therefore required to focus on discovering new ways to exploit technology in business for both product and processes modifications and breakthroughs (Bhagat *et al.*, 2010).

This quest for innovation and creativity comes with a need to better manage the IT employee in a manner that will enhance or encourage technological advancement. "People-related issues are therefore a central concern for most managers in organisations" as we already know that motivated employees will perform at a higher level (Colm, Halliday, Gilbert, & Murphy, 2011, p. 2). However there is still not enough general theory on how to enhance performance because motivation is tremendously complex and what has been unravelled thus far is lacking in depth (Colm *et al.*, 2011).

The motivation of this study is thus based on the need to explore the differences in perception regarding the drivers and inhibitors of performance of the ITO employees as perceived by the following groups (stakeholders):
- The ITO client management.
- ITO employees.
- The ITO management.

1.4. Research Objectives

The main focus of this study, as defined in the objectives below, seeks to determine the factors driving and inhibiting performance of ITO employees according to the identified stakeholder groups. The secondary objective explores the differences in perception between the groups according to the findings and presentation of recommendations to the managers.

The study is aimed at achieving the following:
1. To establish the key factors perceived to drive and inhibit performance of ITO employees from the ITO employees' perspective.

2. To establish the key factors perceived to drive and inhibit performance of ITO employees from the ITO management perspective.
3. To establish the key factors perceived to drive and inhibit performance of ITO employees from the client management perspective.
4. A comparison between the three groups will be made to assess if the perceptions of these groups are aligned or if they differ.
5. To establish if there is a significant difference in the findings between poor performers and good performers based on objective number one.
6. Based on the findings of the research, recommendations on how to align perceptions will be presented.

2. <u>CHAPTER TWO: LITERATURE REVIEW</u>

2.1. Introduction

This section of the document presents a literature review covering the main themes of the research study namely; knowledge workers, ITO, stakeholder management and employee performance. In this section each topic will be discussed with reference to the objectives of the study – namely identifying the drivers and inhibitors of performance.

2.2. Knowledge Workers

Peter Drucker introduced the knowledge management concept and went on to argue that the management of knowledge workers will be the greatest challenge of the 21st century (Erne, 2011). "Knowledge workers process, synthesize and generate knowledge in order to problem solve and innovate in organizations" (Carleton & Canada, 2011, p. 459).

The reason organisations find it challenging to manage and motivate knowledge workers is that we now live in a knowledge economy influenced by the ease of access to vast amounts of information through the internet, as well as increased competitiveness and specialisation (Carleton & Canada, 2011; Erne, 2011). This knowledge economy has introduced complexity and increased unpredictability and "only through the human resources' knowledge and skills all the other resources may be transformed, value may be added to the company and sustainable competitive advantages may be obtained" (Leon, 2011, p. 206).

The knowledge worker will be seen as productive or high performing if they are able to successfully juggle all the categories listed in Figure Two below: Comply with industry or organisational standards, Display innovative behaviour, High quality of daily task, High quality of interactions with colleagues and Continuous skills development (Erne, 2011).

Figure 2: The Five Categories of Knowledge Management
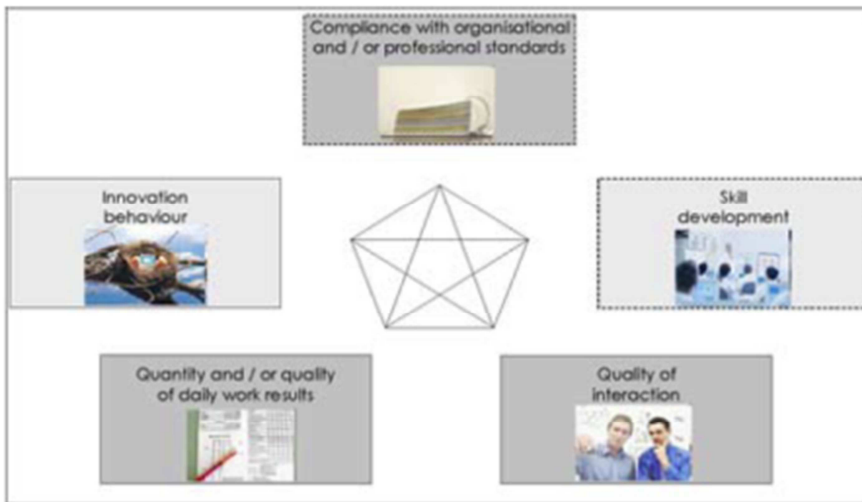
Source: Erne (2011, p.67). Making Knowledge Workers Productive

A study conducted in South Africa to determine motivating factors of knowledge workers found "that challenging work assignments were seen by most (87.6%) of the respondents to a large extent or some extent as the greatest motivational factor in their careers" (du Toit, van Staden, & Steyn, 2011, p. 92).

The cry for innovation will be answered by knowledge workers; however organisations should unlock this through motivation. Carleton & Canada (2011) argue that the managers of knowledge workers should create an environment that will optimise performance in order for them to naturally share knowledge. One way of doing that is to hire smart and capable knowledge workers and give them the autonomy to execute tasks as opposed to the conventional "command and control" management style which has proven to be ineffective with knowledge workers (Carleton & Canada, 2011).

2.3. IT Outsourcing

"Outsourcing is the strategic use of outside resources to perform activities that are usually handled by internal staff and resources" (Elmuti, Grunewald, & Abebe, 2010, p. 177). Another definition in alignment with Elmuti *et al.* (2010) is that outsourcing is the transfer to an external provider, of goods and services that were previously carried or produced internally (Windrum, Reinstaller, & Bull, 2009). ITO specifically has been defined as follows: the transferring of IT functions that were initially performed in-house to a third

party service provider, and in other definitions it refers to the transfer of IT services to a vendor company that specialises in performing those activities (Abu-Musa, 2011).

ITO continues to grow and "Gartner predicted that worldwide spending on ITO will rapidly increase from $268 billion in 2009 to $325 billion by 2013" (Qu, Pinsonneault, & Oh, 2011, p. 100). Organisations continue to outsource for a variety of reasons such as to evade regulatory burdens, gain economies of scale that specialised service providers might be able to achieve and for the popular reason of reducing costs (Blair, O'Connor, & Kirchhoefer, 2011).

This paper will be studying the performance of IT employees within the ITO context. ITO has been evolving over the years from the days when only selected functional areas of IT was outsourced to recent times where it is not surprising to see an end-to-end IT solution (that is, all components of IT) being outsourced.

2.3.1. Impact of Outsourcing on Employees

Researchers found that an "outsourcing contract created minimal job security for the new employees because the organization was not committed to these employees beyond the three-year contract" (Elmuti *et al.*, 2010, p. 180). This temporal nature of the outsourcing contracts has a negative impact on employee morale (Brooks, Miller, & Korzaan, 2009).

The outsourcing environment causes stress and anxiety to the employees due to the changes in the nature of work, control and organisational design resulting in loss of productivity (Elmuti *et al.*, 2010). It is for this reason that the study isolated Outsourced employees.

"Perceptions of outsourcing's impact on the individual were found to be significantly and negatively related to career satisfaction and general satisfaction with the profession, and positively related to intention to turnover from the profession" (Brooks *et al.,* 2009, p. 9). Brooks *et al.* (2009) go on to conclude that the respondents perceived the ITO negatively in general due to the perception that ITO has caused jobs to be less secure.

ITO has been found to increase role conflict, role ambiguity and overall stress levels; hence existing research recommends that managers focus on stress management training

to alleviate the impact of ITO on individuals (Solli-Sæther, 2011). These findings further reinforce Brooks *et al.* (2009) findings that highlight that employees perceived ITO negatively.

2.4. Stakeholder Management

Stakeholder management has been evolving since Freeman in 1984, however the definition that will be used in this paper is as follows ". . . entities or persons who are or will be influenced by or exert an influence directly or indirectly on the project" (Littau, Jujagiri, & Adlbrecht, 2010, p. 29).

Figure Three below shows a comprehensive view of stakeholders of the organisation however this study will focus on client managers, ITO managers and ITO employees. This study will therefore cover co-workers, suppliers, management and customers thereby excluding government, shareholders and latent stakeholders.

Figure 3: Stakeholder Map

Source: Foley (2005) in Garvare & Johansson (2010, p. 743). Management for sustainability - A stakeholder theory

At the centre of stakeholder theory is the notion that an organisation should aim at satisfying or exceeding the expectations of its stakeholders without compromising other parties (Garvare & Johansson, 2010). To achieve this, the organisation should understand and align the expectations of the stakeholders hence the need to study the different perceptions of performance drivers and inhibitors of ITO employees. Figure Three emphasises the need to understand all applicable stakeholders and their level of criticality to ensure long term sustainability of an organisation.

Freeman argues that stakeholder management is about managing all the parties that a company has relationships with, these relationships can either be voluntary or contracted (Abboubi & Cornet, 2012). Researchers further argue that not all stakeholders will have the same influence on an organisation, therefore to ensure successful stakeholder management an organisation should have a clear view of its stakeholders power and influence base (Abboubi & Cornet, 2012). The importance of stakeholder management is further emphasised by research that argues that "the prosperity of the company depends on its ability to meet the demands of influential stakeholders" (Abboubi & Cornet, 2012, p. 8). Hence it is argued that the main function of management is to balance the contradicting demands of the diverse stakeholders (Abboubi & Cornet, 2012).

In summary, according to Assudani & Kloppenborg (2010) to ensure organisational or project success, managers need to:
- Identify and prioritise stakeholders.
- Manage stakeholder expectations and build relationships.
- Communicate effectively with stakeholders and align expectations.

Hence the purpose of this study is to understand the demands and expectations of the identified stakeholders in order to drive performance.

2.5. Performance

One of the most important yet daunting tasks of leaders in an organisation is to ensure employee performance through motivation and creating a productive work environment (Staren, 2009). For employees to perform there are a number of factors that staff will expect in order to maintain a baseline level of job satisfaction before considering motivation (Staren, 2009). These factors include fair remuneration, sufficient benefits, job security related to performance, safe job environment and fair policies and procedures

(Staren, 2009). Over and above the baseline factors the manager should consider the following factors in order to optimise workplace environment (Staren, 2009, p. 75) :

- Basic workplace expectations in place.
- Utilize incentive-based compensation.
- Provide staff with necessary tools.
- Managers demonstrate appropriate interpersonal behaviour.
- Managers lead by positive example.
- Relationships and organisation characterised by open communication.

There are many theories in the area of employee performance; some of these theories will be discussed below.

Vroom's Expectancy theory - VIE (Valence-Instrumentality-Expectancy) looks at the association between task characteristics and intrinsic motivation to achieve advanced employee performance (Harell & Daim, 2010). The theory breaks down human behaviour into three factors namely (Harell & Daim, 2010):

- Valence is the emotional desire for a perceived outcome: belief that effort will result in a desired performance level.
- Instrumentality is the believed probability that action will yield a perceived outcome: belief that performance will lead to rewards.
- Expectancy is whether or not the person believes that the results of their efforts are probable: the value of performing.

Harell & Daim (2010) review motivational theories of Maslow, McGregor, Herzberg, Adams, Equity, and Tuner and Lawrence to compile a list of Social Psychological and Tangible Rewards listed in Table One below. These variables can then be tested to find out which ones are preferred over others in different settings.

Table 1: Social Psychological and Tangible Reward

Social-Psychological	Tangible
Autonomy, Responsibility, Variety of Task	Pay Bonuses
Growth/Development, Advancement	Fringe Benefits (Health Insurance, Life Insurance, Vacation, Retirement)
Interactions: Feedback, Co-worker Relationship, Manager Relationship	Recognition (awards)
Power, Respect	Outside Environment
Pride, sense of Accomplishment	Working Conditions (Work Environment, Hours, Amenities, Activities)

Source: Harell & Daim (2010, p. 27). HDM Modelling as a Tool to Assist Management With Employee Motivation.

One of the prominent theories in this area is the Herzberg Two Factor Theory, which talks to motivators, that is factors related to psychological growth and hygiene factors relating to physical and psychological pain avoidance (Guha, 2010). Motivation is a very complex subject and in his conclusion after attempting to replicate Herzberg's theory, Guha (2010) provides a word of caution to managers saying

> "the theory, though a masterpiece in itself, may give misleading results when adopted directly by organisations. The needs and wants of the present cohorts are different and are very well-defined. The theory is too simple to define the complex nature of human behaviour" (Guha, 2010, p. 129).

This section will review the impact of positive quality of work life (QWL) as drivers of performance as well negative QWL as inhibitors of performance.

2.6. Drivers of Performance

Ten drivers of performance drawn from multiple academic theories will be discussed in details in this section.

2.6.1. Job Satisfaction

Studies have shown that proactive employees are more likely to experience job satisfaction because they are more likely to remove all obstacles that prevent job satisfaction (Thomas, Whitman, & Viswesvaran, 2010). Furthermore proactivity may provide employees with a sense of autonomy and task significance which will contribute to job satisfaction (Thomas *et al.*, 2010). "The proactivity-satisfaction relationship may also

be bidirectional, as work satisfaction may elicit motivating attitudes that drive initiative" (Thomas *et al.*, 2010, p. 279).

Job satisfaction is a result of a multitude of human resource practices, some of which will be discussed in this section. These initiatives include a high involvement of employees in goal setting, frequent opportunities to discuss performance, regular and timely feedback, and having some choice over remuneration and incentives (Farndale, Hope-Hailey, & Kelliher, 2011). Furthermore, employees feel that an organisation offers opportunities to develop when practices exist such as appraisals that identify training and development or introduce new challenges (Farndale *et al.,* 2011).

In return for these human resource practices employees will respond with higher commitment to the organisation and hence higher performance in line with the social exchange theory (Farndale *et al.,* 2011).

2.6.2. Recognition

One of the key drivers of performance is "receiving recognition from peers, supervisors, or subordinates for one's good work performances" (Bristow, Amyx, Castleberr, & Cochran, 2011, p. 78). Employees want to do a good job and get recognised for it and it often "starts with something as simple as a good pat on the back for a job well done" (Denton, 2010, p. 11). The US Department of Labour found that the number one cause of staff turnover is that they do not feel appreciated (Denton, 2010). Similarly "the Gallup study found that increasing employee recognition lowers turnover, raises customer loyalty, and increases productivity" (Denton, 2010, p. 11).

A clear focus on non-monetary rewards such as employee recognition programmes has proven to be very effective and low cost (Kaufman, 2009). Kaufman (2009) further argues that integrating employee recognition programmes into organisational culture will result in enterprise wide success. This is because reward and recognition programmes boosts employee morale and as such create a linkage between performance and motivation of employees (Danish & Usman, 2010).

2.6.3. Incentives

Incentives have proven to be very effective in increasing performance for tasks not done before; these could be tasks that support both quality and quantity to achieve goals (Danish & Usman, 2010). However in another study that assessed the impact of team based incentives it was found that not only did individual productivity increase but there was also a reallocation of efficient workers towards incentivised tasks (Burgess, Propper, Ratto, Kessler Scholder, & Tominey, 2010).

2.6.4. Promotion Prospects

Good managers acknowledge employee accomplishments by giving tangible rewards that are attractive to them with the result that "fair chances of promotion according to employee's ability and skills make employees more loyal to their work and become a source of pertinent workability for the employee" (Danish & Usman, 2010, p. 160). Promotion is important to employees as it creates an opportunity for personal growth and generally leads to increased responsibilities and social standing (Danish & Usman, 2010).

Advancement in organisational hierarchy to managerial positions has a positive effect on employees. "Promotions generally increase satisfaction and commitment" (Sharabi & Harpaz, 2010, p. 382). The higher the position the more willingness there is to contribute to work, with the result that work becomes more central to an individual's life (Sharabi & Harpaz, 2010). As such an environment that has limited promotion opportunities will stifle employee development and performance (Hameed & Waheed, 2011).

2.6.5. Sense of Achievement

Sense of achievement is defined as "the feelings associated with successful completion of a job, finding solutions to different problems, or seeing the results of one's work" (Bristow *et al.,* 2011, p. 78). Research has shown that IT professionals have lower social needs and a higher need for achievement than non-IT individuals (Fu, 2010).

According to Achievement Motivation theory, people who expect to achieve success are more motivated by their goal to succeed and less motivated by the fear of failure hence achievement oriented behaviour has been considered as one of the key factors that drives motivation (Hsu, Chen, Yu, & Lou, 2010).

In their literature review Hsu *et al.* (2010) go on to explore other components of achievement motivation: competitive individuals are more interested in obtaining personal benefits than organisational or team benefits whilst cooperative individuals tend to focus on collaboration for the benefit of the organisation. "Numerous researchers have debated the effect of competitiveness and attempted to determine whether it has a constructive or destructive effect on work" (Hsu *et al.*, 2010, p. 1595). Finally, personal accomplishment which can be described as a feeling of accomplishment and achievement is one of the main drivers of achievement motivation (Hsu *et al.*, 2010).

2.6.6. Challenging Work

Herzberg's motivation theory argues that it is challenging work, interesting work and full utilisation of employees' abilities that keeps them motivated (Harell & Daim, 2010). Employees derive high levels of job satisfaction when they achieve success in mentally challenging occupations where their skills and abilities are fully utilised (Danish & Usman, 2010).

2.6.7. Participative Decision Making

It is important that managers allow and encourage employees to participate in organisational decision making so that employees may feel that their opinion is important for the development of the organisation (Danish & Usman, 2010). Research has shown that this will make employees more courageous and enthusiastic towards working in the organisation (Danish & Usman, 2010).

2.6.8. Employee Development and Growth

Employee development aims to develop an individual's abilities in order to achieve overall growth of employees (Hameed & Waheed, 2011). This in turn results in increased performance and organisational success (Hameed & Waheed, 2011).

2.6.8.1. Timely Feedback

Key findings under employee development refer to timely feedback and not feedback in general. If an employee performs well but does not get any feedback for a few months they are unable to associate the feedback with the good behaviour (Harell & Daim, 2010).

2.6.8.2. Coaching

The informal nature of coaching allows managers to treat employees as personal partners in achieving both personal and organisational goals (Hameed & Waheed, 2011). Coaching extends to solving personal problems of employees, when these problems are resolved the organisational goals are attained (Hameed & Waheed, 2011).

2.6.8.3. Mentorship

Typically mentorship is a process where a senior employee is assigned to an employee as they enter an organisation or as when the need arises with the purpose of providing guidance, advice and encouragement (Flowers, Jones, & Hogan, 2010).

2.6.8.4. Developmental Appraisal

Developmental appraisals are usually held a few times in a year and the objective is to identify areas of development for the employees (Hameed & Waheed, 2011). Recommendations and plans for appropriate training should also be made following these sessions (Hameed & Waheed, 2011).

2.6.8.5. Skills Growth

To achieve skills growth the organisation should use coaching, training, appropriate delegation of authority and ensure employees participate in the development of organisational policies or decision making (Hameed & Waheed, 2011).

2.6.8.6. Holistic View of Employee Development

The framework used in Figure Four recognises that the relationship between employee and manager can change as the employees competence grows over time. As they grow they will go through Quadrant One - Mentoring, which is described in 2.6.8.3 above. Quadrant Two - Sharpening, is once the employee is comfortable with the work environment and job responsibilities, they can be introduced to cross training and exposed to tasks over and above their own, and possibly allow for cross functional rotation. Quadrant Three – Perfecting, indicates a conscious shift from a didactic (communication that is suitable for or intended to be instructive) to a critical style. This involves asking employees questions that will increase self-awareness and self-responsibility with the objective of understanding the big picture of the organisation. Finally, Quadrant Four - Partnering, refers to putting the employee in a situation that will allow them to prove their

understanding. At this stage an employee should feel empowered, significant and loyal to the organisation and is ready to mentor others (Flowers *et al.*, 2010).

Figure 4: Employee Development Conceptual Framework
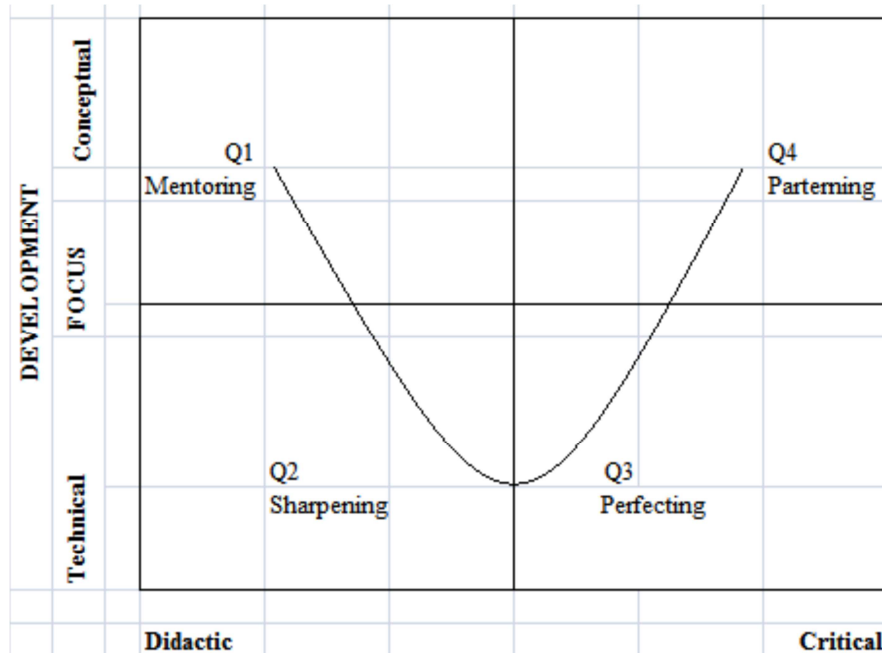
Source: Flowers *et al.* (2010, p. 3). Employee Development Approach for Generation 'Yers': A Conceptual Framework.

2.6.9.   Workplace Enjoyment

Workplace enjoyment is about integrating work and play, taking the job seriously but not necessarily oneself seriously, all of this to create a calm, stress free and happy environment (Lamm & Meeks, 2009). Ford argues that the environment is fun when it "intentionally encourages, initiates, and supports a variety of enjoyable and pleasurable activities that positively impact the attitude and productivity of individuals and groups" (Ford, 2003, p. 22 in Lamm & Meeks, 2009, p. 614).

Research has associated workplace enjoyment with innovation, creativity and job satisfaction; this is because "evidence suggests that having a positive mental attitude increases oxygen flow, endorphins and blood flow to the brain, enabling clearer and creative thinking" (Lamm & Meeks, 2009, p. 613). Therefore it is important that organisations understand how to create a fun environment.

Organisations need to aim to reduce factors that correlate with lack of fun, such as (Pryor, Singleton, Taneja, & Humphreys, 2010):

- Negative culture and work environment which does not allow for creativity and innovation but are full of gossip, distrust and fear.
- Management inadequacies and failures contribute to negativity by micromanagement and abuse of power.
- Non-management inadequacies and failure result in learned helplessness as a result of a dysfunctional environment full of fear, frustration and anger.
- System and structure inadequacies. An example of a stifling structure is a deep vertical hierarchy where employees have little to no power and the organisation provides demerits for bad behaviour and few rewards for good behaviour.

Key benefits of a fun workplace are better customer satisfaction, stronger employee commitment and lower employee turnover (Pryor *et al.*, 2010).

2.6.10. Responsibility and Autonomy

An increase in responsibility and autonomy has been reported by most researchers to increase job satisfaction (Sharabi & Harpaz, 2010). The study done by Sharabi & Harpaz (2010, p. 389) found that "by improving autonomy, interest, variety, and responsibility, an individual's work centrality was maintained, whereas preventing these expressive needs leads to declining work centrality". Increased work centrality is likely to enhance motivation, performance, involvement loyalty and commitment (Sharabi & Harpaz, 2010).

2.7. Inhibitors of Performance

Ten inhibitors of performance drawn from multiple academic theories will be discussed in detail in this section.

2.7.1. Job Security

Employees perceive job security as "feeling good about your security within the company" (Bristow *et al.,* 2011, p. 78). Job security is likened to Maslow's second most important need of human beings as it address issues of safety (Sadri & Bowen, 2011). Employees derive a sense of safety knowing that they are able to provide for themselves currently and in the long term (Sadri & Bowen, 2011).

2.7.2. Personal Development

Personal development is about being "given the opportunity in your job to develop and refine new skills and abilities" (Bristow *et al.,* 2011, p. 78). IT professionals need to constantly be up to date with knowledge and skills sets "unlike other professionals where basic knowledge remains enduring, the half-life of knowledge and skills in the IT profession is estimated at less than two years" (Fu, 2010, p. 274). The threat of erosion of competencies may cause a further threat of professional obsolescence which will inhibit performance (Fu, 2010).

2.7.3. Monetary Rewards

Monetary compensation is the closest to Maslow's physiological needs "which includes wages and salaries, bonuses, stock options and retirement plans" (Sadri & Bowen, 2011, p. 45). It is therefore not surprising that pay is one of the most important outcomes of work and therefore is the biggest contributor to overall job satisfaction (Bhanu, 2011). "Pay satisfaction is also important because it has serious implications on individual performance, absenteeism, labour turnover…" (Bhanu, 2011, p. 113). Recent research has revealed that employees have moved from being concerned about absolute pay to relative comparisons especially at higher levels (Bhanu, 2011). Therefore large pay differences are likely to cause dissatisfaction, although those who earn more in comparison to others are likely to be more satisfied with their overall pay structure (Bhanu, 2011).

On the other hand some researchers argue that money is a poor motivator and can actually impede intrinsic motivation such as innovation and creativity and as such reduce employee performance (Stringer, Didham, & Theivananthampillai, 2011). However in their conclusion Stringer *et al.* (2011, p. 173) found that "pay satisfaction had the strongest association with job satisfaction".

2.7.4. Lack of a Culture of Mutual Respect

Knowledge workers are likely to seek other employment in search of a workplace that values mutual-respect; this is particularly exacerbated in an environment where line manager does not treat employees with respect and dignity (Carleton & Canada, 2011).

Researchers have found that interpersonal respect amongst members of a group results in benefits such as extra effort (van Quaquebeke, Zenker, & Eckloff, 2008). To further understand respect, van Quaquebeke *et al.* (2008) break it down into two categories. Firstly, recognition respect, which refers to respecting people simply as they are. This is important as "it follows a categorical imperative to respect other human beings by not only seeing them as means to an end, but also as an end in themselves" (van Quaquebeke *et al.*, 2008, p. 5).

Secondly, appraisal respect, which refers to acknowledgement of one's expertise or skills and is the respect that employees earn through hard work and accomplishments (van Quaquebeke *et al.*, 2008).

2.7.5. Working Conditions

One of the highly rated factors that affect performance in a study done in India by Saklani (2010) is "safe and attractive conditions for doing one's work" (Bristow *et al.,* 2011, p. 78). In his study Saklani (2010) found that environmental factors such as physical environment, safety and other related working conditions are more important to the employees in regards to quality of work life.

2.7.6. Lack of Trust

In his literature review Sharkie (2009) argues that trust is a significant feature in the relationship between leaders and their subordinates and that it is through trust that subordinates are motivated to achieve above average performance. "The facilitator of good communication flows is trust and this relies on personal acquaintance, reputation and promises of reciprocity" (Sharkie, 2009, p. 492). Other researchers see trust as a "significant contributor to organisational performance because employee discretionary contributions cannot be easily replicated or imitated" (Sharkie, 2009, p. 492). In the context of knowledge workers, where discretionary effort can be given or withheld high levels of trust are essential to encourage knowledge sharing (Sharkie, 2009).

Trust has also been shown to lead to high levels of organisational commitment and performance, for example negative feedback from a trusted manager will be considered as accurate and the subordinate will attempt to improve their performance whilst the same feedback from an untrusted manager will be doubted (Farndale *et al.,* 2011).

2.7.7. Poor Leadership

In his literature review Higgs (2009) analysed the elements of bad leadership and summarised them into the following categories:

- Abuse of Power, which is the use of power for self-serving reasons including the reinforcement of self-image.
- Inflicting damage to others, which includes bullying and inconsistent or arbitrary treatment of subordinates.
- Over-exercise of control to satisfy personal needs, refers to the excessive obsession with perfection to the extent that inhibits employee initiative and innovation.
- Unethical and corrupt behaviour extending to illegal behaviour.

In their study of the impact of abusive leadership Starratt & Grandy (2010) concluded that abusive leadership causes feelings of hopelessness, humiliation and anxiousness at a personal level and employee turnover and destructive culture at an organisation level. In their literature review Kernan, Watson, Chen, & Kim*, (*2011) argued that the effects of abusive leadership includes amongst other things diminishing psychological wellbeing and quality of work life with the effects spilling over to employees lives away from work. In the same study it was found that cultural values determine the extent of the impact on employees if any. This is due to attribution theory, whereby in some cultures the leader's actions can be attributed to environmental or situational factors that is external attribution (Kernan *et al.,* 2011).

2.7.8. Bureaucracy or Red Tape

Perception of bureaucracy and red tape can frustrate employees and lead to demotivation (Paarlberg & Lavigna, 2010). Centralised decision making processes that take too long also add to employee frustration as they prevent employees from performing their duties at work and lead to reduction of self-efficacy and motivation (Paarlberg & Lavigna, 2010).This is in alignment with expectancy theory which argues that people's motivation to work harder is related to the ultimate expected goal of increased performance. In extreme situations of bureaucracy "workers [saw] the rules and supervisors as obstacles to doing what was right and fair for their clients" (Paarlberg & Lavigna, 2010, p. 175).

2.7.9. Access to Resources

Employees need appropriate resources to perform jobs in an effective and efficient manner (Schraeder & Jordan, 2011). Therefore when substandard performance is a concern, managers are advised to investigate whether employees have sufficient resources to perform theirs tasks (Schraeder & Jordan, 2011). "These resources run the gamut, from office supplies, computer equipment, software, and financial resources to additional staffing" (Schraeder & Jordan, 2011, p. 6).

2.7.10. Quality of Work Life

The following definition from Saklani (2010) is very comprehensive and captures the essence of quality of work life (QWL) which refers to:

> "the existence of a 'work environment' which is a matter of certain humanistic and life enhancing work experience characteristics, as perceived by people in the organizations. At the operational level, certain working conditions and management practices, such as, reasonable pay, healthy physical environment, employees welfare, job security, equal treatment in job related matters, grievance handling, opportunity to grow and develop, good human relations, participation in decision making and balance in life are the key components of this humanistic and life enhancing 'work environment'. Thus, QWL covers a wide range of issues both financial and non-financial relating to job context, job content and work relations" (Saklani, 2010, p. 90).

The conclusion of Saklani's (2010) QWL study stated that non-managerial employees seem to have put emphasis on issues of a financial nature particularly on fringe benefits. This conclusion does not seem to be aligned with the studies done on ITO employees - probably due to different work conditions. The studies revealed that ITO employees were very concerned about issues of security due to the contractual nature of outsourcing, training, development and promotion opportunities (Walsh & Deery, 2006).

2.8. Different Performance Levels

The challenge with managing employee performance is magnified by the different levels of performance in the organisation ranging from high to poor performers. It is known that individual employees perform at different levels, and that each employee performs at

varying levels within a period of time going through peaks and troughs (Lee & Dalal, 2011). Furthermore, "past research has shown that attributions about the causes of the poor performance predict responses to poor performers" (Ferguson, Ormiston, & Moon, 2010, p. 305). This makes handling poor performance a challenge for the organisation as it depends on whether the line manager attributes the poor performance to uncontrollable circumstances or to pure lack of effort from the employee (Ferguson *et al.,* 2010). People who decide that the poor performance is within the poor performer's control or is as a result of a lack of effort may respond differently than those who conclude that the cause of the poor performance is due to uncontrollable circumstances (Ferguson *et al.,* 2010).

In their paper Mayfield & Mayfield (2011) separated employees into three categories namely low, medium and high performers. They argue that in terms of low and high performers they already know how they are performing however research shows that medium performers need the most feedback as a lack feedback may result in turnover (Mayfield & Mayfield, 2011). High performers may need some guidance, praise and no micro-management whilst poor performers will require frequent counselling, clear performance targets and well-articulated ramifications (Mayfield & Mayfield, 2011).

2.9. Summary of Literature Review

For simple, straight forward tasks, Saklani's model that indicates greater monetary reward will lead to more tasks being completed, seems to work well (Saklani, 2010). However when tasks get more complicated and require some conceptual, creative thinking then this approach does not work. To Herzberg's seminal point employers need to pay people enough to remove concerns regarding money from the table as this can be a hygiene factor. The literature mentions three factors that will lead to better performance once money as a hygiene factor has been removed: autonomy, mastery and purpose (Carleton & Canada, 2011; Harell & Daim, 2010). This is in alignment with Herzberg's final analysis where he argued that removal of hygiene factors will bring peace but will not guarantee employee satisfaction, to increase job satisfaction organisations should focus on motivating factors and adapt job roles accordingly (Baldonado & Spangenburg, 2009).

In recent times we have seen a group of specialised, technically sophisticated knowledge workers come together to form the open source community and develop software like Linux, OpenOffice, Apache and Wikipedia and then give them away to the IT industry for

free. In trying to make sense of this, literature suggests that challenge, mastery and making a contribution are key drivers of these individuals (Carleton & Canada, 2011; Harell & Daim, 2010). The above scenario seems to suggest that people are not just about profit maximisation but also about purpose maximisation. Research has shown that a greater sense of wellbeing is achieved when people find meaning in life and that one's career is central component of a sense of calling (Hirschi, 2011). It is clear that there are multiple views from multiple stakeholders on what motivates employees.

Following this literature review it is noted that more research around the subject of ITO employees' performance is needed. Research has also revealed different views regarding the performance of employees, which may be impacted by different settings. The broader context is well researched with the general factors affecting employee performance clearly understood. However there is little research that focuses on analysing the difference in the perceptions of the ITO stakeholders with regard to ITO employee performance.

In order to visually represent the literature review Figure Five below was designed. Figure Five represents the theories discussed in the literature review and juxtaposes these with Maslow's hierarchy of needs. At the base of the Maslow's pyramid, the employees seem to be interested in the baseline job requirements; these are basic human resource processes such as career development, job security and a sense of belonging. At this level employees are motivated by extrinsic factors. Therefore employees' performance will be driven by the quality of the work environment and human resource practices.

At the top of the Maslow's pyramid, employees seem to be driven by a sense of purpose, autonomy and recognition. People at this level are masters of their own destiny and driven by intrinsic factors rather than what managers offer. Their purpose is strong enough to ensure that they overcome most obstacles even in an environment that does not have the best human resource processes.

Figure Five has compelling implications for managers to understand where their employees are located on the Maslow hierarchy of needs in order to apply appropriate management and human resource practices. For example, managers of employees at the base of the pyramid need to provide more guidance, regular feedback and reassurance to result in improved performance; whilst managers of employees at the top of the pyramid

need to provide resources and independence to ensure high performance and commitment.

Figure 5: Summary of the Literature Review

Intrinsic

Theory: Motivation is driven by internal factors such as purpose, mastery, meaning to life and sense of achievement.
Implications: Managers must hire smart and capable knowledge workers, give them autonomy, responsibility, recognition and resources to execute tasks.

Self actualisation

Esteem (prestige)

Belonging (teamwork)

Safety (Job security)

Physiological (Pay)

Extrinsic

Theory: Work environment, baseline job requirements and incentives are capable of creating a motivated or a demotivated workforce.
Implications: Managers should ensure that issues of pay, rewards, recognition, job security, inspirational leadership and safety are appropriately addressed as they can either motivate or demotivate employees.

High Performance

3. <u>CHAPTER THREE: RESEARCH QUESTIONS</u>

The following five research questions have been developed from the literature review and in alignment with the research objectives set out in Chapter One.

Research question 1 – What are the factors that are perceived as driving ITO employees' performance?

Research question 2 – What are the factors that are perceived as inhibiting ITO employees' performance?

Research question 3 – Do the perceptions differ between the ITO client management and ITO management with regard to factors that influence ITO employees' performance?

Research question 4 – Do the perceptions differ between the management and ITO employees with regard to factors that influence ITO employees' performance?

Research questions 5 – Do the perceptions differ between the poor performers and good performers with regard to factors that influence their performance?

4. CHAPTER FOUR: RESEARCH METHODOLOGY

The research was conducted in two phases. The first phase of the research was qualitative in order to develop the constructs used for Phase Two. The second research phase had a quantitative focus that tested constructs identified in Phase One, Louw's (2011) study and the literature review. This study was designed to bring about greater understanding regarding employee performance and it targeted ITO stakeholders.

4.1. Phase One: Qualitative

Qualitative research was chosen for its ability to be more exploratory and detailed (Zikmund, Babin, Carr, & Griffin, 2010). "Qualitative research is great for addressing "how" questions—rather than "how many"; for understanding the world from the perspective of those studied (that is informants); and for examining and articulating processes" (Pratt, 2009, p. 856). This study was in a form of written open-ended questions to the three stakeholder groups (that is ITO employees; ITO organisation managers and ITO client managers). This decision to use open-ended questions was made in order to extract as much information as possible without leading the respondents. The exploratory study was used to develop and validate constructs for Phase Two. The results were used as inputs for the questionnaire design in Phase Two, to ensure that the questionnaire is relevant to the population targeted.

4.1.1. Population

This study was conducted with the stakeholders of the largest ITO company in South Africa, the company employs over 14 000 skilled employees worldwide. The ITO division of this company employs in excess of 3000 employees worldwide. The reason for choosing this large South African company is because it made it possible to access all the defined ITO stakeholders.

Stakeholders identified are:
- Client managers, who are IT managers from the companies that are outsourcing IT functions to service providers.
- ITO managers, defined as managers of ITO employees who are part of the vendor/service provider company rendering services to the client company.
- ITO employees are the employees working for the vendor/service provider company that is providing IT services to the client company.

o The ITO employee group was divided into two categories, poor and good performers. The rating of performance was defined by the organisation's human resource department as displayed in Table Two below. Good performers are defined as all those employees who have been rated 'excellent' and 'very good' in last year's performance management cycle whilst poor performers refer to those who have been rated 'average' and 'below average'.

Table 2: Performance Ranking and Definitions

Research Categorisation	Performance Rating	Performance Description
Good Performer	Excellent	Outstanding performance against goals. Consistently and significantly exceeds expectations. Performance objectives and personal performance demonstrated at an advanced level. Works independently and rarely needs supervision or manager input. A role model and a team player with competencies and leadership qualities at the highest level.
	Very Good	Consistently meets and regularly exceeds expectations. Performance objectives and personal performance demonstrated consistently and to a higher degree than required. Highly competent individual who requires minimal guidance.
	Good	Meets objectives and occasionally exceeds expectations. Performance objectives and personal performance demonstrated to the degree that is required. Has the competencies to perform well, but still requires some guidance.
Poor Performer	Average	Most performance objectives have been met but only to the minimum required standard. Requires manager direction, checking and supervision. Room for improvement and development to ensure more independence and a willingness to do more than the minimum.
	Below Average	Performance is below expectations and most key objectives are not met. Low level of performance. Requires considerable day-to-day supervision and management.

Source: Large IT Organisation in South Africa.

4.1.2. Sampling

Non-probability quota sampling techniques were used to access all the groups being studied (Zikmund *et al.,* 2010). Table Three below depicts the sample for Phase One. In total 19 responses were received.

Table 3: Sample Characteristics of Qualitative Email Respondents

Number	Quota types
2	Client managers
7	IT outsourcing managers
7	IT Outsourced employees: Good Performers
3	IT Outsourced employees: Poor Performers

4.1.3. Unit of Analysis

The unit of analysis is the perceptions of the ITO stakeholders.

4.1.4. Data Collection Tool

The respondents were asked two open-ended questions about drivers and inhibitors of performance. A self-administered open-ended questionnaire was designed to take advantage of its exploratory nature and was used to uncover constructs from the viewpoint of the three stakeholders. The exploratory study was used to develop and validate constructs for Phase Two. The questionnaire was an electronic survey which was distributed to the chosen sample via email and responses were received by email. The email began by explaining the purpose of the study and how the information was to be used. Respondents were encouraged to be open and honest. As per Zikmund *et al.* (2010) respondents were assured of confidentiality and anonymity. Appendix One shows the email survey format that was sent to the respondents.

To ensure consistency the respondents across stakeholder groups were asked similar questions using the same data collection tool. The open ended questionnaire was pre-tested by two respondents to "determine whether the data collection plan for the main study is an appropriate procedure" (Zikmund, 2003, p. 72).

4.1.4.1. Qualitative Email Survey

An email survey was chosen due to the benefits of speed of distribution, lower distribution and processing costs and generally a faster turnaround time (Zikmund *et al.*, 2010). Email was used as all of the participants of the survey are either internal to the organisation or

are clients of the organisation who regularly deal with the organisation via e-mail (Zikmund *et al.*, 2010).

4.1.4.2. Data Collection Process

Emails were sent out and respondents were requested to respond within three days. At the end of the three days reminders were sent out to all respondents that had not yet completed the survey. A further extension of three days was allocated.

Out of the 26 questionnaires that were distributed nineteen were completed resulting in a 73% response rate. The breakdown of the respondents can be viewed from Table Four below.

Table 4: Surveys Completed and Response Times

Number of Respondents	Quota types	Response Time in Days
2	Client managers	5 working days
7	IT outsourcing managers	2 working days
7	IT Outsourced employees: Good Performers	3 working days
3	IT Outsourced employees: Poor Performers	12 working days

It was found that the 'poor' performers took the longest time to respond compared to all the other groups. The target per quota was two responses. The raw data collected was presented in Appendix Five.

4.1.5. Data Analysis Technique

Content analysis was done to establish constructs for Phase Two. Analysis involved determining consistent patterns and summarising the details revealed in the investigation (Zikmund, 2003). Frequency analysis technique was used to determine the weighted frequency of construct occurrence (Zikmund *et al.*, 2010). The data analysis had to reveal the key components of drivers and inhibitors of performance. Therefore the analysis identified common themes in the primary data that was collected from the email questionnaire. Data analysis entailed coding the data, then content analysis and finally frequency analysis. While coding, the data focus was on the common ideas from the respondents rather than key words. The process began with analysing column one of the summary of the results in Appendix Five. An integral part of that analysis included in-depth

understanding of the respondents' perceptions. This was followed by the categorisation of common themes per respondent. The coding of common themes across respondents feedback was then completed.

The next step involved correlating the constructs identified, with the constructs that emerged in the literature review. This involved understanding the meaning of the construct and where it made logical sense to link constructs based on common meaning. This process revealed new constructs that were not thought of during the literature review. The identified constructs were used to develop the data collection instrument for Phase Two. The results are outlined in Chapter Five of this study in Section 5.2.

4.2. Phase Two: Quantitative

Phase Two was performed using a survey method in order to extract quantitative data from the stakeholders. Therefore a quantitative descriptive research design was used. This study was done using a five–point Likert-type scale questionnaire. The input of the questionnaire was derived from Phase One and from the literature. A sample survey method was selected as it provides rapid, efficient and precise means of assessing information about the population (Zikmund, 2003).

The questionnaire was self-administered over the internet as all the respondents had access to computers and internet and were familiar with technology (Zikmund, 2003). The questionnaire was pre-tested and modified accordingly before it was administered to the overall sample (Zikmund, 2003).

4.2.1. Population

This study was conducted with the stakeholders of the largest ITO company in South Africa, the company employs over 14 000 skilled employees worldwide. The ITO division of this company employs in excess of 3000 employees worldwide. The reason for choosing this large South African company is because it made it possible to access all the defined ITO stakeholders.

Stakeholders identified were:
- ITO client managers, who are IT managers from the companies that are outsourcing IT functions to service providers.

- ITO managers, defined as managers of ITO employees who are part of the vendor/service provider company rendering services to the client company.
- ITO employees are the employees working for the vendor/service provider company that is providing IT services to the client company.
  - The ITO employee group was divided into two categories, poor and good performers. The rating of performance was defined by the organisation's human resource department as displayed on Table Two. Good performers are defined as all those employees who have been rated 'excellent' and 'very good' in the last year performance management cycle whilst poor performers refer to those who have been rated 'average' and 'below average'.

4.2.2. Sampling

Non-probability quota sampling was selected in order to avoid under-representation and over over-representation of certain groups (Zikmund, 2003). Table Five below shows the sample of the respondents. The intention was to get an equal representation per quota and has been achieved.

Table 5: Sample Characteristics of Quantitative Questionnaire

Individual Types	Numbers
IT Outsourced employees: Good performers	27
IT Outsourced employee : Poor performers	28
IT outsourcing management	30
Client management	31

4.2.3. Unit of Analysis

The unit of analysis is the perceptions of the ITO stakeholders.

4.2.4. Data Collection Tool

A self-administered electronic survey in a form of a questionnaire was distributed to the chosen sample. A five point Likert-scale ranking asking questions on performance of ITO employees was administered. The questionnaire was built by combining constructs from Phase One, the literature review and the result of a study done by (Louw, 2011). The questionnaire was designed following the recommendation of (Zikmund *et al.*, 2010).

- Avoiding complex questions by using simple, conversational language.
- Avoiding leading and loaded questions.

- Avoiding ambiguity by being as specific as possible.

- Avoiding double-barrelled questions.

- Avoiding making assumptions.

- Avoid burdensome questions that may tax the respondent's memory.

- Make certain questions generate variance

Considering that this survey was conducted over the internet, the following factors were considered (Zikmund, 2003):

- A format compatible with multiple operating systems was used.

- Paging layout with a maximum of two screens and response categories showing in every page

The justification of each item in the questionnaire was based on the literature review, Louw's (2011) study and Phase One constructs is in Chapter Five Section 5.3.

The questionnaire was pre-tested by four respondents from each quota group identified as a sample to "determine whether the data collection plan for the main study is an appropriate procedure" (Zikmund, 2003, p. 72). Appendix Two shows the questionnaires that were used after changes from the pre-test and Phase One result were adapted.

4.2.5. Data Collection Method

A URL (Universal Resource Locator) link was sent out to all the members of the sample by email. The URL link directed all respondents to the Google forms where they were able to self-administer the questionnaire. Google Forms was chosen for the following reasons:

- User friendly interface, as most people are already familiar with Google browser.

- Google has the functionality to collate all the respondents' results into an Excel spread sheet for analysis purposes.

- Google Forms is a free service.

4.2.6. Data Analysis Techniques

The research aims to provide useful information as opposed to raw data therefore the data collected was edited, coded and transferred to data storage (Zikmund, 2003). The data was subjected to the following statistical analysis depicted in Table Six:

Table 6: Statistical Tests

Description	Statistical Tools	Purpose
Research question one and two	Frequencies (Albright, Winston, & Zappe, 2009).	To present a list ordered by quantity displaying the number of times each value appears.
Research question one and two	Medians and Mean (Albright *et al.*, 2010).	To describe the numerical value distinguishing the higher half of a sample from the lower half. For ranking purposes.
Research question three to five. Two group differences	T-tests (Albright *et al.*, 2010).	Parametric statistical test for assessing whether one of two samples of independent observations tends to have larger values than the other. At the alpha level of 0.05.

4.3. Research Limitations

The following research limitations have been identified using the selected methodology mainly due to time and confidentiality of key performance indicator results.

ITO employees outside of the selected company were not part of the sampling frame. The challenge was that the population was represented by one large organisation in the South African IT industry. Thereby excluding the rest of the IT industry participants, specifically the medium and small IT companies.

The study was conducted using a quota sample which made this a non-probability study. Therefore the results of this study may not be generalised to other populations with any confidence (Zikmund, 2003).

5. <u>CHAPTER FIVE: RESULTS</u>

5.1. Introduction

This chapter presents the results obtained using data analysis methodologies defined for Phase One in section 4.1.5 and Phase Two in section 4.2.6 of the study. Phase One investigated the various components of performance drivers and inhibitors using a qualitative and exploratory method, whilst Phase Two had a quantitative focus.

This chapter consist of two sections, the first section focuses on results and analysis of the qualitative phase and the second section shows the results of the quantitative study that used a survey as a data collection instrument.

5.2. Phase One

The qualitative investigation into the drivers and inhibitors of employee performance was done using open ended questions via email. The study was divided into three groups that had different characteristics and had been identified as stakeholders in this study: ITO client managers, ITO managers, ITO employees' good and poor performers**.**

The results were used to complement and refine constructs identified in the literature review. The results below have been presented per group to establish the important drivers and inhibitors per group. Appendix Five shows the raw data that was collected.

5.2.1.   ITO Employees

This group included a total of ten employees working on multiple ITO clients. Table Seven below shows the split between good and poor performers as per the human resource system outlined in Table Two above. Table Seven also shows the split between client managers and ITO managers who responded.

Table 7: Characteristics of the ITO Respondents

Number of Respondents	Quota types
2	Client managers
7	IT outsourcing managers
7	IT Outsourced employees: Good Performers
3	IT Outsourced employees: Poor Performers

The qualitative study was conducted to gain insight to the questions outlines below in Table Eight so that the constructs to be tested in the quantitative research phase could be determined.

Table 8: Qualitative Email Survey Questions for ITO Employees

Question One	Drivers	What makes you work harder?
Question Two	Inhibitors	What stops you from working hard?

Table Nine depicts the main themes that were identified in the qualitative email survey for question one.

Table 9: Drivers of Performance by ITO Employees.

Theme Identified	Frequency
Recognition	5
Remuneration	4
Fun Environment	3
Sense of belonging	2
Personal goals/growth	2
Achievement	2
Challenge	2
Career growth /Ambition	1
Incentives	1
Work Ethic	1
Job Security	1
Job Satisfaction	1
Purpose	1
Confidence	1
Feedback	1
Trust	1
Coaching and Mentorship	1
Passion	1
Good Relationship with Clients	1

Table Ten depicts a correlation between the constructs identified in the literature review and the results outlined in Table Nine.

Table 10: Correlation to Literature Constructs: Drivers by ITO Employees

Constructs	Correlation and Analysis	Frequency
Recognition	The literature review correlated with the results. Identifying Monetary and non-Monetary recognition as important to employee performance	5
Remuneration	In the literature review this construct was discussed only under inhibitors of performance. However following these results remuneration has been added to the drivers on the survey instrument.	4
Workplace Enjoyment	Correlated with Fun environment.	3
Sense of Belonging	This is a new construct identified in this phase and has now been adapted to the survey instrument. This construct is split into two, Sense of belonging with employer and client.	2
Employee Development and Growth	The following constructs were discussed under this topic in the literature review and more were added following the results of Phase One: Timely Feedback; Coaching and Mentorship, Developmental Appraisal and Skills growth	3
Incentives	The results have proved to be consistent with the literature review.	1
Challenging Work	The results have proved to be consistent with the literature review.	1
Sense of Achievement	The results have proved to be consistent with the literature review.	1

The following are new constructs that were added to the quantitative survey following the results presented above:

- Sense of belonging - Q25 and Q8
- Passion - Q27
- Remuneration as a Driver of performance - Q5
- Trust as a driver of performance - Q3
- Purpose - Q30
- Good relationship with my Clients - Q11

Table Eleven depicts the main themes that were identified in the qualitative email survey for question two.

Table 11: Inhibitors of Performance by ITO Employees

Theme Identified	Frequency
Lack of Recognition	4
Unhappiness with Remuneration	4
Poor Leadership and Management	3
Lack Of Challenge	2
No Sense of belonging	2
Unfair treatment	2
Personal problems	1
Lack Managerial Support	1
Lack of Fun Environment	1
Lack of Career growth /Ambition	1
Consistent Negative Feedback	1
Internal Politics	1
Lack of Professionalism	1
Lazy colleagues	1
Lack of Skills and Knowledge	1
Being Overworked	1
Empty Promises	1
Lack of Team Work	1
Uncertainty	1
Stress	1

Table Twelve depicts a correlation between the constructs identified in the literature review and the results outlined in Table Eleven.

Table 12: Correlation to Literature Constructs: Inhibitors by ITO Employees

Constructs	Correlation and Analysis	Frequency
Lack of Recognition	The literature review Identified Monetary and non-Monetary recognition as important to employee performance and more as a driver of performance. The insight from the results shows that the lack of recognition may inhibit performance.	4
Remuneration	The results have proved to be consistent with the literature review.	4
Poor leadership	Unfair Treatment, Empty Promises and Lack of Managerial Support have been discussed under poor leadership. This was adapted after the results of Phase One.	6
Working Conditions	Correlates with a Lack Of a Fun Environment.	1
Bureaucracy/ Red Tape	Also can be referred to as Internal Politics	1
Quality Of Work Life	Correlates with Being Overworked and Stress	1
Job security	Correlates with Uncertainty especially in the Outsource	1

	environment.	
Personal Development	Lack of Skills and Knowledge and lack of career growth.	2

The following are new constructs that were added to the quantitative survey following the results presented above:

- Lack of Challenge - Q33
- No sense of Belonging - Q34
- Consistent Negative Feedback - Q16
- Personal Problems - Q32
- Stress - Q31
- Lack of Professionalism - Q13

5.2.2.   ITO Managers

This group included a total of seven managers responsible for service delivery on multiple ITO clients. The qualitative study was conducted to gain insight to the questions outlined below in Table Thirteen. This was in order to ensure that the constructs to be tested in the quantitative research phase could be determined.

Table 13: Qualitative Email Survey Questions for ITO Managers

Question One	Drivers	What makes your outsourced staff work harder?
Question Two	Inhibitors	What stops your staff from working hard?

Table Fourteen depicts the main themes that were identified in the qualitative email survey for question one.

Table 14: Drivers of Performance by ITO Managers

Theme Identified	Frequency
Recognition	4
Sense of belonging	4
Career growth /Ambition	3
Remuneration	3
Managerial Support	2
KPI (Key Performance Indicators)	2
Incentives	1
Fun Environment	1
Personal Growth/Driver/Goals	1
Empathy	1
Respect	1

Need to be Heard	1
Goal Setting	1
Independence/Autonomy	1
Work Home Balance	1
Coaching and Mentorship	1
Passion	1
Pride In Their Work	1

Table Fifteen depicts a correlation between the constructs identified in the literature review and the results outlined in Table Fourteen.

Table 15: Correlation to Literature Constructs: Drivers by ITO Managers.

Constructs	Correlation and Analysis	Frequency
Recognition	The literature review correlated with the results. Identifying Monetary and non-Monetary recognition as important to employee performance	4
Sense of Belonging	This is a new construct identified in this phase and has now been adapted to the survey instrument.	4
Remuneration	In the literature review this construct was discussed only under inhibitors of performance. However following these results remuneration has been added to the drivers on the survey instrument.	3
Employee Development and Growth	The following constructs were discussed under this topic on the literature review and more were added following the results of Phase One: Coaching and Mentorship, Need to be heard, Goal setting, Developmental Appraisal and Skills growth and Key performance indicators.	8
Workplace Enjoyment	Correlated with Fun environment	1
Responsibility and Autonomy	Correlates with Independence/Autonomy	1
Incentives	The results have proved to be consistent with the literature review.	1
Sense Of Achievement	The results have proved to be consistent with the literature review.	1

The following are new constructs that were added to the quantitative survey following the results presented above:

- Sense Of belonging - Q25
- Passion - Q29
- Remuneration as a driver of performance - Q5
- Pride In Own work - Q28
- Key performance indicator also known as goal setting - Q6

- Personal goals - Q31
- Empathy translated to Fair and Understanding manager - Q23
- Respect - Q16

Table Sixteen depicts the main themes that were identified in the qualitative email survey for question two.

Table 16: Inhibitors of Performance by IT Outsource Managers

Theme Identified	Frequency
Lack of Recognition	4
Lack of Career growth /Ambition	3
Unfair treatment	2
Personal problems	2
Lack Managerial Support	2
Lack of Fun Environment	2
Unhappiness with Remuneration	1
Lack Of Challenge	1
Lack of Incentives	1
Bad Communication	1
No Sense of belonging	1
Interruptions	1
Poor Working Conditions	1
Internal Politics	1
Red Tape	1
Lack of Physical well-being	1
Stress	1
Lack of Performance Management Systems	1
Laziness	1
Lack of Self-Worth	1
Lack of Skills	1

Table Seventeen depicts a correlation between the constructs identified in the literature review and the results outlined in Table Sixteen.

Table 17: Correlation to Literature Constructs: Inhibitors by ITO Managers

Constructs	Correlation and Analysis	Frequency
Lack of Recognition	The literature review Identified Monetary and non-Monetary recognition as important to employee performance and more as a driver of performance. The insight from the results shows that the lack of recognition may inhibit performance.	4
Poor leadership	Lack of Managerial Support, Bad Communication and Unfair Treatment have been discussed under Poor leadership. This was adapted after the results of Phase One.	6

Working Conditions	Correlates with a Lack Of a Fun Environment and poor working conditions.	3
Remuneration	The results have proved to be consistent with the literature review.	1
Personal Development	Correlates with Lack of Skills	1
Bureaucracy and Red Tape	The results have proved to be consistent with the literature review.	1
Quality Of Work Life	Correlates with Being Overworked and Stress	1

The following are new constructs that were added to the quantitative survey following the results presented above:

- Lack of Challenge - Q33
- Personal Problems - Q32
- Stress - Q31
- Lack Of Self-worth - Q30
- Interruptions - Q29
- Lack of Physical well-being - Q28
- Unhappiness with Remuneration - Q36
- Incentives - Q5
- Poor communication - Q23
- No sense of belonging - Q34 &Q37
- Laziness\lack of professionalism - Q13

5.2.3. ITO Client Managers

This group included a total of two managers responsible for service delivery on one ITO site. The qualitative study was conducted to gain insight to the questions outlined below in Table Eighteen so that the constructs to be tested in the quantitative research phase could be designed.

Table 18: Qualitative Email Survey Questions for ITO Client Managers

Question One	Drivers	What makes the service provider's employees work harder?
Question Two	Inhibitor	What stops the service provider's employees from working hard?

Table Nineteen depicts the main themes that were identified in the qualitative email survey for question one.

Table 19: Drivers of Performance by ITO Client Managers

Theme Identified	Frequency
Recognition	1
Incentives	1
Good Communication	1
Good Leadership and Management	1
Feedback	1
Appreciation	1
Service Provider must own Processes	1
SMART SLA	1
Good Team Spirit	1
Apply Employees Suggestions	1

Table Twenty depicts the correlation between the constructs identified in the literature review and the results outlined in Table Nineteen.

Table 20: Correlation to Literature Constructs: Drivers by ITO Client Managers.

Constructs	Correlation and Analysis	Frequency
Recognition	The literature review correlated with the results. Identifying Monetary and non-Monetary recognition as important to employee performance. Appreciation also forms part of Recognition.	2
Incentives	The results have proved to be consistent with the literature review.	1
Employee Development and Growth	Correlates with goal setting, feedback and developmental appraisal. SLA (Service level Agreements) are considered goal setting which are translated to Key performance indicators for employees.	3
Work Place enjoyment	Correlates with good Team Spirit to an extent however it has been adopted as an additional construct on the questionnaire.	1

The following are new constructs that were added to the quantitative survey following the results presented above:

- Good Communication - Q27
- Good Leadership and Management - Q19,Q23, Q24
- Apply Employees Suggestions - Q19, Q15,Q16
- Good team spirit - Q7

Table 21 depicts the main themes that were identified in the qualitative email survey for question two.

Table 21: Inhibitors of Performance by ITO Client Managers

Theme Identified	Frequency
Poor Leadership and Management	2
Lack of Recognition	1
Bad Communication	1
Lack of Client Commitment	1
No Vision	1
Unrealistic Targets	1
Poor Staff Selection	1
Lack of Continuous Training	1
Lack of Customers Specific Training	1

Table 22 depicts a correlation between the constructs identified in the literature review and the results outlined in Table 21.

Table 22: Correlation to Literature Constructs: Inhibitors by ITO Client Managers

Constructs	Correlation and Analysis	Frequency
Poor leadership	Bad Communication and lack of Vision have been discussed under Poor leadership. This was adapted after the results of Phase One.	4
Lack of Recognition	The literature review Identified Monetary and non-Monetary recognition as important to employee performance and more as a driver of performance. The insight from the results shows that the lack of recognition may inhibit performance.	1
Personal development	Correlates with Lack of Training.	1

The following are new constructs that were added to the quantitative survey following the results presented above:

- Lack of Client Commitment - Q27
- Unrealistic Targets - Q21
- Poor Staff Selection – Q35.

5.3. Justification of the Questionnaire

Tables 23 and 24 shows how the questionnaire was developed using constructs from the literature review, extracts from Louw (2011) and Phase One. In his exploratory qualitative research that used the Nominal Group Technique, Louw (2011) established some enablers and inhibitors of performance. A combination of all the three sources was then used to craft the survey. The ticks illustrate the source of the construct. A total list of 31 drivers and 37 inhibitors of performance was compiled.

Table 23: Questionnaire Justification: Drivers of Performance

No	Items	Literature Review	Phase One	Louw (2011)
1	Career growth opportunities	✓	✓	✓
2	Job security		✓	✓
3	Trustworthy team		✓	✓
4	Accountability given with authority			✓
5	Financial recognition	✓	✓	✓
6	Clear key performance indicators			✓
7	Good team spirit		✓	
8	Sense of belonging with employer			✓
9	Being provided with adequate resources to do the job	✓	✓	
10	Coaching and mentorship			✓
11	Good relationship with clients			✓
12	Having fun at work	✓	✓	✓
13	Flexible with regards to time and place of work			✓
14	Challenging job	✓	✓	✓
15	Participative decision making	✓	✓	
16	Respect for one's contribution		✓	✓
17	Getting regular feedback	✓	✓	✓
18	Autonomy to make decisions	✓	✓	
19	Incentives	✓		
20	Merit based promotions			✓
21	Non-financial recognition	✓	✓	✓
22	Sense of achievement	✓		
23	Understanding manager		✓	✓
24	Inspiring leadership		✓	
25	Sense of belonging with client company		✓	
26	Having friends at work		✓	
27	Good communication from management		✓	
28	Pride in one's own work		✓	
29	Passionate about one's work		✓	
30	Purpose		✓	
31	Personal goals		✓	

Table 24: Questionnaire Justification: Inhibitors of Performance

No	Items	Literature Review	Phase One	Louw (2011)
1	Lack of trust from management	✓	✓	✓
2	Bureaucracy	✓	✓	✓
3	Micro management	✓		
4	Lack of management support		✓	✓
5	Lack of incentives		✓	
6	Leadership indecisiveness	✓		✓
7	Disrespect from line manager	✓		✓
8	Lack of knowledge and skills needed to do work		✓	
9	Lack of disciplined team members			
10	Lack of career development	✓	✓	✓
11	Feeling excluded		✓	
12	Lack of appropriate resources to do the job	✓		
13	Lack of professionalism from team members		✓	
14	Too many changes in job requirements			✓
15	Management overruling of decisions	✓		✓
16	Consistent negative criticism from management		✓	
17	Poor decision making by managers	✓		✓
18	Long working hours		✓	✓
19	Unclear roles and responsibilities			✓
20	Lack of training		✓	✓
21	Unrealistic targets		✓	✓
22	Autocratic management style			✓
23	Poor communication			✓
24	Poor Working Conditions	✓	✓	
25	Unfair treatment of employees		✓	✓
26	Personal threats to job security	✓	✓	✓
27	Lack of client commitment		✓	
28	Lack of physical wellness		✓	
29	Constant interruptions		✓	
30	Lack of self worth		✓	
31	Stress		✓	
32	Personal problems		✓	
33	Lack of challenges	✓	✓	✓
34	No sense of belonging with client company		✓	
35	Poor Staff Selection by managers		✓	
36	Unhappiness with pay	✓	✓	
37	No sense of belonging with employer company		✓	

5.4. Phase Two

The quantitative survey was designed in two parts. The first part was designed to investigate the drivers of performance; the second part was designed to investigate the inhibitors of performance. This section presents the results in order of the research questions in chapter three.

5.4.1. Sample Description

The quantitative research questionnaire collected information from a sample of 116 respondents. Table 25 below shows the actual respondents per quota.

Table 25: Sample Characteristics of Quantitative Questionnaire

Individual Types	Numbers
IT Outsourced employees: Good performers	27
IT Outsourced employee : Poor performers	28
IT outsourcing management	30
Client management	31

5.4.2. Research Question 1 – What are the factors that are perceived as driving ITO employees' performance?

Table 26 below shows the results of the drivers of performance of the total group sample. The frequency distribution using percentages of response has been displayed in each cell. The table has been ranked in order from the highest driver of performance to the lowest using the 'Total Group Mean' column.

Table 26: Drivers of Performance

Drivers of Performance	Total Group Mean	Does not Drive Performance		Drives Performance Somewhat		Drives Performance to a great extent
Scale		1	2	3	4	5
n	116					
Being passionate about my work	4.39	1%	2%	12%	27%	55%
Pride in my own work	4.32	1%	3%	12%	29%	52%
Inspiring leadership	4.29	1%	1%	16%	29%	50%
Finding my work meaningful	4.25	1%	4%	16%	26%	51%
Managers respect my contribution	4.19	2%	6%	11%	33%	46%
Good relationship with clients	4.17	1%	1%	19%	37%	40%
Being provided with adequate	4.14	3%	3%	14%	34%	44%

resources to do my job						
Sense of achievement	4.14	2%	8%	9%	35%	42%
A challenging job	4.13	0%	3%	18%	41%	36%
Good team spirit	4.12	3%	3%	14%	38%	41%
Flexibility with regards to time and place of work	4.10	3%	3%	21%	29%	42%
Financial recognition	4.09	5%	9%	13%	18%	52%
Reporting to an understanding manager	4.09	3%	3%	17%	34%	41%
Trustworthy team	4.07	2%	5%	14%	41%	35%
Merit based promotions	4.07	5%	7%	15%	20%	50%
My job enables me to achieve my Personal goals	4.06	2%	3%	19%	37%	37%
Career growth opportunities	4.04	2%	6%	16%	35%	39%
Good communication from management	4.03	3%	4%	20%	34%	39%
Accountability given with authority	4.01	3%	4%	18%	38%	36%
Participative decision making	3.96	3%	3%	22%	36%	34%
Getting regular feedback from managers	3.96	4%	3%	20%	36%	35%
Having fun at work	3.92	3%	3%	28%	33%	32%
Job security	3.90	3%	5%	22%	36%	32%
Sense of belonging with my employer	3.82	5%	9%	15%	38%	31%
Clear key performance indicators	3.78	2%	9%	21%	42%	23%
Autonomy to make decisions	3.78	3%	3%	29%	41%	22%
Receiving coaching and mentorship	3.75	6%	6%	25%	32%	28%
Sense of belonging with client	3.71	1%	9%	32%	32%	23%
Acknowledgement of good work	3.68	5%	13%	21%	28%	29%
Incentives such as all-expense paid holiday	3.53	12%	11%	20%	24%	31%
Having friends at work	3.24	4%	19%	38%	24%	15%

Colour Key:

Modal Response	

5.4.3. Research Question 2 – What are the factors that are perceived as inhibiting ITO employees' performance?

Table 27 below shows the results of the inhibitors of performance of ITO employees. The frequency distribution using percentages of response has been displayed in each cell. The table has been ranked ordered from the highest inhibitor of performance to the lowest using the 'Total Group Mean' column.

Table 27: Inhibitors of Performance

Inhibitors of Performance	Total group Mean	Does not Inhibit Performance		Inhibits Performance Somewhat		Inhibits Performance to a greater extent
Scale		1	2	3	4	5
n	116					
Being disrespected by management	4.09	4%	8%	14%	21%	52%
Consistent negative criticism from management	4.06	3%	8%	20%	22%	47%
Poor decision making by managers	4.06	3%	5%	18%	29%	42%
Lack of management support	4.04	3%	4%	22%	28%	41%
Unfair treatment of employees by management	4.02	4%	6%	16%	28%	43%
Lack of appropriate resources to do the job	4.00	2%	7%	21%	29%	39%
Poor communication from management	3.97	3%	10%	15%	33%	38%
Personal threats to job security	3.94	3%	8%	22%	28%	38%
Autocratic (Oppressive) management style	3.92	5%	6%	22%	26%	39%
Unclear roles and responsibilities	3.85	3%	9%	20%	32%	34%
Leadership indecisiveness	3.84	4%	6%	25%	28%	34%
Feeling excluded	3.84	3%	8%	26%	28%	33%
Lack of knowledge and skills needed to do my work	3.83	5%	11%	19%	24%	39%
Bureaucracy (Red Tape)	3.82	5%	7%	25%	26%	34%
Poor Working Conditions	3.82	4%	8%	22%	31%	34%
Lack of trust from management	3.80	8%	5%	25%	22%	37%
Unrealistic targets	3.79	6%	8%	22%	28%	34%
Unhappiness with my pay	3.79	6%	9%	22%	23%	36%
Lack of career development	3.77	7%	9%	18%	32%	32%
Being micro managed	3.67	8%	9%	22%	28%	30%
Lack of professionalism from team members	3.66	4%	6%	33%	30%	25%
Lack of training	3.66	5%	10%	23%	32%	27%
Lack of incentives	3.64	5%	8%	35%	18%	30%
Lack of disciplined team members	3.59	6%	9%	27%	35%	21%
Lack of client commitment	3.57	3%	8%	35%	34%	18%

Constant interruptions	3.55	4%	13%	26%	35%	20%
Poor staff selection by managers	3.54	8%	9%	25%	33%	22%
Too many changes in job requirements	3.53	6%	9%	34%	28%	21%
Stress	3.52	9%	14%	21%	28%	26%
Lack of physical wellness	3.50	5%	10%	34%	28%	20%
Management overruling my decisions	3.45	5%	9%	41%	24%	18%
Lack of self worth	3.41	9%	9%	32%	28%	20%
No sense of belonging with employer	3.41	8%	15%	28%	27%	22%
Lack of challenges in my job	3.28	9%	9%	37%	28%	14%
Personal problems	3.16	17%	11%	25%	29%	16%
No sense of belonging with client	3.14	11%	10%	42%	23%	11%
Working long hours	3.03	11%	23%	29%	21%	13%

Colour Key: Modal Response

5.4.4. Research Question 3 – Do the perceptions differ between the ITO client management and ITO management with regard to factors that influence ITO employees' performance?

A total of 31 drivers and 37 inhibitors of performance were identified from the literature and research Phase One and viewed as possible determinants of performance. The t-tests revealed that between the ITO managers and ITO client managers, only one variable showed significant difference at a 0.05 alpha level. The variable is 'Participative decision making'. The numbers in the table below reflect the means of the ITO client managers and ITO managers.

Table 28: Significant Difference at 0.05 Levels for Drivers of Performance: Managers

Drivers of Performance	ITO Client Manager	ITO Managers	p	p<0.05
n	31	30		
Participative decision making	**4.19**	**3.67**	**0.031597**	*

The t-tests revealed that between the ITO managers and ITO client managers no other variable showed significant difference, except in the case of inhibitors of performance. Following the results from the t-tests, the ITO managers and ITO client managers' quotas

were combined into one single sample named 'Managers' as no statistical difference was found between the groups except for one variable 'Participative decision making'. From this point onwards ITO managers and ITO client managers were treated as a homogeneous sample.

5.4.5. Research Question 4 – Do perceptions differ between the managers and ITO employees with regard to factors that influence ITO employees' performance?

Table 29 below; shows the results of the t-tests from the 'Managers' compared to the 'Good Performers' for drivers of performance. Five variables out of 31 showed significant difference at a 0.05 alpha level. The five variables are highlighted in red. Tables 29 to 34 have been ranked ordered by the 'Total Group Mean' column as per Table 26 and 27. The numbers in the table below reflect the means of the managers and good performers.

Table 29: Significant Difference at 0.05 Levels for Drivers of Performance: Managers v/s Good Performers

Drivers of Performance	Managers	Good Performers	p	p<0.05
n	61	27		
Being passionate about my work	4.1	4.81	0.000346	****
Pride in my own work	4.11	4.78	0.000547	****
Inspiring leadership	4.43	4.33	0.595501	
Finding my work meaningful	4.03	4.56	0.017256	**
Managers respect my contribution	4.26	4.33	0.713376	
Good relationship with clients	4.16	4.33	0.34091	
Being provided with adequate resources to do my job	4.26	4.07	0.361154	
Sense of achievement	4.1	4.52	0.04121	**
A challenging job	4.1	4.26	0.38475	
Good team spirit	4.16	4.15	0.941389	
Flexibility with regards to time and place of work	3.93	4.33	0.087508	
Financial recognition	4.21	4.22	0.970776	
Reporting to an understanding manager	4.03	4.48	0.025467	**
Trustworthy team	3.95	4.3	0.087929	
Merit based promotions	4.08	4.37	0.238172	

My job enables me to achieve my Personal goals	4.18	3.89	0.152738	
Career growth opportunities	4.08	4.07	0.969555	
Good communication from management	4.1	4.15	0.801627	
Accountability given with authority	4.07	4.11	0.823138	
Participative decision making	3.93	4.22	0.166296	
Getting regular feedback from managers	4.16	3.81	0.09877	
Having fun at work	3.98	4.11	0.529494	
Job security	4.03	3.85	0.42312	
Sense of belonging with my employer	3.89	4.04	0.495524	
Clear key performance indicators	3.77	3.78	0.973915	
Autonomy to make decisions	3.79	3.96	0.344337	
Receiving coaching and mentorship	3.93	3.63	0.229374	
Sense of belonging with client	3.69	3.81	0.549656	
Acknowledgement of good work such as Be Great awards or employee of the month	3.77	4.07	0.223422	
Incentives such as an all-expenses paid holiday	3.66	3.52	0.650389	
Having friends at work	3.39	3.11	0.217752	

Table 30 below; shows the results of the t-tests from the 'Managers' compared to the 'Good Performers' for inhibitors of performance. Five variables out of 37 showed significant difference at a 0.05 level. The five variables are highlighted in red. The numbers in the table below reflect the means of the managers and good performers.

Table 30: Significant Difference at 0.05 Levels for Inhibitors of Performance: Managers v/s Good Performers

Inhibitors of Performance	Managers	Good Performers	p	p<0.05
n	61	27		
Being disrespected by management	4.2	4.33	0.564178	
Consistent negative criticism from management	4.1	4.22	0.605882	
Poor decision making by managers	4.16	4.3	0.538636	
Lack of management support	4.15	4.15	0.997821	
Unfair treatment of employees by management	4	4.11	0.647996	
Lack of appropriate resources to do the job	4.08	3.93	0.487063	

Poor communication from management	3.97	4.11	0.54577	
Personal threats to job security	4	3.78	0.340913	
Autocratic(Oppressive) management style	3.98	4.15	0.507507	
Unclear roles and responsibilities	3.82	4.04	0.349608	
Leadership indecisiveness	3.89	4.19	0.213701	
Feeling excluded	3.9	3.78	0.59361	
Lack of knowledge and skills needed to do my work	4.18	3.3	0.001354	***
Bureaucracy (Red Tape)	3.82	4.19	0.140349	
Poor Working Conditions	3.79	3.81	0.914508	
Lack of trust from management	3.92	3.96	0.858458	
Unrealistic targets	3.93	3.85	0.729437	
Unhappiness with my pay	3.9	4.04	0.606447	
Lack of career development	3.7	4.07	0.166284	
Being micro managed	3.77	4.15	0.122166	
Lack of professionalism from team members	3.67	3.63	0.855981	
Lack of training	3.9	3.44	0.056572	
Lack of incentives	3.74	3.78	0.872947	
Lack of disciplined team members	3.69	3.81	0.588726	
Lack of client commitment	3.75	3.37	0.07235	
Constant interruptions	3.67	3.48	0.446854	
Poor staff selection by managers	3.7	3.78	0.770033	
Too many changes in job requirements	3.44	3.93	0.047382	**
Stress	3.77	3.3	0.068598	
Lack of physical wellness	3.74	3.22	0.028768	**
Management overruling my decisions	3.52	3.63	0.645857	
Lack of self-worth	3.8	2.96	0.000367	****
No sense of belonging with employer	3.54	3.15	0.1548	
Lack of challenges in my job	3.52	3.15	0.092128	
Personal problems	3.66	2.3	2.61E-06	****
No sense of belonging with client	3.41	2.96	0.0533	
Working long hours	3.26	3.15	0.66233	

Table 31 below; shows the results of the t-tests from the 'Managers' compared to the 'Poor Performers' for drivers of performance. Four variables out of 31 showed significant

difference at a 0.05 alpha level. The four variables are highlighted in red. The numbers in the table below reflect the means of the managers and poor performers.

Table 31: Significant Difference at 0.05 Levels for Drivers of Performance: Managers v/s Poor Performers

Drivers of Performance	Managers	Poor Performers	p	p<0.05
n	61	28		
Being passionate about my work	4.10	4.61	0.011044	**
Pride in my own work	4.11	4.32	0.33634	
Inspiring leadership	4.43	3.96	0.018553	**
Finding my work meaningful	4.03	4.43	0.071905	
Managers respect my contribution	4.26	3.89	0.116147	
Good relationship with clients	4.16	4.04	0.52481	
Being provided with adequate resources to do my job	4.26	3.93	0.153426	
Sense of achievement	4.10	3.86	0.314294	
A challenging job	4.10	4.07	0.884715	
Good team spirit	4.16	4.00	0.482895	
Flexibility with regards to time and place of work	3.93	4.25	0.170342	
Financial recognition	4.21	3.71	0.075012	
Reporting to an understanding manager	4.03	3.86	0.468963	
Trustworthy team	3.95	4.11	0.486486	
Merit based promotions	4.08	3.75	0.244199	
My job enables me to achieve my Personal goals	4.18	3.89	0.152738	
Career growth opportunities	4.08	3.93	0.511599	
Good communication from management	4.10	3.75	0.155422	
Accountability given with authority	4.07	3.79	0.252278	
Participative decision making	3.93	3.75	0.455345	
Getting regular feedback from managers	4.16	3.64	0.026344	**
Having fun at work	3.98	3.61	0.111742	
Job security	4.03	3.64	0.104577	
Sense of belonging with my employer	3.89	3.46	0.1278	
Clear key performance indicators	3.77	3.82	0.829535	
Autonomy to make decisions	3.79	3.61	0.448144	
Receiving coaching and mentorship	3.93	3.46	0.076335	

Sense of belonging with client	3.69	3.64	0.845797	
Acknowledgement of good work such as Be Great awards or employee of the month	3.77	3.11	0.015897	**
Incentives such as an all-expenses paid holiday	3.66	3.25	0.177944	
Having friends at work	3.39	3.04	0.150455	

Table 32 below; shows the results of the t-tests from the 'Managers' compared to the 'Poor Performers' for inhibitors of performance. Fifteen variables out of 37 showed significant difference at a 0.05 level. The fifteen variables are highlighted in red. The numbers in the table below reflect the means of the managers and poor performers.

Table 32: Significant Difference at 0.05 Levels for Inhibitors of Performance: Managers v/s Poor Performers

Inhibitors of Performance	Managers	Poor Performers	p	p<0.05
n	61	28		
Being disrespected by management	4.20	3.64	0.041864	**
Consistent negative criticism from management	4.10	3.82	0.273678	
Poor decision making by managers	4.16	3.61	0.026101	**
Lack of management support	4.15	3.71	0.0645	
Unfair treatment of employees by management	4.00	3.96	0.892975	
Lack of appropriate resources to do the job	4.08	3.89	0.430702	
Poor communication from management	3.97	3.86	0.673762	
Personal threats to job security	4.00	3.96	0.885978	
Autocratic(Oppressive) management style	3.98	3.57	0.124418	
Unclear roles and responsibilities	3.82	3.75	0.785038	
Leadership indecisiveness	3.89	3.43	0.082783	
Feeling excluded	3.90	3.79	0.646799	
Lack of knowledge and skills needed to do my work	4.18	3.57	0.016665	**
Bureaucracy (Red Tape)	3.82	3.46	0.192028	
Poor Working Conditions	3.79	3.89	0.673513	
Lack of trust from management	3.92	3.39	0.07446	
Unrealistic targets	3.93	3.43	0.067453	
Unhappiness with my pay	3.90	3.32	0.040168	**

Lack of career development	3.7	3.61	0.735861	
Being micro managed	3.77	3.00	0.005975	***
Lack of professionalism from team members	3.67	3.68	0.978121	
Lack of training	3.90	3.32	0.022112	**
Lack of incentives	3.74	3.29	0.094731	
Lack of disciplined team members	3.69	3.14	0.031881	**
Lack of client commitment	3.75	3.36	0.07628	
Constant interruptions	3.67	3.36	0.196695	
Poor staff selection by managers	3.70	2.96	0.003505	***
Too many changes in job requirements	3.44	3.36	0.732156	
Stress	3.77	3.18	0.038799	**
Lack of physical wellness	3.74	3.25	0.043977	**
Management overruling my decisions	3.52	3.11	0.085063	
Lack of self-worth	3.80	3.00	0.002146	***
No sense of belonging with employer	3.54	3.36	0.500995	
Lack of challenges in my job	3.52	2.89	0.010689	**
Personal problems	3.66	2.93	0.006984	***
No sense of belonging with client	3.41	2.71	0.005241	***
Working long hours	3.26	2.43	0.001702	***

Tables 33 and 34 below shows the top five drivers and inhibitors of performance of the three stakeholders, namely 'Managers', 'Good' and 'Poor' performers. The numbers in the table below reflect the means of the three stakeholders.

Table 33: Top Five Drivers of Performance Across Three Groups.

Good Performers		Poor Performer		Managers (ITO client and ITO managers)	
n	27	n	28	n	61
Being passionate about my work	4.81	Being passionate about my work	4.61	Inspiring leadership	4.43
Pride in my own work	4.78	Finding my work meaningful	4.43	Being provided with adequate resources to do my job	4.26
Finding my work meaningful	4.56	Pride in my own work	4.32	Managers respect my contribution	4.26
Sense of achievement	4.52	Flexible time and place of work	4.25	Financial recognition	4.21
Understanding manager	4.48	Trustworthy team	4.11	My job enables me to achieve my Personal goals	4.18

Table 34: Top Five Inhibitors of Performance Across Three Groups

Good Performers		Poor Performer		Managers (ITO client and ITO managers)	
n	27	n	28	n	61
Being disrespected by management	4.33	Unfair treatment of employees by management	3.96	Being disrespected by management	4.20
Poor decision making by managers	4.3	Personal threats to job security	3.96	Lack of knowledge and skills needed to do my work	4.18
Consistent negative criticism from management	4.22	Lack of appropriate resources to do the job	3.89	Poor decision making by managers	4.16
Leadership indecisiveness	4.19	Poor Working Conditions	3.89	Lack of management support	4.15
Bureaucracy	4.19	Poor communication from management	3.86	Consistent negative criticism from management	4.10

5.4.6. Research Question 5 – Do perceptions differ between poor performers and good performers with regard to factors that influence their performance?

Table 35 below shows the results of the t-tests from the 'Good' compared to the 'Poor' performers for drivers of performance. Four variables showed significant difference at a 0.05 level. The four variables are highlighted in red. On visual examination of the data it was noticed that the 'Good' performers score all constructs higher than the 'Poor' performers, With the exception of two variables: 'Clear key performance indicators' and 'My job enables me to achieve my personal goals'. The mean of means for good performers is significantly higher at 4.13 whist the poor performer's is 3.81. The numbers in the table below reflect the means of the good and poor performers.

Table 35: Significant Difference at 0.05 Levels for Driver of Performance: Employees

Drivers of Performance	Good Performers	Poor Performer	p	p<0.05
n	27	28		
Mean of Means : $\overline{X}$	4.13	3.81		
Being passionate about my work	4.81	4.61	0.122455	
Pride in my own work	4.78	4.32	0.030692	*
Inspiring leadership	4.33	3.96	0.143342	
Finding my work meaningful	4.56	4.43	0.556396	
Managers respect my contribution	4.33	3.89	0.139112	
Good relationship with clients	4.33	4.04	0.214951	
Being provided with adequate resources to do my job	4.07	3.93	0.657769	
Sense of achievement	4.52	3.86	0.018729	*
A challenging job	4.26	4.07	0.381781	
Good team spirit	4.15	4.00	0.606065	
Flexibility with regards to time and place of work	4.33	4.25	0.759115	
Financial recognition	4.22	3.71	0.189471	
Reporting to an understanding manager	4.48	3.86	0.034314	*
Trustworthy team	4.30	4.11	0.47481	
Merit based promotions	4.37	3.75	0.079237	
My job enables me to achieve my Personal goals	3.89	3.96	0.782183	
Career growth opportunities	4.07	3.93	0.61919	
Good communication from management	4.15	3.75	0.166407	
Accountability given with authority	4.11	3.79	0.234671	
Participative decision making	4.22	3.75	0.099866	
Getting regular feedback from managers	3.81	3.64	0.602575	
Having fun at work	4.11	3.61	0.093285	
Job security	3.85	3.64	0.483265	
Sense of belonging with my employer	4.04	3.46	0.097393	
Clear key performance indicators	3.78	3.82	0.863882	
Autonomy to make decisions	3.96	3.61	0.203513	
Receiving coaching and mentorship	3.63	3.46	0.594033	
Sense of belonging with client	3.81	3.64	0.524579	

Acknowledgement of good work such as Be Great awards or employee of the month	4.07	3.11	0.004787	**
Incentives such as all-expenses paid holiday	3.52	3.25	0.51794	
Having friends at work	3.11	3.04	0.799622	

Table 36 below shows the results of the t-tests from the comparison of 'Good' and 'Poor' performers for inhibitors of performance. Nine variables showed significant difference at a 0.05 level. The nine variables are highlighted in red. On visual examination of the data it was noticed that for the 'Good' performers, most inhibitors of performance score higher than the 'Poor' performers. The mean of means for good performers is higher at 3.72 whilst the poor performer's is 3.41. The numbers in the table below reflect the means of the good and poor performers.

Table 36: Significant Difference at 0.05 Levels for Inhibitors of Performance: Employees

Inhibitors of Performance	Good Performers	Poor Performer	p	p<0.05
n	27	28		
Mean of Means : $\overline{\overline{X}}$	3.72	3.41		
Being disrespected by management	4.33	3.64	0.050121	*
Consistent negative criticism from management	4.22	3.82	0.228301	
Poor decision making by managers	4.30	3.61	0.035493	*
Lack of management support	4.15	3.71	0.152637	
Unfair treatment of employees by management	4.11	3.96	0.641533	
Lack of appropriate resources to do the job	3.93	3.89	0.910558	
Poor communication from management	4.11	3.86	0.409876	
Personal threats to job security	3.78	3.96	0.559924	
Autocratic management style	4.15	3.57	0.09196	
Unclear roles and responsibilities	4.04	3.75	0.40233	
Leadership indecisiveness	4.19	3.43	0.009127	*
Feeling excluded	3.78	3.79	0.978964	
Lack of knowledge and skills needed to do work	3.30	3.57	0.433372	
Bureaucracy (Red Tape)	4.19	3.46	0.026865	*

Poor Working Conditions	3.81	3.89	0.805895	
Lack of trust from management	3.96	3.39	0.117748	
Unrealistic targets	3.85	3.43	0.239583	
Unhappiness with my pay	4.04	3.32	0.045674	*
Lack of career development	4.07	3.61	0.139378	
Being micro managed	4.15	3.00	0.002279	*
Lack of professionalism from team members	3.63	3.68	0.877218	
Lack of training	3.44	3.32	0.722927	
Lack of incentives	3.78	3.29	0.13454	
Lack of disciplined team members	3.81	3.14	0.034073	*
Lack of client commitment	3.37	3.36	0.964214	
Constant interruptions	3.48	3.36	0.683834	
Poor staff selection by managers	3.78	2.96	0.022775	*
Too many changes in job requirements	3.93	3.36	0.088526	
Stress	3.30	3.18	0.762829	
Lack of physical wellness	3.22	3.25	0.932631	
Management overruling my decisions	3.63	3.11	0.095365	
Lack of self worth	2.96	3.00	0.913021	
No sense of belonging with employer	3.15	3.36	0.535589	
Lack of challenges in my job	3.15	2.89	0.480583	
Personal problems	2.30	2.93	0.083322	
No sense of belonging with client	2.96	2.71	0.458203	
Working long hours	3.15	2.43	0.043605	*

These results are discussed in the next chapter.

6. CHAPTER SIX: DISCUSSION

The preceding chapter presented the statistical results of the research whilst this chapter interprets and evaluates the results. This study collated data from 116 respondents representing three stakeholder groups namely: ITO employees; ITO managers and ITO client managers. This section discusses those results in light of the research questions in Chapter Three. The discussion takes into account the literature review in Chapter Two and the overall objective of this study.

To reiterate, the objective of this research was to empirically quantify the factors that drive and inhibit performance of ITO employees and compare the results between the ITO stakeholders.

6.1. Research Question 1 – What are the factors that are perceived as driving ITO employees' performance?

There are 31 variables that were identified as drivers of performance and were incorporated into the survey. The outcome of research question one has been outlined in Table 26 of chapter five. The following are the top ten drivers of performance ranked by the 'Total Group' mean, from the highest to the lowest.

1. Being passionate about my work
2. Pride in my own work
3. Inspiring leadership
4. Finding my work meaningful
5. Managers respect my contribution
6. Good relationship with clients
7. Being provided with adequate resources to do my job
8. Sense of achievement
9. A challenging job
10. Good team spirit

6.1.1. Interpretation of Results

Table 37 has been designed in light of the literature review summary captured by Figure Five. The top ten variables have been grouped first by intrinsic and extrinsic motivation followed by common themes.

Table 37: Top Ten Drivers of Performance

Intrinsic/Extrinsically motivated	Theme	Drivers of Performance	Ranking Out of 31
Intrinsic	Purpose	Being passionate about my work	1
		Pride in my own work	2
		Finding my work meaningful	4
		Sense of achievement	8
		A challenging job	9
Extrinsic	Leadership	Managers respect my contribution	5
		Inspiring leadership	3
	Work Environment	Good relationship with clients	6
		Being provided with adequate resources to do the job	7
		Good team spirit	10

The top five findings show that the key performance drivers are about intrinsic motivation and leadership. The literature seems to be aligned with these finding with regards to intrinsic motivation. Three factors that will lead to better performance once money as a hygiene factor has been removed are autonomy, mastery and purpose (Carleton & Canada, 2011; Harell & Daim, 2010). Furthermore research has shown that IT professionals have lower social needs and a higher need for achievement than non-IT individuals (Fu, 2010). It is therefore not surprising to see 'sense of achievement' and 'A challenging job' appearing in the top ten drivers of performance. After all, a sense of achievement and challenging work complement each other. Employees derive high levels of job satisfaction when they achieve success in mentally challenging occupations where their skills and abilities are fully utilised (Danish & Usman, 2010).

The next theme that is vital to drive the performance of knowledge workers is extrinsic and relates to leadership, and is ranked at three and five in importance. 'Managers respect my contribution' is important as employees want to do a good job and get recognised for it and it often "starts with something as simple as a good pat on the back for a job well done" (Denton, 2010, p. 11). Leadership is important to driving performance in the organisation (Staren, 2009). At position three and five it is clear that over and above intrinsic drivers of performance, leadership is the number one extrinsic driver of performance. A clear focus on non-monetary rewards such as employee recognition programmes has proven to be very effective and low cost (Kaufman, 2009). This is because leaders who develop reward and recognition programmes boost employee morale and as such create a linkage between performance and motivation of employees (Danish & Usman, 2010).

Good team spirit is a construct that was developed from Phase One research and was not covered in the literature review. It is clear that the respondents find it particularly important even though literature has not emphasised it. This is a pleasant surprise as good team sprit suggests that employees value collaboration and team work. On the other hand access to resources has been noted by literature to have impact on performance. Therefore when substandard performance is a concern, managers are advised to investigate whether employees have sufficient resources to perform their tasks (Schraeder & Jordan, 2011)

In ITO, employees are client facing and spend most of their time at the client premises. It is therefore a great finding that they deem a good relationship with the clients to be important to their performance. This construct was discovered during Phase One and was reinforced by Louw's (2011) study. One of the respondents said "having an open and comfortable relationship with my client" will go a long way in driving up performance.

It is important to note that all of the top ten drivers of performance have one common theme namely, non-tangible reward. Another observation is that the top five drivers are all related to intrinsic drivers and leadership.

Table 38 below depicts the least important drivers. It is important to note that whilst these drivers are considered least important they still do matter as the mean values are high. Therefore this provides a guide regarding what type of motivational activities not to priorities as they are the least effective in the ITO space. Table 38 has been designed in light of the literature review summary captured by Figure Five. The ten least important variables have been grouped first by intrinsic and extrinsic motivation followed by common themes. This table also depicts the total group mean ranking as well as the ranking order column.

Table 38: Bottom Ten Drivers of Performance

Intrinsic/Extrinsically motivated	Theme	Drivers of Performance	Total Group Means	Ranking Out of 31
Intrinsic	Workplace Enjoyment	Having fun at work	3.92	22
		Having friends at work	3.24	31
	Sense of Belonging	Sense of belonging with my employer	3.82	24
		Sense of belonging with client	3.71	28
Extrinsic	Outsourcing Industry related	Job security	3.90	23
	Basic human Resource Processes	Receiving coaching and mentorship	3.75	27
		Clear key performance indicators	3.78	25
		Acknowledgement of good work	3.68	29
		Incentives such as all-expenses paid holiday	3.53	30
	Independence	Autonomy to make decisions	3.78	26

It is clear that ITO employees are not interested in workplace enjoyment and sense of belonging. After all these are people who move from one outsource contract to the other due to the cyclical nature of outsourcing. This is also due to the fact that ITO employees are generally more achievement oriented. It is therefore not surprising that having friends, fun and sense of belonging are at the bottom of their list however this does not mean that team work is not important as good team spirit is part of the top ten drivers. It is clear from these results that ITO employees have a transactional relationship with both the employer and the client. In their study about IT consultants Wöcke *et al.* (2012, p. 21) found that

> "Most respondents expressed a feeling that their psychological contracts were unstable or flexible in nature suggesting that they are open to changes in expectations of work roles or functions without the explicit need to renegotiate contracts in writing. They also indicated that they have the same attitude towards clients."

At the base of Maslow's pyramid depicted in Figure Five of the literature review summary, the employees seem to be interested in the baseline job requirements; these are basic human resource processes such as career development (coaching and mentorship), job security, performance indicators, incentives and acknowledgement of good work. At this

level employees are motivated by extrinsic factors. Therefore an employee's performance will be driven by the quality of the work environment and human resource practices. It is clear that ITO employees operate at a higher level as they rate these bottom of the pyramid constructs much lower. The conclusion of Saklani's (2010) Quality of Work Life (QWL) study stated that non-managerial employees seem to have put emphasis on issues of a financial nature particularly on fringe benefits. This conclusion does not seem to be aligned with the studies done on ITO employees including this study - probably due to different work conditions and industry. Thus the importance of examining industry and sector specific motivation is vital. Had ITO managers based their motivational efforts entirely on works like Saklani's, they would have failed to achieve the best possible results due to the unique nature of the ITO space. Therefore we can deduce from these results that most of the knowledge workers are operating either at the 'Esteem' or 'Self-actualisation' stage of Maslow's pyramid as per Figure Five.

Autonomy to make decisions has appeared as one of the least important drivers of performance. This is contradictory to the research findings that say knowledge workers should be given autonomy to execute tasks as opposed to the conventional 'command and control' management style which has proven to be ineffective with knowledge workers (Carleton & Canada, 2011). Furthermore an increase in responsibility and autonomy has been reported by most researchers to increase job satisfaction (Sharabi & Harpaz, 2010). However in this study other factors were seen as more important.

6.1.2.   Conclusion of Research Question 1

Research has revealed that a sense of purpose and leadership are the most important drivers of performance. Purpose is associated with passion, pride and meaningful work whilst leadership is associated with inspirational management and respect for the contribution made by subordinates.

It is also clear that work enjoyment and a sense of belonging are the least important factors in driving performance, suggesting that ITO employees have a transactional relationship with their employers.

6.2. Research Question 2 – What are the factors that are perceived as inhibiting ITO employees' performance?

Thirty seven variables were identified as inhibitors of performance and were incorporated into the survey. The outcome of research question two has been outlined in Table 27 of Chapter Five. The following are the top ten inhibitors of performance ranked by the 'Total Group' mean, from the highest to the lowest.

1. Being disrespected by management
2. Consistent negative criticism from management
3. Poor decision making by managers
4. Lack of management support
5. Unfair treatment of employees by management
6. Lack of appropriate resources to do the job
7. Poor communication from management
8. Personal threats to job security
9. Autocratic (Oppressive) management style
10. Unclear roles and responsibilities

6.2.1. Interpretation of Results

Table 39 has been designed in light of the literature review summary captured by Figure Five. The top ten variables have been grouped first by intrinsic and extrinsic motivation followed by common themes.

Table 39: Top Ten Inhibitors of Performance

Intrinsic/Extrinsically motivated	Theme	Inhibitors of Performance	Ranking Out of 37
Extrinsic	Poor Leadership	Being disrespected by management	1
		Consistent negative criticism from management	2
		Poor decision making by managers	3
		Lack of management support	4
		Unfair treatment of employees by management	5
		Poor communication from management	7

		Autocratic (Oppressive) management style	9
	Outsourcing Industry Related	Personal threats to job security	8
	Basic human Resource Processes	Lack of appropriate resources to do the job	6
		Unclear roles and responsibilities	10

The main finding of this study is that poor leadership is the most important contributor to hampering performance of the ITO employee. It is clear that ITO employees are discouraged by leaders who disrespect them, give consistent negative feedback, are oppressive and have bad communication skills. This study has shown multiple factors of poor leadership as key to inhibiting performance. Literature does agree with this however it does not show the extent of the impact. Higgs (2009) argued that abuse of power and over-exercise of control by leaders has a negative impact on staff morale and productivity. It was further argued that abusive leadership causes feeling of hopelessness and humiliation resulting in poor employee performance (Starratt & Grandy, 2010). Looking at the results of this study, poor leadership is more impactful in the ITO industry. In their study Kernan *et al*. (2011) confirm that the extent of the impact of abusive leadership depends on the cultural values of the employees. It is very clear that ITO employees have low tolerance to poor leadership.

It is also not surprising to see that the ITO stakeholders rate 'Job Security' as a key inhibitor of performance. This is important particularly for employees in the outsourcing industry due to the typical cycle of three to five year contracts. It was noted that the respondents rated 'Job Security' very low as a driver of performance and on the other hand rated it very high as an inhibitor of performance.

The lack of appropriate resources is very important to ITO employees, coming in as the sixth most important inhibitor. This makes sense given the fast paced IT industry; employees are constantly keeping up with technological advancements. "These resources run the gamut, from office supplies, [cutting edge] computer equipment, [latest release] software, and financial resources to additional staffing" (Schraeder & Jordan, 2011, p. 6).

Clear roles and responsibility appeared on the top ten inhibitors whilst clear key performance indicators appeared on the bottom ten drivers of performance. Clear roles and responsibilities will not drive performance however the lack thereof will inhibit performance. This construct was derived from the study performed by Louw (2011).

Table 40 below depicts the least important inhibitors. It has been designed in light of the literature review summary captured by Figure Five. The bottom ten variables have been grouped first by intrinsic and extrinsic motivation followed by common themes. This table also depicts the total group mean ranking as well as the ranking order column.

Table 40: Bottom Ten Inhibitors of Performance

Intrinsic/Extrinsically motivated	Theme	Inhibitors of Performance	Total Group Means	Ranking Out of 37
Extrinsic	Basic Human Resource Processes	Too many changes in job requirements	3.53	28
		Management overruling my decisions	3.45	31
		Lack of challenges in my job	3.28	34
		Working long hours	3.03	37
Intrinsic	Personal	Stress	3.52	29
		Lack of physical wellness	3.50	30
		Lack of self-worth	3.41	32
		Personal problems	3.16	35
	Sense of Belonging	No sense of belonging with employer	3.41	33
		No sense of belonging with client	3.14	36

This study has revealed that for ITO employees, factors such as 'working long hours' are the least inhibitors of performance. This construct has the lowest mean at 3.03. This could be related to the ITO industry expectations of long hours. This particular construct was adapted from both Phase One and Louw's (2011) study findings.

One of the surprising constructs on the bottom ten list is 'lack of challenges in my job'; this is particularly interesting as this construct appeared in all three sources namely literature, Phase One and Louw (2011) results. The main finding is that, ITO employees agree with literature that 'A Challenging Job' drives performance hence this construct is part of the top ten of drivers of performance. However the absence of a challenging job does not really inhibit performance.

All the personal constructs were derived from Phase One's findings. The respondents seem to perceive these factors as the least important in inhibiting performance. ITO employees seem to be very professional and so not consider personal problems as an inhibitor of their performance. This makes sense as they seem to have a transactional relationship with their employers and client. Hence the lack of sense of belonging does not inhibit their performance and does not drive their performance either as can be noted that this construct appears in both the bottom ten drivers and the bottom ten inhibitors of performance.

6.2.2.   Conclusion of Research Question 2

Poor leadership seems to be the most important inhibitor of performance for ITO employees then followed by 'Job Security', 'Clear roles' and 'Access to Resources'. Job security will not make employees perform at higher levels however the lack of Job Security will inhibit employee performance. Clear roles and responsibilities will not drive performance however the lack thereof will inhibit performance. Similarly 'A Challenging Job' drives performance however the absence of a challenging job does not really inhibit performance. On the contrary this study clearly shows that a sense of belonging is not important in both inhibiting and driving performance.

6.3. Summary of Research Question 1 and 2

Figure Six below depicts the force field analysis using the top ten drivers from Table 26 and the top ten inhibitors from Table 27. The force field technique was developed by Kurt Lewin and his major finding was that lasting change requires leaders to be aware of the 'restraining forces' and the 'driving forces' (Pater, 2011). This study refers to inhibitors as supposed to restraining forces and these terms will be used interchangeably in this section. Kurt Lewin argued that the best attempt to ensure improvement is to reduce restraining forces more than to add more driving forces (Pater, 2011).

The vertical axis shows the scale which measures the level of performance from high performance at the top to low performance at the bottom. The relative strength of each construct is represented by the length and thickness of the arrow. The horizontal line represents equilibrium, or present level of employee performance. This line can be raised or lowered by changes in the relationship between the driving and the inhibiting forces. Figure Six provides a framework that will allow managers to interrogate the

interrelationship between inhibitors and drivers of performance. In summary driving forces represented in Figure Six as drivers of performance direct behaviour away from equilibrium –which is also known as the status quo (Hammond, Gresch, & Vitale, 2011). This is in contrast to restraining forces, represented by inhibitors of performance, which directs behaviour to maintain the status quo (Hammond *et al.*, 2011).

The main purpose of the force field analysis is increase the factors that drive performance and to reduce the inhibiting factors thereby improving performance. At a glance using the relative strengths of the constructs, managers are able to see which of the constructs have a high impact on performance. For example disrespect from management is the biggest inhibitor of performance whilst passion is the biggest driver of performance.

Figure 6: Force Field Analysis: Drivers and Inhibitors of Performance
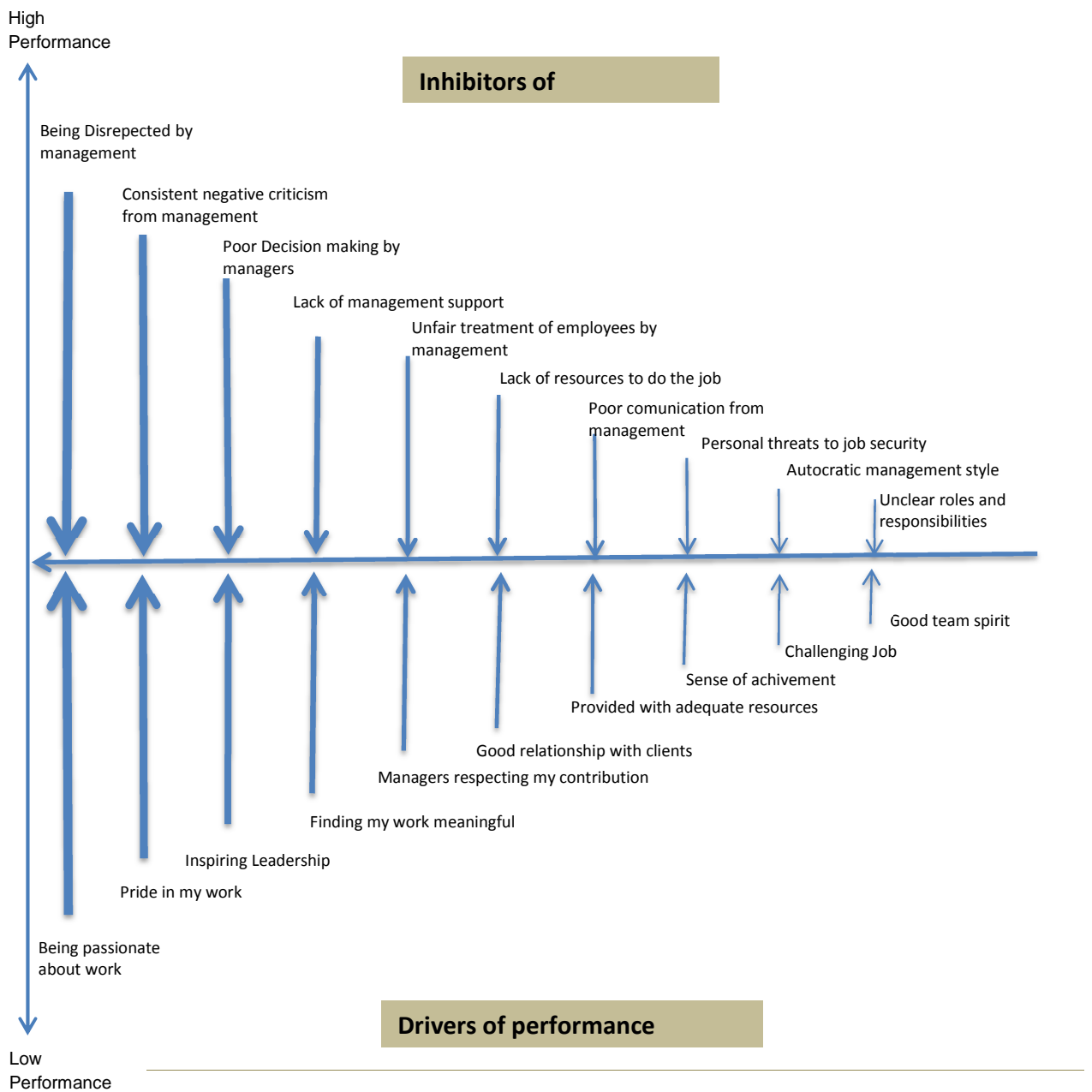
6.4. Research Question 3 – Do the perceptions differ between the ITO client management and ITO management with regard to factors that influence ITO employees' performance?

The study found that out of 68 (31 drivers & 37 inhibitors) variables only one variable 'Participative Decision Making' showed significant difference. Therefore ITO managers and the ITO client managers share the same perception with regard to factors that influence performance of ITO employees.

This is a significant finding in light of the notion that organisations should aim to satisfy or exceed the expectations of its stakeholders (Garvare & Johansson, 2010). To achieve this, the organisation should understand and align with the expectations of the stakeholders. In the case of ITO the key stakeholders seem to be congruent with the perceptions of performance drivers and inhibitors of ITO employees.

6.5. Research Question 4 – Do the perceptions differ between the management and ITO employees with regard to factors that influence ITO employees' performance?

The results of the management sample comprise both ITO managers as well as ITO client managers, as these two groups are treated as homogenous following the results of Research question three. In this section, first the managers are compared to the 'Poor' performers and then to the 'Good' performers.

From Chapter Five, a table summarising the number of differences found is shown below. Table 41 shows that in terms of the drivers of performance there is a lot of alignment. Out of 31 drivers, there were four differences compared to poor performers and five differences compared to good performers. The major finding is that there are more similarities rather than differences where drivers are concerned. However there are major differences between managers and poor performers in relation to inhibitors. This major difference could explain the reason for poor performance as the managers and the good performers seems to be relatively aligned.

Table 41: Summary of Significant Differences Between Managers and Employees

	Total Number of variables	Managers v/s Poor Performers	Managers v/s Good Performers
Drivers of Performance	31	4	5
Inhibitors of Performance	37	15	5

The literature has already established that there are differences between poor and good performers, and that managers need to understand these differences so that they may manage these groups differently (Mayfield & Mayfield, 2011). Table 41 above, emphasises the differences and shows clearly that managers are significantly misaligned with poor performers where inhibitors are concerned.

Table 41 shows that the difference in perception between managers and poor performers is three times more than the difference between managers and good performers where inhibitors are concerned. Managers' perceptions are significantly misaligned to poor performers in relation to fifteen inhibitors of performance. This finding presents the major opportunity to unlock overall organisational performance through seeking understanding and subsequently closing these perception gaps. It is vital that poor performance is dealt with as research informs us that poor performers can adversely affect good performers' motivation and effectiveness (Ferguson *et al.,* 2010).

6.5.1.   Perceptions of Managers versus Poor Performers

The numbers in Table 42 reflect the means of the managers and poor performers. They also indicate if a construct was part of the top ten or bottom ten ranking. Table 42 shows the four differences under the drivers of performance. It is apparent that this test also revealed that there are 27 similarities. Whilst the differences are noted below the table also shows that 'Acknowledgement of good work' does not seem to be very important as it was listed under the bottom ten variables. Furthermore the poor performers believe that this is not as important as the managers make it out to be.

The managers seem to believe that 'Inspiring leadership' is more important than poor performers think. It is also important to note that this construct was part of the top ten drivers of performance. Studies have proven that inspirational leadership has powerful positive effects on employee wellbeing and employee performance (Westwood, 2008).

The only difference in this study is the degree of importance between managers and poor performers. Furthermore it is very interesting to note that of all the differences 'Being Passionate about my work' is the only variable that the poor performers rate higher that the managers. Managers need to pay attention to this important construct as studies have found that passion provides employees with energy to fully participate in work activities and moreover passion is aligned with self-defining activities that employees value (Vallerand, Paquet, Philippe, & Charest, 2010) .

Table 42: Significant Differences Between Managers and Poor Performers: Drivers

Drivers of Performance	Managers	Poor Performers	Top 10	Bottom 10
n	61	28		
Getting regular feedback from managers	4.16	3.64		
Acknowledgement of good work such as Be Great awards or employee of the month	3.77	3.11		*
Inspiring leadership	4.43	3.96	*	
Being passionate about my work	4.10	4.61	*	

The numbers in Table 43 below reflect the means of the managers and poor performers and also indicate if a construct was part of the top ten or bottom ten ranking. Table 43 lists the fifteen differences under the inhibitors of performance. It is apparent that this test also revealed that there are 22 similarities. This test reveals a 41% difference. It is clear that this is an area of major discrepancy in perceptions. Five of these variables, mainly under the theme of personal challenges and intrinsic factors - such as stress, self-worth, personal problems, physical wellness and a sense of belonging - do not seem to matter as they are part of the bottom ten inhibitors. On the other hand leadership constructs which are part of the top ten inhibitors also show significant differences. Every single construct below shows that the differences arise due to the high scores of managers versus the low scores of poor performers. This is a major area of concern as there is a huge perception gap between managers and poor performers. The low scores are the likely result of employee disengaged. After all "a 2007 Towers Perrin survey of 90,000 employees in 18 countries found that only 21% reported being fully engaged on the job. The rest were either simply enrolled (41%), disenchanted (30%), or disconnected (8%)" (Mirvis, 2012, p. 95). Whilst the 2010 Gallup Employee Engagement Index reported that on average 49% of employees were not engaged, and about 18% were actively disengaged (Mirvis, 2012).

Table 43: Significant Differences Between Managers and Poor Performers: Inhibitors

Inhibitors of Performance	Managers	Poor Performers	Top 10	Bottom 10
Being micro managed	3.77	3.00		
Being disrespected by management	4.20	3.64	*	
Lack of knowledge and skills needed to do my work	4.18	3.57		
Lack of disciplined team members	3.69	3.14		
Poor decision making by managers	4.16	3.61	*	
Working long hours	3.26	2.43		*
Lack of training	3.90	3.32		
Lack of physical wellness	3.74	3.25		*
Lack of self-worth	3.80	3.00		*
Stress	3.77	3.18		*
Personal problems	3.66	2.93		*
Lack of challenges in my job	3.52	2.89		*
No sense of belonging with client	3.41	2.71		*
Poor staff selection by managers	3.70	2.96		
Unhappiness with my pay	3.90	3.32		

6.5.2. Perceptions of Managers versus Good performers

The numbers in Table 44 reflect the means of the managers and good performers and also indicate if a construct was part of the top ten or bottom ten ranking. Table 44 lists the five differences under the drivers of performance. It is apparent that this test also revealed that there are 26 similarities. Whilst the differences are noted below, the table also shows that there are no variables that are part of bottom ten drivers. In fact all the means on Table 44 are above 4.03. With the exception of 'Reporting to an understanding manager', all the variables are part of the top ten drivers of performance. Contrary to the perceptions between poor performers and management, the good performers rated all the variables listed on Table 44 significantly higher than the managers. Every one of these variables seems to be more important to the good performers than management could anticipate. This differences shows that good performers are highly engaged and that they value activities that are aligned to their internal identity and values (Vallerand *et al.*,2010; Mirvis,2012).

Table 44: Significant Differences Between Managers and Good Performers: Drivers

Drivers of Performance	Managers	Good Performers	Top 10	Bottom 10
Being passionate about my work	4.10	4.81	*	
Pride in my own work	4.11	4.78	*	
Finding my work meaningful	4.03	4.56	*	
Sense of achievement	4.10	4.52	*	
Reporting to an understanding manager	4.03	4.48		

The numbers in Table 45 reflect the means of the managers and good performers and also indicate if a construct was part of the top ten or bottom ten ranking. Table 45 lists the five differences under the inhibitors of performance. It is apparent that this test also revealed that there are 32 similarities. The differences listed in the table also show that with exception of 'Lack of knowledge and skills needed to do my work' all the variables are part of the bottom ten inhibitors. This finding indicates that these variables are the least important. With exception of 'Too many changes in job requirements', all the variables are rated low by good performers compared to managers. Managers seem to perceive that these intrinsic inhibitors have a great impact on performance than good performers perceive.

Table 45: Significant Differences Between Managers and Good Performers: Inhibitors

Inhibitors of Performance	Managers	Good Performers	Top 10	Bottom 10
Lack of knowledge and skills needed to do my work	4.18	3.30		
Too many changes in job requirements	3.44	3.93		*
Lack of physical wellness	3.74	3.22		*
Lack of self-worth	3.80	2.96		*
Personal problems	3.66	2.30		*

6.5.3.   Conclusion of Research Question 4

Managers seem to be significantly misaligned with poor performers with regard to factors that inhibit performance. Fifteen variables out of 37 showed significant differences. It is also apparent that poor performers rate most of the factors significantly lower than the managers do. On the other hand only four differences out of 31 drivers were significantly different. Similarly poor performers rated most variables lower than the managers

On the other hand there are more similarities between managers and good performers. Out of a total of 31 drivers only five differences are noted. Where drivers are concerned, good performers rated factors significantly higher than managers. Out of 37 inhibitors only five variables showed significant differences. Where inhibitors are concerned, managers rated variables much higher than the good performers did.

It would seem that good performers have a high internal locus of causality and a low external attribution when it comes to performance (Lepine & Van Dyne, 2001). Hence they rate drivers higher and inhibitors lower than the managers. Whilst poor performers rate everything low due to their low engagement.

6.6. Research Question 5 – Do perceptions differ between the poor performers and good performers with regard to factors that influence their performance?

The numbers in Table 46 reflect the means of the good and poor performers also indicates if a construct was part of the top ten or bottom ten ranking. Table 46 lists the four differences under the drivers of performance. It is apparent that this test also revealed that there are 27 similarities - which is a major finding because it is clear that these two groups are aligned in their perceptions regarding drivers of performance The differences noted below also show 'Sense of achievement' and 'Pride in my own work' which are part of the top ten drivers. It is therefore key to note that the good performers are driven by sense of achievement and pride to a greater extent than the poor performers. This finding is in alignment with the theory of achievement which suggests that "achievement-oriented behaviour differs across individuals and is a critical factor that motivates individuals to succeed" (Hsu *et al.*, 2010, p. 1594). All four of the differences show that poor performers rated these variables significantly lower than the good performers. As per Table 35, the mean of means for good performers are significantly higher than poor performers, being 4.13 and 3.18 respectively.

Table 46: Significant Differences Between Good and Poor Performers: Drivers

Drivers of Performance	Good Performers	Poor Performer	Top 10	Bottom 10
Acknowledgement of good work such as Be Great awards or employee of the month	4.07	3.11		
Sense of achievement	4.52	3.86	*	
Reporting to an understanding manager	4.48	3.86		
Pride in my own work	4.78	4.32	*	

Table 47 below lists the nine differences under the inhibitors of performance. It is apparent that this test also revealed that there are 28 similarities although it is noted that these two groups have a gap in how they perceive inhibitors of performance. The differences listed in the table also show that all the variables are rated low by poor performers compared to good performers. Good performers seem to perceive that these extrinsic inhibitors mainly related to human resource processes have a greater impact on performance than poor performers perceive. Table 36 shows the mean of means between poor and good performers as follows 3.41 and 3.72 respectively. Similarly poor decision making by managers is one of the top ten variables listed in Table 47 and it is clear that it impacts more on the good performers than poor performers given the mean rating of 4.30 and 3.61 respectively. In a study done in the United Kingdom health sector employees believed that managers were poor decision makers and further said that bad management decisions reduced productivity and damaged employee morale (Psychological, 2007).

Table 47: Significant Differences Between Good and Poor Performers: Inhibitors

Inhibitors of Performance	Good Performers	Poor Performer	Top 10	Bottom 10
Bureaucracy (Red Tape)	4.19	3.46		
Being micro managed	4.15	3.00		
Leadership indecisiveness	4.19	3.43		
Being disrespected by management	4.33	3.64		
Lack of disciplined team members	3.81	3.14		
Poor decision making by managers	4.30	3.61	*	
Working long hours	3.15	2.43		*
Poor staff selection by managers	3.78	2.96		
Unhappiness with my pay	4.04	3.32		

6.6.1.   Conclusion of Research Question 5

Poor performers seem to be somewhat misaligned with good performers with regard to factors that inhibit performance. Nine variables out of 37 showed significant differences, a

24% difference. It is also apparent that poor performers rate most of the factors significantly lower than good performers. On the other hand only four differences out of 31 drivers only four variables were significantly different. Similarly poor performers rated most variables lower than the good performers did. It is clear that the predisposition that poor performers rate most constructs lower is a reflection of their low employee engagement. As supported by the 2010 Gallup Employee Engagement Index study that found that about 18% of the employees were actively disengaged (Mirvis, 2012).

7. CHAPTER SEVEN: CONCLUSION

The aim of this study was to find, empirically, the factors that drive and inhibit performance of ITO employees and compare the results between the ITO stakeholders. This study was based on extensive literature that has already been done on accelerating and hampering factors of knowledge worker performance and stakeholder management theory.

The force field analysis in Figure Six very clearly shows that intrinsic factors are the key drivers of performance, whilst poor leadership is the main inhibitor of performance. The main purpose of the force field analysis is to do more of the factors that drive performance and to reduce the inhibiting factors thereby driving up performance.

The final outcome of this study was to provide management with a model that shows the highlights of the force field analysis, and to incorporate the key stakeholder differences as shown in Figure Seven. The left side of the model displays the statistical differences between the three stakeholders. The top left shows that, managers and poor performers have the highest discrepancies in perception of factors that inhibit performance; 15 differences out of 37 variables. The differences in the perceptions of good and poor performers are nine out of 37 variables. Finally the differences between managers and good performers are five differences out of 37 variables

The bottom left represents the differences between the three stakeholders with regards to drivers of performance. Managers and poor performers have four differences out of 31 variables. The differences in the perceptions of good and poor performers are also four out of 31 variables. Finally the differences between managers and good performers are five out of 31 variables

Overall it is clear that there is a huge discrepancy with regards to inhibitors of performance. A total of 29 units of differences were found amongst all stakeholders. On the other hand 13 units of differences have been found amongst all the stakeholders where drivers of performance are concerned.

7.1. Recommendations to Managers

To get the most out of ITO employees, managers need to recognise that whilst there are clear guidelines that apply to all employees there are also glaring differences between

'Poor' and 'Good' performers. Therefore employees cannot be treated as a homogenous group.

Figure Seven summarised the key findings of this study. On the right side of the model are the key drivers and key inhibitors that influence employee performance. The model highlights the significant differences in the perception of the multiple stakeholders. The lines on the left side have been drawn in proportion of the differences identified between managers, poor performers and good performers.

It is important to note that factors driving performance could either be intrinsic or extrinsic. The implications of intrinsic factors are that managers should recruit and select the right people for the particular job who already possess the intrinsic factors identified in section 7.1.1 below. On the other hand extrinsic factors are mostly under the control or influence of managers post recruitment and selection process. Therefore, managers should reduce the inhibiting factors discussed in section 7.1.2 and increase the driving factors in order to improve performance.

Figure 7: ITO Performance Management Model

Significant differences between the stakeholders: Inhibitors	Key Inhibitors

Managers

5 units

15 units

29 units of difference

9 units

Good performers

Poor performers

Extrinsic

- Poor leadership
- Disrespect
- Consistent negative criticism
- Poor decision making
- Lack of support
- Unfair treatment

Performance

Managers

5 units

4 units

13 units of difference

Good performers

4 units

Poor performers

Intrinsic

- Pride and Passion
- Sense of achievement
- Meaningful work

Extrinsic

- Inspirational Leadership
- Recognition of employee contribution
- Understanding manager

Significant differences between the stakeholders: Drivers	Key Drivers

ITO Client Managers versus ITO Managers = Homogeneous

7.1.1. Key Drivers of Performance

The intrinsic drivers that managers should look out for during selection and recruitment are: pride in own work; passion; sense of achievement and alignment to what is perceived as meaningful work. These factors can only be derived internally; however managers should nurture and encourage them. Literature also suggests that challenge, mastery and making a contribution are key drivers of knowledge workers (Carleton & Canada, 2011; Harell & Daim, 2010). Therefore the job role should be mapped with the individual's purpose and passion to ensure that they perceive the work they do as meaningful.

The key extrinsic drivers that managers should concern themselves with are inspirational leadership, recognition and respect of employee contribution, and seeking to understand employees. Inspirational leadership seems to be very important to the ITO employees. Leadership has the power to both inspire and alienate, therefore organisations should think carefully about the appropriate leadership style in the ITO environment. Furthermore this study has confirmed the existing literature that states that recognition of employee contribution is important to driving performance. Finally, leaders of ITO employees need to spend time to understand their employees and their different personalities and circumstances. This construct points to the notion that employees sometimes feel like they are being treated like machines. It is clear that the ITO employees seek to be understood as individuals and treated as such.

These key drivers will challenge the ITO leaders - as information technology is evolving employees are asking for more social-psychological rewards over and above the tangible rewards.

7.1.2. Key Inhibitors of Performance

The main inhibitor of performance is poor leadership. The study revealed that the following aspects of poor leadership are the main inhibitors: disrespecting employees; consistent negative criticism; poor decision making; lack of support and unfair treatment. Managers of ITO employees need to work on minimising or totally eliminating poor leadership aspects. Disrespect and consistent negative criticism are the top two inhibitors that managers should be mindful of. Both of these constructs are important and employees have emphasised their importance from Phase One of this study. "Negative re-enforcement and constant threats produce a sense of anti-climax

which eventually leads to general unhappiness and demotivation" said one of the respondents during Phase One study.

Managers should think carefully about the decisions that impact employees as they may be perceived to be poor leaders. One of the effective ways to circumvent this is to apply a participative decision making process. Participative decision making is the only construct that presented significant differences between ITO managers and ITO client managers. Client managers rated this construct significantly higher as a driver of performance whilst ITO managers did not perceive it to be that important. Literature has shown that this will make employees more courageous and eager towards working in the organisation (Danish & Usman, 2010).

Lack of Support and unfair treatment of employees have also been highlighted as key inhibitors. Both these constructs are part of the top five and this is sending a clear message to managers to develop objective and transparent human resource processes that will attempt to eliminate this perception.

7.1.3.   Stakeholder Management

One of the key findings of this study is that ITO client managers and ITO managers share the same perception with regard to factors that influence performance of ITO employees. This finding makes is easier for both parties to collaborate and plan together. These also mean that joint management of ITO employees can be achieved and common goals can be set. Similarly managers seem to be relatively aligned with the good performers' perceptions on both inhibitors and drivers of performance. Figure Seven above shows (five units out of 31)16% and (five units out of 37) 14% differences between managers and good performers perceptions for drivers and inhibitors respectively. The major inconsistency is highlighted below between managers and poor performers.

7.1.4   Poor Performers and Inhibitors of Performance

The big discrepancies exist in the perceptions of poor performers and management particularly where inhibitors are concerned. Figure Seven shows the key differences, in the top left triangle. There is a 41% difference or misalignment of what inhibits poor performers' performance. To unlock the poor performers' potential these groups needs to come together to really understand these differences and to effectively reduce these inhibitors. Management of poor performance is one of the challenging aspects of

management. Figure Seven gives management the platform to begin understanding key differences between good performers and poor performers.

The fifteen significant differences between managers and poor performers can be grouped into three categories, namely:

- Poor Leadership
    - Micro management, disrespect, poor decisions & poor staff selection
- Personal Challenges
    - Lack of physical wellness, lack of self-worth, stress, personal problems and no sense of belonging with client.
- Human resources practices
    - Lack of knowledge and skills, undisciplined team members, long hours, lack of training, lack of challenges and unhappiness with pay.

Poor leadership is a challenge for any organisation as it has far reaching ramifications. The quality of leadership has a huge impact on the success of the business whilst abusive leadership has a long term impact on the young adult's self-esteem, job satisfaction and job performance (Starratt & Grandy, 2010). It is vital that leaders be trained and the impact of their actions be highlighted in order to avoid the long term negative impact on employees.

Personal challenges are a big part of human life and it is concerning that managers and poor performers have significant differences in this area. Both emotional and physical wellness programmes are key to organisational performance as they impact the productivity of employees. The case for business intervention is not only a moral and ethical responsibility it is also a sustained profitability matter. Organisations will incur both direct costs in terms of recruitment and indirect costs in terms of absenteeism if employee wellness is not addressed. It is therefore recommended that employees be provided with information, education and treatment to physical and emotional sicknesses. .All workers should be entitled to affordable health services, social security, and occupational benefits.

Training, remuneration and disciplinary processes are key human resource practices that organisations need to implement well, to ensure organisational success. Transparent and clear human resource practices are vital to an organisation. It is now common knowledge that the human resources functional role has shifted from being, administrative, to facilitating competitiveness for organisations. Therefore human

resource professionals serve by becoming strategic partners with line management. It is this partnership between line and human resource practictioners that will resolve the human resorce challenges between poor performers and managers.

Table 48 below shows the top five inhibitors of poor performers versus management. It stands out that there is not even one construct that is commonly shared between managers and poor performers. For example, the number one inhibitor for poor performers is unfair treatment and it does not appear on the top five of managers. Poor performers are totally misaligned with their managers and it is recommended that both parties get together to close these gaps.

Table 48: Top Five Inhibitors of Performance: Poor Performers versus Managers

Poor Performer	Managers (Client and ITO managers)
Unfair treatment of employees by management	Being disrespected by management
Personal threats to job security	Lack of knowledge and skills needed to do my work
Lack of appropriate resources to do the job	Poor decision making by managers
Poor Working Conditions	Lack of management support
Poor communication from management	Consistent negative criticism from management

7.1.5 Good Performers and Drivers of Performance

Managers are somewhat aligned with good performers overall, however to further accelerate their performance the following variables must be considered as they are related to the most important drivers of performance. As can be seen in Figure Seven, the bottom triangle, managers underrated or underestimate the importance of the following constructs which are part of the top ten drivers of performance.

- Passion
- Pride
- Meaningful work
- Sense of achievement

It is recommended that managers align their perceptions with the ITO employees and also take cognisance of the differences between poor performers and good performers.

7.2. Recommendations to ITO Employees

The study reveals very clear finding that shows that for employees to perform at their best some key intrinsic factors must be fulfilled. Passion and pride aligned with a meaningful job role will unleash outstanding performance. It is therefore recommended that employees be mindful of their passion when choosing to take a new job or even a new assignment at work. The job performed by employees should be aligned with their passion and when tasks are completed the employee should feel a sense of pride and achievement. This study recommends that employees know and understand their purpose and strive to align their job roles to it. Employees rated low on performance should revaluate and analyse if their purpose is aligned to their current job and make corrective adjustment to improve performance.

Inhibitors are also powerful factors that can hamper performance. The challenge with the key inhibitors is that they are extrinsic and they refer to poor leadership. Whilst this is a very difficult subject to discuss with line management the best solutions lie in dialog. It is clear that management and employees are misaligned when it comes to inhibitors of performance therefore a discussion to realign stakeholders is vital. Furthermore it is recommended that employees "identify people who will help them to feel inspired and spend more time with them, [and] also find out how others are inspired and try their methods" (Westwood, 2008, p. 64).

7.3. Recommendations for Future Research

- A study focusing on understanding whether performance drivers and inhibitors of ITO employees differ depending on seniority. The study can look at three quotas namely: junior, middle and senior management.

- Innovation and creativity have become requirements of ITO clients as more and more is demanded from these strategic partnerships (Bhagat *et al.*, 2010). A study to understand what drives innovation within the ITO industry will unlock value to the ITO stakeholders.

- Leadership has emerged as a very important driver and inhibitor of performance. This is an area that can be studied in detail. To understand a suitable style of leadership that will inspire and motivate knowledge workers in the ITO environment.

- This study's results show that some of the key drivers of performance are intrinsic; therefore managers should appoint ITO employees who already possess these qualities from inception. Following this finding it is recommended that a study be done to help identify the intrinsic drivers of candidates during the selection and recruitment process.

7.4. Conclusion

ITO employees are vital to the future of the modern firm; therefore understanding what drives and inhibit their performance will become increasingly important. This study has been pivotal in the identification of the key drivers and inhibitors of performance, which should be used to guide managers. Furthermore this study has highlighted a key area of tension where managers and poor performers' values are not aligned. The main finding of this study seeks to unlock the potential of poor performing employees by understanding the group in isolation and also in comparison to good performers. This research has thus provided managers with a useful tool to unlock poor performing employees' potential and thus drive towards achieving the goals of the organisation.

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APPENDICES

Appendix 1: Research Phase One: Email Survey

From: Glad Dibetso (ZA)
Sent:
To:
Subject: Perceptions regarding drivers and inhibitors of performance

Good Day

Perceptions regarding drivers and inhibitors of performance for IT outsource employees

I am an MBA student conducting research on the performance of IT outsource employees. Many factors in an organisation may play a key role in driving and inhibiting employees' performance. Your input would be most valuable in determining the key drivers and inhibitors of employee performance. Your participation in this survey is purely voluntary and you can withdraw at any time without penalty. All response data will be kept confidential and anonymous.

If you have any concerns or queries regarding this research and the survey, kindly contact:

Researcher	Glad Dibetso	072 239 0965	glad.dibetso@za.didata.com
Research Supervisor	Prof. Margie Sutherland	(011) 771 4362	sutherlandm@gibs.co.za

QUESTIONS TO IT OUTSOURCE MANAGERS (Service Provider Manager)
1. What makes your outsourced staff work harder?
2. What stops your staff from working hard?

QUESTIONS TO IT OUTSOURCED EMPLOYEES

1. What makes you work harder?
2. What stops you from working hard?

QUESTIONS TO CLIENT MANAGERS (IT OUTSOURCING FIRM)

1. What makes the service provider's employees work harder?
2. What stops the service provider's employees from working hard?

Please give as much details as possible.

Please note that I will really appreciate if you can get back to me via email (glad.dibetso@za.didata.com) within the next 3 days.

Thank you.

Appendix 2: Phase Two: Self-Administered Questionnaire, ITO employees

Survey Introduction

I am conducting research on the drivers and inhibitors of performance of IT outsourced employees. IT outsourced employees are defined as those employees that are employed by the service provider to ensure service delivery to the client according to the master service agreement and service level agreement. You are requested to please complete the attached survey. Your participation is voluntary and you may withdraw at any time without penalty. All data will be kept confidential and anonymous. If you have any concerns, please contact:

	Researcher	Supervisor
Name:	Glad Dibetso	Prof. Margie Sutherland
Email:	glad.dibetso@za.didata.com	sutherlandm@gibs.co.za
Phone:	+2772 239 0965	+2711 771 4362

Click on the following URL and fill the questionnaire, It will be highly appreciated if you complete and submit the questionnaire within the next three days. https://docs.google.com/spreadsheet/viewform?formkey=dGlLcy1INDIMR1FTc3Z 4S2tVRXhvWIE6MQ

Survey Questions

Please mark the applicable box with an "X" as seen in the example below.

Correct Answer

Below is the list of things that could help you perform well, the questionnaire aims to identify which of these are more important to you than others. You are therefore encouraged to make full use of the five point scale.

Drivers of Performance						
No	Question: What drives your performance?	Does not Drive my Performance		Drives my Performance Somewhat		Drives my Performance to a great extent
1	Career growth opportunities	1	2	3	4	5
2	Job security	1	2	3	4	5
3	Trustworthy team	1	2	3	4	5
4	Accountability given with authority	1	2	3	4	5
5	Financial recognition	1	2	3	4	5
6	Clear key performance indicators	1	2	3	4	5
7	Good team spirit	1	2	3	4	5
8	Sense of belonging with my employer	1	2	3	4	5
9	Being provided with adequate resources to do my job	1	2	3	4	5
10	Receiving coaching and mentorship	1	2	3	4	5
11	Good relationship with clients	1	2	3	4	5
12	Having fun at work	1	2	3	4	5
13	Flexibility with regards to time and place of work	1	2	3	4	5
14	A challenging job	1	2	3	4	5
15	Participative decision making	1	2	3	4	5
16	Managers respect my contribution	1	2	3	4	5
17	Getting regular feedback from managers	1	2	3	4	5
18	Autonomy to make decisions	1	2	3	4	5
19	Incentives	1	2	3	4	5
20	Merit based promotions	1	2	3	4	5
21	Acknowledgement of good work such as Be Great awards or employee of the month	1	2	3	4	5

22	Sense of achievement	1	2	3	4	5
23	Reporting to an understanding manager	1	2	3	4	5
24	Inspiring leadership	1	2	3	4	5
25	Sense of belonging with client company	1	2	3	4	5
26	Having friends at work	1	2	3	4	5
27	Good communication from management	1	2	3	4	5
28	Pride in my own work	1	2	3	4	5
29	Being passionate about my work	1	2	3	4	5
30	Doing work that is meaningful to them	1	2	3	4	5
31	Work that is assist in meeting Personal goals	1	2	3	4	5

Below is the list of things that could stop you from working hard, the questionnaire aims to identify which of these are more likely to stop you from working harder than others. You are therefore encouraged to make full use of the five point scale.

Inhibitors of Performance

No	Question: What Inhibits your performance?	Does not Inhibit Performance		Inhibits Performance Somewhat		Inhibits Performance to a greater extent
1	Lack of trust from management	1	2	3	4	5
2	Bureaucracy	1	2	3	4	5
3	Being micro managed	1	2	3	4	5
4	Lack of management support	1	2	3	4	5
5	Lack of incentives	1	2	3	4	5
6	Leadership indecisiveness	1	2	3	4	5
7	Being disrespected by management	1	2	3	4	5
8	Lack of knowledge and skills needed to do my work	1	2	3	4	5
9	Lack of disciplined team members	1	2	3	4	5
10	Lack of career development	1	2	3	4	5
11	Feeling excluded	1	2	3	4	5
12	Lack of appropriate resources to do the job	1	2	3	4	5
13	Lack of professionalism from team members	1	2	3	4	5
14	Too many changes in job requirements	1	2	3	4	5
15	Management overruling my decisions	1	2	3	4	5
16	Consistent negative criticism from management	1	2	3	4	5
17	Poor decision making by managers	1	2	3	4	5
18	Working long hours	1	2	3	4	5
19	Unclear roles and responsibilities	1	2	3	4	5
20	Lack of training	1	2	3	4	5
21	Unrealistic targets	1	2	3	4	5
22	Autocratic management style	1	2	3	4	5
23	Poor communication from management	1	2	3	4	5
24	Poor Working Conditions	1	2	3	4	5
25	Unfair treatment of employees by management	1	2	3	4	5
26	Personal threats to job security	1	2	3	4	5
27	Lack of client commitment	1	2	3	4	5
28	Lack of physical wellness	1	2	3	4	5
29	Constant interruptions	1	2	3	4	5
30	Lack of self worth	1	2	3	4	5
31	Stress	1	2	3	4	5
32	Personal problems	1	2	3	4	5
33	Lack of challenges in my job	1	2	3	4	5
34	No sense of belonging with client company	1	2	3	4	5
35	Poor staff selection by managers	1	2	3	4	5
36	Unhappiness with my pay	1	2	3	4	5
37	No sense of belonging with employer company	1	2	3	4	5

Thank you for your participation!

Appendix 3: Phase Two: Self-Administered Questionnaire, ITO Managers
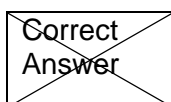
Survey Introduction

I am conducting research on the drivers and inhibitors of performance of IT outsourced employees. IT outsourced employees are defined as those employees that are employed by the service provider to ensure service delivery to the client according to the master service agreement and service level agreement. You are requested to please complete the attached survey. Your participation is voluntary and you may withdraw at any time without penalty. All data will be kept confidential and anonymous. If you have any concerns, please contact:

	Researcher	Supervisor
Name:	Glad Dibetso	Prof. Margie Sutherland
Email:	glad.dibetso@za.didata.com	sutherlandm@gibs.co.za
Phone:	+2772 239 0965	+2711 771 4362

Click on the following URL and fill the questionnaire, It will be highly appreciated if you complete and submit the questionnaire within the next three days. **https://docs.google.com/spreadsheet/viewform?formkey=dFB0clNaSFUtSFRhRXlzNVU2QmtXZnc6 MA**

Survey Questions

Please mark the applicable box with an "X" as seen in the example below.

Below is the list of things that could help your employees perform well, the questionnaire aims to identify which of these are more important than others. You are therefore encouraged to make full use of the five point scale.

Drivers of Performance							
No	Question: What drives the performance of your employees?	Does not Drive Performance		Drives Performance Somewhat			Drives Performance to a great extent
1	Career growth opportunities	1	2	3	4	5	
2	Job security	1	2	3	4	5	
3	Trustworthy team	1	2	3	4	5	
4	Accountability given with authority	1	2	3	4	5	
5	Financial recognition	1	2	3	4	5	
6	Clear key performance indicators	1	2	3	4	5	
7	Good team spirit	1	2	3	4	5	
8	Sense of belonging with their employer	1	2	3	4	5	
9	Being provided with adequate resources to do their job	1	2	3	4	5	
10	Coaching and mentorship programmes	1	2	3	4	5	
11	Good relationship with clients	1	2	3	4	5	
12	Having fun at work	1	2	3	4	5	
13	Flexibility with regards to time and place of work	1	2	3	4	5	
14	Challenging job	1	2	3	4	5	
15	Participative decision making	1	2	3	4	5	
16	Respect for their contribution	1	2	3	4	5	
17	Giving them regular feedback	1	2	3	4	5	
18	Autonomy to make decisions	1	2	3	4	5	
19	Incentives	1	2	3	4	5	
20	Merit based promotions	1	2	3	4	5	

21	Non-financial recognition	1	2	3	4	5
22	Sense of achievement	1	2	3	4	5
23	Understanding manager	1	2	3	4	5
24	Inspiring leadership	1	2	3	4	5
25	Sense of belonging with client company	1	2	3	4	5
26	Having friends at work	1	2	3	4	5
27	Good communication from management	1	2	3	4	5
28	Pride in their own work	1	2	3	4	5
29	Passionate about their work	1	2	3	4	5
30	Purpose	1	2	3	4	5
31	Personal goals	1	2	3	4	5

Below is the list of things that could stop your employees from working hard, the questionnaire aims to identify which of these are more likely to stop them from working hard than others. You are therefore encouraged to make full use of the five point scale.

Inhibitors of Performance						
No	**Question: What Inhibits the performance of your employees?**	**Does not Inhibit Performance**		**Inhibits Performance Somewhat**		**Inhibits Performance to a greater extent**
1	Lack of trust from management	1	2	3	4	5
2	Bureaucracy	1	2	3	4	5
3	Micro management	1	2	3	4	5
4	Lack of management support	1	2	3	4	5
5	Lack of incentives	1	2	3	4	5
6	Leadership indecisiveness	1	2	3	4	5
7	Disrespect from management	1	2	3	4	5
8	Lack of knowledge and skills needed for them to do their work	1	2	3	4	5
9	Lack of disciplined team members	1	2	3	4	5
10	Lack of career development	1	2	3	4	5
11	Feeling excluded	1	2	3	4	5
12	Lack of appropriate resources to do the job	1	2	3	4	5
13	Lack of professionalism from team members	1	2	3	4	5
14	Too many changes in job requirements	1	2	3	4	5
15	Management overruling employee decisions	1	2	3	4	5
16	Consistent negative criticism from management	1	2	3	4	5
17	Poor decision making by managers	1	2	3	4	5
18	Long working hours	1	2	3	4	5
19	Unclear roles and responsibilities	1	2	3	4	5
20	Lack of training	1	2	3	4	5
21	Unrealistic targets	1	2	3	4	5
22	Autocratic management style	1	2	3	4	5
23	Poor communication	1	2	3	4	5
24	Poor Working Conditions	1	2	3	4	5
25	Unfair treatment of employees by management	1	2	3	4	5
26	Personal threats to job security	1	2	3	4	5
27	Lack of client commitment	1	2	3	4	5
28	Lack of physical wellness	1	2	3	4	5
29	Constant interruptions	1	2	3	4	5
30	Lack of employee self worth	1	2	3	4	5
31	Stress	1	2	3	4	5
32	Personal problems	1	2	3	4	5
33	Lack of a challenging job	1	2	3	4	5
34	No sense of belonging with client company	1	2	3	4	5
35	Poor Staff Selection by managers	1	2	3	4	5
36	Unhappiness with their pay	1	2	3	4	5
37	No sense of belonging with employer company	1	2	3	4	5

Thank you for your participation!

Appendix 4: Phase Two: Self-Administered Questionnaire, ITO Client Manager
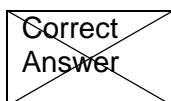
Survey Introduction

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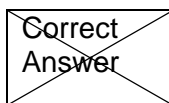
	Researcher	Supervisor
Name:	Glad Dibetso	Prof. Margie Sutherland
Email:	glad.dibetso@za.didata.com	sutherlandm@gibs.co.za
Phone:	+2772 239 0965	+2711 771 4362

Click on the following URL and fill the questionnaire, It will be highly appreciated if you complete and submit the questionnaire within the next three days. https://docs.google.com/spreadsheet/viewform?formkey=dHp2SkdDbXJjQkxvb2tSMy1hTnh0R0E6MA

Survey Questions

Please mark the applicable box with an "X" as seen in the example below.

Correct Answer ⊠

Below is the list of things that could help the service provider employees perform well, the questionnaire aims to identify which of these are more important than others. You are therefore encouraged to make full use of the five point scale.

No	Question: What drives the performance of the Service provider's employees?	Does not Drive Performance		Drives Performance Somewhat		Drives Performance to a great extent
1	Career growth opportunities	1	2	3	4	5
2	Job security	1	2	3	4	5
3	Trustworthy team	1	2	3	4	5
4	Accountability given with authority	1	2	3	4	5
5	Financial recognition	1	2	3	4	5
6	Clear key performance indicators	1	2	3	4	5
7	Good team spirit	1	2	3	4	5
8	Sense of belonging with employer	1	2	3	4	5
9	Being provided with adequate resources to do the job	1	2	3	4	5
10	Coaching and mentorship	1	2	3	4	5
11	Good relationship between service provider employees and clients	1	2	3	4	5
12	Having fun at work	1	2	3	4	5
13	Flexibility with regards to time and place of work	1	2	3	4	5
14	Challenging job	1	2	3	4	5
15	Participative decision making	1	2	3	4	5
16	Respect for their contribution	1	2	3	4	5
17	Getting regular feedback	1	2	3	4	5
18	Autonomy to make decisions	1	2	3	4	5

19	Incentives	1	2	3	4	5
20	Merit based promotions	1	2	3	4	5
21	Non-financial recognition	1	2	3	4	5
22	Sense of achievement	1	2	3	4	5
23	Understanding managers	1	2	3	4	5
24	Inspiring leadership	1	2	3	4	5
25	Sense of belonging with client company	1	2	3	4	5
26	Having friends at work	1	2	3	4	5
27	Good communication from management	1	2	3	4	5
28	Pride in their own work	1	2	3	4	5
29	Passionate about their work	1	2	3	4	5
30	Purpose	1	2	3	4	5
31	Personal goals					

Below is the list of things that could stop the service provider employees from working hard, the questionnaire aims to identify which of these are more likely to stop them from working hard than others. You are therefore encouraged to make full use of the five point scale.

Inhibitors of Performance						
No	Question: What Inhibits the performance of the service provider employees?	Does not Inhibit Performance		Inhibits Performance Somewhat		Inhibits Performance to a greater extent
1	Lack of trust from management	1	2	3	4	5
2	Bureaucracy	1	2	3	4	5
3	Micro management	1	2	3	4	5
4	Lack of management support	1	2	3	4	5
5	Lack of incentives	1	2	3	4	5
6	Leadership indecisiveness	1	2	3	4	5
7	Disrespect from line manager	1	2	3	4	5
8	Lack of knowledge and skills needed for them to do their work	1	2	3	4	5
9	Lack of disciplined team members	1	2	3	4	5
10	Lack of career development	1	2	3	4	5
11	Feeling excluded	1	2	3	4	5
12	Lack of appropriate resources to do their job	1	2	3	4	5
13	Lack of professionalism from team members	1	2	3	4	5
14	Too many changes in job requirements	1	2	3	4	5
15	Management overruling their decisions	1	2	3	4	5
16	Consistent negative criticism from management	1	2	3	4	5
17	Poor decision making by managers	1	2	3	4	5
18	Working long hours	1	2	3	4	5
19	Unclear roles and responsibilities	1	2	3	4	5
20	Lack of training	1	2	3	4	5
21	Unrealistic targets	1	2	3	4	5
22	Autocratic management style	1	2	3	4	5
23	Poor communication	1	2	3	4	5
24	Poor Working Conditions	1	2	3	4	5
25	Unfair treatment of employees	1	2	3	4	5
26	Personal threats to job security	1	2	3	4	5
27	Lack of client commitment	1	2	3	4	5
28	Lack of physical wellness	1	2	3	4	5
29	Constant interruptions	1	2	3	4	5
30	Lack of self worth	1	2	3	4	5
31	Stress	1	2	3	4	5
32	Personal problems	1	2	3	4	5
33	Lack of job challenges	1	2	3	4	5
34	No sense of belonging with client company	1	2	3	4	5
35	Poor staff selection by managers	1	2	3	4	5
36	Unhappiness with pay	1	2	3	4	5
37	No sense of belonging with employer company	1	2	3	4	5

Thank you for your participation!

Appendix 5: Phase One: Raw Data Results Per Group.

What make you work harder?	Category	Code
"The satisfaction of being able to earn money to provide for my family, and for personal growth. Another factor is to be recognised for the work you do."	Remuneration	B
	Personal Growth	P
	Recognition	A
"Personally, for me this comes down to work ethic. I take pride in work that I do as the results are most often visible to both my colleagues and clients, so if I'm slacking off or making too many mistakes, that too would be visible and potentially embarrassing. This would probably have the knock-on effect of negatively influencing my self-confidence as well."	Work Ethic	1
"Of course, there are motivating factors like incentives, bonuses and promotions, but at the end of the day I feel that I can't just be attempting to do my best so I can receive a pat on the head. It's reassuring to have the trust and respect of my team and having an open and comfortable relationship with my client. However, I do find that one thing that does motivate me to improve is when anyone does comment on something I may have handled incorrectly and to learn what I can do to get it right the next time around."	Remuneration	B
	Incentives	K
	Career Growth	G
	Trust	1
	Good Relationship with Clients	1
	Feedback	1
"What makes me work hard is a combination of passion and recognition. I am passionate with what I do and it's the passion that drives my hard work and success. It is equally important that I get recognised for the hard work I put in. "	Passion	1
	Recognition	A
"This is very subjective - I find that when I enjoy what I am doing and feel like I am making a difference or at least adding value, it motivates me to try and achieve even more. Working environment and atmosphere that contribute to a feeling of belonging. Recognition helps to boost motivation which then spurs one on to try even harder. In a nut shell – when I am positive I work harder without even realising it."	Adding Value	1
	Fun Environment	E
	Sense of belonging	D
	Recognition	A
"It's best to work hard because you can act more comfortable and confident"	Confidence	1
"A working environment that's enjoyable, in a way that I am free to express my opinion and my management takes initiative in trying to understand my views/points, having colleagues/management that understands my needs(individually) and I also need to understand their needs (company). Both parties need to benefit. A challenging environment, I guess what will make me work even harder is benefits and remuneration (money). lol	Fun Environment	E
	Sense of belonging	D
	Challenge	C
	Remuneration	B
"I think it is a combination of Job satisfaction (enjoying what you do) and recognition for going the extra mile. Another factor for me is remuneration, when I feel that I am getting paid what I am worth."	Job satisfaction	1
	Recognition	A
	Remuneration	B
	Fun Environment	E

"Recognition, Reputation & Achievement – I want to be known and recognised as someone that is a hard worker, Someone that can be counted on and depended on, Someone that has achieved something in life. "	Recognition	A
	Achievement	Q
	Purpose	1
"The challenge in attempting to resolve issues "	Challenge	C
"I work hard because I want to achieve the goals that I set for myself. These goals are personal and some work related. I remember that before I was even employed I made a promise to myself that I will not take any job which was not going to pay me a certain salary, that was because I knew that if I do not get that salary, I will not able to achieved what I have set as goal. I also had said I will not buy a car if for the work I do I do not get travelling allowance same with house. Once employed I ensure that worked hard so the employ realise my potential and the need to get travelling allowance. Gaining knowledge while working hard: For me is not only working hard I ensure that I collect knowledge along the way. For every person I worked with I know that there is something to learn. Another part of me working hard is to ensure that I do not let down anyone who has noticed me and gave me the chance to prove myself on the working environment. There are number of people who believed that I have what it take and gave me the opportunity to prove myself Peta Qubeka who use to be Strategic Executive on my previous employer and Glad Dibetso on my current employer are amongst the list of those people. Now I have a family they also the reason why I work hard so I can provide for them. I grew up in an environment where it was difficult to own a toy; I do not want that for my kids. Lastly my parents I just want to ensure that they well taken care of."	Achievement	Q
	Personal goals/growth	P
	Coaching and Mentorship	1
	Job Security	1

What stops you from working hard?	Category	Code
"Being unfairly treated by management, and the empty promises they give. Personal issues something makes me work less, as it can cloud my mind, and then focusing on the job becomes difficult."	Unfair Treatment	J
	Empty Promises	1
	Personal Problems	O
"Things I would find demotivating: Micro-management, lack of support from my managers, lack of team work, limited career growth or opportunities to make progress, internal politics, constant negative feedback, insufficient remuneration and lack of professionalism."	Micro-Management	H
	Lack of Support	F
	Lack of Team Work	1
	Lack of Career Growth	G
	Internal Politics	1
	Consistent Negative Feedback	1
	Poor Remuneration	B
	Lack of Professionalism	1
"What makes me work less is negative energy and lack of recognition. By negative energy I mean colleagues who are despondent, lazy and discouraging. Also, as much as I am passionate with my job, it does not help when the hard work is ignored and not appreciated. "	Lack Of Recognition	A
	Lazy colleagues	1
"Constant criticism and changing of objectives half way through an action. Negative re-enforcement and constant threats (direct or veiled) produce a sense of anti-climax which eventually leads to general unhappiness and demotivation. At this point I just give up "what will be, will be".	Constant Negative Feedback	1
	Abusive Leadership	H
"Lack of Skills, knowledge and relevant qualification Over load of work , less money "	Lack of Skills and Knowledge	1
	Overworked	1
	Poor Remuneration	B
"If I am unhappy that will impact my work in a negative way, this can be caused by many issues, management, colleagues, money, not enjoying the work itself, etc. Basically if the above points that makes me happy is not being taken care off.	Poor Remuneration	B
	Abusive Leadership	H
	Lack of Sense of Belonging	D
	Unpleasant(Fun) Working Environment	E
"When I feel that there is no personal interaction but gets treated as a number and receive no recognition. When I feel that I am not getting remunerated fairly."	Lack of Sense of Belonging	D
	Lack of Recognition	A
	Poor Remuneration	B

	Unfair Treatment	J
"Stress / Uncertainty / Lack of self-confidence / being unappreciated "	Uncertainty	1
	Lack of Recognition	A
	Stress	1
"What demotivates me is coming to work every day and doing the same thing, when there is no challenge."	Lack of Challenge	C
"If my work is no longer challenging or it changed to be routine. When there is no recognition of the contribution I make. Recognition needs not to be in monetary value."	Lack of Challenge	C
	Lack of Recognition	A

What makes your outsourced staff work harder?	Category	Code
"To me staff works hard knowing that they are properly: Remunerated. Has a sense of belonging Is treated as a contributing member to an organisation. Is recognised and praised for work well done .Has pride in what he does and have total ownership around his work portion."	Remuneration	B
	Sense of Belonging	D
	Recognition	A
	Independence/Autonomy	1
"Staff work hard if you are understanding of what they do on a daily basis and understand and motivate them under these circumstances. The staff need to respect you in their way in our high performance environment listen to them and don't always choose the client side stand by your staff take their side."	Empathy	1
	Respect	1
	Support	F
"For some it's for the money other not if they enjoy their work environment and there manager stand by them the will work harder, they enjoying what they do."	Remuneration	B
	Fun Environment	E
"Things that contribute to my staff working hard are measurable KPI's linked into the present bonus system, I am very fortunate, in that the staff I have reporting to me are conscientious and have pride in what they do, we have a pretty demanding customer which requires us to be on top of our game. "	KPI	L
	Remuneration Linked to KPI	B
	Pride in Their Work	1
"Clear goals – being goal orientated. Reactive response to technical issues within client environments. Availability (as opposed to lack) of data that can influence outcomes of any actions pertaining to technical ability. Being included and appreciated Ambition – it's a driver of most hard work we experience. Passion – those who are passionate about their work, get to put in more effort."	KPI	L
	Recognition	A
	Support	F
	Sense of Belonging	D
	Career growth (Ambition)	G
	Passion	1
"Motivation of team members through incentive programs. Good relationships between team members been influenced through team building. Good relationship with team members and influencing them through self-motivation by allowing them to learn from their mistakes. Work/home balance also influences employees' productivity."	Incentives	K
	Sense of Belonging	D
	Career Growth	G
	Work Home Balance	1
"Good managers who know them and motivate, coach and mentor them. Regularly have one-on-one with the team or individuals. Staff also need to recognised being it monetary or verbally."	Sense of Belonging	D
	Coaching and Mentorship	1
	Feedback (Regular One on One)	1
	Recognition	A
	Remuneration	B
"People on the contracts that I manage have a need to feel they are being heard. If	Need to be Heard	

their ideas and suggestions are taken into consideration they tend to react positively to workload and their drive seems to increase .Working towards a specific goal inspires harder work. Individuals that have as personal drivers ambition and pride works harder. People that get recognized publically."	Goal Setting	1
	Career Growth	G
	Personal Driver	P
	Public Recognition	A

What stops your staff from working hard?	Category	Code
"Not being busy or having constant interruptions from fellow workers around non-work related stuff. Being treated unfairly. Paid at an unreasonable rate. Not recognised for work done. Not being exposed and offered the career progression route."	Interruptions	1
	Unfair Treatment	J
	Remuneration	B
	Lack of Recognition	A
	Lack of Career Growth	G
"Example the new time capturing did influence our staff the understanding what they had of it and what management want out of it was totally different, I did explore this a bit and what affect us mostly on this was that we don't communicate the correct facts down to our staff (engineer) level and then they up happy and don't perform. We need to remember something small can affect our staff, we cannot just make changes. We need to make the time and understand on all levels of staff how it will affect them"	Bad Communication	I
	Lack of Support	F
"There are a number of things that could cause staff to work less the first that springs to mind is often personal issues involving family or close friends. Unhappiness at work could be a cause along with poor working conditions."	Personal problems	O
	Poor Working Conditions	1
	Lack of Fun Environment	E
"Lack of information pertaining to client environments. Demotivation, Lack of challenging environments. By its nature, technical operations focuses on up keep rather than implementation/deployments. Work place politics ie. Favouritism, unequal application and enforcement of policy and discipline. Promises not kept such as prospective increases, promotions, placement on new projects and accounts .Others work less because they work smart. Others work less because they consider their pay/salaries to be a reflection of their "value" – less pay = less work. Some are affected by personal issues at home life. The lack of maturity means they bring this to work and it impacts on their work Physical well-being."	Lack of Support	F
	Lack of Challenges	C
	Internal Politics	1
	Unfair Treatment	J
	Red Tape	1
	Remuneration	B
	Lack of Career Growth	G
	Personal problem	O
	Lack of Physical well-being	1
"Lack of motivation in the team, by ignoring their needs, lack of incentive programmes. Lack of acknowledgement in terms of employees that have been excelling. Lack of direction in terms of career guidance. Lack of sense of belongingness in the team. Lack of taking the teams requirements into consideration"	Lack of Incentives	K
	Lack of Recognition	A
	Lack of Career Growth	G
	Lack of Sense of Belonging	D
	Inconsiderate Manager	H
"If they don't have a professional relationship with their manager. Employees who are not happy with the senior management of the company. When they don't feel recognised. Don't have proper performance management system. "	No Relationship with Manager	H
	Abusive Leadership	H

	Lack of Recognition	A
	Lack of Performance Management Systems	1
"Inherent laziness. Lack of motivation and encouragement from management .Sense of worthlessness or not being seen as contributing to success of team. Lack of skill required to perform the job. Negative working environment / climate External and Internal stress."	Laziness	1
	Lack of Recognition	A
	Lack of Self-Worth	1
	Lack of Skills	1
	Lack of Fun Environment	E
	Stress	1

What makes the service providers employees work harder?	Category	Code
"I think feedback, communication and appreciation. Let the SP own the processes. Penalties Clearly defined and customer focused SLA's	Good Communication	I
	Feedback	1
	Appreciation	1
	SP must own Processes	1
	SMART SLA	1
"Recognition for when they did a good job. Incentives when they did more than what their job description require. When they work in a team with team spirit. If they have the opportunity to provide suggestions on how things may work better and have someone that actually listen and put these suggestions on trial and when successful in practice."	Recognition	A
	Incentives	K
	Good Team Spirit	1
	Listening Manager	H
	Apply Employees Suggestions	1

What stops the service provider's employees from working hard?	Category	Code
"Non-committed clients. Complex and too many chiefs' organisations. Lack of vision and strategic leadership. Long term fixed contracts, that have no option of opting out during tenure. Low staff morale"	Lack of Client Commitment	1
	No Clear Leadership	H
	No Vision	1
"If management always shoot down new ideas. If management sit on a level where workers feel they are in a different class and thus cannot communicate with them. If non achievable targets are set. When management do not communicate well with staff on any company matters that may affect the individual or group. When staff is appointed that are not well trained to an environment. I need to add that in both areas, the opposite applies to the other area. Hope this can assist you and good luck!"	Lack of Recognition	A
	Unapproachable Managers	H
	Unrealistic Targets	1
	Poor Communication	I
	Poor Staff Selection	1
	Lack of Continuous Training	1
	Lack of Customers Specific Training	1