



Towards developing better employee accountability in SMEs

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ABSTRACT

Accountability in organisations has increasingly been linked to organisational performance. As the success of Small and Medium Sized Enterprises (SMEs) has been proven to be a key driver for economic development and the creation of jobs in developed and developing economies, understanding the factors that impact the viability and sustainability of SMEs becomes incredibly important. While accountability in large organisations has been researched more frequently, little is known how SMEs are able to develop employee accountability within their organisations. Factors that influence accountability in large organisations may differ in the context of SMEs given the high informality in employee management that is found in SMEs and not large organisations. The purpose of this study is to understand what is considered to be influential in developing employee accountability in SMEs. A qualitative research approach was adopted with fourteen owners of established SMEs employing between 5 and 200 employees. Leadership style and organizational culture were argued to be critical for the survival of SMEs. It was found that the owner is the source of accountability systems that are created in the organisation as the owner has major influence in determining the levels of formality and informality in the organisation. In addition, the values of the company such as transparency, trust and the sharing of information, as well as formal systems such as reward structures, performance reviews, and ongoing feedback, were found to be essential in developing employee accountability. Employee accountability ultimately is the outcome of the owner being accountable to both the employees and the company. The study has implications for owners of SMEs as the type of exchanges between employer and employee highly correlate with the employee's accountability.

KEYWORDS

Accountability; SMEs; Human resource management; Organisational culture

DECLARATION

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

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1. PROBLEM DEFINITION AND PURPOSE

1.1. Background to the problem

It is well recognised that Small and Medium-sized Enterprises (SMEs) play a critical role in economic growth as well as employment creation in developing countries (Ates, Garengo, Cocca & Bititci, 2013). According to the World Bank (2015), it is estimated that 600 million new jobs will be needed in the next 15 years to absorb the global working force. The figures around how much SMEs currently contribute to total employment vary according to different sources. The World Bank cites that in emerging markets, SMEs create 4 out of 5 new positions. It also estimates that SMEs account for 60% of all formal employment and contribute 40% of national GDP in emerging markets, while according to the Organisation for Economic Co-operation and Development OECD (2015), SMEs in emerging markets contribute up to 45% of total employment as well as contribute 33% toward GDP.

National economies are strongly impacted by the creation and demises of SMEs as failures of these organisations means slower economic growth and job losses, with detrimental effects on nations. The OECD (2015) suggested that of all SMEs, only 50% survive more than five years and only a fraction of these continues to be sustainable long-term. The performance of these organisations is hindered by constraints of resources, poor managerial practices or skills, legitimacy in the industries they operate in as well as challenges in employee recruitment, retaining and motivating them (Patel & Cardon, 2010). Given the constraints that these organisations are faced with it is important to utilise the available resources effectively (Sheehan, 2014).

A resource that is common in all organisations regardless of size is that of employees (Sheehan, 2014). Other than in totally automated organisations, employees are and remain the biggest contributors to processes that drive performance in most organisations (Allen, Ericksen, & Collins, 2013). Employees are acknowledged as an important resource that can contribute to the competitive advantage of an organisation (Kotey & Sharma, 2017). In comparison to large organisations, SMEs are confronted with far more issues threatening their survival. Keeping an SME operational therefore means that employee performance is of critical importance (Allen et al., 2013). Having constrained resources in SMEs suggests that their human resource is of great significance to them as they often have to do more with fewer resources (Patel & Cardon, 2010; Sheehan, 2014). Thus, effective and efficient employee management has to be an integral part of the organisations' performance (Verreynne, Parker, & Wilson, 2013).

A concept that has traditionally been considered important to organisational success regarding employee management and performance is accountability (Zellers, Hochwarter, Lanivich, Perrewé, & Ferris, 2011). Among other definitions, accountability refers to the obligation that an individual has to explain and justify behaviour that causes certain effects or results (Bovens, 2007). The term accountability has been given a wide range of definitions in literature, depending on its context

(Bovens, 2007; Mansouri & Roney, 2014). It is generally accepted as an all-encompassing term for a behaviour that makes individuals answerable to another individual (Bovens, 2007).

The importance of accountability in organisations has been recognised for decades (Hall, 2005) as it forms a foundation for guiding and aligning behaviours of employees with the organisation (Zellers et al., 2011). Literature suggests that accountability in organisations can be directly correlated to organisational performance and sustainability of the organisation (Hall & Ferris, 2011; Patil, Tetlock, & Mellers, 2017). Thus, it is a fundamental factor in all functioning organisations (Hall, Frink, Hochwarter, Kacmar, & Bowen, 2003; Hall, Frink, & Buckley, 2017).

1.2 Definition of Problem

Accountability is critical for organisations, but there is still much that is not known about this concept (Hall et al., 2017). The term is increasingly being used in public discussions; however, there is no common consensus as to a norm for accountable behaviour (Mansouri & Roney, 2014). This presents a challenge as it is inadequately covered in theory, making accountability difficult to implement as well as hard to measure in practice (Mansouri & Roney, 2014). In addition to the challenges it already presents, it is largely perceptual in nature, thus making it a very complicated concept to understand (Hall et al., 2017).

To develop employee accountability in organisations, scholars advocate for formal and informal accountability systems (Frink & Klimoski, 1998). An appropriate and adequate accountability system will include the organisation's leadership, corporate culture and formal systems (Patil et al., 2017). Such system also assumes that employees in the organisation are accountable to multiple sources. This creates an "accountability web" (Gelfand, Lim & Raver, 2004, p.137).

The perceptual nature of accountability creates a problem in the understanding of how employees prioritise their accountability to the different sources in the organisation (Hall et al., 2017). To add to the problem, accountability studies have previously been laboratory based and not undertaken in actual organisations (Hall & Ferris, 2011; Mero, Guidice, & Werner, 2014; Pearson & Sutherland, 2017). Such studies consider accountability as a static condition and not an ongoing activity or process (Hall & Ferris, 2011). They fail to take into account the individuals' perceptions of accountability that are influenced by ongoing mechanism within the organisation (Mero et al., 2014). Therefore, generalisability of the findings from one organisation to another is rather limited (Hall & Ferris, 2011).

The multiple dynamics that are at play in an organisation and how these dynamics ultimately link with and to each other determines the individuals' behavioural performance and actions (Busuic & Lodge, 2017). To better understand how employees prioritise accountability to different sources, Pearson and Sutherland (2017) undertook a study, in which they identified five factors that were considered most impactful to drive accountability in an organisation. The factors comprised of the following: formal systems (rewards structures, performance reviews, and ongoing feedback) that are

implemented in the organisation; organisational culture; clarity of roles; strategic leadership; and the individual.

The study undertaken by Pearson and Sutherland (2017) was based primarily on large organisations and not SMEs. This raises the question of transferability of the findings to smaller firms. As the manner in which SMEs are managed differs strongly from large organisations, they face distinct forms of risk and organise their employees differently to their large counterparts; their structures and management systems are predominantly informal in nature (Storey, Saridakis, Sen-Gupta, Edwards, & Blackburn, 2010). SMEs exhibit many different characteristics to those of larger organisations and are not merely the scaled-down form of their larger counterparts. Therefore, one cannot simply analyse the needs of SMEs through the downsized lenses of large organisations (Ates et al., 2013).

Formalised systems are a major factor in accountability, but these are rarely found in SMEs (Verreynne et al., 2013). SMEs have to remain highly flexible and agile for their survival; they evolve all the time and their random informal practices often become routine in completing tasks in the organisation (Mallett & Wapshott, 2014). Thus, it would not be meaningful to expect rigid formal accountability systems in SMEs (Verreynne et al., 2013). This is particularly so as SMEs can achieve coordination and control from internal functions without formalisation of systems (Taylor & Taylor, 2014).

The scarcity of resources drives the diverse employment systems found in SMEs (Verreynne et al., 2013). SMEs' vulnerability to economic pressures and thus the uncertainty that SMEs operate under requires employees to be flexible and agile to respond to the needs of the organisation (Patel & Cardon, 2010). Employees in these organisations are largely expected to be adaptive and have the ability to perform multiple roles in the organisation (Allen et al., 2013).

Accountability is directly linked to a particular outcome that employees are expected to be able to perform based on the clearly outlined description of the task (Messner, 2009). Task allocation that occurs in such a way that the agreed upon task requirements are clear and explicit increases the levels of accountability (Mero et al., 2014). Thus, informality involved in task allocation, while responding to the needs of the organisation, leads to increased levels of uncertainty as to who is responsible for the execution of the task (Mallett & Wapshott, 2014). Uncertainty about the roles and expectations can negatively affect employee accountability (Erdogan, Sparrowe, Liden, & Dunegan, 2004, Breaux, Munyon, Hochwarter, & Ferris, 2009).

This raises the question as to how SMEs mitigate against such potential lack of accountability by employees, while still having employees perform multiple tasks. Failure to determine how accountability is developed presents uncertainty, prompting defective conclusions to an already complex concept (Zellars et al., 2011). As there are fundamental differences between SMEs and large organisations, SMEs are increasingly advised to generate models and systems that align with

their firm sizes rather than drawing from models that are designed for large organisations (Verreyne et al., 2013).

1.3 Purpose of the Research

SMEs are critical to maintain economic growth of any nation; however, the question of how to sustain their long-term survival and performance remains a challenge (Ates et al., 2013). Ensuring accountability in an organisation is important as it leads to increased levels of performance and sustainability of the organisation (Patil et al., 2017). The critical significance of accountability to the continued sustainability of all organisations warrants that the concept be fully understood and explored (Wikhamn & Hall, 2014). Given the importance of SMEs to the economy and job creation, it is important to understand how these organisations can develop optimal levels of employee accountability.

The purpose of the study is to determine how SMEs can develop optimum levels of employee accountability. From this premise, four questions were established:

- 1) How is an accountable employee defined in the SME context?
- 2) How is employee accountability developed in SMEs?
- 3) What is considered most effective in developing optimal employee accountability in SMEs?
- 4) What role does leadership play in developing optimal levels of employee accountability?

The existing literature on accountability is focused on large organisations. SMEs are fundamentally different to large organisations which implies that the findings on large organisations cannot simply be downsized to fit the SMEs. Thus, getting a better understanding of how optimum levels of employee accountability can be developed in SMEs will add to the accountability literature on SMEs.

2. LITERATURE REVIEW

2.1 Introduction

The purpose of the study is to determine how optimum levels of employee accountability can be developed in SMEs. This informed the concepts that form part of the literature review. The aim of the literature review was to build an understanding of concepts related to accountability. Furthermore, the literature review aimed to highlight what systems of accountability are found in large organisations and how these systems can be compared to those found in SMEs.

The literature review has taken place in three phases. Firstly it will explore the concept of accountability, by examining the understanding of the concept of accountability; accountability and organisational performance; and accountability in large organisations. Thereafter the literature review will examine the various definitions of SMEs, the fundamental differences between SMEs and large organisations which has informed the purpose of the research. As findings from large organisations cannot simply be translated to SMEs. Finally the literature will review will explore the formal and informal systems of accountability in SMEs.

2.2. Definition of Accountability

The term accountability has various meanings from one environment to another, and from one individual to another (Bovens, 2007; Mansouri & Roney, 2014). It is loosely used in illustrating administrative obligations, good governance, transparency, competence, responsiveness and responsibility (Mansouri & Roney, 2014). It is perhaps considered as an all-encompassing term for anything, behaviour, action or system that makes individuals responsive to other individuals or groups (Bovens, 2007).

In its most concise and simple form, accountability refers to the obligation an individual has to explain and justify behaviour (Bovens, 2007). Interactions and exchanges between individuals often lead to the questions as to who is accountable to whom and what are they accountable for (Mansouri & Roney, 2014). The term outlines a set of standards against which to evaluate behaviours of individuals and the desirable behaviours (Bovens, 2014).

For a more comprehensive definition, Hall and Ferris (2011, p. 134) defined accountability as “an explicit and implicit expectation that one’s decisions or actions will be evaluated by a salient audience and that there are potential rewards or sanctions that are believed to be dependent on the expected evaluation”. In line with this definition, there are three criteria a relationship must meet to constitute as an accountability relation (Bovens, 2014). First, there must be an expectation for one to be evaluated (Hall et al., 2017; Busuioc & Lodge, 2017). Second, one must believe that some form of justification for one’s action or behaviour will be necessary (Frink, Hall, Perryman, Ranft, Hochwarter & Ferris, 2008). The individual must believe that the action will bear consequences in either a possible reward or a sanction (Hall et al., 2017). Last, there must be an audience to which the actor is accountable (Hall et al., 2017).

Accountability is critical for the viability of any social and formal structure (Hall et al., 2003; Wikhamn & Hall, 2014). It is an “adhesive that binds social systems together” (Frink & Klimoski, 1998, p. 3); a foundation that social structures or formal organisations are based upon (Frink & Klimoski, 2004). For all structures, ranging from a simple or loosely structured one to the most sophisticated structure, there must be some level of consensus about behavioural expectations and rules that guide them (Frink & Klimoski, 2004). Without the consensus about accountability, social structures will deteriorate (Wikhamn & Hall, 2014).

2.2.1 Accountability and organisational performance

Accountability in organisations is established on the need for organisations to exercise some level of control over the behaviours and conduct of employees to attain desired results (Ammeter, Douglas, Ferris & Goka, 2004). The sole purpose of why organisations are formed is to achieve valued results through coordinated functions in which employees contribute to different parts of the functions (Frink & Klimoski, 2004). Thus, without accountability systems or mechanisms in place, organisations will not succeed in coordinating functions and will not be able to reach optimum levels of performance (Frink & Klimoski, 1998; Hall et al., 2017).

Studies on accountability in organisations have illustrated that holding employees accountable affects their behaviour (Rock & McNall, 2007; Mero et al., 2014). Therefore, accountability mechanisms are critical in controlling the conduct of employees (Bovens, 2007). In the absence of accountability systems in the workplace, employees could theoretically behave and perform with disregard to any consequences to their behaviour (Mitchel, Hopper, Daniels, Falvy & Ferris, 1998).

Mansouri and Rowney (2014, p. 45) believe the need to ensure accountability is of “strategic importance” to all organisations. There must be some accountability mechanisms implemented, regardless of the size of the organisation, to achieve the desired results (Hall & Ferris, 2011). Without such mechanisms, there would be chaos and organisations would virtually collapse (Hall, Zinko, Perryman & Ferris, 2009; Hall & Ferris, 2011).

2.2.2 Theory of accountability

The theory of accountability in organisations is founded on agency theory, which describes a contractual relationship between a principal and an agent based on the assumption that all actors are self-interested and reasonably confined (Eisenhardt, 1989; Mero et al., 2014). In the relationship, the agent is answerable to the principal for performing in accordance with prescribed standards, fulfilling their obligations and meeting expectations of the principal (Frink & Klimoski, 2004).

The behaviour of the agent is shaped by aligning their interest with those of the principal through the use of rewards and sanctions and monitoring the agent’s behaviour to determine adherence to the set rules (Mero et al., 2014; Mansouri & Rowney, 2014). It is assumed that the agent is self-interested and will pursue their own interest over and above the demands of the principal, if there are no possible consequences that could be imposed on them (Eisenhardt, 1989; Mansouri &

Rowney, 2014). Thus, an agent can only be accountable to a principal, if the principal can exercise control over the agent (Bovens, 2007; Frink & Klimoski, 2004).

The problem with accountability is that it is suggestive in nature, which makes it extremely elusive as it can be interpreted in many different ways from one individual to the next (Bovens, 2007). Its perceptual nature relies greatly on the individual's understanding of the reality (Ammeter et al., 2004). This is due to the unique individual perceptions that form the prism, through which one views the accountability demands (Mansouri & Rowney, 2014). It is viewed from the individual's frame of mind rather than the actual organisational reality (Frink & Ferris, 1998; Ammeter et al., 2004).

Historically, accountability studies in organisations have focused on formal accountability systems, which include mechanisms such as the standards and procedures that exist within an organisation (Hall & Ferris, 2011). Tetlock (1992), Frink and Klimoski (1998) advocated for a more philosophical view of accountability, which borrows from role theory. This view was to bridge the gap on agency theory, which neglected to take into account the mediating perception of accountability by the individual (Mero et al., 2014). Role theory refers to the development of common role expectations between individuals in an organisation and suggests that the beliefs and norms held by leaders influence the behaviours of the employees (Hall et al., 2017).

The multifaceted nature of accountability suggests that it cannot solely be sustained and measured through the principal and agent model approach (Mansouri & Rowney, 2014). Different individuals within the same organisation under the same accountability mechanism might interpret their accountabilities differently (Hall & Ferris, 2011). Therefore, regardless of the formal accountability mechanisms, there may be a variance across individuals on how the accountability mechanisms are perceived and interpreted (Hall et al., 2017). Thus, to fully conceptualise accountability systems, both formal and informal systems must be included, internal and external to the individual as well as their subjective perceptions (Frink & Klimoski, 2004; Hall et al., 2009).

Formal and informal accountability systems mean that accountability can be explicit in the prescribed standards and procedures to ensure performance standards, while engrained in the social normative expectations (Frink & Klimoski, 2004). To ensure performance, an organisation must implement formal systems, and parallel to such systems, informal systems such as organisational culture and leadership must be introduced to control value congruence (Ammeter et al., 2004).

Formal systems alone cannot influence accountability in an organisation without the support of informal systems (Mero et al., 2014). This view on accountability was recently validated by the findings from the study by Pearson and Sutherland (2017) where they developed a "system of accountability" (p.435). With the system of accountability Pearson and Sutherland introduced the concept of "critical threshold" (p.435), this implies one factor can only develop accountability until its critical threshold is reached where a new factor must be introduced to develop accountability further. Thus no single factor can solely develop accountability.

Ultimately how the multiple dynamics that are at play in an organisation link determines the behavioural outcome of the individual (Busuioc & Lodge 2017). In the conceptualisation of accountability systems, there are several aspects that must be taken into account, such as the type of workers employed, the environment and industry related factors, to be able to determine whether the mechanisms are appropriate and necessary (Hall & Ferris, 2011). This is critical to ensure that systems in place are optimally aligned. Misalignment will result in diminishing returns (Hall & Ferris, 2011).

2.2.3. Extra role accountable behaviour

An accountable individual is able to explain the reason for their behaviour as well as provide normative grounds on which to justify the behaviour (McKernan, 2012). Such individual accepts responsibility and does not shift it to others or lays blame. The grounds that are used for justification are found in the common values and interchanges of rights and responsibility, in the ideals and customs, or in the formal systems in the organisation (Ammeter et al., 2004; McKernan, 2012).

Accountability represents one of the job obligations that employees must meet in their organisations so an employee who is accountable will successfully complete tasks (Breux et al., 2009). This type of accountability is referred to as specific accountability. When employees perceive specific accountability, they will complete only what is required of them, but nothing more (Erdogan et al., 2004).

However, there is another notion to what is considered being accountable in the workplace. In addition to completion of a task, an employee who demonstrates 'extra role' behaviour is regarded as highly accountable (Hall & Ferris 2011). Extra role behaviour refers to the discretionary individual behaviour that is not outlined in the formal organisational systems, but the individual contributes to job performance and promotes the operational effectiveness of an organisation (Hall et al., 2009). Extra role behaviours are not found in formal job descriptions, but are considered important to organisational performance (Hall & Ferris, 2011). In many organisations, employees who demonstrate extra role behaviour are employees who are seen to be helpful to others in the organisation as well as considerate of others (Hall et al., 2009). They also 'go the extra mile' without having to be asked. This level of accountability is referred to as generalised accountability, where the employee is motivated to perform a wide range of duties for no extra rewards, regardless of whether these are explicitly expected from them (Erdogan et al., 2004).

Extra role behaviour by employees is crucial for the successful performance of an organisation (Hall & Ferris, 2011). Extra role behaviour by an employee is found to be positively related to the individual's performance and the individual's perceived accountability by their leadership (Hall et al., 2009).

2.2.4 Transparency

Accountability has an intricate correlation with transparency (McKernan, 2012). The right to require and obtain information, as well as avoidance of secrecy is fundamental to the notion and

progression of accountability. Accountability can be increased through liberated power and an increase of rights to information (Shearer, 2002). This notion was first introduced by Power (1991) when he highlighted that the provision of information and evidence of it in the principal-to-agent context is a critical aspect that forms and shapes the relationship of accountability.

When information is shared with employees, it encourages responsible behaviour as employees evaluate consequences of their behaviour before engaging in it (McKernan, 2012). Trust as an organisational value plays a critical role in employee accountability. When employees feel they are valued as part of the team, it “creates a sense of mutual expectation and commitment” (Patel & Cardon, 2010, p. 270). When information is provided and issues are made clear in an accountable relationship, this increases the level of accountability (Power, 1991). In order to get ‘buy-in’ from employees to be accountable, the organisational objectives and values must be shared with them (Hall et al., 2009).

2.3 Formal and Informal Accountability

Formal accountability systems are implemented by organisations to shape and control behaviours of their employees toward one common ideal organisational conduct (Hall et al; 2009; Hall & Ferris, 2011). In a formal accountability system, the leaders develop rules and guidelines against which employee performances and behaviours are evaluated and either receive a reward or a sanction for their performance (Hall et al., 2017).

Formal accountability systems are used to provide clarity as to how employees are expected to contribute to organisational goals and the criteria on which their contribution will be evaluated (Frink & Klimoski, 2004; Mero et al., 2014). The systems establish the tone for appropriate conduct, performance standards and in turn, inform the manner in which individuals think and conduct themselves (Patil et al., 2017).

Traditionally, assumptions had been made that formal accountability systems would be perceived as such by all and thus accountability would be ensured (Hochwarter, Perrewe, Hall & Ferris, 2005). However, accountability systems are subject to lapses and are inadequate if all other dynamics within the organisation are not considered (Ferris et al., 2008). To mitigate this, organisations must introduce informal accountability systems in addition to the formal systems to regulate individual behaviour (Pitesa & Thau, 2013).

2.3.1 Formal accountability

The implementation of formal accountability systems is critical to improve organisational performance and effectiveness, as the systems directly impact the levels of accountability in the organisation (Ferris et al., 1998; Hall et al., 2003). Formal accountability systems include an appropriate recruitment process, rewards-based performance measures, greater autonomy, teamwork, and available training opportunities. They increase employee accountability and this associated with high levels of organisational performance (Allen et al., 2013). Formal accountability

systems are strategic systems; they have to be in place to have the ability to positively influence accountability and form part of an organisation's competencies (Sheehan, 2014).

2.3.1.1 Systems

Formal accountability systems should influence positive behaviour, while mitigating negative consequences for both the employee and the organisation (Hall et al., 2017). Accountability systems in an organisation should meet three basic conditions; first, they must provide an employee with a practical and realistic idea of the exact task they are accountable for. Second, employees must be informed of the behaviours that are considered appropriate in completing the tasks. Third, the system must provide clarity on who will evaluate their performance, based on the defined standards (Breux et al., 2009; Mero et al., 2014).

Formal systems that influence employee accountability directly include employment contracts, performance monitoring and evaluations, a rewards system, recruitment process, project specifics, or detailed strategic plans with action, deadlines and person responsible/accountable spelled out (Frink & Klimoski, 2004). As part of the systems, an ongoing monitoring and evaluation process is critical to ensure adherence by employees (Hall & Ferris, 2011). This affords the leader the opportunity to evaluate employees by comparing their behaviours against the defined rules and guidelines (Ferris, Munyon, Basik & Buckley, 2008). It reinforces the behavioural expectations and outcomes among employees (Mero et al., 2014). Simply creating formal systems without monitoring and evaluating them will not guarantee adherence by employees (Hall & Ferris, 2011).

When an individual is held to account, it bridges the gap between expectation and behaviour (Messner, 2009). If employees have their efforts validated and recognised through evaluation, it will create positive effects on the employees' accountability levels (Breux et al., 2009). The monitoring and evaluation process needs to be consistent and effective, otherwise it will bear no impact or will do very little to influence employees' behaviour (Ferris, Munyon, Basik & Buckley, 2008).

2.3.2 Informal accountability

Informal accountability systems are the inferred rules that exist within the organisation, but which are not outlined as part of the formal systems and procedures of the organisation (Pearson & Sutherland, 2017). These include organisational culture, group norms and values and social interactions that employees have with leadership and peers within the organisation (Frink & Klimoski, 2004; Romzek, Leroux, Kempf & Piatak, 2013).

Informal shared norms that are attributed to the perception of behavioural expectation, behaviours of peers and organisational culture play an important role as a factor that influences accountability in an organisation (Hall et al., 2017). Pearson and Sutherland (2017) identified three main forms of informal accountability: accountability to self, the organisational culture and leadership, and accountability to peers.

2.3.2.1 Leadership

Organisational contexts are considered to be “noisy” environments, whereby employees are subject to multiple expectations. Therefore, it is the responsibility of the leaders to clarify organisational priorities (Mero et al., 2014). As part of the accountability system, there must be strategic leadership in place to continuously communicate the vision and mission of the organisation, and create an accountability culture (Pearson & Sutherland, 2017). They must define the organisational Code of Conduct to outline the requirements that coerces employees to conduct themselves accordingly (Joannides, 2012) as leaders are ultimately responsible for the decisions to award or sanction behaviour and performance of employees (Wikhamn & Hall, 2014).

Employees’ perception of accountability is impacted largely by the interactions employees have with others, especially their leaders within their organisation (Frink & Klimosk, 1998). They pay close attention to leaders’ behaviour to help them better understand and navigate their environment (Mero et al., 2014). Leaders are responsible for creating the organisational culture as well as influencing the employees’ perception of the culture by acting as role models for the advocated behaviour (Prati, McMillan-Capehart & Karriker, 2009). They must provide cues to their employees that clarify tasks and reinforce obligations and control of important organisational behaviours (Mero et al., 2014).

The accountability relationship between leaders and subordinates has historically been researched through the framework of leader-member exchange (LMX) theory, which argues that leaders form differential relationships with their subordinates, and the quality of the relationship determines the attitudes and behaviour of the subordinates (Erdogan et al., 2004). According to social exchange theory, employees’ performance levels in the organisation are directly related to their exchange with their leaders, whether positive or negative (Allen et al., 2013).

Therefore, the behaviours and actions an employee perceives to be accountable for are likely to be a function of the nature of the exchange between the employee and the leader (Erdogan et al., 2004). This suggests that individuals to whom employees are answerable have a direct influence on these employees’ performance output (Steinbauer, Renn & Njoronge, 2014).

In high quality LMX, the leader and employee engage in a relationship that extends beyond the formal work environment and it involves mutual trust, respect and understanding (Erdogan et al., 2004). Trust in a leader and subordinate relationship is important, as trust moderates the relationship between a leader with power and an influential leader (Ammeter et al., 2004). Hall et al. (2004) defined trust as an expectancy that an individual will behave in a predictable manner that is not self-serving or harmful to constituents. Power without trust diminishes the influence the leader has over the subordinates (Ammeter et al., 2004).

When there is a low quality LMX, employees perform to a minimally-accepted standard to deliver on their job requirements, and their accountability source will not be internalised or generalised. It will solely be driven by the external (Allen et al., 2013). A low quality LMX is generally found to have low

levels of trust and respect, thus to influence accountability in these relations, leaders only have formal control systems at their disposal to influence accountability (Erdogan et al., 2004).

When employees have high quality engagements with their leaders, and where employees feel that their leaders value their input and demonstrate genuine care for their wellbeing, their commitment to the organisation increases and they are willing to contribute more to the organisation (Allen et al., 2013; Wikhamn & Hall, 2013). An employee associates their level of accountability with the hierarchical position. This implies that the extent to which an employee feels their contribution is valued and worthy reflects back in accountability to the organisation (Messner, 2009). Thus, a leader's trust and ability to accept employee voice from their employees has a direct impact on employees demonstrating extra-role behaviour (Ammeter et al., 2004).

In a relationship where trust exists, an employee can be counted upon to perform their duty even without any physical monitoring; however, in the absence of trust, there is heavy reliance on formal accountability mechanisms to ensure duties are performed (Ammeter et al., 2004). Employees form accountability perceptions based on their LMX and they reciprocate through performance and behaviour according to what they received from their leaders (Erdogan et al., 2004).

2.3.2.2 Organisational culture

Organisational culture reflects the norms and principles of how performance and behaviour within an organisation will be evaluated (Patil et al., 2017). It plays a critical role as it influences individual perceptions and understandings of appropriate and inappropriate behaviours and thus affects the behaviour of the individual (Ferris et al., 2008).

Organisational culture is considered to influence accountability even more than do formal systems (Hall & Ferris, 2011). A fit organisational culture has a substantial impact on individual behaviour and performance, and on overall organisational performance (Chatman & O'Riley, 2016). When organisational goals match the culture and values, accountability levels will be greater and thus better performance will be achieved (Patil et al., 2017).

Shared norms and values include trust, honesty, integrity and transparency, while behavioural trends include frequent and sustained communication from leadership, knowledge sharing, acknowledgement of errors and measures to rectify the errors (Romzek et al., 2013).

A leader in an organisation is the main custodian of the culture (Pearson & Sutherland, 2017). Consistent behaviour that is displayed by a leader plays a pivotal role in the formation and safeguarding of the organisational culture (Hochwarter, Ferris, Gavin, Perrewé, Hall & Frink, 2007). Such role-model behaviour sets the tone for how the wider organisation will conduct itself through communication of the desired behaviour to employees as well as demonstrating the desired behaviour (Steinbauer et al., 2014).

Trust as part of the shared norms in an organisations is an important aspect in an accountability relation (Hall, Blass, Ferris, & Massengale, 2004). Interpersonal trust between employees in an organisations is critical to achieve daily objectives (Ammeter et al., 2004). Trust occurs when individuals have expectations that another individual can be relied upon to deliver on promise (Hall et al, 2004). Ammeter et al. (2004) reckon trust and accountability have similar implications in an organisation, as an employee who is trustworthy can be counted on to deliver on their task requirement without excessive physical monitoring whilst an employee that is not trustworthy can only be expected to deliver of job expectations if they closely monitored.

2.3.2.3 Felt accountability

Traditionally, individual level accountability had been ignored by accountability researchers (Hall & Ferris, 2011). Research, however, suggests that an individual's perception of accountability plays a significant role in the individual's ability to account for their behaviours and performance as part of an organisation's accountability systems (Mero et al., 2014).

This individual accountability is referred to as felt accountability, which states that an individual's accountability perception is subjective to the individual's perceptions and biases (Tetlock, 1985; Wickam & Hall, 2013). Felt accountability does not only include the formal aspects of the job descriptions, but also what employees perceive they need to do, given the norms in their organisation (Frink & Klimoski, 1998). An individual's response to accountability demands is linked to the perceived account rather than actual reality (Wickam & Hall, 2013).

Accountability is limited to the distorted perception an individual holds, based on their experiences and practical interactions (Messner, 2009). Formal accountability systems alone do not ensure employee accountability (Hall & Ferris, 2011) as an employee's subjective interpretation of accountability becomes the focus of interest as opposed to the objective accountability systems that are imposed on the employee (Hall et al., 2017). An effective accountability system does not only involve holding employees accountable via the formal mechanisms, but it requires that the employees perceive themselves as accountable for the specific behaviours (Mero et al., 2014).

The organisational environment plays a critical role in felt accountability. Perceived organisational support, which is the extent to which employees feel their contributions are valued has been found to increase employee accountability (Wikhamn & Hall, 2013). When employees have high levels of internal accountability they feel obliged to perform because of their personal commitment levels, the external formal systems are not necessary to ensure accountability as individuals will perform because of the need to reciprocate (Erdogan et al., 2004). When employees are under external accountability they will perform due to the external obligations that are placed on them (Erdogan et al., 2004). However, if the felt accountability is excessive, it will have possible negative effects as the employees feel they are overly controlled (Hochwarter et al., 2005).

Employees can be intuitive actors and can intentionally and purposefully adapt their actions and behaviours to parallel the results they desire from their audience (Hall et al., 2004). Therefore, employees can manage their perceived accountability by behaving in a way that enhances their ability to validate their actions and behaviour to the leaders (Mero et al., 2014).

2.3.2.4 Peer accountability

Employees gather information and form opinions about their organisation's important attitudes, philosophies and expectations from the people within the environment; their interpretation of these inform their own attitudes, philosophies, expectations and behaviours (Mero et al., 2014). In day-to-day operations, peers and group members serve as custodians of the organisational Code of Conduct and demand reasons for behaviour they expect to be consistent with what leadership requires (Joannides, 2012). The role of peers and team members is an important one, particularly to new employees who still have to form an impression as to what is expected of them. Socialising forms of accountability foster clearer pictures of organisational norms and values. They also create an appreciation of self and peers that is free from distortion by any imposed formal structures (Messner, 2009).

2.3.3 Negative aspects of accountability

When there are demands for greater accountability in organisations, this often translates into a perceived need for tighter administrative and supervisory controls (Messner, 2009). However, an adequate balance of accountability mechanisms in an organisation must always be maintained, whereby enough mechanisms are in place to ensure appropriate behaviour, but not too many to produce excessive control and negative reaction (Lerner & Tetlock, 1999).

Excessive accountability might be perceived as a stressor to employees as it can be viewed as a source of tension (Hall & Ferris, 2011; Wikhamn & Hall, 2014). It can result in micro-managing employees and employees fearing punishment more than seeing potential rewards for achieving their tasks. As different individuals perceive accountability differently and the levels of transparency needed, so do demands within an organisation differ (Wikhamn & Hall, 2014). Excessive or inadequate or even inappropriate levels of accountability can be detrimental to an organisation (Ferris, Mitchell, Caravan, Frink & Hopper, 1995).

Conflict can also arise between the interacting individuals of accountability, if an individual is asked to perform duties that are in conflict with their personal values and beliefs (Hall et al., 2017). While an individual's failure to meet expectations may be regarded as incompetence, expecting an individual to measure up to multiple and conflicting accountabilities is as questionable (Messner, 2009). Inconsistencies in the demand for accountability is also considered problematic in any accountability relationship (Messner, 2009).

2.4 Small and Medium Enterprises (SMEs)

2.4.1 Definition of SME

There is a lack of uniformity across government bodies of different countries on the definition of Small and Medium Enterprises (SMEs). Even across institutions such as the European Commission, the Organisation for Economic Co-operation and Development (OECD), the World Bank and other individual institutions, there is a lack of consensus on the definition of SMEs (Buculescu, 2013).

In considering the definitions of SMEs, there are three main conditions upon which SMEs are classified: first, the number of employees; second, the annual value of turnover; and third, and the value of assets. However, due to its ease of collection and limited access to financials statement of these firms, the mostly commonly applied variable used to define SMEs is by the number of employees (Moonsamy, 2016).

For this study, as it was undertaken in South Africa, SMEs are defined according to the National Small Business Amendment Act 2003 of South Africa. Table 1 below explains the classification of SMEs as per the National Small Business Act Amendment Act 2003.

Table 1: Classification of SMEs in South Africa by the National Small Business Amendment Act of 2003

Enterprise size	Number of employees	Annual turnover	Gross assets (Excluding fixed assets)
Medium	100 – 200	R5 million to R64 million	R5 million to R10 million
Small	Fewer than 50	Between R2 million to R5 million	Between R3 million to R4.5 million
Very small	Fewer than 20	Between R200 000 to R500 000	Between R150 000 to R500 000
Micro	Fewer than 5	Less than R150 000	Between R100 000 and R150 000

Following the guidelines from the National Small Business Amendment Act of 2003, and the suggestion from Moonsamy (2016), it was decided that for the purpose of this study, the number of employees would inform the initial basis for the definition of SMEs. Thus, a minimum of 5 employees and a maximum of 200 employees were regarded as being SMEs.

2.4.2 Fundamental differences between SMEs and large organisations

It is well documented that SMEs exhibit different characteristics compared to large organisations. The differences are frequently understood as being “the consequences of the structural and cultural environment that the firms operate in” (Smith & Smith, 2007, p. 394). The fundamental characteristics of the actual organisational size, which decreasing agility or flexibility and increasing bureaucracy are in essence the basis of size-related differences between the two types of organisations (Taylor & Taylor, 2014).

To contextualise why there would be a difference in the factors that drive accountability within large organisations versus the factors in SMEs, there is a need to understand fully the difference between the two types of organisations. Garengo, Biazzo and Bititci (2005); Taylor and Taylor (2014) described four differences between SMEs and large organisations as follows:

- SMEs are flexible and agile, thus able to react quicker to environmental factors and competitive opportunities. Thus, the organisational systems and processes are generally unstructured in SMEs, while in large organisations it is common practice to design and implement formal processes to manage operations and employees (Ates et al., 2013). The lack of formal structure in SMEs leads to higher informality, which is heightened by the ongoing informal exchanges between employees and owners (Taylor & Taylor, 2014).
- The decision-making process is concentrated in SMEs, mostly relying on the owner, as the success of the organisation is generally attributed to them (Ates et al., 2013). It is frequently found that the owner determines the direction and will run the organisation on the basis of their own expertise and intuition (Atec & Bititci, 2011).
- The third prevalent differentiator between SMEs and large organisations is the issue of limited resources. The limited resources refer to human resources, financial resources as well as time (Ates & Bititci, 2011). SMEs have much less options than their larger counterparts to employ systems that improve their performance (Sheehan, 2014). The level of employee skills in SMEs tends to be much lower due to limited financial resources for paying higher salaries, the lack of financial or time resources for training, and failure to attract and retain staff with relevant skills (OECD, 2015c).
- Lastly, there is a difference regarding the issue of short-term priorities. In SMEs, time is predominantly focused on operational, technical activities and not strategic long-term planning activities (Ates et al., 2013). The owners perform both strategic and operational

roles; however, their skills tend to vary in competence across the roles (Garavan, Watson, Carbey & O'Brien, 2016).

SMEs primarily face external uncertainties that are beyond their control (OECD, 2017). SMEs have limited access to international and national data, thus a limited view over the market in which they operate. This limits their control over their competitive advantage (Smith & Smith, 2007) and leads to a lack of wider market presence. As a result, SMEs are typically reliant on a few key customers for survival (Storey, Saridakis, Sen-Gupta, Edwards & Blackburn, 2010). However, this scenario has changed in the last decade, where due to digitalisation and availability of online data, online sales platforms and international online marketing potential, SMEs have more chances to compete with large companies in an agile manner.

2.5 Accountability systems in SMEs

The importance of formal employee management systems in an organisation is unarguable as they are linked to better and measured performance, and sustainability of an organisation (Drummond & Stone, 2007; Verreyne et al., 2013). They are generally critical predictors of an organisation's success and sustainability (Patel & Cardon, 2010).

However, due to the common lack of resources, also to be able to fund technical infrastructure and expertise to manage the systems (Allen et al., 2013), it is probable that the implementation of high level and formal systems are not suitable for SMEs that are more dynamic, and have informal environments (Chadwick, Way, Kerr & Thacker, 2013). Introducing highly formalised systems to try and replace what has historically been managed through interpersonal interaction, may impact the existing organisational environment negatively (Mallett & Wapshott, 2014).

2.5.1 Systems in SMEs

Although formal accountability systems are widely found in large organisations, the opposite is the case in SMEs (Sheehan, 2014). Such systems are considered a burden on the critically constrained financial resources as well as the management attention they require to be effectively managed (Chadwick et al., 2013). Thus, the presence of such systems is erratic in SMEs (Patel & Cardon, 2010).

SMEs tend to opt for more informal systems that are less reliant on administration (Cardon, 2010). Informality in this context refers to a custom of interaction among those working in and for the organisation and who enjoy a certain level of autonomy in interpretation of their role requirement (Mallett & Wapshott (2014). This informality alleviates the pressure to implement formal systems as it leads to less bureaucratic management systems, which mitigate the need for formal systems (Taylor & Taylor, 2014). This practice is generally heightened in employment relationships more so than in their larger counterparts (Mallett & Wapshott, 2014).

Employee management commonly takes place through social familiarity between owner-managers and employees (Mallet & Wapshott, 2014). The size of the organisations allows for face-to-face interactions with the employees, which gives rise to a more informal approach to task allocation and monitoring (Haugh & McKee, 2004). Quite often, employees are expected to have multiple and shifting roles; thus, the introduction of a rigid formal systems can impede the day-to-day functioning of the organisation (Chadwick et al., 2013; Sheehan, 2014). Tasks are undertaken on ad hoc informal bases according to the perceived organisational needs (Mallet & Wapshott, 2014). The lack of clarity regarding completion of tasks can create negative responses regarding accountability as employees are often uncertain of what is expected of them (Hall et al., 2003).

When the organisations grow in size, the ability to communicate with all employees is no longer feasible and to respond to this impediment, formality is introduced by owners (Storey et al., 2010). Thus, formalisation of systems and procedures generally is not planned, but such systems and procedures are rather constructed in response to developing issues and incidents that have occurred (Patel & Cardon, 2010; Storey et al., 2010).

Although formalisation of systems is inevitable due to the complexities that arise from organisational growth (Mallett & Wapshott, 2014), the systems that are introduced in SMEs are administered differently to those in large organisations; and the implementation and administration of the systems is usually the sole responsibility of the owner-manager (Allen et al., 2013). However, because there are competing demands the leaders are faced with for time, coupled with the lack of experience in managing employees in a formal manner, the system administration is often neglected and mismanaged (Sheehan, 2014). The administrative requirements that are imposed on them to manage the system is considered to be more of a hurdle than the actual cost of the systems (Chadwick et al., 2013). Therefore, even though the formal systems exist and are available to SMEs, they are only acquired very seldom and also applied inconsistently to employees (Guest & Conway, 2011).

SME owners most often rely on their authority by overriding any formal systems and reverting back to informal systems (Mallett & Wapshott, 2014). Informal systems are largely preferred by SME owners as they allow them flexibility (Ates et al., 2013) and agility for swift customisation of role function to fit specific employees' circumstances and increasing the owners' ability to prompt the employee behaviour required by the organisation (Chadwick et al., 2013). Thus, formalisation of systems has to be in line with SME owners' view on employment systems, and it is important to create a set of practices that fit the SME owners' understood models of employment exchanges (Allen et al., 2013) to allow the leadership style to align with organisational culture of the organisation (Taylor & Taylor, 2014).

2.5.2 Organisational culture in SMEs

Organisational culture is a large distinguishing factor between SMEs and large organisations (Smith & Smith, 2007). Differences in culture between large organisations and SMEs will arise not only from the actual size of the organisation and the number of employees, but rather from the impact that size has on the strength of culture and the existence of formal structures (Hauke & McKee, 2004). Organisational culture is developed over long periods of time and therefore there are diseconomies resulting from time (mostly newer businesses) in the context of organisational culture of SMEs (Zahra, Hayton & Salvato, 2004).

The lack of formal systems in SMEs results in less reliance on formal control mechanisms and therefore increases the importance of an organisational culture as a key determinant to drive employee behaviour (Zahra, Hayton & Salvato, 2004). It relies heavily on the levels of some formality and informality that exist within the organisation (Messersmith & Wales, 2011). However, this is often easy to achieve as it requires much less resources (Patel & Cardon, 2010).

Organisational culture in SMEs is a direct reflection of the founder, owner or manager of the organisation, and thus, they have a direct influence on the nature of interactions and exchanges with employees (Allen et al., 2013). If emphasis is placed on consistency, communication and trust, it can reduce the administrative cost related to implementation of any formalised systems, while still ensuring accountability in SMEs (Patel & Cardon, 2010). A leader in such SME must enable greater autonomy for the employee to drive performance (Allen et al., 2013). However, this is often a problem as strong independence is generally sought by owners of SMEs, and the high level of control they exert on the business operation affects the organisational culture (Hauke & McKee, 2004).

SMEs are found to be more prone to the adhocracy model of culture (Smith & Smith, 2007); the organisations are flexible, have high levels of responsiveness and owners/managers have a higher degree of a risk-taking attitude (Ates et al., 2013).

2.5.3 Leadership in SMEs

In large organisations, accountability is mediated through others as the majority of employees do not have direct contact with the leaders (Joannides, 2012; Hall et al., 2017). This is a limitation when operationalising accountability, as the role and status of the mediator, and the individuals' required performance to the higher principal remain unclear, and the employees do not always understand their role in creating value for the higher principal (Messner, 2009). This is, however, not the case in SMEs, as employees and leaders operate in close proximity of and to each other (Mallett & Wapshott, 2014). The higher level of intimacy allows for a leader to create a positive exchange with employees. In addition to the close proximity relationships between leaders and employees are informal and inter-reliant (Mallett & Wapshott, 2014). This can positively impact accountability as employees will contribute highly to the organisation (Allen et al., 2013). Employees have great

discretion as to the extent to which they contribute to an organisation and support their peers. The ability to do so is closely related to their exchanges with the SME leaders (Allen et al., 2013).

To drive accountability, organisations must ensure leaders have the required skills thus, management and leadership development programmes must be implemented (Pearson & Sutherland, 2017). However, it is often found that owners or leadership in SMEs are not formally trained on employee management (Patel & Cardon, 2010). Mitchelmore and Rowley (2013) cautioned that leadership development is often not prioritised in SMEs. This should be particularly important in SMEs as leadership in these organisations requires an extensive range of skills and competencies to drive performance (Garavan et al., 2016).

The leadership and management skills are strongly connected to the owner's skills and characteristics (Ates et al., 2013). This implies that the direction of the organisation will be limited by the knowledge and experience that the leaders holds (Garavan et al., 2016). This results in their experiences reigning supreme in shaping the organisational culture, which has important implications on employee accountability (Allen et al., 2013). It is further agitated as owners are generally unaware of their own shortcoming and gaps in the skills required to effectively run the organisation (Garavan et al., 2016). With the conflicting demands made on them, SME owners do not prioritise management and leadership programmes in their organisations (Mitchelmore & Rowley, 2013). They also do not believe that they have the time or the "extra" resources to put aside for such programmes.

Leadership in SMEs typically involves personal and more emotional decision-making processes; thus, the attitudes of SME owners can be detrimental to the success of the organisation (Ates et al., 2013), if the organisation is seen as an extension of their own self-worth and decision-making is more erratic, based on their experience and skills level (Ates et al., 2013). This commonly results in a "command and control management style" (Ates & Bititci, 2011), which brings about inconsistencies and contradictory processes between leaders and employees that can result in breakdown of trust (Hauke & McKee, 2004) in a worst-case scenario.

2.6 Conclusion

Accountability is considered a complex concept and its perceptual nature adds to its complexity (Ammeter et al., 2004). The conceptualisation of accountability systems should include both formal and informal systems (Frink & Klimoski, 2004; Hall et al., 2009). The systems must work parallel to develop accountability in the organisation (Ammeter et al., 2004). There is greater informality found in SMEs (Ates et al., 2013), which creates a clear distinction between large organisations and SMEs in terms of the formal and informal systems that are found in the two types of organisations.

The need for formalised systems to develop employee accountability is highly recommended for large organisations. However, the contrary is found in SMEs (Sheehan, 2014). These organisations are highly informal, but because of their flexibility and agility, they are able to continue operation and

even be sustainable in the long term (Taylor & Taylor, 2014). Organisational culture in SMEs is largely attributed to the SME owner/founder, leader or manager, given the leadership style that is adopted by the leader (Allen et al., 2013). As organisational culture is manifested over time, there are diseconomies of time when comparing SMEs to large organisations (Zahra, Hayton & Salvato, 2004). Leadership influences accountability in an organisation and is critical, but the leadership in SMEs often lacks formal management skills and training (Patel & Cardon, 2010).

The considerable differences between large organisations and SMEs have been highlighted. The formal and informal systems that are found in the two types of organisations vary vastly. The existing literature has mainly focused on large organisations thus it is important to determine how SMEs are able to develop employee accountability for organisations with their distinct characteristics. The research questions that follow in Chapter 3 were developed in consideration with the clear distinctions that have been made by the literature between large organisations and SMEs.

3. RESEARCH QUESTIONS

3.1 Purpose of the Research

This research aims to determine how employee accountability can be developed in SMEs. The literature has outlined the fundamental differences between SMEs and large organisations. It also demonstrated how the factors that influence accountability in large organisations differ in the context of SMEs. While accountability in large organisations had been researched more frequently, little is known how SMEs are able to develop employee accountability within their organisations. The objective of this study is to determine how optimum levels of employee accountability can be developed in SMEs.

3.2 Research Questions

Based on the purpose and the need for the study to address the gap in literature regarding accountability in SMEs, four research questions were formulated.

3.2.1 Research question: How is an accountable employee defined in the SME context?

The question aims to get an understanding of what SME owners determine as an accountable employee. When an employee is to be accountable, there must be clear expectations of roles. Literature about SMEs suggests that employees are expected to play multiple roles in small organisations, so there is a need to establish how accountability is defined given the expectation of employees to be prepared to also play such multiple roles.

3.2.2 Research question 2: How is employee accountability developed in SMEs?

Literature established that there are formal and informal mechanisms that have been identified as factors that influence accountability. There are fundamental differences in how they are encountered or structured in SMEs.

In addition to defining accountability, the research question aims to establish how employee accountability is developed in SMEs, given that the factors that have been identified for large organisations are fundamentally different to those encountered in the SME context.

3.2.3 Research question 3: What is considered most effective in developing optimal employee accountability in SMEs?

The importance of SMEs to the global economy has been outlined. Literature also highlights a direct correlation between accountability and organisational performance. Thus, this question aims to get an understanding of what factors do SME owners consider to be the most influential for developing employee accountability.

The time and resource constraints experienced by SME owners/managers were highlighted in the literature; thus, answering this question will allow SME owners to prioritise resources needed to develop the optimum levels of employee accountability to lead to greater performance.

3.2.4 Research question 4: What role does leadership play in developing optimal levels of employee accountability?

The literature review in Chapter 2 outlined that all factors must be aligned in an organisation to develop optimum levels of employee accountability. In SMEs, leadership is directly linked with the organisational culture; thus, this question aims to understand how the leadership is aligned with possible other factors that exist in the organisation to develop optimum levels of employee accountability.

The above research questions were used as a basis to formulate the semi-structured interview questions for the participants. The next section will discuss the methodology followed in this study.

1. RESEARCH METHODOLOGY

4.1 Introduction

In this chapter, the research methodology that was followed by the researcher in answering the questions referred to in Chapter 3 will be presented.

The study adopted a qualitative and exploratory approach as the researcher aimed to obtain a better understanding of accountability in SMEs. The next section will provide the rationale on the research methodology followed.

4.2 Research Methodology and Design

The purpose of the study was to determine how optimum levels of employee accountability can be developed in SMEs. The research study was exploratory in nature as it aimed to gain deeper and greater understanding of how employee accountability is developed in SMEs. The choice of methodology was consistent with the argument by Corbin and Strauss (2008) that qualitative research allows one to gain a better understanding of the subject's perspective, attitudes, experiences and interpretations from their own frame of reference and experienced reality because it is experienced by the subject. This was also supported by Saunders and Lewis (2012), who recommended the use of a qualitative approach, wherever the research seeks to find new understandings, asks new questions and evaluates themes from new perspective.

In order for the researcher to be able to explore the concept of accountability in the context of SMEs, the researcher needed to understand it from the perspective of the subjects who are responsible for enforcing accountability in their organisations. The individuals are the social actors whose reality and environment the study was attempting to research in an effort to understand what they consider to be the factors that drive accountability in their organisations, from their own lens and "lived experiences". This approach is referred to as an interpretivist research. An interpretivist researcher is described as one whose goal it is to understand the multidimensional world of lived experiences from the point of view of those who live it (Schwandt, 1994). Those whose lived experiences are being explored are referred to as "social actors" (Saunders & Lewis, 2012).

As outlined in Chapter 2, research on accountability had predominantly been focused on large organisations. In order to explore employee accountability in the context of SMEs, the research combined both deductive inductive approach. The deductive was used to explore the existing literature on employee accountability that were used to develop the research questions for the study. The research was inductive in that it sought to explore and understand employee accountability from the lenses of SMEs which has not previously been done.

The data were collected from selected participants at a single given time in the form of an interview to gain an understanding of the accountability drivers within SMEs. Saunders and Lewis (2012) referred to this design of research as a cross-sectional research design as the study takes place at one particular time.

In line with the exploratory qualitative nature of the study, the researcher used an in-depth face-to-face semi-structured interview as the data collection mechanism. A semi-structured interview entails a prescribed list of crucial questions to investigate areas related to the research study, while allowing the interviewer or interviewee to deviate from the prescribed list to pursue a concept or response in more detail (Gill, Stewart, Treasure & Chadwick, 2008). The list of questions used were conceptualised from the key themes that were uncovered in Chapter 2. This list of questions was prepared to assist the researcher steer the interview on the understanding of accountability and gain insights that were not limited to the researcher’s predetermined opinions around the concept.

4.3 Population

According to Daniel (2011), for a research study to be applicable, the researcher must have an unequivocal definition of the target population to which the study applies for the findings to be applicable. As highlighted in Chapter 2, there are a number of elements that were considered in the definition of an SME. The researcher defined and identified an SME according to the definition given by the Small Business Act 29 Republic of South Africa (2003) of SMEs. Due to the lack of access to the financials of the interviewed organisations, the researcher used only the definition of number of employees to determine the population. In order to exclude micro organisations, the researcher only looked at organisations that had more than 5 employees. As an additional limitation in an effort to ensure that the organisations met the criteria of a medium-sized enterprise, the organisations had to employ up to 200 employees. An extract of how the classification of SMEs was defined by the number of employees is presented below.

Table 2: Classification of SMEs by the number of employees as per the National Small Business Amendment Act of 2003 of South Africa

Enterprise Size	Number of employees
Medium	100 – 200
Small	Fewer than 50
Very small	Fewer than 20
Micro	Fewer than 5

In addition to the number of employees, the researcher further defined the population of SMEs by the number of years the organisation had been operating. SMEs that formed part of the study had to have been in operation for at least 5 years. The OECD stated that only half of all SMEs that are established survive beyond the fifth year. The age limitation of the business as a criterion was to allow the researcher to gain insights from SMEs that had a proven record of success and demonstrate potential for sustainability. This also ensures that the initial and often distinctive start-up issues are not captured.

4.4 Unit of Analysis

The owner-managers of SMEs were the unit of analysis. The reason for the limitation on owner managers was due to their intimate knowledge of their organisation's employee management. SME owners have substantive experience and have learned some important lessons on employee accountability through the different growth phases their organisation went through. The owners of SMEs have the sole responsibility of conceptualising and implementing accountability systems. Through the different levels of formality and informality their organisations experienced, the owners gained practical experience to be able to give insights on the topic.

It is important to identify the correct unit of analysis, as the unit of analysis of a study is the 'who' or 'what' that must give the data and answer questions for the study (Zikmund, Babin, Carr & Griffin, 2013). Therefore, given the substantive experience the owner managers possess, they were the correct choice in terms of their ability to answer the questions to the research.

4.5 Sampling Method and Size

According to Daniel (2011), when a researcher considers the research sampling technique to use there are number of factors that must be considered before making the decision. The five factors are the purpose of the study, the nature of the population, available resources, and accessibility of population as well as research design consideration. The impracticality of collecting data from the whole population due to the inability to obtain the complete list of the population, the time constraints and the qualitative exploratory nature of the study led the researcher to adopt a non-probability sampling method (Saunders & Lewis, 2012).

This non-probability sampling technique included both a purposive and snowball approach. Saunders and Lewis (2012) advocated for a purposive sampling technique, if the researcher wished to collect data only from subjects who will be able to answer the research question. In the initial stages, SMEs were recruited via purposeful sampling through networks on the basis that judgement needed to be applied in the selection of SMEs based on the defined population. During the interviews, suggestions were made by participants on other business owner-managers who were within their networks.

Saunders and Lewis (2012) advocated that for qualitative research, a minimum sample size of 10 for a homogeneous sample and a minimum of 15 for a heterogeneous sample would be appropriate. Based on these recommendations, the researcher identified 20 SMEs as part of the sample. During the interviews, the researcher played close attention to themes that emerged with each interview to assess at which point data saturation would occur. Data saturation was reached by the 12th interview, as no new themes emerged, which led to the decision to stop further sampling and retain a final sample size of 14 participants.

Additional factors that influenced the adopted sampling method was the limited financial resources available to travel across South Africa, time constraints for the travel for the research and the need

to conduct face-to-face interviews. Due to these factors, only SMEs situated in Gauteng, South Africa were selected for the research. The final sampling criteria were that the selected SMEs had to employ between 5 and 200 employees and it had to have been in operation for more than 5 years. The SMEs that formed part of the sample were randomly selected across multiple industries.

4.6 Data Collection Tool

Saunders and Lewis (2012) defined an appropriate data collection tool as one that allows the researcher to collect the required data for the research questions. For the purpose of this research, a qualitative data collection method in the form of a semi-structured in-depth face-to-face interview was used to explore the topic.

Bryman and Bell (2015) defined the semi-structured interview as a situation in which the interviewer has a set of prescribed questions for the interviewee, but is able to deviate from the sequence of the questions. Major themes that were established during the literature review in Chapter 2 were used as prompts and probes when the researcher deemed it necessary to steer the interview or when participants did not understand the question and/or failed to articulate their answers fully.

In a semi-structured interview, the interviewer has leeway to overlook certain questions, if they have already been answered spontaneously by the interviewee and ask supplementary questions as probes to seek further clarity and understanding (Saunders & Lewis, 2012).

4.7 Data Collection Process

The research adopted a face-to-face semi-structured interview method as its data collection method. Due to inadequate statistical or qualitative data being available on SMEs in South Africa, the researcher could not anticipate the type of answers participants could give, which prompted the use of semi-structured interviews as the data collection tool (Saunders & Lewis, 2012).

The interview questions were linked to the research questions outlined in Chapter 3. The researcher developed an interview schedule to guide the interview process, based on the literature findings discussed in Chapter 2. The interviews were structured around topics including accountability, human resources and culture, with leeway given to participants to relate their own similes that were pursued by the interviewer.

Bryman and Bell (2015) warned that when unstructured interviews are designed, they are reliant on the researcher's ingenuity. It is, therefore, very difficult to replicate the research as no standard procedures are followed. In order to prepare adequately for the interview, the researcher conducted a pilot interview before commencement of the formal interviews.

4.7.1. Pilot interviews

Prior to the data collection, a pilot interview was undertaken to determine, if there were any flaws, limitations or other weaknesses with the interview guide of the interviewer. The pilot was held with an owner-manager of an SME who did not meet the criteria in terms of number of employees. The

pilot was used by the researcher to verify that the questions are unambiguous, can be correctly interpreted by the participants and do not pre-empt or prompt the participant. The pilot interview was conducted in the same manner that the researcher anticipated the actual interview to be conducted.

Saunders and Lewis (2012) suggested the use of pilot interviews to assist the researcher in revealing, whether the terminology used in the interview schedule is easy to comprehend by the participants and if the questions that are asked are adequate to answer the research questions.

The pilot interview assisted the researcher with eliminating repetitive questions, redesigning the sequence of questions as well as rephrasing the questions to simplify them to be easier to understand. The researcher learnt from the pilot that it was better to rather define an accountable employee than define the term accountability. The researcher also learnt to make mention of literature to probe and prompt the participants as accountability is generally a perceptual concept and thus there was a need to guide the participants. The interview guide was amended according to the identified gaps. The pilot provided the researcher with a certain degree of confidence on what to expect and how to better steer the interviews.

The actual interviews were scheduled according to the participants' availability. The participants were invited to take part in the study via email. Information about the study was emailed to the participants to ensure that they were adequately informed prior to the interview on the nature of the research. At that time, they were also informed that participation was voluntary and that they could opt out of an interview at any time without any negative consequences to them. They were also assured of anonymity and confidentiality during and after the interviews. The interviews were conducted at times and locations that were convenient for the participants, which was predominantly at their place of work.

To build rapport with the participants, the researcher stressed and guaranteed the aspect of confidentiality of the data gathered prior conducting the research both verbally and through the written consent form, again confirming that they were allowed to discontinue the interview at any point should they so wish. The consent form used is included in appendix 1. To develop rapport with the participants, the researcher had prepared a set of questions that took the form of a more conversational approach to gather more personal information about the individual and their organisational background.

The interviews with the participants took place over a period of 3 weeks. The actual interviews with the participants lasted on average 45 minutes, but varied, with the shortest interview lasting about 30 minutes and longest interview taking up around 110 minutes. The length of the individual interviews depended on the participants' keenness to share their experiences and views as well as the level of comfort participants felt with the questions being asked.

The researcher used multiple means of collecting data. With the consent of the participants, the interviews were audio recorded to ensure a comprehensive data collection method. During the interviews, the researcher took detailed written notes of any interesting facts noted during the interview. The audio recording was utilised in case any information was overlooked in the field notes at the time of the interviews.

4.8 Data Analysis

To analyse the data from the in-depth interviews, the recording of the interviews was transcribed. The researcher outsourced the transcribing to speed up the transcription process, taking into consideration the time limitations. Upon receiving the transcripts, the researcher validated the content with the audio recordings to ensure accuracy of data. The audio recording and the transcripts, together with the field notes taken during the interviews, formed part of the data source for the thematic analysis.

The researcher opted for a thematic analysis approach to analyse the data gathered during the interviews. The researcher used existing themes from literature and identified emerging themes from each question outlined in chapter 3. A comparison between the existing literature reviewed and the findings was done to establish similarities and differences between large organisations and SMEs. Cassell and Symon (2004) described thematic data analysis as a systematic analysis approach that looks to identify common themes that emerge from the data collected across different individuals during the interviewing sessions.

The audio recordings and detailed notes from the 14 interviews were reviewed during the analysis stage. Each interview took approximately 3 hours to analyse. The researcher made use of Microsoft Excel to organise the coded quotes and sections of each interview. During the analysis of each interview, codes were generated and organised or grouped together to develop potential themes. The themes were developed through identifying important ideas or concepts that were repetitively mentioned by participants, and which were found to have meaning to the research questions. The themes that were used were developed through comparing them with existing literature.

Once the data were captured onto Microsoft Excel, the researcher recorded the number of times each theme emerged in order to determine the frequency. The frequency was used to rank the data in terms of importance in answering the questions.

4.9 Data Validity and Reliability

In assessing the measurement instrument, the two conditions that had to be considered were its reliability and validity (Saunders & Lewis, 2012). Reliability refers to the extent to which the method employed to collect data and the process which the analysis follows, will produce consistent findings (Saunders & Lewis, 2012). The instrument has to be reliable so that its findings can be trusted and

can be used from one study to the next (Zikmund et al., 2013). Validity, on the other hand, measures the extent to which the instrument accurately measures what it intends to measure (Saunders & Lewis, 2012).

Bryaman and Bell (2015) warned that qualitative research is extremely impressionable and subjective as it relies heavily on the researcher's often 'muddled views' because of the important relationships the researcher forms with the participants during the course of the interviews. Its subjective nature exposes the study to a number of biases from both the researcher as well as the subject's perspective, where such biases can threaten the reliability of an instrument (Zikmund et al., 2013).

Zikmund (2013) advocated for a standardised list of questions to be used as a directive throughout the interviews as this would assist in eliminating interviewer biases as well as any interpreter biases. The researcher took this into consideration and thus to increase the reliability validity of the study, the researcher prepared the interview schedule with standardised key questions for each participant, which were derived from the literature reviewed. The list of standard questions aided in eliminating the interviewer of biases during the interview. These questions were used as a guideline throughout the data collection process. The researcher also stressed to the participants the importance of open and honest responses, as confidentiality was assured and signed for in the consent form as per Appendix 1.

4.10 Research Limitations

As previously stated, a qualitative approach in a form of semi-structured interviews is subject to the researcher's as well as participants' biases. The limitation of this study was the research methodology employed. Zikmund et al. (2013) cautioned that a qualitative research is subjective in nature as there are risks of biases. Saunders and Lewis (2012) warned of anticipated threats from using a semi-structured interview as a measurement instrument in the form of researcher bias, leading to biased interpretation of responses and findings. In this case, the subjects may not have shared their complete experiences and instead, offered explanations for what they deemed to be the most appropriate answers. The data collection took place through a semi-structured interview and the direction of the interview was at the preference of the interviewer, as was the interpretation of the data gathered.

Bryaman and Bell (2015) argued that when unstructured interviews are conducted with a small number of participants in an organisation or locality, it is impossible to ascertain if the findings can be generalised. This notion was supported by Zickmund (2000) as he highlighted that the results of such research strategy cannot be irrefutable.

An additional limitation faced by the study stemmed from the non-probability purposive sampling technique used. This implied that the sample chosen was not statistically a true representation of

the population (Saunders & Lewis, 2012). Participants were, instead, chosen at the discretion of the researcher.

The small number of participants that formed part of the study also meant that caution must be applied when considering the findings to other organisations.

5. RESEARCH RESULTS

5.1 Introduction

This chapter presents the findings from the research process outlined in Chapter 4 under the data collection. The semi-structured interviews were conducted with owner-managers of SMEs in the Gauteng region. The data obtained from these interviews answered questions that are outlined in Chapter 3 about accountability within SMEs.

The results of the interviews are presented as per the questions used to answer the main research questions. The results will be discussed as per research question. Responses relevant to each question are quoted verbatim.

5.2 Description of the Sample

The profiles of the SMEs interviewed is presented in Table below. The SMEs that formed part of the study employed between 5 and 200 employees, as specified in Chapters 2 and 4. All interviewed participants were owner-managers of these SMEs and had hands-on experience of running these organisations for longer than 5 years.

Most of the participants' owned/managed SME organisations that had been in operation for over 10 years. According to the OECD (2017), less than 50% of all SMEs survive the first 5 years. Thus, as the average age of the included organisations was over 10 years, this indicates that the organisations have a proven track record of operational success and have high potential of being sustainable into the future. It also indicates that these participants possess a vast range of experiences and that the insights gained from the interviews will be valuable for the research.

The participants were owner-managers; 6 were sole owners, 7 were co-owners. Only 1 participant had acquired a license to trade an international company in SA. The participant who acquired a licence from an international company had the sole responsibility of setting up the organisation in South Africa. The international company had no influence on any structural issues or management issues, thus her input is equally valuable to the research. The owners of SMEs are a critical aspect to the success of these organisations, as these individuals in most cases have the sole responsibility of ensuring accountability. The experience that the participants have is thus of immense value to the study.

The average number of employees in the organisations was less than 100, although two SMEs had much larger SMEs. Their input is of great value as they have been involved in all growth stages of the organisations and thus understand and have experience in dealing with employee accountability of very small as well as large SMEs.

Table 3: Information and details of the participants of the study

Participant Number	Industry	Gender	Person Interviewed	Number of Staff	Number of years in operation	Brief Background of the participant
P1	HR Consulting	Woman	Sole Owner	27	13	Founder of the organisation
P2	Manufacturing - Engineering	Woman	Sole Owner	45	10	Acquired the business
P3	Building Maintenance	Woman	Sole Owner	43	14	Founder of the organisation
P4	Audit and Accounting	Woman	Co-owner	26	20	Acquired interest in the organisation
P5	Wholesale and Retail Trade	Man	Co-owner	180	10	A family business and the participant is a second generation owner
P6	Transport and courier services	Woman	Sole Owner	9	18	Founder of the organisation
P7	Manufacturing - Clothing & Textile	Man	Co-owner	35	14	Acquired interest in the organisation
P8	Wholesale and Retail Trade	Man	Co-owner	90	17	Acquired interest in the organisation
P9	Health Care	Woman	Co-owner	30	16	Founder of the organisation
P10	Construction	Man	Sole Owner	15	7	Founder of the organisation
P11	Research Organisation	Woman	Sole Owner	5	8	Founder of the organisation
P12	Manufacturing - Engineering	Man	Co-owner	187	50	A family business and the participant is a second generation owner
P13	Beauty	Woman	Co-owner	18	15	A family business and the participant is a second generation owner
P14	Publishing Company	Woman	Licencee	11	13	Founder of the organisation

5.3 Results for Research Question 1: How is an accountable employee defined in the SME context?

This research question sought to gain an in-depth understanding of what is defined as accountability in the context of SMEs. The literature reviewed in Chapter 2 highlighted the complex nature of the concept of accountability. The concept varies in terms of definitions and interpretation from one context to the next. Thus, to be able to determine how employee accountability is developed in SMEs, the researcher needed to establish the common understanding of accountability from the participants. To do so, participants were asked to define an accountable employee from their perspective.

Table 4: Attributes of an accountable employee

Attribute	Frequency	Rank
Deliver on role expectations	14	1
Self-driven and takes initiative	9	2
Going beyond the role expectations	6	3
Client centric	4	4

Frequency of mentions in the table is an indicator of the importance and not the objective measure of the attribute's importance, but it allows for a sense of what participants prioritised.

When asked to describe an accountable employee, participants profile a suitable employee who performs all their tasks in a timely fashion, pays attention to detail and is fully committed to their job. Accountability also an attribute that comes to symbolise the image of an ideal employee. For example, an accountable employee for SMEs represents one who understands and attends passionately to the focus of the business and takes initiative that will add to the business growth. Such employee is expected to perform multiple roles that would otherwise constitute different departments in large companies, such as business development.

5.3.1 Deliver on role expectations

In describing an accountable employee, participants' first concern is the ability for the employee to perform tasks that they have been employed to perform. The employee must deliver on expectations and should always go to great lengths to ensure that the deliverables are delivered within the required timelines that have been prescribed. The ability to meet the required and agreed upon deliverables is the first differentiator between an accountable employee and one that is not.

"I think, firstly make sure he does what he is supposed to do, what their key performance areas are, and there's always when they go the extra mile, it could be in small things, some people roll up their sleeves and get stuck in and some don't, I mean, that's the difference, ... get up earlier, sometimes the guys here are early and sometimes they leave late, and that's the major difference between the better and the worse, more comfortable or not." (P8)

“It’s the employees that do what they’re supposed to do at the time they’re supposed to do it and submit all the necessary reports that go with that.” (P9)

When describing an accountable employee, participants describe an employee who can produce the quality of work that meets the organisational standard. It is important for them that when an employee is given a task that they complete it comprehensively and accurately without the need to be re-checked or more importantly re-worked by the SME owner-manager.

“An employee that is accountable is someone that takes ownership of the work that they do; takes pride in the work that they do, and realises that ultimately that the buck stops with him/her, from a quality point of view; from a production point of view, and on time; someone who knows that ultimately they are responsible for producing the quality of work the company expects of them.”(P2)

“They go the extra mile. Yeah, they do more than just complete the job, it’s not just by, in our case picking a bin, they make sure there is a little bit extra, make sure they are discrete, make sure that the other stock is correctly packed, he doesn’t just take the stock and leaves the rest in a mess, you know those small things, that’s the difference.” (P8)

Some participants reflected on the issues they have with accountability with their employees to define an ideal accountable employee. The participants cited dissatisfaction with the quality of work as a major issue with their employees, in some instances they have resorted to not delegate work to employees, but rather do it themselves to save time in having to redo the work.

“In some cases, my daughter has taken it upon herself, saying, “I am just tired of delegating, because if you delegate, you are still going to do it yourself again, so why delegate?”. (P3)

5.3.2 Self-driven and takes initiative

Several participants mentioned the importance of taking initiative. When an employee is accountable they tend to be a self-starter, one that is not always waiting to be given instruction or solutions on matters. The employee will self-motivate and will show commitment and he results will generally show in their work outcome.

“Basically, somebody that is a self-starter, and somebody that is committed to the organisation. Somebody who loves what they do and they have a passion for what they do and somebody that is self-motivated.” (P1)

“They tend to take initiative. I think in terms of other work, they are proactive. So proactive initiative. I’d say that.” (P5)

“So now I’ve found that if a person is passionate or they love research and research outcomes. I find the staff, which is the team that I have now, to be the best team I’ve ever had. So, they’ll self-motivate, because they’re pursuing this best research outcome.” (P11)

5.3.3 Going beyond the role expectations

Beyond the specific and outlined role expectations, SME owners place a strong emphasis on the ability and willingness of an employee to perform over and above their job requirement. An accountable employee is seen as one who has a general concern with the overall functions of the business and thus, will get involved where it is necessary to ensure business continuation. Therefore, the employee will always be extending a helping hand to fellow employees in the organisation when it is required.

The frustration with employees not going the willing to extend a helping hand as part of the organisation was highlighted by a participant when sharing concerns of employees that are not accountable.

"I always tell them. People, even if your work is finished and you are waiting for the clients; the other guy is over-loaded; it's your prerogative to go and help." (P10)

Interest and concern for business growth is also an attribute that SME owners consider an accountable employee possesses. An accountable employee will seek to identify new business opportunities for the organisation. This will be over and above their daily job requirements, regardless of their job function within the organisation. The inability to seek opportunities was highlighted as a differentiator between an employee that is accountable and one that is not.

"We are selling air conditioning, I expect people in air-conditioning to be talking about air-conditioning wherever they are because it is a necessity for everybody; in your community, in your church. I expect an employee to come and say, at my church, we do not have an aircon, can you send a technician there? So, that is who I call somebody that is going beyond the call of duty." (P3)

"For instance, we're very good with insurance. If the client says I'm sending this, it's got a value, the drivers know, whether they choose to do it or not, it's up to them, but we bring it up to them, is anyone selling insurance? We're not selling insurance, but they can recommend insurance to a client, or to send it on a higher rated service to make sure it gets there on the same day or early tomorrow morning. They can be part of that. Some staff don't care, they're there for the salary. They don't have a vision for growing with the company." (P6)

The extent to which the ability to go beyond the call of duty is valued by SME owners is candidly captured when a participant highlighted that it forms part of the employment contract.

"They have job descriptions. They are vague, it's a list of responsibilities and it always has the disclaimer that these are not exhausted, you are required to do whatever you are asked to do within reason." (P14)

5.3.4 Client centric

The participants were found to be highly focused on creating positive customer experiences for all their customers so they expressed the need for employees to be concerned with keeping customers happy. They identify an accountable employee as one who will ensure that the customer's requirements are met and the organisation delivers on its promises to the customers. It is clear to such employee that without the customers, the business will cease to exist. This matter is very close to the SME owners' heart that every customer that is obtained must be retained at all costs as they are very vulnerable to the external environment.

“Accountability is caring for that client and letting the entire team know whether there is an issue or a looming issue, and obviously their performance, the way they’ve done their job, fulfil their duties, and reporting back on whether they’ve dropped the ball or whether a client has a query or whether we can improve our services. You know, possible dropping of the ball.” (P6)

“They take responsibility for the customers, they’ll say they know their customer, they know what the customer wants, and they’ll try and please the customer, and at the same time make sure that the company doesn’t come short.” (P8)

“We have one goal; which is to provide service, which is to make clients feel comfortable and to be professional with their interactions with clients.” (P13)

“It’s an employee that makes patients feel good.” (P9)

The emphasis on concern for client is closely linked to the need for an employee to seek new business opportunities. The participants are highly concerned with growing their organisations and thus, getting new customers and keeping them is of extreme importance to them. One potential reason for this emphasis is the reliance on a small number of customers. Thus, any customer that is lost or gained can make a great impact on the organisation.

5.3.5 Summary of findings of Research Question 1

Table 5: Summary of findings of Research Question 1

Attributes	Summary of Findings
Deliver on role expectations	An accountable employee is one that has the ability to execute the duties that are assigned to them as per their job description. The employee should also be able to deliver at an acceptable level of quality within the agreed-upon timeframe.
Self-driven and takes initiative	An accountable employee will be self-driven, have initiative and will independently complete tasks without constant supervision. The quality as well as performance levels will be clearly evidenced from such an employee.

Going beyond the role expectations	It is important for an employee to extend themselves beyond their prescribed roles they were employed for. Employees should offer help where they see it is necessary, even if it is not within their function. Employees should be concerned with how the organisation performs. The growth of the business should be a shared concern.
Client centric	An accountable employee is believed to be client-centric, ensuring clients are taken care of is everyone's responsibility in the organisation.

5.4. Results for Research Question 2: How is employee accountability developed in SMEs?

This question aims to determine how employee accountability is developed in SMEs. In answering this question, several attributes emerge. Participants spoke of the formal systems that they have in place to ensure accountability, but there are different levels of formality across the sampled organisations. Participants spoke of leadership and the type of culture in the organisation as key contributors to employee accountability. With the right culture, they expect to have peers in the organisation that will defend accountability and thus influence the acceptance of and adherence to accountability among their peers. Some SME owners allude to the idea that the individual that is being held to account is important and is ultimately the decider in terms of accountability.

Table 6: Factors identified to develop employee accountability in SMEs

Factor	Frequency	Rank
Formal Systems in place (Employment contract, job descriptions, performance evaluation, training, ongoing feedback, one on one conversations.	14	1
Leadership	10	2
Organisational culture	10	2
The Individual	8	3
Inclusion in decision making	8	3
Peer Accountability	8	3
Transparency on organisational matters	7	4
Trust from leader	7	4

5.4.1 Formal Systems in place

Most participants mention that they have systems in place to develop employee accountability. However, there are varying degrees in terms of the levels of formality of the systems in the organisations. The differences occur in terms of detail, depth, implementation and consistency in upholding the system.

Some SME owners mention that they have comprehensive systems that were specifically designed for their organisations. These systems include job descriptions, performance expectation, and Code of Conducts, training programmes as well as systematic reward structures. As part of the systems participants highlighted the importance of ongoing feedback and one-on-one sessions with employees. Most of the participants make use of an external human resources person to manage these systems remotely.

“Employment contracts that describe what they need to do, the expectations and then once every quarter, we have a formal performance review. And then on a weekly basis, they are supposed to submit stats and all of that. So, the stats say everything about what they have done, so I know what they have done and if there is anything that I need to ask, I will just find out from them as to explain. It is a monitoring tool that they submit on a weekly basis.” (P1)

“We’ve got contracts for full-time employees, then we’ve got project contracts. At the moment, we’ve just won a big project with Multichoice, where I need a numbers person. We’ll just give them a one-year contract and their job will be to just work on that project, because we’re not a numbers company, but there are a lot of numbers that are involved in that project. We’ve got those kinds of contracts and then we’ve got KPIs and then every 6 months we do evaluations and then every month, I sit with all of them to just check in, to see how they are doing.” (P11)

“We sign a contract with the employee and they get a pack, a sort of a welcome pack. And in that pack, we have all, the Code of Conduct, the guidelines on dress code, you know, how to conduct yourself in the workplace.” (P9)

There were two participants that had systems that stop at adherence with the labour regulatory body, these systems are generally adopted from the labour regulatory body with slight additions made to them. SME owners who use that type of system are mainly concerned with compliance with the labour law regulations and not necessarily to with driving performance.

“So, we have followed all the general labour practices and that is generally what we use as our guidelines – the Department of Labour’s labour practices.” (P2)

“I have downloaded the general employment contract from the Department of Labour, and we added things like uniform.” (P6)

When explaining how the systems were implemented, participants reveal that such systems became necessary because of their own lack of skills to still manage employee issues; this is sometimes due to rapid growth of the SME in terms of number of employees as well labour issues encountered with the labour regulatory bodies when dealing with their employees.

“We wanted a record of employee behaviour in the workplace, because any time ... somebody can take us to the CCMA and tell the CCMA that they were unfairly dismissed, etc. So, we need to have a record to say, this person has been transgressing all these things since this time and this is what we did and how we handle it now at this point. And then, it was almost like a safeguard as well, as an employer.” (P13)

However, there is also among these SME owners who were interviewed an exception to the rule. This participant uses no formal systems at all, and employment is a verbal agreement with the employee, outlining all the important “must-know” aspects in the organisation. Interestingly, without using any formal system regarding the employees, this participant cites one of the highest levels of accountability of all the participants.

“A contract of employment, really? We don’t have that and the reason that we don’t do is when I bought the business, there wasn’t anything like that. So, you do sit down with the new employee and you give them the basics of their employment contract, verbally. You know in terms of the hours, you know.” (P2)

As part of the systems the SME owners stressed their limited financial resources, when it comes to rewards. But they have had to come up with creative ways to recognise and reward positive behaviour and achievements by employees.

“We are a small business, we can’t be sending people on cruises and stuff, but like, there is maybe like a lunch for that day. If you reach your target, we buy you lunch.” (P13)

“One of the things I have done is over the last, five or six years, I have given a Pick n Pay voucher at the end of the year to all those staff that have had no absenteeism in the year and it’s quite a nice voucher, it’s about a R1000 for each member. Normally, I will give out three or four. Last year, I had to get R12 000, there were 12 of them that hadn’t missed a day.” (P2)

As part of the formal systems, monitoring and evaluations play a critical role in developing employee accountability. The participants speak of inconsistencies on how the performance evaluations are carried out as well as inconsistencies when upholding the rules of the organisations. Due to the lack of time by the SME owners, the performance evaluations are not consistently carried out, if they are carried out at all. Performance evaluations are carried when the owners deem them necessary, all for different reasons. The participants are aware of this shortcoming regarding assessment of accountability but seem at a loss as to how to address it.

“But in terms of performance management ... No, we are not doing it. We are not doing it as we should do it. We only remember to do it when there’s time to renew contracts and review whether people qualify for bonuses or pay increases and things like that, but we do not have a structured performance management process.” (P13)

“But in theory, that’s what we’re supposed to do, but it doesn't happen all the time until something goes wrong or something happens because there is no time. So, it all works well in theory ... that every day the feedback will have to go back or in the morning, have a 5-minute production meeting or 10-minute production meeting, but, it doesn't happen all the time.” (P6)

Another issue that is raised regarding formal systems relates to inconsistencies in upholding rules. Due to varying reasons, SME owners seem to fail to hold their employees accountable in a consistent manner.

“Another reason why I think a lot of the guys are not accountable is because if we were to hold everybody accountable all the time, we would have a very tense working environment because it would mean that we would be using the stick to discipline almost at every corner. So, what tends to happen is that the lack of accountability sometimes or the lack of execution sometimes is allowed from outside because we’re also dealing with people and we understand that people are not perfect. So, in a way it’s also, like, enabled. You know the accountability issue or monitoring of accountability is kind of enabled by us because we are also not being consistent in disciplining and monitoring this thing.” (P5)

“I’ll say maybe about 4/5 years ago, where we were employing people, but not getting any performance from them or we had to police them. We then think to ourselves, ok, you know what, why am I policing you? I’m paying you to do this thing. We’ve got processes and procedures in place, but, you know, sometimes it just takes too much from you to even go that route.” (P7)

The participants confess that the inconsistencies are a major shortcoming on their behalf, but there is no indication of any urgency to change the status quo.

“It creates double standards within the company. It's a huge issue. No, no, no, it's a huge problem. Unfortunately, for some people it depends on which side of the coin they'll fall that day, which is not correct, but that's the reality of the business. You've got guys that have got, that are almost part of the family, some are family, not even part of the family.” (P5)

The recruitment process was highlighted as an important aspect of the formal systems. Two SME owners stress the need to recruit the right employees into the organisation. They mention that to have accountable employees, they firstly have to be capable of completing the task and must be a fit to the organisation.

“That’s very important, so hire ... people because of the level of competencies and capabilities. Make sure that it’s people that are able to meet the required expectations of them and then the rest, you just manage it in a way that allows for autonomy and giving people more responsibility” (P1)

“So, in terms of recruitment in the interview process, we try and look for the type of personalities that we want or that we feel will fit in with the company culture that we are trying to build. It is very important for us.” (P9)

There were participants that complained about the lack of accountability from employees and they cited a lack of financial resources to attract the adequately skilled individuals. The employees that they have are not skilled for the positions that they have been recruited for and thus have low levels of accountability.

“If you get the right people, you can see the performance. Unfortunately, most of the time, we did not have the paybacks to hire people.” (P7)

5.4.2 Leadership

Participants have the responsibility of ensuring organisational performance; thus, as part of their role, it is important that they drive employee accountability. When participants speak of leadership in developing employee accountability, they mention correctly that it starts with them. In order to develop employee accountability, they need to develop relationships with employees that go beyond the formal roles. They need to demonstrate compassion in their leadership and must be seen to genuinely be showing concern for the employees' well-being. Participants thought it was important to get personally involved in employees' personal lives and take interest in them as well as their family members. The leaders will extend personal favours to employees when it's necessary to ensure the employees are well looked after. They are able to extend the favours because of the close ties that they build with the employees.

“Checking in with people, I think people actually take ... value, like I said, when you take an interest in people and their lives, they really feel valued. They feel like you know that you are a boss that cares about them and not just money and them producing output. You really do genuinely want to know how they are doing and you're looking out for them in terms of well-being and that's what I think people value quite a lot.” (P1)

“I make it a point, I ask them over the weekend, if they are home and I go and see them at their home to know the status of their living because sometimes they don't perform because they have so many issues that they are dealing with and they can't say it. So, those are the things that I think builds you and they think that you are part of them.” (P3)

“When they say they don't have food, we seem to just give them some food, I don't know that's just ... we've always been like that.” (P4)

“It's a little bit like a family business in that, we offer, for example, health care here. We've got a full-time nurse in terms of what we give back, just to show our care. We have for example health care here. I know that's the things we do. So Solly, now that passed away, didn't have a funeral benefit. We paid for the hospital that kind of thing.” (P12)

One SME owner indicates that the formalisation of systems through a human resources expert is contradicting his style of leadership. This participant is experiencing difficulties in terms of where to draw the line between the two.

“We are indigenous people, we still have to go back home, where there is a Gogo, there is no Mama. You must take care of those people. If they die, you cannot treat them as external. Those people are your family because they raise you, because mommy is not there, whereas the policy will say that the closest person is the person that bore you.” (P10)

A participant who struggles with driving accountability in the organisation, spoke of an organisation that is “ruled by fear”. The organisation is struggling to develop employee accountability and there is clearly a hostile environment and a disconnect in the relationship that exists between the participant and the employees.

“So, we have been trying to engage our employees in terms of creating a dialogue and a two-way, a two-way communicative relationship. You know, we are sitting and listening to their needs and trying to get to the bottom of what are some of the issues ... where we can assist, how we can assist them. That’s definitely something that we did discover because we found that when, when we did have meetings with them, they would never.... they would never try to open up about issues they were struggling with and what some of the issues that they were encountering were. They become disheartened quite quickly, demotivated and then it would create a vicious cycle. We would then have to come and manage them. Although managing them would come with a very hard approach, but it ends up just you know, creating an antagonised kind of environment.” (P5)

5.4.3 Organisational culture

A positive and entrenched organisational culture is important in developing employee accountability. There is a slight confusion on whether leadership and organisational culture can be separated. SME owners seem to rely heavily on the culture of the organisation to develop employee accountability. It is seen as the leader’s role to create and enable a high-performance culture.

When the participants mentioned the organisational culture, there were certain characteristics that were mentioned in defining the way things are done in their organisation. Some participants spoke about a happy family environment. A family environment where they are involved in each other’s personal lives outside of the organisation. There is mutual respect, trust and genuine concern for each other’s wellbeing. They depend on each other for organisational outcomes and

“I think they are in a very safe environment here. That’s what it is. Like Jaco and I are their parents. They feel safe here. They know they can come to us with problems, if they need some money or whatever. They know they can rely on us. There is a trust. You know. There’s a definite family...they all talk to each-other and they then become a little family themselves. Which is quite nice.” (P4)

“If you have the respect between the guy on the shop floor and how he feels about the company. It allows you when you need a favour, and it happens when there is a breakdown, where there are guys who are going to have to work through the night.” (P12)

There were participants that spoke of creating a high-performance organisational culture. This culture is generally created through the leaders demonstrating that everyone should be able to get involved in making sure that the organisation meets all its obligations. Thus, leaders will perform tasks that are outside their roles and mostly tasks that are seen as below their level to demonstrate how everyone should be concerned with overall success of the organisation and not only their roles. Organisational culture is what employees observe leadership doing. It is about consistency in doing everything in the manner and behaviour they wish their employees to apply.

“We are service orientated, so they know I’ll get into my car and deliver a parcel, when an emergency arises I will get to the airport or whatever. So, they know we all do that, they’re all doers, they’re all prepared to go that extra mile. That’s the culture here.” (P6)

“I think from management and from top level, everybody makes sure you are here before anybody else, it’s not trying to be smart or anything, it’s just you are actively involved in the business, so in the morning, you open the door, they can see you are also here, when they leave, you are still at work, you lock the door behind them, so you are active. So, in the day I’d go help them pick and pack stock when it’s busy, I will help sweep. I think to create an understanding that we do different things in the business but we are all equal.” (P8)

“So, we will engender a value system within the company, which is around ... when you produce something, it has got to be of a great quality. So, you can’t do it in a slap-dash way; and we do have quality control embedded in the system.” (P2)

5.4.4 The Individual

The individual being held to account plays an important role in the accountability relationship, irrespective of the circumstances. The individuals make the final decision on whether they will be accountable or not. Participants mention employees who are just not motivated and perform at a minimal level to “tick a box” enough so they meet their basic job obligations, but nothing more.

“Once again, if you were to look at the individual through the company. A large number are driven by their own self-worth, but there are some that are here every day to do their job. Ultimately to get their salary at the end of the month. They’re not really driven by improving themselves. At the end of the day, they do it now to satisfy us, to remain here. They never yield star performance. They are not so bad that we found a reason to get rid of them. They are competent.” (P2)

“On all levels, but the issue comes in on execution. So, they might know what it is, but it doesn’t mean they’re going to do it. And that’s’ where the issue of accountability comes in. Some people naturally just don’t have the interest or motivation to do the job that they’re doing.” (P5)

“When I say the right people, I mean the right attitude, their take on life. It’s a whole holistic approach.” (P7)

Although it is important that the individual plays a role, it depends on the type of individual. Some participants cite the low-skill employee more often being a low contributor to accountability within their organisation. However, SME owners do not automatically link high accountability levels with high levels of skills, rather with better education tending to open up one’s mind.

“I think that there are a few reasons. Some people naturally just don’t have the interest or motivation to do the job that they’re doing. I think a lot of people are, especially the guys ...the low skilled workers, they find themselves easily frustrated by ... you know the level of the job that they are at because ... to that is a certain type of lifestyle and level of life, which can be very frustrating, especially in this economy.” (P5)

“I think with a mind-set and a professional outlook, which can only be acquired through education. Face it, we’ve all been through tertiary education, and they put you through this rigorous structure that makes you think in a certain way and it changes your attitude a bit. With that, using your KPIs, you can drive your factory to the next level. That’s my opinion.” (P6)

Some SME owners place the blame of lacking accountability completely on the type of employees they have in the organisations. They believe that due to the nature of the skills they employ, developing accountability from the employees is almost impossible.

Contrary to that notion, other participants emphasize that organisational culture is the way to develop employee accountability beyond the individual’s skills levels, and that it is more about how enabling the culture is for accountability.

“I think ultimately you have to have a good ethic and culture of excellence. I think that drives internal performance. So, it’s critical to drive the greater performance of the company. I think that drives the accountability to a large extent. It’s making people feel that what they do is worthwhile, and they are not just there getting a salary. As I said earlier on, there will always be people who come to get their salary every day, but I think that if you can instil a feeling of ‘we’re all in this together and we all make this company happen and keep ticking over’ and it’s up to each individual to do that.” (P3)

Another participant is of the opinion that an individual will only feel accountable, if they are well informed about their contributions to the organisation. The employees must be made to feel they add value all the way to the top, starting with the bottom employee in the organisation. Therefore, irrespective of employees' skills levels, the business owner must make sure the employees understand what they contribute to the overall functioning of the organisation.

"I think if you don't know what the consequences are of producing or acting in a certain manner, it makes you less accountable in the work that you are doing, versus somebody who knows that 'if I don't get this out today or if the other division doesn't get the item that I promised them today, what is the consequence of that?' The more responsibility that you can pass to down to the shop floor, the more accountable they are, so responsibility and accountability is hand in hand." (P12)

5.4.5 Inclusion in decision-making

Involvement of employees by leaders in decision-making is considered to be an important factor to developing employee accountability. Participants mention that when employees are part of the decision-making process, they are made to feel part of the organisation and that their inputs are valued. If decisions are made collectively, it is easier for people to commit to the decisions; therefore participants speak of a consultative decision-making process.

"In every decision that we make; it is not coming from the top. It is a decision that is made by all management. So, they become part of it; so, I believe because of that, your staff knows; you don't just drop something and say, 'this is what is going to happen'. You make them part of that decision. Then you will have a strong team." (P3)

"We find that is the most effective, when you sit around the table and you involve them in solving the problem. So, they do feel accountable for it, and there is very much a collective accountability as well." (P2)

"If they feel like part of running the company, so they're able to voice whatever things they're not happy with and they need to feel that those things are addressed by the company." (P9)

"They like the inclusion, they like being part of whatever we decide. So, decision-making is central, it's not top down." (P1)

Inclusive decision-making is not always the preferred process by participants as the more autocratic owners consider their decision the best for the organisation and are not open to other opinions in any matter. This reflects some SME owners' desire to control everything within the organisation.

"I didn't think my employees would think like me, I'm what the clients buy. So, hence me always having the final word on everything ... I think there was some element of arrogance on my part, you know, thinking that." (P11)

One SME owner who is experiencing issues with accountability confesses to a more top-down decision-making approach in the organisation, although they are now trying to adopt a more inclusive approach as they identified this exclusive process as an issue. The historical top-down approach left a lack of accountability that they have now been trying to change for four years and have not been successful thus far.

"I think it goes back to the legacy of the business, the business was very small. There was only one person making decisions and that person was the founder of the business, he is still in the business, so that culture still exists. If I were to describe it, definitely the culture, it's one where people do not want to rock the boat. It's not a lackadaisical culture, but it's very like...let's keep things going, run-of-the-norm kind of culture. And I think it just stems from an issue of people not being comfortable enough to make decisions." (P5)

5.4.6 Peer accountability

Fellow employees in the organisation play a role in holding employees accountable. Participants identify peers and colleagues as a factor that drives employee accountability. The level of standard that employees identify with tends to be the standards that they hold their colleagues to and the peers expect of them. Thus, participants cite that several times, it is the peer groups in the business that ensure that accountability is developed in the organisation.

"They engage amongst themselves, they challenge each other. All these things happen outside of my space." (P11)

"So, if there's an issue, some of these young guys are coming to work intoxicated. This guy is not pulling his weight. Then the senior guys, not necessarily the managers or the senior respected by the guys on the shop floor would resolve the issue on the shop floor." (P12)

"Maybe the seniors pushing the juniors, we have always had very good seniors who push the juniors. Then the juniors become seniors, then they start to push. I think it's that circle." (P4)

5.4.7 Transparency on organisational matters

Transparency is considered important in an accountable relationship. Participants are under the impression that information sharing and transparency about organisational issues influence employee accountability. Some owners experienced an increase in employee accountability when they adopted the shared approach of the financial performance of the organisations. To demonstrate the current situation as well as the situation that is sought by the owner, it is important to get

employee buy-in. If employees understand the circumstances of the business, they are likely to act more responsible and are more accountable.

“The big change came when we decided that ‘let’s rather be transparent, not just in what needs to happen on the floor, but how the company’s doing financially’. So that then was the biggest change that we saw in people in terms of accountability. The accountability went from a level of 4 up to a level of 8 by making things more transparent.” (P12)

“I am very honest and open about all expenses. If the staff members say we’re not earning enough, I’ll show them – this is how many shipments we collected from this client, and now it’s sitting at this, is there any way you can help us bring in more shipments or save money?” (P6)

“I will openly tell the staff that we have lost this business because it has now become too expensive to manufacture it locally, and our customers are importing it straight from China. So, guys, we now need to find a way of making it cheaper or we have to look at another product line that could fill this one, which we are missing; think about it; come up with ideas. I think that it is important to discuss that with your staff.” (P3)

“When we speak to them, often we’ll tell them what’s happening, the transparency in the business, that’s why products are late, that’s why products are so expensive, so the rep doesn’t just think we overprice the pen because we want to get richer. the pen costs x, transport cost that, that costs that, and there is the cost of the product and you guys need to make so much margin because we need to pay rent, we need to pay rates and that’s the profit that goes to the shareholders.” (P8)

Although transparency was considered by most participant as a factor that drives employee accountability there was a participant that experienced the contrary.

“Even when you involve them in management, for them to see the growth and to see why we are not growing; we are having management meetings all the time to try and show them. They see the management accounts and everything, but, still you have a problem where there is no performance.” (P3)

5.4.8 Trust from the leader

Trust in an organisation is important to develop employee accountability. Participants raise trust as an issue as it has quite important implications for the leadership style and thus it will also affect the organisational culture. For the organisation and its leadership to have trust in the employees, employees must have adequate skills to perform their duties and thus deliver on their expectations. The leaders also need to provide relevant autonomy for the employees to enable a trust environment. If trust is eroded, it indicates that the levels of accountability are very low, which will lead to a hostile environment.

“You don’t want to micro-manage and you want to do everything possible to not micro-manage. If you’re micro-managing, then you’ve lost the plot. Your accountability has gone from a 100 to a 0. There is a breakdown in trust and respect. It is a fact. It’s a fact. I am talking in a higher tone and shout: ‘Why are you doing this? Why are you not doing this?’” (P12)

“You were employed on the basis that you are capable, so you are not going to be micro-managed because I have confidence that you can do the work and that actually gives one a sense of pride, a sense of dignity, a sense of maturity, a sense of responsibility and it builds on trust because it means that I trust them.” (P1)

“I don’t believe in clock watching. I believe that you have a job it needs to get done. So, that’s how I have always been.” (P4)

Some SME owners indicate that they do not trust that their employees will deliver on what is expected of them. These participants mention that they need to micro-manage in order to get deliverables. This micro-managing exacerbates the circumstances and it becomes a vicious cycle that they cannot escape. The lack of independent individual accountability is as a result of how the employees have historically been managed. Thus, without consistent follow-up and hands-on control, these participants find that nothing gets done.

“So maybe those guys maybe still they want to be micro-managed. I mean, the guys have got the experience, but maybe they’re just being used to being micro-managed. That’s where everything comes in. The minute the founder is to rule that way, is to shout and whatever, even though the shouting is unnecessary, you know. That’s part of the culture.” (P5)

“I will say the first thing is mainly the pressure. If you don’t put pressure on, things just slide and it becomes a ‘lackadaisical’ attitude, like, you know if you never ask. It wouldn’t be done. But as well ... but at the same time, this is in defence of myself. You are juggling so many things at the same time, so you can’t expect to be ... every day, to say ‘Hey! Have you done this, did you do this, did you do that do that?’” (P7)

Trust in the ability for employees to deliver on what is expected of them is observed as a differentiator between the high and low accountability levels in the organisations. Leaders in the low accountability organisations seem to have a micro-management style of leadership, while the opposite is found in the high accountability organisations, with the leaders in the high accountability organisations warning against the micro-management style of leadership.

“Those days of micro-managing. If you still think that that is how a company runs, you are guaranteed to go broke. You know the old beating with the stick. That’s if you’re still stuck with that, then you’ve got no chance. You got no chance”. (P12)

5.4.9 Summary of findings of Research Question 2

Table 7: Summary of findings of Research Question 2

Factors	Summary of findings
Systems in place	<p>Systems in place that include reward structures, performance evaluation and training are important in developing accountability in the organisation.</p> <p>Different levels of systems are identified by participants. Although there are systems in the organisations, there is inconsistency in upholding them as well as a lack of monitoring and evaluation.</p>
Leadership	<p>Leadership plays a pivotal role in developing employee accountability in the organisation. Due to the close proximity that is found in SMEs, it is important for a leader to create positive exchanges with employees. A leader needs to demonstrate care beyond work deliverables; if employees do not feel valued by the leader, their accountability levels will reflect accordingly. It is the responsibility of the leader create an enabling environment to develop employee accountability.</p>
Organisational culture	<p>Most participants identify organisational culture as having a great influence on accountability. Participants mentioned the family environment that exists within their organisation where there is mutual respect, trust and genuine considerations for each other's wellbeing. There were other participants that mentioned a high-performance organisational culture. This is a culture where "everyone is equal" and they are all concerned about overall organisational performance. So, everyone is expected to fill whatever role that is required to meet obligations. This is especially demonstrated by the leader.</p>
The individual	<p>The individual employee determines the accountability levels developed but is influenced by the organisational culture of accountability. Participants highlight that the employee needs to be self-driven, thus have an internal source of accountability. If an employee's accountability levels are strictly determined by the external factors such as the formal system, their level of accountability will be low. Therefore, it is important for the individual to see themselves as accountable.</p>
Inclusion in decision-making	<p>An inclusive decision-making process influences accountability. The need to make employees part of the decisions and allowing their input creates an employee that is able to own the decisions and thus commit to them.</p>
Peer Accountability	<p>Employees, especially the long-serving employees in the organisation, are the "defenders" of the organisational culture and they will hold others accountable on the standards they know to be acceptable.</p>

Transparency	Transparency between individuals in an accountable relationship is key. Participants identify the need to disclose organisational or financial information to employees. When employees are aware of the financial circumstances and implications of external factors, their accountability increases.
Trust from the leader	Trust is a foundation of an accountable relationship. In organisations where there was no trust there were low levels of accountability, which were difficult to break

5.5. Results for Research Question 3: What is considered most effective in developing optimal employee accountability in SMEs?

This question aimed to establish, which of the factors identified in Research Question 2 are the most influential in developing employee accountability in the SMEs. With this question, the aim is to narrow down what SME owners believe should form the foundation of an accountability system within SMEs. This question will build onto the previous question that identified all the possible factors that exist in SMEs to hold and make employees accountable.

When trying to answer this question, a few participants struggled to pinpoint what they considered as being the most influential in developing employee accountability. Participants who are considered to have low levels of accountability in their organisation also do not know which other factors to consider to develop employee accountability. They experience a breakdown in trust and an inappropriate organisational culture and have not managed to counter these problems so far.

The remaining participants were able to highlight the importance of other factors that should be in place in the organisation to develop optimal levels of employee accountability.

Table 8: Critical factors considered in developing employee accountability

Factor	Frequency	Rank
Leadership and Culture	8	1
Formal Systems (Employment contract, job descriptions, monitoring, training, ongoing feedback, one on one conversations.	8	2
The Individual	8	3
Trust from the leader	2	4
Transparency on organizational matters	4	5

5.5.1 Leadership and organisational culture

Leadership and culture are ranked the highest components when trying to develop employee accountability in an SME. When asked to consider what are the most important factors in developing optimum levels of employee accountability the participants could not separate leadership from the organisational culture. The participants cited that due to the size of the organisation and the authority that that owner or founder holds over the organisation they ultimately determine the culture of the

organisation. Organisational culture is an outcome of the leadership and the leadership style in the organisation. So organisational culture cannot be separated from who the owner or founder is. It is one in the same thing. As the exchanges that are repeated overtime to become the shared norms of the organisation the owner or leader will set the precedence over this.

"I'd say culture, and then the leadership, but I do think they intertwine. It's difficult to have them separate because with a bad leader, you can't have the right culture or vice versa."
(P8)

"Leadership is definitely important. The amount of respect that myself as the business owner gives to staff members. I really think people here feel very valued. The relationship aspect, I think they really enjoy that quite a lot, you know, knowing that I have an interest in their lives, their personal lives." (P1)

The leadership and the organisational culture it cultivates have a massive impact on the sustainability of the organisation, as is highlighted by one participant who cautions how unsustainable the organisations are, where the leadership and organisational culture are inadequate.

"So, sustainability is the problem. We talked about it earlier, it's not going to work forever, and it's not going to last forever. I think if your leadership is bad, the fish rots from the head. It will be a matter of time, but it could also be different leadership styles." (P12)

The correct culture in an organisation will drive employee accountability. Participants highlight the role of the leader in creating an enabling culture in the organisation to develop employee accountability.

"Leadership and culture, the one is a bit higher than the other, but it's the same thing because the leadership forms the culture and I think a lot of the performance ... maybe for some people, they will perform because of the leader, some people perform because of the culture. They feel like this culture, that's how it works here, and therefore you do it that way, that's just the way it gets done here. You're quite right, there is a blurred line there, and that drives performance." (P8)

"The other tool, which I think works, would be enforcing a culture of respect. You respect them as a person and you make them part of the team culture. That gives you someone who comes out at the best accountable person you can get." (P12)

"I think ultimately you have to have a good ethic and culture of excellence. I think that if you can instil a feeling of we're all in this together and we all make this company happen and keep ticking over and it's up to each individual to do that. I think corporate, bigger corporates

can't get that right in certain levels. They don't necessarily get it right at the grassroots levels. You can try and get that filter all the way down. In small business, it's easier to get that culture of togetherness, because it is so small. So, I think big corporates find it trickier to do that. You can do that, and I think that tends to be SMEs' success in general, that level of 'teaminess' together." (P3)

One participant proudly confesses to the lack of any formal system, but his reliance solely on culture. The participant cites having created a culture of a high-quality standard in the organisation and it is one that all employees live by.

"Everyone here counts. Here for a reason, absolutely, and I don't necessarily have all the documents and systems, but I think the culture is what carries me." (P3)

Remarkably, one participant is strongly against culture as a factor that can be considered in developing accountability from employees.

"How do I hold people accountable? The reason why I can't include culture is because if I do, it's going to basically fuzz my view because how do I then, how do I factor in culture? Do I ... is that a culture discount into the person's performance? I'll say, 'you've done so well, you got 80%, but I know that you could have done 90%, but, you know, but if it was for our culture you only got 80'. Then it becomes very difficult because it's now, I'm using other factors to kind of like get in the way, whereas I want to have something that's very clear and easily understandable in its objective and that's really measurable. We try to keep it as quantifiable as possible." (P5)

5.5.2 Formal Systems in place

Although most participants claim that they have formal systems in place to develop employee accountability, several participants do not think that the system are necessarily critical in developing accountability. Those participants who are experiencing low levels of accountability in their organisations place sole reliance on systems to develop accountability. These participants experience failed organisational cultures and the exchanges between owners and employees is quite negative.

"I'd say accountability unfortunately is not a pretty thing you know. So, the things that we've been talking about are the pretty things – culture. You know, we can have braais and whatever. Ultimately, what it comes down to is ... are you hitting your objectives? Are you hitting your KPIs? That for me is the biggest." (P5)

"HR, nothing else, it's HR. The drivers are HR. They must determine how things must be delivered. HR must provide guidance. Give an understanding of the business and what they should do." (P10)

Several participants mention that they have formal systems in place due to the obligation to have them by the regulatory bodies. However, they caution that when implementing the systems, they should not be too structured for an SME.

“I suppose our contracts are there because we need it. I don’t think at any point that we ever go back and say, “It says this in your contract.” (P4)

“Just because the thing is not as structured, it doesn’t really mean that people don’t take their work seriously. I think you need to have a way of managing that. So, for me, I just don’t see the big fuss about being stringent about a lot of formal things. I just feel they create barriers for people to actually be able to approach you and come to you with issues or any problems that they have. So, I think when you have too many structures, it actually erodes a lot of that personal touch.” (P1)

5.5.3 Individual

The individual who is being held to account is considered one of the critical factors to levels of accountability. It is the individual’s drive that will ultimately determine how accountable they want to be and are. Participants state that there is only so much they can push an employee and if they are not self-motivated or driven, then their accountability levels will reflect this attitude.

“I think positions are the biggest thing. They want to be the youngest whatever. So that makes them self-motivate. It’s all about their goal.” (P11)

“In our industry, it’s about the individual, about their sense of pride about their work.” (P13)

“I believe, you know sometimes, you must want to do it; it must not be pressed on people. You must want to do something and then it will be done properly. If I say it can’t be done... or I can’t do anything more than that. But if someone says that in my meeting, then I ask them to leave the meeting because you are not going to think. Things can be done; there can be different strategies. But if you have employees that use those kinds of words, and thinks it cannot be done, then your employees won’t move beyond that or what they know.” (P3)

5.5.4 Transparency

Transparency in the relationship between participants as owners of the organisations and employees is found to be the component ranked fourth in terms of developing accountability. If there is transparency in the relationship, then it lays a foundation for trust in the organisation. When employees are aware of the organisation’s performance and their contribution thereto, their levels of accountability can increase. This obviously does not apply to everyone, as some employees either do not care enough about the organisation or are only concerned about their jobs and salaries. The small size of the organisation means that the employees are not cushioned from external factors

such as loss of customers, increased competition, economic changes and market changes. Any small change may affect them negatively, resulting in possible job losses.

Participants mentioned that when they share this information with the employees, then collectively the team seeks to find solutions to ensure sustainability of the organisation. This sharing of information allows all employees to pull in the same direction and keep each other accountable as they are aware of the implications and consequences of their performance or non-performance.

“Simple one, don’t be scared of divulging information that you believe is sensitive such as the company’s financial performance, the position of the company in the economy or the position in the market place. Be transparent even to the point, where it is uncomfortable, and you’ll find that automatically then it increases responsibility and accountability, and definitely transparency.” (P12)

5.5.5 Trust from the leader

The participants highlighted the importance of trust in the relationship with employees. If there is trust in the relationship both the leader and the employees can be counted upon to deliver on what is expected of them. If there is trust in place it allows for leaders to give autonomy on how jobs must be completed without exerting any excessive physical monitoring. The independence that is allowed creates for a happy working environment that is enjoyed by employees. The independence that is afforded as a by-product of trust is considered to be highly influential in developing employee accountability.

“The autonomy to do what they want. They like the fact that they are given room to be accountable and responsible for the output and not micro-managed. So, they like the fact that they work for a boss that has confidence in them and their ability and I think that’s the number one factor.” (P1)

“I think independence is the third one.” (P8)

5.6 Results for Research Question 4: What role does leadership play in developing optimal levels of employee accountability?

The aim of this question is to establish if the accountability systems that exist in the organisations are aligned with the leadership of the organisation. To develop optimal levels of accountability, the formal and informal systems in place must be aligned. There is a close correlation between leadership and culture as the one creates the other; therefore, the leadership perspective is important to be aligned as the organisational culture will follow accordingly.

Table 9: Themes identified for Research Question 4

Theme	Frequency	Rank
Systems Alignment	8	1
Transition in leadership	4	2

5.6.1 Alignment of accountability systems

Several participants admit to a complete misalignment between their leadership style and other factors that influence accountability. Participants highlight gaps that exist to develop

optimum levels of accountability between their leadership, the organisational culture and the formal systems in the organisation, leading to organisations with low levels of accountability. There was no congruence when all the systems were conceptualised. This is found to be as a result of owners hastily responding to the increasing demands of employee management, thus minimal planning goes into designing the systems. The secondary issue is the owner's lack of employee management skills.

"It works mediocre. You see the lacking points are my consistency. But, I need to be more consistent with my feedback to my employees. That's my biggest lack. My feedback must be consistent, and I see the same thing filtering down to my middle management and to my floor." (P7)

Several participants mention that they enable independence in the organisation on the basis of developed trust and a removal of micro-management. The trust creates a culture of reliance on each to do what is required. The participants had comprehensive formal systems that were correctly administered.

"How it actually comes into play is that people like to feel that their boss has confidence and belief in their ability. So that is basically what I do. So I inform them that, you know, you were employed on the basis that you are capable, so you are not going to be micro-managed because I have confidence that you can do the work and that actually gives one a sense of pride, a sense of dignity, a sense of maturity, a sense of responsibility and it builds on trust because it means that I trust them." (P1)

Another SME owner mentions that previously, she had applied an autocratic style of leadership, but has abandoned this style and tries to adopt a more inclusive style, affording the employees more autonomy in their roles. This participant has an adequate formal system in place, thus the autocratic leadership style was stifling voluntary individual accountability. The change in the leadership style has had a more positive impact on the team and the culture of accountability has emerged.

"I think my style changed about 2 years ago when Irene started flourishing and coming into her own. I think I used to hold the team back a lot, because I wanted to be in control of everything. Everything that wouldn't go through me, I didn't trust. And since I've let go, we are doing double the business. For example, we are handling double the capacity ... And I think that was when I realised I am actually holding them back as well, in terms of what they can do. Now the way we do things...it does take a little bit longer, but it's more productive. I think that's our edge, it's more inclusive. We engage with briefs a bit more as a team, because we now know, we all bring something different. There's also a unique eye. So, before everybody had their own brief, so, 'you're running a project', there wasn't that fusion of skills. So now we fuse the skills, we interrogate the data together and we put it all together and everybody just checks everybody's work and it's been incredibly helpful." (P11)

One participant that does not have any formal accountability clarified that it is her role to create the right organizational culture to supplement the lack of formal systems to develop employee accountability. There is continuous communication with employees about what is expected which results into a highly accountable employees that keep each other accountable.

"I know that I should possibly bring in a little bit more, like employment contracts or putting conditions of employment everywhere. You know the kind of stuff that you should do or would do if you were working in the corporate world. You know, so that is one area that I know I need to do. But if you had to ask the staff for the basic, they will tell you that it's all there that it's verbal. But I know also from a from a labour law point of view as an employer you are better protected if you've got work, whereas if you don't have. You know it can be a bit trickier. You've got to fight your case or whatever. That's just something to do. But I do think ultimately the staff have to be happy. You do need to create an environment where staff are happy, and it does come from the top and it also comes from a community within." (P2)

In the organisations with low accountability, these participants' leadership style is inadequate to deal with the historical and unintended poor accountability culture that has emerged.

"In terms of our business, is my leadership style driving performance? In the short term, I'd probably say no, and the reason why is because my leadership style expects people to take accountability for their tasks. You get what I mean. So, because I'm not chasing this thing up, are you being accountable all the time? Because that's not the culture that I also want to go into the future. So, I'm not going to be like ... have a stop gap ... to say like let me micro-manage for like the first three years because I'm going to be perpetuating like the previous culture." (P5)

5.6.2 Transition in ownership

An interesting observation that was made pertaining to leadership was the transition from founder to the next generation of owners. If the leadership style of the new owner is different to that of the

previous owner or founder, then there is a huge misalignment that occurs in the accountability systems.

There was a participant that indicated that the founder had an extremely centralised decision making process that has now created a culture of no accountability in the organisation as no one wants to take any decision. The employees require ongoing physical monitoring to deliver on tasks. The participant is against that as he feels it will perpetuate the problem but knows he must do it as nothing will otherwise get done.

“In terms of our business is my leadership style driving performance? In the short term I’d probably say no, and the reason why is because my leadership style expects people to take accountability for their tasks. You get what I mean. So, because I’m not chasing this thing up, are you being accountable all the time because that’s not the culture that I also want to go into the future. So, I’m not going to be like have a stop gap to say like let me micro-manage for like the first three years because I’m going to be perpetuating like the previous culture.” (P5)

When reflecting on the issue the participant empathized with the founder whilst still amazed at the negative impact he has on the employees. The general exchanges between the founder and the employee are found to be very low as the employees appear to be terrified of him.

“The historical principles and I think most small businesses are like that. The founder of the... especially the founder, I think when it’s the first generation the guy tends to be very, very hands on. Very hands on because he’s the one who says I started this business maybe on the weekend with my briefcase. And that’s his business in his hands. He’s had this business in his hands for so long, you know. So, he feels like he still wants to keep the business in his hands, so we are dealing with that transition. And it’s not easy. It’s not easy. I mean him just walking around...him walking around I don’t know what it creates. I assume to some people its fear.” (P5)

In another organisation that also went through a transition of ownership, the transition did not affect the accountability in the organisation. This is as the style of leadership did not change from founder to next generation. The continuance has created a high performance organisational culture that was created from the founder’s compassionate and relationship building leadership style.

“Let’s say my dad walks through the shop floor, and a guy on the top floor can say how you doing, my dad will come say how you doing? I think that can happen, then that’s the distinction and it hasn’t come over one year. It’s come through 50 years of continuously treating your employees as part of the company. Not employee-employer..... it is consistency in the way that people interact with people. With each other and up-down, and down-up.’ (P12)

This organisation has the highest number of employees of all participants. When the participant was asked whether growth did not affect the organizational culture the participant responded:

“Making it corporate is stupid. You don’t rely on the division to get things done. You can rely on the accountability of the person below and above you to get things done. That only comes through motivating the people. So that you create an environment of people who are motivated. You respect them as a person and you make them part of the culture. That gives you someone who comes out at their best accountable person you can get.” (P12)

5.6.3 Summary of finding for Research Question 4

Table 10: Summary of finding for Research Question 4

Factor	Summary
Alignment of Systems	There were clear observations made about the levels of accountability in the organisation and the alignment of systems. In the organisations where there was no alignment there were low levels of accountability and vice versa. The systems need to complement one another and that is not always happening which has negative effects.
Transition	Transition in ownership was found to be a factor to be considered in the accountability systems that were in place. As the founder has a critical impact on the organisational culture of the organisation so the new owners need to be cognizant of the existing culture when deciding on accountability systems.

5.7 Additional Findings

During the interviews with the participants there were several other issues that emerged. There appears to be an emotional rollercoaster that the participants undergo in driving employee performance. There were high levels of frustrations with employees and holding them accountable. Some participants confess to a more temperamental, less controlled type of engagement with the employees. These participants mentioned that it was difficult not to be emotional as there is a lot of attachment that they hold for the organisations. It is their livelihood and it is something that they have created, and it is impossible not to bring feelings into it. So, when employees do not deliver there are engagements with them that are quite explosive. This was found in both low and high accountability organisations.

"I think it's ... I need to keep it calm, like they ... what they say to me. If I am angry, I am angry. If I am happy, I am happy. Like it must be in a professional environment. If something has upset me about work or something, they say my energy goes into the office and that affects it. It's the sort of thing that even if you are upset about something else, contain it. Be professional about it. This is what you've done...." (P10)

"I'm quite volatile, hey, so they just duck when I come in and they see my face. I think they know I never get cross about anything, but if it's a service failure we could have avoided, but everyone's left, and we have to put out a fire. I ... like ... the reactive side. Then they know I'm cross and I will shout and scream. But I never shout at someone, I would never say to someone, 'you idiot'." (P6)

A participant who provides auditing services to SMEs made a remark from her own experiences. That owners are often oblivious to the impact that their erratic and temperamental interactions have on employees and the type of culture it cultivates.

"I think it's all about the leadership... it's about how you treat your staff and how you speak to them. Sometimes I want to cringe how they talk to their staff. I'm just like, oh my word." (P4)

Another interesting observation that was made was the lack of leadership skills and training in the participants. Some of the participants did not know how to motivate employees to perform. There was one participant that highlighted that leadership was not their forte and often they did not know how to be tactful with employees. If there are deliverables, they will use any tactic at their disposal to get their employees to deliver.

"I have a harsh leadership style, I rule by the whip. You get a deadline, you didn't do it and there was hell to pay and I came down on you hard, back then when we started, I was a very horrible person to work with when you haven't delivered what I wanted you to. You worked 24 hours, you must make it happen. So, is that leadership? No, I got the job done come hell or high water and even if the quality wasn't good, again, you had 24 hours to really work on it, but over time ... now I have realised that approach does not work. It doesn't work, you can say 24 hrs, what are you going to do about it when you don't get it? What can you do about it? You said to me I will deliver tomorrow, and you don't, I need it. So, leadership style, I didn't have one because I didn't have any training and yes, I was not born a leader, whatever." (P14)

6. DISCUSSION

6.1 Introduction

Chapter 5 presented the results of the semi-structured interviews that were held with the fourteen participants. This chapter will compare the results that were outlined in Chapter 5 against the literature that was reviewed in Chapter 2.

The aim of this study is to determine how SMEs can develop optimal levels of employee accountability. These findings should assist SMEs and particularly their owner-managers to apply accountability in their effort to grow their businesses, achieving better performance and making them sustainable. Currently, there were SME owners in the sample who were visibly challenged in their approach toward ensuring accountability in their organisations, compared to those who experience high levels of accountability.

6.2 Discussion of Results for Research Question 1: How is an accountable employee defined in the SME context?

This research question sought to get an in-depth understating of what is defined as employee accountability in the context of SMEs. As accountability typically has various meanings from one context to another (Bovens, 2007; Mansouri & Rowney, 2014). Literature suggest that it is directly linked to a particular outcome that employees are expected to deliver based on their job description (Messner, 2009). However, employees in SMEs are expected to perform tasks that are outside their prescribed jobs (Allen et al., 2013). Thus, it was important to establish the definition before continuing any further with the interviews for this study.

When defining an accountable employee, the participants stated that the employee should be able to perform all tasks that are expected of them; the tasks should be completed within the required timeline and more importantly, the quality of the task outcome must meet their standard of expectations. There were concerns raised about the quality of employees in some SMEs, who fall short of meeting their required expectations. Such shortfall in terms of attitude as well as outcomes distinguished the accountable employee from one who is not accountable.

An accountable employee will give input and assistance when it is required by fellow peers as well as leaders. An accountable employee will always be seeking opportunities to help grow the business. This is critical, as the sales force within these organisations is generally not big enough and the leaders consider all employees possible sales agents for the organisation. The concern with potential growth of the business is critical as new business opportunities increase the chances of survival for the organisation. All employees should always be looking for opportunities to improve their tasks, client service and productivity as well as potential new business, regardless of their function in the organisation.

6.2.1 Deliver on role expectations

The participants were clear about the need for an employee to fulfil all their task obligations in a timely fashion, while maintaining the highest quality of work. This confirms the notion that accountability is directly associated with an employee's ability to perform specific tasks based on their job description (Messner, 2009).

An employee must demonstrate that they went to great length to complete tasks correctly, to the specifications and top quality in a timeous manner. So, the employees need to take ownership of their role as they understand the importance of it to the organisation. They will have to go to great lengths to make sure that it gets done on time, so they do not let the organisation down. The ability to perform and complete tasks as attributes of an accountable employee was supported by Breaux et al. (2009) who stated that being accountable for one's role is considered as part of an employee's job obligation. These findings are similar to the findings by Pearson and Sutherland (2017) as they found that accountability is defined in relation to completion of task given within the required timeframe at an acceptable level of standards.

6.2.2 Self-driven and takes initiative

Self-drive and showing initiative are considered as valuable attributes that an accountable employee will possess. Participants mentioned that when employees are self-motivated their conduct, work and performance will reflect this accordingly. These employees will not need to be excessively or micro-monitored, but they can be given autonomy to perform tasks and can be trusted to deliver.

The internal drive that is possessed by an employee as a predictor of individual accountability was confirmed by Erdogan et al. (2004) as they stated that when employees experience internal accountability, they feel obliged to perform due to their own self-motivation. These employees are not driven by external factors such as job descriptions or rewards.

Some SME owners thought the lack of self-drive in their employees contributed to the low accountability levels in their organisations. They stated that employees are not driven to perform and will perform to just "keep the bus moving" and there is a need to closely monitor such employees. This view is also supported by Erdogan et al. (2004) when they referred to this as external accountability. When an employee is experiencing external accountability, the employee feels obliged to perform only specifically to meet their role expectation.

The source of accountability, whether internal or external, is a key differentiator between an employee who is accountable and one who is not. In order to have an internal drive for accountability, an employee needs to be passionate about their roles as they will then seek to deliver to the best of their ability.

6.2.3 Going beyond the role expectations

In describing an accountable employee, participants mentioned the need for employees to be helpful to peers who require assistance in the organisation. They described an accountable employee as not only focused on their specific tasks' completion, but rather on the overall performance of the organisation. If they are observant of their surroundings, they will extend their help wherever it is required.

The need for employees to extend their hand to fellow employees is also important for the overall functioning of the organisation. As part of one organisation, employees should carry one another for the one common goal, which is to make sure that the organisation meets its goals. The ability for employees to extend help to others as an attribute of an accountable employee was confirmed by Hall and Ferris (2011) who suggest that employees who are seen to be performing tasks that are outside of their job description are seen as highly accountable employees. This is regarded as employees demonstrating extra-role behaviour. Although extra role behaviour is not directly linked with employees' deliverables is considered to add to the overall organisational performance (Hall et al., 2009).

In the case of SMEs, the particular extra role behaviour that is sought is for employees to be concerned with the overall business growth. If employees are concerned with the business growth, they will seek to identify opportunities for the organisation. This is not considered to be limited to sales function in the organisation.

When comparing the responses of participants with existing literature, there are similarities as Sheehan (2014) stated that employees in SMEs are expected to play multiple roles within the organisations. There were however no specific in existing literature about the need for employees to play the added sales role, while the participants in this study were quite concerned with assistance by everybody regarding potential sales and client service.

It is important for employees in SMEs to be concerned with the overall functioning of the organisation; this was supported by Hall and Ferris (2011) as they stated that extra role behaviour from employees is crucial for the successful performance of an organisation. SME owners in particular are looking for employees who are concerned with business growth over and above their given tasks and roles.

6.3.4 Client-centric

Participants were clear about the need for an employee to be concerned with customer satisfaction. An accountable employee is considered to be one who ensures that the organisation always meets its obligation to the customers and therefore ensures that the customer is happy.

When comparing the responses on client-centricity by employees to existing literature, no similarities emerged. However, the particular importance of having to make sure that customers are happy

could be due the heightened vulnerability SMEs face from external factors in comparison to large companies. SMEs do not yet have entrenched market presence, and are thus reliant on key customers for survival. This was confirmed by Storey et al., (2010) when they stated that SMEs rely on a few customers and this is one of the key differentiators between these organisations and their larger counterparts.

6.3.5 Conclusion to Research Question 1

This question aimed to determine what is considered as an accountable employee in the SME context. The summary of the factors that are used to define an accountable employee is presented below.

Table 11: Summary of the discussion for Research Question 1

Factors	Summary of Findings	Summary of the Literature
Deliver on role expectation	The ability for an employee to execute the duties that are assigned to them. The employee should also be able to deliver at an acceptable level of quality within the agreed upon timeframe.	Completion of task and being accountable for it is part of the job obligations of an employee. This view supports what the participants considered for an accountable employee. (Breaux et al., (2009)
Going beyond the role expectations	It is important for an employee to extend themselves beyond their prescribed roles they were employed for. Employees should offer help, where they see it is necessary even if it is not within their function. Employees should be concerned with how the organisation performs. The growth of the business should be a shared concern.	An employee who demonstrated extra-role behaviour is a highly accountable employee. Extra-role behaviour is generally concerned with overall organisational performance. In SMEs, the need to grow the customer base to increase market is of critical importance to performance (Hall et al., 2009).
Self-driven and takes initiative	Passion for work is a critical attribute for an accountable employee. As an employee who is passionate will be self-driven, show initiative and will independently complete tasks without constant supervision. The quality as well as performance levels will be clearly evidenced.	An employee who experiences an internal source of accountability will be self-motivated to perform. An employee who experiences an external source of accountability will only respond to the systems that are in place. The source of accountability is the differentiator between an accountable employee

		and one who is not accountable. (Erdogan et al., 2004)
Client-centric	An employee who is client-centric is an accountable employee. Ensuring clients are taken care of is everyone's responsibility in the organisation.	There is no emerging literature on client-centric being an attribute of an accountable employee. The frantic need to ensure customer satisfaction can possibly be linked to the heavy reliance on a small number of customers (Patel & Cardon, 2010)

6.3 Discussion of Results for Research Question 2 and Research Question 3

Research question 2 sought to establish how employee accountability is developed in SMEs, while research question 3 aimed to filter down all the identified mechanisms and identify what is considered the most critical to develop employee accountability in SMEs.

According to research participants, one of the primary ways to build employee accountability is through the leadership and organisational culture of an SME. Creating a professional environment where the leadership leads by example, will motivate and enhance employee's performance and commitment to their work. The formal systems such as performance evaluation, rewards, feedback, training, transparency, focus on the individual, trust, come second to leadership and organization culture in ensuring employee accountability. The latter creates a favourable environment for the former to thrive in. Peer accountability and inclusion of the employee in the business activities are on the periphery because they were cited by most participant as important but were not highly ranked deciding on the critical factors in increasing employee accountability. The diagramme below is an illustration of how the factors were identified in terms of importance.

Fig1 An illustration of the importance of factors that are considered important to develop employee accountability

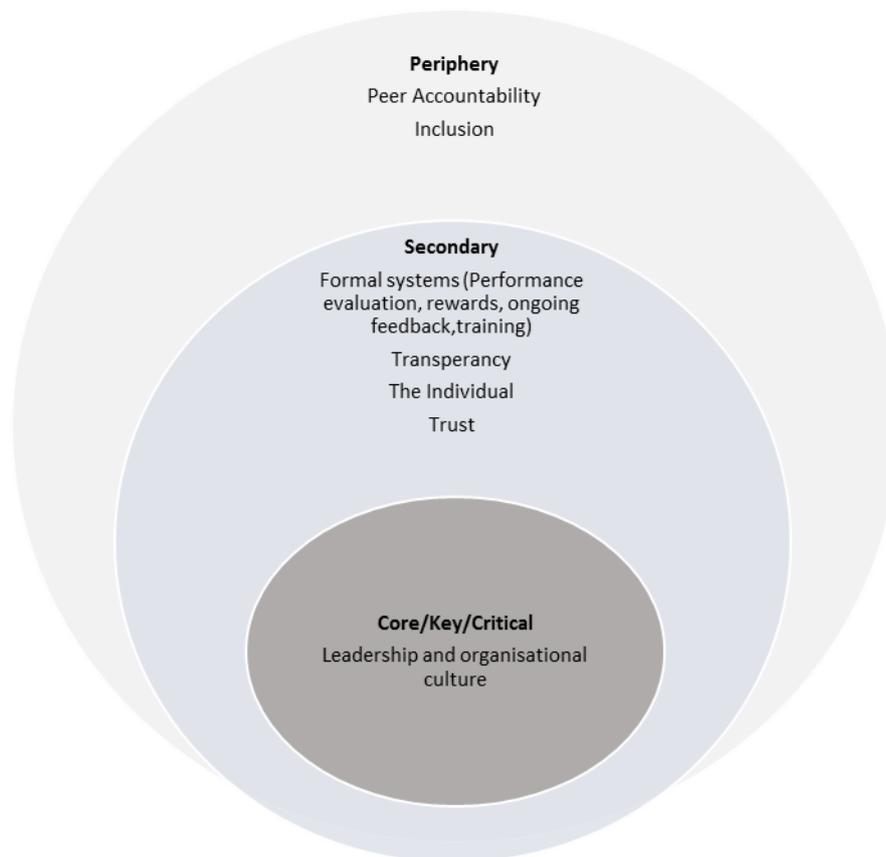


Figure 1 Illustration of the factors considered to develop employee accountability in order of importance

6.3.1 Leadership and organisational culture

Leadership and organisational culture were considered to be the most influential in developing optimal levels of employee accountability in SMEs. The findings on organisational culture being most influential is in line with the findings by Hall and Ferris (2011) who considered organisational culture to be more influential in developing accountability than formal systems. The importance of leadership in driving accountability in organisations is similar to the findings by Pearson and Sutherland (2017) in their study that was carried out in large organisation. Although leadership and organisational culture were initially identified as separate factors to developing employee accountability, the participants in the end conceded that a positive organisational culture cannot occur without leadership/an appropriate leadership style. The view that organisational culture cannot be separated from the leader is found to be applicable in large organisations as confirmed by Pearson and Sutherland (2017). Whilst the importance of leadership in creating organisational culture is confirmed by (Prati, McMillan-Capehart & Karriker, 2009) as they suggest it is the role of the leader

to create the culture as well as influence the employees' perception of the culture by acting as a role for the advocated organisational culture.

In large organisations employees do not have direct contact with leaders and Messner (2009) suggested that this as a limitation in operationalising accountability as accountability in these organisations is mediated through others. However the participants highlighted that leader's influence is significantly stronger in an SME as the owner/s-managers are in direct contact with employees, mostly on a daily basis. The view that the organisational culture in SMEs is a direct reflection of the founder is well accepted by Allen et al. (2013) as they suggest that owners have direct influence on the nature of interactions and exchanges with employees which is what ultimately determines that organisational exchanges. The size of SMEs means that the leader's behaviour is easily observed by all and thus a specific organisational culture is quickly manifested. This is supported by Mallet and Wapshott (2014) as they suggests that employees in SMEs employee performance and behaviour can be directly developed from the leader.

Participants believed the culture is the by-product of the leader, the result of the leader's style of doing things. Participants that mentioned a high performance culture where everyone is a doer was demonstrated by the leader thus the employees observe the leaders performing tasks that they would not ordinarily perform, this demonstrates the going beyond the role expectation that the owners seek to influence. They inferred that leadership is responsible for the culture, whether intentionally so or perhaps at times unintentionally so, but an autocratic, non-participatory leadership style could end up creating a culture that is detrimental to the organisation as observed in some of the organisations. This is supported by Mero et al. (2014) as they highlight that employees pay close attention to the leaders' behaviour to determine the behaviours that are acceptable in the organisation. Thus whether positive or negative the organisational culture will be developed based on the observed behaviours as employees mimic what they see the leader do.

When identifying the most influential factors, several participants mentioned leadership and culture as the only factors that are able to develop employee accountability. This seems to be particularly applicable to SME owners who either did not have formal systems in place or the systems they had in place were inadequate to drive accountability. Thus, these participants relied solely on leadership and the organisational culture to develop accountability among their employees. Reliance on organisational culture was consistent Zahra, Hayton and Salvato (2004) as they suggested that the lack of formal systems in SMEs results in less reliance on formal control mechanisms and therefore increases the importance of an organisational culture as a key determinant to drive employee behaviour.

Interestingly, participant who cited high levels of employee accountability in their organisations and predominantly employed low-skilled workers, mentioned that they have created an organisational culture, where nothing less than great quality is accepted. The participant stressed quality standards

should be engrained into all employees to make all employees feeling and being accountable to ensure the end products to the client are always up to standard. This personal experience by this SME owner and her approach to accountability is contradictory to what the other participants believed to be true with regard to levels of accountability among low-skilled workers

For the leadership to create the appropriate, optimal organisational culture and an environment that promotes accountability, there were certain attributes that participants mentioned the leader needed to have. A leader must demonstrate a genuine sense of care and show that employees are valued. In order to achieve this, the leaders need to extend themselves beyond the work relationship and build a more personal or 'humane' relationship with employees by demonstrating concern for their general well-being and not only a concern for their job roles. Several participants spoke of the close-knit family when referring to their organisation and the extended favours they carry out for their employees. This makes employees feel valued by the leader as well as the organisation. When employees feel valued, it creates a pleasant work environment, which in turn is considered to increase employee accountability. This is supported by Wikhamn and Hall (2013) when they posit that in a relationship, where the employees feel that their leaders value them and demonstrate genuine care for their wellbeing, their commitment to the organisation increases and they are willing to contribute more to the organisation. An interesting aspect in the relationship between that owner and employees is the extension of favours by the owners. Literature has not discussed this notion as part of the leadership's role.

There were participants that had adequate formal systems in place to develop employee accountability, however they emphasised that without good leadership and a positive organisational culture the formal systems alone will not develop employee accountability. The participants cited that it is not always necessary to invest excessively in formal systems as they are not always necessary in SMEs due to the close proximity in which they operated with their employees. This view was shared by Chadwick et al. (2013) who stated that formal systems in SMEs are not necessarily as impactful as they are in large organisations, but that the quality of the leadership who are able to create the right culture was important. The preference of organisational culture is also supported by Patel and Cardon (2010) as they reckon that organisational culture is often easier to achieve, it can reduce the administrative cost related to the implementation of formalised systems, while still ensuring employee accountability.

Interestingly, some SME owners-managers did not consider organisational culture a factor that influences accountability. These were participants who had low levels of accountability in their organisations. They obviously did not exactly understand how to create and support an organisational culture in their businesses, so they considered culture too abstract to rely on. These participants relied solely on the formal systems to develop employee accountability, as for them, there are no alternatives that make sense. In such SMEs, there were historically low levels of exchanges between the leader and employees. The reliance on formal systems by leaders with low

quality exchanges is in line with what some authors found (Erdogan et al., 2004) as they suggested that low quality LMX had low levels of trust and respect. Thus, to influence accountability in these relations, leaders only applied formal administrative control systems to influence accountability.

Another perspective on the possible limited view on how to drive employee performance is perhaps as a result of the lack of training on employee management. They do not view the accountability as a complex issue that is influenced by multiple dynamics. This is due to the lack of employee management training of the owners. This lack of employee management training of owners is found to be an obstacle in SMEs in driving employee performance as posited by Patel and Cardon (2010). The importance of management development is recommended by Pearson and Sutherland (2017) to ensure that the leadership has adequate skills required to drive employee accountability. Thus the lack of training could be found as a limitation in developing employee accountability in some of these organisations that are evidently dealing with low levels of accountability.

In large organisations, accountability is mediated through others as the majority of employees do not have direct contact with the leaders (Joannides, 2012; Hall et al., 2017). This is a limitation when operationalising accountability, as the role and status of the mediator, and the individuals' required performance to the higher principal remain unclear, and the employees do not always understand their role in creating value for the higher principal (Messner, 2009). This is, however, not the case in SMEs, as employees and leaders operate in close proximity of and to each other (Mallett & Wapshott, 2014). The higher level of intimacy allows for a leader to create a positive exchange with employees. In addition to the close proximity relationships between leaders and employees are informal and inter-reliant (Mallett & Wapshott, 2014). This can positively impact accountability as employees will contribute highly to the organisation (Allen et al., 2013). Employees have great discretion as to the extent to which they contribute to an organisation and support their peers. The ability to do so is closely related to their exchanges with the SME leaders (Allen et al., 2013).

6.3.2 Formal Systems in place

The systems in place in an organisation were considered to be the next most influential after leadership organisational influential in developing employee accountability. As part of the system, participants highlighted the rewards structure and recognition of a job well done by employees. A rewards system obviously also necessitates regular measurements and assessments to have to take place. As SMEs have limited available resources, some owners stated that although they cannot not afford to pay the high level salaries found in large organisations; therefore, they had to find creative ways of recognising good behaviour, quality achievements and such positive outcomes. Ongoing feedback and regular one-on-one meetings with employees were considered to be important in developing employee accountability. The importance of systems in driving accountability is confirmed by the findings of Pearson and Sutherland (2017). The systems found in the SMEs are very similar to those identified in their study as they included performance review and rewards, ongoing feedback, recruitment processes. Although the formal systems in place were

most cited as having been put in place, participants found that in terms of impact on accountability they did not place too much reliance on them.

There were some SME owners that thought the formal systems in the organisation are the only way to develop employee accountability. The participants who believed that systems were the only mechanism to develop employee accountability, excluding the need for changed leadership and a positive organisational culture, were those who actually experienced low levels of accountability in their organisation. The inability to develop employee accountability solely on formal systems supports the theory by Mero et al., (2014) as they suggest that formal systems alone cannot develop employee accountability without the support of informal systems. The said SMEs were experiencing problems with the organisational culture and leadership, obviously not understanding or knowing how to improve or change these aspects, maybe not even willing to change their management or leadership styles. In literature, low quality of LMX are generally found to have low levels of trust thus to influence accountability. These leaders only have formal control systems at their disposal to influence accountability (Erdogan et al., 2004).

Although having systems in place had the highest frequency in its ability to develop employee accountability there were clear differences between the types of systems SMEs had in place. They identified the following as part of the systems they have in place to influence accountability in their organisations: an employment contract, performance management systems, processes and procedures and reward systems.

Most of the participants who had formal systems in place had what they considered to be adequate formal systems. These findings stretch beyond what Sheehan (2014) found, who suggested that formal systems were not commonly found in SMEs, although they are widely found in large organisations. The monitoring and evaluation of such systems was however neglected and not prioritised. The participants admitted that they knew they should have had some measurements, monitoring and assessments in place, but that they had neglected such follow-up, mostly because they were tied down with other tasks or did not give it too much thought. They often carried some type of assessment out ad hoc and only when it was required for a decision in the organisation.

Perhaps the difference lies more in how these systems are administered and not necessarily the existence of the formal systems, as it was clear that the monitoring and evaluation of the systems was inconsistent. SME owners are generally short of resources, do not have the time to carry out these tasks and are not formally trained to perform them. This is consistent with the existing literature as it is well accepted that systems in place are considered as a burden on the critical constraints of the time they require from the leadership in order to effectively manage them (Chadwick et al., 2013).

The low accountability levels found in some of the organisations could be the result of the inconsistencies in the monitoring and evaluation processes. Hall and Ferris (2011) suggested that an ongoing monitoring and evaluation process must be in place to ensure that employees' behaviour

is in accordance with the expected rules. Failure to monitor and evaluate behaviour will result in non-compliance and thus accountability will not be developed. Employees in these organisation are not necessarily made aware of their shortcoming and the areas where they need to improve. Messner (2009) highlighted that when an individual is held to account and receives feedback regarding their behaviour or actions, this bridges the gap between expectation and behaviour. Thus, in these SME organisations, the gap is not bridged and is likely to widen if no changes are made and measurements/monitoring are applied.

It was also found that there were inconsistencies in terms of holding employees accountable. Participants cited lack of time, reliance on external HR as well as familiarities with employees as the reason for the inconsistencies. Employee management in SMEs commonly takes place through closer familiarity between owner-managers and employees, much more so than in large organisations, where management or leaders are more remote (Mallet & Wapshott, 2014). Decisions made regarding holding their employees accountable sometimes depended merely on the level of familiarity with the specific employees rather than a formal assessment. This results in inconsistencies about disciplinary actions, which creates a culture of unaccountability as employees know that they are able to 'get away with a lot' as other before them have.

6.2.4 The Individual

The individual was ranked third in terms of influence on accountability by participants. The individual who is being held to account must be self-driven for them to be believed to be accountable. Participants found that although they have the correct systems in place or an accountable organisational culture, there are still employees who do not perform at the same standard as their peers.

So, irrespective of the external pressure, if the employee does not possess self-motivation, the employee will not perform. This notion on the individual being the final deciding factor was supported by Messner (2009) stating that accountability is limited to the distorted perception an individual holds, based on their experiences and practical interactions.

Most SME owners accept that the individual is a factor to be considered regarding individual and organisational accountability. When employees perceive high levels of internal accountability, the external formal systems are not necessary to ensure accountability as the individuals will perform because of the need to reciprocate to the organisation (Erdogan et al., 2004).

However, there were a range of reasons given for why the individual was important. Participants with low levels of accountability in their organisation equated the skills levels to the levels of accountability that an individual will have. This view was, however, not shared by participants who experienced high levels of accountability in their organisations. Instead, these participants spoke of self-motivation that varied from one individual to another, but contributed to accountability levels.

The perception that low-skilled workers were not seen to act in an accountable manner could be the result of the organisational culture that was inadequate in those organisations rather than the employees being to blame, as the organisational culture was considered to be critical in felt-accountability. The extent to which employees feel their contributions are valued increases employee accountability (Wikhamn & Hall, 2013). The idea of filtering down employee accountability to the lowest levels was highly emphasized by a participant who strongly believed that employees are only as accountable as you make them feel.

As part of the accountability systems, the individual level of accountability needs to be considered and assessed. Mero et al. (2014) stated that an effective accountability system does not only involve holding employees accountable via the formal mechanisms, but it requires that the employees perceive themselves as accountable for the specific behaviours or outcomes. If the employees do not perceive themselves accountable, then the mechanisms or systems will not be effective. In order to increase everybody's sense of being accountable, a firm organisational culture needs to be in place to develop this (Chatman & O'Riley, 2016).

6.3.3 Transparency on organisational matters

Transparency relationship between SME owners-managers and employees was found to be the fourth highest considered influence when trying to develop employee accountability in the organisation. Participants spoke of sharing financial information with employees that would otherwise be deemed too confidential. The importance of transparency in an accountable relationship was first introduced by Power (1991) highlighting that information provided and evidence to it in the principal-to-agent context is a critical aspect that forms and shapes the relationship for improved accountability. McKernan (2012) suggested that accountability has an intricate association with transparency.

Participants mentioned that due to the small size of their organisations, all employees are vulnerable to external situations, thus any loss of customers can immediately cause job losses or bonus payments can be affected. If employees are made aware of possible future changes that might affect them and if scenarios are clearly demonstrated to them of implications of their behaviour, then their levels of accountability can increase. The sharing of information to influence behaviour was supported by McKernan (2012) as he believed that when information is shared with employees, it encourages responsible behaviour as employees evaluate consequences of their behaviour before engaging in it. This will obviously not apply to all individuals as previously alluded to as individuals decide for themselves whether they are self-motivated and committed, care about the business and its future or whether they are merely working from day to day, concerned with the end-of-the-month salary.

Some SME owners spoke of the need to share with employees the goals and visions they have for the organisation in order to get the employees' buy-in. Hall et al. (2009) shared this view on

accountability as they believed that to get employees to perform, one must provide them with the organisational objectives and values. Once the visions have been shared, it must be demonstrated to the employees where their contributions fit into the overall organisation and show them that their role is important and valued. This view was shared by Patel and Cardon (2010) as they stated that when employees feel that they are valued as part of the team, their level of performance increases. The need to share the information right to the lowest level of employee is important as these individuals are commonly forgotten. It is important to deliver the message in a way that everyone will understand. This was fully supported by Shearer (2002) when noting that accountability can be increased through liberated power and increase of rights to information.

6.3.4 Trust from the leader

Participants mentioned that when there is no trust in the employer/employee relationship, then there is no accountability either. It is important for the leader in the organisation to create an environment of trust not only in the leader, but also in the organisation. For trust to be developed, the right employees must be working in the organisation, having selected employees who will be able to deliver what is required of them. The trust in the organisation is created by leadership. This was confirmed by Erdogan et al. (2004) when they highlighted that when leaders engage in closer relationships with employees of high quality LMX, it involves mutual trust, respect and understanding.

If trust is breached, it will lead to management applying excessive control measures, which in turn creates tension in the workplace and ultimately exacerbates the low levels of accountability. This was found to be the case with some SME owners who mentioned that in order for them to get their employees to perform, they had to micro-manage them. This implies that there was no trust in the employees being able to perform their tasks without micro-management, as leaders do not trust their employees to be able to deliver what is expected without such close supervision. The fact that some leaders resort to formal systems for control and accountability due to a breach in trust was confirmed by Ammeter et al. (2004) who highlighted that trust in a leader and the subordinate relationship is important, as trust moderates the relationship between a leader with power and an influential leader.

Some participants strongly advocated for trust as a foundation of an accountable relationship as they believed that any excessive control that is shown by leaders who have low accountability in their organisation is going to have detrimental effects on the organisation. These participants questioned the sustainability of organisations that have no trust between employer and employees, questioning the leadership quality that is in place in these organisations. Interestingly though, of the participants who admitted to no trust existing in the organisation having led to a micro-management style of leadership, both these organisations were already longer than 10 years in operation. This would counter the hypothesis that such lack of trust would have a negative impact on sustainability. It is probably more a reflection on the management style of the owners and their lack of willingness

to change, also probably hiring individuals who are willing to work in such environment, thus perpetuating the status quo.

6.3.5 Inclusion in decision making

Inclusive decision-making was mentioned as a factor to develop employee accountability by the participants. Although it was mentioned fourth in terms of importance, participants did not find that it had great impact in actually developing accountability. The leader's ability to allow employees to get involved in the decision-making process in the organisation was considered important, irrespective of any accountability being produced. Participants stated that if employees are part of the decision-making process, it is easier to get their buy-in and adherence to rules and decisions made. Participants found that opting to adopt a more inclusive approach to decision-making has yielded positive results in terms of accountability in their organisations.

The findings on allowing employee voice is related to the exchanges between leaders and employees. High quality levels of LMX are positively related to accountability. In high LMX, leaders demonstrate to their employees that their contributions to the organisation are valued and thus, accountability levels will increase. Messner (2009) stated that employees associate their accountability levels with what they consider their contribution is worth to the organisation. Thus, if employees feel their contribution is not valued, then their accountability will decrease accordingly.

The employee voice and involvement in decision-making in the organisation was observed as a differentiating factor between the organisations with low levels and high levels of accountability. The SME owner who admitted that the owner applied an autocratic decision-making process, also stated that this had created a culture where employees are not feeling accountable as they are afraid of making their own decisions in case there are negative consequences. The participant cited that the founder of the business had been and still was very erratic and emotional in his decision-making process as the organisation was very close to his heart. Such emotional attachment that gets carried through into the decision-making by founders of SMEs was confirmed by Ates et al. (2013) as they stated that decision-making in SMEs is commonly very personal and emotional, thus the decisions by owners of SMEs can also be detrimental to the success of the organisation if such decisions are erratic or emotional and considered carefully with the best interest of a sustainable business in mind..

In this study, the participant's erratic and emotional decision-making had created a culture of unaccountability that was creating severe problems in the organisation. The participant had attempted to change this culture by introduction of an external HR person to connect the leaders and the employees, but had been unsuccessful at changing it for the past couple of years.

Some participants also admitted to previously having used a top-down approach, but claimed to have reconsidered their position on the matter and opted for a more inclusive approach. They admitted that they thought their business rotated around them only. Ates et al. (2013) stated that if

an organisation is seen as an extension of the leader's own self-worth, then decision-making tends to be more erratic, based on their experience and rationale.

The findings on inclusion in decision-making contradicts the existing literature on decision making in SMEs. Most participants spoke of a more inclusive decision-making process in their organisations. Existing literature (Ates & Bititci, 2011) stated that decision-making in SMEs is more of a "command and control management style".

6.3.6 Peer Accountability

Participants identified peers and colleagues as a factor that drives employee accountability. It was highlighted that the long-serving employees are the defenders of the organisational culture; they uphold the standards and thus influence the conduct of other employees. Although this was identified in the initial stage when determining how employee accountability is developed, the participants it was not considered when deciding the most influential factors in developing employee accountability.

The peer influence on accountability was enacted through observation or instances, where participants cited that senior employees generally take it upon themselves to "call to order" those employees that have been found not adhering to the organisational rules. The influence of peers on employee accountability is confirmed by (Joannides, 2012) as peers serve as the custodians of organisational culture thus they are found to uphold the set levels of accountability on behalf of the organisation.

An interesting observation was that even in the organisations with low accountability levels, participants claimed that the long-serving employees were the stumbling blocks when trying to recreate the organisational culture. SME owners claimed that when new employees were demonstrating behaviours that were against the norm, but actually more accountable and self-motivated. With time their performance levels would decrease to meet the old norm. This is as Mero et al. (2014) states that employees gather information and form opinions about their organisation's important attitudes and expectations from the people within the environment once done their interpretation of the expectations will inform their subsequent behaviour.

The peers in an organisation can influence accountability, whether positively or negatively, but this depends on the culture in the organisation. The impact peers have on accountability was confirmed by Hall et al. (2017) as they stated that for informal shared norms that are attributed to the perception of behavioural expectation, behaviours of peers and organisational culture play an important role as a factor that influences accountability in an organisation. The perception of accountability that employees have of their peers is critical for their own level of accountability. If they hold the perception that others do not need to be accountable, then the wrong culture will be created.

The role of peers and team members is an important one, particularly to new employees who still have to form an impression as to what is expected of them. Socialising forms of accountability foster

clearer pictures of organisational norms and values. They also create an appreciation of self and peers that is free from distortion by any imposed formal structures (Messner, 2009).

6.3.9 Conclusion to Discussion of Research Question 2 and Research Question 3

Table 12: Summary of Discussion of Research Question 2 and 3

Factors	Summary of findings	
Leadership and organisational culture.	<p>Leadership and organisational culture were considered to be the biggest factor to develop employee accountability in the organisation. It is important for the leader to create positive exchanges, where there is trust, respect and concern for employees. The relationship that the leader is able to establish with employees is critical for the leader's ability to influence accountability. This is of particular importance as leaders expect employees to perform beyond their role requirements.</p> <p>The relations between the leader and employees as well as the culture that is subsequently developed were seen to be the big differentiator between the low and high accountability organisations.</p>	<p>Allen et al.(2013) stated that organisational culture in SMEs is a direct reflection of the founder or leader on the organisation. Thus, whether positive or negative, the behaviour of the founder will set the tone for the organisation. Existing literature supports the need for strong organisational culture in SMEs due to the lack of formality found in these organisations.</p> <p>Power without influence will not develop the accountability that is required.</p>
Systems in place	<p>Systems in place that include reward structures, performance evaluation as well as ongoing feedback from leaders was identified as influential in developing employee accountability. The monitoring and evaluation that is not carried out in many of the organisations creates inconsistencies in accountability, which is detrimental to the functioning of the organisation.</p>	<p>Existing literature suggests that formal systems are rare in SMEs (Sheehan (2014). This was found not to be an adequate reflection of SMEs. The organisations have systems in place, but the consistent application and administration of the systems is lacking (Chadwick et al., 2013).</p> <p>Emphasis is also placed on the need for ongoing monitoring and evaluation to ensure adherence.</p>

The individual	The employee who feels accountable is important in determining the accountability levels developed. Participants highlighted that the employee needs to be self-driven, thus have an internal source of accountability. The need for the employee to have an internal source of accountability is critical as employees are expected to perform beyond their role expectations.	The existing literature on the individual as a factor of accountability implies that accountability is limited to how the individuals perceives their accountability (Messner, 2009). The culture in an organisation is important to influence felt-accountability of employees (Chatman & O'Riley, 2016).
Transparency	Transparency between individuals in an accountable relationship is key. Participants identified the need to disclose financial information of the organisation to employees. When employees are aware of the financial circumstances and implications of external factors, then their accountability increases. If there is transparency in an accountable relationship, then the expectations from each party are clear.	Transparency has an intricate relationship with accountability (McKernan, 2012).
Inclusion in decision-making	An inclusive decision-making process influences accountability. The need to make employees part of the decisions and allowing their input creates an employee that is able to own the decisions and thus commit to them.	When employees are made to feel that their contribution is valued their accountability levels are positively affected (Messner, 2009).
Trust	Trust is a foundation of an accountability relationship. If the trust is eroded, it creates a culture of low accountability, which is difficult to break.	Trust as an important aspect to an accountability relation is confirmed by existing literature (Erdogan et al., 2004).
Peer Accountability	Employees, especially the long-serving employees in the organisation, are the “defenders” of the organisational culture and they will hold others accountable on the standards that they know to be acceptable. This is true to both positive and negative organisational culture. If it is negative, the peers will affect the perceived	The perception of accountability is influenced by behaviours of peers and the organisational culture, which are the shared norms and principles in the organisation. (Hall et al., 2017).

accountability negatively as seen in some of the organisations.

6.4 Discussion for Research Question 4 What role does leadership play in developing optimal levels of employee accountability?

The aim of this question was to determine, if there is alignment between the system that is in the organisation and the type of leadership and culture in the organisation. In the literature, it is highlighted that the systems of accountability need to work together to develop employee accountability (Ammeter et al., 2004; Hall et al., 2017). Thus, all systems that are identified need to be held together by the leadership as they determine the levels of formality and informality that exist in the organisation; therefore, the alignment rests in their hands. Pearson and Sutherland (2017) highlighted that leaders in the organisations need to ensure that the formal and informal factors that are in place are fully experienced by employees.

6.4.1 Accountability Systems Alignment

There was a difference observed in terms of the participants from the high and low accountability organisations. In the low accountability organisations, the participants were able to confess to their shortcomings in terms of influencing accountability. The participants had formal systems but were not administering them properly. The lack of administrations created a gap in the accountability systems. The continuous inconsistencies that is observed by the employees is adopted as the norm in the organisation which leads to no accountability by employees. Pearson and Sutherland (2017) in their study highlighted that there is a critical threshold that each factor needs to reach to drive accountability and if this is not reached any additional factor will not be able to influence accountability. This implies that the formal systems in these organisations had not reached their threshold as the monitoring loop was not yet closed. Thus, regardless of any other mechanism accountability will not be influenced.

Participants also reflected on what they thought they ought to change to influence accountability. A participant mentioned how, since allowing for a more inclusive decision-making process, and trusting employees, employees are able to perform better and this has influenced the team positively. This change was particularly necessary as this organisation had adequate formal systems and employees who were recruited with the right capabilities, but a culture of no trust did not allow employees any autonomy and thus employee accountability was not developed. Hall and Ferris (2011) warn of misalignment leading to diminishing results in this incident if the leader is not complementing the formal systems that she has implemented employee accountability will not be developed as the two will be working against each and not together. As formal systems are explicit whilst the informal which is the social norm are used to engrain the required standards and behavior

(Frink and Klimoski, 2004). This means that the leadership and their systems can't contradict each other. To ensure performance formal systems and informal systems must work parallel to each other (Ammeter et al., 2004).

There were participants that had reportedly high levels of accountability. An interesting observation was that those that appeared to have coherent accountability systems emphasized that it cannot be done without the leader or owner. And that is up to the leadership to create the organizational culture that will encourage accountability in the organisation.

It is also important to establish and implement accountability systems that are appropriate for your organisation. (Hall & Ferris, 2011) highlight that when conceptualizing accountability systems there are several aspects that must be considered such as the type of workers employed, the environment and the industry related. In the lower skilled environment, it appears that the organizational culture is critical to develop employee accountability. (Mero et al. (2014) emphasize that formal systems alone cannot influence accountability in an organisation without informal systems that support it. In SMEs there appears to be high reliance on culture with minimal emphasis on formal systems.

6.4.2 Transition in ownership

The other problem that was observed in the low accountability organisations was that the organisational culture was creating negative effects on accountability, where problems arose when there was a founder with his specific leadership style and then new owners who joined the organisation. In this instance, the founder who is still part of the organisation, has created a culture of no accountability, while the new co-owner's style of leadership is completely inadequate for the culture that exists. The unintended culture of no accountability that emerged from the centralised decision making and the low quality of exchanges with employees by the founder.

Allen et al. (2013) suggest that the extent to which employees contribute to an organisation and support their peers is closely related to their exchanges with leaders in SME. The new owner is encountering performance levels that are attributed to the founder. As the organisational culture is reflective of the founder's character and leadership style.

6.5 Discussion on the Additional Findings

Through the interviewing process with the participants, it was clearly visible how attached these individuals are to their organisations. They have such high sentiments that are easily noticeable in the way they refer to the organisations. A lot of emotions are involved in the day to day operations with their main concern being to keep the organisation afloat by any means. Failure by employees on deliverables is taken personally. Ates et al. (2013) suggests that owners see the organisation as an extension of their own self-worth which leads to more erratic behaviours based on their experiences and rational.

The emotions coupled with the lack of training on employee management results in explosive exchanges when trying to get employees to be accountable. The absence of human resources divisions in their organisations means it's a very long and difficult road in developing employee accountability for some of them. As the levels of accountability will be limited to the leader's management skills (Ates et al., 2013). This is clearly highlighted by the participant that confessed to no leadership training and evidently dealing with low accountability in her organisation. The findings in the lack of leadership training is what Mitchelmore and Rowley (2013) warned of as a factor that impacts performance of SMES. The need for leadership development highlighted by Pearson and Sutherland (2017) is even more apparent in SMEs because of the absence of human resources divisions.

7. CONCLUSION

7.1 Introduction

In chapter 6, the findings of the study, which aimed to determine how employee accountability is developed in SMEs, were discussed considering the literature on accountability, factors that influence accountability and leadership's influence on accountability. This chapter will revisit the research objectives and compare the objectives with the results obtained. This chapter aims to take the key findings and results and provide a view on the implications to accountability in SMEs.

7.2 Research Background and Objectives

Accountability in organisations is positively linked to organisational performance in large organisations. However, this has not been researched for SMEs. The research motivation was to gain a better understanding on how employee accountability can be developed in SMEs. This is to aid the overall organisational performance of SMEs to ensure sustainability of these organisations.

Limited literature exists about accountability in SMEs. The existing literature suggests that to develop employee accountability in an organisation, there must be formal and informal accountability systems in place (Mero et al., 2014). However, the systems that are found in SMEs are very different to those in large organisations. Employee management is largely informal in SMEs, with employees often expected to fulfil multiple tasks beyond their prescribed job descriptions (Allen et al. 2013).

Existing literature on large organisations suggests that accountability is developed, if employees have clear job descriptions and role expectations (Messner, 2009). The uncertainty that exists in SMEs regarding job functions and sustainability raises the question of how accountability is defined and subsequently, how is it developed. This led to the motivation of the research.

The primary objective of this study was to understand how employee accountability can be developed in SMEs. Emerging from the primary objective, four questions were developed:

Research Question 1: How is an accountable employee defined in the SME context?

Research Question 2: How is employee accountability developed in SMEs?

Research Question 3: What is considered most effective in developing employee accountability in SMEs?

Research Question 4: What role does leadership play in developing optimal levels of employee accountability?

7.3 Key Findings

In the systems of accountability explained by Pearson and Sutherland (2017), five factors were identified as being critical to developing employee accountability in an organisation. These were strategic leadership, organisational culture, and systems in place, clarity of role as well as the individual being held to account. The findings of this research closely correlate with the factors that

were identified in the previous studies, with one exception, being clarity of roles. In SMEs, employees' roles are not as clearly set out as they are in large organisations, which can lead to levels of uncertainty.

Whilst the findings in large organisations places emphasis on the factors aligned together to drive accountability Hall & Ferris (2011) the findings in SMEs suggest that leadership is the overarching umbrella that holds all other factors of accountability together. All other factors are by-products of the leadership in these organisations. Thus, these organisational systems are as formal or informal as the leadership intends (Mallett & Wapshott, 2014). So, the leader independently is highly responsible in developing employee accountability.

This research extends research on accountability systems in SMEs by identifying the differences between high and low accountability SMEs, based on the systems in place as well as the type of organisational culture that is found in these organisations.

7.3.1 An accountable employee

The term accountability has different meanings in different context (Mansouri & Rowney, 2014). In this study it was found that an accountable employee has a much broader view of accountability, which is concerned with overall contribution to business growth beyond what their role requires. Thus, an accountable employee is one who demonstrates high levels of extra-role behaviour. Extra-role behaviour is a behaviour that is not prescribed in the job roles or job description, or contractually prescribed, but contributes to the organisational performance and the SMEs growth and survival. Whilst in the findings by Pearson and Sutherland (2017) accountability by an employee was measured in direct relation to prescribed jobs as per role function. The SMEs include extra role behaviour in the definition of an accountable employee whilst this was not specified in large organisations.

7.3.2 Leadership and organisational culture

The owners of SMEs are the anchors of accountability levels in the organisations. They are at the centre, holding together all other factors of accountability. They are the heartbeat of accountability in their organisations. The development of high-quality leader-member exchange LMX relies heavily on the beneficial acts of leader towards an employee as it creates obligations that must be reciprocated by the employee (Chen, Lam & Zhong, 2012). Due to the fluid context within which SMEs operate, there must be a high quality LMX to develop optimal levels of employee accountability that is sought by SMEs. The existing literature is limited on the relationship between LMX as a variable to influence accountability (Hall et al. 2017), however high LMX quality was found to be highly influential in developing employee accountability.

The findings of this study were found to be most similar to those of Romzek, Leroux & Blackmar (2012). In their study they highlighted important shared norms and enabling behaviours that promote

informal accountability between network organisations. Perhaps the similarities arise from the high reliance on informal accountability by SMEs. In this study which was aimed at looking beyond the formal accountability in network organisations, they identified facilitative behaviours by members of a network organisation which they considered to be important in driving accountability as well as shared norms that must exist in the relationship.

The shared norm that were found enabling of accountability between network organisations were trust, reciprocity and respect of the turf similarly in our findings trust and respect were cited by most participants. The study also identified enabling behaviours of accountability between members of network organisations, these behaviours were information sharing, extension of favours, frequent communication, acknowledgement of mistakes and action to fix mistakes most of these behaviours were identified by participants as important although these behaviours were more required from the leader to demonstrate.

In the absence of adequate systems in an SME, an organisational culture that is based on high quality of performance is relied upon to develop employee accountability. These findings correspond with findings by Hall and Ferris (2011) in their work on accountability and extra-role behaviour. In their research, they found that extra-role behaviour increases, if accountability levels are high in an organisation. Thus, if leaders instil a high-performance culture, then employees will engage in extra-role behaviour.

Another attribute that a leader must demonstrate is that of inclusion. Leadership needs to be inclusive in the decision-making process as employees are only as accountable as they think their contribution is valued. Inclusion allows for ownership of solutions and decisions by employees. Inclusion in decision making is giving employees voice on organisational matters. In a study by Rees, Alfes and Gatenby (2013) on the role that employee voice plays on overall employee engagement, they found that there is a positive relationship between an employee's perceived voice and employee work engagement. This implies that when employees perceive that their opinions matter are likely to engage more in their work. Highly engaged employees are found to outperform other employees. In SMEs where the employees are in such proximity with the owners their ability to influence matters of the organisation is increased. Perhaps the reason that it is valued is that employees are able to see their opinions influencing organisational matters more swiftly than in large organisations.

The participants placed high emphasis on the need for employees to go beyond their role expectations in the organisation. To drive this behaviour, it is important for leaders to demonstrate it as well, as leaders are responsible for creating the organisational culture by acting as role models for the advocated behaviour. This was found to be the case with participants even sweeping their warehouses to assist when needed.

7.3.3 Formal Systems

The implementation of formal systems is critical to improve organisational performance (Hall et al., 2009). However, the findings of this study suggest that SMEs can drive employee accountability without the formal systems. The formal systems that are introduced do not necessarily have to be as comprehensive or as complicated as those in large organisations. However, as accountability in these smaller organisations relies heavily on felt-accountability, ongoing monitoring and feedback will lead to a more positive felt-accountability (Mero et al., 2014). As part of the system, regardless of its complexity, recognition and rewards for accountable behaviour must be present. Employees need to be recognised for being accountable, going the extra mile and helping to grow the business. Therefore, SMEs must find creative and affordable ways to recognise and reward good work.

It is also important that wherever a system is introduced to develop employee accountability, there must be visible consistency in upholding the system. If there are inconsistencies or gaps that are found in applying the system, it creates high levels of uncertainty and reduced accountability, which is already complex in these smaller organisations. The consistency in behaviour by leaders gains employee trust, which in turn enhances the employees' work commitment (Hsieh & Wang, 2015).

7.3.4 Transparency and trust

Transparency and trust in the organisation are concepts that literature suggests have close correlation with accountability (McKernan, 2012). These concepts generally form part of the organisational culture if it is one of accountability. However, in the case of SMEs, these are found to be a direct source of accountability. The organisations are highly vulnerable to external sources and employees within these organisations are aware of this factor. Thus, employees' accountability is closely related to how vulnerable they feel their personal livelihood is to the external factors.

The findings suggest that employees will increase their performance, if they are kept well-informed about the SME they work for and external as well as internal circumstances. Openness about the true reflection of the organisation's performance influences accountability. This is important as transparency is a trust-building activity that can create a productive working relationship, while increasing mutual accountability (Romzek et al., 2012). If trust is maintained in the organisation between employer and employee, it can influence interpersonal attitudes and behaviours of the individuals (Hsieh & Wang, 2015).

7.4 Recommendations

The main objective of this study was to determine how employee accountability is developed in SMEs. From the findings, several recommendations can be made to SME owners who wish to develop high levels of accountability in their organisations.

1. The leadership style and quality of leadership is critical for the survival of SMEs. The owner is the source of accountability systems that are created in the organisation. The findings by Pearson and Sutherland (2017) highlighted the need for leadership development

programmes to develop leaders to be able to drive employee accountability. Individuals that are in a managerial roles require human resources capabilities to support their management activities (Vermeeren, Kuipers, & Steijn, 2014). This is particularly critical to SME owners as they have the sole responsibility of creating the accountability systems in their organisations...

2. Employees in an organisation pay close attention to the behaviours of their leaders to take cues as to the expected and acceptable behaviour (Mero et al., 2014). It is important for the leaders to demonstrate the extra role behaviour that they seek in their employees. Furthermore they must identify and reward employees that demonstrate self-initiative and extra role behaviour.
3. The owners should empower their employees with information. When employees are aware of the organisational situation, their accountability levels are likely to increase as they know how it affects them. This is both positive and negative information, where positive information will be used to reinforce and encourage good behaviour and to demonstrate the successes achieved by them. Negative information should lead to employees improving their performance.
4. The high quality LMX was found to be critical in developing employee accountability. Owners of SMEs should show that they genuinely care and are concerned about their employees' wellbeing. If an employee feels that there is support and care from the organisation and its leaders, the employee is more likely to reciprocate the support through improved or at least consistent work input and output.
5. The autocratic style of leadership should be abandoned; a more inclusive approach to decision-making, which allows for employee input into organisational matters, is important. When an employer allows employees to give input, then they feel they have a new sense of ownership of the decisions, which increases adherence.
6. A careful consideration must be applied when choosing to formalise systems, as these need to align with the leadership style. If this is not aligned it can be detrimental to the organisation.

7.5 Limitations

This study, while its findings were able to build on existing literature, is not without limitations.

- The sample size of the study was too small for the outcome to be generalisable to all SMEs;
- The study was conducted only with SMEs in the Gauteng Province in South Africa, which implies that this was not a universal representative of all SMEs;
- The research was focused on owners-managers of SMEs, it did not factor in the employees' perspective on accountability.

7.6 Implications for Future Studies

- The research identified factors that are considered influential in developing employee accountability in SMEs. However, these factors were limited to the perspective of the owners of the organisations. It was also observed that SME owners seem to be oblivious to their shortcomings when it comes to their influence on accountability. Therefore, it would be important to find out, if SME employees perceive the accountability factors to be the same as seen by the SME owners.
- The research identified that although some of the organisations were encountering low levels of accountability, they continue to operate. Therefore, the question of sustainability of SMEs arises and whether having accountable employees is linked to long-term, sustainability of SMEs. A future research recommendation could be to look an age analysis of SMEs compared with their levels of accountability systems in place together with monitoring systems and measurements.
- The findings in this research identified that when there are multiple owners in the SME, there is the potential for conflict in terms of the leadership styles, which affect the culture of the organisation as well as the perceived accountability. A recommendation for future research could be to determine what the overall effect of multiple leaders/owners in an SME is on the perceived accountability of employees in the organisations.

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9. APPENDIX

Appendix 1: Interview Consent Form

Researcher: Mahlako Mahapa, MBA student at the Gordon Institute of Business Sciences,
University of Pretoria

I am conducting research on factors that influence accountability within SMEs. The study intends to uncover new insights into factors South African SMEs managers consider to drive accountability in their organisation. Your experience and views on the subject will contribute immensely to the understanding of accountability in SMEs.

The interview is expected to last approximately an hour, and your participation in the study will provide us with insights to better understand what are the tools that are used in SMEs to drive accountability within the organisation especially from SMEs that have been successful.

Your participation is voluntary and you can withdraw at any time without penalty. All the data that is collected during the interview will be kept confidential. The audio recording of the interview is voluntary and you may choose not to be recorded.

Our details are below:

Mahlako Mahapa 17399514@mygibs.co.za 082 820 4236	Anthony Wilson-Prangley prangleya@gibs.co.za 083 746 8270
--	---

Participant Name: _____

Signature: _____

Date: _____

Researcher Name: _____

Signature: _____

Date: _____

Appendix 2: Interview Questionnaire

- How would you describe an employee that is accountable?
- What are some of the issues that you have with employee accountability?
- What tools do you currently use to hold employees accountable?
- What do you consider to be the most impactful when holding employees to account?
- Why are these considered most impactful?
- How do you think your leadership style influence employee accountability in your organisation?

Appendix 3: Ethical Clearance Letter

**Gordon
Institute
of Business
Science**
University
of Pretoria

19 July 2018

Mahapa Mahlako

Dear Mahlako

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained

We wish you everything of the best for the rest of the project.

Kind Regards

GIBS MBA Research Ethical Clearance Committee

Appendix 4: Full Results List

Full Results of Research Question 1

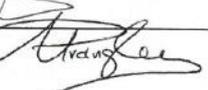
Factor	Frequency	Rank
Deliver on role expectations	14	1
Self-driven	9	2
Going beyond the role expectations	6	3
Client Focused	6	3
Passion for work	4	4
Commitment to organisation	2	5
Good communicator	2	5
Diligent	2	5
Transparent	1	6
Honest	1	6
Inclusive mindset	1	6

Full Results of Research Question 2

Factors	Frequency	Rank
Employment contract, job descriptions	14	1
Leadership	10	2
Organisational culture	10	2
Ongoing Feedback	10	2
The Individual	8	3
Inclusion in decision making	8	3
Peer Accountability	8	3
Transparency on organisational matters	7	4
Training	7	4
Trust by leader	7	4
Rewards	6	5
Monitoring	6	5
Customer	5	6
Vision and organisational goals	5	6
Recruitment	4	7
Recognition of good behaviour	4	7
Economic External Factor	2	1

Appendix 5 Copy of declaration

COPYRIGHT DECLARATION

Student details			
Surname:	Mahapa	Initials:	ME
Student number:	17399514		
Email:	17399514@mygi.bs.co.za / mahapa@selaki sports.co.za		
Phone:	082 820 4236		
Qualification details			
Degree:	MBA	Year completed:	2018
Title of research	Towards developing employee accountability in SMEs		
Supervisor:	Anthony Wilson Prangle		
Supervisor email:	Prangleya@gibs.co.za		
Access			
Please select			
A.			
<input checked="" type="checkbox"/>	My research is not confidential and may be made available in the GIBS Information Centre and on UPspace.		
I give permission to display my email address on the UPspace website			
<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
B.			
<input type="checkbox"/>	My research is confidential and may NOT be made available in the GIBS Information Centre nor on UPspace.		
Please indicate embargo period requested			
Two years	<input type="checkbox"/>	Please attach a letter of motivation to substantiate your request. Without a letter embargo will not be granted.	
Permanent	<input checked="" type="checkbox"/>	Permission from the Vice-Principal: Research and Postgraduate Studies at UP is required for permanent embargo. Please attach a copy permission letter. Without a letter permanent embargo will not be granted.	
Copyright declaration			
I hereby declare that I have not used unethical research practices nor gained material dishonesty in this electronic version of my research submitted. Where appropriate, written permission statement(s) were obtained from the owner(s) of third-party copyrighted matter included in my research, allowing distribution as specified below.			
I hereby assign, transfer and make over to the University of Pretoria my rights of copyright in the submitted work to the extent that it has not already been affected in terms of the contract I entered into at registration. I understand that all rights with regard to the intellectual property of my research, vest in the University who has the right to reproduce, distribute and/or publish the work in any manner it may deem fit.			
Signature:			Date: 7/November 2018
Supervisor signature:			Date: 7 November 2018

2018 ver.

