THE DEVELOPMENT OF A CORPORATE PERFORMANCE COMMUNICATION SYSTEM THAT FACILITATES CONTINUOUS PRODUCTIVITY IMPROVEMENT

by

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Lead them, or follow them, or get out of their way!

SUMMARY

This thesis argues that the role of productivity growth in an economy is critical to the welfare of a nation. It further argues that productivity growth in an economy is dependent on the productivity growth within organisations operating in that economy. It goes on to argue that the establishment and maintenance of continuous productivity improvement requires a management role that enables all employees to interact optimally with their work environments at all times. It argues that the means to such a management role change is a formal efficient and effective integrated corporate performance communication system - A system that continuously facilitates purposeful communication between managers and their employees across all dimensions of the organisation and its environment.

To demonstrate this, the research in this study identifies the main building blocks of productivity on which the performance communication system should be focused. It investigates the pitfalls of the traditional role of management namely "controller" versus the advantages of a management role of "enabler" towards continuous productivity improvement. It also investigates the pitfalls of traditional strategic planning and organisational transformation as a consequence of performance communication breakdown. A corporate performance communication system was developed based on this study, computerised and tested in theory with employees from various organisations as well as experts on this terrain. The argument is substantiated by the results from a statistical analysis based on a work environment study, the results from surveys and role-plays executed in a case study on a knowledge organisation.

A summative overview of what productivity improvement and the performance communication system encompass, identifies the complex nature of productivity, as well as the minimum areas which need to be addressed when attempting to improve productivity. A detailed discussion of the method, which was employed, and the instrument developed to enhance corporate performance communication, precedes the experimental results. A critical discussion of the results obtained from the statistical analysis and the literature

on productivity improvement provide a theoretical foundation on which the system was designed. The system is then explained to illustrate how organisations can apply it to facilitate a management role change that is conducive to continuous productivity improvement and how it can support organisational change as the nerve system of a learning organisation.

Thereafter, a discussion of the areas which were explored and led to the development of the performance communication system, as well as an explanation of the system, provide the context in which the system should be viewed as a guideline for continuous productivity improvement and the change of the management role to enable that.

This thesis recommends that, in order to continuously improve on productivity, the us-them syndrome should be eliminated by a management role change to enabler of performance. The corporate performance communication system developed in this study could be considered as a starting point. A further recommendation is that the experiment primarily based on theoretical studies and practical experience gained over a number of years could provide the need for further research. The thesis concludes that as far as could be determined, this was the first time that a study of this nature was undertaken and that the need for future research to validate this study and its results, exists.

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Chapter 1 *INTRODUCTION*

1.1 NATURE OF THE PROBLEM AND NEED FOR THE STUDY

Despite the fact that it possesses a vast number of natural resources, enjoys fair weather conditions and is very strategically positioned with regard to global trade, South Africa contributes less than 0,5% to the World Economy. On average 50% of South Africans live below the poverty line. Only approximately 50% enjoy formal employment and main stream business, such as mining and agriculture are employing less and less people (SA at a Glance 2000). Government is also cutting down on employment and the imbalance in the tripartite configuration, puts a heavier demand on business to perform without the aid of the State. Large scale strikes and other less obvious industrial action are in the order of the day and over the last nine years over 25 million mandays were lost through strikes. This grim picture demands a serious look at the reasons why South Africa is performing so poor and an answer will have to be found amongst South African business itself as little or no empathy can be expected from abroad. South Africa became an irreversible open economy and foreign competitors are exploring all attractive propositions. This forces local organisations to become world class performers since even though they might not have the desire to take their products abroad, global suppliers will not hesitate to compete against these companies for their local customers. Value-for-money customers in a bad economy will not hesitate to rather purchase from overseas suppliers if they perceive their market offerings as a better deal. These are some of the factors that put even more pressure on the South African economy and research done by Professor Anatole Goshi from Japan, has indicated that the standard of living in South Africa is on a constant decline. Job creation is also on a decline and the population growth rate is exceeding the economic growth rate.

The economy of a nation is expressed in terms of its Gross Domestic Product. This GDP is the total production outcome of all its applied labour together, which is traded in the global market. Their cumulative production outcome depends on how much is produced by each worker and the number of workers that participate. In comparison with other winning nations such as Japan where each Japanese produces 40000 $ US per year, South Africans only manage to produce 3000 $ US per year per capita. It is therefore obvious that the low GDP is a consequence of low levels of production by the workers. Combine this with the low number of people employed, the result is disastrous for the economy and consequently for the inhabitants of the country. The researcher suspects that many products produced are produced at such a high production cost that they cannot compete price wise with overseas competition. Many potential alleys can also not be explored because of the same reason. If only a small portion of a nation enjoys employment. it means that very little money is available amongst households to be spent on finished products which implies a lesser demand for these products which in turn means less employment. It becomes a vicious downward spiral with heavy accompanying social problems and increasing levels of crime. The seriousness of the problem cannot be underestimated and the need for a cure is beyond any doubt.

The problem is that for a number of years many experts have dedicated themselves towards finding this cure and a vast number of resources were spent in the process. No one was yet able to claim the solution and the search for solutions has become an industry in its own. Professor Goshi, who has been visiting South Africa annually for the last 12 years, stated that what he observes with every visit, is the existence of yet another buzzword. He finds it peculiar that South Africans adopt any possible practice from overseas without studying it properly and adopting it before adapting it. The researcher is of opinion that the chase for solutions are often misguided, not recognising the root cause of the problem and that the more sophisticated the solution appears the more attractive it becomes to many. The researcher is of opinion that the problems, which are experienced, are basic in nature, and it asks for a proper exploration of the fundamental principles of business to be able to identify the root causes of the dilemma.

In his experience that stretches over 10 years of business consultation and which was supported by study missions overseas, the researcher observed two prominent crippling diseases in South African organisations, namely a lack of purposeful corporate communication and a severe us-them syndrome between management and workers. The researcher is convinced that the traditional management role of controller, forms a prominent part of the problem and by changing that to a role of enabler, the first step towards a solution will be achieved. The researcher is further convinced that this can be achieved through the implementation of a properly designed performance related corporate communication system, which will ultimately reduce the us-them syndrome significantly so that continuous productivity improvement can be established and sustained. It is imperative that the corporate communication system is developed correctly, which includes that it should be simple but holistic.

1.1.1 Problem Statement

Based on the foregoing, the research problem can be defined as a lack of continuous productivity improvement in organisations mainly due to the lack of an active corporate performance communication system which captures the essential fundamentals of productivity improvement.

The particular problem statement can be broken down into 4 of sub-problems:

1.1.1.1 Sub-problem 1:

The lack of knowledge regarding the essential organisational areas that need to be addressed holistically in order to stimulate productivity improvement.

1.1.1.2 Sub-problem 2:

The lack of existence of a corporate performance communication system that in fact facilitates continuous productivity improvement.

1.1.1.3 Sub-problem 3:

A lack of understanding of what makes successful organisations in winning nations achieve ongoing productivity improvement, leading the adoption of their best practices as a perceived solution.

1.1.1.4 Sub-problem 4:

The lack of enthusiasm from employees to implement and commit to the utilisation of performance management systems in general, which may lead to the rejection of a well-designed corporate performance communication system as well.

1.1.2 Purpose of study

The purpose of the study is therefore the development of a corporate performance communication system that facilitates continuous productivity improvement.

In order to satisfy the purpose of the research, the following research objectives were set based on the above mentioned sub-problems:

1.1.2.1 Research objective 1:

To determine the essential organisational areas that need to be addressed holistically in order to stimulate productivity improvement.

This was done through literature reviews and based on observations and experience of the author.

1.1.2.2 Research objective 2:

To determine the components of a corporate performance communication system. This system must meet the requirements of productivity improvement based on the results of objective 1, as well as social legitimacy to avoid a conflict of interests. The corporate communication system must be comprehensive yet basic and simple to use. It must enhance individual performance and not inhibit it as yet another barrier. It is essential that it be designed as an aid to line-management and not a managerial ritual with the personnel department being the custodians of the corporate communication system.

The literature review as well as case studies 1and 13 were used for this purpose.

1.1.2.3 Research objective 3:

To investigate what makes successful organisations in winning nations achieve ongoing productivity improvement in order to validate the findings from objectives 1 and 2 or to adjust them accordingly.

Case studies 5,6.7 and 8 were used for this purpose.

1.1.2.4 Research objective 4:

To determine the best practical way of implementing the corporate performance communication system in order to obtain enthusiasm from employees to implement and commit to the utilisation of it.

Case studies 2,3, 4, 9, 10, 11, 12, 13, 14, 16, 17 were used for this purpose.

Based on the outcome of these objectives specific recommendations were made in chapter 6.

1.2 METHODOLOGICAL APPROACH AND COMPOSITION OF STUDY

According to Leedy (1997:3). research can be defined "as the systematic process of collecting and analysing information (data) in order to increase our understanding of the phenomenon with which we are concerned or interested." Leedy (op. cit.:5) goes on to state that "research is a process through which we attempt to achieve systematically and with the support of data the answer to a question, the resolution of a problem, or a greater understanding of a phenomenon. This process, which is frequently called research methodology, has eight distinct characteristics:

- Research originates with a question or problem. · Research requires a clear articulation of a goal
- Research follows a specific plan or procedure.
- Research usually divides the principal problem into more manageable sub-problems.
- Research is guided by the specific research problem, question, or hypothesis. Research accepts certain critical assumptions.
- Research requires the collection and interpretation of data in attempting to resolve the problem that of initiated the research. Research is, by its nature, cyclical; or more exactly, helical.

The research approach in this study is qualitative in nature. The researcher will seek to develop an integrated corporate performance based communication system that will facilitate continuous productivity improvement. It will also aspire at a role change of the manager to that of an enabler of his subordinates. The ultimate aim of this role change is to eliminate the us-them syndrome that is crippling productivity growth in organisations.

The context in which this corporate communication system was developed is provided in chapter 2.

Chapters 2,3 and 4 explore the fundamentals of productivity improvement on which the corporate communication system is focussed. Additional information on these sections are listed in Appendices H, I, and J. This information is not directly related to the corporate communication system, but the researcher is of opinion that it is important to study it when implementing the corporate communication system. The quality and scope of the information used in the corporate communication system is important as neglecting it might produce a weakness in the chain. For example, the corporate communication system asks for competencies to be identified in order to perform the specified performance outcomes, but in determining competencies it is important to consider all aspects of holistic intelligence else the result may suffer in quality.

Appendix L summarises the failure of better practices to produce and sustain high levels of productivity in organisations where healthy levels of productivity are not already in place. The influence of an us-them climate and the pitfalls of the traditional management role is also described in chapter 3 and Appendix K. A management role change to enabler of performance is explored as a possible cure to the us-them syndrome of antagonism and mistrust that exist between management and employees.

In Appendix M it is illustrated how the corporate performance communication system can equip organisations to become learning organisations that are more capable of achieving successful transformation as an ongoing process than failing it in the form of sporadic traumatic projects. Appendix N provides an industrial relations viewpoint that is of importance to the topic.

In chapter 4 all the pieces from the previous discussions are compiled together to form a basic but complete corporate performance communication system. The entities in the performance network are identified and the communication links are identified. Information flows are consequently identified indicating the content of and reasons for the messages. This is treated in two cycles, namely obtaining relevant performance information in the first cycle and feedback on performance in the second cycle. Input data generation for the corporate performance communication system is discussed step-by-step in Appendix O and the computerised version of the corporate performance communication system is discussed in Appendix P.

Chapter 5 addresses the method which was employed to test some of the assumptions and theories that went into the development of the corporate communication system with particular focus on a number of experiments and case studies in various organisations. It also indicates the subjects involved in the experiment, the setting, instrument and treatment of data. The purpose of the final case study was to demonstrate, not only that a corporate communication system of this nature will reduce the us-them syndrome and lead to continuous productivity improvement, but that it will apply to all different groups of employees in an organisation. For this purpose the subjects were chosen from managers in academic positions and managers from administration and support services in a knowledge organisation. Their responses on a questionnaire as well as the outcome of personal discussions held with them were recorded and interpreted.

Chapter 6 deals with the presentation and discussion of the findings and results.

Chapter 7 deals with specific recommendations in the use of such a corporate communication system as well as recommendations pertaining to improving the experiments, and future research areas.

1.3 SCOPE AND DELIMINATIONS OF STUDY

Earlier it was stated that the researcher based the study on experience gained over fifteen years spent in consultation with firms on the topic supported by international study missions, academic studies encountered when lecturing to MBA students as well as networking and sharing experiences with a number of international experts on business performance. An argument of lack of proof of the actual impact a corporate communication system of the nature that the researcher has developed may be raised. The specific case study was confined to one organisation, classified as a knowledge organisation in the service sector. The full implementation of the corporate communication system, its use over time and the impact on productivity was impossible to execute. There exist no exact mathematically derived measure of productivity that can be used to measure pre- and post-productivity accurately and improvements in productivity and management-employee relationships can only be based on opinion and qualitative observations.

As no measurement scale exists in measuring the effectiveness of management, the researcher based his conclusions and interpretations on opinions of subjects and the mentioned experience over years. The researcher recognises this as a limitation of this study as it can be argued that the study only represents a personal viewpoint of the researcher and may not be an adequate indication of what the real causes of low levels of productivity are or the impact of a non-enabling management role on the dilemma. The researcher proposes that further quantitative research be performed on different dimensions of the problem and that more case studies be recorded where the corporate communication system is implemented in its full capacity. Different variables should be identified and measured on conditions that exist before the implementation of the corporate communication system. Regular measurements of these variables should be recorded over time and compared to pre-measurements. The computerised corporate communication system, BIMP, that was developed on the principles of the corporate performance communication system resulting from this study, allows for different indicators to be compiled and trends and comparisons to be plotted.

Furthermore, as far as could be determined this was the first attempt to conduct such a major study regarding the development of a corporate performance communication system. As is indicated in the literature review, many authors have written about performance management and have come up with formulas and performance equations, but none was built into a practical corporate communication system which was then tested in the field. As evident from the study the researcher could not find evidence of any system in use which incorporated some of these principles and ideas that produced reasonably acceptable results on which structured research could be based for further improvement. Therefore, this study is as a consequence very wide and fairly unstructured in nature as it had to involve a wide range of untested elements of performance communication. Experiments contained a large element of trial-and-error and findings were mainly based on observation and interpretation by the researcher. The study could therefore very well be flawed. The researcher is aware of 4 specific limitations of the study and they will be discussed below.

1.3.1 Components of the corporate communication system

There exists no known consensus that the 3 main components of the corporate communication system. namely performance management, competence development and work environment improvement in fact represent a complete and holistic solution to productivity improvement. There exists also no known consensus that on the other hand all 3 these components are necessary to form a complete corporate communication system. No research has been done to explore the exact relationship between productivity and any of the 3 components and interdependency between any 2 of them. There also exist no universally accepted exact measure of productivity in order to measure the direct effect of any of the components on the corporate communication system as a whole on productivity in quantitative terms. Based on his experience and relevant studies, the researcher made the assumption that these 3 components could be considered the complete set of factors in a holistically developed corporate performance communication system and that all 3 must be included else the system will be incomplete and unsuccessful.

1.3.2 Completeness of experiment

It was impossible to find a case where the complete corporate communication system could be tested in full over a sufficient period of time with an ideal test group under real working conditions. A complete experiment will consist of the complete corporate communication system being issued to a real life work group as a work reality with the full commitment and support from top management and an experienced facilitator. It should not be viewed as an experiment as in the case of the BKS experiment it proved not to deliver the desired results. The level of productivity after at least one complete performance cycle should be compared to the productivity before the implementation of the corporate communication system or another similar groups working under similar circumstances, not using the corporate communication system, should be used as a source of comparison. This is however virtually an impossible setting and much of the evaluation and consideration of the usefulness of the corporate communication system will have to be based on logical interpretation and opinion of researcher and employees. This could be seen as a weakness of the study in terms of empirical evidence.

1.3.3 Non-randomisation of subjects to groups

Miles and Huberman (1994), argue that using sampling enables a higher overall accuracy than does a census. It may therefore be argued that the results are not accurate as subjects in most of the experiments were not assigned at random to various groups, but were part of accidental samples which were intact, as these groups comprised of sections or departments where they had been working together.

1.3.4 Subjects' attitude towards their organisations or the particular type of experiment

The fourth possible limitation of this study concerns the attitude of the participants towards their organisations or management in particular, which could have an influence on their enthusiasm towards participation or even sabotage of the project in terms of deliberate false information. The researcher was also met with a lot of emotional argument and in most cases a distinct antagonistic attitude towards higher management. It could be argued that that is exactly part of the reality and indeed not a limitation to the study and in some cases even a confirmation of a specific aspect of the corporate communication system, but the researcher do accept that some readers might question the influence of these attitudes on the validity of the results.

REVIEW OF RELATED LITERATURE

Chapter 2 THE IMPORTANCE OF PRODUCTIVITY GROWTH

If productivity growth had frozen in 1981 in Singapore on average, each Singaporean today would be one-third poorer. Their standard of living as measured by income per capita, would have remained at the 1983 level (Ramasamy 1993).

In many Third World Countries slow economic growth is a reality and in many cases the economy has actually experienced a continuous net decline over the last few decades. This portrayal by Ramasamy (op. cit.) serves to indicate the importance of productivity growth to any nation's and its peoples' personal prosperity.

2.1 PRODUCTIVITY GROWTH IN ECONOMIC GROWTH

The economy of a nation is expressed in terms of its Gross Domestic Product. GDP is the total production outcome of all its applied labour, which is traded in the global market. The cumulative production outcome depends on how much is produced by each worker and the number of workers that participate. Therefore to achieve a high level of economic growth more and more needs to be produced by each worker and more and more workers must participate in the process. Weak economic growth is characterised by high levels of unemployment amongst the citizens of a nation leading to major social problems. It is true that high levels of employment could lead to a high economic growth rate . The only provision is that this creation of jobs is a consequence of improved business and not the artificial appointment of people in non-productive positions. It is assumed that as the productivity in a business grows, it leads to more production opportunities in that business, which asks for the employment of more production factors including employees. Artificial employment could at best have a short term counter effect on crime as salary earning individuals are less likely to steal for their basic needs. The problem is that it is not sustainable over the long term and non-productive employees soon have a negative effect on the rest of the work force. They key factor to successful employment growth is high levels of effective productivity. The elements contributing to economic growth are displayed in figure 1.

Usually in immature economies, productivity growth is initially caused by large investments in capital intensity. It seems easier and more obvious to buy technology and better infrastructure if the finances can be arranged than to look at the efficiency of production which is largely dependent on the human factor. As the economy matures with lower levels of capital investment as a result, productivity growth depends more and more on the quality of labour which is measured as total factor productivity (TFP). In Singapore for example, between 1986 and 1991, quality of labour grew by 2,2% per year contributing to 56% of productivity growth. It was therefore the improvement of the overall effectiveness and efficiency in the way the work was done, that allowed Singapore's productivity to increase by an average of 3,6% per year over this period.

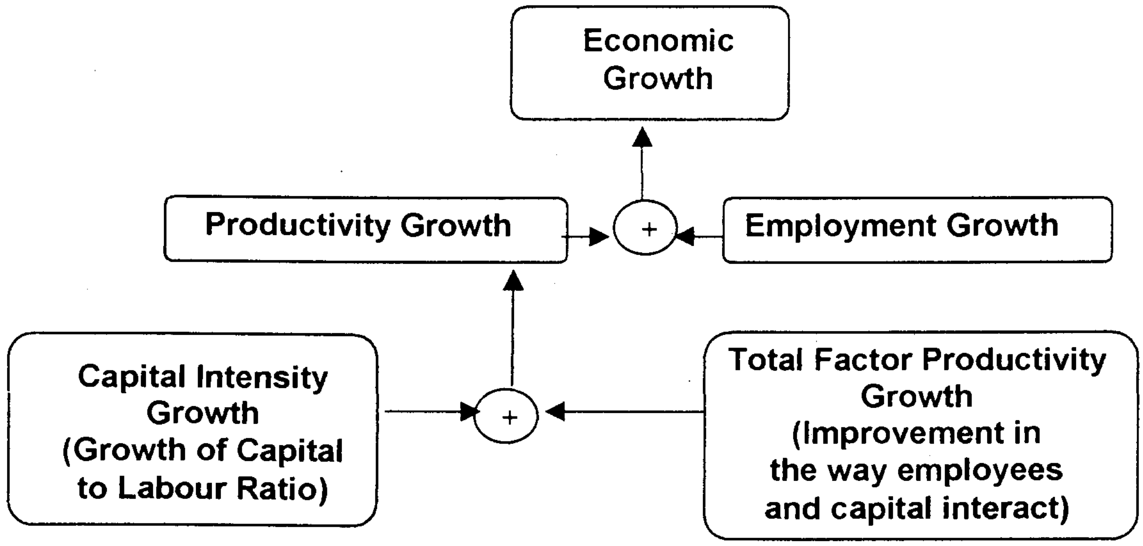


Figure 1 Economic Growth Tree
(SOURCE: Ramasamy 1993)

Studies have revealed that in developed countries, quality of labour accounts for between 50% and 60% of productivity increases. In most parts of the world, indications are that quality of labour will be the prime source of productivity growth in the next few decades to come. More and more countries are entering the global arena, competing for capital investments and levelling the technological playing field, thus quality of labour will become the critical factor in world-class competitiveness. It is also true that the infusion of capital has a limit to success and a continuous increase in capital investment will not sustain an equivalent increase in productivity. Organisations will only become over capitalised meaning that they have expanded but not developed. It is called the law of diminishing returns. Giving a secretary more telephone lines, which represents capital investment, will not result in more calls being handled per time, which represents productivity growth. She will still only be able to answer one call at a time.

2.1.1 Productivity growth and quality of labour

Productivity is measured as performance outcome per employee and is determined by two factors:

- Organisational capacity or capital intensity - Amount of capital, machinery, equipment, resources and physical facilities available to each employee.
- Efficiency of production process - Quality of labour input

Ramasamy (op. cit.) defines quality of labour as the outcome generated per unit of combined inputs of capital and labour. It therefore reflects the effectiveness and efficiency with which labour and capital are used to produce an outcome. It is therefore an indication of the return on investment as a result of the way people work. To improve the outcome of production it is therefore not necessary to keep increasing the amount of labour and capital, but to improve the interaction between the two factors. To reach a level of optimum labour-capital interaction, the quality of the work force and the quality of capital and all systems must improve. A switchboard that sequences incoming calls and requests the caller politely to hold while the operator attend to the calls in sequence, will be of much greater use to the operator and will definitely lead to increased productivity as she will be enabled to handle a large number of calls in a short period of time, without sacrificing her quality standards. An improvement in capital quality therefore results in improved productivity. On the other hand if the applicable competence of the operator is developed, it will also lead to improved productivity. Thus an improvement in the quality of the workforce will also contribute to productivity improvement. Furthermore the work environment can also be improved to allow better performance. This includes, office layout, procedures, systems, and other physical surroundings.

2.1.1.1 Determinants of quality of labour growth

Improvements in the educational and training levels of the workforce play a very important role in quality of labour growth which in turn leads to productivity growth. Capital restructure and intensity of demand are negative contributors to quality of labour growth and can influence small, open economies significantly. It is thus very important to pay attention to all the various factors that have an influence on the quality of labour and to do something about it.

Ramasamy (op. cit.) list the following five sources:

▪ Skills level of workforce as reflected by the educational profile of the workforce and the extent of post employment training ▪ Changes in the productive potential of capital inputs as measured by changes in the economy's capital structure ▪ Industrial restructuring as measured by shifts in employment from one industry to another ▪ Technical progress which reflects advances in knowledge, innovation and other qualitative improvements, including work attitude over time ▪ Intensity of demand, which fluctuations affect capacity utilisation which affects quality of labour growth

Table 1: Determinants of Quality of Labour

In order to boost the main positive contributors, the skills level of the workforce should be raised continuously. This can only be successful if the overall level of education of the complete population is improved continuously. Organisations should spend at least 4% of their total remuneration package on training and development and on-the-job training should be properly structured and executed. Government should on the other hand pay special attention to quality education of all its people as a first priority. It should also encourage organisations to invest in their employees by installing proper monetary compensation mechanisms to the exemplars.

Furthermore, evidence exists that productivity growth through technology improvement is realised only by introducing a series of small improvements on existing technology, which is best initiated at the shopfloor. Worker participation schemes are very important, provided the workforce have the cognitive ability to manage them and the desire to participate in it. Quality Circles as an example are very popular in Japan and Singapore, but have failed in some underdeveloped countries with a highly uneducated and poorly motivated workforce.

The amount of economic upliftment that can be achieved in the future in any country, will depend to a large extent on how fast the quality of labour can grow. (op. cit.). The speed of growth of the quality of labour depends on how responsive organisations are towards improvements and how well the workforce can cope with it. Only by managing these factors deliberately and successfully will a nation be able to enjoy a higher standard of living as a whole.

2.1.2 Organisational performance and productivity

Organisational performance comprises of two main components, macro-economic effectiveness and micro-efficiency.

2.1.2.1 Macro-economic effectiveness

This implies the successful positioning of the organisation in the external environment, resulting in being profitable and legitimate. I.e. , how well the organisation performs strategically compared to its competitors considering all external environmental forces. The business environment with focus on the external environment with some specific factors particular to South Africa is displayed in figure 2.

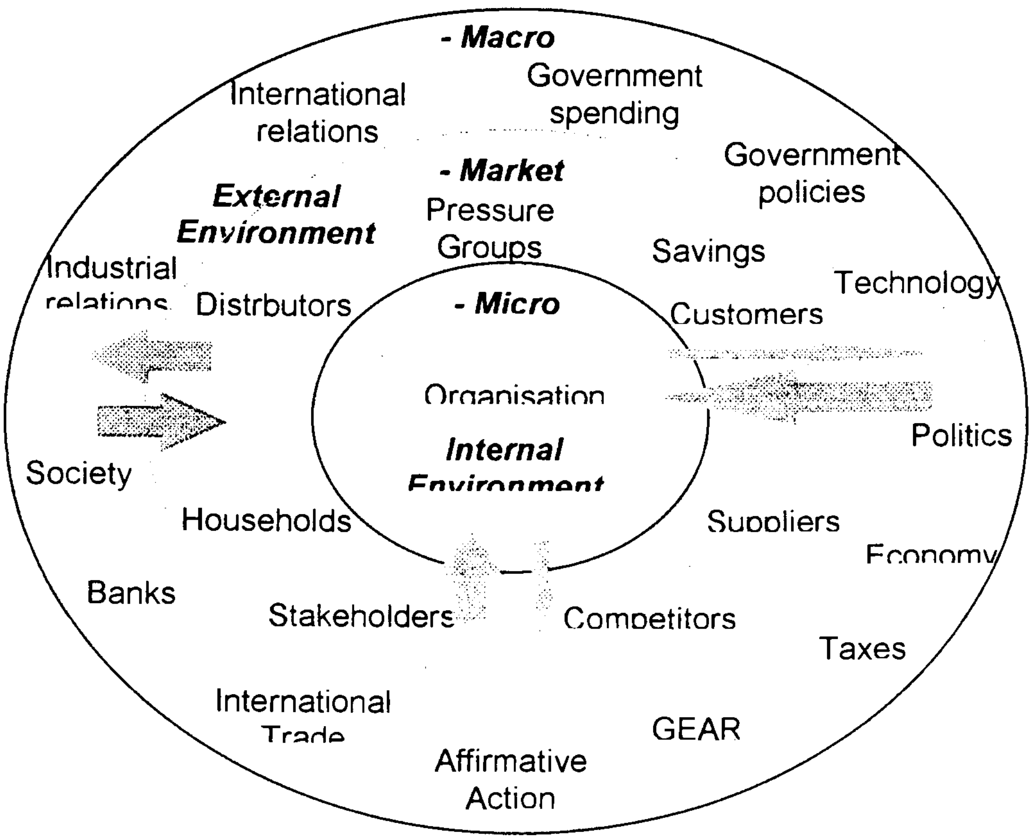


Figure 2 External Business Environment

The overall goal of any organisation should be macro-economic effectiveness. Even Government Departments and not-for-profit organisations should have as objective. their economic effectiveness with regard to the external environment. In a First World country with an established society , macro-economic effectiveness mainly implies profitability to private business and service effectiveness to non-profit organisations. In a developing country such as South Africa, a second important component is more prominent than in First World countries namely, legitimacy also called social responsibility. This refers to meeting the expectations of government and society regarding the demographic distribution, development opportunities and equity, amongst others, in the organisation. During the initial stages of becoming legitimate, it will have a limiting effect on profitability, therefore a balance should exist between the two issues. Affirmative action as an example inevitably draws heavily on business profits if done properly. Therefore, the balance between profitability and legitimacy must be carefully managed. Little return on investment exists when focusing all attention and resources on the functioning of the organisation if it is in the wrong business or going in the wrong direction with regard to these issues.

This study is focused on micro efficiency issues. The Macro economic effectiveness discussion is limited to a few important issues that impact on micro efficiency. The two components are not separated by an exact border, but interact all the time.

Regarding the management of macro economic effectiveness, top management act as drivers of the organisation through the external environment. organisations should have a navigation team who continuously explore the trends in the external environment. They could be an internal group an external team of professionals. The latter usually provides a better result as it is these peoples' core business to provide the best possible information on the external market and they also do not get absorbed by company politics. According to market management theories they could be the marketing and research team. They should advise top management on what is happening in the external environment. Top management must in turn have the driving competence to adapt and adjust the direction and speed of the according to their information.

They must accept the accountability else it will contribute extensively to the us-them syndrome of antagonism and mistrust that contribute enormously to micro inefficiency. Often in bad times excessive pressures are placed on the employees who have already been drained from the desire to perform because of distorted relationships in the organisation.

The overall welfare of any organisation also depends on micro efficiency. It is equally fatal to travel efficiently in the wrong direction than to travel inefficiently in the right direction. Both issues must be optimised simultaneously and to neglect one for the other will eventually derail the organisation.

2.1.2.2 Micro Efficiency

Micro efficiency refers to the quality of the elements of the micro environment and the efficiency of their interaction. It is measured in terms of the value of the market offering in relation to the total of all core and support operational costs. The production of the organisation's product or service will be judged on appropriate quality, quantity and cost of production, which forms the core of the micro efficiency component.

The micro environment basically consists of three elements, namely:

▪ structure ▪ employees ▪ organisational resources

Table 2: Micro Environment

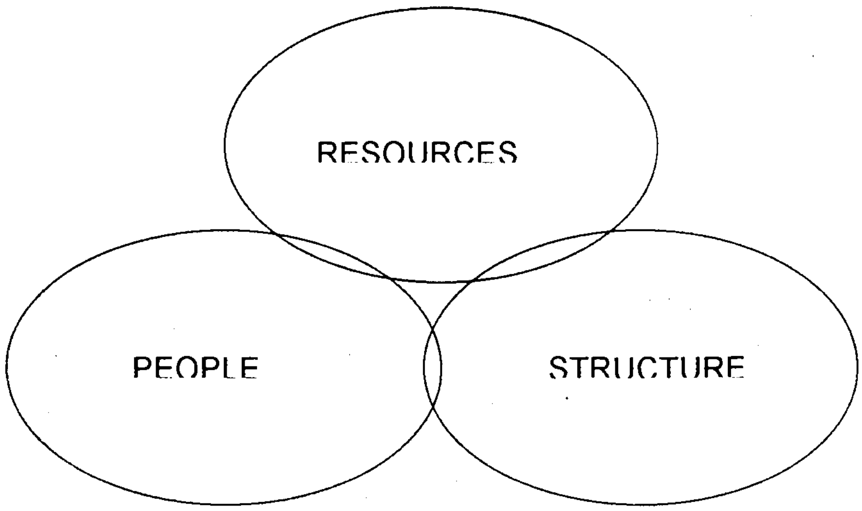


Figure 3 Internal Business Environment

As far as structure is concerned, it includes all systems, policies, procedures and anything else that directs or directly influence the performance of the employees. The functional structure, that is "who reports to who" and "who must do what", is usually the focus of most business improvement plans and organisational change projects, usually with little effect on improved efficiency. As far as micro efficiency is concerned everyone's performance should be structured in such a way that all efforts are aligned and going in the same direction. It will be fatal if people work against one another, which will imply that the higher the performance effort, the worse the result. All functions should be structured in such a way that a synergistic result can follow from their individual performance outcomes. Job flow must be easy and no functional gaps must exist, else some important tasks will be neglected. If the human effort is not structured properly, that is, applied in the right positions to cause an aligned effort, the performance objective cannot be achieved effectively.

To achieve high levels of micro efficiency the employees should be thoroughly skilled, properly equipped and highly motivated to deliver quality of labour and all core and support operations should be properly designed and structured. Employee performance is the main factor in the quality of labour. In Ramasamy's (op. cit.) model, quality of labour refers to the efficiency of the production process, but in his description of its determinants he only refers to the skill level when it comes to the workforce. It is an important component, but the desire to perform might be more critical. The existing management paradigms in many countries actually extinguish this desire to perform.

For optimum micro efficiency the organisation has to introduce of a culture of prime concern for all employees of the organisation. All the business improvement activities must take the employee in consideration and lead to an increased desire to perform and not the killing of excitement and enthusiasm. Systems, procedures and practices must therefore be designed to support and enable the employees instead of controlling and inhibiting them. This is the most important element of organisational dynamics and is the golden key to micro efficiency.

This is what this study is about since very little in terms of a holistic approach has been done on this very important terrain. Most efforts are fragmented, silo attempts based on vague, impractical theories. Most organisations suffer from an Us-Them syndrome which is a result of a dehumanised organisational culture. Scientific management is not an answer as it ignores the emotional components of human motivation. It is vital to accept the critical role that human issues play.

A nation will only succeed if they put an end to all scattered, shotgun attempts to improve business and consolidate and align their efforts as part of a global properly defined intervention. This does not ask for half-hearted, noncommittal involvement, but fully committed, passionate participation from everyone. The vehicle to create and sustain this is a well-designed corporate performance communication system. Such a system forms the nerve system throughout the organisation sending the appropriate impulses and information to all relevant sections in order to initiate effective response.

Traditionally productivity improvement attempts showed any of the following characteristics:

▪ They are complex and sophisticated, but keep missing the root causes of low productivity. ▪ They focus on a fragment of the complete collection of possible factors only, depending on the expertise of the investigator. Usually employee numbers are the main variable from an accounting point of view and better production practices from an operations point of view. ▪ Different actions are applied by different experts in isolation to each other not forming an integrated whole, leading to short lasting results. For example, training and development, organisational development, performance assessment and operations improvement is all approached in isolation to each other. ▪ They leave the manager- and employee roles untouched. The traditional management role, as per Henri Fayol (1949), is to plan, co-ordinate, command and control, and the employee's role is to obey, accept and execute.

Table 3: Traditional Productivity Improvement Characteristics

Successful productivity improvement, intentionally or unintentionally, recognises people to be the main player in the production mix and only through their ability and desire will any organisation be able to achieve high levels of productivity. Many organisations are dehumanised, therefore all their good intentions result in no significant improvements at all. Rehumanising the organisations should be the focus of their productivity improvement attempts, which calls for the redesign of the roles of management and employees as a first priority in order to create and sustain productivity growth as a natural way of organisational living. Redesigning the role of management implies a shift away from the controlling of non-performance to that of enabling performance. This can only be achieved through efficient and effective communication between managers and subordinates, between teams and between other sub-sections of the organisation. It should not stay an intention or idea, but must be made a pragmatic reality.

Performance communication should lead to a management role change which in turn should lead to improved productivity. Productivity being a prime goal of the organisation in the creation of wealth.

Following is a list containing a number of main characteristics of high performing and low performing organisations as accumulated over years of consultation with a number of organisations as well as interviews conducted with some 2000 employees (See Appendix C).

2.1.2.3 Characteristics of low performing organisations

- Little personal investment in organisational objectives except at top levels.
- Distinct Us-Them syndrome
- Large number of managers
- Much time and resources allocated to industrial relations. Relationship of antagonistic constitutionalism.
- People in the organisation see things going wrong and do nothing about it. Nobody volunteers. Mistakes and problems are hidden or shelved. People talk about office troubles at home or in the corridors, not with those involved. A lot of cynicism and criticism.
- Extraneous factors complicate problem solving. Status and silo's on the organisational chart are more important than solving problems. There is excessive concern with management as a customer, instead of with the real customers, including the workers. People treat each other in a formal, polite manner that masks issues - especially the boss. Non-conformity is unwanted.
- Large employee turnover in good times.
- People at the top try to control as many decisions as possible. They become obstacles, and make decisions based on inadequate information and advice. Or they appoint incompetent committees to decide on everything. People complain about managers' irrational decisions. They fumble around in a trial-and-error fashion.
- Managers try to get things done in isolation to their people. Orders, policies and procedures are not carried out as intended.
- The judgement of people lower down in the organisation is executed in a subjective manner, where favouritism forms the most important criteria.
- Personal needs and feelings are non-managerial issues.
- People compete when they need to collaborate. They are very jealous of their area of responsibility. Seeking or accepting help is felt to be a sign of weakness. Offering help is seen as trespassing. They mistrust each other's motives and speak ill of one another. The manager tolerates this and does not try to rectify. In some cases they even like it

and choose sides.

- Managers often divide-and-rule.
- When there is a crisis, people withdraw or start blaming one another.
- Conflict is mostly covert, and managed by office politics and other games. There are many arguments amongst employees.
- Learning is difficult. People do not approach their peers to learn from them, but have to learn from their own mistakes; they reject others' experience. They get little feedback on performance and much of what they get is not helpful. Managers do not coach or support.
- Feedback is avoided or not given. It is often only given when a person did something wrong.
- Relationships are contaminated by the formation of clicks. People feel alone and lack concern for one another. There is an undercurrent of fear and mistrust.
- People feel imprisoned in their jobs. They feel stagnated and bored but constrained by their need of security. Their behaviour in staff meetings, is listless and docile. Their jobs are not much fun. They get their kicks elsewhere.
- The manager is a prescriptive authority to the organisation.
- Performance assessment leave victims and the mechanism is changed every few years.
- The manager keeps a tight control on small expenditures and demands excessive justification. The budget becomes the performance yardstick.
- There is a very high premium on minimising risk.
- Mistakes are not tolerated and are heavily punished.
- Mediocre performance is glossed over and development activities are focussed on new arrivals, high performers and very week performers. The average gross in middle receives no attention.
- Organisational structure, policies, and procedures encumber the organisation. People take refuge in policies and procedures, and play games with organisational structure.
- Large employee turnover.
- Tradition and standing instructions play a major role.
- Innovation is not widespread but in the hands of a few. Excessive controls inhibit innovation.
- People swallow their frustrations and gossip about their managers.
- Employees adopt a fatalistic attitude.
- There exist less will than ways.
- With all attempts to improve the business, people say, "What's in it for him?"
- The organisation often hear, "His manager did not develop him."

- It is often heard at courses:" His manager should have been here."

Table 4: Characteristics of Low Performing Organisations

2.1.2.4 Characteristics of high performing organisations

- A common overall objective is shared by the employees.
- People feel free to express their productivity problems, because they expect the problems to be dealt with and they are optimistic that they can be solved.
- Problem solving is pragmatic. In attacking problems, people work informally and are not preoccupied with rank or territory. The manager is challenged as part of the team. Non-conforming behaviour is tolerated.
- There is a high degree of teamwork in planning performance, and in sharing responsibility.
- All employees are treated with respect and dignity. Personnel practices do not include discriminatory criteria against certain occupations.
- The range of problems tackled includes soft issues such as personal needs and human relations.
- A high level of collaboration is evident and people do not compete against one another at the expense of the organisational goals.
- When there is a crisis, the people quickly band together to work until the crisis abates. There exist no job descriptions and employees do not reason, ' I do not have to do it, since it's not in his job description." A great sense of ownership exists.
- Conflict is considered important for decision making and personal growth. It is dealt with effectively, in the open. People say what they want and expect others to do the same. A climate of trust exist.
- Training and development amount to approximately 5%-7% of the annual remuneration budget.
- There is a great deal of on the job learning, based on willingness to give, to seek, and to take feed-back and advice. People see themselves and others as being capable of continuous personal development and growth.
- The grapevine is clean. People care about one another and do not feel alone.
- People are motivated and have a high desire to perform. They are optimistic and experience a large amount of job satisfaction - They are happy.
- Leadership is flexible, shifting in style and from person to person to suit the situation. Employees are not critical of management and support them spontaneously.
- Top management is highly visible and protects their people.

▪ No Us-Them climate exists. ▪ No strikes or industrial aerobics. A mode of adaptive co-operation between management and union. Unions are seen as strength and not a threat. Union and Management share the same objective - Highly productive and profitable organisation. ▪ Company perks are not reserved to management ranks. E.G. Reserved parking based on job necessity and not status. Company cars for business purposes and not status. ▪ Remuneration range of approximately 1-9 between newly appointed junior to CEO. ▪ There is a high degree of bonding amongst people, and a sense of freedom and mutual responsibility. ▪ Risk is accepted as a condition of change and growth. ▪ People are continuously learning to learn together - Learning Organisation. ▪ Poor performance is not accepted, but a joint resolution sought instead of personal punishment. ▪ Where there's a will, there's a way. ▪ Organisational structure, procedures, and policies are developed to help people get the job done and to protect the long-term health of the organisation and not to protect the organisation against its people. They are also changed readily by the people themselves. An attitude of assistance rather than restriction can be read between the lines. ▪ There is a sense of order, and yet a high rate of creativity. Old methods are questioned and new ones encouraged. ▪ The organisation itself adapts swiftly and timeously to opportunities or threats in the market place, because everyone is on board of the transformation train all the time and every person is competent and attuned to anticipating it. ▪ The description of a rehumanised organisation may appear idealistic. It is perhaps more a statement or direction than a state that has been achieved by any known organisation. ▪ Ongoing deliberate performance communication across all sectors of the organisation

Table 5: Characteristics of High Performing Organisations

2.2 SUMMARY

2.2.1 Business Performance in perspective

2.2.1.1 Macro perspective

The Gross Domestic Product (GDP) is the basic measurement of the total economical activity in a country. It refers to the value of all final products and services that have been produced within the economy over a specific period of time. The performance of the economy as a whole is usually expressed in terms of 3 variables namely, inflation rate, growth rate of production and unemployment rate.

Inflation rate refers to the continuous increase of prices of goods and products that people buy, over a significant period of time. A high inflation rate therefore upsets people even if their salaries increase in harmony with it.

If the growth rate of production is high the production of goods and services increase and a good standard of living is made possible. A high rate is usually accompanied by an increase in employment opportunities and thus a decrease in the unemployment rate. It is therefore a goal of most countries.

A high unemployment rate represents a major social problem. It usually also becomes a political problem and is extremely crippling to any economy.

Government and Economical Policy: Government basically have 2 means of influencing the economy: Stabilising policy and Structure policy. The first is aimed at limiting the fluctuations of the economy especially in the previously mentioned rates. The second is aimed at improving the economy through changes in the economical structure. The main policies of the stabilising policy, is the Monetary and the Fiscal policy. In South Africa the monetary policy is controlled by the Reserve Bank. The instruments are, changes in money stock, changes in interest rates and control over Banks. The fiscal policy is controlled by Parliament and determined by the Government. The main instruments are tax rates and Government spending.

Government influence and control are difficult to achieve as the effect of their policies are not fully predictable in terms of timing and impact. Government spending is however a very tangible and manageable component with substantial influence on the economy. Focused and dedicated political journalism could be the only means to try and limit the chances of senseless over spending and corruption.

Private Sector and Business in general refer to all suppliers of products and services including NGO's, Government departments and profit orientated business, in other words every establishment that utilises paid labour to produce a product or service to a market.

The two most critical components of economical growth are growth in production and linked to it, employment growth, with growth in production for all practical purposes the first to occur. If production grows it will create room for increased production activity which will place a demand on an increase in labour. This is a healthy cycle as the increase in labour will always be financially viable. On the other hand, to employ more people in the hope that production will increase, is not a healthy practice at all and it will probably have the opposite effect. Growth in production should be related to an increase in productivity else the growth in production would not necessarily be cost effective. For example it is no use producing 50% more items by utilising 100% more inputs and resources. Therefore the most fundamental influence on economical growth is growth in production as a result of a growth in productivity.

Productivity growth has a major influence on a nation's economy growth especially in immature economies. Improvements in the educational and training levels of the workforce plays a very important role in productivity. In order to enhance it the skills level of the workforce should be raised continuously. This can only be successful if the overall level of education of the complete population is improved continuously. National Education should be the prime focus of Government and Government spending should have this as its first priority. The standard and level of education should not be sacrificed in a country such as South Africa in an artificial attempt to a quick-fix solution. It is not what the certificate says, but what the person knows that counts. Learning is a personal journey and cannot be installed or substituted by meaningless qualifications. A culture of learning should be established, financed and passionately driven by Government. After a person has undergone the necessary scholastic and tertiary education, the employer should follow it up with dedicated work and life skills development. Organisations should spend at least 4% of their total remuneration package on training and development and on-the-job training should be properly structured and executed. Each citizen should in turn take on personal responsibility for his own development and performance and should empower himself to become a full performer regardless of how well the other parties handle their responsibilities. If this culture of self-respect and intrinsic-driven dedication is non-existing, economic growth will stay an illusion.

Therefore, the amount of economic upliftment that can be achieved in the future in any country, will depend to a large extent on how fast the productivity can grow. The speed of growth of productivity depends on how responsive organisations are towards improvements and how well the workforce can cope with it. The workforce will only be equipped to cope with it if they have sufficient work skills as well as an acceptable level of overall education allowing them to understand business and the economy, and a desire to perform. This will depend largely on the attitude and astuteness of Business and Government. Only by managing these factors deliberately and successfully will a nation be able to enjoy a higher standard of living as a whole.

2.2.1.2 Micro Perspective

The organisation is a complex system comprising a vast number of interconnected sub-systems, elements, workers and management that work together to achieve the organisation's goals and objectives. The people component is the most complex but also the most important one as it has control over all the other systems and elements in some or other way. The challenge is to manage their performance in such a way that the highest possible level of organisational productivity is achieved. In Japan and Singapore this implies customer delight and not just customer satisfaction. In other words the focus is not only on the obvious customer needs, but the service or product is delivered in such a way that it actually surprises the customer in satisfying a need the customer had not even been aware of. This can only be achieved by a highly committed, enthusiastic and empowered workforce. Traditional performance management systems as well as most management attitudes and tasks are definitely not suitable in meeting this criteria, probably even inhibiting performance, placing excessive control measures on worker initiatives. Needless to say that this does not only limit the physical performance of the employees, but it does nothing for worker morale either.

Traditionally managers are taught that management is about planning, organising, command and control. Organisations were designed around functions where employees were placed in boxes and dared not perforate the walls. The combination of these two elements alone contributed significantly in producing the low-empowered, low-performing, de-humanised organisations that we see around us today. This was helped along during low economic times when the bottom-line syndrome completely lost touch with the human element and down-sizing became the toy of top-management, extinguishing what little trust was left in the organisation. It is therefore obvious that reform must take place in almost all quarters of the organisation especially with regard the management role, but this will not be achieved through seminars or isolated training courses. Although people usually are excited by these events they seldom change their behaviours and stay permanent prisoners of the organisational structures and systems. The organisation needs to be supplied with a concrete set of instructions and directives that will continuously force the behaviours of all employees to correspond with the characteristics of an empowered learning organisation. This is called a corporate performance communication system. There exists a distinct difference in principle between the purpose of a corporate performance communication system and the traditional performance assessment or merit rating systems.

To achieve optimal organisational performance, the answer lies in having an organisation with as few inhibiting diseases as possible. Since this will not come automatically, the corporate performance communication system must take on this responsibility and should be designed in such a way that it creates and enhances a win-win experience between the workers and management. It must be a system with true value adding capabilities in that it must guide the re-design of the organisation on a continuous basis. It should not be used as a managerial ritual for the sake of merit ratings.

A successful corporate performance communication system has to address as many as possible of the characteristics of a low-performance organisation as listed at the end of chapter 1. Furthermore it must be complete and fully integrated. In other words it must cater for industrial relations needs, human resources- and organisational development needs, performance reward needs and management re-engineering needs. It must restore the once lost performance communication equipping managers to become enablers to their employees.

Since many different opinions have been associated with the term productivity improvement, the following is a general definition of productivity improvement:

Productivity improvement is a planned, structured, and complete collection of directives and activities that continuously change and align the micro environment of the organisation in harmony with the macro environment, ensuring the continuous production of employee performance outcomes at the desired standards.

Such an approach differs from most other approaches in that it not only involves setting objectives and evaluating them at specific times but it also involves the development of productivity in order to ensure the successful achievement of these objectives. Development of productivity entails development of the human resources as well as development of the organisation on an ongoing basis as the process requires. For an organisation to become and remain a world class performer it has to implement this type of properly designed corporate performance communication system that will continuously enable the organisation to detect and eliminate as many as possible inhibiting performance barriers with respect to existing and future performance objectives. It must result in a competent, motivated and properly equipped work team that delivers effective and efficient work on a continual base.

Less effective or efficient human performance has one fatal consequence, the high cost of labour. Many people make the mistake of taking the human being instead of unit of performance outcome as the entity of labour cost calculation. Labour cost is not cost per capita - it is cost of production in terms of labour compensation. If a person is paid R15 per hour to produce a certain performance outcome it sounds extremely cheap, but if 5 people are doing the work of one person to produce this outcome, the cost becomes R75 per hour which is a totally different story altogether. Any trade is based on comparative advantage which means that the supplier has an advantage with regard to the delivery of the finished or semi-finished product that makes it attractive or feasible to the receiver to purchase it from him. That is probably why South Africa is only able to trade its natural resources for completed products as its high cost of labour removes any comparative advantage it could hope for in terms of finished or semi-finished products. It is therefore cheaper to sell its raw materials to others abroad, let them manufacture the finished products, and then buy it back from them. This is not helping much, but the organisation cannot fight the natural forces of international trade. The organisation can only try and rectify the components in the production process to give the organisation the comparative advantage. In the case of South and most of Africa, the high cost of labour, due to low levels of productivity.

In countries like South Africa, the extremely low level of general education of society aggravates the problem as a vast number of people cannot understand what is demanded of them to improve their standard of living. They are unable to read the title of this study, let alone study and debate the contents of it. Due to low levels of education amongst many ordinary workers in South Africa there exists a wide knowledge gap between management and these workers leading to miscommunication. The organisation will never have economic growth and prosperity while large scale strikes take place, and the organisation will always have these strikes while on the one hand the organisation carry on practising the type of management style that alienate the workers from management and on the other while people keep on failing to see their own responsibility in managing their personal growth. Workers must be enabled to see for themselves that they are not doing themselves a favour over the long run by practising industrial actions in the street. They should be productive and learning and growing, and their managers should be busy enabling and coaching and supporting them in order to improve their level of productivity. Only an increase in productivity can lower the cost of labour.

2.3 PRODUCTIVITY IMPROVEMENT

Any attempt to influence productivity with the intent to continuously stimulate productivity growth, is considered as productivity improvement.

A chain is only as strong as its weakest link. The lack of this insight might account for many failed interventions and productivity improvement attempts. Many organisational experts come from specific fields of expertise and are often prisoners of their own disciplines, limiting them to see the big picture and focusing only on their specific domain of interest. They might be doing a good job if viewed in isolation, but the organisation as a whole might still be suffering from other diseases and constraints. Many improvement attempts are good as such, but they fail to deliver over the long term purely because they are applied in isolation to the other areas of concern. The effect of fragmented business improvement activities diminish after a while and could even cause more problems in other areas. A definition of business incompetence is the continuous unintended creation of undesirable results. Fragmented approaches might count as an important reason of business incompetence as the intention is good, the application is good if viewed in isolation, but the long term effect is undesirable. If interventions are introduced, one after the other, over a long period of time, it will have a serious adverse influence on worker morale and trust. This in turn will lead to the rejection of future attempts, including the good ones, as no trust will be placed in them. The lack of employee desire to participate in these interventions or business plans, could be a very crippling disease in any organisation. Any system is only as good as the extent to which the users allow it to be. Fragmented activities, in the end add no value to the organisation and produce no long-term solutions. To strengthen all the links of the business chain in balance, at the same time, would be of much more use than to make any limited number of links exceptionally strong leaving a few or even one weak one unattended. That is where the chain will break. Take the human body, as a close resemblance to any organisation, since both are complete living systems. Athletes will perform better when all their muscles are in good health compared to some muscles being exceptionally fit and others not fit at all. It will be in vain to exercise only the legs or other isolated parts of the body, no matter how much effort is applied, if the rest of the body stays unfit. Toothache alone can prevent a person from performing at peak though all other body parts and functions might be running fine. The complete picture is therefore more important than the individual components in isolation.

This holistic approach should run a fine thread through all planned efforts of business improvement.

Accepting this as a critical element of success, the first step in analysing business improvement, is to determine what the complete picture involves. Evidence exists that it is as fatal to obtain paralyses by analyses as to lose sight of the complete picture. It is important to be complete, but also to limit the degree of detail to a low enough level where it can still be converted to cost effective practical applications. Ramasamy (op. cit.) gave a overview of the complete productivity growth picture, but he kept it simplistic enough to be easily understood. It is however necessary for the purpose of productivity improvement to explore the issue in more detail from the organisation's point of view.

Productivity improvement is not about cutting costs in order to make the bottom line. Productivity improvement refers to the efficient and effect management of a number of factors in the production mix and it is important to approach it holistically else the complete effort will be in vain (Himler 1985; Mager 1984).

2.3.1 Fundamentals of productivity improvement

Productivity is determined by 3 elements as displayed in figure 4:

- Employee competence
- Employee motivation
- Work environment effectiveness

Table 6: Production Elements

The outcome of the production process is the performance outcome that results from bringing employees and a work environment together with the intent of producing that outcome. Whether this result is good or bad, will depend on how effectively this outcome, service or product, fits the external environment and how efficiently the production process went. The model can be taken very literally. Without a solid foundation the pillars will sag away and the structure will collapse. Employee motivation forms this foundation, therefore to ignore it will be fatal in the end. The competencies of the employees must be applicable and in balance with the work environment and vice versa. If organisational capacity lies unutilised because of a lack of competencies, it is a waste. If there exist more useful competencies than what can be applied due to a lack of organisational resources or infrastructure, it will cause frustration and a mediocre performance at best. In both cases, with reference to the model, the construction will be lopsided and it might collapse. If both competencies and the work environment are low, the roof will be very close to the ground and competitors might easily walk straight over it. All three the components of productivity must be managed deliberately and in an integrated fashion. The element that is most neglected, is employee motivation. Many managers consider it a soft issue and not an organisational concern. It is however a critical component and without it the organisation will not survive in the long term.

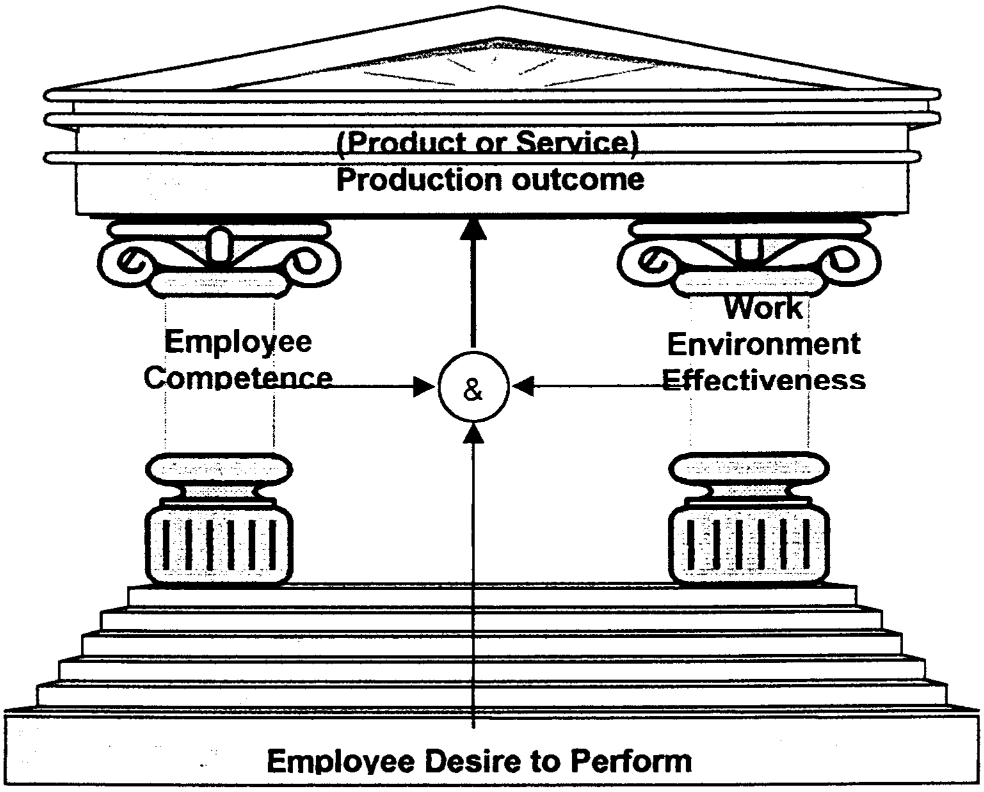


Figure 4 Production Model

When people have no skills or no equipment and facilities, the job cannot be done at all. The effect of these deficiencies are therefore very obvious and they are very dramatic. They are however not that difficult to manage. A lack of desire to perform might not be that obvious and it might manifest in totally obscure symptoms, thus misleading the manager. Management might consequently reason that the job actually gets done in the end and that is their only concern. The reality is that the organisation might be cruising along, but in fact it is slowly sinking to a depth of no return.

2.3.2 Employee Motivation - The desire to perform

"The purpose of any organisation is to make ordinary people achieve extraordinary things. but in reality most organisations allow even extraordinary people to achieve only ordinary things." (Manning 1988:152).

Scientific management and Management by Objectives, reason that if an employee knows exactly what is expected of him and he has the skills to perform the required tasks, it would result in superior performance. They do not take cognisance of the fact that there might exist inhibiting factors in the work environment that can limit performance. Some managers reason that people must perform. whether they want to or not, because it is what they are getting paid for. When the organisation employ a human being it comes as a complete package, physical skills, thinking ability as well as emotions. According to research by Dr. Gilbert (sited in Kepner-Tregoe Training Manual 1986), 85% of performance barriers reside within the work environment in which the employee performs. These barriers will inevitably have a negative effect on the employee's desire to perform. It is true that the occasional employee will perform extremely hard even if the environment is not very conducive to performance. These people are usually driven by some intrinsic force or by their values to give their best under all circumstances. They might even enjoy the barriers as challenges, giving them the opportunity to distinguish themselves from other average performers. An inhibiting environment in general cannot add value to the overall performance of the organisation. In the case of an inhibiting work environment some people are willing to perform but they do not actually want to perform. A person might be willing to eat if expected to under certain circumstances, but cannot be forced to be hungry which will give him the desire to eat. Wanting associates with an intrinsic force where willingness associates with an extrinsic force. It is resources wasted to invest in various business improvement rituals if the workforce has little or no desire to perform or participate in them.

The desire to perform has two components that the organisation can deal with effectively, namely:

▪ Extrinsic motivators
▪ Extrinsic demotivators

Table 7: Components of the Desire to Perform

In some motivational studies intrinsic and extrinsic motivators are discussed. Intrinsic motivation refers to the personal aspirations of a person that really makes him perform - the computer fanatic who skips lunch and dinner and Baywatch to play on his computer till midnight. These forces are personal and cannot be generated by the organisation. When the job-fit is good, it might stimulate this type of performance as the person will be doing something he likes very much as a job and not only as a hobby.

Extrinsic motivators refer to awards, rewards and incentive schemes that are sponsored officially by the organisation to encourage extraordinary performance. It could be a pat on the back, money, a holiday, certificate, wall of fame, and many other schemes that recognises individual or team efforts. The extrinsic demotivators relate to Hertzberg's (1959), hygiene factors. They are also called demotivators as their healthy existence wont necessarily stimulate superior performance, but their absence or unhealthy existence will have an adverse effect on performance. They do not lift performance beyond the normal required level, but they can pull it below that level. They are of extreme importance to the organisation as extrinsic motivators can only come into effect once performance meets the normal required level and for that the effect of these demotivators must be eliminated. It can be taken that motivators work only above the line and demotivators below it - line being the level of normal required performance as illustrated in figure 5.

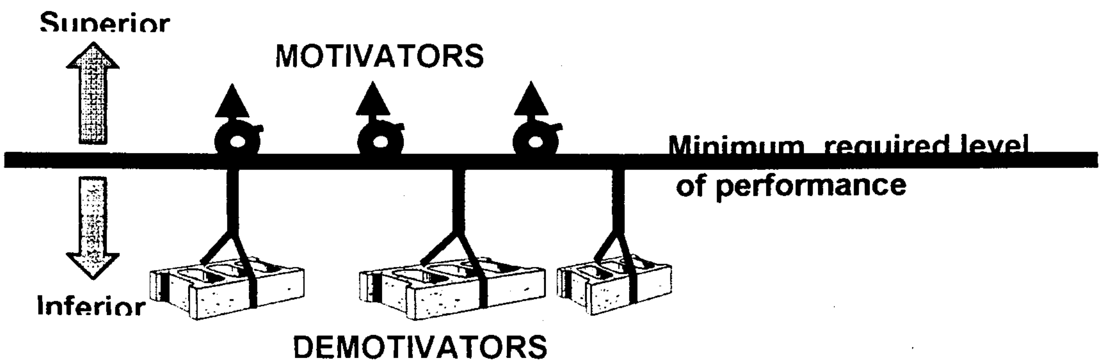


Figure 5 Extrinsic Motivators and Demotivators

In general the management of demotivators is much cheaper and much more effective than the installation of motivators (Rokeach 1973; Senge 1990; Sikyula 1971:277-286). It is much easier, cheaper and effective over the full range of employment to identify performance demotivators and to eliminate or reduce them. It takes only one or two irritating or frustrating events to upset a person and turn him off, whilst it takes quite a major delightful event or a series of events to turn him on. It is easier to get irritated than to get exited with respect to external influences and furthermore that in general motivators lose their effect sooner than demotivators. Some people view extrinsic rewards in a very negative light, reasoning that if less was spent on it, more could be afforded to improve the work environment.

Motivators are seldom directly linked to the customer's primary needs. These motivators can only come into effect once the demotivators have been eliminated to such an extent that the customer is not dissatisfied with regard to his primary needs. Similarly, regarding the employees in the organisation, who are the internal customers, extrinsic motivators bare little relation to the purpose of their jobs or their basic performance needs. Therefore these rewards and incentives do not make it easier for the percipients to perform.

Demotivators on the other hand are performance barriers and are closely related to the person's job. By removing them the person can perform better and better and as the level of performance goes up and there opens up opportunities for creativity and initiatives, the desire to perform will definitely flourish and both the performer and the organisation will benefit. Job satisfaction and performance development as a result of an enabling environment is more of a reward than most external rewards.

In terms of organisational performance motivators are not bad, but the required performance level must have been reached through the

elimination of the demotivating performance barriers, before the motivators could start to have a further positive effect on the performance.

The traditional role of management does not cater for the removal of demotivators, it usually is a demotivator in itself, therefore a team leader's approach is more suitable to stimulate the desire to perform. A team leader is some-one who makes it his prime focus to enable and support his employees, instead of controlling them, by eliminating their performance barriers or demotivators.

Effective leadership implies:

- proper performance management,
- relevant competency development and
- the continuous improvement of the performers' work environment.

Table 8: Effective Leadership

These are the three tools to achieve an optimum performance outcome, provided they are managed in an integrated fashion and with the same aim, productivity improvement, in mind. The foundation to success being simple logic, a holistic approach and human enablement.

2.4 PERFORMANCE MANAGEMENT

If performance management is perceived as an administrative ritual performed by the personnel department and simply extra work for line, the foundation for failure cannot be more solid. Or if it is perceived as a control mechanism to imprison the employees as puppets of management it has failed already. Performance management must be a way of living without which line cannot perform properly. The personnel department might help to facilitate it, but the corporate communication system must be of such a nature that the astute manager sees it as vitally important for the efficient performance of all employees. Some managers might prefer to manage without sound communication, but a well designed corporate communication system should prove its value to them as well.

A vast number of books have been written on performance management, trying to explain what the particular author saw as performance management. Many a system were also developed and promoted to business, but very few if any produce the desired results over a long period of time. Desired results do not refer to successfully calculated merit bonuses or properly set objectives once a year, but having a full-performing, highly motivated, energised and excited group of happy employees. Organisations seem to be in a continues search for better systems, blaming the logarithms of their current systems not realising that all systems are used by people, and people, are complex living beings with emotions and aspirations. They are not merely mechanical cogs in a machine. People's feelings cannot be compartmentalised and switched on and off from one occasion to another for the convenience of management. Life is an indivisible whole. Similarly, corporate performance communication systems that deliver effectively in certain obvious respects, but hurt the employees in another, will fail to create the results described earlier. Performance planning is the first step in performance management.

2.4.1 Performance Planning

If you do not know where you are going, any road will take you there.
If you do not know where you are, no map will help you.

Old Chines Proverb

One of the most obvious aspects of performance management are often taken for granted and can cause major problems in more than one way. This is referring to the setting of expected performance outcomes, the "what" that employees must perform in order to achieve the organisation's goals.

There exist a vast number of cases where employees do not know what is expected of them. All surveys undertaken revealed that a large discrepancy existed between the manager's view of the job and the employee's view of it. It also indicated that the perceptions amongst employees doing the same job varied significantly. (See Appendix A). It is assumed that employees should know based on vague, static job descriptions or characteristics of the post. A dedicated, but misplaced effort will lead to an ineffective task outcome. Often where the perceptions of managers and their workers differ, they do not know it since they never discuss it. (See Appendix A). The key performance outcomes, expected of each employee should be discussed and agreed upon. It should also be made visible. Organisations should make their thinking visible, in order to recognise and solve a number of performance problems instantly. This type of deliberate communication between managers and their workers as well as between departments and between the organisation and the customer, are of critical importance to optimum productivity. The "how well" is equally important. The performance standards must also be determined prior to the start of the performance cycle. Some believe that these discussions create conflict all role plays that were conducted indicated that it exposed under cover conflict at the right stage namely at the beginning before any harm was done.

An individual's performance plan cannot be provided by Top Management, the Personnel Department or any other group, if it is to be of any practical value. It is the result of deliberate communication between manager and employee to clarify what and how the individual should contribute to the organisation's goals and objectives. Similarly, a performance measure does not happen unless performance is evaluated and monitored. If this evaluation does not lead to effective feedback and the consequent development of performance, the effort is a waste of energy. Performance should therefore be properly planned to avoid unnecessary deficiencies and when deficiencies do occur, systematic performance diagnosis should be executed to determine the root causes of the deviations, followed by corrective actions (Baird 1982; Carter 1991; Fournies 1991). When the organisation has to change, the performance plans of every employee should adapt accordingly to direct and guide the new agenda. The performance management cycle should therefore include the elements as indicated in figure 6.

Thus, to conclude, organisational performance refers to the performance outcome of people and certain environments being brought together. The intention is to achieve the goals of the organisation which in turn manifests in the service or product at the end of the line. It is straight forward then that performance planning means the derivation of each employee's specific tasks that should be performed. The requirement being that all the performance outcomes added together should result in the final product or service. Any extra energy applied would represent a waste of effort and funds. Experience has shown that it will probably also affect performance adversely. The series of performance outcomes should therefore be lean and mean.

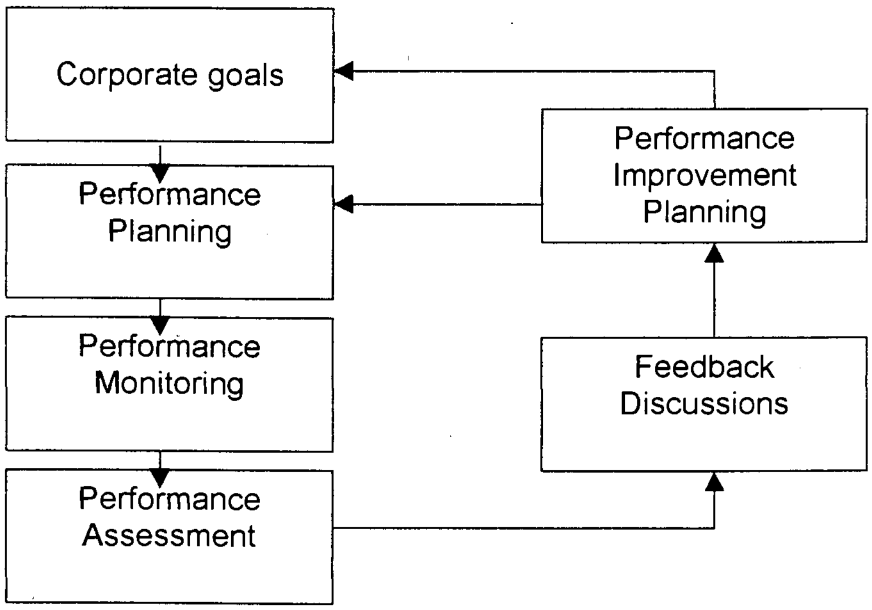


Figure 6 Performance Management Cycle

According to the New Labour Relations Act 66 of 1996, a person cannot be dismissed for weak performance if the organisation cannot prove that the expected performance outcomes had been discussed and agreed upon with the person. It also needs to be properly documented. As organisations grow bigger and bigger, they tend to lose sight of their core business and install so many support services, that these become businesses on their own eventually. A training and development department for instance might become so distracted with regard to the core business that it starts functioning as an independent unit introducing a range of nice-to-have courses that do not add value to the core business of the organisation.

A personnel department might get so preoccupied with its own desires that it no longer provides important services to the organisation, but the organisation starts providing services to the department to fulfil their management desires. They become custodians of systems and demand information from line to satisfy their managerial rituals. When times get tough, the immediate reaction is "down-size" the organisation. Cut the support services and the message of management cannot be trusted starts.

If performance planning is done properly, the performance outcomes of everyone will be derived from the purpose of the organisation. Thus it should in fact be done for a specific performance need to be filled by a performer and not for a person's needs to be satisfied.

Furthermore, performance management should not be restricted to the manager and employee, but should involve all important parties that are directly concerned or influenced by the outcome of the performance. They are called key customers on the output side and key suppliers on the input side of the production process.

2.4.2 Key customer Identification

With the term "key customer" in performance management, it could include external customers, but it goes much further than that. The best person to judge a product or service is the customer. As organisations become more customer orientated in the real sense, they encourage customer feedback and align themselves accordingly. If an employee is to deliver various performance outcomes effecting various people, it does not make good sense to rely on the manager as the sole judge of the success of the performance outcome. The term "judge" is a perfect description in many of these cases. It makes better sense, to involve the people that are directly being affected by the employee's performance. These people are the Key Customers and normally include the manager of the employee. The Key Customers could vary from one task outcome to the other and should be identified for each. They will make up the assessment team in what is often referred to as 360° evaluation. The identification of these people will not mean senseless extra work. Many employees experience tremendous job enrichment simply by identifying and communicating with the people that are directly affected by their work. By involving these key customers the organisation can ensure that the organisation delivers the correct performance outcome continuously. Ask these people to tell the organisation what they need from the organisation with regard to the performance outcome. In other words let them prescribe the standards and let them appraise the employee's performance at the end of the day. This is the most objective assessment the organisation could wish for and will contribute towards continuous productivity improvement.

2.4.3 Key supplier identification

Key Suppliers are the people that are involved in the value chain and whose performance outcomes serve as inputs to other parties in the chain. It could therefore include peers, support personnel, co-producers as well as external suppliers. Each team or individual must after establishing their/his performance specifications, list the required inputs and their quality dimensions for each task. That must be followed by identifying the suppliers of these inputs and these represent the key suppliers. It is important to indicate to them the effect their performance outcomes have on the outcome of the next production stage, In many cases these teams or individuals are not aware of the influence their work has on other teams in the organisation. If they also have their performance outcomes in place they can adjust the standards to suite the receivers of their products or services. The latter are therefore in fact their key customers. By communicating this way right through the organisation in an integrated fashion, the final performance outcome can be tremendously improved in terms of effectiveness and efficiency. It will enhance and sustain high levels of productivity in that a lot of rejects, wastage, performance time gaps and blame fixing will be eliminated.

2.4.4 Setting Standards

The derivation of performance outcomes took care of the "what" that should be delivered. Equally important is the "how well" it must be done. These criteria, specifications or whatever the organisation wants to call it, represent the standards to which the task outcome or sometimes the performance leading to the performance outcomes, must comply with.

Performance standards could be defined as the "complete set of conditions that should exist when a job is satisfactorily performed". It would in fact represent poor performance if an employee delivers double the required amount of sub-units in the specified time, but he tripled the cost of production in doing so. If the person was not aware of these performance standards, he is not to be blamed. Even if the manager could reason that it is obvious what the standards should be and the employee is plain ignorant not to have known, blame-fixing will not rectify the situation. Nothing can be done in retrospect to fix any blunders that have already occurred. No matter whose fault it was. Confucius said, we never have enough time to plan properly, but we always have enough time to re-do and re-do it afterwards.

Many organisations neglect the setting of standards and they are willing to fix the blame effectively once things have gone wrong. One certain step in enhancing productivity improvement is to communicate the performance standards with all employees. If the standards are recorded as the norm, it allows the employees or teams to set optimistic performance objectives that exceed these norms (Locke & Latham 1984; Mintzberg 1973; Ordionne May 1988:9-15; Stewart 1982). If they achieve it, it is recognised as being superior performance and will not go unnoticed or simply discarded as being what was expected. One of the characteristics of a high performing organisation, is the recognition of superior performance. Communicating to the employee that the organisation recognises his superior performance and that they appreciate it, might go a far way in sustaining desired dedication from the employee. It is very demotivating to any performer to achieve superior performance in his own perception, but the organisation is not aware of it since the performance outcome was not formally communicated and documented. The performance is simply taken for granted or goes unnoticed. It is fatal to ignore human nature and it is impossible to change it. Rather accept that people want to be recognised and make it a strength, not a weakness. Besides this human element, it makes good business sense to set and communicate performance standards and to monitor and appraise performance against them.

2.5 POTENTIAL PROBLEM PREVENTION

Prevention is better than cure!

When it comes to planning anything, usually no evidence exists of potential problem prevention planning included at any stage. This might contribute to the fact that people become fire fighters par excellence since so many fires are allowed to erupt all over the place. Fire fighting and for that matter, problem solving or trouble shooting, is a reactive procedure and implies that the problem must have occurred already. If this was inevitable, successful trouble shooting proves to be a great asset, but in many cases it is not inevitable and the problem could have been prevented had the relevant people thought about it in time.

One definite way of improving the productivity of the organisation, is to shift the relation between reactive effort and productive effort in favour of the latter. If there exist one resource everyone on earth receives only one fixed amount of, it is "time". Thus reactive events share from the same time pool as productive events and can prove to be a very costly expenditure to any organisation.

Problem prevention must be planned for deliberately. In many Black cultures in Africa, infants are told not to pay any attention to potential problems as these negative thoughts will bring on the bad event. As a consequence, these people do not develop critical thinking skills that can enable them to foresee potential problems. This is more reason why the organisation should pay special attention to the planning of potential problem prevention.

Once more, it should be listed as a task outcome to encourage all employees to make a serious effort in preventing problems rather than solving them afterwards. If the whole team or at least the manager and employee, do this together, the employee can feel at ease that it was properly thought through. The action plan that results from this planning phase can then be used as the standard of the task outcome. In other words, the task outcome should be executed according to the defined action plan.

2.6 PERFORMANCE ASSESSMENT

As indicated employee performance basically means performance outcomes from various activities that the employees undertake in the organisation. It is the performance outcome of people, resources and certain environments being brought together, with the intention of producing these performance outcomes, whether tangible product or less tangible service. To the extent that this interaction results in the desired quantity and quality of performance outcome, at the agreed standards, performance will be judged as satisfactory, good, or hopefully even excellent. To the extent that the performance outcome is disappointing, not complying with the standards, performance will be judged as poor or deficient.

What is important is that performance will be appraised against the planned performance outcomes and standards and not on another set of criteria or based on manager opinion in general.

This is where organisations often hurt themselves tremendously. By hurting their employees, consciously or unintentionally, they destroy the desire to perform and produces a climate of tension and distrust. By tackling performance assessment incorrectly it will mean the end of all the other good intentions of the complete corporate communication system. The road to hell is paved by good intentions they say. This is one case where intentions play no role but only the experienced effect of the task outcome. The key customer technique is recommended, which is more objective and balanced. It is called "team assessment" or "360° appraisal", as all the key parties are involved and it therefore differs significantly to a one-on-one situation. Some organisations claim they make use of team appraisal, but the team they use consists of a panel of superiors and sporadically a colleague or two, who gets together to judge the employee's performance once a year. It could be called "Judgement Day, the dehumanising climax" . The fact that more than one person is involved does not mean anything, it will only serve to hide responsibility and to intimidate the performer. The relevant employee under discussion must participate in the session.

Performance assessment is not about judging people's characters, but about helping them to see whether their performance is on spec or not. It asks for open, transparent communication with the attitude of improving productivity and not to punish any individual.

2.7 UPWARD APPRAISAL

"We judge ourselves by our intentions and not our behaviours, but we judge others on their behaviours and not their intentions."

Upward appraisal means appraising the employee's superior's performance. Improving productivity insists on rehumanising productivity improvement and that means that the organisation will accept that people are potentially competent and should be empowered to participate in sound business communication. At Nuclear Electric, a nuclear power plant in Kent, England it is exercised and it proofs to be very successful. Their system is not very sophisticated or complex, but they have a neat list of standard items on which the sub-ordinates rate their managers' performance. If the sub-ordinates are considered as key customers of the manager it makes perfectly good business sense. If external customers are allowed to provide feedback, but internal customers not, it indicates a distortion of sound business principles based on hierarchical power alone.

Appraising the team leader's performance based on the extent to which he enabled the employee, as his, closet customer, is therefore a sound business principle.

By upward appraisal it is not meant a tit-for-tat mechanism for employees to get back at their unpopular bosses who had hurt them in the past. If the organisation is using a healthy corporate performance communication system, it will avoid this negative event. If upward appraisal is installed in a bad corporate communication system with inappropriate mechanisms, it will enhance the Us-Them climate and distort relations even more. Upward appraisal must be based on criteria that is directly connected to the leading or the management of the employee. These must be listed as performance outcomes and standards in the manager's performance plan. In other words, the corporate performance communication system is not intended for employees only, it runs vertically right through the whole of the organisation. An employee is an employee to his manager who is in turn an employee to his manager and so on. The time span of concerns, range of concerns, and scope of concerns all increase as one moves up the hierarchy in one gets more removed from the operational level (Faerman & Peters 1991). Using the corporate performance communication system in this way will help to maintain the connection from the top to the bottom of the organisation. In chapter 6 follows a discussion of the change in management role. This implies that each manager will perform certain tasks for his people and they should therefore give him feedback with regard the effectiveness of the performance. This is what is meant by upward appraisal.

2.8 PERFORMANCE DEVELOPMENT

When there exist performance shortcomings, it is important to establish the true reason for it and to do something constructively about it. These concerns are indicated by a relatively high importance value and a low rating value. The employee should not be punished unless there exists evidence of deliberate malignant behaviour, but the performance should rather be developed.

If a proper corporate performance communication system is not in place, then often the causes of low performance are assumed, rather than properly explored. The result is that management spend most of their time reacting to negative events that occur in the workplace, treating symptoms of problems rather than finding their root causes. Often they are not even aware of performance deficiencies as it is common for these organisations to evaluate performance only once a year by using some or other performance assessment system (Often misaligned). These systems in general only deals with the workers in person and overlook all other possible causes of performance deficiencies.

All three sections of the corporate performance communication system together form the link between assessment, feedback and development. When an individual's performance falls short, the cause needs to be known before corrective action can be taken. With most performance assessment systems all corrective actions are focused on the person himself.

This is a senseless practice as most barriers reside within the work environment. As already mentioned, research in the USA indicated that 3% of performance problems are due to personal barriers of the worker, 12% due to insufficient competence and 85% due to barriers that reside within the work environment.

The cause may be any of the following:

* Inappropriate individual performance plan. Task standards set too high, or too low or which are irrelevant, could certainly lead to unsatisfactory performance. These should have been discussed and agreed with the employee.

* Vague performance plan. A lack of job specification, confusion about priorities or purposes could have negative performance implications. An overdose of detail is unnecessary, but make sure it is in understandable terms and that it means exactly what it says.

* Lack of competence. Competence is a vital and obvious pre-requisite to performance (Bigelow 1991; Blank 1982; Boak 1991; Boyatzis 1982; Collins 1991; Fletcher 1992; Mansfield, Mathews & Mitchell 1990). Competence include skill, knowledge, desire, behaviour, willingness and attitude. In other words if the employee is "set free" he must do the job without interference provided he is given the tools. A person with the skill, but a bad attitude is not competent. A miner with all the skill, but reckless behaviour, is not competent.

* Inappropriate tools, equipment, conditions, leadership or other work environmental constraints. It's difficult to perform a task if the equipment needed for the task is not available or inappropriate, or if the conditions are unpleasant, or if systems and procedures are inappropriate or non-existing. The procedures could also be too specific and compulsory, leaving no room for real learning and innovative solutions.

* The task or conditions become unacceptable to the person. Conflicts might occur at work that force the employee to withdraw from the project. Or the demands of the task become to much for the employee and he cannot cope with it any longer. It might interrupt their personal lives, making it impossible to complete. Too much travelling, long hours, irregular hours. It must be accepted that people have personal lives as well and ignoring that fact is not business, it's incompetence. Consider the case where a highly competent and loyal secretary of a HR manager, had to put her son on a train back to army after his first

weekend at home. She did this early the Monday morning before work, but the train was late and she had to stay to make sure it was the right train. She rushed to work and arrived only ten minutes late with no crisis on hand. She explained to her manager what had happened. The guy who has raised no children in his life, responded without a trace of empathy saying that her private life didn't concern him and he was only interested in seeing her at work on time. This had a tremendous negative impact on her morale. She was not the incompetent one in this case. If the employee has no communication mechanism through which he can express his need for empathy with occasional; personal problems and through which he can indicate his experienced dissatisfaction with the way in which it is being handled, it might become hidden issues causing productivity problems. If this type of communication breakdown from the manager's side becomes routine, the employee will find his circumstances unacceptable and leave or withdraw. There is no switch on a person marked: "Business him" / "Private him".

* Organisational values become unacceptable: Many employees are not even aware what their organisational values are until it affects their work. If people are forced to do business in a way they consider as unethical or even immoral, they might quite or just do the absolute bare minimum. For instance the professional hunter who is told to dose dangerous pray by dart to make it easy for the incompetent overseas hunter to obtain his trophy. Or the purchaser who is forced to buy from the CEO's buddies when he could have got the same merchandise cheaper and at better quality from other suppliers. Or the HR manager who is expected to cunningly get rid of people who top management dislike. Or if employees fear down-sizing, for their personal existence they might leave not even considering their future prospects. If there exists little or no trust between employees and management, that organisation is doomed in the end.

In Japan down-sizing is treated with the greatest care possible. A person will only be "down-sized" if he ends up better off compared to what he's had before. In other words his complete existence is respected and his years of service is highly recognised. All employees witness this automatically, thus their respect for the organisation even increases in a case like that. There is a company in Japan where no-one was laid off during slow times. They were all doing maintenance to their premises and since only say one out of three production lines were active at a time they were able to thoroughly service the other. Furthermore, since people are usually so busy during fast times, that they find it difficult to report for training, the available time was used for intensive human resources development. Top management decided secretively to sacrifice a percentage of their salaries to support these activities. It was not easy for them, but they refused to sacrifice a single person, thereby hurting the trust that existed between them and their people. This bad financial period proved in the end to have been a tremendous opportunity for this organisation to enhance the strongest asset any organisation could ever have, namely the trust, respect and loyalty between management and employees. When the economy came right again, they had a perfectly serviced infrastructure and a highly competent, extremely motivated work force. They demolished their overseas competition who were busy employing and training workers in their down-sized positions. Production lines un-serviced, unskilled labour, no trust, no motivation. What a sad, but regular story. It is quite amazing to see how much money organisations invest in building knowledge capital and how much money they spend years later to get rid of it. It does not make a lot of sense to him.

* Extrinsic rewards might disappear along the way. It could cause the employee to loose his incentive to perform at peak. If it never existed it might not be a factor, but once the organisation have introduced it and then take it away, everybody will scream for it. Even if they had not taken much notice of it when it was there. It also happens when creativity is smothered by rigid controls or autocratic managers. Many surveys showed strong indications that people wanted extrinsic rewards linked to their performance (See Appendix B). Since so many of these award systems are designed or applied incorrectly, they do not seem to create the desired response and over time the administrators loose interest and the schemes diminish. People on the other hand might criticises these rewards, but they seem to maintain the desire to be rewarded.

* Insufficient or inappropriate feedback: The result is that the employee does not know that more effort or different contributions are expected or that a shortfall exists. One cannot manage anything that one cannot measure. This must go one step further, the measured deviations must be communicated to the right people else they mean nothing to nobody. Furthermore, feedback must not just be seen as information flowing from management to the employee, it should also encourage information from the employee to management and other parties concerned. Lack of feedback or destructive feedback could lead to performance shortfalls. If there does not exist a formal feedback system, it stays an illusion.

What works well is when the most probable causes are translated into a diagnostic tool, in order to evaluate the performance deficiencies. In other words, a checklist that provides a framework for performance diagnosis. At this stage it is important to realise that many factors exist that can effect performance adversely and they should be properly diagnosed before correction or development can take place.

"Diagnosing and solving organisational problems means looking not merely to structural reorganisation for answers but to a framework that includes structure and several related factors."
(Waterman, Peters & Phillips 1980)

Appropriate performance development actions must be planned during the performance feedback discussion. Diagnosis should not end with the identification of causes, these problems should not occur again as it would imply no organisational learning. Effective performance development requires input from the manager as well as from the employee.

Once the causes of performance deficiencies have been determined by the manager and the employee, a performance development plan can be drawn up. This is crucial as analyses without appropriate follow-up actions, is a waste of time.

Table 9: Performance Barriers

2.9 SETTING UP A POSITIVE REINFORCEMENT PROGRAMME

Years ago many organisations started setting up formal motivational programs to try and increase the employees' productivity levels. These were based on the principles of positive reinforcement under the heading of behaviour modification. Positive reinforcement draws on maximum reinforcement and minimum use of punishment. It makes communication between manager and employee easier since it only involves discussion of positive items. It also does not utilises psychological probing into an employee's attitude as a cause of undesired behaviour. The work situation itself is analysed with regard to the reward factors that cause an employee to perform the way he does. It is not a process and is results orientated. It's purpose is not to classify problems but to provide solutions in a practical way.

A vast number of organisations are struggling with performance management, especially when it comes to performance assessment. The moment people start arguing about how well they performed and more harm than welfare seems to be the result, organisations abandon the performance management system and look for new solutions once again. If their exist an easier way to allow organisations to grow into a value adding performance management system, it is worth exploring. Positive reinforcement programmes might be a possible answer to the problem.

Positive reinforcement programmes usually involve four stages:

1. Define behavioural aspects of performance and evaluate performance
2. Set performance objectives for each employee
3. Enable employees to keep record of their own performances
4. Praise/ Reward positive aspects of performance

Stage 1: If a formal corporate performance communication system is not in use, this stage becomes extremely difficult. Usually performance is then rated on non-job related criteria and the programme could have a still birth. This stage will give an indication on the areas which could be improved.

Stage 2: Use the corporate performance communication system to define specific performance goals for each employee. Be specific and task related and make them optimistic but still realistic. The purpose of the reinforcement programme is to motivate the employee to higher levels of performance. Not to find ways to punish him.

Stage 3: This is where the main difference between performance management and positive reinforcement exists. With the latter the employee evaluates his performance on his own and records it in an appropriate format. The corporate performance communication system could be used for this purpose. This should be done at regular and short intervals to enhance the chances of success.

Stage 4: The employee hands his evaluation reports to the manager or manager who the praises the employee on all positive achievements. He withholds any criticism on negative performance as the fact that there is no positive feedback on those aspects, is "punishment" enough. The employee will then try to improve those areas as well in order to receive praise on them. The worker already knows the areas of his deficiency from his own evaluations, and will therefore look for specific ways to improve it. This approach allows the employee to feel more self-controlled while the avoidance of negative feedback keeps the employee from feeling controlled by coercive power. The feedback described is praise, but it could be any form of reward provided the individual experience it as rewarding.

Therefore, if organisations are reluctant or scared to use a performance management the way the researcher has constructed it, they can modify the appraisal stage and eliminate any negative reactions to undesired behaviour. A well designed corporate performance communication system will definitely enhance the successful execution of a positive reinforcement programme. The principles of positive reinforcement is in perfect harmony with re-humanising the organisation.

" It does not cost the company anything to use praise rather than blame, but if the company then makes a great deal of money that way, the worker may seem to be getting gypped. however, the welfare of the worker depends on the welfare of the company, and if the company is smart enough to distribute some of the fruits of positive reinforcement in the form of higher wages and better fringe benefits, everybody gains from the manager's use of positive reinforcements" (Organisational Dynamics Winter 1973:35).

2.10 PERFORMANCE PLANNING AND DEVELOPMENT DISCUSSIONS

One of the main goals of performance management or positive reinforcement, should be the establishment of ongoing communication between all parties working together. That is why the term corporate performance communication system is a better indication of the underpinning motive than the term performance management system. Communication without definite performance related purpose might however represent a waste of time and it might harm productivity. It is no use if the intention is pure, but the result is negative due to a lack of proper execution. Managing by Walking Around, is generally such a misplaced idea, where the intention is to promote manager-employee contact and easy communication. It however often results in senseless visits with no value-adding results. Managing by Purposeful Visit would be more appropriate, where a sound performance related agenda forms the basis of the conversation. Often managers realise the importance of communicating with their people and they plan regular meetings with them, but during these meetings they have nothing to say to each other except to argue about petty issues. This is where a formal corporate performance communication system comes to its right. It leads to purposeful meetings where relevant and important performance issues are discussed in a structured way.

These meetings can either be to plan performance or to provide feedback on past performance or a combination of both. What is important is that the objective of the meeting should be the development of performance. None must leave the meeting without an action plan with target dates and assigned responsibilities. It could either be a performance development plan, a human resource development plan or a work environment improvement action plan. These are all components of the suggested corporate performance communication system that is explored in this study.

Both the employee and the manager have a stake in the performance outcomes and both will be involved in implementing the actions that will follow from the discussion. This will change the role of the manager fundamentally, from the traditional to that of being a team leader to the employee. It will make him a valued employee instead of a feared outsider.

For instance, the employee may accept an objective to establish a computer based learning centre for literacy training purposes. The manager may contract to supply new equipment, quite independently of this objective, or modify the person's job to provide the increased analytical work desired. This contract, aimed at improved performance, may remain verbal or preferably the actions agreed to could be written into the performance plan of the employee accompanied by the agreed upon standards. Either way, these performance planning performance outcomes have become part of a performance improvement plan. The focus has moved from past performance and performance outcomes, to additional performance outcomes and standards that has been acknowledged, either verbally or preferably in writing, as a performance contract for the period ahead (Schneier 1987; Vroom 1990). This might not be too different from the traditional, but this is not where the story ends. The employee does not function in a vacuum and that the work environment contains many factors that will have an effect on the employee's performance. These factors are discussed in chapter 5. For the purpose of the discussion, it is necessary to say that the barriers that exist in the employee's path, will be identified in a Work Environment Diagnosis. It would be senseless to leave it at that, therefore it must be built into the corporate performance communication system and become the responsibility of the manager to improve. This is where the role of the manager is changed most directly to that of enabler of productivity improvement in comparison of that of the traditional role of controller of employees.

It is thus obvious that performance assessment discussions form an important element in the performance chain and are influenced by numerous factors such as:

* The climate in the company. Is it trusting, supportive, open and relaxed or the opposite? Trusting climates are more likely to have employees rate the performance assessment as a useful process, meeting their developmental needs (Guinn August 1987). A large number of employees refuse to air their opinions in fear of being prosecuted later.

Eliminating the discussion for this reason can however not improve matters. It is usually a symptom of a tense, untrusting climate.

* Whose opinion is the manager hearing; his own or the employee's? (Levinson 1991:29). If managers have a preconception as to why a particular deficiency in performance has occurred and does not recognise the other person's view, the feedback could be incorrect and destructive (King 1989).

* The employee's job. Jobs that are satisfying and challenging or seen as purposeful by the incumbent lead to more constructive views of the appraisal process. In many cases the employee even looks forward to being appraised. They want to know how well they are doing. This is possibly because such jobs are themselves more likely to produce feedback to the performer, so the appraisal itself contains fewer surprises (Lockett 1992).

* The appraisal mechanism. The tool seems to have quite an effect on the appraisal experience, especially if it is used as an alternative to the discussion itself. In such cases, feedback would be impersonal and insufficient (Lawler, Mohrman & Resnick 1984). If the tool neglects some issues of importance or does not cater for individual differences, it will be less effective. Appraisal mechanisms that evaluate performance clinically and secretively must be avoided at all costs. In some companies, they use a system where a computer programme is used to calculate performance outcomes based on allocating ratings to several criteria that is fed into it by the managers. The first time the employee sees any of this is when he receives his appraisal letter saying "the computer says, you performed under average." This type of mechanism is disastrous to employee morale and productivity improvement.

* The manager's and the employee's communication skills. This is a critical factor and affects the interaction of both parties during the discussion. This is a vital consideration and many performance evaluation systems remain ineffective because of insufficient or no communication skill development. This is most unfortunate as these skills can be learned (Maddux 1990). Any performance instrument, no matter how well developed, are still subjected to the way in which people apply them. Discussions associated with properly designed systems, are more likely to succeed as the path will be fairly smooth, but interpersonal skills still play an important role. Where the teaching of these skills are not linked to a corporate communication system, often the value of it is lost along the way. A combination of the two would be ideal.

* Employee participation. Do not involve the employee, let him participate. There is a big difference. This will ensure that competence development, career and performance planning contain the ideas of the employee. There is thus a greater sense of ownership of the appraisal by the employee (Neale 1991). In fact, performance assessment should actually be the employee's need and prime responsibility, and not the manager's.
* Structure of the feedback discussion. There should exist a simple and shared agenda. Preparation for the discussion should include a checklist which can act as such an agenda, as a frame of reference for purposeful feedback (Murphy & Cleveland 1991). If a complete corporate performance communication system is used, the system reports can be used very effectively to discuss all relevant issues.

Table 10: Performance assessment Influences

2.11 Performance Reward

Many people get hurt by the ignorant or biased behaviour of their managers when it comes to performance reward. In most cases it made a very limited number of employees feel better for a short while, whilst it caused the majority to feel cheated from well deserved recognition. The intention behind performance rewards are pure and performance rewards make perfectly sound business sense, the problem lies in the way it is administrated. Performance rewards could easily pass as one of the greatest elements contributing to organisational incompetence if not handled with care. In many surveys with regard to performance management, the majority of employees indicated they wanted performance rewards (See Appendix C). They also indicated that these rewards should definitely be derived from their actual performance and not from other criteria which they did not know of or which bares little reference to their work. Furthermore, employees often come up with the remark, "what's in it for him to participate in the suggested corporate performance communication system?". Employees have been subjected to so many failed systems in the past, that they fail to see the global benefit a well designed corporate communication system could have on everyone. They are now looking for personal benefit from the, "yet another system".

In most failed cases, the cause is the lack of a proper transparent corporate communication system that indicate performance achievement in the most objective way. The most effective solution, is the corporate performance communication system discussed so far. It sets out all the performance outcomes the employees must deliver as well as the standards of each. It also allows for customer teams to participate in the appraisal of the task outcome. These appraisals also happen at regular intervals and are accompanied by development plans. For all employees an overall performance indicator is derived taking all performance outcomes and their relative importance into account. It is therefore a balanced calculation.

The superior performance in one area compensated for inferior performance in another,

The corporate communication system should not really depend blindly on mathematics, but what is important is that all relevant criteria should be discussed in advance and all parties must agree on it. It is useless to cry over spilt milk, therefore care must be taken to establish trust by being thorough and transparent. If the organisation reason that the corporate communication system is not foolproof and that ill intents can still sneak in, the question is, will the organisation be better off by not having it at all? If ill intents are that powerful in the organisation, it will be highly stimulated by the absence of a proper corporate performance communication system.

That concludes performance management, and the next section to be discussed is the development of competencies through Human Resource Development.

Chapter 3 *HUMAN RESOURCES DEVELOPMENT IN PRODUCTIVITY IMPROVEMENT*

The outcome of human resources development should be a workforce with a significantly raised level of applicable work related competence. It should not be evaluated against any other criteria as just that. It is not about what has been taught, but what was learned and eventually what was applied to the work process. It should thus be evaluated by comparing the pre-training applied skills to the post-training applied skills (Powers 1987; Robins 1989; Stewart 1992; Yukl 1990). This should form the focus of the conversation regarding competence development.

Training is one of the major ways in which employers develop employees to meet organisational objectives and plans (Hall & Goodale 1986:330). The question is, can traditional training and development approaches deliver effectively and efficiently in this demand? The researcher is convinced it cannot and illustrates the point by looking at some pitfalls of the traditional systems.

3.1 PITFALLS OF TRADITIONAL TRAINING AND DEVELOPMENT

It is a common practice to place the training and development department in the human resources division of an organisation, or as a sub-function of the personnel department. In this department one would typically find several training officers, reporting to a training manager. The main function of these people would be to lecture to employees in an effort to improve their knowledge. From time to time they would also develop training materials, or search the market for new programmes that have a nice ring to them.

Once a year they budget for the next year, based on figures from the past. This budget is usually pared drastically by top management in an attempt to keep organisational expenses down. In bad times they might even cut a few heads in the training and development department, and reduce the budget. They could then still claim to have a training department, but this department, could do little to hurt the organisation financially.

A lot of pressure is usually brought to bear on the training people to prove their validity by placing much emphasis on the number of people they train. This leads to trainer's becoming instructors par excellence, with a tremendous amount of energy being spent on drawing more candidates to their courses. They might even get professional help to save face and win course applications through powerful advertising. The need for training is therefore vested in them as training staff.

The more "people on seats" they deliver, the more their performance is appreciated. The problem remains, however, that organisations battle to observe or feel the benefit of their training departments, and they keep grasping at devastating or suicidal measures to prove their validity. Training and development of human resources is viable only if it definitely increases the productivity level in the organisation. The difficulty of the traditional system is that because of external pressures on training staff, they develop the need to train people for the sake of their statistics. Line managers, on the other hand, know or are taught that they are responsible for the development of their people, so they schedule them on courses that sound interesting and hope that they will come back with improved skills.

Traditional training and development is based on a selling strategy, intended to satisfy the existence needs of the training personnel primarily. Usually very little added value results from this process and more effort often only implies more costs.

Furthermore, the danger of traditional training and development is that training programmes are seldom synchronised with the needs of the organisation. It is often found that an organisation is facing advanced industrial relations problems or top management development needs, but the training people are way behind, still concentrating on courses in the generic functions of management, or equally old-fashioned courses. On the other hand, production development might be lagging behind and employees get trained in skills that they cannot apply in the organisation because the technology does not exist or the systems and procedures are outdated. Training programmes in participative management are presented, for instance, but organisational systems prevent the knowledge from being carried over into the work-place. The researcher refers to this method of training and development as "single-loop human resources development communication".

3.2 PITFALLS OF SINGLE-LOOP COMMUNICATION

One of the most cumbersome consequences of single-loop human resources development is the way it side-tracks top management from what the essential purpose of training and development is - which is to increase productivity in the organisation through a more competent workforce - and gets them into unnecessary and futile arguments about financial control. The researcher discovered very few organisations that can really claim that their employee skills and the organisational capacity are optimally matched.

3.2.1 Summary

In a single-loop human resources development system, employees report for training courses internally or externally, after which they return to their organisations, where they are supposed to apply their newly acquired knowledge. The organisation, however, remains passive during this cycle or it is developed without deliberate relation to the training that the employees undergo. It is solely content base and not outcome based.

With regard to work environment improvement there exist another possibility of a single-loop approach. This manifests itself mainly in the development of technology, where management single mindedly purchase new equipment and not give the users of the equipment the opportunity to timeously have their skills developed to utilise the new technology to its full potential. Both the human resources and the organisation have to be developed. Critically important, however, is that the development should be related, and timed precisely. When an organisation acquire new technology that is not utilised to its full potential, the organisation did not develop, it simply expanded. This is primarily the consequence of lack of focussed performance communication.

3.3 CONCLUSION

1. If the organisation and the human resources are not developed, the organisation will become stagnant, with no growth and no productivity improvement. If either of the actions is neglected, it serves no purpose to spend energy or money on the other.
2. If the development programmes are not related, they become irrelevant "nice-to-have's" that could be harmful to the organisation.
3. If the actions are not synchronised, the potential performance ability could easily be lost and, once again, it could harm the organisation.

3.4 DOUBLE-LOOP DEVELOPMENT

Double-loop development is defined by the researcher as the synchronised and related development of the human resources and their work environments in order to match the *ability of the employees and the performance capacity of the organisation.* This should become a continuous process, in which one improvement builds on the other, making the organisation more and more competent and resulting in continuously increasing performance. Applied to the productivity model double-loop development will look as illustrated in figure 7 below.

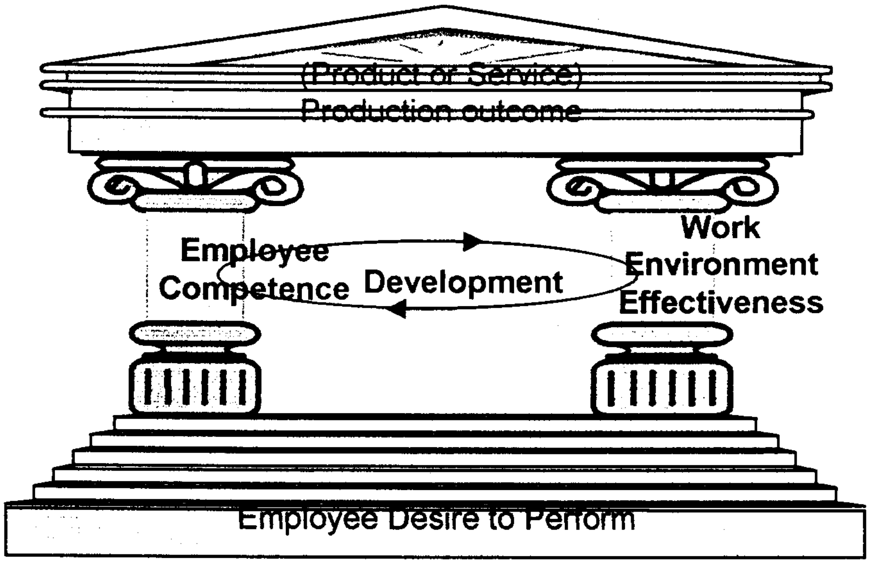


Figure 7 Double-Loop Development

If both pillars are not developed simultaneously and in relation to each other, the structure will be skew and world class performance cannot be achieved.

If employees are equipped with specific skills but the organisation is not developed to capture and apply these, the workers will get frustrated and performance will drop. Similarly, if the organisation is equipped with new technology or systems for instance, but the employees are not developed simultaneously in the skills to maximise the efficient and effective utilisation of these, performance will once again deteriorate. In other words, the result will be the undesired performance outcomes of two single-loop development systems.

3.5 OUTCOME BASED COMPETENCY DEVELOPMENT

The New Labour Relations Act 66 of 1996 in South Africa, states that advertisements, appointments and promotions should be based on the competence requirements of the position. There is one clause that allows for exceptions to be made if it fits the affirmative action policy of the organisation and it is not considered unfair discrimination if a more

Other than that, everything is to [illegible]ised. The suggestion from the South African Labour Board is that a list of competencies be drawn up and all key competencies should then be included in advertisements. The competencies of the applicants must be compared to key competencies and the best candidate should be appointed in the position.

When it comes to productivity improvement, there exist only a small but significant difference to this. Instead of identifying the group of competencies for a specific post, the different performance outcomes within the post must first be determined and then the competencies for each should be identified. This will lead to a much more meaningful result as working on the higher level of the post from the start. The list for the position resembles the traditional job description. Job descriptions however, are vague and is fairly static and should only be used to describe the basic function and responsibilities of the job. It should not be used as a basis for productivity improvement or more specific, performance management. The researcher believes the South African Qualifications Authority calls a post profile a capability with a number of associated assessment criteria which resembles the action steps in completing a specific task or duty.

If the training department enrols in a double-loop system, it inevitably implies that they will focus on their internal clients, the employees, since the human resources development needs as well as the work environment development needs will come from them. These needs will furthermore be derived from the expected performance outcomes. In this case T&D will be based on a marketing strategy.

Furthermore, it is important to define human resource development correctly, else the whole effort of making the employee more competent might be misplaced.

The researcher defines human resource development as the balanced, improvement of relevant knowledge, skills and motivation of the individual, with the purpose of increasing his productivity in producing the organisation's performance outcome. The different components of human competence, as the researcher sees it, is displayed in figure 8.

The only way to find peace of mind regarding the benefits of training and development is to ensure that the need for development is derived directly from the job requirements of the employees, and that the development programmes address those needs very directly and efficiently considering the definition above. This can be achieved by building it into the corporate performance communication system as was done with performance management.

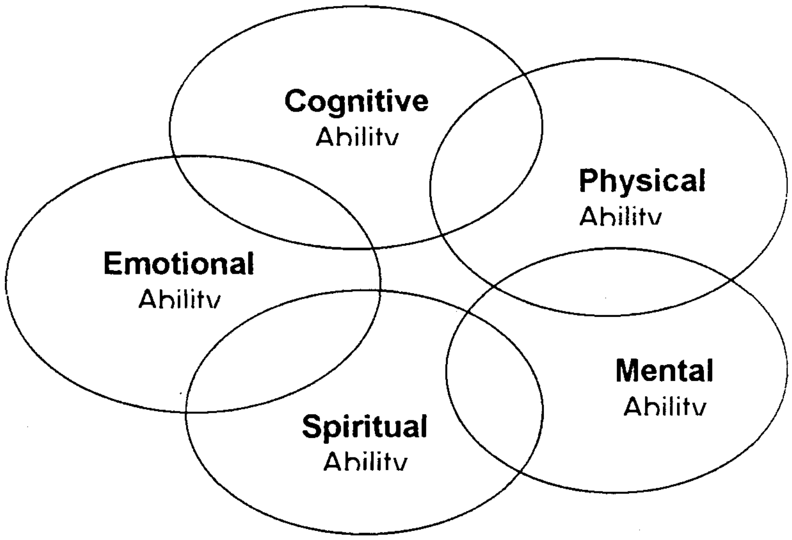


Figure 8 Human Competence

3.6 HUMAN RESOURCE DEVELOPMENT PLAN

To develop a comprehensive competency development plan for the employee, the priority of the development needs must be determined. To determine the development priority, using the corporate communication system, the rating value is subtracted from the importance value. The higher the result, the higher the priority. It is impossible for a person to attend training courses almost full time and without end, since there will not be any time left to perform the required tasks. All development needs, also ones that are identified through other means such as career pathing, must be sequenced in terms of priority and then fitted into a suitable time frame.

It is good to formulate a competency development plan for each employee, but it will require finances to execute these plans. Many good intentions stay unrealised because of a lack of proper budgeting.

3.7 BUDGETING FOR HR DEVELOPMENT

Some organisations have little trouble in compiling HR development plans, but their shortfall arises when planning the training budget. It is fairly simple to determine what all the different development actions will cost by simply adding all their projected costs together, but that is not the total cost of HR development. A second component, not difficult to calculate, but often forgotten, is travel, accommodation, venue and equipment costs. These must also be estimated and included for each action.

Thirdly, and most importantly, is a factor that the researcher has seldom seen in any organisation when it comes to budgeting for the HR development budget and that is substitute costs. This is the cost of appointing a substitute temporally in the course candidate's position or paying his peers overtime for standing in. The job must go on and it must be planned deliberately. The researcher has witnessed a vast number of times where scheduled course candidates cancel a day or two before the start of a course because of work pressure. In other words no substitute arrangement was done and the rest of the team or the manager hoped that work demand will be low enough for the employee to be absent for a couple of days without disrupting the work flow.

The reason for low course attendance is two fold:

- Substitute budgeting was not done to relieve the course candidate from his official duties.
- The need for the training event was not derived from the performance expectations of the candidate, but came from a training selling effort.

Table 11: Reasons for Low Course Attendance

By using the corporate performance communication system, discussed so far, half of the problem is solved. Make the proper budgeting for HR development an important task outcome of the manager in his performance plan, and the other half should be taken care of as well.

Additional competency development issues including the role of the trainer, are discussed in Appendix H.

3.8 WORK ENVIRONMENT IMPROVEMENT IN PRODUCTIVITY IMPROVEMENT

In general, it could be argued that people have more or less similar mindsets about the functioning of an organisation, with differing perceptions and attitudes within this basic framework. That is probably why so many organisations are faced with common business dilemmas and why so much energy and money is wasted on the productivity concern in many cases, where it is common to find that the symptoms instead of causes of problems are addressed except by coincidence. No organisational development is achieved in the real sense, and changes are planned only within the conventional paradigms. The thinking is trapped within the parameters of history. Theories built on each other moving further and further away from the basic problem. The researcher finds it common practice for organisations to judge new interventions against the outcomes of previous ones, not knowing what the reason for introducing them was in the first place. Some organisations do not know whether they in actual fact have a problem or not, they just carry on introducing interventions in the hope they will do the organisation good. The researcher is sure that if a person drinks medicine simply because it appears to be a good medicine and then changes over to other medicines one after the other according to their popularity, this person will develop a number of fresh diseases as a consequence instead of becoming super healthy. The reason being, that the human body is a complete system and what happens in one area will have an influence on several other areas. Similarly, the organisation is also a complete living system. A number of people grouped together on a stadium to watch rugby can be classified as a "group of people". If some leave, the group becomes smaller, but nothing else is affected. If the same group of people get together to produce a product or service, they have a common goal and each will have a specific function to fulfil. They can now be classified as a system or an organisation. If some of them leave, a function or functions will be distorted and the performance outcome of the collective production will be affected. The organisation cannot interfere with a system and not upset the functioning of it as a whole. It is therefore essential to consider the systems theory before we investigate the improvement of the work environment which forms a major sub-system of the organisational system.

3.8.1 Systems Theory and productivity

With regard to the judgement of productivity there exists no doubt that there are many different factors affecting people's performance at work. These factors should be explored as part of managing their productivity. In many cases however, employees are judged in total isolation to the rest of the organisation as if they were functioning in a vacuum. Events also play a major role in many cases ignoring the true or root causes of the performance problems. In case of the bottom-line syndrome money is the only criteria of performance. When the economy is slow, many organisations develop high levels of anxiety and loose their long term view altogether.

Manning has to say:

"Profit should always be a key measure of how well an organisation performs. But it's not the only measure, nor should it be used on its own. When a doctor examines a patient, he takes the patient's temperature, looks down his throat, feels his pulse, takes his blood pressure, and so on. In the same way, to judge an organisation's health, we need to examine it from several perspectives".

It is an important factor to be taken into account when diagnosing performance barriers. If employees lose their intrinsic sense of being part of a larger whole, and they cannot see the "big picture" anymore, they will be unable to reassemble the fragments in their minds (Senge 1990:3). If the performance problems are broken apart in such a way that the production arena becomes fragmented into separate isolated components, the "inter-connectiveness" of sub-systems will be lost and more harm than good will result. In this case everybody will see the problem in a different perspective leading to arguments and a clash of interests. To be effective in finding root causes and to understand productivity problems in their full consequences, it is important to adopt a systems perspective as the organisation is a complex system comprising many interconnected sub-systems and elements. According to Galbraith (in Mintzberg & Quinn 1988), all the elements must "fit" to be in "harmony" with each other. The root cause of a problem might reside in a totally different domain in the organisation than what the obvious suggests. Furthermore, the treatment of problems in one area might have serious implications in another. According to Peter Senge (1990) the systems perspective shows that there are multiple levels of explanation in any complex situation as illustrated in figure 9.

He reckons that typical event explanations are ,"Who did what to whom?". This a characteristic of a low-performing organisation that functions in the reactive mode. It is obvious that to be able to react to events, the events must have occurred already leaving no room for preventive actions. What is the use of a corporate performance communication system that reactively evaluates productivity on event level and then introduces the necessary punishment or reward measures? No correction can be made in retrospect. Event explanations are the most common in organisations and the most obvious "causes" to problems. That is why reactive productivity improvement prevails and mediocre levels of productivity are not a limitation, but in many cases a challenge. If the symptoms of a disease are treated instead of the origin of the illness, the disease will not disappear. On the contrary, the patient might develop a number of other ill-effects. Practitioners who focus on the treatment of symptoms are usually very busy since they cure no illness. Similarly, managers or employees who focus on events are extremely busy and have little time to add real value to the organisation. The question is, are they good workers because they are always sweating at the millstone or are they in fact busy fools?

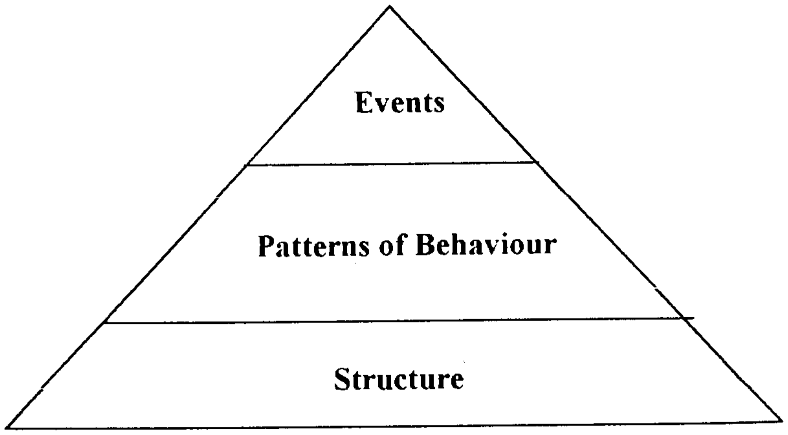


Figure 9 Multiple levels of explanation
(SOURCE: Senge 1990: 52)

In his book, Seven Habits of Highly Effective People, Steven Covey mentions the person who was busy sawing down a tree when someone told him that his saw was blunt. Why didn't he stop the sawing to sharpen the saw first, he was asked. The reply was that he did not have much time and could not afford the time to sharpen the saw.

That is what the researcher often sees in organisations. Employees always extremely busy trouble shooting, jumping to conclusions, jumping to cause, jumping to action. It allows them to claim a hard days work and it also reflects good during performance assessments. Maybe working harder is not the answer, but working smarter is.

Confucius said: "We never have enough time to plan properly, but we always have enough time to re-do and re-do it afterwards."

Pattern of behaviour explanations focus on longer term trends and assess their implications. According to Senge (op. cit.) it suggests how an organisation can respond to changing trends. The significance as far as the researcher is concerned is the fact that it starts to identify the patterns of behaviour that exist in the organisation. These patterns are directly related to the collective attitudes of the workforce which largely determine the organisational culture. The nature of specific events will depend on the nature of these patterns of behaviour. This level of explanation is therefore one step closer to the root cause of many organisational problems. It is thus in vain to address events without linking them to specific patterns of behaviour. If the patterns of behaviour continue to exist unchanged the events will simply reoccur and in most cases even get worse. If many negative patterns of behaviour exist in an organisation, his guess is that it will soon find itself in serious trouble due to a multiple of destructive and undesirable events. The researcher defined organisational incompetence earlier as the continuous production of unintended undesirable results. Organisations that fit this description should wake up to the systems perspective and locate the real causes to their problems. This should be built into their corporate performance communication system. If they do not do this, their well-intended actions will simply cause more ill-effects.

Pattern of behaviour explanations are however seldom the root causes to problems. According to Senge (op. cit.) there exists a third level of explanation, structural explanation which is the least common but most powerful. It tries to explain the cause of the patterns of behaviour. This then usually represents the root cause of the problem. It is thus fair to argue that the patterns of behaviour are the true causes of the events and that the structure is the root cause of the patterns of behaviour. The reason why these explanations are so important is that only they address the underlying causes of behaviour at a level where the patterns of behaviour can be influenced. That is why it is said that structural explanations are generative - structure produces behaviour - behaviour is responsive and leads to events which are reactive to behaviour. Senge (op. cit.) reasons that since structure in human systems includes the operating policies of the managers in the system, redesigning their own decision making redesigns the structure. Structure represents of course not only the physical structure of the organisation, but it includes the systems, procedures, policies, standing instructions and management attitudes.

3.8.2 Organisational behaviour

Combining Peter Senge's (op. cit.) model and Lovemore Mbigi's (in Mbigi & Maree 1994) Hierarchy of Spirits is displayed in figure 10.

As was explained in the previous section, the nature of the events that occur in the organisation will depend on the existing patterns of behaviour amongst the workforce, according to Senge (op. cit.). Mbigi and Maree (op. cit.) describes these patterns of behaviour as the result of different attitudes that exist amongst the workforce and he explains it symbolically at the hand of Afro-centric religious spirits. He is not prophesising witchcraft and is not suggesting that if people indicate a certain behaviour that they are possessed by one of these spirits. It is simply a metaphor as others might use Greek metaphors. If any negative spirit or pattern of behaviour exist amongst the workforce, destructive events will result under certain conditions. The workers' spirits can also be influenced by external factors, such as religion, politics and economics.

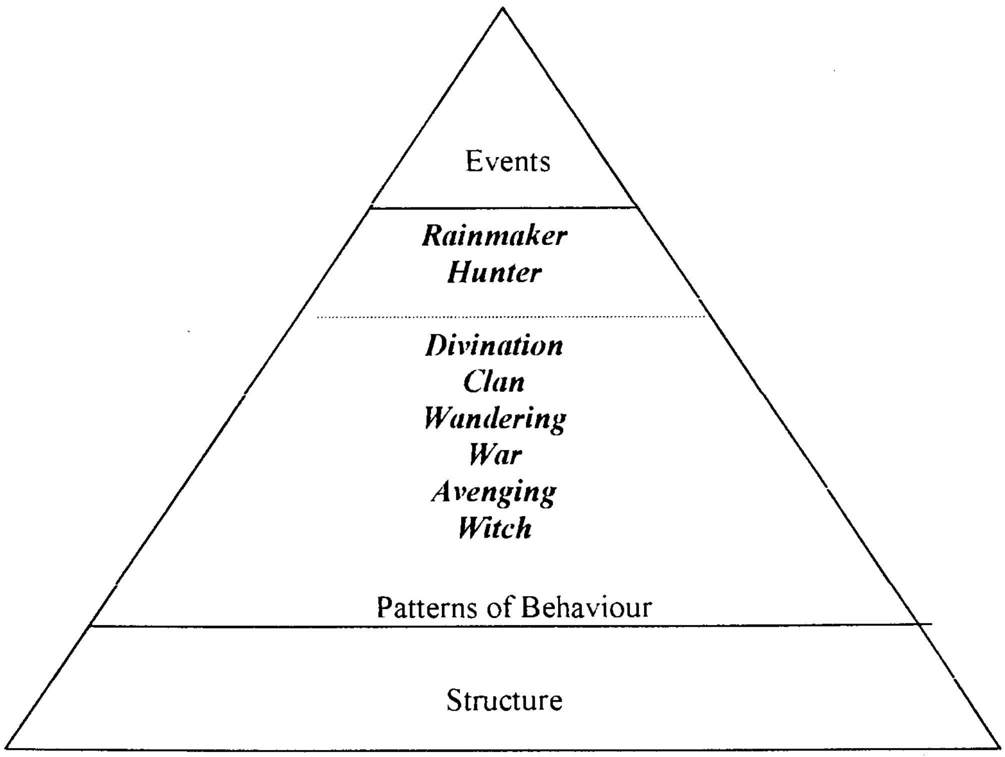


Figure 10 Hierarchy of Spirits

(SOURCE: Adapted from Senge 1990:52 and Mbigi & Maree 1994:19)

The challenge for management is to be aware of this, identify it and manage it properly by managing the structure, policies, and other organisational aspects that have a generative effect on the type of behavioural pattern that will exist.

Mbigi (op. cit.) uses the African spirits to symbolise organisational culture, values and climate. What is important in terms of performance management, is what the experienced performance outcome of the culture, values or climate are in terms of behavioural patterns. If the behavioural pattern represents the spirit of Mutakati, the Witch spirit, it will be experienced as destructive cynicism, indifferent and negative thinking. This causes a lack of enthusiasm in terms of organisational change and renewal.

Therefore initiatives such as TQM, TPM and even the RDP will not be sustained. This type of complacent behaviour will not improve productivity and the organisation will find it difficult to determine its own future.

The second lowest spirit in his hierarchy of spirits, is the Avenging spirit, Ngozi. The resulting pattern of behaviour is characterised by anger, bitterness and revenge. If the organisation cannot succeed in freeing these people from their bitterness and anger or managing it effectively, they may not be able to negotiate a new reality and any attempt to improve productivity will be viewed with distrust and suspicion.

The Wandering spirit, Shave, is usually present amongst people with particular obsessions and a high creative ability. It is the spirit of innovation which the researcher cannot consider a negative spirit, but one that is actually lacking in our organisations and is usually present in unusual individuals outside the organisation. If many of them exist within the organisation their obsessions to find creative solutions might become problematic to management and they might be experienced as stress producing rebels. Management should however realise that the ideas of these people are extremely important to the organisation and they should hire their services to challenge the organisational culture and paradigms.

The Clan spirit, Mudzimu, is characterised by parochial self-interest in one's future and in the well-being of the group the organisation belong to. The implication for organisational management is, that people who belong to the same group as the CEO will receive preference when it comes to appointment and promotion. It could be a family group, cultural group, political group, or any group based on other criteria. This is a very obvious spirit and employees who do not belong to this clan will usually become sceptical and pessimistic.

The War spirit, Majukwa, is obsessed with personal power and conflict. It creates an extremely tense climate and personal security is very low due to the degree of political gamesmanship. This is particularly evident in infant organisations.

The spirit of Divination, Sangoma, suggests that only the king knows the truth and the ordinary man must share this truth else he is persecuted. In many of our bureaucracies this is the prevailing spirit amongst top management and challenging ideas from the workforce are not tolerated. To his mind this is the most dominant spirit in South African business and probably the greatest barrier to becoming a true learning organisation. Excessive amounts of control is evident in these organisations and often the budget system is used to punish those who think differently about business.

The Hunter, Shavi Reudzimba, is characterised by a quest for pragmatic and creative solutions to survival issues. They are rare and seldom will the organisation find a collective spirit of the hunter in the organisation. This spirit is usually centred on a few individuals.

The highest spirit is the Rainmaker, Gobwa. It is concerned with universal truth, morality and human dignity. The challenge for organisations is to allow both the hunter and rainmaker spirits to become dominant in their cultures. This will improve productivity since the organisation will be rehumanised and creative solutions will be sought continuously.

The significance of Mbigi's (op. cit.) and Senge's (op. cit.) theories is, that it explains the behavioural patterns that exist in the organisation, whether a result of the values, culture, climate, management attitudes, et cetera. The events that occur in the organisation is a result of these patterns and reacting to these events therefore implies managing symptoms and not true causes. The true causes are the existing spirits or behavioural patterns and they in turn are caused by the root causes of the problems. The root causes could either come from internal, external, or personal sources. Internal such as structure, policies, practices, management attitudes. External such as religion, politics, society. Personal, such as mental and emotional barriers or personal values. To be successful in eliminating the problems the diagnosis must be focused on the correct level. Assuming the causes of low performance results in management spending most of their time reacting to negative events that occur in the workplace, treating symptoms of problems rather than finding their root causes. To be effective in finding root causes, the corporate performance communication system must be properly used with emphasise on the work environment improvement section. The collective learning OD interventions should contain burning platforms where employees can voice their unspoken grievances, fears and expectations and the negative spirits can be dealt with. People cannot move forward if they cannot leave their barriers behind.

Managing events inevitably leads to the creation of more unwanted events. This usually is the performance outcome of an excessively controlled, unhappy, demotivated but often highly skilled workforce. His description of a de-humanised organisation. Performance management and competency development alone is therefore not enough.

Furthermore the causes of deficiencies as well as conditions of organisational adaptation should be determined by the employees themselves, for only then is the necessary intelligence built into the social system of the organisation, enabling it to redesign and align itself according to environmental changes. It is an inclusive approach that not only lead to effective problem solving, but also harnesses important emotional components of motivation of the employees. Managers tend to dehumanise their organisations, forgetting that the people are the most valuable assets of the organisation. Often they have all the answers. The pitfall is, not using a system as described so far and embarking in a fragmented way on all sorts of OD attractions.

If employee participation is done with sincerity, in a constructive and holistic manner, a learning organisation can be created, where people continually expand their capacity to create the results they truly desire. An organisation of this nature is characterised by people who are continually learning how to learn together (op. cit.):3).

With regard to these change strategies, terms such as "metanoic" and "learning" organisations are often discussed. Dostal and Osler (1990:2), of the Institute for Future Research, state that they believe the metanoic organisation is the organisation type of the future. As early as 1969, Lievegoed proposed the cloverleaf organisation which encompasses many ideas contained within the metanoic and learning organisational frameworks (Christie, Lessem & Mbigi 1993:183). The problem is that many organisations do adopt these ideas, but they seldom really understand what they imply. It looks good in mission statements and that's where it often ends. Very few of them realise that changes must occur at the structural level before they can truly claim to be learning or metanoic organisations. Many organisations are obsessed with control structures depriving their employees of all their initiative to creatively add value. This allows for very little organisational learning (Toffler 1985).

Within the above mentioned frameworks, high-performing organisations place heavy emphasis on human issues, fostering a dedicated, committed, competent and flexible workforce. They seek a high level of employee participation in operating and developing the organisation. Employees are encouraged to participate in decisions effecting their work-lives, and to discover ways to improve the organisation's productivity with regard to its functioning and its products and services. They are not scared to rehumanise their organisations and to empower their employees.

Another pitfall is to stick to old solutions that worked in the past. It is important for organisations to realise that it is not business as usual, times have changed and the frequency of changes in the future will probably increase exponentially. With the increasing pressures on legitimacy, the establishment of a stable society, the shifts in power relations and the change of lifestyles, a vastly different environment is being established, externally and internally.

In the late eighties Kravetz (1988:126), already realised that employees are vastly different from their predecessors and these human differences require organisations to make large-scale adaptation or perform less successfully. What applied to a specific group of employees at a certain period in time might be totally inappropriate for the current group of employees at this point in time. It is therefore imperative that the corporate performance communication system is dynamic and draw on employee participation continuously.

3.8.3 Work Environment

By now it should be very clear that the organisation is a complete system and the working of the various sub-systems will have an effect on each other. From the foreword onwards the researcher emphasises the importance of a holistic approach to productivity improvement, taking into account the complete organisational system. It was also evident that within this system, 85% of productivity problems reside within the work environment of the employee and only 15% are made up by lack of competence and personal barriers. It is thus obvious that performance planning and competence development alone are insufficient to deliver optimum productivity. Even perfect job specification, together with maximum competence, will not generate performance if, for instance, a person has no tools to work with (Addams & Embley 1988:55-60; Byham 1988; Carey 1992; Desler 1991; Fowler 1990:47-51). Or if there are not enough peers with whom to share the job or if there are sufficient helpers in number but lack of proper communication, or if the systems make the job flow difficult or if they are poorly designed or if leadership is deficient. According to Kepner and Tregoe (Kepner-Tregoe 1981), any barrier in the environment will have an inhibiting effect on the performance of the worker, including the factors that were discussed so far, namely:

1. Task outcome (task) specification
2. Performance standards

3. Performance assessment
4. Performance reward
5. Competency development

All the mentioned factors will adversely affect performance if they are not being addressed properly. They are all part of the work environment, and they all need to be managed deliberately. The improvement of this work environment is the third section of the corporate performance communication system. The key question is "Does it enable or inhibit successful execution of the tasks at hand?" That is, does it provide the employee with the technical and people support needed, and are appropriate structures, relationships and systems in place to enable the employee to perform? These factors all reside within three major sub-environments of the complete organisational environment:

1. **The technical environment**
Tools, equipment, technological infrastructure and other physical or technical elements.
2. **The human environment**
Peers, others with whom employees relate, teams and work groups, interaction issues, and the leadership and management.
3. **The organisational environment**
The structure of the organisation, the systems, procedures, practices, values and philosophies.

Table 12: Organisational Environment

All these elements of the work environment represent the resources or inputs that are available to the employee: but they could also represent barriers. In addition there is an environment containing the numerous, and often complex, personal aspects of life. There are mental, emotional and physical factors which obviously impact on performance at work. These are considered to be outside the manager's sphere of influence, or, in the opinion of many people, outside the manager's right to intercede. He should however have empathy with these and take it into account when managing performance. The research done by Dr. Gillbert, has revealed that a mere 3% relate to the person involved with regard to these personal barriers, although the researcher suspects that with the increasing stress levels nowadays, it might be on the increase as well. Many experts have tried to come up with a solution to low performance problems such as Robert Mager and Peter Pipe in their book Analysing Performance Problems, where they have devised an algorithm for analysing the exact cause of a performance problem. The researcher will say it once again that a holistic approach is a pre-requisite with regard to the entire productivity issue, else it is again a case of working on one link in the chain.

The work environment is illustrated in figure 11.

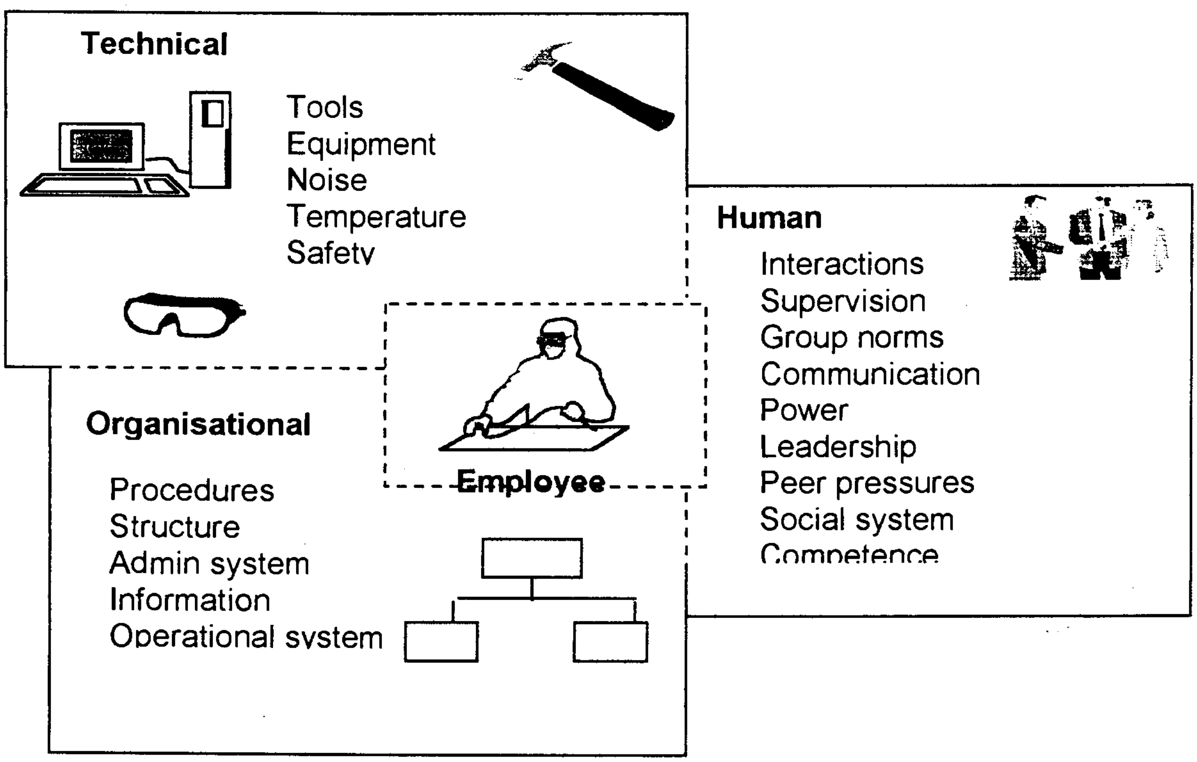


Figure 11 Work Environment

What is important is to realise that within the broader framework of commonality, each situation is unique and managers need to be well-informed, well equipped and exercise a high degree of sensitivity.

Following is a discussion of the three sub-systems:

3.8.3.1 The Technical Environment

The most obvious elements here are the tools, equipment and materials needed to do the job. They are the physical resources that are required or the physical inputs to enable the production of performance outcomes as described in the job specification. Without a lawnmower, the gardener cannot mow the lawn. This lack of equipment adversely affect productivity. Furthermore, it's not just a matter of whether the tools are available or not but how appropriate they are. The tools need to be the best fit to the task if performance is to be optimal. If a team of butchers have enough knives, but they are very small knives or they are blunt, they will not be appropriate for the job and the job will simply take double the time to be completed. Furthermore, all manual tools can be replaced by robots, computers, automates and sophisticated electronic systems, but the principle remains the same, they need to be appropriate or productivity at the individual or team level suffers.

Apart from these obvious points, poor equipment usually generates poor morale, so this environmental factor spills across into the "human" environment with further negative consequences. All three environments are interconnected and will contain reinforcement loops and balancing loops causing limits to success.

Improving productivity in the organisation goes further than just polishing up the human environmental elements. It asks for a total and complete shift of thinking with regard to the influence of the other environments on people motivation. Improving the work environment has definite direct benefits to the employees in their performance, but what must be kept in mind is the effect it has on employee motivation. From all three sections in the corporate performance communication system, this is the most effective one to be applied in order to create the desire to perform.

This is also taken into account by the important aspect of "double-loop development" which implies that the human resources and the work environment, especially the technical environment are developed simultaneously and in relation to each other. The capabilities of the two must match each other. E.g. when technological development is introduced, the users must be trained immediately to utilise the new technology optimally, and vice versa. The development also needs to be cost effective or performance at the corporate level suffers. According to Douwes-Dekker (1990), a fine balance between micro efficiency and macro economic performance must be maintained and the latter must not be chased at the expense of the internal environment (Oxenburgh 1991; Trotman 1992). It is important to know that deficiencies in the technical environment will adversely affect performance, but expanding it beyond the abilities of the users will not lead to an increase in performance. It could even inhibit performance due to the increased frustration levels amongst users.

Other dimensions of the technical environment, in addition to tools and equipment, are noise levels, pollution levels, lighting, temperature, furniture, humidity and quality of air to list just a few of the health and safety variables. Once again, the aim should be to meet the needs of the employees or to stretch them a little, but not to exceed them or to fall short of them. The researcher has said before, if an organisation invests in technology that cannot be used optimally, it does not develop, it only expands. The researcher observes many expanded and over capitalised organisations in his consultation work.

3.8.3.2 The Human Environment

The researcher thinks it's fair to assume that most work is accomplished by people operating in groups or teams. Even where some jobs appear to be isolated, or highly individualistic, those working in them still relate to others on either the "input" or the "output" side at some time or another. Without any doubt, interaction between people is fundamental to work in any kind of organisation. The interpersonal relationships are therefore an extremely important issue. The question is not what does the organisation want to deal with in the organisation's business arena, but what is reality over which the organisation have no control and how to manage that successfully.

Often a problem is only recognised or appreciated once the system has collapsed. This is usually the case of the last straw that broke the camel's back. A camel with a broken back is not worth a lot and the problem cannot be fixed once it has gone that far. It is therefore advisable to identify the straws before they accumulate and break the camel's back. Any astute manager will be aware of this if he makes use of a properly designed corporate performance communication system.

As in the case of the camel the damage is usually irreversible and the organisation is left with permanent scars. When a mechanical thing goes faulty there usually appears to exist a number of potential causes and the challenge is to eliminate them to find the one most probable cause. With humans it is different. When something goes wrong, everybody is quick in identifying the one real cause, but the obvious is seldom the true cause and could be very misleading. The obvious is usually only the last straw. The challenge in this case, is to widen the search to include all the straws that contributed to the problem. This is a very difficult process and often the problem cannot be solved without leaving some afterglow of the damage. Prevention is therefore much better than cure when it comes to human problems. Thus, when the researcher refers to proper, efficient and effective productivity improvement, the researcher is referring to preventive management or pro-active management as some may call it. Therefore, if the organisation wants to optimise productivity improvement, it will have to identify the factors (straws) in the environment that could cause harm to the incumbents and eliminate them as far as possible.

Two important human factors that affect the performance of people in their jobs are:

1. The team or work group - colleagues, peers, formal and informal employees and,
2. the leader - manager, manager or project leader to whom the group looks for support and leadership.

Table 13: Human Factors Affecting Performance

3.8.3.2.1 Work Group Factors

Hellriegel and Slocum (1988), describes group factors as follows:
"These are complex in nature and are varied. It involves issues such as compatibility, informal structures within groups, status differences, the issues of cohesion, power, influence, aspects of communication and language, and the matter of peer pressure and the establishment of group norms, and many others."

These factors originate in the individual differences that characterise human beings. We are all different, making organisational behaviour a difficult issue to analyse (Feldberg 1975). A vast number of different personalities exist amongst human beings even if they come from the same cultural background (Belbin 1981; Johnson & Johnson 1987; Maddux 1988). It also goes for geographical groups. The researcher was told that the Japanese from Osaka differ significantly from those in Tokyo with regard to habits and business relationships.

In general people have different motives, objectives, needs, fears, hopes, impulses, interests and values. This leads to them desiring different things. But they also have different beliefs and mindsets: They think differently. They perceive, comprehend, process and conceptualise differently. Their assumptions about the organisation differ. How people perceive things depends on their mental models formed through history and experience. These differences lead to different behaviours. People act and react differently, express their emotions and moods differently and are usually judged by these behaviours and not their intentions (Margerison & McCann 1990; Torres 1980; Varney 1989; Wellins, Byhan & Wilson 1991). The researcher has come upon many employees who regard the work group as an extremely important issue and some feel that the work group should have an input in the evaluation of individual performance.

3.8.3.2.2 Leadership Factors

In addition to the impact on the human environment made by the group factors described above, the influence of the leader is very important. An effective leader energises and sensitises the group, and provides them with a vision. As a group member, there exists a high probability that a person will perform better if he has a positive view of the leader's behaviour. The extent to which a person is trusted with delegated tasks and allowed to participate plays a major role in the leader - follower relationship. The management style must be appropriate to the individual requirements of each worker (Bennis & Nanus 1985; Blanchard & Sigarimi 1987; Kotter 1988; Pagonis 1992; Peters & Austin 1985). The traditional style included command and control, but it is highly questionable whether they enhance worker performance. In most cases that the researcher witnessed, they inhibit and frustrate the worker. In Adizes' corporation life-cycle model, maximum levels of control are soon followed by organisational death. Control is also the opposite to flexibility which is commonly accepted as being critical to organisational success. Too many leaders do not say what they mean and do not do what they say, especially when it comes to flexibility and worker empowerment. They say workers should have the freedom to perform, but they cling to control for dear life. Ironically that's often when they loose control. It must however also be accepted that some workers will prefer less freedom than others. It might be best to accept that leadership style should be situational and should adapt to the preference of the individual from time to time. Leader in this context, means manager, division head, foreman, manager, promoter.

A Leader's task or a manager's task is to manage productivity. They should not operate in isolation to the rest of the work group since there are numerous indications that people want to be involved with regard to their own performance planning and evaluation as well as decision making in general. The role of superior -sub-ordinate should in fact shift to team leader - employee as a closely knit team. Furthermore the leader should lead by example and not apply double standards for different situations. Being an example or even being inspirational, is a vital part of effective leadership.

It can be accepted that important factors that will have an influence on a person's performance and which should be considered by the manager, are:

- Removal of demotivators
- Participation in decision making
- Encouragement of creativity
- Appropriateness of management style
- Interpersonal relationships
- Coaching by manager
- Continuous implementation of decisions and plans
- Tasks at appropriate level to workers
- Stimulation of vertical and lateral communication

Table 14: Environmental Factors Influencing Performance

3.8.3.3 The Organisation Environment

The previous sections described the two important group of factors in a person's immediate job environment: the tools, technology and other physical factors, plus the human influences coming from the work group itself and its leader. All of these, however, interact within a wider organisational setting. Every system is a sub-system of a larger system. There is the structure of the organisation itself and the way this impacts on the job environment. It refers to the way work is broken down into different elements and the way in which responsibility relationships are built so that co-ordination of effort and of performance outcome can be achieved at minimal cost (Kerzner 1984). Unfortunately structure often refers to "limited room to perform". People are confined to functional silo's and dare not perforate these boxes. They become prisoners of their disciplines and obtain tunnel vision. The researcher is convinced that this is one of the major factors leading to a tense organisational climate with low levels of performance as a result. People become opposed to one another, even sabotaging one another, with no synergy amongst work teams. Much time is often wasted on role clarification where people deliberately sit down and spend organisational resources to decide how to limit people's initiative and performance capabilities. Ask most organisations to provide a display of its structure and an organogram will be issued indicating nothing but control lines and vertical barriers. These illustrations could actually produce serious communication buffers. Transformation is usually focused on re-structuring, often simply shifting responsibilities or centralising or de-centralising functions, depending which one of the two was done the previous time around.

Another component of the organisational environment which people are more aware of is the systems developed to control more finely the work of the organisation. These systems, which may provide people with materials, monitor quality, give information, determine their pay, direct their communications and activities, all impact quite directly on what people do and how they do it. Such systems contain detailed standard operating procedures, but whether it is the system or the procedure that impacts on the person in the job is not important. Both have a major influence on individual or group performance.

The four main systems that contains the above, are the :

▪ Operational System
▪ Administrative System
▪ Social System
▪ Reward System

Table 15: Main Organisational Systems

Many of the previously mentioned environmental elements will reside within one of the four systems. There exist no clear cut border between them, but that is not important. The breakdown is only helpful in determining and describing the various elements of the performance environment. What is of utmost importance is the completeness and relevance of the outcome of the search for important environmental performance barriers when managing individual performance. Many performance barriers have to do with inadequate systems and often a system inadequacy is the root cause to other perceived problems. According to Senge (1990), as was seen, there exist in any environment a layer of structure and systems that lead to certain patterns that in turn cause certain events. If trouble-shooters focus on event level they become "busy fools" and do not penetrate to the core of the problem caused by systems and structure.

Ainsworth and Smith (1993) reckons that structure produces systems, systems produce procedures and they all have a very significant influence on the level of performance. When deficiencies are encountered, people often become frustrated and they perform less and less. They blame the system and often they are correct in blaming them. Structures that are top heavy and rigid, with tortuous or weak communication paths, or systems which are overly complex, flooded with red tape, slow and obscuring the job flow or procedures which become ends in themselves and forbid creativity and innovation, are major reasons for performance breakdown. The workers cannot be blamed for low performance as a result of that. It's not their fault, but the responsibility of management to identify the causes, give support and take it up with their seniors. The manager should provide an environment which supports the kind of performance that are needed. That should change the role of the manager drastically from being an administrative "outsider" to an integral part of the team, responsible for removing performance obstacles from the path of his employees. That should result in a team leader-team member relationship where the manager stimulates the performance of the employee by enabling him to perform without the interference of barriers beyond his control.

3.8.3.4 Elements of the Work Environment

It is fair to accept that within the 3 sub-environments of the work environment there exist a number of elements that could have an adverse effect on the employees' productivity. It is not good enough to end the discussion after simply mentioning what the 3 environments encompass, but in order to come to a practical workable corporate performance communication system, it needs to be explored more closely what these elements are. Although they might differ from person to person, some factors are fairly common to most people and need to be considered in the corporate performance communication system. Paralysis-by-analysis should be avoided, thus getting entangled into too much detail that will serve no manageable purpose in the end should be avoided.

Performance is affected by what is called shared values or the lack of it.

3.8.3.4.1 Values

Values become part of a person from day one and especially during the first 10 years of childhood and usually stays with him for the rest of his life. These intrinsic guiding forces that people live by are deeply held beliefs, learned from their surroundings while they are young. People learn from many sources, such as their parents, families, their friends at school, their early religious exposure and from their daily experiences. Some values are directly taught for example, "do not swear ... do not steal ... do not fight". As people grow they are influenced also by what they observe from the media, the law and society. If a child grows up in a home where steeling is a common practice and he is taught to believe that it is an accepted way of making a living, "do not steel from others" will not become part of his value system and he might resort to it when the opportunity exists.

Ainsworth and Smith (op. cit.) put it:

"Other basic messages learned about what's right and what's wrong concern social behaviour, religious views, political ideals, sexual behaviour, nationalism and environmental issues, to name just a few. These deeply held beliefs or convictions about basic rights and wrongs become a person's value system. Most of it is absorbed and established by the age of 10 or 12 years. People subsequently judge what they see and experience on the basis of this fundamental frame of reference. Changes in values, when such occur at all, occur only slowly".

There needs to be alignment between a person's value system and the values recognised, communicated and practised by the employer. The inverse of this is most important. A good values match is not necessarily a motivator to performance. It only implies that the person has no values-related reason not to perform. What is undesirable is the existence of conflict between the individual's and the organisation's core values. In this situation the individual will be demotivated to perform the specific tasks he views as being unethical. He believes what is being expected is wrong, because it contains activities or leads to performance outcomes which are in contrast to his values. Therefore the individual consequently does as little as possible in order to minimise the guilt and performance deteriorates completely.

Changing environments, markets and competitive pressures cause organisations to change forcing them to adapt by developing new and different strategies. In the process, some employees find that their organisation is moving away from them, causing a values gap to grow and they react adversely. Sometimes it is a passive unavoidable acceptance of the changed direction, with performance falling to just sustainable minimal threshold levels. It could however present active opposition to the change. Sometimes, when the conflict becomes too great and outweighs the benefits and security of remaining, people resign and search for other work more compatible with their values or they might stay and sabotage the organisation. With the number of organisations that are undergoing change nowadays, it becomes a greater concern by the day. The problem is that in many cases these values shifts are not tested with the employees. Resignation from a position can be interpreted as a temporarily reduction in performance to zero. The values factor can therefore on occasion, be very significant in its effect. It is important to remember that shared values are seldom a motivator, but that value conflict is a serious demotivator.

3.8.3.4.2 Job Fit

What an individual likes to do and not to do, could affect his performance significantly.

While there is much academic debate about the specific statistical relationship between job fit and performance, there is no doubt that the two are integrated. The evidence of people doing well at jobs they like doing is everywhere noticeable. The carpenter who works late to complete a job on an antique chair or the writer who forgets supper and pushes on with his story, or the computer programmer who sits up late at night adding functions to a programme she has developed. They are certainly not explicitly motivated to perform, but do it for the love of it (Kable 1988; Kable, Hicks & Smith 1984; Weisbord 1987). It is an intrinsic, invisible drive. Imagine what the world would be like if jobs could be re-shuffled and people end up with their hobbies being their work. People will naturally prefer a job which are suitable to their abilities and they would seldom practice a hobby that they are not suited for.

According to Ainsworth and Smith (op. cit.:91), research by Dr. Jim Kable and Dr. Richard Hicks (Kable, Hicks & Smith 1984) suggests that job fit can be predicted from preference data. Their research was based on a measure of individual preference called DPA (Decision Preference Analysis). The DPA personal profile is obtained by means of a questionnaire that asks a number of unambiguous, non-threatening questions. The answers are used to calculate a percentage score differentiating quantitative (QN) preferences from qualitative (QL) preferences. This percentage is presented as QN/QL and people with an 70/30 preference pattern, for example, would prefer to spend 70% of their time on quantitative tasks and 30% on qualitative tasks. The extreme positions are:

80/20 highly quantitative or QN - An individual with this pattern will behave in a rational, sequential and logical manner in a decision-making situation (Manning 1985:188). The researcher imagines that they practice more critical than creative thinking. It relates to "left-brain" thinking (De Bono 1990). These people are usually very analytical and prefer to know what the exact factual evidence, rules and guidelines are. They are process people and do not tolerate speculation or change intrusion.

20/80 highly qualitative or QL - An individual with this pattern will behave in an intuitive, 'gut-feel' way in a decision-making situation (Manning 1988:187). It relates to "right-brain" thinking. They are usually more creative in solution finding and are not always readily accepted in a highly technical environment. They challenge the unknown and are comfortable with change.

What is important is that the exercise does not only entail the derivation of the individual's work preference, but in conjunction with it, Kable and Hicks (Kable et al 1984) measure the QN/QL activity-split in jobs. With a number of different occupational groups, they measured job fit, job QN/JL activity demand profiles and QN/QL personal preference profiles of job incumbents. These are then compared to see what fit exists between the incumbent's profile and the position's profile.

The method described above mainly distinguishes preferences based on qualitative or quantitative characteristics of the criteria, but there exist a number of other types of criteria as well that can be used to determine job fit. The researcher has seen a product that focuses on group culture and values. Its founders emphasise the importance of the group environment and they reckon that fitting in with the existing group culture is the most important prerequisite to job fit. If the organisation have the ability and expertise to do the job, the organisation might not fit in with the rest of the group and this will lead to dissatisfaction amongst all members in the end (Wellins et al 1991). The researcher thinks the employee's social style will also play an important role when it comes to a specific type of occupation or the team that he is going to work with. Whether the person is a driver, analytical, expressive or amiable, has a significant influence on group interaction or the execution of a specific job. A very amiable industrial relations negotiator might be dominated to such an extent that all negotiations will represent a very one-sided opinion. Similarly a very analytical person might not fit in very well with a creative drama production team.

There exist many other products on the market where certain important behavioural characteristics of any individual are diagnosed and plotted. The same is done for the different occupations in the organisation and a profile correlation can be determined to see if the applicant will fit the job. It is also used to advise people on the more suitable career paths they should follow. It will be fatal to chase a glamorous occupation or a high paid job if the organisation are not suitable to perform in it or if the organisation will not like doing it.

Many experts therefore agree that job fit is important and that certain characteristics of the individual should be compared to corresponding characteristics of the job to determine the fit. They only differ in what these characteristics should be based upon. They describe some of the reasons for a job fit mismatch and the resulting lack of motivation as:

* Limited job opportunity, so the person takes whatever he can get. A very real scenario in countries with low economical growth and high levels of unemployment. It is also very evident in countries that are implementing affirmative action activities.

* Lack of or incorrect career guidance. Many people end up in jobs they do not like as a result of unintended but ill-founded parental advice or a lack of proper career guidance at school. Usually the headmaster or another teacher uses this time to catch up with lectures that had fallen behind. In many cases people imagine that future positions will be great to occupy only to discover, once they get there, that it is totally different to their expectations and very dissatisfying.

* Poor recruitment practices. (Recruitment practices should actually be focussed on selecting for the right potential (Rae 1986)). Screening did not involve preference fit, or candidates purposefully side stepped it, because they might have been desperate to find work. In countries with high levels of unemployment, a vast number of people will take any given job without considering job preference at all. Often this leads to the abuse of these people making things even more unpleasant.

* Lack of bursaries or funds for tertiary studying. People might have a relatively good idea of what they want to become, but a lack of funds to study the appropriate degree, prohibits them from entering that specific career.

* Promoted from a job they liked and did well to a job with a distinctly different profile usually for the sake of better perks. For example, the top announcer who becomes the incapable station manager. This creates two weak spots: where he came from and where he is now. Re-structuring the remuneration system, is one of the most urgent needs for many organisations. A person should not need to be promoted to get better perks or a higher salary. A word of warning, however, incumbents must accept the limitations to the value their specific occupations can add to their organisations. Each occupation will have a limit to the salary that can be assigned to it, but these are usually derived from status in the hierarchy and not from a return on investment perspective.

* The job has changed in response to external influences. For example, the shift in the roles of some university officials over the past few years. Instead of students approaching the university for intended studies, the officials must reach out for the potential students

offering courses to them. his implies a shift from a selling to a marketing strategy which some people might not be comfortable with.

Table 16: Reasons for Job Mismatch

These reasons lead to conflict between the person and the job. Job mismatch is not the only thing related to conflict. As was explained earlier, the environment, values and other factors can also influence job satisfaction. It is however reasonable to accept that people in jobs which do not match their preference profiles will probably be dissatisfied, and their performance will be adversely affected. This could be considered as part of the human environment or social system. People working with other people who have distinctly different frames of reference have risks of dissatisfaction and performance may suffer. The researcher has noticed quite a number of organisations recently, where newly implemented best practices, failed simply because of this reason. It could also lead to uneven work distribution as some group members will not like what they are doing or the assigned tasks will not fit their team roles (Belbin 1981).

Job fit is therefore considered as an important pre-requisite to job satisfaction which in turn is an important pre-requisite to high productivity.

3.8.3.4.2.1 Summary

Job specification, competence, environmental factors such as equipment, group interaction, leadership, shared values and job fit, all have a distinct influence on performance. Employers should pay sufficient salaries to their employees to make it worth their while to dedicate their lives to the organisation. If they do not do so and also fail to reward them if they exceed their expectations as described in the job specification, they can expect that they will stop giving their best performance and might not want to work for them anymore. Rewards, without doubt, affect performance and they will only have a positive effect if they are appropriate to the needs of the people concerned. Reward can come in many formats. Rewards are often only perceived as monetary compensations or physical items.

3.8.3.4.3 Rewards

Different people seem to find different situations rewarding. For example, one person goes home from a seminar saying, "that was good. The researcher heard some interesting opinions", while a another says, "What a bore. Having to listen to a bunch of theorists all day". Or two friends returning from a fishing trip. One says, "It felt good to relax on the beach all day", and the second says, "It was certainly a waste of time. Not even a single bite all day long".

Rewards are very personal. What people find rewarding is, to a great extent, a consequence of their motivation and personal needs (Bruns 1992). The things that inspire and drive them in life. Motivation is a difficult concept to describe and might be best described as a driving force within the individual. Needs, wants, desires and passion, may be regarded as positive forces urging the person towards a goal. Negative forces that repel the individual away from a particular situation can also be regarded as motivators (Euson 1987 chapter 2; Handy 1985 chapter 2; Le Boeuf 1985). The researcher prefers to call these demotivators to reduce confusion.

According to Maslow (1954), any person has lower order as well as higher order needs. A higher order need will only come into effect once the needs below it have been satisfied. In other words, they follow a pre-set chronological order. If a lower order need comes into effect again due to circumstantial changes, it will require the person's prime attention once again and the higher order need will be abandoned temporally or even permanently. The researcher believes that as one moves through these layers over time, the person picks up experience that might bring about a shift in the person's beliefs and values which will have an effect on the details in the person's hierarchy of needs.

Self-actualisation
Esteem
Social
Security
Physiological

Figure 12 Maslow's Hierarchy of Needs
(SOURCE: Maslow 1954)

Clayton Alderfer modified Maslow's need hierarchy and collapsed the five levels into three (Alderfer 1972):

Existence needs - sustain human existence, in other words it includes physiological and safety needs.
Relatedness needs - how people relate to their social environment. It therefore includes the need for meaningful social and interpersonal interaction.
Growth needs - this includes the needs for self-esteem and self-actualisation.

The two models are thus quite similar. They differ in theory however as Maslow states that a person will move to a higher level need based on satisfaction with regard to the previous need. Alderfer (op. cit.) suggests that in addition to this, there exist also a frustration-regression process. For instance, if a person is continually frustrated in his attempts to satisfy his growth needs, relatedness needs may remerge as primary and the person may focus on these again.

Models may differ in certain respects, but what is important to be aware of is that needs include safety, security and comfort and originate from both physiological and psychological needs. These needs can be described as intrinsic drives or forces. Henry Murray and associates (Murray 1938), defined a need as "a construct...which stands for a force...in the brain region, a force which organises perception, apperception, intellection, conation and action in such a way as to transform in a certain direction an existing, unsatisfying situation." McClelland and Winter (1971) defined it as " a current concern for a goal state." There exist a direct link between rewards and these drives. Rewards that do not match an individual's drives. will fail to motivate and might even have the opposite effect. If there do exist specific drive states within an individual and those drives are not rewarded, the person will get frustrated and will not be able to concentrate on performing. These drives manifest themselves in needs or wants.

Much effort and money are often wasted by organisations with well-intended reward efforts that fail to satisfy the individual needs or wants of employees. Management often decide behind closed doors what would be the best rewards for their people. Usually it is an across the board system with no provision for personal preference. Nothing can be as disappointing as a well-intended reward that is received with a long face and open disappointment. In a case like this the reward becomes a demotivator instead of a motivator. A few years ago the researcher witnessed a large service organisation rewarding its employees with an unexpected "good-will monetary reward", presenting each and every employee with a substantial cheque. Everyone got the same amount, thus no-one could complain that the rich at the top received a higher reward when they fact needed less. This organisation was going through a tough industrial relations time and thought this gesture would solve their problem. Only two months later they were facing their first industrial action confrontation ever since they were founded. The very same recipients of the rewards, went on strike, because the reward did not address any of the needs they had at the time. This very costly exercise proved to be in vain and even created more problems for the organisation later on. What was surprising was the fact that the same organisation repeated the same reward exercise the next year and faced the same consequences.

Whether it fits Maslow's hierarchy or anyone else's theory, is not important, but that rewards are important and that they could mean different things to different people is critical to realise (Berlet 1991). The best way to find out what a person will find rewarding is to simply ask him and to listen to what he has to say. The organisation cannot tell a person that he does not need what he says he needs. It is a personal issue (Heneman 1992; Martin & Nicholl 1987).

Psychologists recognise a number of motives which might be rewarding to different people. Including Murray's needs, some of these are:

* Recognition - the need to be noticed, valued and credited for achievements
* Respect - the desire for unconditional dignity and the need for personal values to be observed and respected
* Achievement - the need to set specific targets and achieve them successfully or even exceed them
* Power - the need to prevail over others, sometimes closely connected to coercive power. A common need amongst affirmative action candidates
* Affiliation - the need to be with others, and support or assist them or being supported
* Status - the desire to be higher up the ladder than others, a feeling of importance
* Novelty - the need for trying out new ways of doing things, being different to the norm. A need for creativity and innovation (Scott & Jaffe 1991; Thomas 1990; Varney 1989).
* Autonomy - the need for independence and self-efficiency

* Money - a need for high compensation to purchase items usually in order to attain social status
* Exhibition - a need to be the centre of attention, likes audiences, any behaviour to draw the attention including acting and jokes
* Endurance - never give up, work long hours to solve problems, patient
* Nurturance - sympathetic towards others, likes to take care of disabled, the "helping hand" type
* Understanding - wants to understand many areas of knowledge, logical thought, great need to satisfy intellectual curiosity
* Succurance - Seeks sympathy, protection, love, advice, reassurance from others
* Aggression - strives on conflict and combat, willing to hurt people or get even, easily annoyed, fast reactor

Table 17: Rewarding Motives

(Murray's needs come from an adaptation by Steers and Porter from D.N. Lackson, Personality Research Form Manual. Goshen, N.Y.: Research Psychologists Press 1967. Displayed on page 36, Steers & Porter 1979).

An interesting exercise is to make a list of 10 rewards and ask a group of people who work together to rate them in order of preference. Ask the manager of these people to do the same according to what he thinks their accumulative answer would look like. The researcher has done this often and has seen two results without exception:

▪ The reward preferences amongst people differ significantly from person to person
▪ The manager is often wrong with regard to his people's preferences

Table 18: Management Perception of Needs Experiment

Many formal studies have been done in the past, but many of them imposed several constraints and most of them lack scientific validity to be accepted as a norm or to add to the body of knowledge. This does not prevent the organisation from doing the organisation's own investigations and analysis in a specific environment, provided the organisation do not draw false conclusions based on the outcome. A properly designed and utilised corporate performance communication system can assist in avoiding misperceptions between different parties.

This type of exercise could be done for values and needs as well and the outcome will probably be the same. It is not the motives which matters, but it is important to recognise the wide range of things which people find rewarding.

Rewards fall into two broad categories; namely intrinsic and explicit rewards.

Intrinsic rewards come directly from the work that someone performs. For example, someone with a strong status motive would probably find a day of acting as chairman rewarding, but a day as an ordinary committee member very dissatisfying. A person with a money motive will find it rewarding to work overtime whilst his colleague might find it punishing.

Explicit rewards are those the organisation provide to the person, for example, the remuneration packet, recognition, bonus, award or promotion (O'Neill 1990; Rycroft 1989).

There is evidence that intrinsic rewards are at least as important as explicit rewards. It is clear that job dissatisfaction could result where a person's motives are not met by intrinsic rewards. Even if the organisation offer someone a very high salary increase, if the work is not rewarding the explicit reward may fail to motivate, especially over the long term. It is vitally important that rewards are appropriate to motives. Job-enrichment, is an essential management activity. It is important in ensuring the appropriateness of intrinsic reward through proper job fit. It could involve vertical or horizontal expansion of responsibilities depending on the motives of the incumbent. Effective job modification is not necessarily a major job reconstruction but can be very small modifications only for resulting in major rewards. The incumbent should play an active part in planning these modifications as the intention is to enrich this person's job for greater job satisfaction. If the person finds it rewarding, the organisation will benefit in that a higher level of productivity can be expected and an increase in performance outcome because of the added responsibilities. Encouraging a recognition seeking trainer to join a monthly training and development meeting to present his achievements over the previous month is an example. The change might effect only a few hours in the month, but the incumbent now has an opportunity to display his efforts and get recognition for it which was previously not available. This will encourage the incumbent to perform even better and better as he knows that every month he will get the opportunity to make his performance visible. A properly designed and administered corporate performance communication system could have the same effect. To plan performance formally with properly set standards and to allow room for performers to exceed these requirements, will also enrich the job of the achiever, who can now build in objectives that exceed the standards. knowing his achievements will be appreciated and seen as superior performance.

Giving people the freedom to participate in the designing and planning of the jobs at hand, will also enhance the success of the performance outcome. It is commonly accepted that workplace innovations such as semi-autonomous groups or self-managed groups work (Weisbord 1987). In Japan Quality Circles are a great success being a voluntary practice of the workers themselves. It makes sense that the increased freedom to choose the best solutions as well as the accompanying responsibility allow the group to distribute the tasks amongst themselves according to what the individual members find more rewarding. A wise manager will not ignore this and encouraging it could certainly help in re-humanising the workplace. This relates very closely to job fit, emphasising the importance of thorough recruitment and correct placements. Diversity amongst members is usually also a strength in a set up like this. The researcher considers the clear specification of what performance is desired and then to allow the employee to find the best answer to the challenge. Almost to the extent of "do what it takes". If the organisational culture and climate is accommodating to performance, it should not produce any problems. Only when a tense, unhealthy and untrusting climate exists, management tend to install further destructive rules and regulations in an attempt to avoid the symptoms of the sick organisation. Such as employees "trespassing" on other employees' terrain. It is often an indication that the organisation are over employed or under performing. People are thus not employed to perform specific important tasks, but they are employed to fill a position in the hierarchy.

To conclude, everybody is different, therefore the reward system must allow for individual differences. The organisation can offer the same reward to several people, but because of the differences that exist between them, some will value the reward more highly than others. The reward may inspire some to much higher levels of performance but leave others disappointed. It is therefore important to allow people to indicate what the nature of the reward should be. The researcher also noticed a strong trend towards the linking of rewards to performance. Rewards thus form another addition to the environmental factors. In almost all the organisations the researcher has consulted, the employees placed performance reward as the most important factor. It is very cumbersome that they have also indicated that it is the most neglected or the highest mismanaged factor. The researcher accepts that it might be a symptom resulting from another problem, but it cannot be ignored.

This collection of factors may be relatively complete but we still need to explore it somewhat more. It is worthwhile noticing that if any of these factors reduce to zero, performance might do the same. It is not a precise mathematical arrangement, but rather a framework of the work environment to diagnose the root causes to problems or to be used to re-design the activities of management as will be discussed in chapter 6. Diagnosis is for a purpose however, to correct. But correction is not possible or not very likely to be achieved without relevant information in the form of feedback. The corporate performance communication system provides an efficient vehicle for the continuous transportation of feedback.

3.8.3.4.4 Feedback

Feedback is an important factor as it provides a loop to all other factors through dialogue between managers and employees and between sub-units of the organisational value chain (Schaffer April 1991). It sounds extremely logical and simple yet many organisations have no formal feedback system or regular purposeful conversation taking place with regard to performance issues. Let alone benchmarking with feedback loops. Feedback is a complete chain of information. In this case the chain is also only as strong as its weakest link. If any link in the chain is weak, the message will be distorted and the desired result will be totally different to what was intended. Some managers think they provide the necessary feedback through "managing by walking around" which could easily be applied incorrectly. "Managing by purposeful visit" would be the correct application of the idea. The researcher's experience is, that if feedback is not taken care of formally and pre-defined as part of a corporate performance communication system, it does not occur at all or in the way it should. Usually in these cases, it appears as crisis communication after something very bad has happened. This is a main characteristic of a event-level organisation where reactive management prevails. Performance related issues form a sound agenda to the purposeful visits.

It is important to make sure that feedback does not only exist, but that it is specific, constructive, relevant, regular, timeous and complete. That can only be achieved if it is planned deliberately and formally based on the performance specifications that were defined and agreed on for each job. The researcher has witnessed many weekly or monthly meetings that in fact only represent the wastage of a number of people's production time. Feedback must contain specific measured or observed information directly related the production effort and does not always have to occur in meetings where it bears little relevance to other members of the gathering. The researcher is of the opinion that the organisation cannot manage anything the organisation cannot measure. The researcher will add to this, by making the statement that it is of no use to measure anything if the results are not interpreted and fed back into the system. It implies that the organisation cannot manage anything without meaningful feedback. It is also important to know why the organisation needs this information and what to do about it. Proper planning will reduce the occurrence of "management by guessing".

The management of productivity will therefore be more complete and effective after the inclusion of feedback, which represents official organisational feedback. There exists also a different type of informal "direct feedback" which could be referred to as personal consequences and which is important to be considered as this environmental factor can bring the desired performance to a stop in certain occupations.

3.8.3.4.5 Personal Consequences

Consider the following case:

A security officer is stationed at the main entrance of a company. Whenever some-one enters the building and a metal detector is activated, he is suppose to stop the person and request him to empty his pockets and walk through the detector system again. If he performs to the desired standards and execute the correct drills, but as a result everyone calls him a nuisance with no discretion or ability to think for himself, he receives an overload of negative consequences for the desired performance. This might eventually persuade him to deviate from the desired behaviour letting everyone through, thereby becoming a poor worker according to performance standards.

On the other hand the very same person might be delivering an average performance regarding the same task without anybody taking any notice of it. Then one day a person whom he stops thanks him extensively for being so responsible, making everyone in the building feel safe and protected. This is positive consequences for the desired performance.

This could inspire the officer to excel in his task and even encourages him to show some initiative in improving the system to be more accurate and reliable.

He could also receive positive consequences for not delivering the desired performance. People might thank him for not stopping them and wasting their time. This will re-enforce the undesired behaviour.

Personal consequences, could therefore play a very important role in enhancing or inhibiting performance. Management is seldom aware of these consequences as it usually ends with direct dialogue between the worker and the other party that is involved. A deliberate effort should thus be made to expose them in order to manage them properly. Organisations can do a lot to protect their workers against negative consequences for desired behaviour which they experience because of people who hold them personally responsible for company policies that they dislike. Safety policies could be advertised or displayed more prominently to the clients or managers could from time to time show their appearance in supporting the desired behaviour in the presence of the clients, drawing the attacks on himself. If he indicates his empathy to the performer, the latter will feel that his agony does not go unnoticed and this will be a reward in itself. Extrinsic rewards could also be introduced.

3.8.3.5 Conclusion

It would be senseless to stretch the framework to include each and every factor that can be thought of , therefore it should be sufficient to limit it to the number of factors we have discussed up to now. They probably represent the 20% potential problem areas with 80% effect on performance. Most performance barriers originate from these factors, but the organisation are off course welcome to expand on them or adapt them to suite the organisation's specific situation better. The principle the researcher is advocating is more important than the exact outcome of his analyses. What the researcher has experienced however, is that if the list exceeds 30 items it becomes impractical and does not lead to useful analyses. It is especially true for isolated climate studies, where a mean list of items are compiled to make the effort worthwhile. It is fatal to do these massive individual research projects and then when a certain query is made the organisation have to respond that they did not include that attribute. These studies cannot produce the improvement results that the researcher advocate in this study. It must be integrated in the corporate performance communication system as a day-to-day management tool.

The list of work environment factors is:

- Task specification
- Performance assessment
- Competence
- Tools, equipment and physical resources
- Group factors
- Leadership
- Structure, policies, practices and processes
- Job fit
- Values
- Rewards
- Feedback
- Personal Consequences

Table 19: Environmental Factors

This collection of factors or framework that were derived from the work environment, serves basically as a frame of reference to determine which factors act as performance barriers to each employee. This is however not its only use and it could be used in all the following cases as part of continuous productivity improvement:

Enriching jobs. By changing the task specification or standards a person's job can be modified to be more rewarding. This is acknowledged in broadening responsibilities, improving work practices and improving satisfaction and rewards.

Changing the manager's role. By making it the first priority of the manager to formulate and manage an action plan to improve the work environment based on the diagnosis of his people, he can become an enabler and supporter of performance. This will inevitably lead to productivity improvement. It will not only have a direct influence on better task achievement, but it will enhance worker morale and stimulate their desire to perform.

Developing competence. There is great emphasis by employees on upgrading competencies across a wide range of activities. The term multi-skilling is heard more often than some years ago and the unions are accepting it more readily. This is true for both the public and the private sector. There is increasing focus on more objective training systems such as competency-based training and action learning. The need for training is shifted to the employee who takes prime responsibility for his own development.

Planning career pathing. There is general acceptance of the importance of human differences and the right of individuals to strive for careers which fit their preferences and potential abilities. Developing career paths requires attention to the following factors from the framework: job specification (present and future), competence (to be developed) and preferences (for better job fit and job satisfaction). Often productivity improvement practices only consider what the organisation wants from the employee currently and no attention is given to what the employee wants from the organisation with regard to future positions. Having said all this, the researcher must admit that the researcher is not very comfortable with the concept of career planning in today's turbulent environment as technology and jobs change all the time. A gardener who loves mowing the lawn and watering the flowers might not be interested at all in operating and servicing a robot doing these tasks in twenty years time. His planned gardening career might suddenly become the very last thing that he wanted to be doing due to a total change in technology. Maybe it would be a better idea not to focus career planning on specific jobs that lie in the future, but rather on the type of work that the person loves doing. This might also help in building work-life security instead of job security which, except maybe in the case of Japan, is an illusion. There are also strong arguments for just-in-time skill development and more flexibility compared to the traditional type of career pathing. The researcher often find that people are so concerned with "one day" that they forget about today. They lead a miserable work-life for most of their working years to become something nice one day, which will then last a few remaining years. What is even more sad is that often people reach these positions only to discover that it is the very last thing they wanted to be doing. Being dynamic and wanting to become somebody important often end up in disappointment. Career planning should therefore be based on what will really be rewarding in the end without sacrificing the present. The researcher personally think the best place to perform is where the organisation are right now. Adapt the organisation's path as it suits the organisation, but do not postpone performance until the organisation have reached another position or job. On the other hand, if a person has specific personal career goals, it is important that these are aligned with the organisation's goals. Or to put it differently, the organisation must be able to accommodate this specific career path, else the person will not pay his full potential to his work and will concentrate on private side issues that stimulate or promote his personal goals. The further the goals are apart, the higher the chances of someone getting hurt. The closer the goals move together, the better the situation and the less the danger of intra-conflict. The organisation should determine consciously, whether the employees' aspirations are in line with the organisation's direction and capabilities. If misalignments it go unaware, it will not solve the problem.

The researcher will not specify how career pathing should be done, but it is an important factor to be considered. As evident of all his surveys, it is a great need amongst affirmative action candidates, especially resident ones who are often being overlooked when more ready-made outsiders are brought into the higher positions.

Improving communications. Employees work better with well defined performance criteria and standards. In other words, task specification. This means feedback can be more focused allowing for real opportunities for performance development. The information resulting from diagnosing the work environment or worker performance or worker development should all form part of a formal, official feedback system. Vertical communication usually forms part of official feedback. This type of improved communications can bring sense to the non-productive meetings that repeat itself week after week in most organisations.

Transforming the organisation. The demand for transformation or re-design are now commonly felt throughout all types of organisations. Or as it is lately termed, re-engineering. The question is, re-engineer what? Almost all re-engineering projects the researcher had the privilege of witnessing, comprised only of structural changes and down-sizing, in the majority of cases crippling the organisation. the researcher is convinced that re-engineering the organisation should for some years to come, only imply re-humanising the organisation. Putting the human element back into the systems. Re-engineering or change should not be an event in time, but should be a normal ongoing process - part of the job. By allowing individuals to continuously interfere with the work environment especially the management systems, re-engineering might become an ongoing process of constructive change.

The framework provides a structure by which individuals can look at the implications on their work environments of a planned change. A change in required performance outcomes, a shift in position, a change in reporting relationships, or an organisational restructure can affect any or all of the environmental factors. With the focus on re-engineering, a great number of foreign issues are being brought into many organisations which will certainly require change with respect to many aspects in the work environment.

Revising performance assessment. Departing from well specified tasks, all the relative parties that will be affected by the execution of these tasks, can be involved in determining the standards the performance should comply with. They can then appraise the performance in a 360° fashion, which is the most objective and unbiased form of appraisal, one could wish for.

Improving organisational development. Since all employees can participate in diagnosing the environmental framework and state their satisfaction and dissatisfaction regarding the different factors, the need for specific OD interventions will become very clear and the implementation of relevant interventions should be spot-on. There also exist the means of actually measuring its success or failure.

Improving reward systems. Without any exception, in all the work environment studies the researcher has conducted in many different organisations, the majority employees by far, expressed a desire for performance assessment with accompanying performance reward. In some organisations reward systems which acknowledge increased contribution to organisational performance, are being installed as part of employer - employee agreements and modified remuneration. There seems to be a great demand for performance related rewards by employees and unions. The need for more versatile forms of reward is also very evident. Such needs include rewards for new competencies, which may be accepted as an industry-wide competency. It is also called portable skills and more and more attention is being paid to it. For many specialised industries there exist no formal tertiary education applicable to their operations, only in-house training courses. In these cases people are now starting to request or demand recognition and reward for successful completion of the full spectrum of prescribed courses for a specific job competency.

The framework should be used to formulate a diagnostic instrument that can be used to determine the root causes of performance problems or in a more pro-active sense, it could be used for performance planning purposes. If it includes only the main factors as listed in the framework, it might prove to be of limited practical use as the categories are too wide and will trigger such a variety of perceptions and responses from different employees that it will be extremely difficult to interpret them for the above mentioned purposes. Each factor should therefore be investigated and sub-elements be derived for all of them.

The performance assessment discussion should therefore include the following to be effective:

* Results achieved. That is based on the appraisal which should be derived directly from the performance specification as agreed upon in the planning stage. * The performer's existing competence and development plan. The evaluation of competence should have been completed as well. * The extent to which the technical , human and organisational environment enables or inhibits performance. The work environment diagnosis should also have been completed (Work Environment Improvement). * The fit between the organisation's values, reflected in its mission, ideologies, strategy and practices as well as the actions of its managers and the individual's values and beliefs. This has a great influence on the corporate culture which sets the working climate at large. * The extent to which the individual finds the work satisfying, in other words, the job fit and intrinsic reward. It could also reflect on the external forces from the environment. * The appropriateness of rewards, both explicit and intrinsic, and their fit to the individual's needs. * The appropriateness of the manager's leadership style and his ability to coach. * The effectiveness of vertical and lateral communications. * The quality and relevance of feedback, which is the very purpose of the discussion in which these factors are explored. * The adequacy of safety and health regulations and applications. * The adequacy and relevance of physical inputs and resources. * The personal consequences the person experiences in the work. How do clients, peers, suppliers and other parties react to the worker's behaviour and feed it through to him?

Table 20: Performance assessment Discussion Elements

Any discussion covering the ground described will be comprehensive and will lead to a series of actions for the forthcoming period. The researcher stresses the importance of actually improving performance and productivity by means of the corporate performance communication system. It should not become another managerial ritual that only implies extra work at the expense of productivity. The work environment diagnosis as well as the performance management and human resource management sections, must result on the human side in a more competent, motivated and happy workforce.

It would be senseless to analyse the work environment and determine all its different elements that could affect productivity significantly and then leave it at that. The purpose for doing the analysis in the first place is to improve the work environment to make it more effective and therefore more conducive to optimum performance.

3.8.4 Work Environment Improvement

From what the researcher has seen, most organisations are operating on the event level. I.e. "What went wrong? Let's fix it quickly", as was explained in the section on Systems Theory. To address events might prove to be a costly exercise with only short-term survival benefits. To move deeper than the event level, requires a holistic view of the organisational dynamics that dictate or influence the level of productivity as indicated by the environment framework. From there a new system needs to be developed, which will capture and harness these findings. It is of no use to make a cognitive attempt on management to change their ways, the organisation must operationalise its ideas to gently force a change of behaviour. Any attempt to give traditional systems a face-lift would be a further waste of time and money. It relates to a dog chasing its tail. To change the principles of productivity improvement and the manager's role, all the results of the previous discussions needs to be formally built into the corporate performance communication system to ensure a change of behaviour.

To serve as an illustration the following case is considered. It is based on the researcher's personal interpretation supported by unrecorded surveys. Some years ago, the road safety authorities launched a major and costly campaign to persuade motorists to wear their safety belts. There was absolutely nothing wrong with the campaign itself and just about everybody was convinced that it was in fact a good thing to wear a safety belt. Yet there was only a slight increase in the use of safety belts. People simply would not change their habits as it asked for a change in behaviour, a real physical change in other words. The authorities then decided to change the people's behaviours on their behalf by making it law to wear a safety belt. Traffic officers made it a priority to issue traffic fines to stubborn or forgetful motorists. The result was that almost every motorist and front seat companion started wearing their safety belts. Some years later, hardly any officer were seen issuing fines to motorists not wearing safety belts. It was not a problem anymore since motorists grew accustomed to the use of it and changed their attitudes towards it and in fact started to believe in safety belts as lifesavers instead of nuisances. The change in behaviour thus resulted in a change in attitude which sustained the momentum.

The researcher is not suggesting that the organisation should install a productivity improvement law, forcing it down people's throats in a militant way. The situation is much more complex than in the example. The researcher is suggesting that by presenting yet another series of seminars and workshops on the issue, will not result in dynamic change in the organisation. The organisation should not only preach about participative management, worker empowerment, situational leadership and all those well intended themes, but make it a reality by building it into a well designed system. Then work with the mind and give people the opportunity to release the new excitement and potential physically in the organisation. Whatever type of behaviour or performance the organisation wants from people, should not be asked from them, but should be laid down in the performance management section and their performance should be assessed against it. Often organisations tell their employees to deliver certain performance outcomes, only to evaluate their performance on totally different criteria. People will normally perform in accordance to what they are going to be evaluated on.

It does not work in practice to issue each employee with a blank form, asking them to list all their concerns and needs with regard to their work environments. The organisation will end up either with nothing, or too much and furthermore no correlation between different employees' responses. The organisation will have chaos and nothing to work on effectively. After the researcher had studied the performance outcomes of numerous climate studies, conducted interviews with almost two thousand workers and studied quite an amount of academic literature, the researcher came up with a tentative list of factors within the work environment framework that are of high concern to most employees. The researcher discussed these with a number of union representatives and included their desires (demands) in the list. They where particularly concerned with career planning and development and availability of the necessary organisational inputs in order to produce the required performance outcomes. The result is displayed in the following list:

Manager in this sense could be substituted by: team leader, superior.
Associate could be substituted by: Sub-ordinate, team member, worker, employee.

Organisational Environment
1. Clear task specification A description indicating the specifications of the task at hand, stating precisely WHAT the associate should do and HOW WELL.

2. Standard Operating Procedures

Job tasks are structured in a pre-set way, in a logical and chronological order, which applies to everyone doing the job and describes the specific steps that must be complied with.

3. Policies

It refers to the formal guidelines laid down by management. How do policies enhance or hinder performance? How rigid is the organisation?

4. Continuous enforcement of standards

The agreed upon standards are a true guide to the employee at all times and are not changed or ignored at random at the convenience of others.

5. Performance feedback

This refers to official company feedback, whether it is done verbally or in writing. Feedback is given in time to ensure that effective adjustments, corrections, can be made to have an effect on performance.

Feedback given is a true reflection of the performance delivered (Accurate)

Feedback that does not represent personal criticism but is focused on the issue and is given in a manner that will motivate the associate to maintain or improve performance (Constructive)

6. Easy job flow

Job flow refers to the procedures and the chain of events that are inherent to the system. It affects the time taken and the efficiency of the performance. The amount of "red tape" plays a major part. "Easy flow" refers to efficiency.

7. Shared values

Values held by the organisation are similar to those held and viewed as important by the associates. Or at least not in conflict.

8. Information

How readily available is information that can influence performance directly or employee motivation. How secretive is the organisation and how well informed are its people?

9. Performance assessment

The evaluation of performance and the way in which its done. Is it linked to performance objectives. Who does the rating?

10. Performance rewards

The type and manner in which rewards are given, e.g. pat on the back, bonus, holiday. Is it related to the appraisal system? Does it encourage higher levels of performance amongst everybody?

Human Environment

11. Difficulty of tasks at appropriate level

Tasks expected to be done by the associate are at a level that matches the skills and experience of the associate. Challenging but realistic.

12. Work evenly distributed

Work is distributed in such a way that some associates are not overworked while others are idle.

13. Empathy with personal problems

(mental, emotional, physical)

Attempts or steps taken to remove, minimise or compensate for the effect of any personal barriers prohibiting optimum performance. Includes problems like home affairs, transport, illness, stress.

14. Competence development

The associate is given the opportunity to acquire skills to achieve performance objectives. These include all types of skills. Job skills, thinking skills, life skills, behaviour skills.

15. Trusting climate

Mutual trust and respect exist between manager and associates, and between associates themselves. It is usually enhanced through open communication and information disclosure. Using transparent systems like the BIMP system also helps.

16. Relaxed climate

Associates can do their jobs without fear of retribution or having to look over their shoulders all the time. They are not punished for mistakes, but encouraged to show initiative. It reflects a happy atmosphere.

17. Vertical communication

Flow of communication between associates and managers throughout the hierarchy.

18. Lateral communication

Flow of communication between associates, peers and teams.

19. Manager's leadership style

This refers to the dominant management style of the manager and how well this style suites the associate. It could be one of four:

High on Direction, Low on Support

Low on Direction, High on Support

High on Direction, High on Support

Low on Direction, Low on Support

Different people want to be lead differently with regard to different tasks. It is important that the manager should be aware of how his/her associates feel about it. It will eliminate a large amount of spontaneous conflict.

20. Coaching by manager

The guidance, support and nurturing of the associate by the manager. Planning personal development and on the job training.

21. Encouragement of creativity

Relates to whether associates are allowed to think and act creatively without smothering their ideas and actions. Are associates allowed to challenge the system, procedures and methods as in a true learning organisation?

22. Participative decision making

Associates are allowed/invited to participate in the decisions affecting them. Not only involvement or consultation about the decision, but total participation in the procedure.

23. Continual execution of decisions

Decisions that were made are always executed.

24. Career planning

Intentional planning and active development of associates regarding their long-term objectives.

25. Positive consequences for desired behaviour

The direct pleasant reaction a associate receives from the manager, clients, and other parties when doing the job correctly. Positive consequences for desired behaviour will sustain the desired behaviour, e.g. security person investigates a woman's handbag when the alarm sounds and she thanks him for doing his duty properly. It is not official feedback from the organisation.

26. Removal of negative consequences for desired behaviour

Negative consequences refer to the unpleasant reaction of clients, or other parties, when a associate does his job correctly. It tends to counteract desired behaviour, e.g. security person investigates a woman's handbag when the alarm sounds and she accuses him of being a nuisance and wasting her time. What can the organisation do to reduce this?

27. Full team present for work

How important is it that all the associates are always at work. What is the impact of large scale absenteeism.

Technical Environment

28. Occupational health and safety

The occupational health and safety risks or potential risks that associates are subjected to on the job and its influence on performance.

29. Work conditions

(noise, temperature, airflow, lighting, working hours, pollution, et cetera.)

Satisfaction with the conditions of the work area. Does it hinder performance or not? Could it be improve cost-effectively to enhance performance?

30. Correct resources and inputs

(information, materials, equipment, tools, time, clothing, et cetera.)

How appropriate/obtainable is the complete list of essential resources for delivering the agreed objectives? (It does not refer to luxuries or "nice-to-have" items). Associates should not reach for the stars but be realistic and serious about it in a cost effective way.

31. Social events

Official events arranged by the organisations for employees (and their families) to socialise in view of team spirit and bonding.

Table 21: Environmental Framework

To convert this into an usable tool, the list of items could be adjusted to the realities of a specific industry or organisational type. Occupational safety might be of less importance in a knowledge organisation than a mining industry or a chemical manufacturer. Personal consequences might be of no relevance in a research laboratory or any organisation where the employees have no direct contact with external customers or suppliers. It is advisable not to exceed a total of 35 items as it becomes clumsy and even if the items are still relevant, any manager will find it very difficult to respond to a large number of concerns and it might create expectations that cannot be met. The reason for this component is to direct and focus the effective elimination of performance barriers by eliminating the root causes of these barriers as indicated by the employees themselves (Cope 1991; Deming 1982; Mintzberg 1983).

Although many commonalties may and usually will exist, this is a personalised exercise and each employee must get the opportunity to express his own feelings with regard to their particular circumstances. A manager does not have the right to tell a person what he wants or needs from the environment, and this is one situation where the manager should listen and not project. To have no mechanism allowing employees to express their performance needs is very bad, but to have one which is then misused by autocratic managers, is probably worse in terms of employee motivation.

To build this into a useful tool, the following proved to work well:

Element	Importance W	Satisfaction R	Reason
Clear job specifications	10	2	No specs in existence
Trusting climate	4	10	No gossip/back stabbing
Et cetera.			

Table 22: Work Environment Improvement Tool

Work Environment Indicator = Tot (WxR / TotW) x 10 = 43 on a scale of 0 - 100, where 0 = complete dissatisfaction, and 100 = complete satisfaction. 100 is therefore the desired value and 50 would represent "fair amount of satisfaction, but substantial improvement needed".

The individual values of W and R will clearly indicate the specific most important areas of concern, and should these be addressed, the overall level of satisfaction will drastically improve as well. To calculate the priorities of the concerns, the rating value is subtracted from the weight value and 10 is added to it to make it a positive number in all cases. The larger the answer, the higher the priority .

The manager will have the opportunity to address specific individual needs or if they coincide he can tackle it on a team level. The researcher believes that managing a department without a mechanism of this kind, is similar to driving a car without an instrumentation panel. The organisation might carry on for quite a while, but the organisation will never know what dangers are coming the organisation's way or whether the organisation are in fact travelling at the correct speed.

The table should include a "reason column" and an action plan. To file the results as paper monuments, is a terrible waste of resources. The reason column encourages the candidate to state the reason why he rated an item very low on satisfaction. This avoid guessing and jumping to conclusions by the manager as many different reasons might exist why different people rate the same item equally low. For instance: Person A rates "clear task specification" high on importance, but low on satisfaction. Person B rates it exactly the same. Person A is dissatisfied because the specifications are too detailed, limiting him to show initiative and to be creative, whereas person B complains that in her department task specification is non-existent and she feels lost and bewildered. It is therefore vitally important to know the exact reason for the discomfort, before the remedy is chosen.

The action plan as in the cases of Performance Development Plan and Human Resources Development Plan, must contain specific actions to be taken, responsibility for these, a target date and completion status. Actions that involve other members of the organisation or causes that point at them, can be fed through to the appropriate member via the corporate performance communication system and meaningful responsibilities can be allocated.

Each section of the corporate performance communication system supplies an indicator that gives an overall indication of what the overall level of performance, competence or satisfaction is. These can be compared and useful trends can be observed over time. It also serves as a check and balance as improvement in competence and/ or work environment should lead to an improvement in performance for instance. If competence increases and the work environment improves, the performance level should also increase or else somewhere, something is wrong and an investigation into the problem could reveal concerns that would never have been exposed without this type of management information. These trends in the indicator levels form a vital component of the performance communication agenda.

All three sections of the new approach to productivity improvement have been discussed in detail in the previous sections. At this stage, the problem remains in putting the pieces together in one practical corporate performance communication system. In chapter 9 the researcher does this, but first another other important issues that is influenced dramatically by the new approach needs to be discussed, namely the manager's role. Other important aspects affected by the approach are best practices and organisational transformation. These are discussed in Appendices J and K.

Adopting the approach of productivity improvement as discussed, will have a dramatic influence on the traditional role of the manager. Peter Drucker (1955) redefined the traditional role of management in 1955 already and divided it into 5 categories (Drucker 1955):

1. Setting objectives
2. Organising the work
3. Motivating employees
4. Measurement of performance
5. Developing people

Table 23: Role of Management - Drucker

The problem is that few organisations adopted his approach and if they did, they did not know how to make it a reality in the organisation as it stood in conflict with most of their policies, procedures and practices. In the next chapter the researcher will redefine the role of the manager and describe how the corporate performance communication system is used to make it a reality.

3.8.5 Management role in productivity improvement

"For centuries, large organisations have modelled themselves after the pyramid - the structure used by ancient Egyptians to entomb their dead leaders"

Robert M. Tomasko

The researcher sees many "dead" managers as he works with organisations. With dead managers, the researcher means managers who are entombed in old paradigms regarding the management of people, or human resources, as they are generally called. The latter being a very accurate description of how these dead managers view their people, the very people who in fact determine the performance outcome of that manager. The question is, are these people being considered human assets or human resources?

The researcher saw evidence of a vast number of organisations who in their struggle for survival and prosperity, stampeded right over their people. Short-sighted bottom-line chases causing tremendous damage to the relationships in the organisation. When the economy is slow, anxiety levels go up and management loses their long term perspective jumping to cause, jumping to action, chasing events in the strangling grip of desperation. The more these organisations struggle the more they seem to take it out on their people. Trust cannot be established between management and workers in such an environment. In many countries the researcher observed that the first challenge would be to establish such trust.

Therefore, the corporate performance communication system must not only equip and excite people to perform, but it must also serve as a vehicle to management role transformation. It does not deliver if managers are subjected to any number of leadership or "new manager" training seminars or even management development centres, if it stays a training experience and nothing in the organisation equips them to actively practice the re-designed roles. After more than a decade of trying it that way, the researcher realised that one has to install an operational system that will guide or even force the required role change. The researcher finds that many organisations invest large amounts of money into management development centres, where the list of skills that are evaluated, fit only the traditional school of thought regarding the manager's role. To put it in one short concise statement, the role of management should primarily be, the enablement of employees to produce the service or product of the organisation.

3.8.5.1 Traditional Management Role

The traditional role focuses very strongly on command and control, especially the latter. The type of organisational climate and culture it creates, fertilises the existence of control mechanisms such as committees and budget controls that eliminate the occurrence of private initiatives and entrepreneuralship. This creates the opposite of a learning organisation and when the organisation starts to suffer from these controls, the cause of the problem is applied as the remedy. This stimulates the traditional role of management . When Adizes' (1988) Corporate Life-cycle and Michael Porter's (1985) Flexibility/Control illustrations are aligned, the following results:

When control takes over, death is the reward. It is often seen that when a creative high performing individual shows entrepreneurial initiatives in bad times, he gets punished by means of one of the control system, that was mentioned. This results in these valuable assets to resign and start their own businesses and the organisation is left with the controllers and the controlled. A full-proof recipe for organisational death. The organisation should not manage people, but rather the performance process. The alignment and development of human performance are very important management issues, but the release of that performance ability to creatively add value in the organisation as part of creating and stimulating the desire to perform, should be the focus of management. Some managers do realise that, but they fail to harness the emotional components of worker motivation and keep concentrating on controlling performance, often hurting the performers' desire to perform.
The researcher is convinced that one can expect better results from a team of less skilled, less organised but highly motivated people than from a highly skilled and well aligned, but demotivated group of people with no desire to perform. Traditional managers are very uninformed people and know little about their people and their performance problems. No manager can possibly enable his people if he knows nothing about their desires, aspirations, needs or problems. An enabling manager, will have an official mechanism in place whereby his team members can indicate, on an ongoing basis, what they need from their work environment and from him and how well these needs are being satisfied by the organisation and him. In other words a work environment improvement tool, as was discussed.

The corporate performance communication system should also include an upward-appraisal process which employees are encouraged to use in order to appraise the manager's performance with regard to the value he adds to their team effort. Their should also be an action plan in place which was derived from their diagnosis in order to improve the manager's role and function as team leader. Basically the manger's actions should lead directly to the removal of his sub-ordinates' performance barriers in order to enable them to perform better.

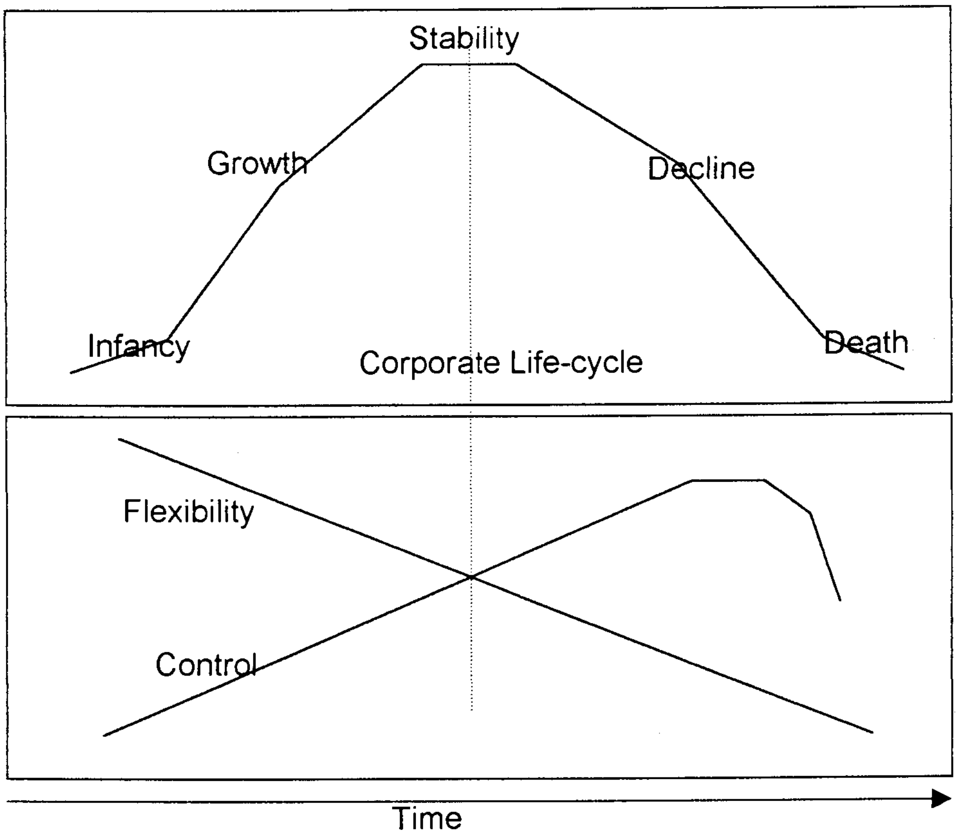


Figure 13 Control – Flexibility Relationship

(SOURCE: Adapted from Adizes 1988 & Porter 1995)

The traditional management role does not cater for this and management information only concentrates on top-down control instructions.

3.8.5.2 Management Role re-defined

Steers and Porter indicated their wisdom regarding the role of management as early as 1979, when they said:

"Managers have the responsibility, according to the need hierarchy line of reasoning, to create a "proper climate" in which employees can develop to their fullest potential. This proper climate might include increasing the opportunities for greater autonomy, variety, responsibility, and so forth, so that employees could work toward higher-order need satisfaction. Failure to provide such a climate would theoretically increase employee frustration and could result in poorer performance, lower job satisfaction, and increased withdrawal from the organisation."

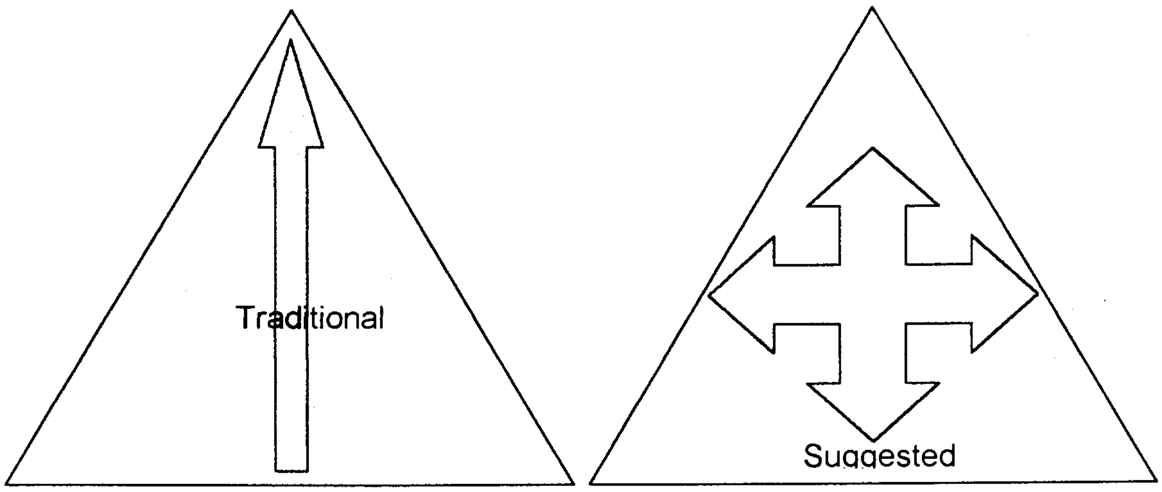


Figure 14 Internal Customer Line

Therefore, as a new point of departure, managers should not limit people through their managerial actions, but rather empower their people by means of anchored freedom and enhance their performance through managing the environment surrounding them. By anchored freedom the researcher refers to the freedom to do what it takes in their own discretion within the guidelines and parameters of the organisation's overall objective, mission and values. When cave divers explore unknown caves under water they are not limited and controlled by others but they are anchored by means of a life-line to their boat in order to prevent them from getting lost, but allowing them to go further and explore more than what they would have risked without a line. It should be the task of management to supply such a life-line to their workers allowing them the anchored freedom to explore, initiate and create the business world around them. In other words the manager should become a welcomed, important team member instead of a foreign control officer who spend the majority of his time attending ineffective meetings, writing reports. judging others and in general, being a highly paid privileged nuisance. The customer-line within the organisation needs to be transformed as illustrated in figure 14.

The role of management therefore shifts away from controlling sub-ordinates, but to serve sub-ordinates in a managerial capacity. The manager is therefore employed by the team members to fulfil a specific function for them and not vice versa. The new management role thus becomes the management of the work environment surrounding the sub-ordinates according to these people's needs and expectations. It means that the manager must find out what barriers stand in the path of the team members with regard to the delivery of the expected performance and then remove or limit these barriers to the best of his management ability. That will make him a welcomed and respected team member. Systems, structures, procedures and practices should not be cast in stone, but employees should be free to challenge them constructively, building intelligence into the social system. This is achievable through changing the traditional management role to a team leader's role.

3.8.5.2.1 Team Leader Role

A team leader will not find it degrading to remove the obstacles in the path of a team member, but will be glad to serve a team member in a leadership capacity. Team leadership simply implies empowering all employees to perform optimally as a production team. By empowerment the researcher means, continuous development of relevant competencies, the freedom to participate and make relevant decisions and the stimulation of the desire to perform. That implies that the manager's role must drastically change, away from the traditional to a team leader's role. This the researcher found to be the only resistance to a new system of the nature that were discussed, as the managers feel they will lose their protected comfort zones to be exposed to their subordinates. The researcher is convinced that any manager would in fact rather be a welcomed and respected team leader than a victim of an us-them climate. The corporate performance communication system is therefore not a threat to them, but a vehicle towards becoming a better manager. This will have a definite influence in the way management perceive their roles.

The Work Environment Improvement section of the corporate performance communication system, provides the necessary mechanism to transform the manager's role. Using this mechanism, the manager knows exactly what his people need and by delivering effectively in these needs, he will in fact eliminate performance barriers and enable the team members to perform. The derived action plan therefore becomes the manager's set of instructions and he can rest assured that by executing this plan, the specific needs of the team are being addressed. This will automatically enhance the team member's desire to perform, and a healthy, relaxed climate of trust and effective communication will undoubtedly follow.

By introducing the new corporate performance communication system, both the role of the employee and the manager will change.

Traditional Worker Role/Tasks

▪ Role - To Do
▪ Perform tasks as indicated by manager and according to job description
▪ Attend training courses when manager says so - manager's responsibility to develop worker
▪ Attend general meetings
▪ Manager is client (Who to satisfy)

Table 24: Traditional Worker Role

Re-defined Worker Role/Tasks

▪ Role - To Think and To Do
▪ Perform tasks as agreed on and documented in job specification document to the specified standards
▪ Plan with manager competence development plan, derived from job specification, and take personal responsibility in executing it
▪ Attend general meetings
▪ Plan, arrange and lead performance feedback meetings with manager (and team members)
▪ Manager and team members are clients

Table 25: Redefined Worker Role

Traditional Manager Role/Tasks

▪ Role - Plan, Co-ordinate, Command, Control
▪ Worker tasks , as sub-ordinate to next manager
▪ Command workers from time to time to do certain tasks and control them carefully
▪ Take responsibility for workers' development and send them on courses
▪ Judge performance of workers at end of year
▪ Control workers' efforts
▪ Conduct general meetings
▪ Client - His/her manager

Table 26: Traditional Manager Role

Re-defined Manager Role/Tasks

▪ Role - Plan, Co-ordinate, Direct, Enable, Empower, Support, Energise
▪ Worker tasks as described for "worker" above
▪ Plan workers' performance plans with them and enable them to perform
▪ Plan workers' development with them and shift responsibility to execute it to workers, but arrange time and resources for them to do it
▪ Continuous evaluate performance with workers against job specification and give support to them
▪ Enable worker performance by improving work environment according to worker diagnosis
▪ Conduct general meetings
▪ Conduct performance feedback meetings with workers (and team members)
▪ Client - His/her workers, manager and peers

Table 27: Redefined Manager Role

3.8.5.2.2 Conclusion

Managing performance is a practical task and to do it well appropriate tools are needed. Appraisal systems are used as such tools, but they fall short in that they focus on the person in isolation to the environment and are usually done in retrospect at the end of a performance cycle when problems have caused their harm already. A different tool is the work environment improvement section as part of the organisation environment framework. It can help identify the cause of performance shortfalls, make counselling and coaching productive, establish meaningful contracts with team members as performance improvement plans and generally provide a framework for viewing work developmentally. These are all fundamental to productivity improvement and critical to taking it forward as practical outflow of the role changes that were discussed. Researchers and organisation development consultants have forcefully argued that it is the front-line employees who have the greatest understanding of organisational operations (Goleman, Kaufman & Ray 1992; Lawler 1986; Lawler, Mohrman, & Ledford 1992; Walton 1985). This section of the corporate performance communication system can provide them the opportunity to add value to the organisation instead of just executing their designated tasks.

Chapter 4 INTEGRATED PERFORMANCE COMMUNICATION

At this stage, it is clear what the three different sections of productivity improvement entails, the impact on the manager's role was identified, it was indicated how it could accommodate best practices and it was discussed how the system could be used to introduce effective strategic planning and dynamic organisational change. The researcher has developed. based on these studies, and tested components of the corporate performance communication system, called BIMP, comprising all the ideas and principles the researcher has discussed in this study. BIMP focuses on corporate communication regarding Performance Management, Human Resources Development and Work Environment Improvement. The researcher also ensured that the system contains all the fundamentals laid down by the New Labour Relations Act 96 of South Africa regarding performance related issues and can therefore equip the organisation not only to become more productive but also socially legitimate.

The main objective of the complete system is to enable all employees to deliver the required performance outcomes in order to produce the organisation's market orientated product or service. The system therefore pivots around the performance outcomes of the employees. In terms of performance management and HR development each performance outcome is considered individually for further action, but in the case of work environment improvement, the complete collection of performance outcomes for each employee must be considered when the diagnosis is done. Therefore the employee should rate his environment in terms of how conducive it is to the achievement of the performance outcomes, but he must consider the total collection of performance outcomes instead of repeating the diagnosis for each individual performance outcome. The researcher found in practice that doing it for each performance outcome separately leads to a waste of time as the results are usually a duplication for each performance outcome and the amount of extra effort does not justify minor differences that might exist. In cases where significant differences exist that could make a difference to the improvement plan, it can be explained in a "reason column" of the work environment improvement document (See Appendix O). A block diagram of the BIMP system is provided in figure 15. As is indicated in the block diagram with a dotted arrow, the diagnosis could be done even without determining the exact list of performance outcomes first. This is because of the fact that in most cases the employee has been busy delivering certain performance outcomes in the specific work environment for some time and improving or changing his performance plan in terms of performance outcome definition, will not make that much of a difference to the work environment diagnosis.

4.1 Diagrammatic presentation of the actual system

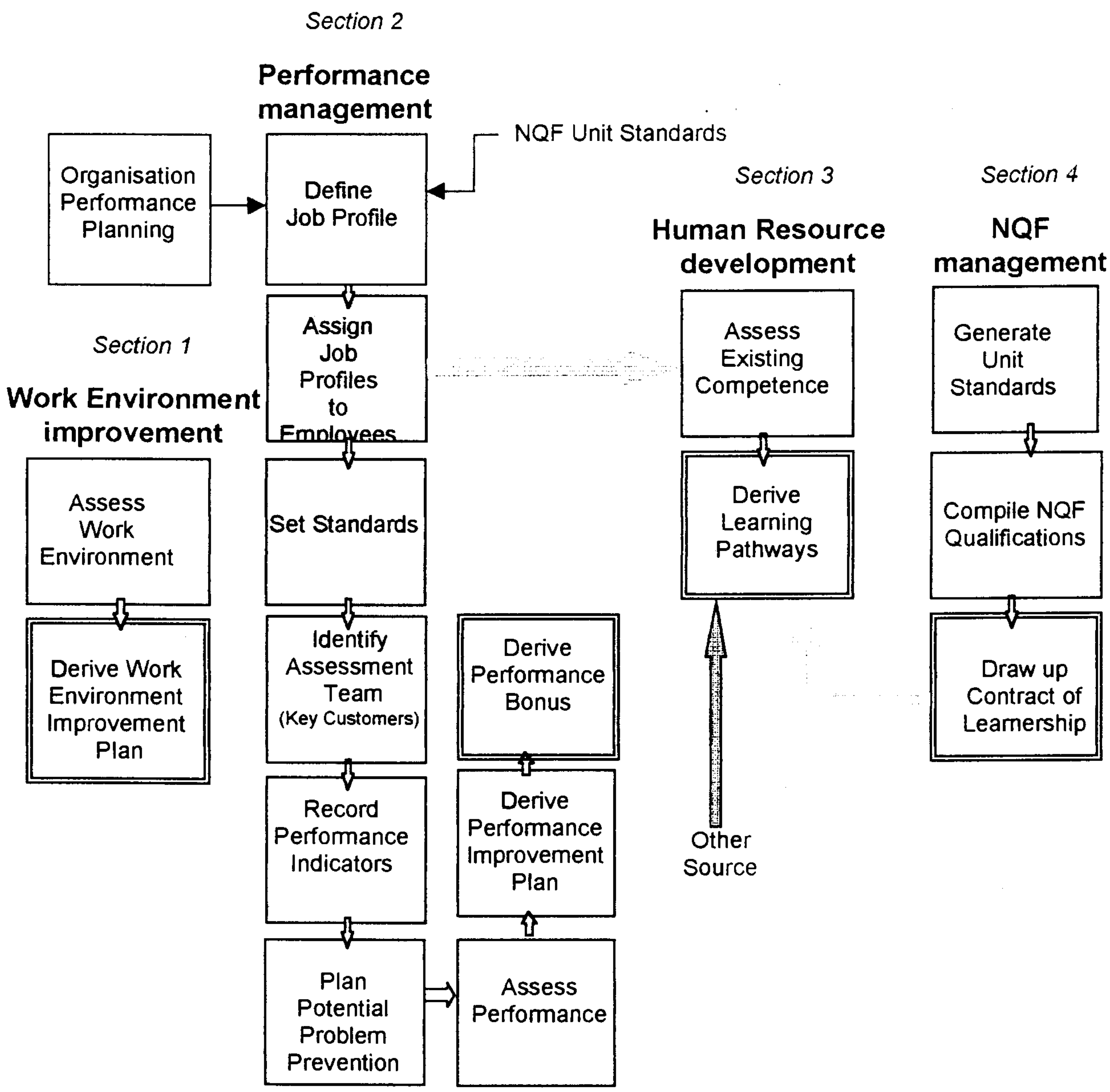


Figure 15 Corporate performance communication system Block Diagram

The reason why work environment improvement is positioned as number 1, is because it contains the highest amount of motivational capability and employees, especially ones that had been hurt before, find it delightful to start a new system by expressing their needs and dissatisfaction with the status quo. During this phase they will most probably also indicate that they want a performance management system as well as a competency development system. The rest of the BIMP system is therefore an answer to their needs and will not be perceived as just another mandatory practice dictated by management. People must have trust in the intentions of the system and the system will only be as good as the extent to which the participants allow it to be. Addressing this section first gives real meaning to participative management and employee empowerment as they get the opportunity to actively take part in managing the world around them. Improving the work environment is a good practice even on its own, but in order to achieve optimum productivity improvement. the other two dimensions should also be addressed at the same time, else the communication loop won't be complete.

The technically correct point of departure is therefore to determine and agree on the expected performance outcomes for each individual. From there the three sections could be addressed in random order pending the situation in the particular organisation. As the researcher has suggested, starting with section 1 often provides the best results. For both sections 2 and 3 the performance outcomes should be prioritised in terms of relative importance to eliminate any differences in perceptions regarding what should receive preference when circumstances demand it.

In chapters 2,3 and 4, the researcher explained the need for each step and how it should be done. An instructor's manual accompanies the system which will guide the user directly in the execution of the system. The user could either enter the input data directly into the BIMP computer system, if the information is available, or the user can use the input documents manually from where the data can be loaded into the computer system at a later stage.

The system forms the platform to performance communication, but it does not control the communication flow directly, neither does it control the quality of the communication content. It is therefore important to explore the communication aspect in more detail and provide a flow diagram on how the communication should take place.

4.2 Corporate communication breakdown

The study suggests that the golden key to successful organisational performance is effective and efficient performance communication. Many organisations fail to achieve this or to optimise it if it is in existence in some way or another. There exist numerous reasons for communication to be ineffective, such as the following:

- People hear what they want to hear
- The transmission is ineffective
- Physical distance
- Psychological distance
- The message gets distorted
- Differences in perspective
- Status barriers

Table 28: Reasons for Ineffective Communications (Deep 1978:98)

The researcher is convinced however, based on his observations, experiments, and investigations into corporate communication breakdown, that the problem is mainly due to a lack of two critical components, namely:

1. a proper linkage of all relevant parties in and around the organisation;
2. a sound performance communication agenda.

It means that people in the organisation do not know to whom they should be talking on an ongoing basis and that they also do not know what to talk about when they talk to one another. It results in a lack of purposeful, complete communication that would lead to a sustainable competitive advantage over the long term. Discussions are held in pockets of isolation focussed around debates on "what went wrong". The different units in the organisation is not linked together on the performance agenda to form an unbroken value-chain of information flow. The strategic planning at the top is also not communicated through to the bottom in a sense of linked planning and corresponding feedback. The researcher is therefore convinced that the identification of the critical links in this value-chain should be identified in a holistic way, followed by the establishment of a performance communication agenda. This must then all be built into the corporate performance communication system that will force the communication deliberately and make it a way of living in the organisation. Once this communication system has been established, the effectiveness and efficiency of its operation can be enhanced by various interventions taken the above mentioned problems into consideration.

4.3 Information-flow for focussed performance communication

The following 7 diagrams illustrate the entire performance information flow of the complete system expressed in terms of 5 different levels (depth of detail) and where appropriate, 2 waves namely performance requirements flow and performance feedback.

Figure 16 MAIN INFORMATION FLOW
LEVEL 1
{Focus is on effectiveness of the production outcome}

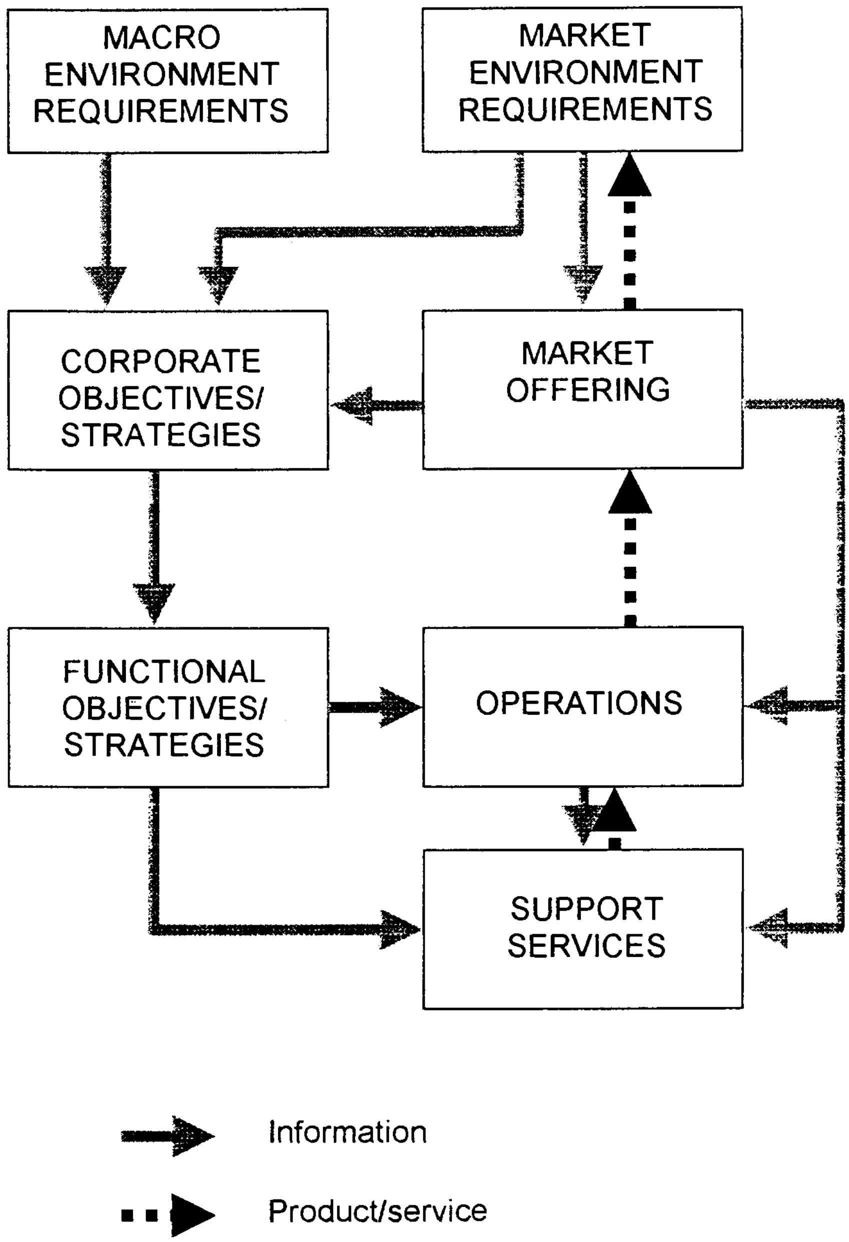


Figure 17 MAIN INFORMATION FLOW
LEVEL 2
{Focus is on effectiveness of the production outcome}

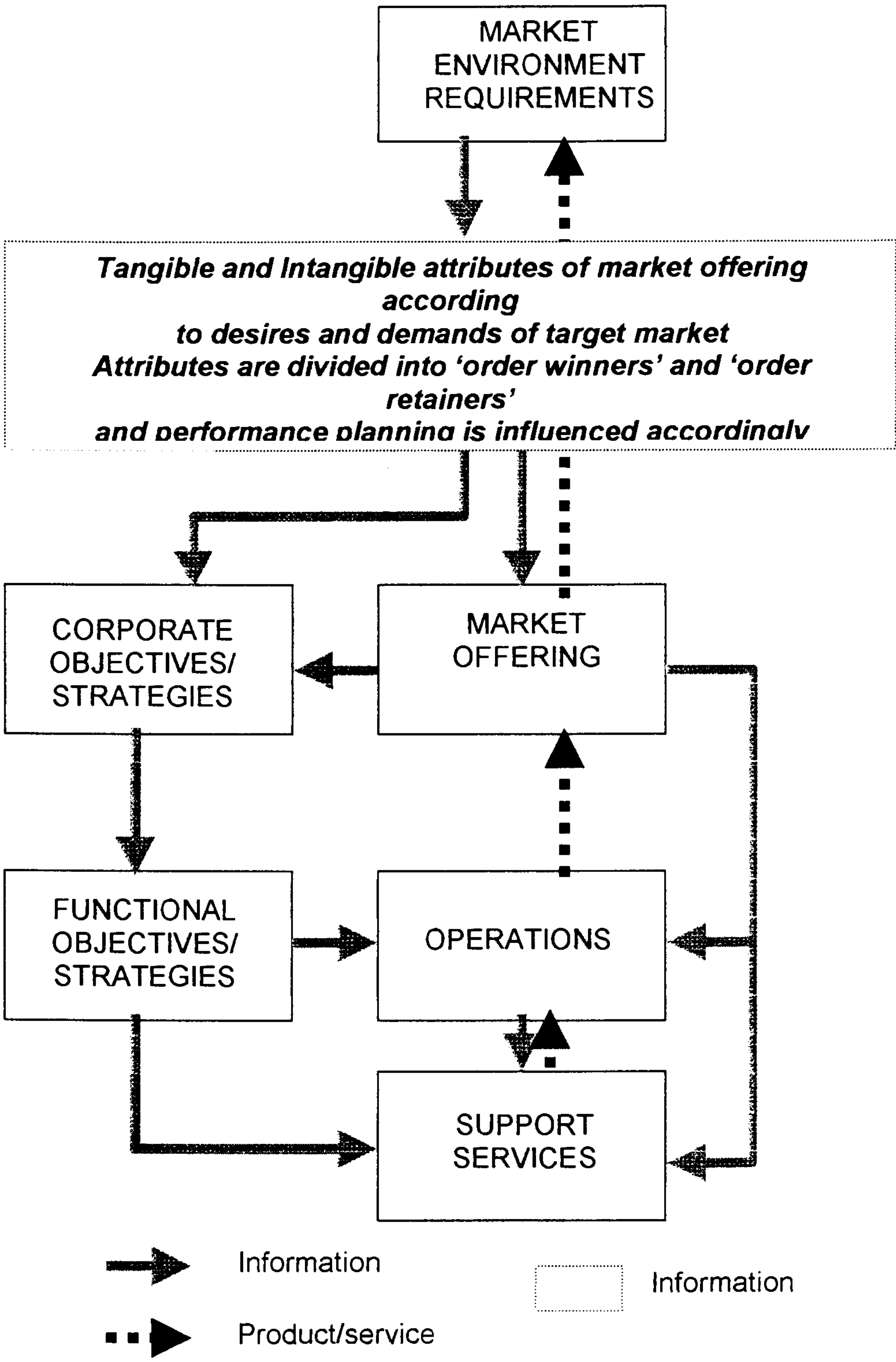


Figure 18 MAIN INFORMATION FLOW
LEVEL 3 - FIRST CYCLE
{Focus is on efficiency of the production and support process}

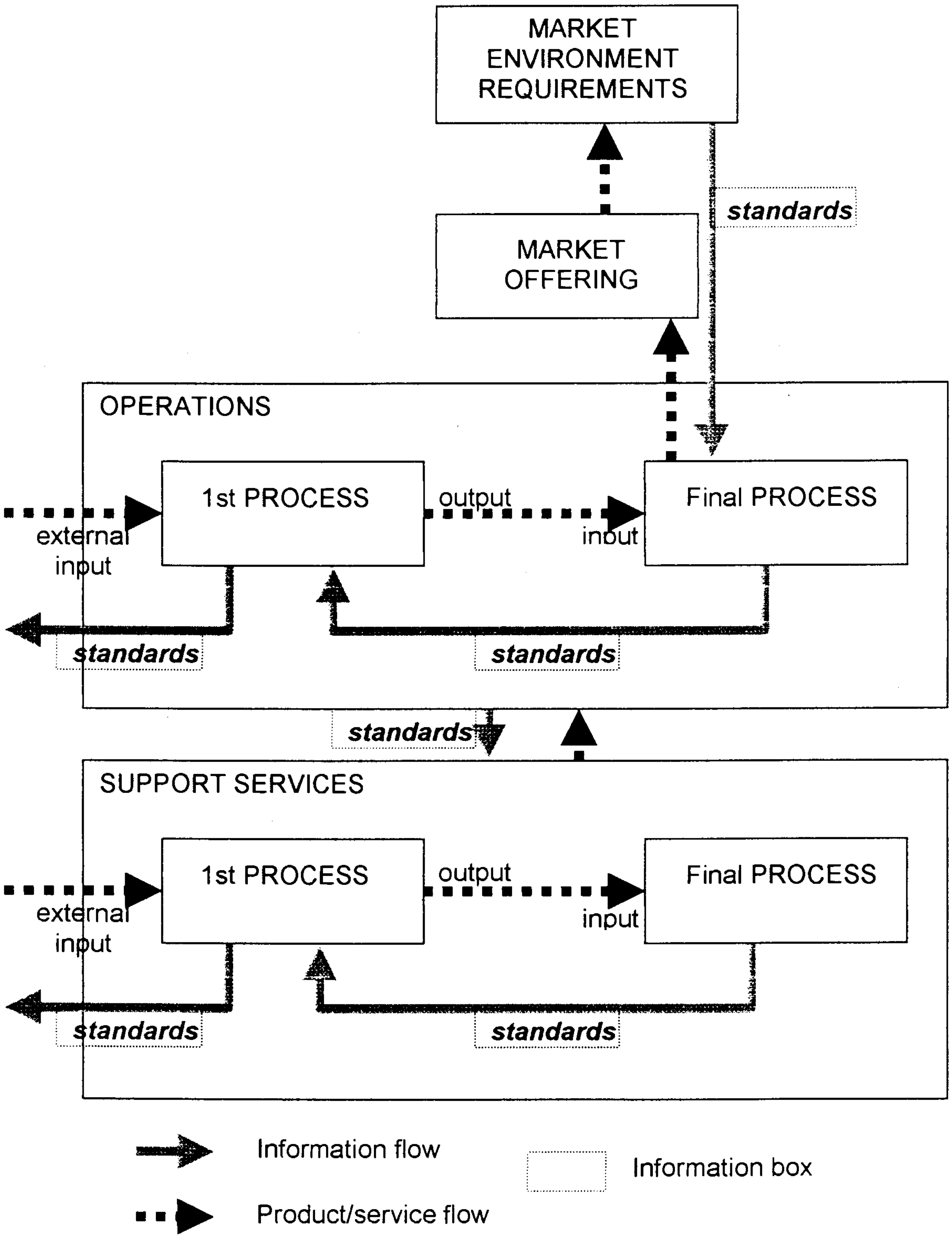


Figure 19 MAIN INFORMATION FLOW
LEVEL 3 - SECOND CYCLE
{Focus is on efficiency of the production and support process}

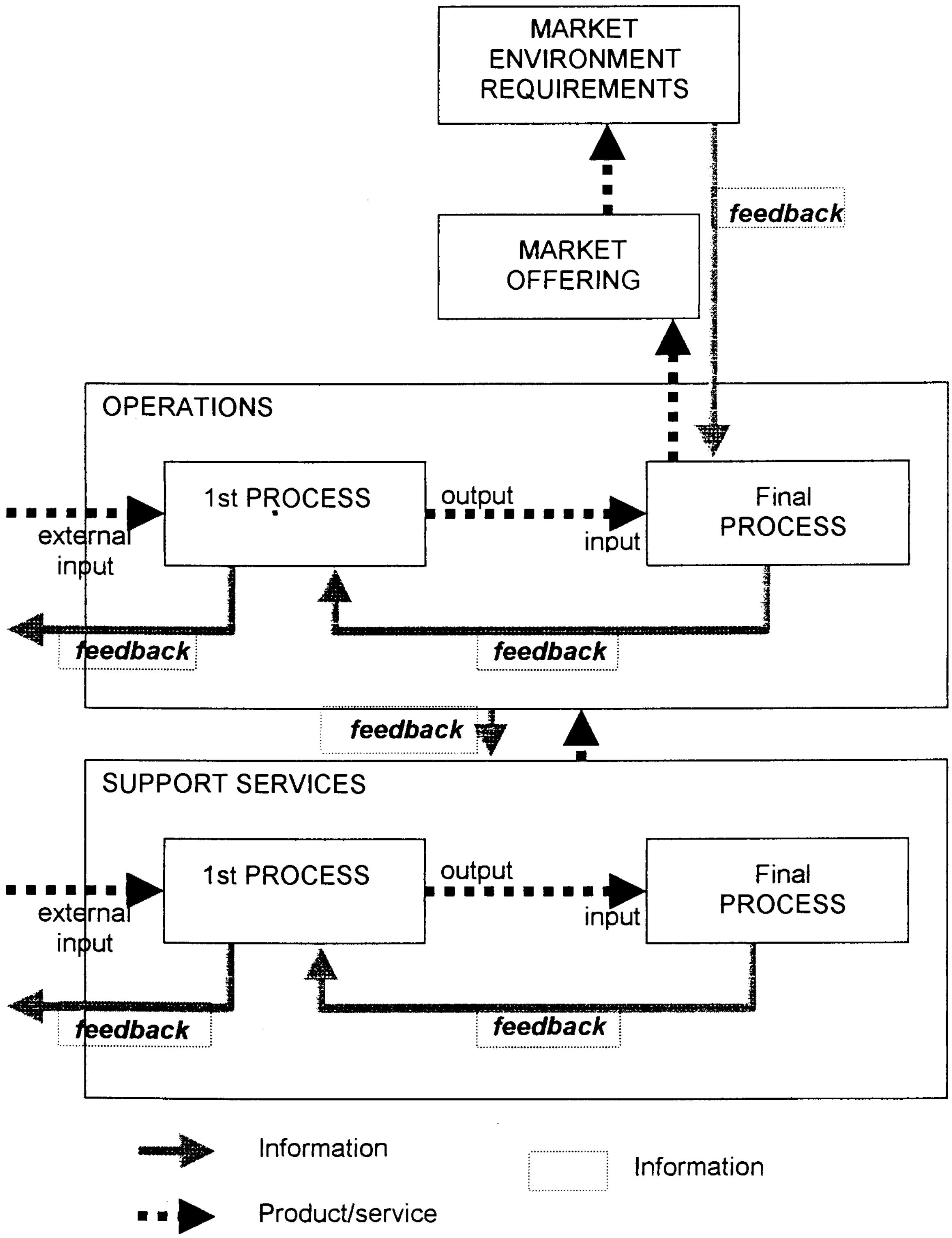


Figure 20 MAIN INFORMATION FLOW
LEVEL 4 - FIRST CYCLE
{Focus is on efficiency of the production and support process}

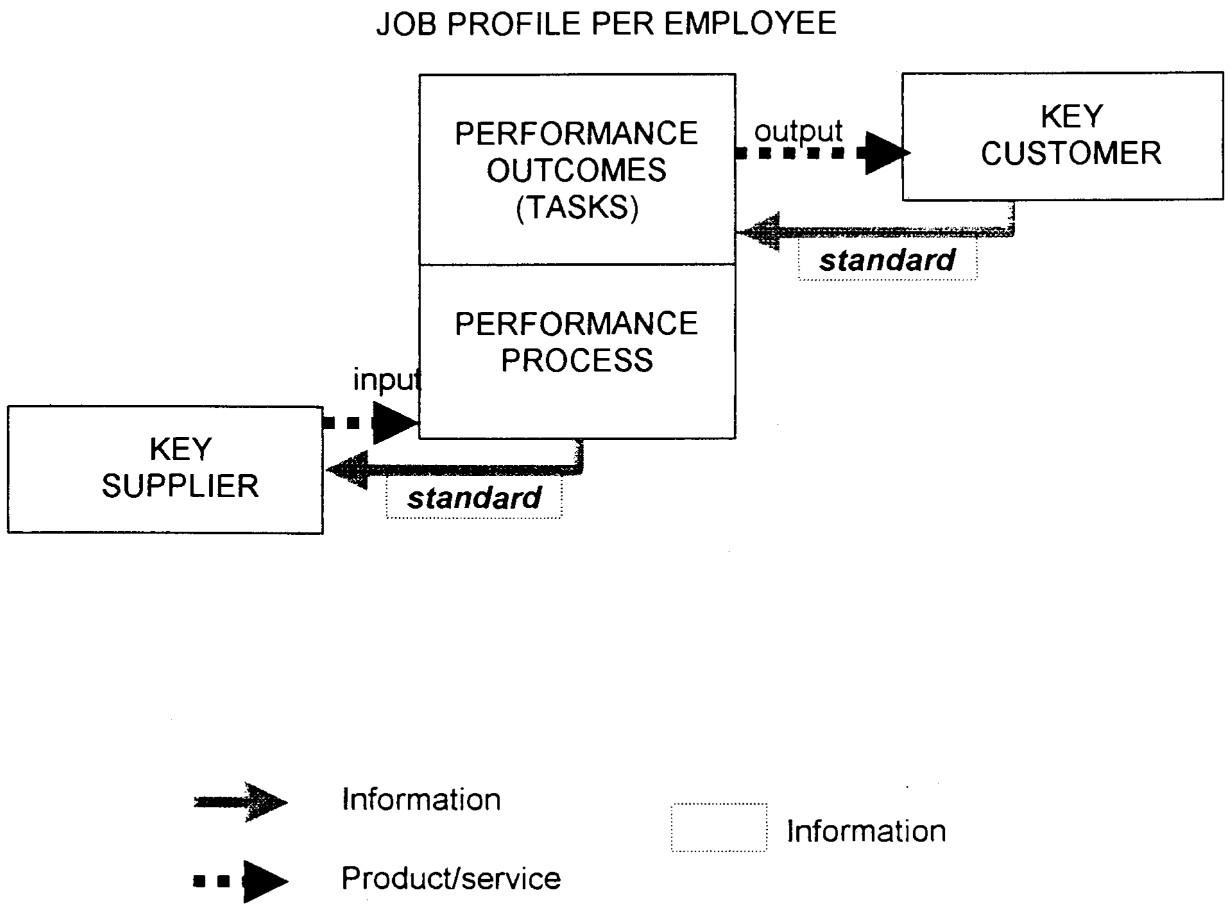
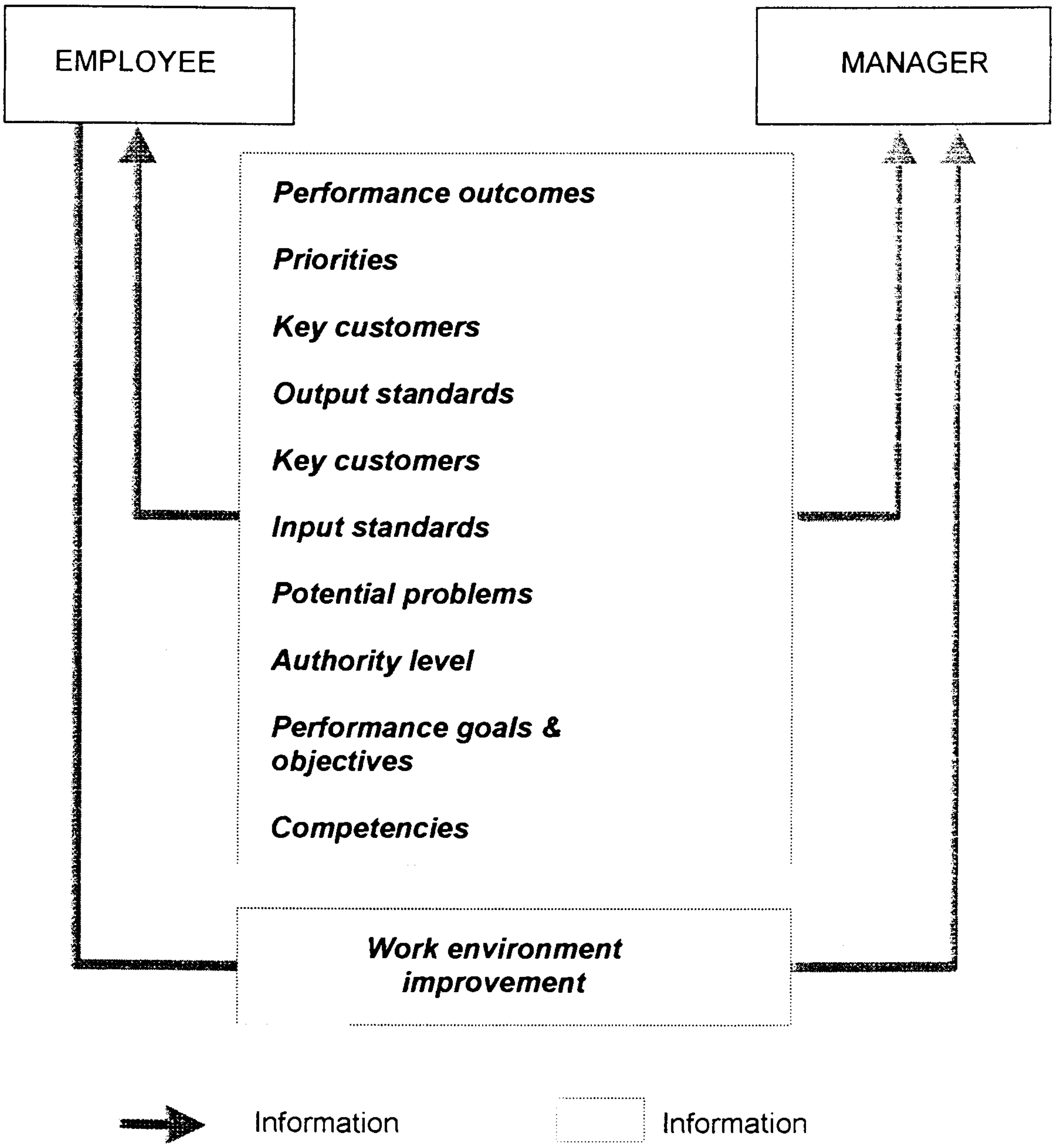
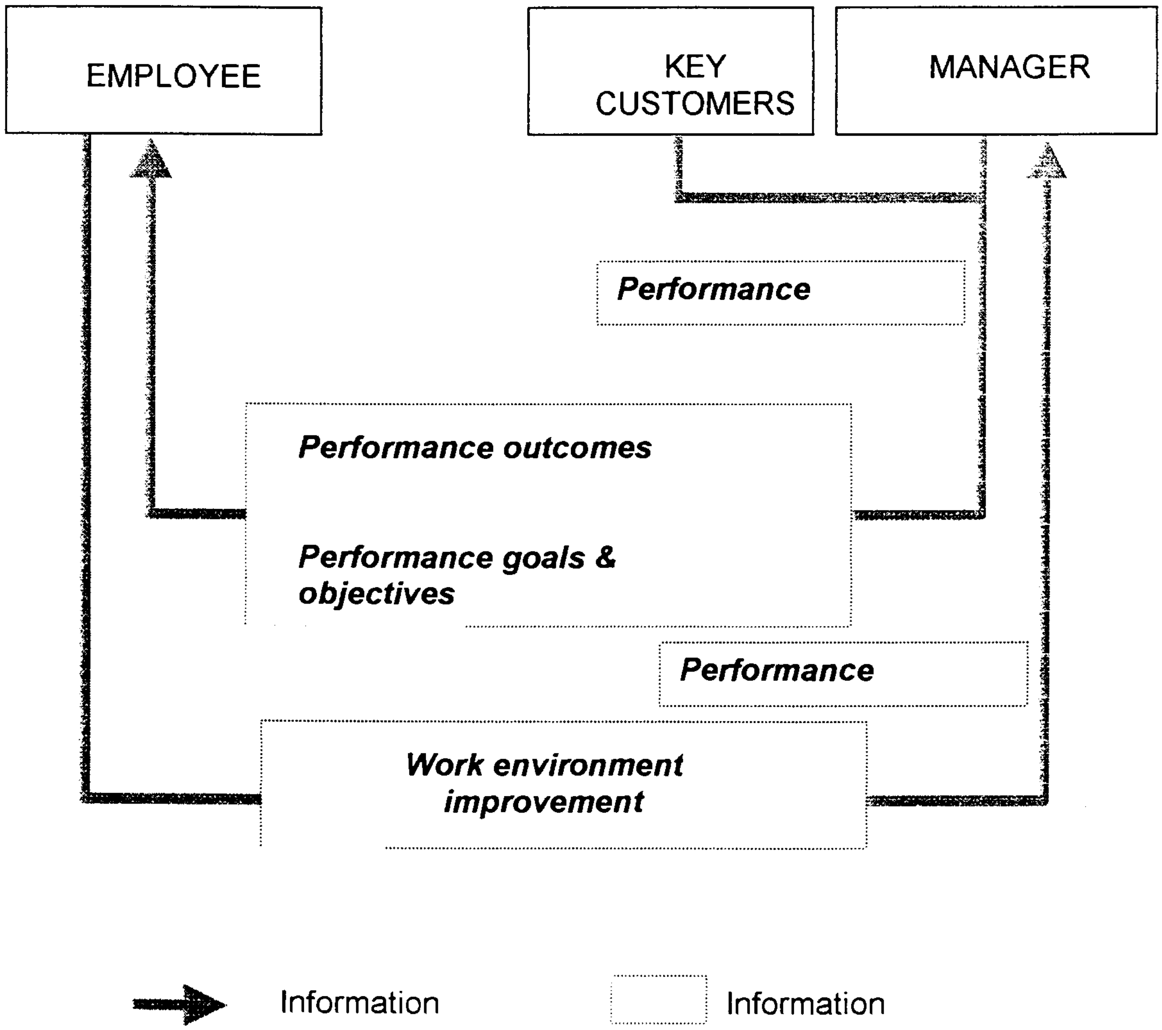


Figure 21 MAIN INFORMATION FLOW
LEVEL 5 - FIRST CYCLE
{Focus is on efficiency of the production and support process}



LEVEL ... E
{Focus is on efficiency of the production and support process}



Chapter 5 METHODOLOGY

"A theory has only the alternative of being right or wrong. A model has a third possibility: it may be right but irrelevant."

Manfred Eigen

5.1 INTRODUCTION

As the study is based on the development of a new and not the evaluation of an existing system, research was not confined to one single experiment empirically proving a hypothesis valid or invalid. Over a number of years different experiments were conducted in the form of presentations to employees, workshops trial implementations and case studies. Various organisations and groups of personnel were targeted for these purposes and a number of overseas study missions were also undertaken to observe the ways in which business was conducted in a number of organisations. The conclusions from the above mentioned techniques and these study missions were fed back into the system under development in attempts to improve its overall functionality and usage.

In this chapter a breakdown of all the significant experiments is provided, and findings and results on them is provided in the next chapter under corresponding headings.

5.2 THE RESEARCH PARADIGM

5.2.1 Methodological Paradigm - Quantitative or Qualitative

In deciding on the research methodology to be pursued, it is important to distinguish between the quantitative or qualitative nature of the research process. Creswell (1994:2) defines quantitative study as "an inquiry into a social or human problem, based on testing a theory composed of variables, measured with numbers and analysed with statistical procedures, in order to determine whether the predictive generalisations of the theory holds true." In contrast, he defines a qualitative study as "inquiry process of understanding a social or human problem, based on building a complex, holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting."

These two definitions highlight the distinguishing characteristics of each approach. Depending on whether the research is aimed at deducing and testing the implications of performed hypotheses or inducing hypotheses from his own observations, a quantitative or qualitative approach will be selected.

This research project starts with more general questions after which an extensive amount of verbal data will be collected from a number of informants from different case studies, to present the findings with words/descriptions that are intended to accurately reflect the situation being studied (op. cit.). In light thereof that a distinguishing feature of this research project is to explain and describe a phenomenon, as opposed to proving it, a qualitative methodological paradigm is applicable to this study.

Whilst ample emphasis is placed on theory, the analysis of the research data aims to extract themes of a strategy from the evidence and organising the data to present a consistent and coherent picture of the research question (Van der Colff 1999). In most cases in this study, the researcher is capturing and discovering meaning through a research interview. According to Casell and Simon (1998) insightful analysis is really at the heart of successful qualitative investigations. Furthermore they say that the real mystique of qualitative inquiry lies in the process of using the data rather in the process of gathering data (op. cit.).

5.3 RESEARCH DESIGN

According to Leedy (1997:3), research can be defined "as the systematic process of collecting and analysing information (data) in order to increase our understanding of the phenomenon with which we are concerned or interested." Leedy (op. cit.:5) goes on to state that "research is a process through which we attempt to achieve systematically and with the support of data the answer to a question, the resolution of a problem, or a greater understanding of a phenomenon. This process, which is frequently called research methodology, has eight distinct characteristics:

- Research originates with a question or problem. · Research requires a clear articulation of a goal
- Research follows a specific plan or procedure.
- Research usually divides the principal problem into more manageable sub-problems.
- Research is guided by the specific research problem, question, or hypothesis.
  Research accepts certain critical assumptions.

- Research requires the collection and interpretation of data in attempting to resolve the problem that of initiated the research.

  Research is, by its nature, cyclical; or more exactly, helical.

5.4 STRATEGIC DECISION

Groenewald (in Van der Colff 1999) states that the strategic decision revolves around the points of departure, general orientation, focus of study, unit of analysis, decisions between ideographic and nomothetic approaches. The strategic decision taken in this study leans towards the ideographic approach that seeks understanding or explanation through an analysis of a number of cases or events and aims at a complete understanding of a particular phenomenon, using all relevant factors.

5.5 OPERATIONAL DECISION

Groenewald (in Van der Colff 1999) goes on to note that the operational decision refers to the choice of a research design and is typically influenced by the strategic decision. In this study, the source of data is the investigation of the social reality by means of indirect observation in the field by the researcher through interviews and experiments.

5.6 TACTICAL DECISION

As this thesis focuses on a set of real issues within a number of organisations - the case study method is regarded to be appropriate.

5.6.1 Selection from the various qualitative research design alternatives

The four most common qualitative designs are: case study, ethnography, phenomenology, and grounded theory (Leedy 1997). In selecting an appropriate qualitative research design, it is necessary to answer the question that is central to the particular design. When attempting to establish what the characteristics of a phenomenon are (as is the case with the research problem at hand) the case study design is applicable.

Case studies, according to Creswell (1994:12), are a type of qualitative research in which the researcher "explores a single entity or phenomenon ('the case') bounded by time and activity (a program, event, process, institution, or social group) and collects detailed information by using a variety of data collection procedures during a sustained period of time".

The purpose of a case study is to shed light on a phenomenon, be it a process, event, person, or object of interest (Leedy 1997) - shedding light on the components and implementation of a generic corporate performance communication system. The process during a case study is characterised by an extended period of time spent with research participants collecting a substantial amount of data (op. cit.) - programme of interviews and interaction with participants.

Data is collected in the form of words, images, or physical objects (op. cit.) recordings of interviews, notes, documentation, et cetera. Data is analysed using three approaches - interpretational analysis (examining for themes, constructs, and patterns), structural analysis (patterns inherent in discourse, with no inference made to meaning), and reflective analysis (using primary intuition and judgement to portray or evaluate the phenomenon) (op. cit.) - in the instance of the development of the corporate performance communication system, emphasis will be placed on interpretational and reflective analyses.

Findings will be communicated in a report of a rich, descriptive narrative.

5.7 RESEARCH (MEASURING) INSTRUMENTS - DESIGN AND APPLICATION

Two research instruments were selected for the collection of data; Questionnaires on elements of the research question and interviews conducted with members of different samples. As a point of departure, documented results of a previously conducted climate study in the SABC were reviewed to locate possible areas of concern relevant to performance management (See Appendix A).

5.7.1 Document Review

Per definition, secondary data "are data that were developed for some other purpose than helping to solve the problem at hand" (Tull & Hawkins 1987:65). Although the SABC climate study which was conducted prior to the period under investigation, was not specifically intended to provide a reference for introducing a performance management system into the SABC - thereby rendering these documents as sources of secondary data - it is considered relevant in solving the research question at hand.

The following common problems, normally experienced with secondary data, will be addressed as indicated:

▪ Availability - the researcher had free and unhindered access to the documentation to be reviewed.; ▪ Relevance - as the climate study being reviewed was specifically written for the purpose of documenting the concerns of employees at a given time, these documents are regarded as being relevant in assisting in answering the research question; ▪ Accuracy - due to the qualitative nature of the data contained in these ▪ documents, the level of accuracy is regarded as acceptable; ▪ Sufficiency - this data source was intended to provide a starting point for the development of a prototype corporate performance communication system only. Although the review of this source of data provided a large amount of secondary data, it is regarded as amply sufficient to serve this (supporting) purpose (Tull & Hawkins 1987).

Table 29: Problems with Secondary Data

Saunders, Lewis & Thornhill (1997), reason that there exist indeed advantages in using secondary data in that the researcher has more time to think about theoretical aims and substantive issues, as the data will already be collected and the researcher can subsequently spend more time, and effort, analysing and interpreting the data.

5.7.2 Interviews

If secondary data sources do not provide sufficient data, primary data may be collected. Survey research is the most common method of collecting primary data to define and explain a research question. Surveys can provide data on attitudes, feelings, beliefs, past and intended behaviours, knowledge, ownership, personal characteristics and other descriptive items. Surveys can provide evidence of association, but can seldom prove cause. Survey research is concerned with the administration of questionnaires i.e. interviewing (Tull & Hawkins 1987). Survey research, according to Tull and Hawkins (op. cit.:96) "is the systematic gathering of information from respondents for the purpose of understanding and/or predicting some aspect of behaviour of the population of interest. As the term is typically used, it implies that the information has been gathered with some version of a questionnaire. The administration of a questionnaire to an individual or group of individuals is called an interview."

Various aspects with regard to interviews (and their questionnaire basis) are considered. These include the degree of structure of the interview; the degree of directness of the interview; and the type of survey to be conducted - personal, mail, computer, and telephone (op. cit.). For the purposes of this research project, interviews with the members of the samples will serve as the main source of primary data. Figure 23, a flow-diagram suggested by Tull and Hawkins (op. cit.), proved useful in deciding on the type of interview based on the desired levels of structure and directness, respectively - the shaded areas indicating the decision path followed for this study.

interviews.

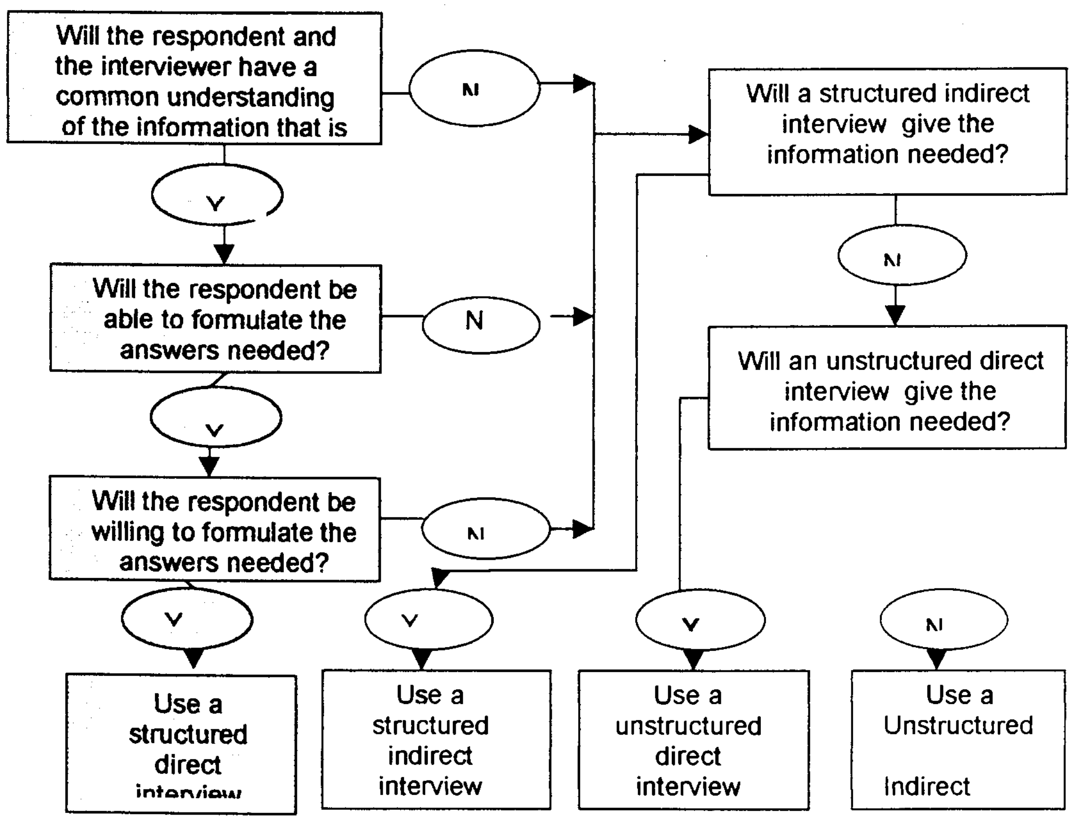


Figure 23 Model for Selection of Interview Questionnaires
(SOURCE: Tull & Hawkins 1987)

The above-mentioned model of Tull and Hawkins (op. cit.) is limited to a certain extent because it only provides for two types of interviews - in terms of the extent of structuring (structured and unstructured) and proximity of interview (indirect and direct). Saunders et al (in Van der Colff 1999:45) describes a third alternative: "in semi-structured interviews the interview is non-standardised and the researcher purely has a list of themes and questions to be covered. This will differ from interview to interview as the researcher might decide to omit certain questions in particular interviews as well as change the order of questions to accommodate the flow of the conversation. In certain instances additional questions may also be required to explore a certain issue in depth. The data will be recorded either by note-taking or by tape recording the interview.".

According to Robsen in Saunders et al (1997), the lack of standardisation in semi-structured and in-depth interviews may lead to reliability concern. However, Marshall and Rossmari's response in Saunders et al (1997) states that "the findings from these type of interviews are not necessary intended to be repeatable". This method was used during the first 10 interviews conducted in the SABC to establish a set of criteria to be used in further structured According to Neuman (1997), advantages of open ended questions are as follows:

- Permit unlimited number of possible answers
- Respondents can give a detailed answer to a complex question
- Unanticipated findings can be discovered
- Permit creativity, self-expression and richness in detail

Table 30: Advantages of Open-ended Questions

The structured interview forms the basis of this research project, but in some cases semi-structured interviews were conducted, because it combines the benefits of both types of interviews described by Tull and Hawkins (1987) - the order and discipline of the structured interview on the one hand, and the flexibility and probing possibilities of the unstructured interview on the other hand.

In order to capitalise on the benefits offered by both the structured as well as the unstructured interviews, interview questionnaires were designed which contained the following two categories of questions:

- Firstly, structured questions that offer the interviewee a limited number of (multiple-choice) answers. This approach not only allows for extensive quantitative data analysis, but also ensures consistency and comparability of interviewee's responses
- Secondly, unstructured and open-ended questions are included in the

questionnaire to facilitate probing of concepts and allow the interviewees to pursue their trains of thought.

Each question contained in the questionnaires was designed to explore and relate to specific aspect of the corporate performance communication system.
The final consideration in choosing the type of interview is based on the most appropriate method of communication. In this regard the personal interview format is likely to be the most advantages - the interviewer put the questions to the respondent in a face-to-face situation. (Refer to Appendices for examples of the 2 questionnaires used at different stages as framework for the interviews.)

Most experiments in this study comprise of case studies during which the researcher either observed and interpreted the results or made use of interview techniques to gather information. Hartley (in Casell & Symons 1998), states that "a case study can be defined as consisting of a detailed investigation, often with data collected over a period of time, of one or more organisations, or groups within organisations, with a view to providing an analysis of the context and processes involved in the phenomenon under study".

One of the fundamental assumptions of this research report is that the corporate performance and productivity levels of an organisation are driven by the leadership of the company. However, Sunter (in Loewen 1999:7) argues that "no matter how powerful the strategic plan that emanates from the top, it will lead to a trifling amount of action if it meets with resistance from layers of middle management who are indifferent and employees who are ignorant of the direction in which the company is headed." To therefore assess the attitude towards the implementation of a corporate performance communication system a "test"-group comprising of members from middle management was identified in the last of 14 experiments.

5.8 CONSIDERING THE RELIABILITY AND VIABILITY OF RESEARCH DATA

5.8.1 Reliability

Due consideration is to be given to the reliability of assimilated research data as a number of factors can give rise to variable errors in measurement. Whilst Tull and Hawkins suggest using a combination of approaches to assess reliability, the test-retest approach is of more value in most research situations. According to this approach, the "same measure (is applied) to the same objects a second time" (Tull & Hawkins 1987:223). The researcher found this unnecessary in this situation and once-off interviews were appropriate in all cases. The outcome of some case studies were however reinforced by similar results from other cases.

By its nature, qualitative data do not lend itself easily to extensive quantitative measurement and therefore, reliability testing by means of quantitative methods. However, due to the selection of the structured method of conducting interviews, a substantial portion of research data collected will be susceptible to quantitative analysis allowing for adequate (quantitative) reliability testing e.g. "70% of the sample interviewed agree that the commitment of top management to the project plays the most important role in the development and implementation of the corporate performance communication system." A further test that will be employed to test reliability is follow-up unstructured interviews to "make sure that I understood your answer during the initial interview correctly", requesting a limited number of the interviewees to repeat their response. A comparison is then drawn between the response during the interview and the response received during the follow-up interview.

5.8.2 Validity

Validity, like reliability, is concerned with error. However, it is concerned with consistent or systematic error rather than variable error. There are three basic types of validity:

Content validity, construct validity, and criterion-related validity (op. cit.:225).

Firstly, contents validity estimates are essentially systematic, but subjective, evaluations of the appropriateness of the measuring instrument for the task at hand (The term face validity has a similar meaning.) Given the qualitative nature of the research question (performance communication) the qualitative measuring instrument of interviews is regarded as valid.

As the principal research instrument utilised in this research is the face-to-face interview, follow-up interviews will be conducted with at least 10% of the interviewees and a comparison drawn between the data of the initial (first) and follow-up (second) interview to assess consistency in answers/opinions. This comparison will however not make use of a statistical number-crunching process, but will rely with the judgement of the researcher.

Secondly, construct validity - understanding the factors that underlie the obtained measurement - is the most complex form of validity. It involves not just knowing how well a given measure works; it also involves knowing why it works. To ensure construct validity, a sound theory of the nature of the concept being measured and how it relates to other concepts is required (op. cit.).

Lastly, criterion-related validity can take two forms based on the time period involved: Concurrent and predictive validity. In view of the fact that an essential outcome of the research is aimed at predicting whether (and if indeed, under what circumstances) the implementation of a corporate performance communication system can improve productivity, the predictive validity of the research measurement is of high importance.

5.9 INTERVIEW TEST GROUP

5.9.1 Population

The corporate performance communication system is intended for the use by all members of staff in all organisations. Thus the population represents all people employed by all organisations in South Africa, or for that matter in the World. The population size of all employees in South Africa is too many to consider therefore the research project focussed on various case studies over a period of 7 years in total. According to Tull and Hawkins (op. cit.:369) the definition of the population is to be done in terms of "elements, sampling units, extent and time". In relation to these constituent parts, all (extent) employees (element) in an organisation (sample unit) in each case study at the time (time) will be considered the population for purpose of that specific experiment

5.9.2 Sample

Leedy (1997:210) states that "the basic rule (of sampling) is: the larger the sample, the better." In all cases, a representative number of employees is regarded as the sample. Except in the case of the initial interviews in the SABC, no scientific technique was employed to select the sample members and they where chosen according to location and position in the organisation. No specific criteria such as representation, homogeneity, et cetera.) associated with taking a sample were taken into consideration as it falls beyond the scope of this study to reset any differences in perception between different groups. In all cases it was decided to select people from a developed literacy level in order to eliminate the effect of misunderstandings due to lack of literacy skill.

In the case of the SABC experiment, a random sample without replacement was drawn from the population using the Natural ADABAS Computer Programme

5.10 METHOD OF ANALYSIS

5.10.1 Capturing the Response Data

Work environment assessments were done using the BIMP Computer System which provides a worksheet for each candidate to use. Their manual responses were then fed back into the system which produces accumulative reports in the form of frequency tables, dissatisfaction indexes and level indicators.

5.10.2 Analysis of Response Data - Qualitative and Quantitative

5.10.2.1 Quantitative

The response data contained in the spread sheet format were - manipulated with the various Microsoft Excel functionality such as summation, percentage spread (and concentration) of responses, et cetera.

5.10.2.2 Qualitative

General areas of congruency were derived from the quantitative analysis of the response data - level of agreement in response received from various interviewees. Non-quantitative i.e. qualitative data such as responses from interviewees listed under "Other Comments" and trains of thought probed by the interviewer, were utilised to assess themes of performance communication.

5.11 CASE STUDIES

5.11 .1 CASE STUDY 1: SURVEY AT SABC

SETTING:

The SABC was used to conduct the first set of experiments. The SABC represents a multi-

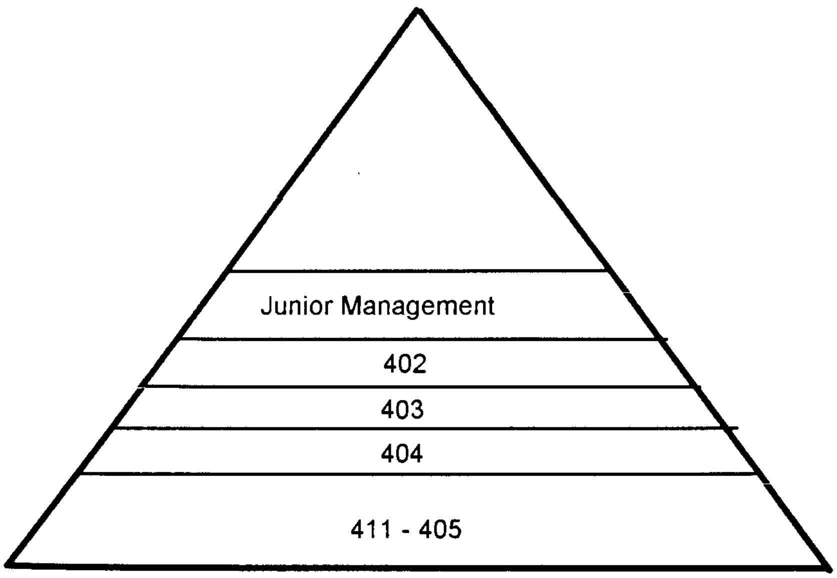


Figure 24 Occupational layers of sample

This comprises 2086 people made up of:

TOTAL	TOTAL 2086	FEMALE 605	MALE 1481
White	1564	537	1027
Indian	36	12	24
Coloured	23	5	18
Black	463	51	412

Table 31: SABC Test Population Attributes

The represented occupational types are the following:

(A) **<u>Human Resources</u>**

1 Manpower Management
2 Training Management
3 General Manpower

4 Manpower Training
5 Labour Relations
6 Rewarding

(B) **Data**

1 Computer Management
2 Computer Specialist Consultant
3 Computer Maintenance
4 Computer Operation
5 Users Consultant
6 System Analyst & Programming

(C) **Financial Audit and Bookkeeping**

1 Financial Management
2 Budget and Operational Control
3 General Bookkeeping
4 Cash Control
5 Audit
6 Salaries and Tax
7 Systems and Leave
8 Pensions

(D) **Technical and Architecture**

1 Technical Management
2 Electronics
3 Electronic Engineering
4 Electrical Engineering
5 Electrical
6 Mechanical Engineering
7 Mechanical
8 Technical Drawings
9 Project Management
10 Architecture

11 Mechanical and Electrical
12 Technical Research and Development
13 Specialised Audio & Optical
14 Trade and Casuals
15 Operators
16 Rigger and Antenna
17 Computer Technical

(E) **Legal**

1 Legal Management
2 Legal Adviser
3 Contracts, Patents and copyrights

(F) **Inventory and Buying**

1 Inventory, Control and Buying Management
2 Material Handling and Storage
3 Buying

(G) **Library and Archives**

1 Management
2 Film Video Library and Discotheque
3 Research Library Museum and Language
4 Archives
5 Mediatheque

(H) **Management Information and Research**

1 Management Information and Research
2 Managerial Information
3 Research

(I) **Public Relations**

1 Public Relations Management

2 Public Relations

3 Media Relations

4 Publicity

(J) **General Management** (Not represented)

1 Top Management

2 General Management

3 Corporate Secretarial

(K) **Administration/Clerical/Secretarial**

1 Administration Management

2 Administration Supervising

3 Reception/Information

4 General Administration

5 Secretarial

6 General Clerical

7 Scheduling

8 Corporating

9 Finance Clerical

(L) **Security**

1 Security Management

2 Security Operation

(M) **Logistics**

1 Logistics Management

2 General Logistics

3 Building and Personnel Services

4 Printers

5 Catering

6 Transport

7 Postal and Messengers
8 Telex and Switchboard Operators
9 Office Services
10 Occupational Safety

(N) **Artistic**

1 Artistic Management
2 Set design
3 Graphics
4 Music Specialist
5 Photography
6 Dress Design
7 Makeup Art
8 Animation
9 Lighting, Sound & Special Effects

(O) **Journalism**

1 Journalistic Management
2 Information compilation and editing
3 Journalistic gathering
4 Presentation

(P) **Radio and TV Programmes**

1 Programme Management
2 Programme Production
3 Presenter/Translator
4 Programme Support Personnel

(Q) **Marketing**

1 Marketing Management
2 Production Advertising
3 Advertisement Sales

4 Product Sales

5 Advertisement Production

6 Promotion

(R) **Radio and TV Operation**

1 Operational Management

2 Radio and TV Operation

3 Operational Support Personnel

<u>THE NUMBER OF STAFF WHO OCCUPIED THESE OCCUPATIONAL GROUPS WERE AS FOLLOWS</u>:

Occupational Group	Total	Level 402	Level 403	Level 404
	2086	650	633	803
A	18	10	6	2
B	43	12	20	11
C	48	23	13	12
D	381	124	142	115
E	5	3	2	0
F	27	6	5	16
G	64	19	16	9
H	2	1	1	0
I	22	1	13	8
K	84	32	35	117
L	71	5	24	42
M	24	8	7	9
N	100	27	31	42
O	191	101	36	54
P	258	149	52	57
Q	109	22	28	59
R	539	107	202	230

Table 32: Occupational distribution - test group

A random sample without replacement of 1500 people was drawn from this population using the Natural ADABAS Computer Programme. From this sample, 660 people participated in the interviews. This represents 16,2% of the target population and 44% of the sample.

With the help of a team of experts from the personnel department they were interviewed in 2 hour sessions. During the first 10 interviews they were allowed to speak freely on emotional or intellectual bases regarding performance management systems. They were then asked specific questions displayed in Appendix A, and their responses were recorded in summary. From the outcome of these responses a questionnaire was compiled to be used in structured interviews with the remainder of the sample.

5.11.2 CASE STUDY 2: IMPLEMENTATION AT SABC

SETTING:

The SABC. Employees were introduced to the principles and basic operations of the newly developed system in 3 hour sessions conducted by a team of trained training practitioners. Employees attended these sessions in large groups ranging from 20 to 80 people at a time. They were allowed feedback and questions at the end of the sessions and their concerns were recorded and fed back to the developers of the system. They were all issued with high quality training manuals and port-folios to create an image of quality and investment in them. A unique name were chosen for the SABC namely, PIP, Personal Investment Programme, in attempt to overcome some of the resistance against these type of systems caused by previous systems that were not seen as investments to them by the employees. They were expected to implement the system and start using it. A target date was set a year ahead for the first performance assessments to be in place and to come into effect. They were offer the assistance of the training department on their request. The first phase were to be the setting of performance specifications which involved performance outcomes, tasks for each outcome and required competencies to achieve each task.

SABC Centres:

- Auckland Park Gauteng
- Cape Town
- Port Elizabeth
- Bloemfontein
- Durban
- Pretoria
- Pietersburg

TARGET GROUP:

All SABC employees were subject to the this phase after top management had been convinced of the merit of the newly developed system. It included all levels of work up to top management. Over 3000 employees underwent these introductory sessions.

5.11.3 CASE STUDY 3: IMPLEMENTATION AT SENTECH

SETTING:

SENTECH, a national network for the distribution of electronic media. which used to be a part of the SABC before, were encouraged by the SABC to invest in the PIP system and similar introductory sessions were conducted to all SENTECH employees at all their different sites nation wide. Employees are mainly from a technical background in light current electronic engineering. They received similar training manuals as the SABC employees.

SENTECH Sites:

- Panorama Gauteng
- Vryburg Northen Cape
- Uppington Northen Cape
- Vredendal Western Cape
- Cape Town
- Port Elizabeth Eastern Cape
- East London Eastern Cape
- Middleburg Cape Province
- Bloemfontein
- Vryheid KwazuluNatal
- Durban
- Pretoria

TARGET GROUP:

All employees including top management participated in groups ranging from 5 to 40 people at a time. All employees at a specific site were included in one session for that specific location. A total of 550 employees participated.

5.11 .4 CASE STUDY 4: UBUNTU WORKSHOPS SABC

SETTING:

The SABC nationally. Vertical and horizontal cuts from all members of personnel were included in large groups ranging from 20 to 50 people at a time to attend 2-day collective learning workshops away from the work premises and with an overnight-stay between the 2 days. The intention was to establish and promote a positive attitude towards the transformation of the organisation and to bread a culture of self-empowerment and personal responsibility. The vehicle to be used to make it a practical reality, was the PIP system, but candidates were not informed accordingly up-front to eliminate any chance of prejudice. The sessions were conducted by Prof. Lovemore Mbigi on the first day, who sketched the importance of understanding the real business agenda that was facing South Africa and how the organisation should respond to it. It contained cultural issues, the handling of fears and expectations as well as the importance of building performance capacity. It also contained a high level of academic content to distinguish it from motivation talks in a vacuum. The evening was intended to encourage bonding amongst team members. The following day was conducted by the researcher where he brought the conceptual issues closer to organisational dynamics and the pragmatic way of making it a reality. The focus was on the personal role in productivity improvement using the PIP system that they had been introduced to as a tool to achieve the desired outcome. The purpose was to excite employees to use the system properly after they had failed to make it work from own initiative and to make them see the real value that can follow from it within a wider picture. The employees thus had been introduced to the system, they received self-instructed guides in the use of it and they were now extrinsically being motivated to use it. The researcher reasoned at the time that this was as much as what could possibly be done to inspire employees to use the system purposefully.

TARGET GROUP:

As many as possible of the entire organisation were encouraged to participate in groups that were selected from the same work environment as per department or business unit. Groups comprised of all ranks and functions at a time to be able to deal with the real business concerns. Business units that attended a series of 21 workshops were:

- Human Resources from all locations
- Port Elizabeth
- Bloemfontein
- Pietersburg
- Pretoria
- Television
- Radio
- Technical Services
- Sentech

A total of 870 members of personnel participated. A representative sample of their feedback is displayed in Appendix D.

5.11.5 CASE STUDY 5: STUDY MISSION TO JAPAN

SETTING:

A study mission from 14 to 30 October 1994 to Japan in the company of Anatole Goshi, Professor in Comparative Management, Nihon University - Tokyo, was undertaken to learn about Japanese businesses' successful approach towards productivity and to test some of the theories that underpinned the corporate performance communication system. The group consisted of 12 South African businessmen from human resource, industrial relations, operations and training and development backgrounds including the researcher. A number of days were spent at the Japan Productivity Institute (JPC) where the group was introduced to a number of Japanese experts who made presentations to the group and who answered questions posed by the group. They included:

- Mr Yamazaki – Productivity and Labour Relations: JPC
- Mr Tanaka – Client Service and Sales Promotion: Odakyu Department Store
- Mr Yoshida – Continuous Improvement: President of Kaizen Institute
- Mr Maeda – Resource Development and Motivation: Former director JPC

The sessions at the JPI were followed by educational visits to the following businesses located in the cities of Tokyo, Fuji, Osaka, Kyoto, Nagoya:

- Nippon Steel – Mr Tamyra on Total Quality Control
- Fuji Junior High School – Educational systems
- Beyonz – Mr Takashi Gotoh – World class performance
- Juji Chamber of Commerce and Industry – International problems and possibilities
- Konya Paper Mill – Mrs Yamamoto and Watanabe – Joint consultation and job security
- Toshiba Air Conditioning – Mr Fumio Sato – Total Quality Control, Total Productive Maintenance, 5S, Gain Sharing and Industrial Relations
- Matsushita Electric (Panasonic) – Continuous Improvement and innovation
- Nagoya Toyota Plant – Manufacturing systems and team work

At each of these businesses the group was further met by 2 panels from personnel; One panel representing top and senior management and another representing the unions. In some cases it was a mixed panel. They explained their operations, quality control and human relations to the group and answered questions as posed by the group. The researcher specifically asked them in-depth questions on productivity improvement, performance management, training and development, industrial relations, management role, HR department role and management-employee relationships with specific reference to trust.

5.11.6 CASE STUDY 6: STUDY MISSION TO SINGAPORE

SETTING:

The same group of South African businessmen who visited Japan followed the Japanese study mission by a similar mission to Singapore. A number of days were spent at the Singapore National Productivity Institute (NPB) where the group was introduced to a number of Singaporean experts who made presentations to the group and who answered questions posed by the group.

- Mr Teow – Director of International Relations Centre – IR, multi-skilling, reward systems, gain sharing and general employment issues
- Mr Hew – Institute of Productivity Training (IPT) – Training and development and Quality Circles

This was followed by visits to the following Singaporean businesses where the same procedure was followed as in the case of Japan:

- Glaxo Pharmaceuticals Pioneer Section – Quality Circles and employee involvement
- Port of Singapore Authority – Quality Circles, HR development and improvement through technology

At each of these businesses the group was interviewed by a panel from HR and Operations. They explained their operations, quality control and human relations to the group and answered questions as posed by the group. The researcher specifically asked them in-depth questions on productivity improvement, performance management, training and development, industrial relations, management role, HR department role, management-employee relationships with specific reference to trust, reward systems and employee involvement.

5.11.7 CASE STUDY 7: GLOBAL STUDY MISSION ON ACTION LEARNING AND PERFORMANCE MANAGEMENT

SETTING:

A group of 80 delegates from 20 different countries gathered in Heathrow for 4 days of workshopping under the guidance of Prof. Reg Revans, the inventor of Acton Learning. During this time the researcher worked with a small group of 4 other delegates from Norway, Virginia, USA and India on a project to establish the best way of introducing action learning into the organisation in a way that it would improve productivity continuously. The researcher supplemented this by leading four 5-hour sessions with business experts from a number of countries including:

- Norway
- Holland
- China
- Sweden
- Australia
- Niew Zealand
- Hungary
- USA
- UK
- Egypt
- Poland
- Austria

During these sessions performance management concerns were discussed and notes were compared on the similarities and differences between the different countries. The findings from these sessions were interpreted and fed back to the corporate performance communication system.

5.11.8 CASE STUDY 8: STUDY MISSION TO ENGLAND

SETTING:

A study mission to England were undertaken by 4 South Africans including the researcher. The tour was facilitated by the Involvement & Participation Association (IPA). A number of businesses were visited to learn about their business approaches towards productivity improvement and performance management. At each business the group was received by a panel comprising of top management, management union representatives where applicable. Businesses included:

- Kent County Council – Communications, information distribution, consultation an negotiations, empowerment and participation, change and ownership, case study and syndicate discussions

  Facilitators: W Griffiths, J Oliver, J Tafford, G Brown, B Budd, J Summers
- Nuclear Electric – Total Quality Management, investors in people, multi-skilling,

performance assessment

Facilitators: A Sheard, J Bowles, W Huggins, R Pooley

- Royal Mail London – Industrial partnerships, business values, communication, employee relations, IR, employee involvement, training, business planning, union involvement, improvement projects

  Facilitators: D Rhodes, S Heseltine, T Banting, T Hutchen, M Hogan, N Candy, J Denton
- Staveley Chemicals – Ownership, bonuses, conditions of employment, flexible working practices, prosperity plans. training, communication, dealing with redundancy, management development, single salary structures, employment security, legitimacy, sharing success, safety, organisation culture, building trust

  Facilitators: P Peet, M Gee
- Burall – Total Quality, customer enthusiasm

  Facilitators: D Burall, A Leet
- Vauxhall – Lean organisations, IR, demarcation of jobs, reduction of shifts, teamwork

  Facilitators: D Kapman, K Fowler, AC Lines

During these interviews ideas on the mentioned topics were exchanged and findings were interpreted and fed back to the corporate performance communication system. The researcher specifically asked them in-depth questions on productivity improvement, performance management, training and development, industrial relations, management role, HR department role, management-employee relationships with specific reference to trust, reward systems and employee involvement.

5.11.9 CASE STUDY 9: IMPLEMENTATION AT AUTONET

SETTING:

AUTONET, a subdivision of TRANSNET, decided to implement the system in their head office department. Their main intention was to determine performance related bonuses based on performance indicators derived by means of the corporate performance communication system, called the Win-Win Performance Management System at that stage. A special function where the bonus reference, e.g. "salary", could be indicated and where sets of performance level indicators could be clustered and linked to a specific percentage bonus, were developed and included in the system. Local AUTONET facilitators were trained to champion the system. The system was installed on a central personal computer where they processed all input data. Groups of employees where selected to generate the performance specifications which was standardised for all employees doing similar work. It was however at large a top-down intervention and management decided what the final criteria would be.

TARGET GROUP:

All non-managerial members of personnel in this division were targeted totalling at first as a trial group of 100 employees which was increased to a total of 500 employees a year later. That represented the full population of the Head Office division.

5.11.10 CASE STUDY 10: IMPLEMENTATION AT NCP CHLOORKOP

SETTING:

NCP CHLOORKOP is a manufacturing organisation that specialises in the production of chloride. It is part of a chemical industry where performance accuracy and occupational safety is of critical importance. They decided to implement the system for all their plant workers in an attempt to manage their performance better and to eventually link it to fair performance rewards. They were issued with the Win-Win system and 500 self-instructing training manuals and port-folios. Four in-house facilitators were trained to champion the system and to train the rest of the personnel in the use of it.

TARGET GROUP:

All non-managerial members of personnel totalling 500 people. They were all plant workers with at least basic literacy kills.

5.11.11 CASE STUDY 11: IMPLEMENTATION AT SA BATES

SETTING:

SA Bates is an advertising production organisation that specialises in the production of television, radio and print media advertisements. It therefore operates in a highly creative and abstract industry where performance achievements are hard to determine, yet of critical importance. They decided to implement the system for all their workers in an attempt to manage their performance more proactively and to eventually link it to fair performance rewards. They were issued with the Win-Win system and 100 self-instructing training manuals and port folios. One in-house facilitator was trained to champion the system and to train the rest of the personnel in the use of the system.

TARGET GROUP:

All members of personnel including management totalling 100 people.

5.11.12 CASE STUDY 12: IMPLEMENTATION AT DORBYL HEAD OFFICE

SETTING:

DORBYL is a mother company to a number of companies in the steel manufacturing and engineering industry, specialising in the production of steel products. It is part of an industry where performance accuracy and occupational safety is of critical importance. They decided to implement the system for their head office workers in an attempt to manage their performance better and to eventually link it to fair performance rewards. This would act as a pilot group and should it meet their expectations it was up to the researcher and his team to "sell" the system to the individual companies in DORBYL. They were issued with the Win-Win system and 500 self-instructing training manuals and port-folios. A facilitator from the researcher's team undertook to train in-house facilitators at a later stage, but to drive the system personally until such time it was established properly and all concerns and customisation were dealt with.

TARGET GROUP:

All members of personnel in the head office division, totalling 500 people. The entire population in the DORBYL group amounted to 11000 people at the time.

5.11.13 CASE STUDY 13: WORK ENVIRONMENT EXPERIMENT AT SAIMR

SETTING:

The South African Institute for Medical Research is an organisation partly owned by Government and partly by the Mining Industry. They specialise in doing medical research on diseases and medicines and comprises therefore of a highly skilled semi-academic personnel supplement. It also has a head-office department that supplies administrative and support services to the rest of the organisation. They decided to conduct a work environment audit amongst the head-office administrative personnel using the Win-Win system for the purpose. From there they would follow it up by implementing the other sections of the system as well and from there they would take it to the rest of the organisation. The work environment session was conducted by the researcher in person who facilitated the complete process, step by step, with the team. The results were recorded, analysed and presented to the HR Director.

TARGET GROUP:

Administrative members of the head-office department totalling 30 people of all races and gender.

5.11.14 CASE STUDY 14: PILOT IMPLEMENTATION AT BKS

SETTING:

BKS is a construction engineering company in the civil engineering industry mainly, specialising in the design and building of large roads, bridges and other constructions. They claim to sell knowledge in the form of their design work and comprise of a highly educated work force primarily. It is part of an industry where performance accuracy is of critical importance. They decided to implement the system for a pilot group at their head office at first in an attempt to manage their performance better and to eventually link it to fair performance rewards. This would act as a pilot group and should it meet their expectations it was the intention to roll it out to the rest of the organisation. They were issued with the Win-Win system and 30 self-instructing training manuals and port-folios. The researcher chose to drive the system personally until such time it was established properly and all concerns and customisation were dealt with. He conducted a comprehensive training session of 2 days with the members of the pilot group going into great depth regarding the underlying principles of the system and the role of productivity in business and national welfare. The purpose was to motivate the group to give their full support to the experiment and to be critically constructive and objective about it. Proper communication channels were established and a local person took responsibility from the organisation's side to see to it that deadlines were met. A formal project was planned leaving no detail to chance. Being and engineering company, members of the group were very analytical and all details had to be planned formally and properly.

TARGET GROUP:

A deliberately selected group of members of personnel in the head office division, totalling 30 people. This pilot group included the MD and 3 other members of top management. The experiment was therefore enjoying full commitment from the top and was taken very seriously. The entire population in the BKS group amounted to 500 people directly working for BKS and another 1000 people working in association with them at the time.

5.11.15 CASE STUDY 15: IMPLEMENTATION AT DCE

SETTING:

Dynamic Computer Encounters was small company in the IT software development industry specialising in providing client server solutions to other organisations. They appointed the researcher to do a work environment audit amongst their programming and administrative personnel followed by a full-scale implementation of the corporate performance communication system, called the 3D Productivity Improvement System at the time. The audit was done by the members on their own after an explanation by the researcher on the principles underpinning it and the purpose of it. Each delegate was given the work environment vocabulary list as part of the experiment to test if it was self-explanatory enough to facilitate independent interpretation.

TARGET GROUP:

All programming personnel ranging from programmers to project leaders totalling a number of 9 people plus 1 administrative staff member. All participants had tertiary academic qualifications in the computer science field. The administrative person was busy completing a BCom degree in personnel management and accounting.

5.11.16 CASE STUDY 16: IMPLEMENTATION AT VESTA TECHNOLOGIES

SETTING:

Vesta Technologies is a public company in the IT software development industry specialising in providing various computer-based solutions to other organisations. It is listed on the JSE and was formed by a merger between DCE, CSSG and WebActive. They appointed the researcher to implement the 3D system amongst their programming and administrative personnel starting with the performance specification section. At the same time they bought the rights to the 3D Productivity Improvement System and renamed it to BIMP, Business Improvement Management Platform. They planned to re-programme it in state-of-the-art technology to make it a prime software system. Each delegate was given a detailed set of instructions per e-mail on how to define their job specifications accompanied by explicit examples and they were requested to submit their efforts by e-mail to the researcher by a certain date. Using these outcomes, generic job specifications would be compiled to act as a foundation to the rest of the performance management system data requirements. This formed part of the experiment to test if it was self-explanatory enough to facilitate independent interpretation and the production of meaningful results. Vesta planned to become a performance driven company with no annual bonuses but performance derived rewards. It was crucial to them to have a very accurate and objective system in place, which all employees would accept as fair and trustworthy.

TARGET GROUP:

All programming personnel ranging from programmers to project leaders totalling a number of 42 people plus 7 administrative staff members. Most participants had tertiary academic qualifications in the computer science field. The administrative people were either busy completing their first degrees or had attained a degree already.

5.11.17 CASE STUDY 17: CASE STUDY AT VISTA UNIVERSITY

INTRODUCTION

As indicated in some of the previous cases the system was introduced at several organisations during the past few years and although no organisation really set to task to employ it in full, they all responded by saying that it creates and stimulates sensible communication amongst the employees and between departments. It was also fed back that the feeling was that the process could be enhanced if managers adopted the responsibility to take the conversation to their subordinates in an effective way. This exposed the need to test the ability of managers in doing so and also to find ways of improving not only their ability to interact effectively with their subordinates, but to indicate strengths and weaknesses of the BIMP system. It was therefore decided to target a knowledge organisation and put all their first-line managers through a performance management workshop of 3 days, explaining the fundamentals of sound performance communication and the need for it to them. They would then role-play in an unthreatening environment, performance meetings with one another and have third parties observe and critique them. They would also be allowed to assess their work environments in terms of dissatisfaction from which valuable deductions could be drawn and supply their opinions of performance communication via a questionnaire.

SETTING:

A final experiment was conducted in the form of a case study at Vista University. Vista is a South African based university specialising in the education of black students, primarily in the teaching profession. They appointed the researcher to do a leadership development programme with their first line managers and supervisors over an estimated period of 8 months in total. The programme was to consist of 33 modules packaged into 25 days of training sessions. Each candidate had to be pre-assessed in terms of competence and potential to be done again after the completion of the entire programme. Heavy emphasise was to be placed on performance management and productivity improvement. The first phase of the programme comprised of 1- day orientation sessions with all targeted members introducing them to the performance dilemmas in South Africa and their specific institute, followed by 2- day training workshops on productivity improvement and performance management. During these sessions the researcher lectured the delegates on the principles of the BIMP system and invited criticism and feedback from them. They were then instructed to participate in role-play sessions to actually practice conducting performance related communication sessions with other members of personnel. They participated in groups of 3 where one member would take on the role as manager, another as sub-ordinate and the third \would observe and critique the manager using a structured pre-set guide. They would then rotate until each member had the opportunity to act as manager. They conducted feedback sessions after each round and shared their experiences and learning points with the rest of the group. These role-plays were repeated for setting performance criteria and standards as well as setting performance goals and objectives. They also completed a real work environment assessment regarding their own personal work situation to test their experience and feel of this section and to analyse the results to locate the real concerns in the organisation (See Appendix F). They supplied answers to a questionnaire on a suggested corporate performance communication system (See Appendix E).

TARGET GROUP

All supervisory personnel ranging from administration, services and academic departments, totalling a number of 200 people. 84 are from admin and services and 116 are academic sub-heads or departmental heads. Approximately 50% of participants from admin and services had tertiary academic qualifications and all academic staff had post graduate qualifications on masters or doctoral levels. These 200 people were invited and at the end of the day, 184 people managed to participate actively in the experiment (76 admin and 108 academic). This represents 92% of the target group.

TREATMENT

All participants were issued with the following instructions after they had been thoroughly introduced to the theme and after they all announced their desire to proceed with the performance communication session. The participants were therefore convinced about the value of the system and the actual components of the specific BIMP system. The purpose was tw0-fold:

1. To establish whether managers actually knew how to conduct performance related interviews, and if not

2. Whether putting them through learning sessions in the form of practical role-play sessions would help to built the necessary skill

To demonstrate that managers do not spontaneously know how to do conduct performance interviews and that practical role-play sessions in an unthreatening learning environment can equip them with skills, the researcher set the following 2 null hypotheses:

Hypothesis 1.	Managers do not spontaneously have the skill to conduct effective performance interviews with their sub-ordinates.
Hypothesis 2:	Instructed practical role-play learning sessions are an effective means in the acquisition of performance communication skill.

Instructions to participants:

CONDUCT A PERFORMANCE MANAGEMENT MEETING AS AN INTEGRAL PART OF THE CORPORATE PERFORMANCE COMMUNICATION SYSTEM

Inform employee about the initial performance meeting and its intention.

1. Plan and conduct initial meeting with employee.
2. Complete your copy of the job analysis worksheet.

Conduct the main performance meeting.

3. Review job summary.
4. Ask employee to explain each task.
5. Share your perceptions of each task.
6. Arrive at a consensus.
7. Ask employee to make a composite of both worksheets after the meeting.
8. Thank employee for his/her efforts.

Conduct the follow-up meeting.

9. Review composite worksheet with employee.

10. Agree on trial period and set review meeting.

Detail on different steps:

☑ **1.** Plan and conduct initial meeting with employee.

- Allow sufficient time for meeting.
- Select a place with privacy.
- No interruptions
- Do your homework.
- Explain what you're up to:
- What are we doing? Why?
- What are "performance standards"?
- Explain job analysis worksheet.
- Give employee draft of job summary on worksheet.
- Analyse one key job task on worksheet.
- Ask employee to complete worksheet on all other job
- tasks in preparation for next meeting.
- **Specify when and where the next meeting will take place**

Points Of Clarification For Step 1

1. Focus on the positive and helpful aspects of performance standards.

2. Base performance standards on what employee should be doing and not on what he or she is doing.

3. Do not base standard on nice-to-have's.

4. We assume four points:

- Employee is trained.
- The speed at which the employee works is "normal".
- Conditions do not hamper the employee.
- Employee is experienced.

Preparation for Main Meeting

☑ 2. Complete your copy of the job analysis worksheet before the next meeting.

- **Ensure that you are properly prepared for the meeting.**
- **Make sure you know what is expected from your team.**
- **What special conditions exist that should be satisfied?**
- **Who are your internal and external customers?**
- **What are their expectations from your team's performance?**
- **Do you know how the employee's job fit into this picture?**
- **Focus on the job, not the specific individual.**

Main Meeting

☑ **3.** <u>**Review job summary**</u> so you and the employee agree on the overall scope of the job.

☑ **4.** <u>**Ask employee to explain each task:**</u>

- The task—its relationship to the job summary
- How he or she sees it measured
- Problems he or she may have:
- Personal obstacles to performing the task
- Problems involving other workers by performing
- the task well or poorly
- Perceived authority level for that task

☑ **Guidelines for steps 3 and 4.**

1. Agree on overall scope of job.

2. Ideally, standards originate with and are proposed by the employee.

3. Prompt employee if necessary.

4. Support the employee in his or her effort to establish high standards.

5. Make sure employee understands authority level.

6. Have employee focus on the most critical tasks of his or her job.

☑ 5. Share your perceptions of the job summary.

- The task—its relationship to the job summary
- How you see it measured
- Analyse any problems by exploring cause:
- Internal to employee (skills, knowledge, attitude)
- External to employee (functional overlay, role
- discrepancy, interpersonal conflict, complex job
- set up, et cetera.)
- Discuss and agree on solution if possible.
- Specify your role in this process of establishing
- performance standards.

1. Make sure the task is directly related to job performance.

2. Analyse each standard as task is discussed.

3. Try to avoid standards that stifle initiative and box the employee in.

4. Does the employee understand how the standards of our unit could affect another unit?

5. Does the employee understand how the standards will

be used?

6. Are both of us clear on manager's role?

The performance standard should be agreed to by the manager and the employee and they should share the same interpretation of it.

☑ **6. Consensus is achieved when:**

1. employee and manager understand task and how it is to be measured.

2. employee is committed to achieving the standard.

3. manager and employee agree that achieving the standard constitutes satisfactory performance for the time period involved.

☑ **7.** Ask employee to make a composite of both worksheets after the meeting.

☑ **8.** Thank employee for his or her efforts.

Follow up meeting

☑ **9.** Review composite worksheet with employee.

☑ **10.** Agree on trial period.

Establish follow-up date to review performance against standard.

Practical application:

We have

- Defined and explained how to establish performance standards
- Seen a demonstration of a manager establishing performance standards with an employee
- **Now . . . application:**
- Each of you will have the opportunity to establish a performance standard for a job task with another participant who will be the employee.
- A third participant in your small group will observe and critique the practice session.

On the job, we normally conduct these interviews in private with the employee. Therefore, it is difficult to receive feedback on our performance in actual sessions. So, in this practice session, seek out accurate feedback. We are all trying to learn. Do not settle for a "good job" comment from your observer. Ask for specific feedback for improvement.

- In the practice session that follows, you will be asked to
- role play yourself as the employee and your partner will
- pretend to be your manager.

1. Divide up into **teams of three** (and one or two teams of four if there are people left over).
2. Pass your filled out job analysis worksheet to the next member in your team.
3. Using the job analysis worksheet you have received, fill out the "manager's (Manager's) preparation sheet for role play" found on page 16.
   In the role play session that follows, you will be the manager to the person who's job sheet you have and this person will role play himself or herself as the employee.

   • Refer to pages 8, 9, and 10 in your participant's guide.
   • (Feel free to ask this person for more information if needed.)
   • Approximately 10 minutes time will be allowed to fill out page 16.

4. Do not begin role playing until all have completed this preparation sheet and

your workshop leader has given you additional instructions.

GOAL SETTING

☑ 1. Preparation

☑ 2. Introduction

☑ 3. Discuss employee's tentative objectives and determine measurability of each.

☑ 4. Offer additional objectives if appropriate.

☑ 5. Determine priorities of objectives.

☑ 6. Review employee's strategies and plans to achieve key objectives and offer ideas.

☑ 7. Set follow-up date for first review session.

☑ 8. Conclude meeting.

Detail on steps:

☑ 1. Preparation

A. Meet briefly with employee in advance of interview and discuss:

- Purpose of future meeting
- How the "Objective Work Sheet" form is to be filled out
- Suggest that the priority column not be filled out until the meeting
- When and where the meeting will take place
- Any appropriate organisation/department/section goals the
- employee needs to know

B. You should also fill out the "Objective Work Sheet" in private on his or her job in advance of the meeting.

C. Plan a minimum of one hour for the meeting.

- Privacy
- No interruptions

OPTION:

- Ask employee to give you copies of his or her objectives several days before the meeting.
- If available, give the employee copies of your objectives (section, department, or organisation) that are appropriate to his or her needs.

Objectives can be written in four general areas:

A. REGULAR OR ROUTINE

"To maintain existing turnover rate in his department during this fiscal year"

B. PROBLEM SOLVING

"To develop written plans and procedures for orienting and training new employees in his section by December of this year"

C. INNOVATIVE

"To obtain budget approval from executive management for an intra-department team which will analyse and report on the Japanese Q.C (Quality Control) circles by March of next year"

D. PERSONAL

"To obtain a college degree at night within 5 years"

☑ **2. Introduction**

A. Explain your role as a resource of:

- Organisational goals and objectives
- Your department or section goals

- Ideas or suggestions
- Potential problems

B. Outline the meeting agenda.

Example:
"Betty, the researcher sees his principal role in today's meeting as your resource. Hopefully, the researcher can give you ideas about the organisation goals and his own objectives for our section. In addition, the researcher will try to offer ideas and suggestions and assist you in exploring potential problems. For the most part, Betty, these are your objectives and the researcher is here to help you in any way possible."

☑ **3. Discuss employee's tentative objectives and determine the measurability of each.**

A. Ask employee to relate each of his or her objective or goal statements (not plans or strategies yet).

B. Insure that each objective is specific, measurable, and has a target date.

Example:
"Betty, why do not you read him your first objective statement. Let's not worry about your specific plans and strategies at this point, only the goals or objective statement. We'll discuss each and determine if it is specific, quantifiable, and has a target date."

Obtain Behaviour *"How will you know when you are successful?"*

"What will you be able to do (or not do) when you have achieved your

objective?"

Determine Results *"What tangible results will be achieved?"*

If Necessary *"What are you going to do in order to make this happen?"*

WHEN YOU DISCUSS THE EMPLOYEE'S TENTATIVE OBJECTIVE STATEMENTS:

- Do not discuss the employee's specific plans or strategies. This will be done later in Step 6 as some of the employee's objectives may not be used at this time. In Step 5, we will set priorities and only spend meeting time working on the strategies and plans of the key objectives selected.

- Do not indicate whether or not the objective is appropriate. This will naturally happen when priorities are set by the employee (and you) in Step 5.

- Do not discuss feasibility at this time. This will be determined later when you both discuss specific plans and methods in Step 6.

☑ **4. Offer additional objective if appropriate.**

- ORGANISATION'S GOALS AND OBJECTIVES

*"In light of our organisation's cost concern for next year, you also need to have an additional objective in this area for your job. How would **you** write an objective to control costs in your area?"*

- RELATED TO YOUR OBJECTIVES OR GOALS:

"One of the things ***the researcher*** *would like to accomplish by December of next year is to have a fully operational set of training plans for our section's new employees. Since you are one of his senior employees and have demonstrated a talent for training new employees, the researcher would like for you to handle it. How would you write an objective for this?"*

☑ 5. Determine priorities of objectives.

A. Review categories.

- Must do! ***- Ought to do.*** ***- Nice to do***

B. Ask employee to categorise all objectives.

C. Discuss with employee and arrive at consensus **if possible.**

D. Limit number of objectives (4 to 8 for most employees).

E. Objectives not selected can be deferred to a later time. In the quarterly follow-up meetings, these objectives can be implemented as the original objectives are achieved.

Why Limit the Number of Objectives?

- Employee's chances of success are better if energies are concentrated on only a few key objectives rather than on 20.

- If you have 10 employees and each employee writes 20 objectives, you will need to follow up 200 objectives. What are the odds you can do it?

☑ 6. Review employee's strategies and plans to achieve key objectives and offer ideas.

A. Give specific positive feedback to the employee on any of his or her significant plans or strategies.

B. Ask what you can do to help the employee reach his or her objectives.

C. Offer your own ideas and suggestions to further improve the employee's list of activities.

D. Analyse potential problems by asking, "What can go wrong?"

E. Develop any required contingency or preventative action and insert into plans.

F. In light of planning analysis, examine the original target date in the objective and change if needed to make it more realistic.

☑ **7. Set follow-up dates for review session.**

A. Tell employee that you are available to discuss his or her progress at any time if needed.

B. Inform employee that there will be scheduled meetings each quarter.

C. Write specific dates in your calendar (in the employee's presence) for the first follow-up meeting (approximately 3 months).

☑ **8. Conclude meeting.**

A. Ask employee to provide you with a copy of his or her objective worksheet after this meeting.

B. Spell out your **positive expectations**.

"the researcher knows you can do it!"

OR

"the researcher has confidence in your ability to achieve your objective!"

C. Express your appreciation.

"MANAGER'S" PREPARATION SHEET FOR ROLE PLAY

STEP 2:

In each step below, write what you will actually say or do in the role-play. Please refer to the horizontal handout prior to this section {pages 8, 9, and 10}.

PREPARATION:

1. Plan and Conduct Meeting with Employee.
   What will you say to this employee in the initial meeting?
2. Manager and Employee Complete Copy(ies) of the Job Analysis Worksheet before the next Meeting (Not included in role-play.)

MEETING:

3. Preview Job Summary.
   What will you say when you review the job summary?
4. Ask the Employee to Explain the Outlined Job Task.
   How will you ask the employee to explain his/her job task?
5. Share Your Perceptions of the Task Outlined by the Employee.
   the What are some of the critical items you need to discuss when you share your perceptions of task with the employee? Prepare a checklist of these items.
6. Arrive at a Consensus.
   What will you say when you try to arrive at a consensus?
7. Ask Employee to make a Composite of both Worksheets after the Meeting.
   What will you say to ask the employee to make a composite worksheet?
8. Thank Employee for his/her Efforts.
   What wilt you say to thank the employee'?

FOLLOW-UP: (Not included in role-play.)

9. Review Composite Worksheet with the Employee.
10. Agree on Trial Period and Set Review Meeting.

OBSERVER'S CRITIQUE FORM FOR ROLE PLAY

PREPARATION

1. Plan and Conduct Initial Meeting.
   What did the "manager" say in the initial meeting with the supervisor? Was it clear?
2. Complete Job Analysis Worksheet (Not included in role-play).

MEETING:

3. How did the manager review the job summary?
4. Who did most of the talking during Step 4? Why?
   How well did the "manager" listen?
   Did the "manager" interrupt the supervisor? If so, when?
5. How well did the "manager" discuss al! elements of the performance standard?
6. Was a specific attempt made to reach consensus? How was it done?
7. What did the "manager" say in asking the supervisor to prepare a composite?
8. Did the "manager" thank the supervisor? How?

FOLLOW-UP: (Not included in role-play.}

9. Review Composite Worksheet with the Supervisor.
10. Agree on a Trial Period and Set Review Meeting.

SUMMARY

This chapter deals with the methodology which was employed in 17 different case studies with different purposes and objectives. Some experiments tested specific dimensions of performance communication and others acted as learning missions to reflect on the successes and failures of proven and established situations. To explain this, the method, setting, target population and treatment which were used in the experiments, are described.

The researcher pays particular attention to why it was not possible to conduct one single comprehensive experiment setting specific null hypothesis as part of a quantitative analysis. In most cases randomly selected samples are not possible due to the nature of the experiment and the purpose of it. It is however very clear that the various groups are representative to provide a sound credible result. All outcomes or interpretations from questionnaires where discussed and verified with randomly selected samples from the experiments as well as with other experts on the topic. The researcher is convinced that the findings and interpretation of the results are true and sound.

The results obtained from the experiments will be presented and discussed in the next chapter and based on these results, the researcher will also make certain recommendations pertaining to improving these experiments as well as for future research. The researcher will also provide a framework of an ideal corporate performance communication system based on the results and findings accompanied by recommendations in the implementation and use of it.

Chapter 6 *FINDINGS AND RESULTS*

6.1 PRESENTATION OF RESULTS

6.1.1 Introduction

The purpose of this study was to determine the complete set of elements to be included into a corporate performance communication system and to package it in such a way that it results in the most attractive and meaningful way to be implemented successfully in any organisation. After studying a number of academic sources on the topic, conducting numerous discussion sessions with a number of experts and experienced facilitators in the field, a prototype system was designed on which a number of practical experiments were conducted in the form of real case studies under real circumstances. From the scepticism that prevailed regarding performance management, it was discovered that it is one challenge to design the mechanics of the system correctly, but that it was quite another to get employees to use it in the way it was intended to be used. No exact measuring instrument could be used, as the observations would lead to what was to be discovered and learnt. The setting of null hypothesis would not have served any value-adding results at this stage and would indeed have contributed to a limited perspective and outcome. By treating the experiments as study missions, observing any positive and negative incidents and occurrences, conclusions were drawn by the researcher and in cases where other knowledgeable people were involved a final conclusion was derived at after group discussion and debate. This chapter is structured to reveal the main results that were recorded during each experiment followed by a conclusion regarding their effect on the corporate performance communication system. After each experiment improvements were made to the system based on these conclusions and the next experiment would therefore be one step closer to the final product also critically evaluating their impact of the improvements.

6.2 CASE STUDIES

6.2.1 CASE STUDY 1: SURVEY AT SABC

Questions that were posed to the groups and their majority responses:

1. Do you have a pleasant frame of reference regarding performance assessments?

Response:

- No, it was viewed as a destructive tool full of flaws

2. What are the most negative aspects of it?

   Response:

   - It is subjective and inaccurate
   - It is based on non-job related criteria
   - It is un-differentiated for different occupations and jobs
   - It is one-way from top down only
   - It is not free of prejudice or personal feelings
   - It is a stick to hit a dog with if you happen to dislike the dog
   - It happens once-off with no improvement plan following it
   - It has serious financial implications and poor ratings stay on record for ever, having a continuous adverse affect on the employee
   - It comes as a surprise at the end of the year when the employee hears for the first time what he is going to be measured on
   - The personnel department is the custodians of the system and it is barely a managerial ritual on its behalf
   - It means extra work and paper monuments

3. Does it make your life and work easier? Does it help you to perform better?

   Response:

   - No, not at all

4. Does the organisation need a performance management system?

   Response:

   - Yes

5. Do you want performance-related rewards?

   Response:

   - Yes

6. Would you like the opportunity to appraise your manager?

   Response:

   - Yes, very much so.

7. What do you want to see in a performance management system?

   Response:

   - It must be based on job related criteria
   - The criteria must be agreed upon at the beginning of the year
   - The measuring scale must be accurate and allow for superior performance as well as inferior performance

- The means of appraisal must be objective and factual
- It must allow for skills development
- It must create a win-win relationship between management and employees
- It must measure the output of the performance, but it must allow for inputs to be specified as well
- Appraisal must occur at regular intervals
- It must be customised for individual situations
- It must be easy to use and not involve a time consuming effort

These responses and responses from additional open-ended questions were analysed and discussed by the panel of system developers and the results were clustered more orderly (See Appendix B).

Based on these responses from the first 194 employees interviewed a more structured interview was compiled and the responses of the groups were recorded during each interview. The following table is an indication of the accumulative result. Based on the very high incidence of similar responses and high level of correlation on the questions, the researcher was convinced that the conclusions that were made were justifiable and valid.

n= 660

Choice	**Weight**
A = Strongly agree	+1,5
B = Agree	+1,0
C = Do not know	0
D =Disagree	-1,0
E = Strongly Disagree	-1,5

Statement	**A**	**B**	**C**	**D**	**E**	**Score**
	+1,5	**+1,0**	**0**	**-1,0**	**-1,5**	
1. You have a pleasant frame of reference regarding performance assessments	3	38	1	280	348	**-764**
2. The system is objective and accurate	435	120	8	39	58	**+647**
3. It is based on non-job related criteria	606	50	1	12	9	**+934**
4. It is un-differentiated for different	56	45	8	12	39	**+59**

occupations and jobs						
5. It is one-way from top down only	656	0	2	20	0	**+964**
6. It is not free of prejudice or personal feelings	493	161	16	16	6	**+876**
7. It is a stick to hit a dog with if you happen to dislike the dog	182	273	17	124	64	**+326**
8. Appraisals happen as a once-off event with no improvement plan following it	652	2	1	5	0	**+975**
9. It has serious financial implications and poor ratings stay on record for ever, having a continuous adverse affect on the employee	384	273	25	34	12	**+797**
10. It comes as a surprise at the end of the year when the employee hears for the first time what he is going to be measured on	400	228	3	28	1	**+799**
11.The personnel department is the custodians of the system and it is barely a managerial ritual on its behalf	119	339	61	98	43	**+355**
12.It means extra work and the production of paper monuments	339	312	17	14	6	**+798**
13. The organisation needs a performance management system	478	79	6	93	4	**+697**
14. You want performance-related rewards	288	291	63	8	10	**+700**
15. You would like the opportunity to appraise your manager	609	27	16	7	15	**+911**
16. It must be based on job related criteria	580	74	6	0	0	**+944**
17. The criteria must be agreed upon at the beginning of the year	620	40	2	2	0	**+968**
18. The measuring scale must allow for superior performance as well as inferior performance	174	339	79	17	51	**+507**
19. The means of appraisal must be objective and factual	592	148	4	0	0	**+1036**
20. It must allow for skills development	506	45	22	6	1	**+797**
21. It must create a win-win relationship	566	12	1	45	16	**+792**

between management and employees						
22. It must measure the output of the performance, but it must allow for inputs to be specified as well	222	288	100	48	2	**+570**
23. Appraisal must occur at regular intervals	283	288	32	45	12	**+650**
24. It must be customised for individual situations	96	209	117	177	61	**+85**
25. It must be easy to use and not involve a time consuming effort	650	6	4	0	0	**+981**

Table 33: SABC Questionnaire Response

The researcher based interoperation on the following measurement:

- For all cases where the score > +660, which is the total possible score if all rated "Agree", the statement holds true without any doubt.
- For all cases where the score lies between +330 or -330, which is 50% of the score if all rated "Agree" or "Disagree", their exists sufficient doubt to call for further investigation (It implies that 75% rated the same and 25% rated the opposite)
- For all cases where the score < -660, which is the total possible score if all rated "Disagree", the statement is false without any doubt.

The response to Question 1 correlates significantly with responses 2 to 12. Question 7 was deliberately built into the questionnaire to check whether a negative response to Question 1 is merely based on an emotional reaction. The response to question 7 indicates that that is not the case and that the dissatisfaction with the system can be contributed to questions 2 to 12.

A test question to test the integrity of response, was incorporated by means of Question 24, which comes much later during the questionnaire and which is a disguised version of Question 7.

Responses to Questions 7 and 24 differ by 85 – 59 = 26 from a possible 1980, which represent a 1,31% discrepancy. Responses to Questions 7 and 24 therefore correlate significantly and it is therefore accepted that the responses of the respondents are true of their situation.

6.2.1.1 CONCLUSION

From the experiment it is concluded that the following is true with regard to the members of the group in terms of their existing system:

1. They have an unpleasant frame of reference regarding performance assessments

Reasons that can be associated with this negative frame of reference are:

2. The system is not objective or accurate
3. It is based on non-job related criteria
4. It is not differentiated for different occupations and jobs
5. It is one-way from top down only
6. It is not free of prejudice or personal feelings
8. Appraisals happen as a once-off event with no improvement plan following it
9. It has serious financial implications and poor ratings stay on record for ever, having a continuous adverse affect on the employee
10. It comes as a surprise at the end of the year when the employee hears for the first time what he is going to be measured on
11. The personnel department is the custodians of the system and it is barely a managerial ritual on its behalf
12. It means extra work and the production of paper monuments

This correlates with the criteria that they would like to see in the ideal system:

13. The organisation needs a performance management system
14. You want performance-related rewards
15. You would like the opportunity to appraise your manager
16. It must be based on job related criteria
17. The criteria must be agreed upon at the beginning of the year
18. The measuring scale must allow for superior performance as well as inferior performance
19. The means of appraisal must be objective and factual
20. It must allow for skills development
21. It must create a win-win relationship between management and employees
22. It must measure the output of the performance, but it must allow for inputs to be specified as well

23. Appraisal must occur at regular intervals
24. It must be customised for individual situations
25. It must be easy to use and not involve a time consuming effort

Table 34: SABC Findings on Experiment

The prototype system that was not in use as yet, was adjusted to allow for all the specifications that were derived from the results of this survey.

Furthermore another sub-experiment was conducted after the researcher felt comfortable that the system was good from a technical point of view. A comprehensive training manual were compiled and test group comprising of 25 selected employees from junior management upwards underwent a 2 day training session lead by the researcher and an assistant. It was not a random selection, but people who were considered to be objective. critical and sensible, were specifically targeted from a spread of employees regarding gender, work background and age.

6.2.1.2 Finding

This session proved to be too time intensive and would require such a major intervention that it would take too long to put everyone through a similar experience for the project to gain and sustain momentum. It would also be very costly. Furthermore, 2 days only allow for the introduction to the principals and basics of the system and not the computer system per cè. A new self-instructed manual was compiled as displayed in chapter 10. This allowed the user to study the system and to use it as an instruction manual for future reference. The manual was also compiled in a competency based instructional manual format to the specifications of the Department of Labour at the time and was registered at the Department as an official training programme with national accreditation status. The whole of the SABC was then exposed to the introduction sessions described in "Case Study 2".

6.2.2 CASE STUDY 2: IMPLEMENTATION AT SABC

A number of departments embarked on the implementation of the system whereas other departments either refused to use it or just did not apply the effort to make it work. From the departments who wanted to use it, it became very clear through their queries and the researcher's observations that they did not have the expertise to be able to define the job specifications. It became very clear that they needed to be facilitated and guided by an experienced person in order to generate the input data of the system.

The more artistic people such as the symphonic orchestra and TV producers argued that their jobs could not be measured. The researcher asked them if therefore their job output could not be classified as poor or good and they all responded that there indeed exists a clear difference between a job well done and a job poorly executed. By defining the characteristics of a good job and a bad job, they then in fact defined the standards of the desired job outcome.

6.2.2.1 CONCLUSION

The researcher came to the conclusion that all jobs have performance standards, some are more abstract and subjective, but they do exist and can be specified. After interviewing team members of the above mentioned groups, it became evident that it is necessary to specify these as it leads to sensible discussions, eliminating or minimising perception differences that could lead to poor performance or spoiled relationships. It also provides the opportunity for employees to state and discuss performance related concerns as the communication platform that is established this way, makes dialogue easy.

The researcher furthermore concluded that employees, including management, do not have the ability to conduct these sessions on their own without the assistance of an experienced facilitator. This was confirmed by the many phone calls the researcher and his team received from eager people who tries to do it on their own, and who realised they needed help.

6.2.3 CASE STUDY 3: IMPLEMENTATION AT SENTECH

After the whole of SENTECH was introduced to the system by means of 1-day introduction sessions the system stay unimplemented, because of the reluctance of the human resource manager to accept the system as their means of performance management. Interviews with him revealed no sound criticism and the conclusion was made that he based his attitude on company politics. This was an important discovery, indication that a single person in the hierarchy with enough mandate, could prevent a complete intervention to lift of the ground in spite of all the positive feedback and complete acceptance of the workforce.

6.2.3.1 CONCLUSION

If the intervention is not properly evaluated, discussed and accepted at the very top level, delegates lower down the hierarchy could very much influence the rejection of it based on private agendas. They would then package their findings to discourage top management from using the system. This could be very harmful to any organisation and the researcher is convinced that this syndrome could well be a very critical syndrome in South African business at present. His observation was reinforced at many occasions when he presented the system to other organisations as well.

6.2.4 CASE STUDY 4: UBUNTU WORKSHOPS SABC

After realising the importance of the human element in the committed use of the system, it was decided to launch a series of collective learning workshops throughout the SABC. The feedback on these workshops was extremely positive with only 3 negative reports from 580 in total. The sessions concluded on the second day with the PIP system as the instrument to be used to build capacity in the organisation and after the inspirational theme of the workshop, most delegates were inspired to start using the system more effectively. After a couple of months the system was however still not being used by everyone and it was not adopted by the organisation as it's performance management system. It was evident that it was difficult to sustain momentum if there did not exist any external driving force and the generation of job specifications remained an obstacle.

6.2.4.1 CONCLUSION

It was concluded that top management commitment and not merely permission or involvement was lacking therefore not giving enough weight to the importance of the system. The system cannot be driven by the training department or human resource department, but must visibly and sincerely be driven by top management with the assistance and facilitation capabilities of the mentioned support functions. Any collective learning event that supports the intervention must actually be communicated as such. It should not be viewed by the participants as another once-off training event. It all should be part of the implementation process as adapted from Killman and explained in chapter 3.

6.2.5 CASE STUDY 5: STUDY MISSION TO JAPAN

The study mission to Japan and Singapore produced the following information and verified some of the theories that were discussed in the literature review:
As recent as 1969 Japan was still less developed than South Africa occupying position 24 on the World Competitiveness report as to South Africa's number 23. Today they fluctuate between the top few in contrast with South Africa who made a decline to number 43. (World

Competitiveness Report, 1999). South Africa is being considered last amongst the listed countries on the world rankings with respect to international openness and the management of people.

Often when an attempt is made to draw parallels between South Africa and Japan or when it is suggested that South Africans learn from the Japanese, it is rejected on the grounds that they are totally different from the Japanese as a nation and that the Japanese all come from the same culture. The Japanese are as human as all other peoples with the same basic desires and aspirations, such as job satisfaction, security, a liveable wage, social acceptance and a pleasing family life. It is also true that they do business as everyone else does and they trade in the same commodities. They also experience major cultural differences according to their geographical positioning. For instance, the Japanese in Osaka differs significantly from those in Tokyo with respect to values and attitude.

They believe, however, that they can learn from everybody, that is why their Productivity Centre currently has about 35 000 students studying all over the world, detecting and learning from others. Before World War II, they had a very weak economy with 80% of the population involved in agriculture and only 20% in business. Their products were described as "Jap Scrap" all over the world. After the war they went through a period of total instability and insecurity, characterised by low levels of performance, lack of value systems, union aggression, very bad industrial relations, distrust and mob rule. People had no housing, few jobs and little to eat. The Japan economy was totally destroyed and they had little direction with a 40% unemployment rate and low levels of national schooling. It took them 10 years to return to the pre-war level and they only focused on daily activities. They were not pulling together through a shared vision as many people like to believe, but were lost in industrial unrest and strikes.

Restructuring started as unions wanted their people to earn the same quality of life as the West. The Japan Productivity Centre was formed based on European models, but it was privately owned. They sent people to America to learn from them and they also invited people such as Demming and Duran to Japan to help them establish business on a sound platform. They recognised the unions to bring democracy into the workplace. The unions were a collection of amateurs and 7 years of bad industrial relations followed until the unions realised that strikes were in no-one's interest. They started to pay some attention to the JPC, but were not fully committed to their suggestions yet. The word "Productivity" was alien and suspected by the unions and even business. The JPC established 3 guiding principles

The researcher is convinced that it will not come from talks, seminars, management training or team building exercises alone.

6.2.7 CASE STUDY 7: GLOBAL STUDY MISSION ON ACTION LEARNING AND PERFORMANCE MANAGEMENT

The day sessions on the action learning platform clearly indicated the importance of the employees themselves to participate in their performance management activities. Action learning underpins the principal of employees finding their own solutions to their specific performance problems. Team work forms the key and performance specifications from the reference of discussion. From the evening sessions it became evident that all countries represented experienced similar problems regarding the autocratic role of management. All delegates agreed that performance was being stifled and limited by management in their organisations. There existed a general need for a performance management system that would allow employees to communicate sensibly and freely about performance concerns and needs without management being able to disregard it. They saw the need for a holistic system that would be output driven, but also recognising the input needs. The receivers of output should specify standards and they should evaluate the outcome. All was in favour of performance reward provided it was derived by means of a fair and transparent system that allow for the performer ton participate.

6.2.7.1 CONCLUSION

The poor relationships experienced in South Africa between management and employees were not confined to this country, but in most other countries they were also a stumbling block to organisational performance and trust. More sophisticated countries, however, managed to work around the problem, because their workers were keen to protect their private interests and they had a better understanding of business and the effects of destructive actions. It was agreed however that they could also benefit tremendously by the use of a well designed corporate performance communication system. The whole essence of action learning, is the resolution of performance problems by the employees themselves. Small cells or teams are formed in order to stimulate and drive the initiative. If the performance issues and organisational thinking was made visible by means of a corporate performance communication system, it would make their operations more efficient and effective. The combination of action learning as a way of doing things and the corporate performance communication system as a means to it, would prove very effective.

6.2.8 CASE STUDY 8: STUDY MISSION TO ENGLAND

From the companies visited only Nuclear Electric had a performance assessment system in place, but all other organisations were seriously searching for performance management systems. Their main need was performance reward based on actual performance as compared against a pre-set norm. In Nuclear Electric they made use of a manual system by which they determined a number of generic key performance areas, the same for all employees. For each KPA they specified 5 possible outcomes ranging from poor to outstanding performance. At the end of each cycle they would assess the employee's performance against these criteria by deciding which description matches the employee's actual performance best. This is then converted to a numerical outcome to indicate the overall level of performance. A very important aspect was found at this organisation, namely "upward appraisal". This was the first evidence the researcher ever found of an organisation allowing its employees to assess their superiors' performance. This was also done in the same system using a fixed set of appropriate key performance areas. A person in a supervisory position's performance outcome would be the combination of the normal appraisal and the upward appraisal from his subordinates. Members of management who were interviewed expressed their satisfaction with the system and clearly indicated that the introduction of upward appraisal improved the effectiveness of management considerably.

At Vauxhall England a distinctive us-them syndrome was evident between representatives of the resident union and management. During the interviews with both parties a high level of blame fixing and antagonism were detected. A tour through the factory, which resembles the Japanese car manufacturing system, revealed a less efficient workforce in terms of numbers and work rate. Management expressed the desire to install a performance management system to rectify the problem. They did not indicate any awareness that such a system might further damage the relationships if not package properly.

6.2.8.1 CONCLUSION

All organisations can benefit from a well designed corporate performance communication system. There exist such a need by all companies the researcher encountered. The performance specifications can be generic per job type if it is only going to be used as a performance merit system. It would not be able to reveal individual unique performance concerns, but the researcher considers it to be a good starting point. Once the organisation uses the system successfully and the employees are positive about it, further individualisation of performance criteria based on the situation can be explored.

Upward appraisal is indeed possible without adverse effects, as long as it is based on appropriate performance criteria and not personality issues. It should definitely be a part of the corporate performance communication system.

6.2.9 CASE STUDY 9: IMPLEMENTATION AT AUTONET

AUTONET acquired the system with the sole purpose of deriving and calculating performance bonuses. They argued that the underpinning principles NOF the system were sound and that it made good business sense. They had a history of poorly derived performance bonuses based on non-job related criteria leading to low morale amongst the employees. A section was built into the system that allowed the user to set up a bonus reference that was linked to the performance level indicators derived for each employee. They could link ranges of indicators to percentage intervals in terms of basic salaries. An employee would therefore receive either less, exactly or mother than 100% of his monthly salary as determined by his level indicator. The required indicator came to 50 on a range of 0 – 100, therefore if an employee achieved an overall performance indicated as 60, he would receive 60/50 x monthly salary. According to them it worked well as it was directly linked to expected performance, the criteria were agreed upon up front and the calculations were transparent and accurate. They bought more licenses the following year to bring their number of users to 500. They expressed a specific desire to use the terms "superior" and "sub-ordinate" in the system and not "team leader" and "team member" and the titles had to be changed in the system.

6.2.9.1 CONCLUSION

Some organisations prefer to use their on terminology in the system and instead of having to chance the source code every time, it is advised to list all field titles in a default list in the computer system, for users to rename as they wish.
Performance reward could be managed successfully by means of the system, but it requires constant monitoring to test the climate. The researcher does not advice the use of this section without the use of the work environment improvement section, where employees have the opportunity to express their satisfaction or dissatisfaction with regard to these performance issues. This way management can timeously and easily pick up potential problems. Care must be taken not to hurt trust through unfair performance rewards. The

researcher furthermore doubts if performance rewards on their own will bring about continuous improvement.

6.2.10 CASE STUDY 10: IMPLEMENTATION AT NCP CHLOORKOP

The intention was to train 5 resident facilitators in the use of the system and for them to implement it throughout the organisation. The person, who purchased the system on the company's behalf, resigned and the project was put on ice. Six months later the HR manager wanted to see a return on their investment and asked for another introduction session to a new facilitator team, which took placed as planned. The system was again not used due the difficulty and demanding effort to generate the input data. This data refers to the performance outcomes (tasks), performance standards and required competencies. The HR manager resigned for other reasons and the system was shelved indefinitely as no one really knew what it was about.

6.2.10.1 CONCLUSION

If top management does not commit to the intervention and see it as an important investment, the project will probably die at some or other stage, due to lack of commitment lower down, convex of interests of the HR manager, or that person vacating the position. It also stands a very good chance of having a still birth if too many problems are experienced with the generation of the performance specifications.

6.2.11 CASE STUDY 11: IMPLEMENTATION AT SA BATES

One specific individual was assigned the full-time task to drive the system and see to the generation of input data by the 100 employees involved. The nature of the work was highly abstract and creative and employees experienced it as barriers to their initiative. They perceived performance standards as rigid prescriptions that would stifle their performance and make them all act equivalents to a herd of sheep. They however proceeded with the system and some employees saw it as an opportunity to expose their superior performance as before it was taken for granted due to the lack of a standard reference. The facilitator resigned at a later stage due to other reasons and the system died a silent death.

6.2.11.1 CONCLUSION

The system can work in any type of organisation no matter how mechanical or abstract the operations are. The implementation project however needs a total onslaught approach to take it beyond the initial resistance. It was confirmed again that if it became the responsibility of a single person lower down the hierarchy without visible real commitment from top management, it will loose momentum and be shelved for a future opportunity. Once this stage is reached it can be considered as over and it will not be resurrected again. This is very harmful, as employees will view other possible systems or events with scepticism and suspicion and they will not commit to the "yet another management gimmick". It is vitally important for top management to make up their minds realising the full impact of their decision, and then either reject it or fully commit to it. There exist no middle of the road scenario that will produce the desired results. If they don't pull it through, they will hurt the organisation more and they should then rather have abandoned the idea in the first place.

6.2.12 CASE STUDY 12: IMPLEMENTATION AT DORBYL HEAD OFFICE

Dorbyl Head Office started to implement the system with the help of a colleague of the researcher. Management was originally impressed by the computer functions, but the employees viewed it as extra work and yet another system. The enthusiasm that drove the system was confined to one individual, the HR director, who purchased the system in the first place and he was seldom available to spend time on driving the system due to other commitments. It became evident that it was considered as a peripheral duty and it received secondary attention. The different business units within Dorbyl refused to be prescribed to by head office and in 50% of the cases they viewed the system with prejudice. The system never went beyond the borders of head office and it was also shelved after a while. It became obvious to the researcher that a pattern of initial eagerness followed by a lack of enthusiasm when the input data needed to be generated ending in abandonment repeated itself in all organisations who implemented the system. During interviews with a number of these users and other appropriate people in the field, it became evident that people would prefer an easy way out in the form of a system with predetermined generic criteria. This would eliminate the existing problem, but it would not produce a solution to the concerns of productivity improvement, performance reward and outcomes based training, as it would depart from the wrong reference. It was decided to create a database table for the different fields of the performance criteria and to store a pool of criteria from which new lists could be selected easily through the click of the mouse. This was intended to assist the process and to reduce processing time, but it could not completely replace proper facilitation, as the user would be confined to the boundaries of the pool. It was also experienced that as the list grew very long covering a huge number of pages, it became virtually impossible to scan through the entire list to select only a few. The list was modified to be categorised and clustered under various fields and sub-fields, which helped to reduce the latter problem, but facilitation was still advisable.

6.2.12.1 CONCLUSION

Again it was confirmed that top management full commitment was required and that they should not consider it as an HR system that is incorporated serving some administrative purpose, but that it very much forms an integral part of a holistic strategic organisational intervention. Either with a complete transformation theme or else as a productivity improvement intervention. *It should NOT BE VIEWED as a HR system for the convenience or use by the personnel department. It is intended for improved business in all line functions, whether support or core functions.*

A data-pool containing all the possible performance outcome statements, tasks and competencies that could be encountered in business, will help tremendously in the generation of performance specifications, but the process still has to be facilitated to eliminate the limitation of thought within the boundaries of the list. New ideas and creativity is a vital component of continuous improvement and properly conducted facilitation sessions could assist greatly at achieving it.

6.2.13 CASE STUDY 13: WORK ENVIRONMENT EXPERIMENT AT SAIMR

The outcome of the work environment assessment produced an eye-opener to the HR director who for the first time was able to see what was troubling his employees. The actual detail of the study falls beyond the scope of this study, but the effectiveness of this section of the system was proven beyond any doubt again. The system provides an accumulated outcome of all the input from the participants and problem areas could be identified. The system also encourages the formulation of improvement plans based on the concerns raised by the assessment. This makes it dynamic and the HR Director drew up such improvement plans with his employees. He was also able to conduct private interviews with individuals based on specific unique concerns they have expressed. The exercise proved to be non-threatening to all parties and the exposure of problems led to constructive action and improved relationships according to interviews with the participants.

6.2.13.1 CONCLUSION

The researcher came to the conclusion again that the WEI section is a valuable tool and it is easy to use not demanding a high level of expertise from the participants or the facilitator. It produces valuable, usable management information that can lead to real performance improvement continuously.

The commitment of top management to make it an organisation wide intervention, stays critical to success. If it is applied in a small pocket of the organisation, the philosophy and principles of the system will not be adopted in the HR practices and the system will thus not be pulled through to the final stages, leaving it incomplete. No assessor or participant will thus be able to experience the full consequences of the system, and they will not be able to pass balanced judgement.

6.2.14 CASE STUDY 14: PILOT IMPLEMENTATION AT BKS

According to the managing director and project leader, the value of the exercise lies in the fact that it causes de4liberate communication between employees regarding performance requirements and standards. They felt that it does not require a sophisticated computerised system that demands a huge financial investment. To them the use of a system revealed discrepancies between different team members regarding their perceptions of their performance requirements. Although most of the team members expressed to the researcher their desire for the system to be used to calculate merit rewards, top management preferred not to link it explicitly to rewards, but rather to use it to eliminate performance misperceptions. Their final response was "people are now talking to one-another" and they found that significant enough for them to confine the merit of the system to the introduction of performance communication alone. They were prepared to make use of an unsophisticated text-type programme to facilitate performance specification conversations.

6.2.14.1 CONCLUSION

The researcher was surprised to find that they discarded the very system that gave birth to their much desired performance communications. It is left to be seen whether the approach they have chosen will maintain the communication or whether in fact it is one of the causes of communication extinction. The researcher identified it in his surveys as one of the reasons why employees do not take performance communications seriously. The fact that it only asks of people to get together to have superficial discussions about their performance issues, with no integrated system that will pull the outcome through to productivity improvement, causes employees not to take it serious with sincerity and to consider it as a waste of production time to satisfy a need of the HR department. The researcher is convinced that if their exist no consequences to the execution of a corporate performance communication system and if no tangible results can be linked to it at the end of the day, it is not worth the effort.

6.2.15 CASE STUDY 15: IMPLEMENTATION AT DCE

The implementation was started with a work environment assessment. The managing director was sceptical about the value of the exercise as they were a small family-like organisation with a close-knit culture. He claimed that all employees were very happy and that they were not seeking more money, but that the warm atmosphere and lack of stringent rules provided high levels of job satisfaction. After all 9 participants had completed their ratings the results were revealed to the researcher who processed and interpreted it. In this case the participants conducted the assessment on their own using a vocabulary list indicating the meaning of each listed environment element. They only approached the researcher when they were in doubt or where they failed to grasp the meaning of the statement. From 30 listed elements, they all experienced problems with 2 statements and the researcher adapted the vocabulary statements to make it easier to understand.

From their feedback it became clear that the managing director were functioning under a misperception regarding the happiness of his employees as the accumulated level indicator came to 55 on a scale of 0 to 100, where 50 to 60 means "definite improvement" needed. According to their responses and individual feedback sessions conducted by the researcher, it became evident that 6 of the 9 employees felt they were underpaid and that the pleasant atmosphere could not compensate for that. They also expressed their need for more structure regarding project planning and standards.

The researcher discussed the outcome with the managing director who was at first taken aback, but who overcome his personal hurt and reacted constructively and objectively on their responses. The exercise proved to be such a timeous eye-opener to the managing director, that he offered to by the rights to the system. He saw the value of it in the market place and felt he could add value to it from an information technology perspective by re-programming it in state-of-the-art technology. It was decided to proceed with the rest of the system, namely performance management and competence development.

All 9 employees were exposed to a 1-day workshop on deriving and defining performance criteria (Performance outcomes, tasks and standards). The outcome of their individual attempts were shocking. Not a single one were able to formulate the simple performance statements or to define the work that they were doing or supposed to be doing. The researcher had once again to make use of a facilitator to coach them in formulating the criteria. It was done in group with practical exercises after which they set to task once again to complete the process. The outcome of these attempts were much improved and only needed minor adjustments to be suitable for use. This however had to be done by the facilitator.

6.2.15.1 CONCLUSION

The researcher's former findings that the generation of performance specifications definitely requires professional facilitation, were verified again. The fact that the MD was convinced about the value of the system purely on the value adding outcome of the work environment assessment, convinced the researcher that it is better to start the implementation of the system with this section. It is quick and easy to use and it is, as far as the researcher could establish, the only system that incorporates this section which is perceived by the users as an opportunity to convey to the organisation what their performance needs and concerns are. It is in contrast with the performance management section which primarily informs the employee what is expected of him. The work environment improvement section therefore acts as a motivational tool as well, which was confirmed by all 9 participants as true. They were more eager to use the rest of the system than what they had been before the work environment experience. The researcher is of opinion that an organisation wide work environment audit up front, would produce such convincing value adding results, that top management will be much more inclined to commit to the system. The researcher had accordingly be added a function to the computer system, which allows for bulk assessment of an organisation work environment assessment, which is in fact an adaptation of the work environment assessment section the employees will be using on an ongoing basis after implementation of the system.

6.2.16 CASE STUDY 16: IMPLEMENTATION AT VESTA TECHNOLOGIES

The same problems were experienced with the setting of performance criteria as in all other cases. It was clear again that employees are either not aware of what their tasks are or they fail to describe it in logical terms. The researcher argues that if it is that difficult for employees to express in simple terms what they are doing in the organisation, the chances are good that performance may not be well aligned or performed to a unified correct standard. It will also be impossible to derive and communicate performance related rewards if the criteria on which they are supposed to be based, were not agreed upon. The resident HR practitioner who took over the project from the researcher, decided to take an easier way out and flavoured the system down to general discussions with employees regarding their duties and how well their manager believed they were doing regarding their expectations. This was in other words back to a version of the traditional way of doing it and conversations with a number of employees 5 months down the line indicated that the employees did not experience it as a value adding exercise and that performance ratings and rewards were unsatisfactory.

A work environment assessment that the researcher conducted in parallel with the setting of performance criteria, produced similar satisfactory results as in the other cases revealing important information about the likes and dislikes of the personnel. The researcher however recognised that if management does not react positively upon it and compile improvement plans with their employees, it as a negative effect on employee morale and they see it as another commitment that management refuses to make. It also implies that no change in management attitude or role takes place. Three of the best performers and key personnel approached the researcher with regard to their environment ratings and discussed the seriousness of their concerns to him. They were not difficult to solve issues and the researcher forwarded them to management. Management however refused to accept it and claimed that these employees were so loyal to them that they would never let them down during a project. Two months later, all 3 resigned whilst their participation was critical to the projects they worked on.

Vesta, who bought the intellectual property of the system from the researcher is currently marketing the system, but they are not implementing the system themselves in their company the way it was intended to be. The reason apparently is that the value of the system in terms of productivity improvement is not perceived completely and it represents extra work, distracting from the vital efforts that are required from the employees in terms of their money raising efforts.

6.2.16.1 CONCLUSION

The researcher once again became aware of the importance and usefulness of the work environment improvement section of the system and recommends no further research in terms of the mechanism, but a large amount of data-manipulation could be performed on the results to establish trends amongst different people in different circumstances.

The researcher realised again as throughout all the experiments that implementing the system inevitably draws from the routine performance of the employees without immediate reward. The negative effects and burden of implementing the system is felt with immediate effect whereas the return on investment lies far in the future. If management is suspected not to pass on any reward, it does not help at all in motivating the employees to participate and commit to the system let alone putting in an extra effort to make it work. The researcher came to the conclusion that the organisation must start off with a slightly limited but technically correct effort in terms of performance specifications and once it is in place and accepted, it must grow into a more complete and sophisticated system. What is critical is that it must be mandatory in a non-threatening sense supported by the serious and visible commitment of top management. Definite target dates must be allocated and a formal project management approach must be followed.

The researcher felt confident at this stage that the system is fine from a technical point of view and as far as the principles it is based upon are concerned, the failure of successful implementation is rather a result of incorrect use from a human perspective.

The researcher observed from all the cases that management and employees do not necessarily know how to derive performance specifications, why they should do it and they do not know how to interact and communicate in setting it. This is what led to the experiment at Vista university. The intention was to explore human capability in terms of business knowledge and interaction skill.

6.2.17 CASE STUDY 17: PERFORMANCE IMPROVEMENT AT VISTA UNIVERSITY

All participants were allowed feedback opportunities during which they were encouraged to discuss their experiences regarding the roll-play sessions. The overall outcome was very positive and even the highly academic lecturers found the experience not humiliating at all and they all suggested that the exercise should be roll-out to the rest of the organisation. They were concerned about the fact that at that stage no definite plans were made to include their superiors as well. They feared that the initiative would end with them as the orientation sessions conducted by the researcher during the 2 days were essential to create and stimulate their motivation to participate. The exercise occurred at the backdrop of scepticism and negative feelings towards the organisation as everyone considered it to be a highly bureaucratic politicised organisation with no sincerity from the top. Without the sessions that turned them around from this destructive road, most of them felt that they would have refused to contribute actively towards making this mandatory intervention a success. Besides the findings of the researcher based on their interaction and open-ended discussions, each participant was asked to complete a feedback questionnaire and submit it to the researcher. They were also asked to do a work environment assessment stating their reasons for concerns indicated. In total 184 feedback and work environment assessment forms were completed correctly. A sample of the feedback questionnaire is displayed in Appendix G and a sample of the work environment form in Appendix F.

The outcome of the feedback questionnaire is summarised in the following table.

n= 184

Choice	**Weight**
A = Strongly agree	+1,5
B = Agree	+1,0
C = Do not know	0
D =Disagree	-!,0
E = Strongly Disagree	-1,5

Statement	**A**	**B**	**C**	**D**	**E**	**Score**
	+1,5	**+1,0**	**0**	**-1,0**	**-1,5**	
1. The use of a formal corporate performance communication system is important	150	30	0	4	0	**+251**
2. It must apply to all members of personnel	170	10	0	3	1	**+261**
3. It is based on job specifications	165	19	0	0	0	**+267**
4. Superiors and sub-ordinates must set	102	51	0	27	4	**+171**

the specifications together						
5. The system must make provision for the identification of receivers of outputs	80	76	20	8	0	**+188**
6. The receivers must participate in setting the specifications	80	76	21	7	0	**+189**
7 The receivers must participate in assessing the outcome	76	81	20	4	3	**+186**
8. The system must make provision for the identification of suppliers of inputs	64	77	31	9	3	**+159**
9. Assessments must take place at regular intervals not less than 3 times per year	146	17	2	15	4	**+214**
10. The main purpose of the system must be to improve continuously on performance	111	58	3	10	2	**+212**
11. Performance rewards must be derived by the same system as a secondary purpose	99	63	6	5	11	**+190**
12. The help of external experts is needed to facilitate the identifications of performance specifications	64	87	8	16	73	**+57**
13. The 2-day training workshops are essential to successful implementation of the system	120	86	3	15	40	**+191**
14. The role-play sessions are very effective in acquiring the necessary communication skills	170	12	0	1	1	**+265**
15. The work environment assessment section is of great practical value if followed up by improvement plans	140	32	2	9	1	**+140**
16. The work environment improvement plan is an effective tool for upward appraisal	71	91	14	5	3	**+189**
17. The work environment improvement plan is a non-threatening tool for upward appraisal	50	109	15	8	2	**+173**

18. The measuring scale must allow for superior performance as well as inferior performance	123	50	0	14	3	**+216**
19. The means of appraisal must be objective and factual	182	0	2	0	0	**+273**
20. The system must allow for skills development	174	10	0	0	0	**+271**
21. The system will create a win-win relationship between management and employees	72	54	46	5	7	**+148**
22. The system must be used by line management and only facilitated by the HR department	45	52	23	50	14	**-258**
23. The proper use of the system will improve productivity significantly	43	50	49	12	30	**+58**
24. You trust top management to drive the system and commit to it personally	0	2	10	32	140	**-240**
25. Top management commitment is crucial to the success of the system	169	12	2	1	0	**+265**

Table 39: VISTA Questionnaire Response

The researcher based interpretation on the following measurement:

- For all cases where the score > +184, which is the total possible score if all rated "Agree", the statement holds true without any doubt.
- For all cases where the score lies between +92 or -92, which is 50% of the score if all rated "Agree" or "Disagree", their exists sufficient doubt to call for further investigation (It implies that 75% rated the same and 25% rated the opposite)
- For all cases where the score < -184, which is the total possible score if all rated "Disagree", the statement is false without any doubt.

The response to Question 1 is confirmed by the fact that the participants responded constructively to the rest of the questionnaire. A test question to test the integrity of response, was incorporated by means of Question 22, which comes much later during the questionnaire and which is a disguised version of Question 2.

Responses to Questions 2 and 22 differ by 261 – 258 = 3 from a possible 552, which represent a 0,5% discrepancy. Responses to Questions 2 and 22 therefore correlate significantly and it is therefore accepted that the responses of the respondents are true of their opinions. From the experiment it is concluded that the following is true with regard to the members of the group in terms of a corporate performance communication system:

1. The use of a formal corporate performance communication system is important
2. It must apply to all members of personnel
3. It is based on job specifications
4. Superiors and sub-ordinates must set the specifications together
5. The system must make provision for the identification of receivers of outputs
6. The receivers must participate in setting the specifications
7 The receivers must participate in assessing the outcome
8. The system must make provision for the identification of suppliers of inputs
9. Assessments must take place at regular intervals not less than 3 times per year
10. The main purpose of the system must be to improve continuously on performance
11. Performance rewards must be derived by the same system as a secondary purpose
13. The 2-day training workshops are essential to successful implementation of the system
14. The role-play sessions are very effective in acquiring the necessary communication skills
15. The work environment assessment section is of great practical value if followed up by improvement plans
16. The work environment improvement plan is an effective tool for upward appraisal
17. The work environment improvement plan is a non-threatening tool for upward appraisal
18. The measuring scale must allow for superior performance as well as inferior performance
19. The means of appraisal must be objective and factual
20. The system must allow for skills development
21. The system will create a win-win relationship between management and employees
22. Not only non-managerial employees must be subjected to the system and it must also apply to management as well
24. You trust top management to drive the system and commit to it personally
25. Top management commitment is crucial to the success of the system

Table 40: VISTA Findings on Experiment

6..2.17.1 CONCLUSION

According to these results the researcher is convinced about the following:

▪ If the climate in an organisation is not conducive to performance, employees will not participate in a performance management intervention spontaneously, or if forced, they will not support it constructively. ▪ Employees do not know instinctively how to derive performance criteria for their own jobs. This is true for all levels in the organisation. ▪ Managers in general do not know how to conduct performance interviews with their subordinates. ▪ After being exposed to properly structured roll-play sessions, managers' ability to conduct these interviews are significantly raised. They also develop enthusiasm to conduct such interviews with their teams. ▪ Sensible performance related communications must be linked on job specifications of the employees in the organisation. ▪ Employees are not aware of the effects of their work performance on parties further down the value chain. ▪ Employees do not communicate their input requirements to suppliers of input services and products unless there exists a major problem or crisis resulting from inferior inputs. ▪ Employees have the desire to participate in a properly designed corporate performance communication system. ▪ The system should be an organisation wide intervention and not confined to certain levels or areas alone. ▪ Receivers of services or products must be involved in setting the standards of these offerings and they must participate in assessing them.

Table 41: VISTA Conclusion on Experiment

The outcome of the work environment assessment is summarised in the following frequency table, where:

weight = Importance value, and	*Rating = Satisfaction rating*
A = Very important	A = Very low level of satisfaction – drastic improvement needed
B = Fairly important	B = Fair level of satisfaction – could be improved

C = Not important C = High level of satisfaction – no improvement needed

N = 184

No	Element	Weight			Rating		
		A	B	C	A	B	C
1	Clear job specification	154	22	8	63	71	50
2	Standard operating procedures	95	63	26	47	96	41
3	Policies and regulations	121	63	0	35	98	51
4	Enforcement of standards	128	58	48	60	78	40
5	Performance feedback	149	31	4	63	99	22
6	Easy job flow	122	58	53	63	80	41
7	Shared values	100	67	147	40	94	50
8	Performance assessment and reward	135	49	0	70	88	26
9	Remuneration	139	41	4	70	92	22
10	Appropriate level of tasks	89	78	17	40	87	47
11	Work evenly distributed	90	63	31	69	87	31
12	Empathy with personal problems	108	45	31	53	105	26
13	Competence development	167	13	4	34	79	70
14	Trusting climate	136	40	8	66	73	46
15	Relaxed climate	149	34	4	46	103	35
16	Vertical communication	133	31	17	64	89	31
17	Horizontal communication	119	67	0	40	109	35
18	Leadership style of manager	91	71	22	53	86	45
19	Coaching by leader	80	91	13	35	104	45
20	Encouragement of creativity	135	49	0	60	84	40
21	Participation in decisions	131	53	0	62	86	36
22	Implementation of decisions	154	26	4	67	72	35
23	Career planning	75	69	40	45	99	40
24	Social events	58	77	49	45	94	45
25	Removal of negative consequences	139	37	8	35	104	45

26	Health and safety	130	34	23	49	104	31
27	Working conditions	128	55	1	47	110	27
28	Resources and inputs	159	19	6	69	98	17

Table 42: VISTA Work Environment Assessment Outcome

The interpretation of the actual assessment falls beyond the scope of this study but it is important to notice that items 1,4,5,8,16,17,28 in particular confirm the respondents' need for a corporate performance communication system as was expressed in the questionnaire that they have completed. In all the work environment assessments and audits the researcher has undertaken, the highest amount of dissatisfaction was allocated to performance assessment and reward, calculated by taking the weight values and rating values into account. In all cases, including this case, respondents stated the reason as being the non-existence of a performance management system. By doing the work environment improvement section first, the implementation becomes the desire of the actual employees and can be seen as a positive response of management on their expressed need instead of something that top management decided on unilaterally which is imposed on the employees.

6.3 OVERALL CONCLUSION

> *"My vision of the future no longer relies on a world without troubles and cares. Rather it is a world where the challenges are realisable.*
> *Such a vision is based on a scenario in which the human imagination, drive, and competence combine to meet the enormous hurdles of, for example, environmental restoration".*
>
> (*Schwartz 1991:197*)

According to Mohrman and Cummings (1989:87), organisations are artefacts created by people and the end result of designers' values and beliefs about what organisations should look like. It is however critical that the "designers" of an organisation should in fact be the employees of the organisation.

The Corporate performance communication system is intended to be a planning and diagnostic tool, which the employees can use to plan their performance and to analyse their performance environments and assist management in improving and re-designing the organisation towards continuous productivity improvement.

From the literature study, field experience of the researcher and the case studies described in this study, the following is concluded with regard to the research problems and objectives as stated in the introduction:

6.3.1 Conclusion 1: (From the literature review, observations and experience of the author)

Sub-problem and Research Objective 1: The lack of knowledge regarding the essential organisational areas that need to be addressed holistically in order to stimulate productibvity improvement. - Determine the essential organisational areas that need to be addressed holistically in order to stimulate productibvity improvement.

The three essential areas are, performance management, competence development and work environment improvement. They need to be managed deliberately as part of the same corporate performance communication system. If any of them are neglected, the positive effects that result or could have resulted from the other areas, will diminish or not occur at all.

6.3.2 Conclusion 2: (From the literature review as well as case studies 1 and 13)

Sub-problem and Research Objective 2: The lack of existance of a corporate performance communication system that in fact facilitates continuous productivity improvement. - Determine the components of a corporate performance comunication system. This system must meet the requirements of productivity improvement based on the results of objective 1, as well as social legitimacy to avoid a conflict of interests. The corporate communication system must be comprehensive yet basic and simple to use. It must enhance individual performance and not inhibit it as yet another barier. It is essential that it be designed as an aid to line-management and not a managerial ritual with the personnel department being the custodians of the corporate communication system.

Not only is it important to address the correct areas, but the corporate performance communication system must cotain the correct sections to manage them effectively. The sections that should be incorporated is displayed in the block diagram (figure 15). It is concluded that taking short-cuts, avoiding some sections, inevitably result in a poorer result and could even lead to no productivity improvement at all. If the complete corporate performance communication system is put to use and the sections are addressed properly, the best chance of succes is created. In utilising the corporate performance communication system, the steps as indicated in Appendix O should be followed, else the desired outcome maight be missed.

6.2.3 Conclusion 3: (From Case studies 5,6.7 and 8)

Sub-problem and Research Objective 3:
A lack of understanding of what makes successful organisations in winning nations achieve ongoing productivity improvement, leading the the adoption of their best practices as a perceived solution.
- Invetigate what makes successful organisations in winning nations achieve ongoing productivity improvement in order to validate the findings from objectives 1 and 2 or to adjsut them accordingly.

The most critical condition to high levels of organisational performance is trust between all parties involved especially trust between management and employees. Without trust, and climate of antagonism exists that will make any intervention, no matter how well intended and well designed, fail in the end. The Japanese won't sacrifice the trust they have managed to establish over many years of disorder, for any short term objective. In contrast, this is the most crippling syndrome in South Africa and if it is not resolved, continuous productivity improvement will stay an illusion. It is therefore imperative for organisations to establish trust by removing the us-them syndrome from their midst. If this cannot be achieved, the corporate performance communication system will fail in its goal. High levels of performance cannot be engineered into an unhealthy situation with long lasting effects. The corporate performance communication system itself must be designed in such a way that it actively reduce the us-them syndrome on a behavioural level. It must therefore be deliberately designed to achieve this. The only way it can do this, is if it facilitates a management role change that will make the manager an appreciated member of the team through guiding his behaviour towards enablement of team member performance.

6.2.4 Conclusion 4: (From Case studies 2,3, 4, 9, 10, 11, 12, 13, 14, 16 and 17)

Sub-problem and Research Objective 4:

The lack of enthusiasm from employees to implement and commit to the utilisation of performance management systems in general, which may lead to the rejection of a well-designed corporate performance comunication system as well.

- Determine the best practical way of implimenting the corporate performance communication system in order to obtain enthusiasm from employees to implement and commit to the utilisation of it.

The corporate performance communication system must be designed to increase the performer's desire to perform. The Japanese teach their young that work is a honourable, good thing, thereby breeding a culture of work ethics and passion towards performance. This is not the case in South Africa and therefore this desire to perform, seldom exists naturally and a negative attitude is often stimulated by the systems in operation. This corporate performance communication system must not fall into that trap and aspire towards achieving the opposite. What is imperative is that top management must be the visibly committed drivers of the corporate performance communication system. They cannot delegate this responsibility, they can only contract in the assistance of local or external agents to facilitate the implementation of the corporate performance communication system. The purpose and use of the corporate performance communication system must be communicated very clearly to all members of the organisation. Their buy-in is critical. It must be viewed as a major intervention as part of an ongoing process towards improving conditions for everyone. Care must be taken for it not to be considered as "something for management". The implementation must be properly designed and it should not be interrupted for other purposes. It must establish and maintain momentum and ongoing support from management. If it is considered as just some performance management system owned by Personnel, it is doomed for failure. Ongoing communication and feedback to all parties concerned is critical. It must also be transparent and should not stimulate a climate of secrecy and suspicion. The organisation will only have one opportunity to do it right and care must be taken not to loose it.

6.3.2 Summary of the key conclusions:

▪ All employees must take ownership of the system ▪ Top management must commit to the system, drive it as a vital organisation intervention in everybody's interest and communicate it as such ▪ Everyone, including top management and management, must be educated in the principles and functions of the system ▪ The use of a complete, holistic system is essential ▪ The system must be computerised with a very user-friendly interface ▪ The system must process and produce important management information ▪ Expert facilitation must be incorporated ▪ The process must be considered as a major intervention accompanied by proper project planning containing sub- and final milestones ▪ The implementation project must never loose momentum and must be pulled through right to the end after which it will become a way of living

Table 43: Key points from Overall Conclusion

CHAPTER 7 *RECOMMENDATIONS*

7.1 INTRODUCTION

The researcher wishes to make u number of recommendations to potential implementers of a performance communication based on the experience he has gained from the case studies as well as his literature review and further field experience. He also wishes to make a few recommendations towards further research on the topic.

7.2 RECOMMENDATIONS IN TERMS OF THE CORPORATE PERFORMANCE COMMUNICATION SYSTEM

From the discussion in the literature review and the results of the 17 experiments described in the previous chapter, the researcher recommends the following in terms of the successful implementation and use of a performance communication that will facilitate continuous productivity improvement:

7.2.1 System design

The recommended corporate performance communication system design is displayed in chapter 4, figure 15 and should be employed as a holistic whole. If components are left out It might harm the positive impact the system could have on productivity.

7.2.2 Use of the system

In using the system the user will follow the steps as indicated in Appendix O. Following are practical recommendations in using the system.

7.2.2.1 Setting performance outcomes

One major practical problem witnessed over and over again, is the struggle with terms and terminology. People tend to spend all their time on arguing whether it should be called "performance outcomes", "tasks", "key performance areas", "critical performance areas", and many more. It does not matter what it's called as long as it indicates exactly what is expected from the employee. It must relate to the core business of the organisation and the sum total of all the individual performance outcomes must deliver in the organisation's purpose.

Experience also indicated heavy arguments on individual versus team performance planning. Any team is made up of a number of individuals. A team will therefore have a performance outcome that is made up of the employees' individual efforts. If the organisation wants to stimulate team effort, then it must make sure that it is dealing with a team type of set-up and define the team performance outcome accordingly. Then define what each member in the team is supposed to do to contribute towards that performance outcome. Once that is done it can install relationship and team building efforts to enhance the harmonious functioning of the team. Some companies did away with individual performance planning and rewards and they reduced everything to team level. Within one year in many cases, the teams themselves wanted to distribute their rewards amongst themselves based on individual contribution. The researcher reccomends that the issue not be ing made complicated and that users should look primarily at what each individual is expected to do.

To plan performance, decide what the employee's performance outcomes should be by letting the person or team participate and agree. It is better to get started with a not so perfectly defined list than to spend so much energy and time on trying to perfect it, that all participants loose their desire to participate. Any employee should not have more than 10 performance outcomes. Functions should not be listed, but real task oriented outcomes. Performance outcomes that the organisation is willing to pay for on its own as units of work delivered. It is important to state the tasks as concise statements containing a verb and a noun as a minimum.

Example of a secretary:

Task outcome:

- Type reports
- Do office administration
- Update diary
- Serve tea
- Answer telephone
- Prevent problems *
- Undertake own development *

Table 44: Example of Secretary Outcomes

Note that a task outcome should actually be written as an end result of a completed task. The first listed one should therefore actually read "Typed reports". The Americans are fond of this style, but many people struggle with this format and the question is, what significance can semantics and syntax have when determining what a person should deliver? It is therefore recommended to choose the most comfortable and effective format. There are no room for personal preferences and emotional arguments when it comes to performance management. For instance when people keep on arguing whether they should communicate in Afrikaans, English or Zulu, leave the emotions behind and decide which is the most effective medium for corporate communication in terms of the width of understanding.

The 2 performance outcomes indicated with "*", are standard recommended performance outcomes for all employees. Experience has indicated that employees will perform for what they are being measured on. It might sound negative, but it is logical that if an employee is measured on the time taken to do the job and not the quality, it will be better for the employee to concentrate on the time aspect rather than quality. In many cases trainers are encouraged to do follow-ups with their clients, but they are only evaluated on numbers trained. Forget about customer care in a case like that, numbers trained will be the result, since that is what is measured.

Therefore, everything the organisation wants an employee to do, is recommended to be listed in the performance plan as a task outcome or as a standard on an task outcome.

If the organisation wants the employees to be proactive and not simply wait for things to go wrong and then fix them, make the prevention of problems a standard task outcome and evaluate its outcome. Performance assessment is only a personal threat if the employee is not aware of the criteria right from the start. If these are known beforehand, it becomes an opportunity for the employee to deliver extraordinary performance. Outstanding performance is a blessing to the organisation and an indication of successful performance communication.

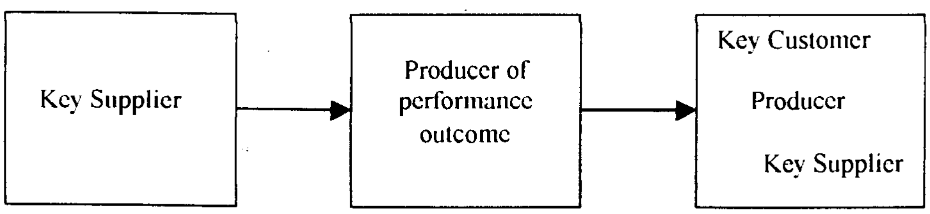
It is recommended that people are made responsible for their own development. If a person is to take personal responsibility for his competency development, make it a task outcome in his performance planning. It is strongly recommended that the manager is not made responsible for his people's development, but only for managing and allowing it to happen. The final accountability must be shifted to the individual himself. People however, need some encouragement to realise this and to make it a reality, make it a task outcome on which they are going to be appraised on.

Many people think that if they close their eyes to problems the problems do not really exist. Under cover conflict or differing perceptions will have a negative influence in some or other way. Rather expose it at the beginning of a performance cycle than to leave it to burst into existence during performance ratings. If the conversation is focussed on clarifying the expected performance outcomes, it automatically focuses the attention on the job and not the person. Performance outcomes therefore form a critical element of the performance communication agenda and serves as a sound platform for departure. The researcher recommends that sufficient time and effort is spent on clarifying the expected performance outcomes before moving on.

The "weight" column (Appendix O) allows the parties to allocate a relative importance value to the list of performance outcomes. Use for instance a scale of 1 to 5, where 5 is most important and 1 is least important. The fact that a task outcome appears on the list already implies that it is of high importance, the weighting only indicates relative importance amongst the important performance outcomes. This step is not necessary, but a large number of cases exist where differing perceptions regarding the importance of different performance outcomes, caused problems during performance assessment. The secretary might give her all on perfecting the office administration and treat the typing of reports as a second priority. During performance assessment her manager might rate her lower than she would have wished since he is fanatic about the flawlessness of his reports and could not care much about office administration. If only she had known this from the start. Do not rely on perceptions, discuss all important issues without falling into petty detail.

One of the most important aspects of performance management, is to establish healthy and ongoing communication between manager and employees. Today, the process of getting to the answer is more important than the answer itself and all these processes include open communications directed by a sound agenda.

7.2.2.2 Identifying key customers and key suppliers



Standards | Standards

The list of key suppliers and customers should be complete, but not clumsy and impractical. The key customers could also be weighted for relative importance to be taken into account during the assessment stage. If these people are asked to state their requirements with regard to the quality of the task outcome, the employee can rest assured that successful execution of the tasks will lead to a spot-on result. No surprises and no efficient travelling in the wrong direction. The concept of communicating with key suppliers and key customers is in alignment with Porter's concept of the Value Chain (in Mintzberg & Quinn, 1988: 87). According to him value activities can be divided into two broad categories, primary activities and support activities. Primary activities concern all linear activities from input to output to the customer and support activities support these activities by supplying inputs, technology, human resources, and various other firm-wide functions. It is recommended that the complete value chain be identified and the key suppliers and customers of these activities be determined. Using the corporate performance communication system, sensible purposeful communication can then be established amongst them.

Example:

Task outcome	Type reports
Weight	5
Standards	No spelling mistakes
	Correct format
	Ready before last day of month
	Correct statistics
Key Customers	Manager
	Employees
	Top management
Inputs	Statistical results
Standards	100% correct
	On second last day of month
Key suppliers	Research team

7.2.2.3 Setting standards

Standards indicate the required performance and contain the expectations of all the key customers. During performance assessment it will be decided whether the actual performance exceeds, meets or does not meet, these specifications. Another way of setting standards, is to describe what superior, required and inferior performance implies. During assessment it is then much easier to compare the actual performance against these descriptions and to choose the one that describes the actual performance most accurately. Most people prefer to skip this step as it sounds like more work, but wish they didn't when it comes to assessment time. The organisation should grow into a corporate performance communication system and make it easy in the beginning. Once the organisation have reaped the benefits of properly executed performance management, the organisation will be motivated to improve it more and more.

Example:

Task outcome	Type reports
Weight	5
Key Customer	Manager
	Employees
	Top management
Standards	Always ready before the second last Friday of the month
	According to standard lay-out
	No typing mistakes
	Neatly bounded
	All members' contributions included
	Sufficient copies for all top managers

7.2.2.4 Problem prevention

It is strongly recommended that the organisation become more proactive with regard to problem solving by actually preventing problems from occurring rather than solving them effectively afterwards. To prevent a potential problem, the problem must be identified first of all. Then the cause of the problem or in some cases the causes, must be identified. Some people make the mistake of trying to define action steps to prevent a problem and in many cases they fail to be effective. If the organisation eliminate the cause of a problem, the problem will not occur. For example, to try and identify actions that will prevent a car accident from happening might lead to a wild goose chase if the statement is left as vague as that. If the a person list the causes that could produce a car accident, he would be much more focused to find effective solutions. For instance, a probable cause could be smooth tyres. Inspect tyres weekly and replace tyres at least every 30 000 km, might prove to be a very effective problem prevention activity. The list can be made very complete and a lot of problems can be prevented that way.

To make it a practical and sensible proposition, it is recommended that each employee identifies the potential problems with regard to each listed task outcome. Problem prevention planning then follows on these identified potential problems for all employees. This will ensure that each and every employee will deliberately try to prevent problems directly related to his performance activities.

Example:

Task outcome	Type reports
Potential Problem	Not ready on time
Cause	Input data late
Preventive Action	Remind suppliers 4 days before due date
Cause	Computer gives problems
Preventive Action	Arrange one emergency computer on standby for all secretaries
Cause	Not enough binding material
Preventive Action	Check binding stock beginning of every month

More than one potential problem can exist for each task outcome, more than one cause for each problem and more than one preventive action for each cause. If proper potential problem prevention planning is done, it could open up a whole new allay of value adding activities, never thought of before or only thought of after a costly mistake has occurred. It also helps the employee to reach his performance objectives as it reduces the likelihood of negative events occurring. All the time saved by not having to run after mistakes can be applied to add value to the core business of the organisation. Not to mention the amount of conflict and relationship hammering it prevents. The organisation could even expand it to contain contingency actions as well, should the problem still appear. Contingency planning can reduce the damaging effect of the unwanted event. It could simply be listed with the preventive actions. Contingency actions are only taken after the event has occurred, it must be planned prior to the occurrence of the event.

A further use of potential problem prevention is that the causes can be traced to key suppliers of inputs and the implications of inferior performance on their side could be illustrated in context of the adverse effects on the receiver's performance. The standards communication link to key supplier can therefore be made more pragmatic and meaningful.

7.2.2.5 Performance assessment

Performance assessments should be done at regular intervals in order to eliminate problems timeously. This also allows the employee to get a feel of the participants' opinions and reasoning. It must become a way of life as a logical step in keeping productivity up to date and should be experienced by the employees as advantages to the organisation and themselves. It should not be a traumatic experience, else it is suggested that the organisation rather avoid it completely. This suggestion should not serve as an easy way out, if the organisation do the organisation's performance management correctly, people will look forward to hearing how well they did. If they have to hear how bad they did, it indicates failure, maybe because of the manager. It is vital to communicate constructively on performance focussing on the job and not the person.

Avoid using a numerical system where people must choose between a 3 or a 4 or a 7, et cetera. One gets all sorts of undesirable effects. These include the halo effect where everything is perfect, centralising effect where the middle number of the scale is exhausted or a spread that never includes the borders so they might have been excluded from the scale for all practical purposes. This is not a pick-a-number show, so stick the description of the performance and only then allocate an appropriate number if the desire is to calculate an overall performance indicator. For this you need to convert the task outcome to a numerical value unfortunately. What works well is if a weighted average is calculated using the relevant weights and ratings for each task outcome. This will produce a performance indicator for the overall performance. The researcher recommends the use of the BIMP computer system as the assessors do not see any numbers, but only performance descriptions to select from. The computer system will perform all calculations and produce a performance level indicator.

Example:

Task outcome	Weight 1 – 5	Rating 0 – 10 5=required	W x R
Type reports	3	5	15
Do office administration	5	8	40

Update diary	1	3	3
Answer telephone	4	6	24

Table 45: Performance Indicator Calculation

TOTAL W = 13

TOTAL WxR = 82

Overall Performance Indicator = 82/13 = 6,3

To convert to a more convenient range of 0 - 100 instead of 0 - 10, multiply the answer by 10, the indicator thus becomes 63 where a value of 50 (5 x 10) indicates that overall performance meets the required level. This secretary has therefore delivered superior performance. Note that her poor performance on updating the diary, did not influence her overall performance significantly as the weight of "1" limits its effect. Areas of concern would be represented by a high weight value and a low rating value. The extreme being W=5 and R=0.

It should be emphasised that the organisation should not rate performance based on a numerical scale. Allocate the appropriate numbers to the standards descriptions and use these descriptions during assessment. Only then use the numerical value to indicate the overall indicator. The overall indicator provides valuable management information so that performance achievement can be based on sound analysis and not distorted perceptions. If it is calculated over time at regular intervals, performance trends can be recognised and plotted. It provides a solid input to the performance discussion.

Traditionally the superiors are the judges of the subordinates' performance and the latter have no right to evaluate the superiors' performance. It might make sense in a Monarchy, but in normal business it certainly represents a flaw in the system in that it represents one-way communication only. Communication should involve dialogue from all parties. If it is focussed on the performance agenda it should not pose a threat to anyone.

7.2.2.6 Performance development

When performance is rated as poor, it serves no purpose to leave it at that. The purpose of performance assessment is to detect any performance deficiency in order to rectify it. The focus is thus on performance development and not on performer punishment. A communication system implies a flow of information and actions in a continuous loop. If no actions are developed based on assessments, it will mean that the communication flow comes to an end right there and future communication will be a linear repeat of the previous burst. It will thus only provide static management information with no productivity improvement as a result.

Example:

Task outcome	Improve work environment
Weight	5
Key Customer	Employees
Standards	According to improvement plans set up with employees

7.2.2.7 Determining development priorities

The priority of the development need is calculated by subtracting the rating value from the weight value. The highest priority, I.e. the highest possible weight with lowest possible rating is therefore: 5 - 0 = 5, and the lowest priority is 1 - 10 = -9. In order not to work with negative values, 10 is added to the answers to shift the range to 1 to 15, where 1 represents the lowest priority. Thus, the bigger the answer, the higher the priority.

Example:

Task outcome	Type reports
W	5
R	1
Cause	Computer broke down every second day
Action	Replace computer with newer model
Target Date	1/5/2000
Status	NC

(NC = Not completed yet)

7.2.2.8 Competence development

Use the same list of performance outcomes and their relative weights as in the performance plan and decide what competencies are needed to perform each task outcome successfully. Competencies should include knowledge, skill, attitude and behaviour. Make the list complete to eliminate gaps, but do not include nice-to-have's. Then evaluate the employee's existing competence against the list of required competencies. If it is not measurable, discuss it with the individual and decide on the level of existence for each competency. The researcher found that employees will usually not cheat by overrating their competence as this will deny themselves the opportunity of competency development. Their payrolls also do not depend on it, thus a honest opinion can be expected. There exist one condition, and that is that the evaluation forms part of the holistic corporate performance communication system and that proper personal development can be expected following from this evaluation. The researcher discovered that if the organisation approach employees with an analysis such as this out of the blue, they usually do not trust the intention and suspect a sinister management objective as they do not know the destination of the results.

As in the case of performance assessment a numeric scale should not be used directly for competence assessment, but the best description must be decided on and then the corresponding numerical value must be assigned. Once again the purpose of a numerical value is purely to determine an overall indicator that will give a better indication of the overall level of competence that exists.

The impact of the development programme should be based on a similar evaluation. In other words a rating should be recorded after the programme has been completed and compared to this pre-rating. The programme attendant should therefore be very critical with regard to real competence gain and cannot afford to rate it higher than what it deserves. The researcher found that the usual course ratings on the last day of a course has little value in his opinion since the organisation have to be dramatically bad as a presenter to receive poor ratings. The researcher calls these evaluations, "instructor-feel-nice forms".

An overall competence indicator is calculated in the same way the performance level indicator was calculated in the previous chapter. Areas of concern would be represented by a high importance weight value and a low rating value. It is very important to notice that there exist a distinct difference between the expected performance indicator and the required competence indicator. As was explained in the calculation of the performance indicator, superior performance in one area might compensate for less desired performance in another as in the example of the hats and ties. With competence it is different. More competence than the required in one area cannot stand in for inferior competence in another. More than the required competence could represent a waste and will not lead to superior performance and could even cause a performance distraction where a lack of competence in another area will lead to inferior performance. If the secretary expands her computer literacy way beyond the requirements of her job whilst at the same time she has a lack of English grammar knowledge, she will not deliver the planned task outcome at the expected level and she might be "playing" on the computer when she is supposed to perform her duties.

The competency levels should be made high and optimistic to try and stretch the task achievement, but once the employee has reached the 100% level for all the competencies, his job must be enriched and expanded to include new challenges or promotion is in order.

7.2.2.9 Work environment diagnosis

Do not issue each employee with a blank form asking them to list all their concerns and needs with regard to their work environments. The resaercher recommends the use of the tool as described in chapter 3. This a vital component of the corporate performance communication system and should not be ignored.

7.2.3 Implementation of the system

- Organisations should avoid the cost and frustration of re-inventing the wheel and make use of the BIMP system as indicated in chapter 3. The system has been tested thoroughly as this study indicates and it contains all the necessary components to allow for a holistic intervention. The suppliers of the system made it flexible enough to allow for customisation based on specify needs or desires of individual users.
- The implementation process should be based on the adapted model of Kilmann (1989) as illustrated in Appendix M. It must be regarded as a complete and vital project carrying proper mandate and support. Everyone in the organisation must undergo an introduction session where the bigger picture of productivity is brought under their attention and care must be taken that they really accept the importance of productivity improvement. They must then be trained in the principles and functions of the system. Critically important is the interaction training sessions where everyone participates in role-play sessions to acquire the necessary skill in conducting performance interviews.
- Top management must act as the drivers of the system and they must passionately commit to it.
- The researcher strongly discourages the use of pilot installations. The moment participants regard it as a test, they put it secondary to their routine jobs and it does not

receive the attention it deserves. Top management should rather make up their minds whether they want to go the performance communication route and then make it happen. The original security in terms of smaller investment of a pilot run, will probably end up as an expense and a waste of resources. The outcome of a pilot study in this regard is not necessarily reliable and can prevent a n organisation from reaping the benefits of a well managed project or vice versa.

- The use of experienced facilitators, preferably one's that are not part of the company politics, is critical to successful implementation. They can however not drive the system on behalf of top management.
- Organisations should start off by tackling only the essential components of the system to make it easier on the employees and to provide a workable platform in the shortest possible time. They can then grow into the full system incorporating more and more components over time.

7.3 RECOMMENDATIONS FOR IMPROVEMENT OF THE EXPERIMENTS AND SUGGESTED FURTHER RESEARCH

The researcher strongly recommends that an acceptable and valid measurement scale for calculating the productivity level of an organisation be developed.

The researcher further recommends a study into the relationships and interdependencies of individual performance, individual competence, work environment effectiveness and productivity to try and establish a definite equation for determining the effect of the one on the other. This will proof to be of extreme value to all business world-wide.

The researcher further recommends that all studies focussed on any element of performance communication be done in a more qualitative way where possible in order to lend more credibility to the outcome.

The researcher suggests that when a work environment audit or assessment is performed by a group of people in an organisation or as part of an experiment using the BIMP system, that the following statistical tests be executed:

- A Shapiro-Wilk test for normality on the level indicator
- A correlation test regarding the importance (weight) values as rated by the participants in

the form of a principle component analysis.

- The same test as the previous for the satisfaction (rating) values.
- Various correlation tests between participants based on personal or occupational attributes by means of a Monova test. General linear models procedure can be used to do a multivariate analysis of variance. To test the hypothesis on the effect of an attribute in terms of the Manova Test Criteria and Exact F Statistics, the following statistics is suitable: Wilk's Lambada, Pillai's Trace, Hotelling-Lawley Trace and Roy's Greatest Root.
- Factor analysis can be performed on the elements of the WE list testing for clusters of elements. Other correlation tests can then be performed on the clusters instead of the individual elements to make it easier and faster.
- A Varimax pre-rotation method or a Promax rotation method can be used to identify rotated factor patterns.

Table 46: Recommended Statistical Tests on WEI

The researcher recommends a study into the generic performance outcomes of different occupations in the different industries and the establishment of data-tables in a database comprising of these outcomes. This will serve to assist tremendously with the generation of performance specifications, which is the largest stumbling block to the successful implementation of corporate performance communication system.

The researcher furthermore recommends a study into the generic competencies require to perform each listed performance outcome of different occupations in the different industries and the establishment of data-tables in a database comprising of these competencies, linked to their corresponding outcomes. This will serve to assist with the generation of outcomes based development programmes and the integration of SAQA's NQF initiatives and industry. Unit Standards can be developed from these competencies as specific outcomes of learning.

7.4 CONCLUSION

The reason behind this study can be attributed to the team of specialists in Special Projects - SABC, who shared the ambition of the researcher to find a holistic solution to organisation performance deficiencies. At that stage it was not intended to form part of an academic study, but as the researcher became more and more intrigued with formal studies, he realised the potential of their experiments to form part of a thesis. It would also force him to work more scientifically and to record his findings properly. When the researcher discovered that almost all organisations that he encountered suffered from poorly designed appraisal systems, he developed a holistic performance management system which he thought would solve the problem. Only when he discovered that organisations struggled to implement the system and use it successfully, did he investigated the dilemma in more detail. He finally came up with the BIMP system and a process to install it efficiently and effectively.

The researcher, therefore, concludes that the implementation of the BIMP system in the prescribed way, taking into account all the recommendations he made, will result in improved productivity. It is a time consuming process which requires considerable effort from the whole of the organisation and particularly from top management.

APPENDIX A

SABC - HSRC CLIMATE STUDY - 1989

A major climate study was done by the HSRC in the form of questionnaires that were distributed amongst all members of staff in the SABC.

The performance related results were used to set the agenda for the semi-structured interviews that followed and are summarised as follows:

Performance Problems

- Negative perception of personnel regarding the image of the SABC
- Poor human resource development
- Poor recognition of the human resources
- Poor developmental opportunities
- No participation in decision making (junior personnel and blacks)
- No people-focused management style
- Interference by seniors
- Decision making on the wrong levels
- Ineffective utilisation of management information
- Ineffective communication (especially top-down)
- Negative working conditions
- Relative non-involvement of top management
- Junior personnel - relative non-acceptance of policy and shared values
- Lack of career development and salary primary cause of resignations
- Negative orientation towards merit system
- Insufficient cafeteria facilities
- Insufficient parking facilities
- Little work satisfaction

APPENDIX B

SABC - PERFORMANCE MANAGEMENT QUESTIONNAIRE

Choice	Weight
A = Strongly agree	+1,5
B = Agree	+1,0
C = Do not know	0
D =Disagree	-1,0
E = Strongly Disagree	-1,5

Statement	A	B	C	D	E
1. You have a pleasant frame of reference regarding performance assessments					
2. The system is objective and accurate					
3. It is based on non-job related criteria					
4. It is un-differentiated for different occupations and jobs					
5. It is one-way from top down only					
6. It is not free of prejudice or personal feelings					
7. It is a stick to hit a dog with if you happen to dislike the dog					
8. Appraisals happen as a once-off event with no improvement plan following it					
9. It has serious financial implications and poor ratings stay on record for ever, having a continuous adverse affect on the employee					
10. It comes as a surprise at the end of the year when the employee hears for the first time what he is going to be measured on					
11.The personnel department is the custodians of the system and it is barely a managerial ritual on its behalf					
12.It means extra work and the production of paper monuments					
13. The organisation needs a performance					

management system					
14. You want performance-related rewards					
15. You would like the opportunity to appraise your manager					
16. It must be based on job related criteria					
17. The criteria must be agreed upon at the beginning of the year					
18. The measuring scale must allow for superior performance as well as inferior performance					
19. The means of appraisal must be objective and factual					
20. It must allow for skills development					
21. It must create a win-win relationship between management and employees					
22. It must measure the output of the performance, but it must allow for inputs to be specified as well					
23. Appraisal must occur at regular intervals					
24. It must be customised for individual situations					
25. It must be easy to use and not involve a time consuming effort					

APPENDIX C

SABC INTERVIEW SUMMARY - 1992, 1993

A summary of the responses on open-ended questions from semi-structured interviews with the 660 participants is listed below.

Goals and Requirements of a Performance Management System

1. **Effective use of manpower**

- Determine whether people are in the correct posts
- Potential and skills should be used optimally
- Development and training needs should be identified and addressed
- There should be career development and planning

2. **Motivation of staff**

- The system should be used as a positive mechanism that enhances performance
- It should not be seen as a form of punishment
- It should be advantageous to both the individual and the organisation

3. **Rewards for performance**

- The differentiation level of rewards for performers as opposed to non-performers should be much greater
- Performers should be rewarded for good performance and on-performers should not run the risk of punishment for non-performance
- Rewards do not necessarily have to be salary increments, but could be in the form of other reward schemes

4. **Performance should be measured objectively**

- Goals should be formulated
- Standards should be formulated for job performance

- Performance measurement should be aimed only at the post, based on the KPA's and expected output of the post
- There should be weighted measurement of the output
- Behavioural facets should be measured only if they are applicable, i.e. if these facets are critical for achievement of the goals

5. **Improved two-way communication**

- Goals, standards et cetera., should be developed during a process of discussion and should be agreed upon
- Performance discussion should take place more regularly and should be made compulsory
- Co-operation should be promoted, since individuals should be more involved in the whole process of performance management
- Communication in all directions should be enhanced

6. **People-orientation in the system**

- There should be less "number crunching"
- A computer should not compare and categorises staff
- Should be much more individualistic
- Process should be simple and easy to explain

7. **Determine attitudes of employer and employee**

- System should be able to give an indication of what the corporation considers important
- Should also give an indication of the attitude of employees to certain expectations
- Some degree of cultural determination should be able to be done from it
- System should make a contribution to cultural change
- Shared values of the organisation should be promoted

8. **Room for self-appraisal**

- Staff should be allowed to evaluate themselves

- Self-appraisal should be done constantly against the pre-set and agreed-upon goals and standards of the post

9. **Supervisor appraisal**

- System should give staff the opportunity to give their supervisors anonymous feedback on their management skills and performance

10. **Reconciliation of goals**

- Individual goals should be based on those of the unit
- The goals of the unit should be based on corporate goals (short and long term)
- Staff at all levels should be informed of the goals of the unit and of the corporate goals
- Individuals should feel that they are part of the goals

11. **Regular appraisal and feedback**

- Should be more than an annual exercise on paper that has to be completed at a certain pace
- Appraisal should be done more regularly (compulsory quarterly)
- There should be feedback before any recommendations are made or processing done

12. **More than one evaluator**

- No one-to-one evaluation
- Team evaluation is recommended where applicable
- There should be input from colleagues where necessary
- If the individual provides a service, there should preferably be input from clients as well

13. **The system should be credible**

- Staff should trust the process
- Staff should believe in the results

14. **Should be simplistic**

- The system should not be unnecessarily complicated and difficult to understand

15. **Provision for different career groups**

- Approach should be more specific to career groups

16. **Evaluators should be qualified to evaluate**

- Training in the principle of performance management should be offered to all staff
- Special courses for evaluators on performance management
- Evaluator may only evaluate someone if he knows exactly what that person's job performance is and what is expected of him

17. **There should be an appeal procedure**

- If an employee is unhappy with the content of the system, there should be provision for a further party to assist and facilitate.

18. **Compulsory control over follow-up**

- Recommendations should be followed up and checked
- Staff should be informed of the results of recommendations, positive or negative

19. **Normal salary increases should be separate from performance-linked rewards and from development needs**

- There should be an across the board increase for all staff
- On another occasion, there should be performance-linked rewards based on measurement of work output and achievement of goals
- Additional remuneration or rewards should be substantiated
- Additional performance rewards should be approved by a remuneration committee
- There should be another process during which development and training needs are identified and followed up. During this exercise the relevant behavioural facets should also be addressed

20. **System should be used continuously for management information**

- The results of the system should be accumulated and used to renew the organisation

21. **The system should be developed for the specific needs of each business unit**

- The business units themselves would like to be responsible for implementation of the system
- There should be no corporate system
- The system should be decentralised
- The system should comply only with the generic requirements that will be applicable corporately to a performance management programme

APPENDIX D

SABC - UBUNTU WORKSHOP FEEDBACK

Workshop Theme: Productivity Improvement, Performance Communication, Learning Organisation, World Class Performance, Organisational Transformation, Quality Management,

{Please note that feedback was typed exactly as it was written. The names of the organisations/business units were changed to ORGANISATION for privacy purposes. The list below represents approximately a thousand similar responses.}

Knowledgeable, well informed, enthusiastic and funny. It was the most enlightening intensive workshop I have ever attended. I would strongly suggest that all ORGANISATION management in South Africa, actively involved in managing the process of transformation, should be intensively exposed to this workshop. We all need the active involvement of such consultants with the ORGANISATION to help us cope and accept the dynamics of the transformation we are faced with. Simply because they have an objective view of everything about us. *Mats Mfeka*

The workshop and presentation presented by Lovemore and Deon was an outstanding eye-opener and a first of it's kind to me. It made me to understand the potential of my country and that I must try and do something about my own future now. I would love that the ORGANISATION can make a follow-up of this UBUNTU course on an even more intensive manner. *M.P. Sishuba*

I think the two presenters were the best I have ever come across. If all employees can attend this course our ORGANISATION will be a changed institution. It was very well presented. *Warrick Scott*

The two presenters were very good. It was a positive workshop. I have learnt to live with my fellow workers and to cope with people who are negative and try to make them positive. With workshops like UBUNTU we will have a better organisation and a better land. The course was very fruitful - the style and pattern of delivering the message make me convinced that from now with this kind of collective learning we can achieve greater or quality results. I therefore would like to have more of these kind of workshops by the same excellent presenters. All shopstewards and management MUST attend. And all other members of staff. *Union Representative*

Seminar well organised - very informative and of great benefit to start a process of culture change in the ORGANISATION - All employees of the ORGANISATION should have an opportunity to experience this seminar. Both seminar organiser (Huysamen) and presenter (Mbigi) have vast applicable knowledge which should be transported into the ORGANISATION. Well done! *Driaan Engelbrecht*

Ecstatically excellent! Please get all management, no everyone! on this workshop. Liberatively fresh, new approach. The both black and white presenters served as built in balance and improvement on all Cultural workshops I know of. I haven't heard anyone like them inside this ORGANISATION. *Pieter van der Zwan*

The UBUNTU workshop was excellent and full marks to the two presenters Lovemore and Deon. The course is very relevant to today and it has succeeded in changing my attitude towards transformation in the ORGANISATION. The following areas of the course left the most impression on me : The two factors which contribute to a successful corporation. Competitive benchmarking. Internal customers and it's importance.

Dave Tiltmann

UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

APPENDIX E

VISTA UNIVERSITY - QUESTIONNAIRE ON PERFORMANCE COMMUNICATION -FIRST LINE MANAGERS

This is towards research that the researcher is conducting on above mentioned topic. It will contribute towards the development of an integrated corporate communication system that facilitates a management role change to enabler of continuous productivity improvement. Please complete the questionnaire and return it to him.
Thank You: Deon Huysamen

Please put a tick in the box of your choice

The respondent is employed in: Academic Admin/Services

A	B	C	D	E
Strongly disagree	**Disagree**	**Do not know**	**Agree**	**Strongly agree**

Statement	**A**	**B**	**C**	**D**	**E**
1. The use of a formal corporate performance communication system is important					
2. It must apply to all members of personnel					
3. It is based on job specifications					
4. Superiors and sub-ordinates must set the specifications together					
5. The system must make provision for the identification of receivers of outputs					
6. The receivers must participate in setting the specifications					
7 The receivers must participate in assessing the outcome					
8. The system must make provision for the identification of suppliers of inputs					

9. Assessments must take place at regular intervals not less than 3 times per year					
10. The main purpose of the system must be to improve continuously on performance					
11. Performance rewards must be derived by the same system as a secondary purpose					
12. The help of external experts is needed to facilitate the identifications of performance specifications					
13. The 2-day training workshops are essential to successful implementation of the system					
14. The role-play sessions are very effective in acquiring the necessary communication skills					
15. The work environment assessment section is of great practical value if followed up by improvement plans					
16. The work environment improvement plan is an effective tool for upward appraisal					
17. The work environment improvement plan is a non-threatening tool for upward appraisal					
18. The measuring scale must allow for superior performance as well as inferior performance					
19. The means of appraisal must be objective and factual					
20. The system must allow for skills development					
21. The system will create a win-win relationship between management and					

employees					
22. The system must be used by line management and only facilitated by the HR department					
23. The proper use of the system will improve productivity significantly					
24. You trust top management to drive the system and commit to it personally					
25. Top management commitment is crucial to the success of the system					

APPENDIX F

VISTA UNIVERSITY - WORK ENVIRONMENT AUDIT

INSTRUCTION: Please rate your work environment according to the following scales below. *Use the explanation of each element as supplied in your book on from pages 123 – 129. The instructor will guide you through all the elements one at a time for the weight ratings, where-after you must do the satisfaction ratings on your own.*

weight = Importance value, and *Rating = Satisfaction rating*

A = Very important	A = Very low level of satisfaction – drastic improvement needed
B = Fairly important	B = Fair level of satisfaction – could be improved
C = Not important	C = High level of satisfaction – no improvement needed

Note: For each outcome of Weight = "A" and Rating = "A", supply a reason for your concern

No	Element	Weight			Rating		
		A	B	C	A	B	C
1	Clear job specification						
2	Standard operating procedures						
3	Policies and regulations						
4	Enforcement of standards						
5	Performance feedback						
6	Easy job flow						
7	Shared values						
8	Performance assessment and reward						
9	Remuneration						
10	Appropriate level of tasks						
11	Work evenly distributed						
12	Empathy with personal problems						
13	Competence development						
14	Trusting climate						

15	Relaxed climate						
16	Vertical communication						
17	Horizontal communication						
18	Leadership style of manager						
19	Coaching by leader						
20	Encouragement of creativity						
21	Participation in decisions						
22	Implementation of decisions						
23	Career planning						
24	Social events						
25	Removal of negative consequences						
26	Health and safety						
27	Working conditions						
28	Resources and inputs						

APPENDIX G

EVALUATION OF CORPORATE PERFORMANCE COMMUNICATION SYSTEM

VISTA UNIVERSITY – FIRST LINE MANAGERS

This is towards research that the researcher is conducting on above mentioned topic. It will contribute towards the development of an integrated corporate communication system that facilitates a management role change to enabler of continuous productivity improvement. Please complete the questionnaire and return it to him.
Thank You: Deon Huysamen

Please put a tick in the box of your choice

the researcher is employed in: Academic Admin/Services

Strongly disagree	Disagree	Do not know	Agree	Strongly agree

1. Productivity is high in your organisation
2. Continuous performance related communication is a reality in your organisation
3. Productivity (efficiency) does not suffer from a lack of focussed communication
4. You always know what is expected from you
5. Your sub-ordinates always know what is expected of them
6. Your manager is always aware of what you need in order to perform effectively
7. Your manager is always aware of what is troubling you from performing at peak

8. Performance standards are communicated with suppliers of inputs that you need for your job

9. Performance standards on the services/products that you deliver to others are discussed with them

10. You participate in assessing the relevant performance of suppliers to you

11. Receivers of your services/products participate in assessing your performance

12. Specific performance improvement plans are developed based on regular performance assessments

13. Performance assessments are done more than once a year

14. You actively participate in your own assessment

15. Assessments focus on the job and not the person

16. Competency development needs are derived directly from your job tasks

17. You regularly attend training sessions

18. The impact of training sessions are evaluated against improvement in your work as a result of it

19. Regular work environment assessments are conducted with you where you are allowed to assess your work environment

20. Your manager develops improvement plans with you and take responsibility for it

21. Your manager is an enabler to you – making it easier for you to perform

22. Meetings are focussed on a performance related agenda

23. A communication system that incorporates the setting of performance standards will improve productivity in your organisation

24. A communication system that incorporates the setting of performance goals and objectives will improve productivity in your organisation

25. A communication system that incorporates the setting of performance improvement plans will improve productivity in your organisation

26. A communication system that incorporates the setting of competence development plans will improve productivity in your organisation

27. A communication system that incorporates the setting of competence development plans will improve productivity in your organisation

28. A communication system that incorporates work environment improvement will improve productivity in your organisation

29. Based on the role-play you participated in during the Performance Management course, you feel that by engaging in conversation with your sub-ordinates in that way it will contribute towards a good relationship

APPENDIX H

ADDITIONAL INFORMATION ON HUMAN RESOURCE DEVELOPMENT

H.1 TRAINER ROLE REDEFINED

If the role of training and development is changed, then the role of the trainer should be adapted accordingly else there might develop a clash of interests and the new corporate communication system will be harmed. The researcher has seen many cases where new practices were introduced, but the employees were stuck in their old paradigms and could not see that it required a shift in their roles to make the new idea a success.

To achieve competency development in a double-loop system, or even to initiate it, a shift is required with regard to the role of training and development practitioners. It cannot be done within the paradigm of training courses being presented to members of staff as an administrative function or a "nice-to-have" as explained in the traditional system. The responsibility for assessing development needs should be shifted to the actual workers in the system and the trainers should facilitate the process in order to make it easier for them. Take note, that the researcher is not referring to becoming custodians of systems, but to facilitate workers in the use of the corporate performance communication system. This would mean that the role of the trainer should shift from that of instructor, with the objective of "people on seats", to that of competent counsellor and facilitator of double-loop development needs. If this shift is not made, trainers will keep trying to develop employees by purchasing new courses, adapting better training processes, and improving training facilities. This is good, but should be a secondary objective only. The latter would be the same as polishing and servicing a train that goes round and round on a showground. The train might move more elegantly and efficiently, and more and more passengers might go aboard; but it keeps going in circles, without increasing anyone's welfare. As a matter of fact, it could prove to be a very costly exercise. First, the train should be placed on a rail that goes in the right direction - no matter what the train looks like, within reasonable limits of course. Once the training and development train is moving in the right direction, it can be streamlined, tuned and equipped to make it run more efficiently. The aim, therefore, is first to make sure that it is going to be effective. After that, energy can be spent on making it more efficient.

This can be achieved only by changing the role of the training practitioners. The researcher sees them having three main responsibilities in their new role:

- Champions and facilitators of the corporate performance communication system.
- Brokers of development needs
- Presenters of training programmes in their field of expertise

Table 47: Trainer Responsibilities

H.1.1 Champions of corporate performance communication system

Take note that this is only applicable where a local training department exists and at the same time the researcher has to point out from experience, that the organisation continuously need outside professional help to assist the local practitioners in their facilitation capacity. The researcher knows, consultants are often seen as a pain in the neck, but do not cut them out to drastically, just take care in choosing the right ones.

From an internal point of view, someone will have to take on the responsibility of facilitating the corporate performance communication system, almost as in taking ownership of it. The researcher thinks it should be the training personnel, since the new corporate communication system will form the foundation of their future training activities. The training department will benefit in the sense that they will continuously be obtaining the development needs first hand from the employees, which is perfectly in line with a marketing concept compared to a selling one. It will also bring the practitioners in close contact with their clients and, provided they take it right through to satisfying their needs, they will be in demand and not seen as a burden and a nuisance. This will allow top management, as the drivers of the corporate performance communication system, to use trainers as the facilitators of the process.

H.1.2 Brokers of development needs

In the traditional system, training practitioners would often "bend" the needs of the employees to fit one of their training programmes which they will then present to them, in the form of a classroom lecture. The success will be measured at the end of the course by requesting the participants to complete the "instructor-feel-nice-forms". The broker role implies that the practitioner should match the best solution to the client's specific needs. Whether it is one of his own programmes or that of a colleague or that of an external source. It could even be an on-the-job programme that needs to be developed in co-operation with a mentor or line manager. From the work environment improvement diagnoses it could even mean a development session for the manager. It is similar to the life insurance business. An agent will promote and sell a particular company's products. He will try and persuade clients that it is the best for their needs. A broker will determine the clients needs and then offer a range of products from various suppliers to supply in these needs and make certain recommendations based on that. His concern lies with the client's welfare. The practitioner should thus do regular market scans in order to be on top of what products exist in his field of responsibility. The important point to remember is that the need must come from the client and by need the researcher does not refer to the need for training, but the need for a specific competency. The normal way in the traditional system is for managers to request a list of available courses, either from the local training department or from agents, and then to pick a few courses that appear to be applicable. The employees are then booked on the ones they haven't attended yet, and so human resource development is taken care of. It is usually these candidates who withdraw two days prior to the course, since it was not derived from their competency needs. In the previous organisation where the researcher was employed, he cancelled all course advertisements and refused to have any course lists distributed voluntarily or on request. If a manager asked for a list of available courses the researcher would ask him what his needs were. His means were a bit drastic, but the researcher was trying to introduce the paradigm shift with regard to the purpose of training and development. Once everybody has accepted the new system and is actively using it, a manager could be given the right to find his own solutions from a list, provided that he also went the route of identifying the need at first. The researcher is, however, under the impression that many members of management are headstrong and stubborn following their own ways, therefore the researcher is encouraging management to open their minds and seek the assistance of training brokers, not to be dictated to, but for their advise.

H.1.3 Presenters of training programmes

The researcher knows of organisations who always make use of outsiders to present training programmes to their personnel and employ no trainers of their own. It depends to a large extent on the particular industry, business or what is more feasible to them. In most occasions the organisation has to employ trainers that can deliver courses very specialised to the organisation itself or who can present general courses at higher quality or lower cost. Thus in general each practitioner will present courses from time to time if it proves to be the best match to the client's need.

If the training department chooses to follow traditional lines, they represent the trailer behind a car and top management and business units will forever try and detach them. The researcher has witnessed it many times where these training departments year after year have to prove their validity to top management. Why they should be there and why business units should sacrifice a piece of their pie for the training budget. In large organisations they usually become trapped in a debate whether they should be centralised or decentralised or whatever other structures can be thought of. Eventually this restructuring debate becomes such a major issue that it becomes the only concern and vast amounts of time and resources get spent on strategic sessions with no added value at all. Only more damage results from it. The role change of the training department and the accompanying shift in the role of the training practitioner, which is fundamental to the issue, are totally overlooked. In this case it's a dog chasing its own tail.

H.2 THE COMPLETE DEVELOPMENT CHAIN OF THE INDIVIDUAL

With regard to the effectiveness and efficiency of competence development it is once again a matter of a chain is only as strong as its weakest link. The development of the human being is also a chain comprising of a number of links. If any of the links are weak or if they are skipped, the efficiency of development will suffer as a consequence. The effectivety of training programmes will also suffer as the candidate will not be properly prepared for the intake of the information. It will be equivalent to sowing the right seeds, but on uncultivated soil. As a matter of fact, the researcher finds it strange that so much energy and resources are being spent by organisations on training and development without them making sure that the candidates are optimally ready for it.

For example, will the organisation hire someone to mow the organisation's lawn without telling him how to use the lawnmower? For that matter, will the organisation hire anybody to perform a task for the organisation, if the organisation have not made sure that the person has the skills to do? Organisations are quite willing to assign their employees to a vast number of courses over the duration of their employment without making sure that they possess the necessary learning skills to make the best of the investment. Many organisations are not even aware of the existence of such skills and the researcher thinks an incredible amount of time and money is unnecessarily wasted on inefficient training and development as a result of a lack of learning skills. How many parents invest in study methods for their children, knowing that it would help their children tremendously for the rest of their lives in their never-ending journey of learning?

Furthermore, the researcher is of the belief that if the organisation skip phases in the cognitive development of a human being, the overall long-term process will be less efficient. If a baby does not learn how to crawl and try to walk straight away, some damage might be done to the development process. If this is the case, specific attention should be given to rectify this situation at a later stage. In South Africa and a few other countries, a vast number of people are formally employed, but they do not possess the basic level of literacy nor basic thinking skills. They cannot be expected to understand business principles and the motives of management. Not having basic literacy skills goes further than not being able to read or write, it has an major influence on conceptual ability and the way these people perceive things. It falls beyond the scope of this study to discuss these issues in detail, but the researcher sure needs to install the awareness that these issues do exist and that they have an influence on training and development and productivity improvement.

When a person is able to read and write and has obtained basic literacy skills, it only makes perfect sense to him for these people to learn how to learn in the form of practical study methods. These should be practical techniques based on reading, listening and memory skills. This is vital to the efficient studying of all academic materials that the person will encounter throughout the rest of his life. If the parents neglected to subject the child to study methods, nothing prevents the organisation to let their employees learn these techniques before they start investing in their development. It is a business decision which will have a high return on investment and neglecting it could be a significant penny-wise pound-foolish decision. s suspect that it is rather a case of ignorance regarding the existence of these learning programmes and their value than deliberate refusal to invest in them. Making human resource development more efficient is an important component of productivity improvement and all means that exist that could achieve it, needs the organisation's attention.

When it comes to advanced thinking skills, namely critical thinking, reasoning, conceptualisation and creative thinking skills are very important to successful decision making and problem solving in the organisation. It is for instance of little use to train a person in potential problem prevention if the person has under developed critical thinking skills. The person might have the ability to copy the information, but he will have little ability in interpreting it. In other wards, given a list of safety precautions the person might be able to study it off by heart and reproduce it successfully in a test, but when it comes to interpretation of the contents in the real situation, the person might fail to compare the information the situation. In Africa many tribal groups teach their children not to think about negative events as thinking about it will draw on the bad event. The people from this group will as a consequence not develop critical thinking skills and once being employed, they will not be able to analyse a situation in terms of potential problems. Teaching them safety precautions in terms of might could go wrong if they do not comply to the specifications, might be in vain because the person will not be able to anticipate the potential problems due to a lack of the relevant thinking skill. The good news is that these skills can be learned through specialised programmes, but it will not come from the stars and the organisation should consciously make provision for it. It is possible to test for the existence of these skills, therefore analysis can be done to make the synthesis focused and specific.

Investing in these educational projects could save the organisation an unbelievable amount of money over the long term in terms of effective and efficient training and development as well as better execution of tasks and problem prevention. The researcher sees this as building sound knowledge capital for the organisation in the most cost effective way.

A very important issue in competence development is holistic learning or cogmotics as Dr. Bruce Copley calls the basis of his learningshops in personal mastery and group learning. If development of the human being is not addressed in a holistic manner, it implies a waste of the organisation's resources since the organisation is not investing, the organisation is only spending. A human being will only be fully competent to deliver superior performance once all the needed competencies are in place simultaneously. It implies that not only high levels of skills should exist, but a balance should exist between soft and hard skills. Holistic intelligence implies physical intelligence, emotional intelligence, cognitive intelligence as well as spiritual intelligence.

APPENDIX I

ORGANISATIONAL DEVELOPMENT

Another prominent developmental issue is Organisational Development (OD). It needs to discuss briefly else another isolated intervention might be attempted interfering with the holistic approach that has been adopted so far.

Although there exists a lot of overlapping, work environment improvement is not the same as organisational development in the formally defined sense, but forms part of it the way the researcher sees it. It is important to find out where everything fits in since the researcher has emphasised the significance of a holistic approach. In search of a comprehensive definition of organisational development, the researcher came across over a hundred and fifty different versions from academics. Furthermore, after testing a number of people's opinions, the researcher discovered that organisational development is often confused with structural changes, disregarding softer human issues, or people classify it as any training and development activity, since they reckon it also develops the organisation. OD is rather a science on its own with a specific goal in mind, but the intention seldom realises in practice since it is applied almost always in isolation to other developmental efforts which led to its rejection as yet another buzzword or fad. According to French and Bell (1990), OD is far more closely focused on the human factor than anything else. They have the following to say:

"Organisational development (OD) is a powerful set of concepts and techniques for improving organisational effectiveness and individual well-being that had its genesis in the behavioural sciences and was tested in the laboratory of real-world organisations. OD addresses the opportunities and problems involved in managing human dynamics in organisations. It offers solutions that have been shown to work. Organisation development consists of intervention techniques, theories, principles, and values that show how to take charge of planned change efforts and achieve success."

Many chronic problems of organisations can be cured by OD techniques, but the researcher has seldom seen the correct programme being applied to the problem. The diagnostic stage is neglected and the flavour-of-the-month intervention is implemented. The most important assets of organisations are the human assets - the employees who produce the products and services. Therefore, finding ways to protect and enhance these human assets makes good human relations sense as well as good economic sense. OD offers a variety of methods of strengthening the human side of organisations to the benefit of both the individual and the organisation and contributes significantly towards re-humanising the organisation, provided it is the right programme and it is implemented correctly. The researcher believes that the concepts and techniques of organisational development should become as much a part of the astute manager's repertoire as knowledge of accounting, marketing and productions for instance. There are predictions that the practice of OD will be incorporated within the art and science of management. Organisational development offers a set of generic tools that is available to any manager or other employee who wants to improve goal achievement. OD is a prescription for managing change, therefore managers need to know what OD is and how to apply it. A good understanding of organisational development has great practical value for present and future managers. The problem is, that it has been misused by external change agents to such an extent, that it is already being classified as an unwelcome buzzword in many corners. It also hurt many organisations as it could be a very costly exercise, if not planned properly.

A typical definition of OD is: *OD is a structured set of planned actions to change the culture of an organisation by means of behavioural science techniques.*

From what has been said about OD in the previous paragraphs, one cannot but agree that OD is a very sound and much needed practice in any organisation. As a matter of fact, the researcher could not agree more with the statement that OD is absolutely essential to attaining and maintaining the status of a high- performing organisation. His agreement is, however subjected to the condition that OD is designed and applied accurately, in a practical and meaningful way and in harmony with the employees' expected performance outcomes and standards they have to deliver. According to his experience, the researcher sees OD being divided into two components. The one links to macro economic effectiveness in the sense that a culture of commitment to continuous organisational alignment and transformation must be created and maintained, through ongoing collective learning interventions. This means all members of the organisation must be kept educated with regard to the changes in the external environment and the effect these changes have on their organisation. The emphasis is on "kept educated", since becoming educated is fairly easy, but staying educated is more complicated as it involves unlearning and relearning. Too many people think that once they have attained a certain qualification, they have arrived, but in fact they have only arrived on the doorstep of the next challenge. This type of OD intervention must be done by means of collective learning where vertical and cross sectional lines of staff get together in large groups to learn and communicate through debates and rituals with the purpose of creating a culture of awareness, sharing and mutual care. Top management must be visible. actually more than visible, during these sessions, else they will become the main topic of discussion, distorting the intention of the session completely. The researcher makes it very clear that there exist a major difference between approval by top management and commitment by top management. Approval simply implies that they give the green light to someone else to carry one with the proposal, whilst they carry on with what they are doing, whereas commitment means that they participate in a driving capacity. More harm than benefit can be generated through badly planned or poorly executed OD interventions as was proven in more than enough cases in the past. The intervention must be complete and focused and should not be introduced because of the need of a local or external change agent to make money or to support his existence.

The second component links to micro efficiency, namely work environment improvement. The researcher also classifies this under OD as the purpose of work environment improvement is not solely to enable the employee directly to perform better, but if done correctly, it contributes largely to the desire to perform. The accumulative effect, being a culture of positively orientated dedication to perform. By, “If done correctly”, the researcher means in the first place, that the employees must be allowed to come forward with what they require from the organisation in order to perform their required tasks as planned. They must be allowed to identify and communicate their concerns in terms of the barriers they experience in their working environments and these should be eliminated or reduced in an effort to enable them to increase their levels of productivity. If these two components of OD are addressed properly and in balance, a culture of commitment to optimum productivity will be the reward.

APPENDIX J

ADDITIONAL INFORMATION ON WORK ENVIRONMENT IMPROVEMENT

Studies have indicated a number of aspects that employees normally seek from their organisations as conditions of work happiness. This fits in with the system we have developed so far:

* A job made understandable to them, so they know what is required with minimal ambiguity. In other words, clear job specification (Hanley 1985). And an understanding of where they and their peers fit in the performance plan. In other words, team-role clarification (Carter 1991; Dumphy 1981; Fritz 1987; Haynes July 1986:46-55).

* A chance to use the knowledge and skills they possess, or to learn the essential knowledge and the skills required for effective performance (Wick & Lu Staton 1993). This implies delegation with responsibility, a vital component of worker empowerment (Saul 1991).

* A work environment where the technical resources and tools are appropriate, where colleagues are reasonably compatible and supportive, and effective and efficient systems and structures are in place. Also a manager who knows what he is paid for, and provides direction, enablement, encouragement and support (Yukl 1989).

* A chance to do what they most enjoy as part of the job, at least for a fair proportion of the time. This should produce job satisfaction. Usually employees are too scared to indicate that they do not like the work they are doing, in fear that the organisation might get rid of them. The organisation will do itself a favour if it allows employees to reveal this type of information in a protective environment.

* Being part of an organisation which they believe is doing something worthwhile, preferably, but which is certainly not doing anything they see as wrong or inappropriate and in conflict with their personal values. This is what is meant with shared values. A concept that is sometimes considered a hairy-fairy issue or taken for granted, but as was illustrated earlier, soon becomes critical when the organisation does something that violates a value that was shared before.

* Feedback on their performance, so they know how well they are doing and what they

need to improve or develop. Feedback must of course be timeous, accurate and constructive. Too often, feedback is only given when things went wrong. What about when things went right?

* Rewards they see as fair, appropriate, and valued by them, in accordance to their personal motives and needs. The rewards will range from bonus, salary, perks, to opportunity to achieve, to acceptance in the team, or status. Finding appropriate rewards to motivate employees is a serious issue, but often mismanaged by organisations.

Table 48: Conditions of Work Happiness

APPENDIX K

ADDITIONAL INFORMATION ON THE ROLE OF MANAGEMENT

As the grips of economic failure becomes stronger and stronger, management initiates one after the other change intervention, focusing on structural changes to meet what they think the demands of the external environment are, causing yet more internal casualties. Most teams are not losing the race because the other runners became too fast, they are losing because their managers are hurting them too much. The researcher believes that employees should be given the freedom to perform, to think and to feel. The challenge for management should therefore be, the creation of such empowerment amongst their teams. This implies that management will have to deal with the complete human being, as a person's desire to perform cannot be demanded or installed, but it depends on a number of human factors that must be stimulated simultaneously. The researcher is not suggesting that all managers need to be psychologists, the management of people could be very simple through proper communication.

For at least a decade there has been urgent requests that people should be hired not only for their hands, but also for their minds. They must be allowed to think! But, what about their insides, their feelings and emotions? Human beings are complete systems that cannot be compartmentalised for the convenience of poor management. The organisation get the complete person every day, for the whole of the day, whether the organisation likes it or not. The researcher is willing to say that the spirits of the workers are the most important ingredient in the performance recipe. It is the baking powder in the mix, it can make the organisation rise to any occasion, or it can make the organisation fall flat on its face no matter how good the rest of the ingredients are. Astute managers do not find it difficult to accept that people cannot hand in their emotions and feelings at the front desk to be reclaimed after work. The problem is that most managers the researcher knows, do not want to deal with it or haven't got the knowledge to deal with a complete human being. They convince themselves that the "soft side" is not their responsibility or management terrain and declare it a non-organisational issue. The focus is then mainly on procedures, regulations and company expectations as if the performer is a robot performing in a vacuum. The researcher is convinced that the collective spirit of people will dictate the performance outcome of performance and the welfare of the organisation.

The challenge is to rehumanise the organisation through the implementation of a formal communication system that will guide everyone not to lose track of the intention. Without such a system, to his experience, it will stay an illusion or it will probably feature strongly during sessions around a campfire away from work, but once back at work, it will be business as usual. The organisation must fix the problem where it is. The latest trend is to arrange costly hikes, bush parties and nature adventures where management and employees "find" one another in poetic harmony. Very few people the researcher knows ever had a problem enjoying life at a bush party, but how many enjoys life at work? Organisations have to stop beating about the bush, or for that matter partying around the bush, and solve their organisational problems where they exist. That is, at work. Do not abandon the parties, but keep them as a reward once the organisation is prospering as a result of highly productive empowered happy employees.

Conclusion

From what could be detected so far it is most obvious that the researcher views the employees as the most important element in the organisation. Not even the most sophisticated computer means anything without human interaction and interpretation at some or other stage. Humans are the only carriers of life in the organisation. Managers must realise that scientific management was proven wrong a long time ago. The infrastructure, equipment, systems and structure have no meaning without human interference. The alignment and development of human performance and the release of that performance ability to creatively add value in the organisation, should be the focus of management and the corporate performance communication system. This means a break-away from control of non-performance to the enablement of performance. The employees should be allowed and encouraged to participate in re-designing the organisation around them, since existing systems and structures seldom stay suitable for a long period of time. If this is accompanied by sufficient and effective competence development, it will create an empowered organisation in the true sense of the word. This can only be achieved in an organisation where employees are allowed to continually learn together. Where mistakes are not necessarily encouraged, but are not punished if they form part of a learning curve. Where systems, structures, procedures and practices are not cast in stone, but employees are free to challenge them constructively, building intelligence into the social system. In other words a true Learning Organisation.

Managers must realise that the success of the organisation is determined by how well the collective performance is managed. Often managers are too busy controlling and limiting sub-ordinates in their efforts instead of harnessing their performance capabilities, allowing them to creatively add value to the organisation. The role and tasks of the manager consequently needs drastic reform from the traditional if the organisation is to empower its employees to deliver the required levels of performance. The researcher has noticed that managers are passionately busy re-engineering their business processes, tearing down structures that no longer support organisational performance. Yet the practice of management has largely escaped reform itself. If their traditional tasks and roles are left intact, managers will eventually undermine the very structure of their rebuilt enterprises according to James Champy. It is without doubt true that the work of managers in re-engineering the organisation must change as much or more than the work of the workers. Managers must shift their focus from controlling the movements of workers and by measuring performance based on watching numbers to empowering workers and on evaluating the elements of the work environment in which the workers perform. A blinding focus on bottom-line objectives will lead to the treatment of symptoms of performance deficiencies and not their root causes. The researcher is convinced that when workers are empowered to perform, that they will be able to perform their tasks, but the question is whether management can make the transition?

There exists a vast number of seminars on leadership versus management. Whether what the manager is doing is classified as management or leadership is certainly not important, but what the manager is doing to his people is of great concern. Do they perform better because of the manager or do they perform worse? If the manager does not know, it makes sense to ask them. In all the interviews the researcher has conducted with non-managerial employees, the desire was expressed for them to be allowed to appraise their managers. The researcher realised that this was a symptom of a problem and that by delivering in their request, the relationships between them and their managers would probably deteriorate even more. Any attempt to change the management role should be a win-win experience for all parties concerned.

The enabling section that is underlined brings a fundamental change to the role of the manager as was described earlier. The manager now becomes an enabler to the worker, doing everything he can to make it easier for the worker to execute his planned tasks. This way the manager becomes part of the team and contributes to the success of the team rather than inhibiting it. This worker empowerment made real. It allows the workers to have a direct say in what they need from their managers and the organisation in order to perform at peak. Not only does it have a direct influence on the successful execution of performance tasks, but it will contribute significantly towards worker morale and the desire to perform.

APPENDIX L

PRODUCTIVITY IMPROVEMENT AND BEST PRACTICES

Introducing better practices to an organisation where the basic performance requirements have been met and employees are positive about the organisation is an investment: Introducing better practices to a de-humanised organisation, is an expense.

the researcher does not deny the value of better practices, but supplying it to a workforce that is not competent to make the best of it is a waste of valuable resources and it will not only have the effect of no added value, but it will have a negative influence on productivity growth. If a parent supplies a child with an inferior calculator for a mathematics exam, it will not do him any good, but what will be the use of issuing him with a highly sophisticated, very effective calculator if he does not know the basic principles of the mathematics theory he is to be tested on? It would be casting pearls before the swine. First get him to know his math's, then equip him to execute the exam more efficiently. The organisational train must first be placed on the right track before it is modified and tuned to move more efficiently in the correct direction.

Organisations spent vast amounts of money on sending people abroad to import better practices, introducing little value added to the organisation. Yet the journeys continue not as part of continuous productivity growth, but in attempt to save the boat from sinking completely. The Japanese are very good at obtaining good ideas from others, but they will first of all adapt before they adopt, and what is more important, their people are ready and willing to implement these better practices based on their desire to deliver optimum performance. It is the people's need to adopt better practices and not management's alone. In South Africa, for instance, it is usually the need of management to introduce these practices and they are normally imposed on the workforce. Quality Control Circles in Japan is a voluntary practice as a need of the employees to better their problem solving in order to deliver superior performance. This happened because the relationships in the organisations are healthy and all three the productivity components, competence, motivation and work environment are being managed properly even without formal systems. To take the same QCC practice and introduce it into an organisation where people are unskilled, the environment is not conducive to performance, the people are not committed or motivated and no trust exist between management and the workers, can only spell disaster. Many other well intended practices are destroyed in trying to apply it as a remedy to low performance instead of an enhancement to high performance. These practices are not intended to establish or create basic performance, but to better existing performance in terms of improved capital input or improved systems.

Thus, to improve productivity it is first of all necessary to get the fundamentals into place. These are:

- Proper performance specification
- Employee competence
- Effective work environment
- Effective and efficient performance communication

Table 49: Fundamentals of Productivity Improvement

This, is argued by the researcher, is only possible through the proper utilisation of a well developed corporate performance communication system as was discussed so far.

The outcome must also be tested against the following criteria:

- Is the workforce motivated?
- Do all members of staff take ownership of the organisation?
- Are the workforce and management on the same side, focusing on a common goal?
- Is everyone committed to continuous improvement?
- Are communications throughout the entire organisation open, transparent and made visible?

Table 50: Test Criteria for Condusiveness to Implementation of System

If the answer is yes to all of them, start the search for best practices and only introduce them with the full consent and participation of the workforce. If the answer is "no", then do not start the journey as yet. If people have not got the desire to perform, the organisation will always here the remark, "What's in it for me?" This is a symptom of a de-humanised organisation, but it will become a cause for the organisation's new intervention to fail.

Where there's a will, there's a way, but where there's a way, there will not necessarily be a will. Therefore don not introduce ways where there does not exist a will and rather start looking for ways to improve the will.

It is impossible to discuss all the different practices and it also falls beyond the scope of this study. Sufficient literature exists on all the major topics and each organisation should investigate the relevant and suitable ones to the particular organisation. There are a vast number of acronyms floating around of which TQM, TQC, TPM, BM, BRP, ISO, JIT. QC, PS, LPS, are only a few. The researcher will only discuss four of these, Bench Marking, KAIZEN, Total Quality Management and Business Excellence very briefly to illustrate how they could be linked to the corporate performance communication system in order to make their use also more effective.

Without the existence of a formal corporate performance communication system, much of the potential of these better practices get lost unnecessarily.

L.1 Benchmarking (BM)

" If the organisation know the organisation's enemy and know the organisation's self, the organisation need not fear the result of a hundred battles."
Sun Tsu (The art of war. 500 B.C.)

Benchmarking is defined by Michael Spendolini in The Benchmarking Book as:

" Benchmarking is a continuous, systematic process for evaluating the products, services, and work processes of organisations that are recognised as representing best practices for the purpose of organisational improvement."

ATT defines it as follows:

" The process or functional benchmarking is an externally focused performance improvement method for continuously and systematically comparing the performance and practices of business operations to the best-in-class in any industry. The process is used to set goals and develop operational plans to surpass current best-in-class performance."

It is quite obvious from these two definitions alone that benchmarking can only be introduced to an organisation whose house is in order. Its objective is organisational improvement and some key concepts are:

- Comparison of performance and practices

▪ Continuous process
▪ Systematic process
▪ Adapting
▪ Open exchange of information

Table 51: Benchmarking Key Concepts

Benchmarking can be used in conjunction with an existing corporate performance communication system to achieve optimum results.

Benchmarking is more suitable for the matured organisation who knows where it is and where it wants to go. It is used when more than incremental improvement is required, when large technology gaps exist and when productivity growth seems to stagnate. It should not be done when a clear mission does not exist or when strategic planning was not done or if management is not committed to productivity improvement. It must become part of an integrated improvement strategy. It will only add value in a rehumanised organisation.

L.2 KAIZEN

It is a key word used to explain various forms of continuous improvements made by groups of employees in Japanese industry. It is more in line with the small technological improvements that was mentioned by Ramasamy (1993) in chapter 1.

KAI = Change

ZEN = Good (for the better)

KAIZEN = Continual Improvement

KAIZEN differs from innovation in the following aspects:

KAIZEN

▪ Small steps
▪ Conventional know-how
▪ Efforts
▪ Process-orientated
▪ Slow-growth economy

Table 52: KAIZEN Principles

Innovation

▪ Big steps

- Technological breakthrough
- Investment
- Results-orientated
- Fast-growth economy

Table 53: Innovation Principles

KAIZEN can therefore be seen as small but continuous improvements to work practices, processes and the work environment in order to assist continuous productivity improvement. There are two very distinct Japanese words in the KAIZEN world namely, MUDA and Gemba. MUDA means waste and Gemba means "on the spot" usually associated with the shopfloor. One KAIZEN objective is to eliminate waste and the best way to do it is to go to Gemba and let the people participate in providing the solutions. If a corporate performance communication system is in place these objectives can be built into the performance specification of each employee. Employees will also have the opportunity to use the work environment improvement section to make KAIZEN a reality. As with every other practice there exist many barriers to implementation, thus the corporate performance communication system can be used very wisely to overcome these barriers. If new practices and continuous improvement schemes are made part and parcel of one integrated system, there will exist much less resistance to introducing them. It must be accepted that management might start to reject all new ideas if they are battered at random day after day with different foreign ideas. Many of them have already developed the NIH syndrome (Not Invented Here).

- That's not our way
- Their culture is different
- We did not learn that way
- We've tried that
- We are doing that

Table 54: NIH Syndrome Characteristics

Following are 10 common methodologies used in KAIZEN which fits in perfectly with the system that was designed:

1. Simplification
2. Visualisation - share information, get common understanding, make thinking visible
3. Step by step approach with definite objectives

4. MUDA elimination
5. Team-playing
6. Go to GEMBA
7. Continuous training of employees
8. Use of GEMBA technologies - cheap but effective equipment
9. 100% product quality assurance - ensure quality at source
10. Standardisation - set-up and up-date procedures

Table 55: KAIZEN Methodologies

The following 7-MUDA list can be built into the relevant employees' performance standards containing specific details:

1. MUDA of over-production
2. MUDA of waiting
3. MUDA of conveyance
4. MUDA of processing
5. MUDA of inventory
6. MUDA of motion
7. MUDA of repair/rejects

Table 56: MUDA List

Similarly the 5-S campaign in a workshop can be built into the workers' performance outcomes and standards.

1. Seiri - separate out all that is unnecessary and eliminate it
2. Seiton - Those things found to be necessary are put in order so that they lie ready for use when needed
3. Seiso - Clean workplace, equipment and prevent defects
4. Seiketsu - Standardise, make cleaning and checking a routine
5. Shitsuke - Discipline and training, personal cleanliness

Table 57: 5-S Campaign

It is therefore not being introduced as yet another practice, but it is simply built into the performance specifications of the appropriate employees. Furthermore it has the advantage that they will pay attention to it as their performance assessment will include it. In many cases the researcher has witnessed new practices and methodologies being introduced but that is where it ended. It is seen as something extra, something additional and not a better way of performing their duties.

Other KAIZEN programmes include Total Quality Control (TQC) which is a systematic and continuous improvement of management performance which includes various factors of the work environment as discussed. It is therefore already existing within the corporate performance communication system. Just-in-time (JIT) aims at producing, rendering, delivering in the most economical way which can once again be built into the performance standards of the appropriate personnel. Total Productive Maintenance (TPM) is the systematic and continuous improvement of production equipment. This also forms part of the system.

L.3 Total Quality Management (TQM)

TQM is another approach to continuous quality improvement. The process is very comprehensive and comprises of many activities and absolutes to establish total quality. It is also customer focussed and strives for zero defect in performance outcome production. The process usually contains:

- Specifying performance outcome requirements
- Planning problem prevention
- Determining zero defects
- Calculating the price of quality in terms of price of non-conformance and price of conformance
- Developing Teamwork
- Measurement
- Trouble shooting and problem elimination
- Development of customer and supplier relationships

Table 58: TQM Process

Work is defined as a process comprising a series of activities. All units of activities will have inputs supplied by suppliers and an performance outcome that should meet certain customer standards. All the elements mentioned above have at aim the improvement of these work processes to achieve zero defect. TQM practices sound very good in theory, yet the researcher is continuously contacted by organisations who have implemented them to assist them in making it work. Similar to most other adopted practices, including corporate performance communication systems, they seem to die silently after a while due to lack of interest and enthusiasm.

The researcher finds in most cases that the reason why these programmes loose momentum or never have a lift-off in the first place, is not because of inferior quality of the programme or a lack of knowledge to use it, but that the foundation of the structure is not strong enough to support it. In other words, there exists an insufficient desire from the people to make it a part of their working lives. The lack of this desire is mostly not directly associated with the TQM programmes, but is a general lack of desire to perform in the organisation - The prime characteristic of a de-humanised organisation. We therefore have the situation where the original problem is that the organisation do not perform as it should or could, but management do not search for the root cause, but jump to cause and say, "We need better practices and processes to improve our product or service quality". If flavour-of-the-month happens to be TQM at the time, it is purchased as the philosophy and principles are just fine and make perfectly good business sense. In other words the right hand pillar of the organisation model is strengthened. Ramasamy (1993) calls it capital improvement. The problem however resides in the foundation. The left hand pillar is also developed accordingly to accommodate the knew process. The organisation should know what will happen to a brittle foundation if the structure, resting on it, is made even heavier. The situation will certainly deteriorate. This analogy can be taken very literally in the organisation - if people are demotivated and they are subjected to what they perceive as yet more work and more responsibility, their enthusiasm will deteriorate even more. Any attempt to make the programme work, will be in vain and more harm than good will be done. The researcher is not saying that the organisation should discard the programme, only to put it on hold and do first things first, namely implement the corporate performance communication system.

If a basic corporate performance communication system as the one that was discussed, is used to achieve this, the TQM programme can easily be integrated with it when the time is right. Therefore the organisation will not be introducing yet another system or process, but the organisation will simply enhance the successful execution of the elements in the corporate performance communication system by means of the techniques and processes of the TQM programme. For example, in the corporate performance communication system the employee does a problem prevention analysis as well as in the TQM programme. The value of the first is that it forms part of the person's performance plan on which he will be appraised later on. Therefore the effort does not end up as a paper monument with no follow through. In TQM a lot of attention is paid to the method of analysis. The TQM method can therefore be used to execute the activity properly and the result can be used in the corporate performance communication system to make the result a meaningful reality in the workplace. All other elements of TQM link directly to the productivity improvement, since the researcher said from the outset that this system will be complete and holistic in nature.

Only if inferior practices and processes are the direct cause of production problems could improved practices provide the solution to the problem. If the organisation is performing poor due to a lack of employee motivation caused by other factors in the work environment, the introduction of these practices will represent a waste of resources and it will aggravate the problem. It will also side-track management further and further away from the original problems and their root causes. As Stephen covey suggests, stop sawing down the trees and spend some time on sharpening the organisation's saw, then the organisation might really achieve significant results.

When the researcher visited Japan to study their success stories, it was not their practices and methodologies that impressed him, but the desire to perform and the competence of the workforce. They can therefore afford to invest in better practices as these will have an even further stimulation of the desire to perform instead of hurting the last bit of enthusiasm. That makes for the difference in Quality Circles in Japan and Singapore to Quality Circles in South Africa - In Japan and Singapore it is a voluntary practice used by highly motivated work teams who want to increase their level of productivity and quality of performance outcome. QQC is therefore their need and a means to them in order to achieve these improved results. In South Africa in general it is introduced by management as an obligation to a low performing and demotivated workforce, who perceives it as a management gimmick and extra work. Once again the inferior foundation and not the programme itself, will make it fail.

Therefore, stop introducing better practices into the organisation's organisation if the basics are not in place. It is like sowing good seeds in an uncultivated field - no decent crop can be expected! The organisation must be prepared properly before better practices can have the desired effect. In other words the organisation must be rehumanised in all its consequences first of all.

L.4 Business Excellence

The latest trend in business is the development of Business Excellence Models which is made available to organisations as a process for self-assessment in order to drive continuous improvement and recognition. In some cases the top performer(s) will receive an annual award of excellence from a national body of some kind. To cascade the directives of the excellence model down the organisation in order to guide and enable every employee to contribute to excellence, is however a problem. The corporate performance communication system that the researcher has described can however easily be used to make the intentions of the business excellence model a reality throughout the organisation. The Americans' Baldrige Model, the European Model of Business Excellence as well as the South African SAQI Business Excellence Model, can be accommodated by the system. The European Model only differs to it in that it does not contain Customer & Market Focus and Supplier & Partnership Performance. (Management Today, volume 13 number 6/ July 1997 :45)

The 11 categories can be entered as performance outcomes for the CEO and the criteria against which the performance is going to be evaluated is entered as corresponding performance standards as part of his performance planning in the performance management section. The categories is then pulled down the hierarchy to all appropriate levels and the standards are altered to fit the performance objective of each occupation. For example, the CEO and top management team will be responsible for setting the policies and structure whereas the next level of management will be responsible for executing and monitoring it. The allocated points are converted to importance weights and entered into the "Weight" column. Instead of using the weight values 1 to 5, the points values that count up to 500 for each of the two domains in the model, are converted to their corresponding decimal values between 1 and 5. Thus, 100 points = 1 and 500 points = 5. It is illustrated as follows:

Performance Categories – Enablers : Weight

Leadership : 1,0
Policy & Strategy : 0,7
Customer & Market Focus : 0,6
People Management : 0,9
Resources & Information Management : 0,6
Processes : 1,2

Performance Categories – Results : Weight

Impact on Society : 0,6
Customer Satisfaction : 1,7
People Satisfaction : 0,9
Supplier & Partnership Performance : 0,3
Business Results : 1,5

By splitting the model into the two different groups of categories, enablers and results, 2 performance indicators can be derived allowing the evaluator to identify concerns in a specific domain much easier. The two indicators can be combined to form an overall indicator. By cascading the criteria down the organisation and adapting the standards to suite the specific employee's responsibility, performance can be pro-actively developed to reach high levels of achievement in each category.

The criteria listed for each category could also be included to make the rating experience easier and more accurate. Below is an example of the category "Policy & Strategy". Each criteria carries the weight allocated to the category.

Performance Categories & Criteria
Weight: 0,7

Policy & Strategy:
How policy and strategy are based on relevant and comprehensive information
How policy and strategy are developed
How policy and strategy are communicated and implemented
How policy and strategy are regularly reviewed, updated and improved

What specifications these criteria should meet, in other words, how well should they be executed, should be entered in the Standards column as is illustrated in Appendix O..

The allocated points are a distribution of relative importance or impact, thus the displayed decimal weights are a true mathematical replacement of the points allocation. After the performance evaluation is done, the entered ratings between 0 and 10 are used with their corresponding weight values to calculate a weighted average. The answer will indicate the overall level of achievement. Areas of concern would be categories with high weight values and low ratings.

L.5 Conclusion

The researcher needs to emphasise that the purpose of the organisation is the production of a product or service. The aim of organisation management in a micro perspective should be the continuous improvement of productivity. Therefore, the introduction of any practice, system, intervention or whatever the disturbance is called, should be with the sole and only purpose of improving productivity. This implies that TQM or Business Excellence Models for example are introduced in an attempt to improve productivity and not the other way around. If there exist a problem with productivity or it needs to be improved, the leverage area must be determined first. It could only reside within, employee competence, desire to perform or work environment effectiveness. First find the cause of the concern, then decide whether a better practice will help to improve matters. Organisations should stop chancing the flavour-of-the-month scheme and become pragmatic in their problem solving. When they do decide to import a better practice, they should integrate it with the formal corporate performance communication system in order to manage it properly.

APPENDIX M

ORGANISATIONAL TRANSFORMATION WITH THE CORPORATE PERFORMANCE COMMUNICATION SYSTEM AS VEHICLE

As in the chase for better practices the urge for organisational transformation or re-engineering is often done without knowing what the reason for it was in the first place. Furthermore it usually occurs as yet another scattered and isolated project with little overall commitment and participation.

Organisational change should exist as an ongoing process of relevant and fast adaptation of whatever is required in order to continuously align with changes in the external and internal environments. Many organisations however, struggle with transformation as they treat it as a traumatic project based on forecasts of the future. They follow a prescriptive approach in developing stately which is very biblical in nature. This perspective is episodic in that it treats organisational transformation as an attempt to maintain an equilibrium of dynamics. An episodic view of transformation is analogous of driving a bus full of passengers to a pre-decided known destiny. If unforeseen events occur along the way, the driver responds accordingly and after procedures have been restored to normal, they carry on with the journey. Therefore change is viewed as a disruption of normal proceedings and is only needed in case of special occasions. In worse cases the organisation is transformed for the sake of change as everyone else is doing it. The episodic approach may be the most prevalent way of addressing organisational transformation, but it has become an obstacle in itself to successful organisational transformation. The researcher believes managing an organisation nowadays is anonymous to driving a rally car in an off-road race as the researcher has illustrated earlier. Changes in strategy and operations is a natural state and adapting to it is a continual process. Managers face constant change which could even imply chaos at times. The uncertainty of the future is accepted and an Darwinian emergent approach to strategy development is adopted.

According to Ralph Kilmann (1989):

" Today, managers are realising 'future shock' is upon them: They can no longer ignore the need for fundamental system-wide changes. Their entire organisations must be transformed into market-driven, innovative, and adaptive systems if they are to survive and prosper in the highly competitive, global environment of the next decades."

Mohrman and Cummings (1989), support this by saying that the demand for almost continuous organisational change cannot be denied. It is a common fact that most organisations have been facing dramatic new challenges for a decade or more in an increasing turbulent environment (Waterman et al 1980). They have little choice in pursuing a number of multiple goals simultaneously. These goals include:

- Relating to multiple stakeholders,
- Managing resources,
- Adapting to change,
- Social re-engineering,
- Privatisation

Table 59: Multiple Organisational Goals

Only highly productive learning organisations can respond effectively and timeously to these demands. The problem is that the necessary performance capabilities are not always in existence neither are they easily obtained. Traditional ways are also not suitable anymore since what worked in the past will not necessarily work in the future. As a matter of fact, clinging to the known and the comfort of the past might be the very cause of low productivity. We have to accept that most traditional organisational practices are outdated and cannot be used as a reference or guide anymore. Everywhere, organisations are forced to find new approaches that will enable them to handle the increased complexity, rapid changes, and uncertainty without using costly interventions. Therefore, using limited resources, they need to redesign themselves in order to stay in the race (Mohrman & Cummings 1989:vii). If they leave these forces un-addressed, his guess is they will become derailed and out of contention sooner than expected. Attending to these fundamental issues requires reform in most aspects of the organisation.

As Mohrman and Cummings (1989) put it:
"Creating high performance in the face of relentless environmental change requires an organisation to redesign itself so that it is capable of sustaining efficient, high-quality performance through time. The propensity and capability to adapt as performance requirements change must be ingrained in the fibre of the organisation".

Fibre implies the invisible nerve system that connects all elements of the organisation to each other. Few organisations recognise the fact that there does exist such a interconnection between the elements of the organisation and therefore their systems and practices are not in harmony with it and often creates unbearable tension through times of reform. Even if the transformation agenda was compiled correct with regard to the external environmental forces, trying to move in the new direction with a clumsy, low performing vehicle, will be in vain. The internal functioning of the organisation must be efficient to make the transformation effective. Therefore the organisation must be a learning organisation with an effective communication system acting as the nerve system. The employees must be empowered to be able to identify the change needs through unconditional participation in the productivity improvement process. Therefore, his solution to the change problem is without doubt to install and commit to a properly designed corporate performance communication system which will lead to optimum quality of labour and the propensity to adapt continuously to turbulent environmental forces as a way of living.

If this is accepted the problem that remains, is the installation of such a system. This can rightfully be seen as a change project with a definite beginning and end. After being implemented the system must cater for future changes as described above. Change then becomes an ongoing process.

The complete study dealt with the change process as a result of becoming an empowered learning organisation. The researcher's experience tells him, that no matter how well a system is designed, it will only be successful to the extent that the employees commit to it and how serious their intentions are in using it. Too many systems have been dumped on employees resulting in negative experiences and connotations especially with regard to performance management. Unfortunately all the performance management programmes the researcher has seen only deals with merit rating, or performance assessment as some call it, or it is based on management by objectives with little to none organisational development capacity especially no employee motivational value. It is therefore of critical importance that the introduction of a properly designed system should be executed with great care and thorough planning. This is where prophets from outside the organisation might come in handy as a shift of paradigm regarding the purpose and intentions of the new system might form the most critical part.

M.1 BOTTOM-UP TRANSFORMATION

What is very important to realise, is that whatever transformation is planned, at the end of the day some or all employees must perform some of their tasks differently or some tasks are added onto or deleted from their performance plans. The researcher has seen so many major change efforts ending up in failure because the transformation is planned on a high level only, hoping that it will become a reality. If the organisation investigates deliberately what the effect on the changed scenario will look like on all of the employee's performance plans and they have these plans adjusted accordingly, they can rest assured that once the newly defined performance outcomes and standards have been executed, the organisation will be a changed institute. Therefore, do not propagate the change plan and then hope the performance will follow, change the performance and the change plan will become a reality.

Some years ago the South African Police started their reform from a power organisation to a service organisation. The researcher was asked for advice by certain members and he asked them to make a list of the typical activities a ordinary policeman would do in line of duty in the power organisation. The researcher then asked them to make a list of the things that would change in order for the force to qualify as a service organisation. This led to the specification of the performance outcomes and standards of a policeman to fit a service organisation. This is also what the public as client will experience, and not what the top brass are saying and propagating. From this point of departure the next step should be to determine what the immediate superiors' performance outcomes should involve in order to support the new duties and tasks of these policemen. The next step would be to determine the performance outcomes of the next line of authority in order to support the first line of management, and so on. This is therefore a bottom up approach, but the significance is that the interface between the supplier of the service and the client is directly affected and the client being the judge of the change effort.

For example:

Power Organisation:

Performance outcome: Arrest drunk pedestrians and lock them up

Service Organisation:

Performance outcome: Assist drunk pedestrians to get home or to another safe place

If the change agenda is built into everybody's performance plans and they are developed in the necessary skills and their performance are eventually appraised against these criteria, the organisation will have the best chances of successful transformation the organisation will ever have.

Many organisations embark on change interventions, re-engineering everything in theory trying to make the effort look impressive, never asking the receiver of the product or service what they would like to see changed. In service organisations it is usually the people near the shopfloor who interact with the client. If it is people higher up in the hierarchy, the same principle applies. Involve the client and direct the change effort towards client needs. This is were the leverage point to successful transformation lies. Also to do it in such a way that the employee as internal client is also satisfied in the process. This form of communication is vital.

When the Post and Telecommunication Department in South Africa started their major transformation project some years ago, the first issues on the agenda were, privatisation and decentralisation. In most countries with a relative small income per capita these services are provided by Government as collective services. It would be impossible for a private entrepreneur to establish such expensive infrastructure and sell the service at a profit. The reason for looking at privatisation in many cases, is to try and create an increase in customer care as this aspect is often lost in Government Departments. The researcher heard some Japanese say that they discovered in South Africa that when they enter a Post Office, the client is the person behind the counter. The researcher investigated this and found on average three notices in small centres telling the client how to behave to keep the attendant happy. If privatisation cannot create competition the researcher cannot see it as the remedy. Once again a bottom-up change effort is what is needed. In other words, change the performance specification of the employees to fit the satisfaction or even delight of the client and the organisation will become popular and successful no matter what structures and philosophies were defined. Change the performance outcomes of the manager, so that he gets off his chair if a queue becomes longer than say three people, and let him attend to them. Establish a specific communication link that will be triggered in these situations. Shift working hours to after businesses have closed so that people do not have to leave work to pick up parcels or registered pieces for example. There are many things that could be done by installing the correct corporate performance communication system and by implementing it wisely.

The need for change could also come from internal and not necessarily external forces. With regard to their 7-S framework for organisational change Waterman et al (1980) have the following to say:

"The framework...suggests the wisdom of taking seriously the variables in organising that have been considered soft, informal, or beneath the purview of top management interest.

We believe that style, systems, skills, and superordinate goals can be observed directly, even measured - if only they are taken seriously. We think that these variables can be at least as important as strategy and structure in orchestrating major change; indeed, that they are almost critical for achieving necessary, or desirable, change."

From what was discussed in the previous chapters, if the problem lies with productivity, this is about the internal customers, the employees, changes imply that the root causes of productivity barriers be determined and addressed effectively. The best alternative once again, is to start involving the people in the organisation in shaping the world around them. Most of the time they have al the answers, but they are not valued and permitted to participate in rejuvenating the systems and practices. Re-humanising the organisation must include this, but it must also restore the dignity and pride of the employees, their sense of belonging, their sense of ownership, their sense of value. They must be empowered to develop to their full potential and be given responsibility for managing their own performance. They must be allowed to learn through their mistakes. Only then will they participate in a programme of change.

M.2 SYSTEM-WIDE CHANGE

The terms "organisational change" or ""transformation" or "re-engineering" are already being viewed as buzzwords by many employees throughout the world. The main reason being that they do not deliver in the expectations they create amongst employees. This in turn could be caused by the fact that they mean different things to different people, that they are not properly planned, that they are not properly executed or that they only deal with a single isolated issue in the organisation at a time. If organisational change is to be successful the researcher is willing to stake his neck by making the statement that it can only be achieved through system-wide change throughout the entire organisation. Furthermore, if all the people as a whole, do not commit to the process, it is doomed to failure. The changes must be adopted at a very personal level first of all. This is especially true for top management.

M.3 PLANNED PROGRAMMES

Many organisations spend all their time and resources on propagating their transformation intentions. Posters, memos, brochures, undirected or isolated workshops, et cetera., et cetera. Once a manager has lost credibility chances are good he'll never regain it and in an attempt to do so he'll often cause more damage. When it comes to organisational change, prevention is better than cure. Make sure the change programme is planned thoroughly with the help of credible professionals, before embarking on the journey. It must be complete and it must be done for the right reasons.

M.4 IMPLEMENTING THE NEW SYSTEM

It is very important not to get confused with the different change issues. The researcher is convinced that low organisational performance is primarily the result of incorrect performance communication. It could be incorrect in the sense that it is not holistic, nor integrated, miss-aligned and miss-focused. Therefore, the organisation must re-design its corporate performance communication system, if it has one, or buy into a properly designed one. In other words, organisational change should involve, changing to a new corporate performance communication system. Many organisations are totally confused and lost with regard to organisational change. To many it implies changing the structure, to others it implies changing various aspects in the organisation in isolation to each other. Or they change some processes and practices or maybe their product portfolio. Usually the debate is centralisation or decentralisation of functions and business units depending on what was done the previous time. What is fatal about it, is the fact that it involves changing from one static set-up to a different, but jet another static set-up. Change is thus incorrectly treated as a traumatic project and not an ongoing process. This would only be successful if the environment stayed static and if it had been predicted correctly in the first place.

With regard to the change model the researcher finds Kilmann's model very relevant with some adaptation or customisation. His method is considered by many experts to have the most merit of all organisational change attempts. His accompanying arguments make good sense and his technique is far better than the attempts of isolated, scattered and quick-fix change interventions of other available systems that the researcher has seen. The researcher has related what he suggests and modified it to serve the purpose.

According to Ralph Kilmann (1989), planned organisational change should consists of 5 stages:

1. Initiating the programme
2. Diagnosing the problems
3. Scheduling the tracks

4. Implementing the tracks 5. Evaluating the results

Table 60: 5-Stages of Organisational Change - Kilmann

According to the model the mission is to install the new corporate performance communication system. The researcher is convinced that most organisations might only have one more chance of installing another performance management or corporate performance communication system, because if they foul up this time no employee will ever trust their intentions again. Organisations who are doing it for the first time have the chance of doing it right the first time around.

M.4.1 Stage 1: Initiation

The researcher agree with Kilmann that since most organisations have lagged behind, dramatic changes take place during the first stage already. The first stage will therefore be of critical importance. The main purpose of this stage is to ensure that the organisation, that is management, is ready to commit to a programme of fundamental and system wide change. If they cannot, there is no use in carrying on with it. The most common mistake is to get approval from top management for an intervention whilst they stay uncommitted doing their own thing in isolation. The programme is most likely to be successful if the following conditions exist:

- Top management must fully understand the need, purpose and principles of the new corporate performance communication system.
- They must sincerely want it and they must want it for the right reasons.
- They must understand what is meant by empowerment, organisational learning and re-humanising the organisation and fully accept it.
- They must commit to implementing the whole system with all its consequences. They must put their personal interests aside and manage their ego's by admitting that they are part of the problem and that they will accept the changes that will impact on themselves. Such an admission will show that that practice what they preach and will encourage all the employees to follow their example. This will form the foundation to large scale organisational learning and will kick start the desire to perform that was discussed earlier.
- Top management must be willing to allocate sufficient financial resources to the programme in all its dimensions. This is not the time to be penny-wise pound-foolish.

The organisation will have to bring in highly credible outsiders to have an objective look at the organisation's dynamics that is currently at work and to make sure that no-one builds protection barriers around himself. Employees might suspect from the start that it is just another management trick in management's interest. The smallest detail is of importance. If the organisation assemble a car in all its detail except for the coil wire it will never move.

- The programme must be led by top management and they must take full responsibility for it. The researcher said earlier that the Training Department should champion the new performance management programme. Do not get him wrong, they must facilitate the programme and make sure it is implemented correctly and continuously managed everywhere, but Top Management must initiate and lead the complete change initiative personally. Training must act as their vehicle and instruments to actually drive it, but be warned, if top management do their own thing up there somewhere and the training people are to lead the change intervention, it will fail.
- Top management must declare it the number one priority in the organisation and stick to that. Bottom line achievements should become a result of good management and not an objective of management.

Table 61: Conditions for Successful Change

This first stage differs with that of Kilmann's only as far as the intended change programme is concerned. In his case top management must commit to a change programme that must still be derived and formulated. In this case the latter has already been done, thus the purpose of the initiation stage is for top management to first of all commit to organisational change, but in the second place they must be convinced to commit to the new corporate performance communication system as the future vehicle of continuous internal change.

M.4.2 Stage 2: Diagnosing Problems

This is where in Kilmann's case, the change team develops a deep understanding of the full range of problems facing the organisation as well as the opportunities that exist. That was done already and as a result the new corporate performance communication system was developed. It relates to giving a hungry person a fish every day or teaching him to fish which he can then do for himself the rest of his life. The new corporate performance communication system will allow and equip the entire organisation to diagnose their performance problems and success factors for themselves on an ongoing basis. With regard to external threats and opportunities, it becomes the task of top management or their navigation team to explore them. It is documented in the performance management section as a required performance outcome with the accompanying standards. The problem the researcher has with any formal change model is that it diagnosis problems that exist at this moment in time and a corresponding solution is derived. This per cè is very time consuming and the implementation of the solution much, much more. The change will therefore only be effective if the conditions stay static during all this time otherwise a new change programme will have to be initiated whilst the first one is still on its way. What is the chances of the external environment staying stagnant during turbulent times?

The researcher agrees that these change efforts might work if it is only focused on what has been going wrong inside the organisation with regard to its operations, management and cultural issues. A one-time fundamental change with regard to changing those underlying principles might certainly be effective, for instance changing from a bureaucratic to a democratic type of organisation. The researcher is however, still of the opinion that believing these formal change models can be used in turbulent times to produce fast, effective and flexible organisational adaptation, is an illusion. If they are applied correctly, it takes about 5 to 10 years to witness any significant results. To install a new corporate performance communication system like the one the researcher has described, will take between 1 to a maximum of 3 years from where it could then be used to introduce ongoing change, provided it is not seen as a mechanical merit rating instrument but a holistic continuous improvement system.

Nevertheless, stage 2 stays very important, only in this case the purpose is to locate any entrance barriers to the introduction of the corporate performance communication system. To simply dump or enforce it on the employees will do more harm than good. It must be introduced with great care, skill and wisdom and as the number one priority of top management.

It is obvious that the barriers will differ from organisation to organisation according to their past experiences. Usually the culture, climate and management contain the critical barriers to success. Culture is defined as shared values, beliefs, assumptions and norms (Covey 1990; McCoy 1985; Rao in Pleiffer 1991). Kilmann (1989) describes norms as the unwritten rules of the organisation: Do not disagree with authority; do not stir anything; do not ask questions. This will greatly affect the way in which people will react to the introduction of a new corporate performance communication system. Beliefs refer to what the employees think about things around them. For instance: Management will never do anything in our interest, only in their own; the organisation will never reward hard work; it's who the organisation know not what the organisation know that matters. Assumptions are beliefs that are taken for granted to be true, but might turn out not to be the case. Top management might assume that all their employees are loyal to the organisation and will support them in all their efforts. The researcher observed a case in an organisation where the MD stopped all orientation workshops that were intended to sensitise his employees to his new change programme, because he assumed that they were happy with his intentions and that they believed in his competence. At the same time he introduced a "streamlining intervention" offering employees voluntary packages and early retirement. He was shocked when just about everybody who could remotely afford it, handed in their applications the following day. He was forced to discover that his people were extremely unhappy and that they preferred to leave his company after many years of dedicated service. The assumptions that people make regarding the wants, fears, resistance and support of other people play a major role in the success of any programme or action. Nobody changes to be worse off. The challenge is to package any change programme in such a way that no victims are created. The organisation can only do this properly if the organisation verify as many as possible of the assumptions that exist in the organisation. It has to be a win-win situation all the way through. Change agents, managers and consultants are often surprised when their proposed well intended solutions are not accepted by the employees. It usually suggests incorrect assumptions about some aspect of the employees' attitudes.

What should work well for stage 2 is a climate study and a range of interviews with randomly selected members of staff. Vitally important is to make sure that all key players are represented. They are:

▪ line management
▪ unions
▪ unrepresented workers
▪ pressure groups
▪ external stakeholders

Table 62: Key Players in Organisational Change

In other words vertical as well as horizontal cuts through the organisation. All top managers should also be interviewed as their commitment is a critical element to the whole process. It is also his advise that the organisation make use of outside professionals for this purpose.

Most organisations that the researcher knows of, do not trust home-made solutions anymore. The researcher specifically listed groups since the power of formal or informal groups must not be underestimated as either a barrier to success or as an enhancement to it.

M.4.3 Stage 3: Scheduling the tracks

According to Kilmann (1989), there are five tracks in the change programme that should be scheduled correctly:

1 Culture Track

2 Management development Track

3 Team building Track

4 Implement the change Track

5 Reward Track

Figure 25 Scheduling the Change Tracks
(SOURCE: Kilmann 1989)

If the tracks are not scheduled in a specific predetermined way and the programmes not fully completed, it will result in total failure. As the researcher is not introducing the same type of change programme as Kilmann (1989), as already explained, some modification is necessary with regard to the tracks. In his case the fourth track is not applicable at this stage. The researcher is therefore replacing it with the implementation and information tracks of the new corporate performance communication system that was introduced in the organisation. The scheduling of the tracks will therefore be as follows:

1 Culture Track

2 Management skill & role change Track

3 Worker skill & team building Track

4 Implementation and information Track

5 Reward Track

Figure 26 Performance System Implementation Tracks

Some organisations might prefer a pilot group to be identified first who is then subjected to initial implementation in isolation. They serve the purpose of a test group. This is not his personal choice as a corporate performance communication system is not something that can be used in one area of an organisation and not in another. The researcher strongly suggest that top management make up their minds whether to implement the new system or not and then get to it in full force. The success of organisational change lies in the collective effect of changed patterns of behaviour which cannot be achieved by means of compartmentalised intervenes.

M.4.3.1 Culture track

The purpose of this track is to establish or enhance trust, communication, the sharing of information and an eagerness among employees to change. People will only change to be better off. Many employees will say that they have accepted change, but that acceptance only took place in their heads and not their hearts. Accepting major change is not a quick event or something that can be ordered, people must be allowed time and space to personalise the change objective. According to Dr. Kubler-Ross there exist a common grief cycle in all humans regarding major changes in personal conditions.

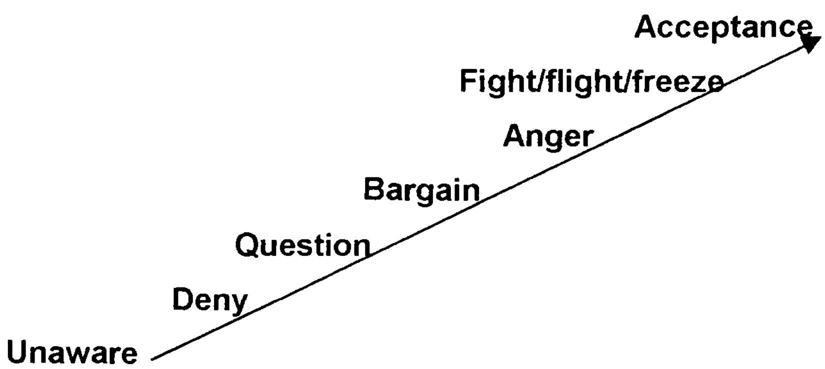


Figure 27 Grief Cycle of Change – Kubler-Ross
(SOURCE: Unpublished)

A person is at first unaware of the changes that is about to happen. Then he denies it if it is not appealing to him. Then he will start questioning the reality of it, seeking others and expert opinions. If he realises that chances are good that it is going to happen, he starts looking for special conditions to lighten the effect of the change. If that does not help he gets angry and objects heavily against his fait. Then he makes a decision to run away, if possible or to do absolutely nothing or to fight the change actively. Only after all these stages have been completed, might the person come to terms with the change and accept it fully as inevitable. It is only then that this person can participate in it constructively and make the best of it. It is explained at the hand of a number of affirmative action projects that were implemented in some local organisations a few years ago.

At first the employees were not aware of such a possible event. After hearing the news that the staffing lathe organisation was going to be changed to represent the demographics of the country, they denied that people of colour could simply be appointed based on the colour of their skins. No-one could force that onto an organisation that had to show a profit. The "rumours" did not disappear and employees started to gain more information from people who were "connected" to test the validity of these rumours. When it became quite clear that it was not only a rumour, but that it was certainly going to become a reality, they started bargaining. "It is OK with me, provided the newcomer has the same qualifications that I have and that he can do the job without a drop in the standards." Many pre-requisites were discussed and informally formulated. Although people said they had accepted the introduction of affirmative action, no-one tried to participate in it constructively. They only realised that it was inevitable, but they did not really accept it. When their bargaining had no effect, they got angry and became very sceptical of the future of this country. They also started fearing for their own futures and many employees' higher order needs were replaced by lower order needs on Maslow's hierarchy. Job security became a major issue. After the anger subsided, many employees resigned or accepted packages and left the organisations. Others folded their hands and said, "Let's see how these unqualified appointments cope with the job." Others fought the process, by deliberately sabotaging it, trying to let it end up in disaster. The harm that were done to these organisations will never be recovered. If the change program is not packaged correctly and different employees find themselves at different stages of the change cycle, the planned transformation cannot possibly be successful. All the employees must willingly be on board the change train, else the few managers of change will travel alone meeting their doom.

It is critical to establish a culture, conducive to the planned change intervention, before the intervention is being implemented.

These conditions are compulsory pre-requisites to any other component of the change process. This could be achieved through collective learning workshops where large groups of employees (50) participate in the discussion of the intended change process and the real agenda that is facing them. This should be conducted by highly knowledgeable and exciting outsiders but it stays vitally important that top management should participate in these sessions to indicate their commitment. The researcher strongly recommend that the MD personally open each session and enrol in a partnership with his people. If the organisation think this will be too expensive, try the cost of not doing it. It's the same as the cost of training compared to the cost of ignorance.

The culture track must not be neglected, because if the conditions that it is intended to create, do not exist, the rest of the process is doomed for failure. Many organisations are not aware of this critical transformation pre-requisite. Many organisations think that the culture issue is "hairy-fairy" stuff, but it certainly is not the case. It might be due to the way in which some consultants present it, but it is of critical importance with respect to any change process. A person can only contribute to a change programme once he has personalised the change agenda. Therefore, if the intervention is going to create victims, it will not be a great success in the long run. The change facilitators must make sure that the performance outcome of the culture track has been a success before they continue with track 2.

M.4.3.2 Management skills and role change track

The purpose of this track is to provide all managers with new ways of coping with complex productivity improvement issues and also train them in the use of the new system. They must understand and accept the change in roles and tasks that will be expected of them. Management skills include conceptual skills as well. If a manager refuses to adopt a attitude of re-humanising the work place, maybe it is time to revise his position of managing people. It is a common fact that not everyone that gets appointed is always the best fit to the job and this must certainly also be true for managers. Especially since so many of them were appointed during the era when people had to become managers to qualify for decent salaries and company perks. Furthermore they were also trained in skills that is counter productive such as command and control. As was discussed in chapter 5, a total paradigm shift with regard to the role of management is what is needed in most cases. In the new corporate performance communication system the manager must become the enabler - the problem solver. He must energise his people and not drain their enthusiasm. He must also learn to use the new system correctly. If the correct learning took place during the culture track and the conceptual skills section, the manager should have a distinct desire to use the new corporate performance communication system. There should be an eagerness to learn about it and to apply it in practice. This training should preferably be done by the local training facilitators to allow them to get to know the managers better and to establish a sound relationship with them. The researcher usually advice organisations to segment their organisation into logical units where each unit can become the responsibility of one particular facilitator that can act as initial project leader and later process leader of this unit with regard to monitoring and assisting with running the corporate performance communication system.

M.4.3.3 Worker skills and Team-building track

Many organisations make the mistake of letting the trainers train the workers in the use of the system on their own. This is usually when workers respond saying, " Tell this to my manager, his the problem; What's the use , my manager will never accept this; Why is my manager not here? Is this another management scheme to trick us into more work for the same pay?" Hopefully the culture track has solved some of this negativity and cynicism, but it will take more to convince most workers of the noble intentions of the change process. If the manager is to become the new team leader, why not involve him in the education of his team? Let him lead the session with the assistance of the trainer. This will show his commitment and will act as the first step in real team building. If the manager explains to his team members how the system works, they can immediately start to sort out their differing perceptions at the same time. The purpose of this track is to teach the workers how to use the system, but more important, to infuse the new culture and updated management knowledge and skills into each work team, thereby instilling co-operation throughout the whole of the organisation.

M.4.3.4 Implementation & Management Information track

During the worker skill training track the team can already start applying the learning to the real process instead of theoretical or hypothetical cases. The implementation track has thus in fact started already. What is meant by "implementation track" is simply the running and management of the system in such a way that all the execution problems get sorted out and that it becomes a new way of living. It is crucial to monitor it closely and record all success and problem stories. This track will make or break the system. If people start to experience it as extra work and purely a management ritual with no benefit to them, it is doomed for everlasting failure. It is often a pain-in-the-neck experience to determine the performance outcomes and standards for each individual or team the first time around, therefore the facilitators must put in an extra effort in assisting the users as much as possible. Do not try and perfect it the first time around, the organisation might get caught up in paralyses by analyses. Start off with a basic platform and then over the next year, grow into the system. It becomes fun after a while when people start reaping the benefits and experience how easy it is to use the system.

During this track the information generated by the system must be recorded and established in an efficient and effective management information network. It must not be overdone and converted into jet another information monster in order to impress people. The researcher is talking of creating a learning organisation which implies that the organisation need certain information to learn from. The organisation cannot manage anything the organisation cannot measure, but it is similarly worthless to measure things and not to record or distribute the information resulting from that. This communication system must be transparent and in the interest of everybody, else the culture of the organisation will suffer again. The system must be simplistic and useful, not sophisticated and complex but useless.

M.4.3.5 Reward-system track

Irrespective of the circumstances, people expect to be rewarded for exceptional performance. If an organisation accepts this principle, it must just make double sure that the system that is used to determine these rewards are highly credible and fair, else more harm than good will result from a well intended initiative. There is nothing more painful than producing unintended undesired results.

Conducting this track is futile if all the other tracks have not delivered in their intended performance outcomes. It is therefore once again emphasised how important it is to schedule and implement the tracks in sequence and in total. Kilmann (1989), reckons that without an adaptive culture , employees will not believe that rewards are tied to performance and will therefore not be encouraged to work hard. Similarly, if managers do not have the skills to manage the system properly or if they take on the judgmental role, any well-intended reward system will be distorted. Furthermore, if the work teams do not tolerate individual differences, it will be almost impossible to distinguish between high and low performers. If the system is not implemented and used properly and if the information derived from it is not objective and consistent, the reward system cannot make pay-for-performance a fair reality in everybody's eyes.

All five tracks are always relevant to proper installation of any new system. Each track might be handled differently for different organisations depending on the existing culture or climate and how open minded the employees are. Management, consultants and in-house facilitators must be aware of the diversity of conditions that exists and all the appropriate methods and techniques that are available to deal with each. It is one thing to plan and schedule, but quite another to implement the plans. Do not be disillusioned if the real world differs a little to what was planned. As Kilmann (1989), says. " Human nature and human systems do not lend themselves to an entirely predictable path. Besides if people feel they are being programmed in any way, they may purposely do something illogical or unexpected just to show how independent they really are."

It is therefore very important to stay flexible and sensitive throughout the implementation of all five tracks. It might even be a good idea to establish an information centre for the duration of the project where people's ideas and suggestions can be accumulated continuously.

The training facilitation team should be responsible for monitoring and keeping the project on track. Top Management should however keep accountability and should visibly lead the project. The fundamental issue is always whether the employees will adopt change at a personal level and whether they will manage their own destinies. Employees often wait for things to be ordered by management before they act. Or they refer to the organisation as an external body of which they form no part of. "This organisation will never change; When is management going to change?; This organisation will never develop me." It is essential that people adopt an attitude of internal control in stead of explicit control. That is, they must accept that what happens to them will depend on their own behaviour. This is also very important to the successful management of the corporate performance communication system in the future. People are being supplied with a dynamic system that they must use to continuously adapt the organisation to changing needs. The system cannot do it on its own. It is dependent on human interaction. The culture track must therefore not be neglected, since a culture of active participation and dedication is necessary during both the change project (5 tracks) and the ongoing change process (productivity improvement).

It must be accepted that the change process will never be complete. The results must always be evaluated in order to reveal barriers that must still be addressed. Culture will always need attention and additional skill and knowledge training will be needed from time to time. Evaluation is also necessary to see whether the new system is delivering in its intended results, namely increased productivity.

M.5 CONCLUSION

While the five steps of installing the new system is complex, so are the performance problems it is designed to resolve. A completely integrated system must be able to address all the major controllable variables in the organisation. At the same time, if it is not introduced and installed properly with the full support of top management it will fail to produce the desired results over a long period of time. No shortcuts should be attempted during any stage of the change process as the researcher guarantee it will affect the process adversely.

APPENDIX N

AN INDUSTRIAL RELATIONS VIEWPOINT

Are organisational transformation and performance development just another phase or a platform for future survival?

The necessity of South Africa attracting significant foreign business investment, meeting the challenges of international competitiveness and effectively managing a diverse and demanding workforce requires a radically new approach to employee and industrial relations. The prospect of developing more enduring and consensual management/ employee relations, motivating improved employee performance and being in a position to concentrate on business growth can only be realised through a process which transforms both individual and business performance. While most South African business concerns are searching for the answers to the dilemma of survival and growth through the current transitionally period, organised labour is simultaneously strategizing for job security, job creation and industry reconstruction.

Matching and reconciling the concerns and needs of COSATU's Industrial Reconstruction Accord, the ANC's RDP and Industry and Commerce's drive for efficiency presents opportunities for the development of plans and actions for interdependent success. This obvious necessity for conscious re-alignment of many business strategies and actions to realise the expectation of all the concern's stakeholders has created the need for substantial transformation of industrial relations policies, strategies and practices.

N.1 Traditional industrial relations

Traditional industrial relationships are typically characterised as having a collective focus - supported by established procedural agreements and supplemented by regular substantive negotiations.

Unionised labour is however under increasing pressure to be more flexible in the face of legitimate business needs to restructure for competitiveness. Increasingly, labour is advocating jointly managed and longer term strategies founded on principles of employee development/ empowerment, workplace reform and gain-sharing. Business leaders are similarly attempting to find an equitable balance between business performance, heightened expectations and shrinking margins; many apparently inhibited from action planning beyond tentative contingency provisions by immediate uncertainties.

N.2 A conceptual and practical IR framework

As a result of the shift in the approach of COSATU dominated labour, and the efforts of numerous joint forums and working groups established in organisations, a process of transformation is already taking shape within this new conceptual industrial relations framework. The pressures for productivity and skills development, effective affirmative action and a more participative management style are steering employers and employees towards a shift in the traditional IR focus.

The new framework's supporting systems are:

- Substantive negotiations of a more strategic and longer-term nature
- Collective mutual interest agreements and accords
- Work group or team development
- Individual employee performance development and empowerment

Table 63: IR Framework Supporting Systems

Each system has its own mechanisms and objectives, but with many issues often common to a number or all the systems (example: job grading and career pathing). All four systems, despite their strategic differences, have the common objective of facilitating planned transformation that will induce significant individual and overall business performance improvement.

N.3 Accepted significance of individual relationships

Converting frustration into constructive motivation to improve performance through this shift in relationship focus cannot be effectively achieved by focusing exclusively on any of the four systems. Practical experience though, also clearly indicates that an approach which attempts to initiate action on all four levels simultaneously generally leads to lack of focus and a definite sequential action plan. In contrast to the often tried strategy of centralised and collective controlled activity, an approach founded on a "bottom-up" individual employee empowerment philosophy generates real momentum and measurable results.

In many cases however, despite the principle acceptance of all the parties, a bottom-up approach is avoided, most often due to the following:

- A distinct lack of trust between the parties involved
- No mutually acceptable and credible mechanism being available to implement such process
- The lack of support, reinforcement, reward and monitoring systems

Table 64: Elements of Bottom-up Avoidance

N.4 Productivity / performance development and transformation

The utilisation of the approach as described in the previous chapters to employee development and enhanced organisation performance meets the critical requirements of credibility, employee motivation, climate reinforcement and performance reward. With the fundamental philosophy of employee development being the key, individual productivity can be unleashed and the organisation developed through the individual and team components - rather than via often resisted corporate restructuring and collective negotiated processes. The unique "double-loop" approach leads to the integrating and congruence of corporate, working group and individual employee goals - also impacting on the collective elements of industrial relationships and bringing about a long awaited re-engagement of the parties through individual interactions.

The system, which has the voluntary contracting of improved performance by both the manager/ manager and employee as its base, creates a platform for real and effective workplace relationships at a time most needed by business, organised labour and a highly expectant workforce. Many view this contacting process as the single most crucial factor in determining the success of the system. The mechanism of this "employee performance and managerial support contracting" is therefore the system's greatest strength and ensure practical and realisable goal congruence from the outset.

While the system is extremely effective as a focused and employee-driven system, three pre-conditions are important for creating a supportive environment and its ultimate success:

An absolute commitment at corporate level to the full and thorough implementation of the process, demonstrated through ongoing support and dedication to its achievement of established objectives. The full support and participation of all employee representative bodies and Unions in the implementation, maintenance and evaluation of the entire process.

The open and constructive engaging of employees and their facilitators/ managers in the interactions and agreements required to secure the fullest release of motivation to activate the process.

Should the organisation's organisation identify with the challenges highlighted above. and should the organisation wish to transform the organisation's organisation into one capable of achieving its fullest potential through its employees, we do advocate this full-blooded approach to transformation through employee development.

APPENDIX O

GENERATION OF INPUT DATA AND THE USE OF THE BIMP SYSTEM

(SECTION 1) WORK ENVIRONMENT IMPROVEMENT

Step 1. Weight the importance of each element of the work environment

Step 2. Rate the level of satisfaction with each element

Step 3. Calculate the work environment indicator

Step 4. Determine priority of work environment concerns

Step 5. Record reasons for concerns

Step 6. Formulate a work environment improvement plan to address these concerns

Step 7. Sign the completed document

(SECTION 2) PERFORMANCE MANAGEMENT

2.1 CORPORATE PERFORMANCE MANAGEMENT

Step 1. Define corporate market offering

Step 2. Identify all tangible and intangible attributes

Step 3. Identify all existing and potential customers

Step 4. Identify all competitors

Step 5. Select attributes and divide into order winners and order retainers

Step 6. Define overall corporate performance objectives

Step 7. Cascade objectives down through all divisions

Step 8. Derive strategies for these objectives

Step 9. Determine and compile all core and support job profiles

Step 10. Establish the internal and external value chains

2.2 EMPLOYEE PERFORMANCE MANAGEMENT

Step 1. Identify performance outcomes (performance outcomes, KPA's, CPA's, results, tasks, et cetera.)

Step 2. Weight relative importance of the performance outcomes

Step 3. Define the authority level of each task

Step 4. Identify and weight the relative importance of all key customers

Step 5. Identify the relevant key suppliers

Step 6. Set standards for performance outcomes

Step 7. Set standards for task inputs

Step 8: Do a potential problem prevention analyses

Step 9: Record performance indicators for each task

Step 10. Assess performance according to standards and performance indicators (Team or one-on-one)

Step 11. Calculate overall performance level indicator

Step 12. Determine priority of performance concerns

Step 13. Sign the completed document

Step 14: Formulate a performance development plan

(SECTION 3) HUMAN RESOURCE DEVELOPMENT

(Use the same performance outcomes, weights, specific performance outcomes and assessment criteria as in section 2.2)

Do steps 1 to 4 as described in section 2.2 if section has not been completed or copy the results of these steps to section 3

Step 5. Rate existing competence against competencies embedded in performance standards

Step 6. Calculate overall competence level indicator

Step 7. Determine the priority of competence development needs

Step 8. Sign the completed document

Step 9. Formulate a human resource development plan

SECTION 1: WORK ENVIRONMENT IMPROVEMENT

Step 1: Indicate how important each element of the work environment is to you personally (employee)

Purpose: To determine what is important to each team member personally

Who: Employee only

When: At the start and end, and at regular intervals during each performance cycle

How: 1. Read each element listed in the first column of the Work Environment Improvement Worksheet carefully.

2. Consider the importance of each of the elements to the you personally. For example, ask yourself: "How important is 'Clear task

specification' to me personally?"

3. Give your answer in the form of an importance weight on the predetermined scale

4. Enter your weights in column (W)

Guidelines: Must be important to the organisation personally
More than one element may have the same weight
Use the full scale
Weight every element

Pitfalls: Trying to prove "I'm right and you're wrong"
Trying to ridicule the other's perceptions
Dishonesty
Trying to blame the environment for personal shortcomings
Centralising (focusing around middle value)
Everything has a high importance

Managers:

You may not be prescriptive about what should be important to the employee.
Try to understand the employee's perception.
Do not argue about differing perceptions, rather try to obtain consensus on differing viewpoints.
Take special note of the elements weighted high since they are very important to the employee

Step 2: Rate the level of satisfaction the you experience with each element in your working environment

Purpose: To determine whether the elements inhibit or enhance the employee's performance

Who: Employee only

When: At the start of, and regularly during each performance cycle

How: Indicate the level of satisfaction you experience with each element, using the pre-determined rating scale:

Example of scale:

Total satisfaction with the element	=10
Almost total satisfaction regarding the element	= 9
Acceptable, but element could be improved	= 7
Fair level of satisfaction regarding the element, but must be improved	= 5
Great Dissatisfied with the element	= 3
Complete dissatisfaction with the element	= 0

Enter your rating in column (R)

Guidelines: Be objective
Be honest
Must be able to substantiate all ratings

Pitfalls: Over sensitivity
Dishonesty
Creating imaginary problems to justify poor performance
Being fatalistic ("nothing can be done about it, so why bother")

Managers: Focus first on the elements weighted high and rated low

Step 3: Determine the Work Environment Level Indicator

Purpose: To get an indication of how accommodative the work environment is to the employee in performing his or her tasks

Who: Employee and manager

When: With each work environment diagnosis

How: 1. Multiply each weight by its corresponding rating and enter the answer under

WxR

2. Add all the weights and enter the answer under weights (W)

3. Add all the weighted ratings and enter the answer under (WxR)

4. Divide the total of the weighted ratings by the total of the weights and convert to fit on a scale of 0 – 100. The answer is the work environment indicator (It indicates the degree to which the work environment satisfies the needs of the employee on a scale of 0-100 where 100 is the desired value representing total satisfaction)

Guidelines: Be accurate

Work to one decimal point

Accept the first work environment rating done (however good or bad it may be) as a given on which can be improved in future

Pitfalls: Calculation errors

Note: Future indicators and results may be compared to see whether the work environment has become more or less accommodating of performance

Managers: It is your responsibility to try to remove performance barriers to the extent that the indicator value approaches 100

Your performance as a manager depends on the performance of your employees; regard them as your clients

Elements with high relative importance and low ratings (high priority) which are not addressed will continue to be a sources of dissatisfaction with the employee until they have been rectified

Note: See the work environment as an interactive whole. Pay attention to all elements with high priority ratings. It may be that the Work Environment Level Indicator looks good but if a critical element, for instance "the correct equipment" is lacking, the employee might not be able to perform optimally.

Step 4: To Determine priority of work environment concerns

Purpose: To identify which work environment barriers should be addressed first

Who: Employee and manager

When: Every time a work environment diagnosis is done

How: Subtract each weight (W) from its corresponding rating R and covert it to fit on a positive scale. Enter the answer in (P). The lower the value (closest to 1) the greater the concern and therefore the higher the urgency to rectify (The computer programme will do it automatically)

Guidelines: Be specific
Give true reasons (facts)

Pitfalls: Ambiguity
Vagueness
Irrelevant issues
Dishonesty

Managers: Do not argue with the employee or try to persuade employee through your authority. Simply clarify the concern and treat it as important to the employee in a win-win fashion

Step 6: Formulate an Action Plan for improving the work environment

Purpose: To determine a new set of responsibilities for the manager to take care of in order to allow the employee to perform better

Who: Employee and manager

When: During each work environment diagnosis, preferably after all employees' information have been accumulated through the central report system.

How: 1. Determine specific actions to eliminate obstacles: use action verbs e.g. decide, obtain, find, provide.

2. Determine definite deadline dates for actions to be completed and responsibility

3. Enter Y (yes) or N (no) in status column to show whether intended action has been taken or not. This must be done regularly to update the status otherwise the system will indicate a large number of overdue activities in its status report.

Guidelines: Do not argue
True reasons only
Generate a specific and complete action plan with completion dates
Elements with high priority (P) values of 5 and lower must be addressed
Be realistic regarding available time

Note: It is the responsibility of the manager to eliminate as many obstacles as possible from the work environment

Pitfalls: Opposing views with regard to work environment
Negative attitudes to work environment
Arguments, Deadlocks
Unrealistic expectations/reasoning
Lack of commitment

Managers: NB. The perception of an employee is a reality to him and cannot be "wrong". The elements which are very important to the employee I.e. with a high W value and low R value should be rectified first (Lowest P value). The organisation should list an performance outcome in your own Performance Management namely, "Improve employee's work environment barriers" and weight it a high importance value. The standard should be "According to the agreed Action Plan".
This is your opportunity to become a valued member of the group

Step 7: Sign the Work Environment Improvement document
(Sign the computer report print-out and keep record of it if the organisation use the computer programme)
Purpose: To show that consensus has been reached regarding all the elements of the work environment

Who: Employee and manager

When: After the action planning discussion

How: Sign the document in the space provided

Guidelines: All the parties indicated must sign the Work Environment Improvement document
If complete agreement cannot be reached, do not sign. To say the organisation were forced or intimidated will not be accepted
Further discussion with the manager and employees may lead to consensus

Pitfalls: Coercion or intimidation
Obstinacy
Being scared to sign
Making invalid or unsubstantiated excuses not to sign

SECTION 2: PERFORMANCE MANAGEMENT

Section 2.1: Corporate Performance Management

Section 2.2: Employee Performance Management

STEP 1: Identify and agree on performance outcomes

Purpose: To determine what work should be done (or any other criteria that performance appraisal will be based upon) this may be the task, attitude or behaviour that is required. Could be described as performance outcome, result, task, objective, key performance area, et cetera.

Who: Employee and Manager

When: At the start of the performance cycle, and then at regular intervals or when changes occur

How: (Determine what performance outcomes the business unit or management unit must achieve for the current performance cycle if not done already)
Determine what the employee must deliver to achieve these performance outcomes and list them on the Performance Management worksheet

Guidelines: Use short, concise descriptions, containing an action verb
Use clear descriptions (be specific)
Completion of the performance outcomes listed must result in achievement of the mission or objective/s of the organisation
Performance outcomes must be fully understood and agreed upon by manager and employee
The manager is not allowed to impose his will on the employee
Performance outcomes must be consistent with the employee's responsibilities

Pitfalls: Vaguely described performance outcomes
Performance outcomes not value adding
Lack of agreement between employee and manager
Treated as an administrative ritual
Unproductive arguments

NOTE: Each employee should list an performance outcome “Prevent Problems”. It will be clear after step 5 why this should be done

Managers: Explain why specific performance outcomes should be delivered
Ensure that the employee agrees and does not just submit to your ideas
It is suggested that the organisation list an performance outcome on your own Performance Management Document namely "Develop skills of employees"

Step 2: Agree on the relative importance of the listed performance outcomes

Purpose: To differentiate between the relative importance of performance outcomes

Who: Employee and manager

When: After determining or adjusting the performance outcomes

How: Weight performance outcomes on the predetermined scale and record your choice in the weight (W) column

Guidelines: Use the full scale
Assign a relative importance weight
More than one performance outcome can have the same weight, but try to differentiate
Employee and manager must agree on relative weights

Pitfalls: Everything highly important (using only high numbers)
Centralising effect (focusing around middle value)

Managers: Explain why certain performance outcomes are more important than others. Guide employees with regard to relative weights of performance outcomes and their personal contribution to achievement of the mission.
Give the performance outcome " Develop skills of employees" a high weight value

STEP 3: Define the authority level of each task

Purpose: To clarify which tasks the employee are permitted to perform without permission and which not.

Who: Employee and Manager (and team)

When: At the start of the performance cycle, and then at regular intervals or when changes occur

How: For each task decide whether the employee must/may:

1. First ask permission and then execute
2. Execute without permission, but report afterwards
3. Execute without permission or reporting back

Guidelines: Use an easy code to remember as above (1,2,3)

Make sure the employee agrees and understand the level

Make sure the employee is competent and confident in handling level 3 tasks

The employee must be willing to take the accompanying responsibility

Pitfalls: Incorrectly allocated authority

Tasks not value adding

Lack of agreement between employee and manager

Treated as an administrative ritual

Managers: Explain why this is important. Ensure that the employee agrees and does not just submit to your ideas. It is suggested that you aim at empowering your employees as much as possible towards level 1 authority as it will cut red tape, save time and improve productivity overall. It will also free you as manager to concentrate on your job. It will also encourage proper competence development.

Step 3: Identify Key Customers

Purpose: To involve all the important parties that will be affected by the performance. This include the manager, other employees, suppliers, clients (internal/external), et cetera.

Who: Employee and manager

When: After determining or adjusting the performance outcomes

How: List all the important people that will be affected by the performance and weight them according to their relative importance

Guidelines: List only key people, do not make it impractical

Use the full scale

Assign a relative importance weight

More than one customer can have the same weight

Employee and manager must agree on the customer list as they will perform the performance assessment

Pitfalls: Not involving the right people

Making the list too long

Managers: The key customers will be asked to state their requirements with regard to the outcome of the performance and they will appraise the performance according to these standards. It is therefore important to list the right people.

Step 4: Set standards for performance outcomes

Purpose: To say "how well" the performance must be done (Identifying the requirements or measurement criteria that the performance outcomes should conform to)

Who: Employee and manager (and key customers)

When: After weighting the importance

How: State the expected requirements in terms of the evaluation scale
If the statements are to numerous for any single performance outcome, list these on the Standards expansion list and enter its reference number in the standards column

NOTE: It is the prerogative of the user organisation to describe the ratings and especially the detail of the different ratings on the scale. It makes evaluation of the delivered performance easier and minimises potential conflict. If this is not done, the required performance must be described very specifically and the scale indicated in the appraisal step may be used during the appraisal of performance.

Types of measurement criteria: Time, Quality, Quantity, Deadlines, Money
Percentage, Ratio, Binary (yes or no)

Note: Only when it is impossible to stipulate "tangible" standards, both parties should agree on the subjectiveness of the standard that the performance outcome should conform to and define it as accurately as possible
Groups of people or functional teams can work together to generate standards
If Key Customers were identified, they should each give at least one critical requirement with regard to the performance outcome of the performance on the relevant performance outcome. In this case Team Appraisal must be done when appraising the performance where each key customer rates the

performance according to the standard(s) he laid down.

Guidelines: Quantify your standards or agree on subjective standards
Standards must be cost effective
Standards must be optimistic, but realistic and fair
Categorise standards according to the evaluation (rating) scale
Statements must be clear and complete
Standards must be mandatory
Conformance/non-conformance to the standard should have a significant impact on the quality of the performance outcome

Pitfalls: The common assumption that "his job is not measurable/it is impossible to set standards for his job"
Vague descriptions creating differing perceptions for manager and employee
Incomplete standards (not containing all the attributes or criteria)
Assumptions

Managers: Guide the employee in setting standards. You should know exactly what is expected of your department and what you want from the employee to achieve it, then tell the employee exactly what you want. Be absolutely sure about what is acceptable and what not, and be ready to justify it to anyone. "Because I say so" is not a standard. Standards are the quality criteria used to describe the desired outcome of a task, spend enough time to generate relevant standards

Step 3: Identify Key Customers

Purpose: To involve all the important parties that will be affected by the performance. This include the manager, other employees, suppliers, clients (internal/external), et cetera.

Who: Employee and manager

When: After determining or adjusting the performance outcomes

How: List all the important people that will be affected by the performance and weight them according to their relative importance

Guidelines: List only key people, do not make it impractical
Use the full scale
Assign a relative importance weight
More than one customer can have the same weight
Employee and manager must agree on the customer list as they will perform the performance assessment

Pitfalls: Not involving the right people
Making the list too long

Managers: The key customers will be asked to state their requirements with regard to the performance outcome and they will appraise the performance according to these standards. It is therefore important to list the right people.

Step 5: Identify Key Inputs and Resources

Purpose: To determine what is needed in order to produce the required performance. This materials, money, semi-finished products, appliances, tools, equipment, information, manpower, et cetera.

Who: Employee and manager

When: After determining or adjusting the performance standards

How: List all the important inputs and resources that will be needed for each task

Guidelines: List only key inputs and resources
Make the list complete
Do not include nice-to-have's

Pitfalls: Not involving the right people
Making the list too long

Managers: The employees will be asked to state their requirements with regard to the performance tasks. It is therefore important to list the right inputs and resources

Step 4: Set standards for inputs and resources

Purpose: To say "how well" the performance inputs and resources must be done (Identifying the requirements or measurement criteria that the performance inputs should conform to)

Who: Employee and manager

When: After identifying the inputs

How: State the expected requirements in terms of quality and quantity

Types of measurement criteria: Time, Quality, Quantity, Deadlines, Money Percentage, Ratio, Binary (yes or no)

Note: Only when it is impossible to stipulate "tangible" standards, both parties should agree on the subjectiveness of the standard that the performance input should conform to and define it as accurately as possible. Groups of people or functional teams can work together to generate standards

Guidelines: Quantify your standards or agree on subjective standards
Standards must be cost effective
Standards must be optimistic, but realistic and fair
Statements must be clear and complete
Standards must be mandatory
Conformance/non-conformance to the standard should have a significant impact on the quality of the performance outcome

Pitfalls: Vague descriptions creating differing perceptions for manager and employee
Incomplete standards (not containing all the attributes or criteria)
Assumptions

Managers: Guide the employee in setting input standards. Be absolutely sure about what is acceptable and what not, and be ready to justify it to anyone. Input standards are the quality criteria used to describe the desired input to a task, spend enough time to generate relevant standards

Step 7: Identify Key Suppliers

Purpose: To involve all the important parties that will affect the performance of the employee. This include the manager, other employees, suppliers (internal/external), support functions, et cetera.

Who: Employee and manager

When: After determining the input standards

How: List all the important people that will affect the performance

Guidelines: List only key people, do not make it impractical
Employee and manager must agree on the supplier list

Pitfalls: Not involving the right people
Making the list too long

Managers: Your employees will be the key customers to these key suppliers. It is therefore important to list the right people. Your input standards will become part of their outcome standards

Step 8: Do a Potential Problem Prevention Analyses

Purpose: To identify possible problems with regard to each performance outcome before they occur and plan specific actions to prevent them. Prevention is better than cure, but has to be planned deliberately

Who: Employee and manager

When: After determining or adjusting the standards

How: List all the major problems that can occur with each performance outcome.

Decide what would cause this to happen and plan actions to eliminate or reduce the likelihood of each cause to realise. Consider the standards when determining potential problems especially critical specifications

Guidelines: List only serious problems with high financial impact
Be thorough
Actions take on priority of performance outcome's relative weight
More than one problem, cause or action can be listed per performance outcome

Pitfalls: Not covering all bases
Making the list too long

NOTE: These listed preventive actions will normally become the responsibility of the employee and his/her performance assessment must include these. An performance outcome should be listed as Prevent Problems and it should be appraised against the outcome of the action prevention list

Managers: This is a very important step as it is pro-active in nature and will save your team money and time if it is executed with care

Step 9: Assess performance

Purpose: To compare actual performance to the standards to establish whether performance is below, at or above the required performance

Who: Employee and manager or key customers

When: After setting performance standards if possible and during and at the end of the performance cycle

How: Rate performance against the agreed standard, using the pre-defined rating scale
If the standards where categorised in terms of the scale, decide which description fits the actual performance and allocate the corresponding rating

value

If the standards where not categorised according to the scale compare the actual performance to the description under "required" and rate it relative to it using the scale

Example of a suitable scale:

Constant outstanding performance (improving constantly and cost effectively on the set standards)	=10
Almost constant outstanding performance above standards	= 9
Conforms to agreed standards and sometimes better	= 7
Always conforms to the agreed standards	= 5
Often conforms to standards but improvement needed in specific areas	= 3
Does not conform to standards. Drastic improvement needed	= 1
No performance at all	= 0

NOTE: Each standard should not be evaluated. The performance outcome of the performance outcome should be rated once using the standards as a quality reference

Guidelines: Be honest in the rating

Accept the first performance rating done (however good or bad it may be) as a given on which can be improved in future

Go out of your way to seek agreement

Agree on the ratings

Be serious and thorough in your rating

Only one value per performance outcome

Rather use the statements to rate the performance instead of the numerical values

Note: When using the second method do not rate the standards individually. The concern is how well the job turned out overall when taking all standards into account

Pitfalls: Arguments

Manipulating the values to try to get a higher than true score

"Halo" effect (high scores only)

Intimidation and coercion

Creating an "the researcher win-the organisation lose environment"
Obstinacy

Managers: Rate every employee against the agreed standards only and not against other employees

Step 10: Calculate the performance level indicator

Purpose: To determine the overall level of performance compared with the expected level

Who: Employee and manager

When: At least at the beginning and end of each performance cycle (or at any time during the performance cycle)

How: 1. Multiply each weight by its corresponding rating and enter the answer under WxR

2. Add up all the weights and enter the total under weights (W)

3. Add up all the weighted ratings and enter the total under (WxR)

4. Divide the total of the weighted ratings WxR by the total of the weights W and multiply by k to convert to a 0 – 100 scale

5. The answer is the personal performance level indicator on a scale of 0 - 100

The computer programme calculates it automatically

Guidelines: Be accurate
Work to one decimal point

Pitfalls: Calculation errors
Incorrect interpretation of the indicator value

Managers: Do not make any promises to an employee if the indicator exceeds the expected

Step 11: Determine priority of performance concerns

Purpose: To identify which performance outcomes contribute most to performance deficiencies

Who: Employee and manager

When: Every time a performance evaluation is done

How: Subtract each weight (W) from its corresponding rating R and convert to a positive scale. Enter the answer in (P).
The lower the value (closest to 1) the greater the concern and therefore the higher the urgency to rectify.
(The computer programme will do it automatically)

Step 12: Sign the Performance Management document

Purpose: To show that consensus has been reached on all the elements of the Performance Management

Who: Employee and manager

When: After all the other steps have been completed

How: Sign the document (or computer print-out) in the space provided

Guidelines: All the parties indicated must sign the Performance Management worksheet
If complete agreement cannot be reached, do not sign. To say the organisation were forced or intimidated will not be accepted
Further discussion with manager and employees may lead to consensus

Pitfalls: Coercion or intimidation
Obstinacy
Making invalid or unsubstantiated excuses not to sign

Step 13: Formulate a performance development plan

Purpose: To generate an official performance development plan and to record and monitor the progress of performance development for each employee

Who: Employee and manager

When: After the Productivity Improvement Discussion

How: List all the identified development needs on an appropriate document (Performance Development Plan)
Customise it for your organisation or use the BIMP computer system

The development priority is copied from the performance assessment section
Entering a "C" or "NC" in the status column indicates whether it has been completed or not. This makes record keeping easy and overdue concerns are easily spotted

The pre- and post-ratings serve to indicate the impact of the development action. The pre-rating is taken from the performance assessment that was done prior to the formulation of the development action and the post-rating should be done a suitable period after the development event (according to performance evidence and not according to emotions)

Ensure that the number of development activities is realistic in relation to the time available. Concentrate on priority needs and commit to it. Once a realistic development plan has been generated it should be executed properly.

Note: Performance gaps could be the due to a lack of skills in which case the development activities will in fact imply skills development. In this case the development action should be transferred to the HR Development section and be included in the competence development plan

Guidelines: All the parties indicated must agree to the development needs of the employee and commit to it

Pitfalls: Plan is not executed because of a lack of interest or "work pressure"
Plan is not realistic with regard to time frame
Needs are misinterpreted
Budget misallocation
Identified action is not really the correct answer to the need

Managers: Budget for the identified performance development needs of your employees. Schedule work to enable employees to attend development actions. To formulate an unrealistic development plan that cannot be executed, is worse than not doing it at all. Do not create unrealistic expectations as it could be used as excuses for low performance

SECTION 4: HUMAN RESOURCE DEVELOPMENT

Steps 1 and 2: Determine and prioritise performance outcomes
{See Section 3 Steps 1 and 2}

Step 3: Identify the essential skills needed to achieve the performance outcomes

Purpose: To ensure successful achievement of the tasks

Who: Employee and manager

When: At the beginning of the performance cycle and at least every 6 months

How: 1. Use the same performance outcomes and weights that was identified and agreed upon in the Performance Management section
2. List all the competencies required to deliver each task outcome
3. If a skill is relevant for more than one task, enter it for every appropriate task

Guidelines: Concentrate on essential competencies
Be specific (I.e. not Reports, but Report writing skills, Report analysing skills, et cetera.)
Do a complete analysis

Pitfalls: Listing non-essential or "nice to have" competencies
Listing irrelevant competencies

Managers: Guide employee to identify essential competencies for current performance outcomes/goal achievements first before identifying competencies required for future use. "Stretch" the requirements somewhat to challenge the employees to higher development. Do not list hard skills only - Soft skills, team skills, people skills, life skills, thinking skills, cognitive skills, et cetera. are equally important and can produce a competitive edge and ongoing productivity improvement. Revise and update the essential list periodically - HRD should be a dynamic process of major importance

Section 3: Human Resource Development

Step 4: Determine employee's competence development areas

Purpose: To determine shortcomings in competence that might inhibit optimum performance. Competence is used as a general term referring to all the abilities needed to perform a task. Knowledge = cognitive skills

Who: Employee and manager

When: During the Productivity Improvement Discussion and at least every 6 months afterwards

How: Rate your competence on the pre-determined scale

Example of scale:

All required competence and more exist for the job	=10
Almost all required competence exist for the job	= 9
More than average competence exist but rounding off needed	= 7
The minimum competence required to do the job exist	= 5
Some competence present but not enough to do the job	= 3
Competence almost non-existent	= 1
No competence	= 0

Guidelines: Be honest

First competence rating (however good or bad it may be) should be accepted as a given on which can be improved

Agree on the rating

Be serious and thorough with the rating

Do not try to interpret values numerically

Employee responsible for own training and development and for transferring training to the job environment

Manager responsible for budgeting and scheduling for identified training and development needs, allowing employee to attend training, and for monitoring transfer of learning to the work environment

Each competency rated low represents a development area

Pitfalls: Arguments

High ratings to try to disguise a lack of competence

High ratings to disguise embarrassment

Low ratings from leader to degrade employee

Note: More than the required competence = the required competence

With the performance rating each performance outcome is rated once only against the standards, regardless of how many standards an performance outcome should conform to. With the competence rating each skill, regardless of how many, must be rated against each performance outcome

Step 5: Determine the competence level indicator of the employee

Purpose: To get a picture of the overall competence level of the employee

Who: Employee and manager

When: At any stage during the performance cycle when determining the competence gaps (needs)

How: 1. Multiply each performance outcome weight by it's corresponding competence rating and enter the answer under WxR.

(Where more than one skill is listed per performance outcome, the performance outcome weight should be used for each skill)

3. Add all the weighted ratings and enter the total under WxR

4. Divide the total of the weighted ratings by the total of the weights and convert to a scale of 0 - 100

5. The answer is the competence indicator on a scale of 0 - 100 where 100 is the desired level

Guidelines: Be accurate
Work to one decimal point

Pitfalls: Calculation errors
Incorrect interpretation of the indicator value

Step 6: Determine priority of competence development needs

Purpose: To identify which competence needs should be attended to first

Who: Employee and manager

When: Every time a Productivity Improvement Discussion or competence assessment is done

How: Subtract each weight (W) from its corresponding rating R and convert to a positive range. Enter the answer in (P). The lower the value (closest to 1) the greater the concern and therefore the higher the urgency to rectify (The BIMP computer programme will do it automatically)

Guidelines: Be accurate

Pitfalls: Calculation errors

Managers: A low value represents a definite development need

Step 7: Sign the Human Resource Development document

Purpose: To show that consensus has been reached with regard to all elements of the development of the employee

Who: Employee and manager

When: After the Productivity Improvement Discussion

How: Sign the document in the space provided

Guidelines: All the parties indicated must sign the Human Resource Development document
If complete agreement cannot be reached, do not sign. To say the organisation were forced or intimidated will not be accepted

Pitfalls: Creating a "the researcher win - the organisation lose" atmosphere during the discussions
Coercion or intimidation
Obstinacy
Making invalid or unsubstantiated excuses not to sign.

Managers: Do not stop at this stage, carry on to formulate a competence development plan for each employee

Step 8: Formulate a competence development plan

Purpose: To generate an official training and development plan and to record and monitor the progress of personal development for each employee

Who: Employee and manager

When: After the Productivity Improvement Discussion

How: List all the identified development needs on an appropriate document (Human Resource Development Plan)

Customise it for your organisation or use the BIMP computer system

NB. Enter needs identified by other sources as well such as, career planning. coaching, management development centre, tests, et cetera.

If different sources of competence needs are treated in isolation to each other it gets confusing and the employee may lose in the end. Only one time frame exists for each employee and therefore all needs should be slotted into one system in series

The development priority is copied from the competence evaluation section and other sources must be compared to these and also prioritised in the same chain

Entering a "C" or "NC" in the status column indicates whether it has been completed or not. This makes record keeping easy and overdue concerns are easily spotted

The pre- and post-ratings serve to indicate the impact of the development programme. The pre-rating is taken from the competence evaluation that was done prior to the formulation of the development programme and the post-rating should be done a month or two after the training event (according to performance evidence and not according to emotions)

Ensure that the number of training/development programmes is realistic in relation to the time available. It is no use to attend courses on such a basis that there is no time left to perform at work. Concentrate on priority needs and commit to it. Once a realistic development plan has been generated, training should not be sacrificed for work purposes. It soon becomes a habit to cancel training "because of work pressure"

Guidelines: All the parties indicated must agree to the development needs of the employee and commit to it

Pitfalls: Plan is not executed because of a lack of interest or "work pressure"

Plan is not realistic with regard to time frame

Needs are misinterpreted

Budget misallocation

Identified training is not really the correct answer to the need

Existing training programmes are forced onto the needs to give validity to them

"Sounds nice" training allocations, not specific to needs

Focusing on classroom training courses solely

Managers: Budget for the identified training and development needs of your employees. Do not budget for training costs only, but also for stand-in personnel or overtime. This is where most budgets fall short and eventually the candidate must cancel to carry on with the work. Schedule work to enable employees to attend training and development sessions

The BIMP computer system will prompt the organisation to enter the estimated cost for each development action (direct and peripheral) and it will supply a report that will display the total estimated training costs which could directly be used for the training budget. To formulate an unrealistic development plan that cannot be executed, is worse than not doing it at all. Do not create unrealistic expectations as it could be used as excuses for low performance.

PRODUCTIVITY IMPROVEMENT DISCUSSION

Prepare and conduct a productivity improvement discussion

Purpose: To increase the chances of success of the discussions

Who: Employee and manager

When: Before each discussion

How: Prepare the necessary documentation properly and thoroughly

Inform the other party of the intended discussion well in advance

Complete a short, concise agenda relevant to the Productivity Improvement Discussion

Example of agenda:

1. Identifying work environment improvement areas
2. Setting standards for newly identified performance outcomes
3. Discuss key suppliers and customers and potential problems
4. Rating personal performance against standards

5. Identifying competence to be developed to achieve standards

Note: The agenda helps both parties to keep discussions on track

Guidelines: Prepare thoroughly
Make thinking visible
Be open minded
Display a win-win attitude
Use the BIMP documents

Pitfalls: Suspicious attitudes
Us/them attitude
Lack of commitment to work
Opposing each other - not acting like members of the same team
Getting emotionally involved

Managers: Display effective listening competence. Lead discussions by effective questioning techniques. Focus on process questions

Conclusion

On completion of all 4 sections each employee and manager will be equipped with a collection of sound and essential business information documents. The three indicators can be compared with each other and future indicators can be compared against previous one's to detect the trends and progress within their domains.

To use a hand system will be equivalent to using a manual typewriter to do high volume word processing. The researcher believes a computer should only be used where it really make sense and this is such a case where a well designed computer package can provide dynamic information, calculate indicators and update the status of activities efficiently and accurately. It is of no use to go through all these planning and analysis without ensuring that proper actions were taken. It is a waste of resources to create paper monuments.

The researcher had the BIMP system computerised and had it programmed and tested in Windows '98.

APPENDIX P

THE BIMP COMPUTER SYSTEM

The functional areas of the BIMP system is displayed in the following diagram:

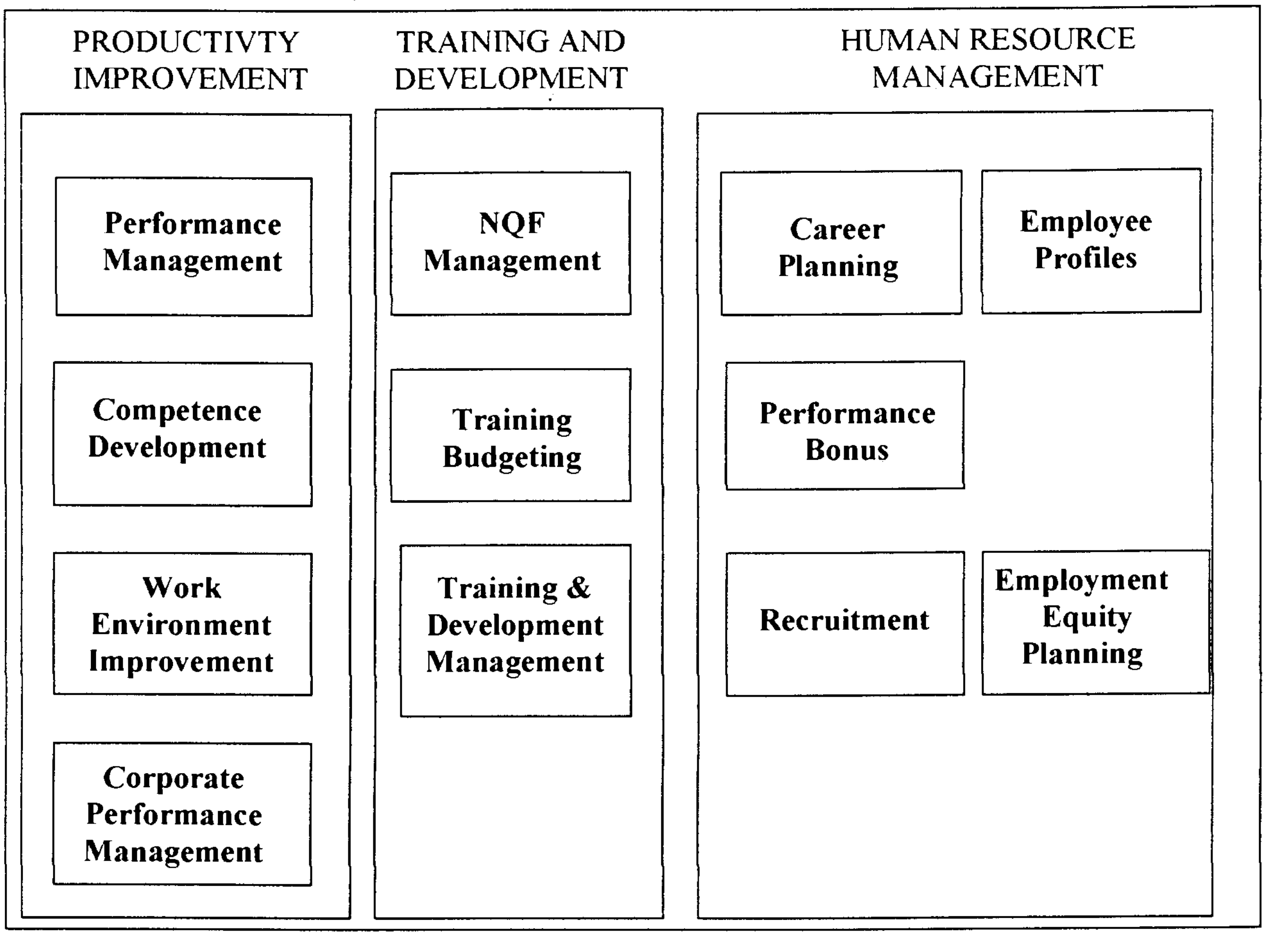


Figure 28 BIMP System

P.1 Technical Specifications

It is a fully 32-bit system designed for Windows 95, Windows 98 and Windows NT 4.0. The system was formally modelled using the UML (Unified Modelling Language) and Rational Rose, and was developed mainly in Visual Basic 6.0 using a three-tier approach.

It is thus based on a client-server design for maximum scalability in the enterprise and runs on the following relational database engines : Microsoft SQL Server, Pervasive.SQL and Microsoft Access. Future versions will also be able to run on Oracle. The system is thus able to scale from a single desktop installation to a multi-user, true client-server installation. From the start the system was designed to interface with existing systems in the market by exposing an ActiveX interface, thus allowing custom interfaces to be developed by third parties for any third party product. Currently, development is already underway to develop interfaces for the new VIP Payroll system from VIP Business Systems, as well as Online Learning from WebActive Solutions. The system boasts an extremely intuitive GUI, as well as context sensitive help and online manuals, as well as being Y2K compliant.

P.2 System Features

P.2.1 System Set-up

- Authorisation

A wide range of options are available were groups of employees can be allocated access to various elements of the system data. Access can be specified to include or be limited to enter data, edit data, erase data, read data only.

- Default descriptions

The user may change the titles of the data-fields to suite the vocabulary of the organisation. The user can also define the fields associated with employees. This will influence the selection range of reports.

- Organisation levels

Up to 6 levels can be defined. E.g. Corporate, Division, Business Unit, Department, et cetera. On each level all the relevant units can be specified. All are recorded in an organisational hierarchy for performance planning, equity planning and career pathing purposes.

P.2.2 Organisational Performance Planning

- Planning

For each unit on each level performance objectives can be set, strategies and performance indicators can be planned. The strategies of the units on the lowest level should lead to the derivation of the individual employees' performance plans. Dates of last changes accompany each objective or plan.

- Warnings

If the objectives on any level are changed, the date of change appears as a warning to adjust the strategies. On the next level down the same warning occurs to have the objectives adjusted. In the performance management section changes in the lowest level strategies introduce a warning to see if individual performance plans should be adjusted.

P.2.3 Performance Management

- Job profiles

For each unit in the organisational hierarchy, the necessary jobs are derived. For each of these the generic performance criteria is determined. It consist of performance outcomes, tasks, standards and competencies.

- Employee performance criteria

Each employee links to a specific job profile and all generic performance criteria is copied over where it can be adjusted to the specific situation of the employee.

- Potential problem prevention

Potential problems on each performance outcome are identified and preventative actions are planned.

- Performance indicators

Critical incidents or any other important performance evidence can be recorded against each task to be used during performance assessment.

- Team evaluation

In the fashion of 360° evaluation, an evaluation team (key customers) is identified and they evaluate performance against the specified standards. An overall performance level indicator is determined for each employee. An evaluation team member can request access to all evaluation duties allocated to him in one report to make the system a dynamic management tool. Status reports on evaluation progress can be obtained.

- Performance improvement

For all performance deficiencies, improvement plans are drawn up and status reports on their progress are available. Post performance ratings are defined for each completed performance improvement action and the level indicator adjusts accordingly.

- Accumulated statistics

For any group of employees accumulated reports on the evaluation results (level indicators) can be compiled.

P.2.4 Competence Development

- Competence development

For each employee the generic competencies of the job profile can be adjusted to the specific situation. The existing competence of an employee is evaluated against these competencies and an overall competence level indicator is calculated.

- Competence development plan

For each competency need a development action is derived. All these actions are prioritised and fed into a development plan. Competency development needs from other sources, such as qualification attainment and career planning, are also fed into this plan to bring all competency development needs under one umbrella. On completion of learning actions the level indicator adjusts accordingly.

- Career planning

For any employee a future position in the organisational hierarchy can be identified. The competencies in the job profile of this specific position is then used to rate the employee's existing competence against. A career competence level indicator is calculated from this. Needs from this analysis are then also fed into the competence development plan and sequenced according to priority. On completion of learning actions the career level indicator is adjusted.

- Accumulated statistics

For any group of employees accumulated reports on the evaluation results (level indicators) can be compiled.

P.2.5 Work Environment Improvement

- Work environment set-up

The system provides a list of 30 elements from the human, technical en organisational environments as a default list. The user can draw up a number of customised lists for different levels/types of employees.

- Work environment diagnosis

Each employee has the opportunity to rate the importance of each element on his list and to rate the level of satisfaction he experiences with regard to it. Reasons are also supplied. An overall work environment level indicator is calculated.

- Work environment improvement

For each environmental need an improvement action is determined and placed into a work environment improvement plan. As the actions are completed the level indicator adjusts accordingly.

- Accumulated statistics

For any group of employees accumulated reports on the statistics can be compiled. A dissatisfaction index is available indicating for any selected group where the concerns lie. Frequency tables of ratings and weights are available and concerns are prioritised. It is a powerful diagnostic tool leading to meaningful effective organisational development interventions.

P.2.6 NQF Management

- Unit Standard generation

Unit Standards can be compiled for any desired occupation in the organisation or industry. These are grouped under the specific fields and sub-fields as specified by SAQA. There exist 2 possibilities regarding the structure of unit standards and the system allows for both types. Full-scale interaction between the performance management and NQF management sections is available. Parts of or full sets of performance specifications can be copied from one section to the other. In the NQF section the rest of the specified fields can be added to make the unit standard complete. A development team can be identified containing industry members outside the organisation to decide on the performance criteria. If/when SAQA makes accredited unit standards available, it can be imported to the unit standard database table for further use.

- SAQA reports

Completed unit standards are formatted in a SAQA report for submission for accreditation.

- Qualifications planning

From a database table certain relevant qualifications can be selected for members of personnel.

- Learnerships

According to discrepancy between formal past achievement of accredited unit standards and the required unit standards for the relevant qualification, a learnership can be compiled for any employee. This learnership is linked to the competence development plan of that employee in the HRD section. As unit standards are formally completed and assessed in the competence development plan of the HRD section, the NQF management system is updated.

- NTF Subsidy claims

As accredited unit standards are completed through the use of accredited suppliers, claims are compiled and forwarded to the appropriate bodies. Records are kept of claims forwarded and received.

P.2.7 Training Budgeting

- Budgeting

In the database table comprising all the different training suppliers, a field is contained where all the estimated training costs are recorded. As the competence development plans for all employees are compiled, the training costs are accumulated per individual up to the entire organisation. This amount represents the real expected training costs and therefore serves as a sound basis for budgeting. It can be expressed as a percentage of the total remuneration budget. Meaningful adjustments can be made by the elimination or addition of last order training priorities of any selected group of employees until the desired training amount is achieved. The budget is compiled per time interval to indicate cash-flow implications.

- Investment tracking

As training programmes are completed, the costs are confirmed and the real investment total is accumulated. This can be viewed per time interval and group and can be compared against the budget to monitor the percentage use.

P.2.8 Human Resource Management

- Personal profiles

A wide range of customised attributes can be specified and recorded for each employee. Reports can be compiled on these from different points of view.

- Occupational events

All major occupational events such as promotions, retirements, resignations (any change in occupational status), disciplinary actions, grievance actions, et cetera. are recorded for each employee including reasons and commentary. These can be retrieved through individual or accumulated statistical reports.

P.2.9 Performance Bonus

- Bonus set-up

Performance bonuses are derived using the performance indicators that were calculated during performance evaluations. The percentage bonus can be set-up for different intervals of the indicator range. Bonuses are then automatically calculated for each employee based on his performance indicators and the bonus scale. If a payroll system is in use, this part of the system can be ignored and the performance indicators can be exported to the payroll system for bonus calculation purposes.

- Bonus letters

Letters are automatically printed for each employee containing the bonus information.

P.2.10 Recruitment

- Competence criteria set-up

For each position in the organisation a job profile was drawn up as explained earlier. This profile is converted into an evaluation tool to be used by all job applicants.

- Candidate evaluation and comparisons

A competence indicator is calculated for each applicant indicating the overall level of competence. Areas of risk based on low competence in specific areas are also indicated. The indicators of the different applicants are compared and the result is displayed in table or graph format.

- Confirmation letters

Letters to successful and unsuccessful candidates can be printed automatically or sent by E-mail.

P.2.11 Employment Equity Planning

- Targeting

As the organisation hierarchy was structured including all relevant job profiles in each unit, specific affirmative action targets can be drawn up for a 1 to 5 year period. These targets can be based on race, gender and disability.

- Progress reports

Reports according to the format specified by the Department of Labour can be compiled for submission to them.

P.2.12 Standard Reports

- Approximately 70 different reports covering a wide range of management information exist. Most statistics allow a choice ranging from individual employees to any group of employees as specified by a field in the personal records. These reports can be exported to Word files for manipulation or they can be printed directly.

- The system can also provide graphs of trends in the levels of performance, competence and work environment effectiveness. It can be compiled for a specified time period including a series of results and statistics of different groups can be superimposed for comparative analysis.

P.3 BIMP Navigator

SYSTEM PARAMETER SETUP	Various parameters can be pre-determined to customise the system to your taste and convenience. They will be used as such right through the

	execution of the system functions. Once these parameters are set-up, they should not be changed at random as it might lead to misinterpretations at a later stage.
Organisation hierarchy	You can determine the number of hierarchical levels in your organisation and assign appropriate names to them (E.g. 3 levels: Company, Branch, Department)
Default terminology	You may want to change the default descriptions of the different entities, attributes, parameters or fields used in the system (E.g. Employee to Worker)
Additional employee parameters	The system supplies a number of fixed standard parameters associated with the employees, such as language, gender, et cetera. This function allows you to specify up to 6 additional parameters, which you can name the way you prefer. You can also set up pre-determined alternatives under each (E.g. Qualification: Post-graduate, Degree, Diploma) Statistical reports can be compiled using all appropriate parameters as selection criteria.
W & R scales	This feature allows you to determine the scales you want to use during assessments. It allows you to define any scale between 1 to 10 and you may also describe the interpretation of each rating on the scale. You may define different scales for performance, competence and work environment or

	keep them mathematically the same, but change the description for suitable interpretation.
WE elements	This feature allows you to set up the work environment elements for various situations to be used as basis for work environment assessment.
Set up element pool	A default list of 30 elements are supplied with the system, but you might want to include other work environment elements to it. This feature allows you to add elements to the list. This list serves as a pool from which different groups of lists can be compiled.
Compile WE lists	Various work environment lists can be compiled from the element pool to be assigned to groups in the organisation. Employees in the group will use this list to assess their environments on. Once a list was created, it cannot be changed or deleted as it will lead to information distortion. There exist no limit to the number of lists that can be compiled. When you want to compile a new list the complete pool of elements will appear in it and you will have the opportunity to indicate which elements should remain and which should be eliminated.
Determine WE group types	Different lists are compiled to be used with different groups. It is advisable to limit the number of lists as the use of a large number o lists will reduce the comparative statistical capabilities. If the need does exist to use different

	lists as a result of differing conceptual abilities of employee groups or work situations, the precompiled lists need to be assigned to the different groups. This feature allows you to determine specify the group types (E.g. Per Division, Department, Occupation, Qualification, Job grade)
Assign WE lists to group types	This feature allows you to assign the different WE lists to specific groups in the specific group types. (E.g. Marketing – WE list 1, Top management – WE list 7)
Competencies	This feature allow you to divide competencies into a number of categories ranging from 1 to 4 and to name them according to your preference (E.g. 4 categories: Knowledge, Skill, Behaviour, Attitude)
Legends	The system makes use of a tree-view display which is very convenient, but can become crowded when too many descriptions or headings are placed inside it. To avoid this, different legends are used to indicate different entities or attributes. This feature allows you to allocate legends of your choice to these (E.g. Employee = ⊗)
Job designation	Each Unit in the organisation needs a number of jobs designated to it in order to reach its objectives. This feature enables you to specify these jobs and assign them to the different Units.
Language	This feature allows you to set up a list

	of languages from which you can select and assign to each employee. (E.g. Afrikaans, English)
Job grading	This system allows you to cluster the jobs into different bands or grades. Different systems can be pre-determined to be used (E.g. Patterson bands: A to E; or any in-house arrangement)
Assessment teams/Key customers	Performance and Competence assessments can be done by making use of teams (360°). This feature allows you to set up different teams that can be assigned to different employees according to their relevance. This is to avoid the method of typing in names as text with each employee as it can lead to a lot of duplication and extra work and you won't be able to access assessments from the team member's point of view either. (E.g. Team 3: Wessels A., Huys G., Green G.)
PRODUCTIVITY IMPROVEMENT	The main focus of the system is to improve productivity. The 3 basic means to achieve that, is performance management, competence development and work environment improvement. This section will allow you easy access to these three sections.

Corporate performance	In terms of performance management it is important to do things right but also to do the right things. To plan each employee's performance objectives successfully, it is important to first determine the performance objectives of the unit in which he operates.
Assign organisation units to hierarchy	This feature enables you to assign actual units to the levels in the organisational hierarchy (E.g. Branch: Pretoria, Cape Town; Department: Marketing, Sales, Support)
Do unit performance planning	All units' performance objectives are derived from the objectives of the units above them in the hierarchy. This feature allows you to do that and also to plan strategies to achieve these objectives. Performance indicators can also be recorded to serve as performance evidence.
Assign jobs to units	Each unit needs a number of jobs to be done to achieve its objectives. These should form a complete but lean collection of jobs. This feature enables you to assign jobs to units (E.g. Marketing: Researcher, Manager, Secretary)
Compile job profiles	All jobs contain performance outcomes. All tasks require certain competencies. The combination of these, form the job profile. This feature allows you to compile profiles for each job in the organisation (E.g. Researcher: Task Outcome: Determine feasibility, Collect information, Determine budget.

	Competencies: Market knowledge, Report writing skills, Computer package knowledge) The system allows for tasks to be grouped under different performance categories such as: Management, Administrative, Development, et cetera.
Employee performance	Every employee is appointed in a specific job to deliver a required level of performance for which he earns a salary. It is important that the employee knows exactly what is expected of him in terms of what is to be delivered and how well it should be delivered. This section will enable you to compile the performance specifications for each individual using the job profile as basis.
Assign job profiles to employees	Each employee performs in a specific job. The job profile of this job has been compiled already, thus it only needs to be assigned to the employee. This feature allows for that (E.g. Erasmus – Programmer, Gylls – Manager)
Edit employee performance criteria	The job profiles are generic in nature and can thus not serve effectively as specific work agreements to all employees linked to them. They therefore need to be adjusted to each situation. This feature allows you to do that on all components of the job profile for each employee individually.
Assign authority levels	This feature allows you to assign a level of authority for each task per

	employee.
Assign assessment teams (key customers)	To assess performance, you might want to make use of a team to do that in order to reduce subjectivity or bias. This feature allows you to assign a predetermined team to the employee. (E.g. Donald D. – Team 1, Smart G. – Team 3)
Plan potential problem prevention	To improve performance it is important to reduce the time spend on faultfinding by preventing problems from occurring. This has to be planned deliberately however. This feature allows you to state the potential problems that could occur regarding each task, their probable causes, and the actions that will reduce the likelihood of the cause from realising (E.g. Task: Deliver parcels. Potential problem: Deliveries are late. Cause: Parcels are not loaded over lunch times. Prevention action: Ensure that requests are made before 10:00)
Record performance indicators	As performance progresses certain evidence in terms of the standards to which it is performed exists. This includes critical incidents and other significant events. Comments on these occurrences can be recorded for each task in the employee's performance plan. This feature allows you to do that. Other documents containing performance indicators can also be attached to this space (E.g. Task: Deliver parcels. Performance indicator:

	"On 2/12/98 the employee attended to private business on his way to the customer and failed to deliver on time)
Do assessment	To determine what the level of performance is, it needs to be assessed based on the specifications that were determined previously. The outcome of each task is assessed in context of the relevant standards. The rating scale that was set up previously is used for this purpose. To avoid the negative side effects of numerical scales the system will only allow you to see the descriptions of each rating. (E.g. Always below standard, Always on standard, Always above standard)
Derive improvement plan	For each performance deficiency an improvement action can be derived. This comprises of the action, responsibility and a completion target date. All the improvement actions for the relevant tasks are accumulated in a performance improvement plan for each employee. The improvement plan will be accompanied by a pre-rating value for each task. This value is taken from the previous assessment and will appear as a numerical value. The actions will also be prioritised in terms of seriousness. The system will automatically calculate this value from the previous assessment.
Update completion status	Initially when improvement actions are planned the completion status will default to "not completed". As these

	actions are completed the status in the improvement plan needs to be updated to "completed". This feature allows you to do that. When you change the status it will prompt you to supply a post-rating value to indicate the improvement. It will also ask you to enter the name of the person who authorised it. If the target date is postponed the system will indicate that to avoid people from postponing date to avoid overdue actions.
Competence development	
Edit employee competence criteria	The job profiles are generic in nature and can thus not serve effectively as exact indications of the competencies that are needed in all individual cases linked to them. They therefore need to be adjusted to each situation. This feature allows you to do that on the competence component of the job profile for each employee individually.
Assign assessment teams	To assess competence, you might want to make use of a team to do that in order to reduce subjectivity or bias. This feature allows you to assign a predetermined team to the employee. (E.g. Donald D. – Team 1, Smart G. – Team 3)
Do assessment	To determine what the level of competence is, it needs to be assessed based on the required competencies that were determined previously. Each competency requirement is assessed

	in context of the relevant standards. The rating scale that was set up previously is used for this purpose. To avoid the negative side effects of numerical scales the system will only allow you to see the descriptions of each rating. (E.g. Not all competencies exist, All the necessary competencies exist)
Import competence needs	Competence assessments directly based on current performance requirements are not the only source of competence development needs. Needs obtained from equity planning, career planning and other forms of assessment, must also be included in the employee's competence development plan to have them under one roof. This feature allows you to do that and to prioritise and categorise them separately.
Derive development plan	For each competency gap a development action can be derived. This comprises of the action, responsibility, the source and a completion target date. All the development actions for the relevant competencies are accumulated in a competence development plan for each employee. The development plan will be accompanied by a pre-rating value for each competency. This value is taken from the previous assessment and will appear as a numerical value. The actions will also be prioritised in

	terms of seriousness. The system will automatically calculate this value from the previous assessment.
Update completion status	Initially when development actions are planned the completion status will default to "not completed". As these actions are completed the status in the development plan needs to be updated to "completed". This feature allows you to do that. When you change the status it will prompt you to supply a post-rating value to indicate the development. It will also ask you to enter the name of the person who authorised it. If the target date is postponed the system will indicate that to avoid people from postponing date to avoid overdue actions.

Work environment Improvement	Up to 85% of performance problems are caused by barriers in the immediate work environment of the employee. The work environment consists of a technical environment, human environment and organisational environment. It is important to assess how conducive these environments are to performance. Only the employee himself can determine how important certain elements are to him and how well the organisation satisfy these based on his personal experience or perception. This section allows for that and for the development of and work environment improvement plan which becomes the responsibility of the line manager.
Perform assessment	To determine the level of satisfaction you experience with regard to your work environment, you need to assess each element in terms of importance to you and satisfaction you experience with regard to it. Each element is assessed separately. The rating scale that was set up previously is used for this purpose. To avoid the negative side effects of numerical scales the system will only allow you to see the descriptions of each rating. (E.g. Not much satisfaction-needs improvement, Satisfied with situation, Exceeds expectations)
Derive improvement plan	For each environment deficiency an improvement action can be derived.

	This comprises of the action, responsibility and a completion target date. All the improvement actions for the environment are accumulated in a performance improvement plan for each employee. The improvement plan will be accompanied by a pre-rating value for each element. This value is taken from the previous assessment and will appear as a numerical value. The actions will also be prioritised in terms of seriousness. The system will automatically calculate this value from the previous assessment.
Update completion status	Initially when improvement actions are planned the completion status will default to "not completed". As these actions are completed the status in the improvement plan needs to be updated to "completed". This feature allows you to do that. When you change the status it will prompt you to supply a post-rating value to indicate the improvement. It will also ask you to enter the name of the person who authorised it. If the target date is postponed the system will indicate that to avoid people from postponing date to avoid overdue actions.
TRAINING AND DEVELOPMENT	This section takes care of all training and development activities. It also provides a section for the management of NQF qualification management.

NQF management	The development of national qualifications is a bottom up process and the organisation needs to get involved with the development of unit standards, which form the basic building blocks of NQF qualifications. The organisation must also manage the achievement of such qualifications of its employees. This section provides all the necessary facilities.
Compile unit standards	This feature allows you to compile unit standards to the specifications of SAQA. You will be able to state the title and place it under the appropriate field and sub-field. The most critical components are specific outcomes and assessment criteria. You will be able to determine these and add all other specified fields to form a complete SAQA report.
Compile NQF qualifications	This feature allows you to form new qualifications or to enter already existing qualifications. It basically comprises of the title of the qualification and the unit standards that make it up (E.g. Software Developer – U/S 1422, U/S 5542, U/S 76143)
Compile employee learnerships	To pursuit a NQF qualification you need to compile a learnership indicating all the learning objectives on the path to the qualification. This will form a learnership similar to a competence development plan. All the learning activities will be exported to your competence development plan to

	place it under one roof.
Do assessment	All the learning objectives in the learnership needs to be assessed to determine what has been completed and what is not up to the required standard of achievement. The assessment feature will enable you to do that. All development needs will be exported to your competence development plan.

P.4 BIMP Vocabulary

Performance tasks (also referred to as objectives, results, key performance areas, deliverables, performance outcomes, key result areas, critical performance areas, job task, et cetera.)

A task outcome describes the desired outcome of an individual's performance and may be called a result, an performance outcome, a KPA (Key Performance Area), an objective or whatever suits the organisation. If the BIMP system is used to drive and manage a specific transformation process, the new tasks, behaviours, et cetera. of each employee can be described as performance outcomes to make the change effort a reality.

A task outcome should preferably describe the "observable result" or "finished product" resulting from completed tasks or activities or any mental or artistic work, or from a production or manufacturing process which someone will be willing to pay for. It could also be a behavioural outcome I.e. a specific result from a specific behaviour.

A task outcome is the result of value added to the inputs by the employee. The performance outcomes in every job/section/business unit/division should be aligned to achieve the overall goal of the organisation and should contribute to the optimum performance of the organisation.

A task outcome can be a complete unit of work, e.g.:

A Completed building, or a collection of sub-performance outcomes that will result in the major performance outcome, e.g. design completed, plans drawn up or material ordered, or it can be an individual task. Preference of description lies with the employee and manager.

Sometimes the task outcome is accompanied by a past tense verb. If stated as a task, it is usually preceded by a verb in the present tense. The only prerequisite is that it must be clear. For example: Does the employee know what is meant by "progress reports". Must he compile them, or study them, or distribute them, or what?

Process questions that can be used to identify performance outcomes:

What do tasks and activities lead to?

What product or service results from the work the researcher do?

What am the researcher being paid for (to deliver)?

Employee

An Employee is anyone, whether a worker or a manager, who should deliver specific performance outcomes as part of the workforce of an organisation. A manager will be considered an employee of another group at a higher level. These managers will therefore have 2 roles, namely manager and employee. The manager will therefore also participate as an employee using the BIMP system. The BIMP system therefore cuts right through the complete organisation and is not intended for non-managerial workers alone.

Manager

A manager is anyone to whom an employee reports in the normal line of duty and to whom he is responsible/accountable for delivering the agreed upon performance outcomes. It is normally the traditional line manager. The primary function of a manager is to promote optimum performance by removing barriers/obstacles from the employee's path. Thus the main difference between the traditional manager and the "new manager" is that the latter fulfils a vital team role whereas the first is normally associated with clerical tasks, such as compiling reports, spending time in meetings, judging others and interfering with production. The BIMP system is specifically designed to change the manager's role to that of productive team leader promoting participation and worker empowerment.

Performance Cycle

This describes the time that elapses from the first Productivity Improvement Discussion to the final (within a specific time frame) one as stipulated by the organisation.

A performance cycle may vary in length, but is usually one year (see Productivity

Improvement Policy of the organisation's organisation if they have one, or work on the normal performance assessment cycle).

Productivity Improvement Discussions

This refers to the discussion during which all planning for optimum performance is done. (It relates to identifying and agreeing upon the required performance outcomes, weighting and agreeing on the relative importance of each task outcome, setting and agreeing on the standards the performance outcomes should conform to; then rating performance against the agreed standards. Also discussing work environment shortcomings and formulating action plans to improve it. Also identifying all the necessary competence needed to achieve the performance outcomes, determining competence gaps and development needs and formulating competence development plans.

Task

A task is the actual work which an employee performs towards achieving a task outcome.

Authority level

This is an indication of the level of freedom an employee is granted to perform a task without supervision.

Productivity Improvement Worksheets

This refers to the documents on which all planning and evaluation for productivity improvement are done. There are 6 of these:

Document 1: Work Environment Improvement
Document 2: Performance Management
Document 3: Key Customers
Document 4: Potential Problem Prevention
Document 5: Human Resource Development
Document 6: Human Resource Development Plan

Relative importance

This describes the relation of two or more performance outcomes to one another on a given numerical scale e.g. 1-5.

The task outcome (item) with a relative importance value of 5 will be deemed the most important. The task outcome with an importance value of 1 will be deemed the least important.

All performance outcomes must be delivered in order to achieve the organisational objective regardless of the relative importance. They are all important, the weight only indicates their relative importance.

Standards

A standard is a measure or model that has to be complied with.

A standard is the degree of excellence that is expected, and by which quality or accuracy is measured.

A standard serves as a basis of comparison and is acknowledged as a model for simulation.

A standard is equivalent to a quality specification.

Requirements

Requirements are what is expected or required by the employee in the execution of his/her duties.

Measurement Criteria

This refers to the yardstick or type of measurement to be used for measuring the outcome of an task outcome.

Process Questions

Process questions to be used when setting standards:

What will his team leader look for to determine whether the task outcome is "acceptable".

Is it possible to produce an incorrect task outcome?

Could the task outcome of the job be described as acceptable/unacceptable?

If the answer to any of these are yes, the question may be asked "what measurement criteria may be used to distinguish the correct and incorrect or the acceptable and unacceptable performance outcomes from one another?" The answers will indicate the criteria used to differentiate between the acceptable and unacceptable.

Standard Expansion List

This refers to a convenience list drawn up on which one or more performance outcomes may be listed with all the standards required pertaining for any specific task outcome.

Standards Expansion List should be numbered if there are more than one, and attached to the Performance Management document.

Instead of compiling a standards expansion list in all cases, it may be advisable to use instruction manuals, user guides, standing operating procedures, et cetera. to indicate the requirements with regard to a specific task outcome or task. Do not reinvent the wheel and create unnecessary documentation. Just make sure everything is available without inconvenience.

Conformance/Non-conformance

Conformance refers to whether the task outcome conforms to the set standard, e.g. if standard requires five digits and the organisation have delivered four, the organisation have not conformed to the set standards, hence the concept of non-conformance.

Go/No-Go Measurement

This refers to a very strictly acceptable or unacceptable measurement against the standard e.g. the requirement is 4 centimetres = Go.

The 3.9 or 4.1 centimetres = No-Go. E.g. a bolt of 3.9 cm will be too thin to fit a nut of 4 cm, and one of 4.1 cm will be too thick.

Rating Scale

The rating scale 0-10, is an universal scale presented in matrix form.

Both 0, which means non-existent or not at all, and 10 which means perfect or unsurpassable are seldom achieved in rating.

Performance level indicator

This refers to the indicator that gives an impression of the overall quality of performance delivered by the employee in pursuing the set performance outcomes and compares to 50 as the required.

Competence level indicator

This refers to the indicator that gives an impression of the overall level of competence the employee possesses and compares to 100 as the ideal.

Work Environment level indicator

This refers to the indicator that gives an impression of the overall level of satisfaction that the employee experiences with regard to the work environment and compares to 100 as the ideal. It is an indication of how accommodating or how conducive to performance the work environment is.

Sign (Signatures)

Signing all documents is necessary to commit both parties to the agreements that have been reached. It is a protective measure for both the employee and the team leader. The Productivity Improvement Policy should spell out very clearly that no one may be forced or coerced to sign any document.

A specific procedure should be developed in the event that agreement cannot be reached (agreement must be reached).

Essential competence

Refers to the critical skills (skills and knowledge) that the employee needs in order to achieve the agreed upon performance outcomes. It does not refer to "nice to have" skills and knowledge and neither does it refer to skills and knowledge needed for a different position. Without the identified essential competence the employee would be unable to achieve the performance outcomes (With the resulting negative consequences to both the employee and the organisation).

Key Customers

The tendency for organisations is to become more customer orientated. Instead of deciding what to manufacture according to own preference and then marketing it to the customer, the customer's opinion is obtained first of all with regard to what he wants. It only makes good sense than to evaluate the outcome of the performance according to what the customer thinks of it. The customer's perception of value is critical no matter what management thinks. This concept is not to difficult for organisations to accept and practice, but when it comes to the internal stages of production, they lose this perspective and perform merit rating rituals once a year where managers are let loose on the workforce, judging their performance on criteria unrelated to the production objectives. Some will improve by relating it to pre-set performance outcomes, but who determine the standards of these performance outcomes and who evaluates the outcome? Most probably the line manager or a team of managers or maybe even some peers as well. The term Key Customer refers to all the critical people that will be affected directly by the performance of an employee when trying to achieve his performance outcomes. They should say what they want from the performance and they should evaluate the task outcome against the standards they requested. This will also imply that a manager as a team leader will be appraised by his employees (sub-ordinates) on certain criteria as they form part of his key customers. In the BIMP case, the Work Environment Improvement criteria, as indicated by the employees, will indicate the performance outcomes and their standards they desire from their manager. Key Customers could include: Line manager, peers, employees, suppliers, clients (internal and external), other teams, et cetera.

Key Supplier

This is anybody inside or outside the organisation who supplies an input or resource to an employee or section who uses this inputs in order to produce a task outcome.

Key Input/Resource

That is any raw material, semi-finished product, information, service, et cetera. that is used in the production of an task outcome.

Appraise Performance

Performance assessment should not be a judgmental issue neither should it be done as a reactive ritual. It must be done in such a way that it increases productivity as well as the morale of the employees. It should be a desirable and not a dreaded experience every end of the year to distinguish between punishment and reward. Employees must know and agree on the performance standards prior to execution and assessment should focus on these only. Also see "Key Customers".

(P) (Priority formula)

The calculation of priority is: W-R+k

The idea is to determine mathematically which is the worst condition that needs attention first and how should the others follow, using the information that is available already, namely W and R. Per example a W scale of 1-5 and a R scale of 0-10 is used. If something is extremely important, I.e. a weight of 5, and the existence or performance or satisfaction is rated as extremely poor, I.e. a rating of 0, it represents the most undesirable condition. The opposite is represented by a weight of 1 and a rating of 10. In the worst case P = 5 - 0 = 5 and in the best case P = 1 - 10 = -9. To avoid working with negative and positive numbers, 10 is added to P shifting the scale to 1 to 15. The larger the answer of W-R+10, the higher the priority.

APPENDIX Q

TYPICAL PERFORMANCE OUTCOMES, STANDARDS AND SKILLS

Q.1 Typical performance outcomes

- Develop project plans
- Prevent problems
- Make decisions
- Organise work
- Co-ordinate work
- Improve work environment
- Manage sub-ordinate development
- Manage own development
- Create a positive, enthusiastic work climate
- Establish a trusting and relaxed work climate
- Develop a team spirit
- Help others succeed
- Coach employees
- Co-operate with others outside own section
- Follow up, ensuring successful completion of tasks
- Do performance assessments
- Build a team
- Mediate conflict between parties
- Set up agreements
- Liase with unions
- Maintain safety regulations
- Co-ordinate OD interventions
- Determine needs of employees
- Attend to customer needs
- Communicate with people from other departments
- Conduct meetings
- Do research
- Compile reports
- Solve problems
- Create new ideas
- Handle crises

- Propose new ideas
- Do strategic planning
- Formulate new goals, policies, strategies
- Improve work procedures
- Gather information
- Provide leadership and vision
- Encourage performance
- Recognise and reinforce good performance
- Coach associates/employees
- Instil commitment to quality
- Establish performance objectives and standards
- Distribute information
- Recruit workers

Table 65: Typical Performance Outcomes

Q.2 Typical performance standards

- Achieving results within budget
- Completing tasks within time
- Making optimum use of resources, such as: human resources skills, equipment, money, computer facilities, information
- Following up, ensuring successful completion of tasks
- Finding innovative solutions, improve status quo
- Satisfying customer needs
- Improving continuously
- Considering wide range of alternatives
- Making best balanced decisions
- Following logical process
- Making thinking visible
- Taking on more responsibilities
- Standing in for others
- Supporting management
- Responsive to requests and suggestions from manager
- Fully understanding responsibilities
- Helping manager gain support from others

- Explaining why certain aspects are necessary
- Involving team in decision making
- Setting a proper example
- Helping at the correct times
- Stimulating employees to think through effective questioning
- Encouraging employees to be innovative and take risks
- Choosing the right people for the job
- Using authority and power correctly
- Managing people of different ethnic and cultural backgrounds differently
- Delegating tasks, responsibility to correct level of ability
- Obtaining co-operative teamwork
- Building a cohesive team
- Helping employees become independent and autonomous
- Available for employees to discuss problems and queries
- Mediating conflict between members
- Keeping up to date with technology
- Keeping up to date with internal environment
- Keeping up to date with external environment
- Staying informed on what employee is working one
- Keeping employees informed of changes and events that have an influence on the organisation and their jobs
- Making employees feel valued and important
- Increasing their confidence by praising their accomplishments and celebrating their successes

Table 66: Typical Performance Standards

Q.3 Typical competencies

The following is a list of competencies that might help in the selection or derivation of competencies: (This simply serves to give some indication of what is meant by competencies. When the researcher consults organisations he makes use of a computer programme that currently contains more than 20 000 competencies for various occupations, and that list is far from complete and growing by the day.)

- Setting realistic work goals

- Project planning
- Potential problem analyses
- HR management
- Manager skills
- Team building
- Leadership
- Systems Thinking
- Planning and co-ordinating
- Financial planning
- Scenario planning
- Strategic planning
- Effective meetings
- Thinking skills
- Problem solving
- Decision making
- Group behaviour
- Cultural awareness
- Listening and understanding
- Handling criticism
- Knowledge of external environment
- Performance management
- Productivity
- Total quality management
- Information gathering and supply
- Research technology
- Word processing
- Programming skills
- Database administration
- System analyses
- Spread sheet skills
- Interviewing skills
- Analytical trouble shooting
- Empathy
- Social styles
- Adult education
- Instructor skills

- Empowerment
- Dealing with stress
- Writing skills
- Presentation skills
- Administrative skills, including
- General office skills
- Procedures
- Management of records
- Self-guidance
- Creativity
- Calculated risk taking
- Report writing skills
- Interpersonal skills
- Understanding of the industry
- Relationship-building skills
- Telephone handling skills
- Prioritising skills
- Specific knowledge of the job
- Language competence
- Time management
- Change management
- Situation analyses - prioritising
- Gaining respect of others
- First impressions
- Body language
- Cogmotics
- Learning transfer
- Communication skills
- Interaction skills
- Managing personal growth
- Career planning
- Budgeting skills
- Literacy skills
- Questioning skills
- Delegating skills
- Technical skills

▪ Learning from others
▪ Opportunity analyses
▪ Reading skills

Table 67: Typical Competencies

Note that these are not written in outcome –based format and contain only the nouns or subjects that should go into a properly stated competency.

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