How Management Practices Influence Performance Management System Effectiveness: A Comparative Case study in a Single Public Entity.

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Abstract

Public entities, and regulators, such as the CIPC, are required to be most effective in their role of enabling role the economy. Performance management systems and related management practices are critical for such public entities' effectiveness. A comparative case study of the CIPC two organisational units shed light into how management practices influence performance management systems effectiveness in a public entity. Data was collected using semi-structured interviewees and document analysis. The results showed no fundamental differences between the two organisational units. However, the study showed that rules and regulations which are characteristic of a public entity, more so for a regulator, may be important for the success of a results-oriented culture in a public entity.

Keywords

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 this research.

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Chapter 1: Introduction to Research Problem

1.1 Background to the research problem

This exploratory study will show how management practices influence performance system effectiveness in a single entity, the Companies and Intellectual Property Commission (CIPC). This will by done by comparing its two organisational units: the Business Regulation and Reputation (BRR), and Innovation and Creativity (I&C).

Public entities operating in the economic domain are now more than ever required to act with a sense of urgency to turn the tide of their country's economic development. The grim global economic outlook thwarts efforts to address world problems such as poverty, inequality and unemployment. Increasing trade barriers, elevated uncertainty surrounding trade and geopolitics, and other peculiar factors cause macroeconomic strain in several emerging market economies, and structural factors such as low productivity growth and aging demographics in advanced economies impact the global supply chain. These all impact investor and consumer confidence negatively, resulting in subdued investment and consumer demand (International Monetary Fund (IMF), 2019).

According to the October 2019 World Economic Outlook (WOE) update, the world economic growth was expected to be 3.0 percent and 3.4 percent in 2019 and 2020 respectively, its lowest since 2008-09, and 0.3 percent down from the April 2019 WOE (IMF, 2019). Growth for advanced economies was projected to be 1.7 percent in 2019 and 2020, and for emerging markets and developing economies, it was projected to be 3.9 percent in 2019, and 4.6 percent in 2020 (IMF, 2019).

In the Sub-Saharan Africa region, growth is projected at 3.2 percent in 2019 and 3.6 percent in 2020 (IMF, 2019). In addition to being impacted by global issues, the region grapples with weakening external demand, supply disruptions, elevated policy uncertainty, and rising public debt, and the resulting high interest on debt (World Bank (WB), 2019). Projections are worse for South Africa, with its growth projected at 0.7 percent in 2019 and 1.1 percent in 2020 (IMF, 2019), and growth is expected to be even more subdued because of policy uncertainty, the impact of strike activity and the

consequences of power load shedding, weak agricultural production (IMF, 2019; WB, 2019) and public debt increases (National Treasury, 2019).

For South Africa and the rest of the world, foreign policies should therefore aim to reduce trade and technology tensions, and to remove uncertainties around trade agreements. Monetary policies should address downward demand and stifled inflation, and fiscal policies should adjust demand as and when needed, meeting citizen needs, fostering growth through spending directed at structural reforms, and managing public finances over the medium term to ensure sustainability (IMF, 2019). As a matter of urgency, the South African government through its relevant public entities must stabilise policy environment, address citizen demands to minimise strike activities, fix the problems with the electricity utility, Eskom, and foster agricultural production growth, investments, and contain public debt increases.

Public entities, and regulators in particular, such as the CIPC, are therefore required to be most effective in their role because of their enabling role in the economy. Performance management systems and related management practices are critical for such public entities' effectiveness (Poister, Pasha, & Edwards, 2013). Exploration of how management practices influence performance management systems will shed light into how performance management systems and related practices work.

1.2 Business need for the study

To show the importance of this study from a business perspective, the discussion will expand on the importance of public entities, and in particular regulator effectiveness in the improvement of a country's competitiveness.

Fundamentally, the state provides goods and services that are essential and cannot be provided by the private sector (Miles, Scott, & Breedon, 2012). The emphasis is on whether the services are essential or not, because in practice, some goods and services such as health and education that are provided by the state can be provided by the private sector (Miles et al., 2012). Honing into the role of the state on the economy, the involvement of the state is two-fold, firstly through its spending, and secondly through its interventions to address market imperfections (Miles et al., 2012).

Government intervention to address market imperfections is the domain within which this study is conducted. The study setting is the Companies and Intellectual Property Commission (CIPC). The CIPC is responsible for regulating business and intellectual property (IP) protection environment. It is hoped that by regulating businesses and the conduct of business owners, managers, shareholders and the IP protection environment, entrepreneurship development will be fostered, enterprise efficiency, flexibility and simplicity will be realised, and innovation and investment will be fostered (Government Gazette, 2009). As can be seen, the CIPC's purpose is to create order in the business and IP protection environment, which otherwise would be dysfunctional if there was no public entity to play this role. In other words, the CIPC addresses the market imperfections in the business and IP protection environment.

South Africa's year on year economic growth in the first quarter of 2019 was 0,0 percent, (StatsSA, 2019), and growth projections were 0.7 percent for 2019 and 1.1 percent for 2020 (IMF, 2019). The South African official unemployment rate was 29 percent in the second quarter of 2019 (StatsSA, 2019). South Africa has a high incidence of poverty as well as the highest GINI coefficient in the world (WEF, 2018), highlighting the stark economic inequalities in the country. Although improved from 67th in 2018 to the 60th place in the 2019 Global Competitiveness Index (GCI) 4.0 (WEF, 2019), South Africa remained at 82nd in both years in the 2019 Doing Business (DB) report (WB, 2019). The GCI 4.0 and DB rankings and scores indicate that the South African government and its public entities, such as the CIPC, have not been successful in positively influencing the country's competitiveness and regulating business and property protection environment.

To expand on the GCI 4.0 SA ranking, *Table 1: Global Competitiveness Index 4.0 South Africa Ranking* shows pillars, sub-pillars, components and indicators considered relevant for this study, which are public sector performance indicators together with those indicators that could be influenced by the CIPC. South Africa's ranking had improved from 69th in 2018 to the 55th place in 2019 in the institutions pillar, dropped from 56th to 60th in terms of business dynamism, and remained 46th in terms of innovation capability. Except for reducing regulation burden, which has drastically gone from bad (84th) to worse (101st), the indicators showed that South Africa improved its competitiveness.

Table 1: Global Competitiveness Index 4.0 South Africa Ranking

Pillar/Component	2018 Ranking --/140 (Progress score)	2019 Ranking --/141 (Progress score)
Overall	67th (60.8)	60th (62.4)
Institution	69th (54)	55th (57.1)
• Public sector performance	(Median score 45) Country ranking not available	39th (59.3)
- Burden of government regulation	84th (37.4)	101st (36.6)
- Efficiency of legal framework in settling disputes	40th (42.3)	31st (59.3)
- E-Participation	38th (84.8)	38th (84.8)
• Future orientation of government	102nd, (36.5)	51st (59.0)
- Government ensuring policy stability	-	108th (38.6)
- Government's responsiveness to change	-	110th (33.2)
- Legal framework's adaptability to digital business models	-	73rd (42.4)
- Government long term vision	-	78th (44.3)
• Property rights	-	67th (54.2)
- Property rights	97th (49.2)	89th (51.5)
- Intellectual property protection	60th (56.0)	46th (61.1)
• Corporate governance	-	26th (75.3)

Pillar/Component	2018 Ranking --/140 (Progress score)	2019 Ranking --/141 (Progress score)
- Strength of reporting and auditing standard	55th (64.6)	49th (67.5)
- Shareholder governance	56th (60.0)	37th (67.0)
Business dynamism	56th (61)	60th (69.1)
• Administrative requirements	-	82nd (67.3)
- Cost of starting a business	2nd (99.9)	4th (99.9)
- Time to start a business	128th (55.3)	129th (60.3)
- Insolvency regulatory framework	24th (78.1)	38th (71.9)
- Insolvency recovery rate	77th (37.0)	78th (37.1)
Innovation capability	46th (43.3)	46th (45.2)
• Interaction and diversity	-	44th (46.0)
- International co-inventions	58th (9.9)	65th (8.4)
- Multi-stakeholder collaboration	-	39th (52.6)
• Research and development	-	44th (38.4)
- Patent applications	50th (26.6)	51st (25.6)
• Commercialisation	-	64th (57.1)
- Trademarks applications	58th (67.6)	73rd (67.0)
Source: adapted from the (WEF, 2018)		

To expand on the DB Report, ***Table 2: Doing Business Ranking*** shows South Africa's rankings and scores for this study. Despite the DB report noting that South Africa has

simplified the process to start a new business by reducing a time for on line business registration, (WB, 2019a), it is ranked 134th for starting a business. South Africa is ranked 23rd for protecting minority investors and 66th for resolving solvency.

Table 2: Doing Business Ranking

Area/Indicator	2018 Ranking --/190 (Score 0 - 100)	2019 Ranking --/190 (Score 0 - 100)
Overall	82nd (64.89)	82nd (66.03)
Starting a business	136th (79.97)	134th (81.2)
Protecting minority investors	24th (70.0)	23rd (73.23)
Resolving insolvency	55th (57.9)	66th (54.49)
Source: Adapted from WB (2019a)		

The improvements shown in *Table 1* and *Table 2* are not enough. More needs to be done to improve the South African economic outlook, as well as addressing unemployment, inequality and poverty levels. According to the WEF (World Economic Forum, 2019), a change in the political landscape, continued strengthening of financial markets, development of a good transport infrastructure, restored balance of powers across different state's entities, improved administrative efficiency of the public sector as well as improvements in corporate governance have positively impacted the country's competitiveness. However, low government adaptability to change, low business dynamism as a result of inhibiting insolvency regulation, and administrative burdens to start a business all reduce the country's competitiveness score. Public managers therefore have their work cut out on how to help the country improve economic conditions. The competitiveness results imply that the level of effectiveness of public entities entrusted with improving the country's competitiveness is too low. Mechanisms to improve public entity effectiveness, such as performance management systems and

related management practices will ensure that public entities are successful in enabling improvement in the country's competitiveness.

Moreover, although it is noted that the government has reduced the time it takes to start a business by reducing a time for on-line registration in the DB report, it is still ranked 134th. This is because starting a business is a far more complex process than just business registration. This implies that improvement in this ranking requires the collaboration of all involved in this value chain. Further, CIPC managers must understand their role in this value chain and must be clear what actions will lead to their organisation's success in contributing to the improvement of the country's ranking in indicators such as starting a business, and time taken to start a business. Understanding which management practices are most effective in improving CIPC performance is therefore important in contributing to improvement of the country's competitiveness.

In summary, the business need for an exploratory study into how management practices influence performance management systems in a single entity is that public entities, especially in South Africa, need to be more effective. Performance management system effectiveness is important for improving public entity effectiveness, and in turn management practices are important for improving the effectiveness of performance management systems. Such a study will provide insight on what specific actions will be beneficial in improving a public entity effectiveness, therefore helping public managers to use these actions to contribute to improving the country's effectiveness.

1.3 Theoretical basis for the research

Performance management systems (PMS) are used widely throughout public sector organisations with the intention of increasing organisational effectiveness (Moynihan & Kroll, 2016). This is evident in many studies on performance management (Gerrish, 2016; Kroll, 2015). In South Africa, the government has a comprehensive performance management system, outlined in the policy framework for a government-wide monitoring and evaluation system and legislated in the Public Finance Management Act (PFMA), No 1 of 1999, as amended (NT, 1999). All public entities, national, provincial and local spheres of government, are expected to use a government-wide monitoring and

evaluation system (The Presidency, 2007). The system is brought to life in a number of frameworks that guide public sector performance management, namely, the Policy Framework of Government-wide Monitoring and Evaluation System, the Citizen-based Policy Framework, Framework for Managing Performance Information, National Evaluation Policy Framework, South African Statistical Quality Assurance Framework, Management Performance Assessment Tool System Framework, National Evaluation Policy Framework (DPME, 2019), and Framework for Strategic and Annual Performance Planning (NT, 2019b).

It is remarkable that the popular use of performance management systems globally in the public sector is not supported by overwhelming evidence of their effectiveness. Instead, the findings of studies on performance management system effectiveness are inconsistent. Studies found positive results (Dee & Wyckoff, 2015; Kelman & Friedman, 2009), positive results but insignificant results (Gerrish, 2016), both positive and negative results (George & Desmidt, 2018; Nielsen, 2014; Pasha, 2018a; Speklé & Verbeeten, 2014a), negative results (Dias & Maynard-Moody, 2007; Hvidman & Andersen, 2014) and unintended outcomes (Gerrish, 2017) such as gaming (Courty & Marschke, 2004) and 'creaming (Pasha, 2018a). Gaming happens when those expected to report on performance learn to game the system to make themselves look better, or to get rewards (Courty & Marschke, 2004; Gerrish, 2016). Creaming, on another hand, is when public servants choose to attend to communities they perceive to have less problems, in order to produce good reports, resulting in less focus on issues that need more or more difficult attention (Boyne, 2003; Hvidman & Andersen, 2014; Pasha, 2018)

Investigating the unintended consequences of gaming in performance management, Kelman and Friedman (2009) found no evidence of any, but did note performance improvements. A study by Dee and Wyckoff (2015) found that financial incentives produced positive results. Gerrish (2016), however, found a positive relationship between performance management systems and performance, and also found that management practices such as performance benchmarking, bottom-up adoption of performance management and use of impact and outcome performance measures moderated performance management system effectiveness. Nielsen, (2014) found the effect of performance management systems on performance to be insignificant, that

management practices moderated the effect of performance management systems, and that providing discretion to managers over their teams has a positive relationship with performance management system effectiveness, whereas allowing bottom-up goal setting had detrimental effects on performance management system effectiveness.

George and Desmidt (2018, p. 132) found that "procedural justice, strategic planning, and performance management contribute to strategic-decision quality while performance measurement does not." Pasha's (2018) study into performance management systems in the police service showed that performance management systems were effective, however sharing performance reports with the public and providing discretion to police officers had no impact on performance management, and bottom-up decision making in target setting had a negative effect. He also found that performance management system could result in social injustice, when police officers choose to focus on communities where there is less crime, so that their performance will appear better in reporting (a practice known as creaming). Speklé and Verbeeten (2014) found that focusing on results was beneficial to performance improvement, and found limited evidence of a positive relationship between performance and performance contracts. However, they found negative effects of bottom-up decision-making and a rules-based culture and performance. Verbeeten and Speklé (2015) found that using performance measurement for incentive purposes has negative effects on organisational performance, but contracting reduces the effect, whereas the exploratory use of performance measurement has positive effects on performance.

Dias and Maynard-Moody (2007), in their study of how financial incentives shape programme implementation and client service, found that contract management lead to negative effects. Gerrish (2017) found that the child support financial incentive linked legislation had no impact on child support outcomes, instead it could have led to gaming and target fixation. Hvidman and Andersen (2014) found that performance management was not successful in public organisations because public organisations have characteristics that are not conducive to performance management.

As can be seen, the reason for differences in the outcomes of performance management systems are commonly shown to be the moderating effects of management practices.

In other words, management practices can influence the effectiveness of performance management systems. It is also clear that there are contradictory as well as consistent results of studies into the effect of management practices on performance management system effectiveness.

Contradictory results have been found when testing the effects of management practices, on providing discretion (Nielsen, 2014; Pasha, 2018a), and contractibility (Dias & Maynard-Moody, 2007; Verbeeten & Speklé, 2015). Nielsen (2014, p 421) in his study of Danish schools, found that the effect of performance management was increased where there was discretionary managerial authority to "engineer performance oriented change", whereas Pasha's (2018) study of over 300 US police agencies found that providing discretion to officers did not significantly impact crime reduction. Verbeeten and Speklé (2015) found evidence that contractibility moderates the relationship between performance measurement for incentives and performance. This is because when contractibility was absent, performance measurement affected performance negatively, but the negative effect was reduced when contractibility was high. Dias and Maynard-Moody (2007) found that performance contracting led to negative effects on performance outcomes. Both Nielsen (2014) and Pasha (2018) found that decentralising target setting had a negative effect on performance management system effectiveness, whereas Gerrish (2016) found that bottom-up consultation had a positive effect on performance management systems. It is clear from evidence (Hvidman & Andersen, 2014) that performance management works differently in the public sector and possibly it also does not work the same way in different public sector contexts (Gerrish, 2016; Hvidman & Andersen, 2014)

In light of inconsistent results in performance management system effectiveness and related management practices, this is a subject worth investigating further. In other words, there is a need for better understanding of how management practices influence performance management system effectiveness. However, before expanding on the topic to be explored in this study, it is worth considering suggestions for future research by authors who have explored the subject, to justify the focus of this study.

Gerrish (2016) suggested that performance management systems could be randomised among horizontal entities. This could be achieved by having an entity or group entities

with performance management system as an intervention, and another entity or group of entities as a control group (with no performance management system), to reveal whether performance management systems work, and why. Hvidman and Andersen (2014), in their randomised trial between private schools and public schools, found that performance management systems were not amenable to public organisations because of their particular managerial autonomy and incentives. They suggested that more research be conducted to find out why performance management needs to be addressed differently in the public and private sectors.

Pasha (2018) argued for studies of carefully selected best practices in different contexts to identify context specific management practice and those that apply in general. Gerrish (2016) also encouraged context-specific studies in order to cross-pollinate lessons, and to understand how performance management systems are designed and managed. In his commentary on Gerrish's (2016) article, Jong, (2016) argued for in-depth case studies for research on a specific context, and a combination of quantitative and qualitative analysis for a valid contribution to theory.

Both Gerrish (2016) and Pasha (2018) suggested that future studies should focus on how performance management systems results in gaming. Pasha (2018) further suggested studying whether police officers would be likely to engage in gaming if they were not consulted, and whether performance management systems result in social injustice through creaming. Gerrish (2016) also encouraged studies that test the effect of cost on performance. Nielsen (2014) encouraged testing managerial authority at different management levels, as well as testing a combination of performance management system factors because their effectiveness might be dependent on the absence or presence of other factors. Hvidman and Andersen's (2014) finding that performance management systems are not successful in public organisations because of their characteristics of managerial autonomy, incentives and goal clarity, needs to be tested further.

Despite suggestion further research in numerous areas, due to time constraints, this study only focuses on finding which performance management systems and related management practices work. The study will provide findings on the nature of management practices applied in each CIPC organisational unit and perceptions of how

these influence the organisational unit's performance. Comparing findings from the two cases will shed more light on how performance management systems and related management practices work.

1.4 Research problem

There is a need to better understand how management practices influence the effectiveness of performance management systems in a public entity such as the CIPC. Evidence shows that public entities, especially in South Africa, are ineffective in enabling competitiveness. Evidence is inconsistent as to the effectiveness of performance management systems as a means to improve public entity effectiveness. Although research, however limited, shows that management practices have a moderating effect on their effectiveness, results are inconsistent.

1.5 Research objectives

An exploratory qualitative study will be conducted in a single public entity, the CIPC. A comparative case study design will be used to investigate how management practices influence the effectiveness of the same performance management system, applied in two organisational units: Business Regulation and Reputation (BRR), and Innovation and Creativity (I&C). The study will therefore compare two organisational units which might have different management practices but the same performance management system. Such a study may well be a novel approach to understanding the influence of management practices on performance management system effectiveness in public entities.

The research objectives are:

1. Firstly, to understand the nature of the management practices in each organisational unit as perceived by the interviewees, and to understand how each of these practices influences performance management system effectiveness in that organisational unit, as perceived by the interviewees.
2. Secondly, to compare findings from the analysis of each case to see if there is anything else that can be learned about how management practices influence performance management system effectiveness in a public entity.

1.6 The scope of the study

The management practices to be explored are drawn from recent studies (Gerrish, 2016; Nielsen, 2014; Pasha, 2018a; Speklé & Verbeeten, 2014a; Verbeeten & Speklé, 2015). See *Table 3: Management practices* for the list and associated authors.

Table 3: Management practices

Management practice	Author (s)
Results oriented culture	(Moynihan & Pandey, 2005; Verbeeten & Speklé, 2015)
Bottom-up decision making	(Gerrish, 2016 (implementation); Nielsen, 2014; Pasha, 2018 (target consultation))
Use of outcome and impact performance measures	(Gerrish, 2016)
Discretion	(Nielsen, 2014; Pasha, 2018a; Speklé & Verbeeten, 2014a)
Performance leadership teams to drive performance goals	(Gerrish, 2016)
Performance information use for decision making	(Kroll, 2014, 2015b)
Benchmarking	(Gerrish, 2016)
Sharing performance reports	(Pasha, 2018a)

Qualitative research methods will be used to answer the research question: How do management practices influence performance management system effectiveness in a public entity? This research question will be further broken down into eight sub-research questions based on each of the management practices listed in *Table 3*.

Although the applicability of the study could extend beyond the CIPC, it is the perceptions, attitudes and actions of the management of the two CIPC organisational units in relation to the performance management system and related management practices that will be studied. This study will provide evidence to policy makers and public sector managers of what factors could be leveraged to improve effectiveness of the performance management system in the business and intellectual property regulation context. The findings of this study could be used as a basis for a quantitative study that tests the influence of specific management practices on performance management system effectiveness in the CIPC. It can also be cross-pollinated to other policy contexts, in South Africa or elsewhere, to establish which management practices also apply in other contexts, and which do not. Most importantly, the study contributes to the academic debate on how performance management systems and related management practices work in public entities.

1.7 Conclusion and document overview

Chapter 1 introduced the research problem by presenting the theoretical and business need for the study and presented the research problem and objectives of the study as well as the scope of the study. The next chapter (Chapter 2: Literature Review) expands on the research problem by reviewing theoretical underpinnings of performance management systems, developing a conceptual framework for the study as well as the basis for the research questions. The following chapter (Chapter 3: Research Questions) lists all the research questions. Chapter 4 (Research Methodology and Design) outlines the research methodology that was used to conduct the study and Chapter 6 (Results), present the results of the study. Finally, Chapter 7 (Conclusion and Recommendations) discusses the report and makes recommendations.

Chapter 2: Literature Review

2.1 Introduction

"Government is the most precious of human possessions; and no care can be too great to be spent in enabling it to do its work in the best way…" Alfred Marshall as cited by Brown,Stillman II, and Waldo, 1985, p. 460)

The origins of performance management systems can be traced back to the early 1900s (Williams, 2003) with various methods such as centralised performance targeting used in the Soviet state (Bevan & Hood, 2006; Ericson, 1991) and Fredrick Taylor's time and motion studies in the United States in both the private and the public sectors (Schachter, 2010). However, it was in the 1980s that the Organisation for Economic Co-operation and Development (OECD) countries adopted performance management systems as part of New Public Management (NPM) reforms (Hood, 1995). In the 1990s, several publications (e.g. Ammons, 1995; Pollitt, 1986; Wholey & Harty, 1992) advocated the adoption of performance management systems as a logical option for governments at the beginning of the twenty first century (Moynihan, 2008).

2.2 New Public Management

Verbeeten and Speklé (2015, p. 953-954) defined New Public Management (NPM) as "… a broad set of beliefs, doctrines and codified experiences that collectively serve as a frame of reference in the evaluation and redesign of the public sector." Its fundamental assumption is that management matters in the same way in the public sector as it does in the private sector (Hvidman & Andersen, 2014). As a result, NPM reforms adopt private sector practices such as privatisation, contracting, agencification, strategic responsiveness to external forces, market and customer orientation, strategic and operational decentralisation and flexibility, entrepreneurial culture, managerial direction and control, focus on efficiency, effectiveness, quality and productivity, as well as continuous organisational and individual performance management (Diefenbach, 2009; Hood, 1995; Meier & O'Toole, 2009). A detailed description of NPM is provided in *Table 4: Basic assumptions and core elements of NPM*. These principles underpin performance management, which new public management reforms.

Table 4: Basic assumptions and core elements of new public management

Area	Element
1. Business environment and strategic objectives	• Assumption of strong external pressure, of a much more challenging and changing business environment • Conclusion that there is a need for a new strategy and that there is no alternative for the organisation but to change according to larger trends and forces • Market-orientation: commodification of services under the slogan of 'value for money' • Stakeholder-orientation: meeting the objectives and policies of strong and influential external stakeholders • Customer-orientation: service delivery from a customer's perspective – increased organisational efficiency, effectiveness, and productivity defined and measured in technological terms • Cost-reduction, downsizing, competitive tendering, outsourcing, privatization
2. Organisational structures and processes	• Decentralization and re-organisation of organisational units, more flexible structures, less hierarchy • Concentration on processes, that is, intensification of internal cross-boundary collaboration, faster decision-making processes and putting things into action • Standardization and formalization of strategic and operational management through widely accepted management concepts
3. Performance management and measurement systems	• Systematic, regular and comprehensive capturing, measurement, monitoring and assessment of crucial aspects of organisational and individual performance through explicit targets, standards, performance indicators, measurement and control systems

Area	Element
	• Positive consequences for the people working with and under such systems such as increased efficiency, productivity and quality, higher performance and motivation
4. Management and managers	• Establishment of a 'management culture': management is defined as a separate and distinct organisational function, creation of (new types of) managerial posts and positions, emphasizing the primacy of management compared to all other activities and competencies • 'Managers' are defined as the only group and individuals who carry out managerial functions
5. Employee and corporate culture	• Empowerment and subsidiarity, staff are expected to develop 'business- like', if not entrepreneurial, attitudes • The idea of leadership and a new corporate culture
Source: Diefenbach (2009, p. 894)	

New public management aimed to improve accountability, efficiencies and performance in the public sector. Because progressive public administration, which emerged in the late nineteenth and early twentieth century, had the unwelcome effects of nepotism and corruption, despite rules and procedures that had been put in place to ensure accountability, the intention of new performance management was to introduce market-driven accountability, and eliminate nepotism and corruption (Hood, 1995). The adoption of private sector management practices would see the market and prices drive public organisations to function optimally, therefore improving performance. New public management is a crucial component of this market driven strategy.

New public management is different from new public administration and new public service (Kroll, Neshkova, & Pandey, 2019). Whereas in new performance management is underpinned in economic theory, where rationality is based on technical knowledge

and economics (Denhardt & Denhardt, 2000), new public administration and new public service are underpinned in democratic theory where rationality is based on the country's imperatives and citizen interest (Denhardt & Denhardt, 2015; Kroll et al., 2019). New public management is also different from old public administration in that old public administration is underpinned in political theory, and bureaucrats' actions are driven by administrative rationality (Denhardt & Denhardt, 2015). *Table 5: Comparison of public administration paradigms* is a detailed picture of the three public administration paradigms. Performance management theory and practice present an opportunity to test new public management propositions.

Table 5: Comparison of public administration paradigms			
	Old public administration	**New Public Management**	**New Public Service**
Theoretical foundations	Political theory, naïve social science	Economic theory, positivist social science	Democratic theory
Rationality and models of human behaviour	Administrative rationality, public interest	Technical and economic rationality, self-interest	Strategic rationality, citizen interest
Conception of the public interest	Political, enshrined in law	Aggregation of individual interests	Dialogue about shared values
To whom are civil servants responsive?	Clients and constituents	Customers	Citizens
Role of government	"Rowing", implementation focused on politically defined objectives	"Steering", serving as catalyst to unleash market forces	"Serving", negotiating and brokering interests among citizens
Mechanisms for achieving policy objectives	Administering programmes through government agencies	Creating mechanisms and incentives through private and non-profit agencies	Building coalitions of public, non-profit private agencies
Approach to accountability	Hierarchical - administrators responsible to elected leaders	Market-drive-outcomes result from accumulation of self-interests	Multifaceted-public servants guided by law, values, professional norms and citizen interests
Administrative discretion	Limited discretion granted to public officials	Wide latitude to meet entrepreneurial goals	Discretion needed but constrained and accountable
Assumed organizational structure	Bureaucratic organizations with top-down authority and control of clients	Decentralized public organisations with primary control within agency	Collaborative structures with shared leadership
Assumed motivational basis of public servants	Pay and benefits, civil-service protections	Entrepreneurial spirit, desire to reduce size and functions of government	Public service, desire to contribute to society

Source: Clueless Political Scientist (2019), Denhardt & Denhardt (2000)

New public management has been criticised for not living up to its promises to improve accountability, improve public efficiencies, and better performance. It is criticised for harming not only democratic accountability but citizen self-governance and focusing on

public interest by bureaucrats (Box, 1999). New performance management has also been criticised for weakening government institutions, and consequently confidence in government, by undermining the rules and the law (Terry, 2005). Verbeeten and Speklé's (2015) study also found evidence against the new public management concepts, showing that decentralisation and contracting have a positive relationship with performance and that rules and procedures impede performance improvement. However, Kroll et al. (2019) found that performance management, which is the essential reform of new public management, can increase citizen participation, therefore improving democratic accountability and showing that public administration paradigms can reinforce each other.

Meier and O'Toole (2009) criticised new public management for not being evidenced-based, but based on assumptions which had not been tested (Hvidman & Andersen, 2014) before it was adopted. The main assumption on which new public management is based is that management matters in the same way in the private sector as it does in the private sector (Murray, 1975). However, Hvidman and Andersen's (2014) study showed that management matters differently in the public sector. Public managers' options in terms of what they can do in their organisations, and autonomy in exercising these options, as well as options to respond to external forces, are not as broad as those of private sector managers (Hvidman & Andersen, 2014). Hvidman and Andersen's (2014) findings had implications for performance management systems' effectiveness in the private sector.

2.3 Definition of performance management

Performance management doctrine provides for the adoption of performance management systems (Moynihan, 2008). Performance management systems are underpinned by an assumption that performance management would increase an organisation's and its manager's autonomy (Behn, 2002) by having less rules. It was meant to replace rules-based governance with results-based governance (Jakobsen & Mortensen, 2016).

There is no widely accepted definition of performance management. For example, Poister, Pasha, and Edwards (2013) said that performance management practices involve strategic planning and performance measurement. However according to

Moynihan's (2008) definition of performance management, strategic planning and performance measurement are components of performance management. George and Desmidt (2018) operationalised rational planning practices as strategic planning and performance measurement and performance management. Moreover, the difference between performance management and other broad terms such as performance measurement (Moynihan, 2008b), strategic planning, management by objectives (MBO), performance budgeting, managing for results (MFR), results based management, are semantic (Moynihan, 2008b). In some writings, performance management is used interchangeably with these terms. Nielsen (2014) caution comparing studies that do not have a standard definition of performance management, emphasizing that researchers should therefore ensure that they take all elements of performance management into consideration in their studies (Nielsen, 2014).

Table 6: Elements of performance management has been developed based on numerous authors, indicated in the table, to cover various elements as comprehensively as possible, in line with Nielsen's (2014) suggestion. Moynihan's (2008) definition and Gerrish's (2016) list of performance management system elements were used as the starting point. The three components of performance management are drawn from Moynihan's (2008, p. 3) definition of it being "…a system that generates performance information through strategic planning and performance measurement routines and that connects this information to decision venues, where, ideally, the information influences a range of possible decisions."

Table 6: Elements of performance management

Main component	*Elements*	*Author*
Strategic planning	Direction setting (Mission, goals, , and performance measures)	(George & Desmidt, 2018; Heinrich, 2002; Ingraham & Moynihan, 2000; Poister, 2010)
	Goals are • Set through fiat, negotiations, or models.	(Gerrish, 2016; Ingraham & Moynihan, 2000)

Main component	Elements	Author
	• informed by consultation and consensus involving the executive and legislative branches and stakeholders.	
	Goals are: • quantifiable, have identifiable targets • oriented to outputs and outcomes • focused on the medium term perspective • specifically linked to a responsible actor. • broken down to lower-level objectives and action steps.	(Heinrich, 2002; Ingraham & Moynihan, 2000)
	Goals are communicated • to employees. - to the public.	(Ingraham & Moynihan, 2000)
	• To achieve performance goals use: • performance contracts • performance-related incentives, including monetary awards • performance-oriented culture • managerial authority • linkage of agency, departmental, or	(Gerrish, 2016; Heinrich, 2002; Nielsen, 2014)

Main component	Elements	Author
	organisational budgets or autonomy to performance goals	
Performance measurement	A performance measurement system tracks the implementation of goals.	(Moynihan, 2005a; Poister et al., 2013)
	Identify problems and signalling corrective action	(Poister et al., 2013)
Performance information	Performance data collection	(Kroll, 2015a)
	Benchmarking • Current performance to previous performance, • or performance of other entities, inside and outside of the organisation.	(Gerrish, 2016)
	Grading, categorizing, or recognizing performance from benchmarking	(Gerrish, 2016)
	• Performance is reported on a regular basis. • Performance information is verified.	(Ingraham & Moynihan, 2000)
	Performance information is used • to hold people accountable, • to improve allocative and operational efficiency, and	(Gerrish, 2016; Ingraham & Moynihan, 2000)

Main component	Elements	Author
	• in strategic planning.	
	Evidence that performance information is used in organisational decision-making.	(Gerrish, 2016)
	Publishing performance targets and results for: • managers, • staff, • stakeholders, • and the public.	(Gerrish, 2016)

Performance management has three components: strategic planning, performance measurement and performance information. Strategic planning sets direction for the organisation through goal and objective setting, as well as choosing what actions will be taken to realise the goals set (George & Desmidt, 2018; Heinrich, 2002; Poister, 2010). According to Poister, Pasha, and Edwards (2013, p. 628), "…performance measurement is the monitoring and evaluative component, which entails assessing performance on an ongoing basis, identifying performance problems when they arise, and signalling the need to take corrective action to get performance back on track when problems do arise." Performance information is quantitative and aggregated performance data on predefined performance indicators regularly collected, analysed and shared through reports and databases and used for decision-making (Kroll, 2015b).

As per the Moynihan (2008) definition of performance management, performance information is at the centre of the usefulness of performance management (Kroll, 2015). *Figure 1* shows how performance information integrates strategic planning, performance measurement and decision venues. *Figure 1* shows how performance information is formed at the strategic planning phase, generated at the performance measurement phase, and used in different decision venues including strategic planning,

with inputs from stakeholders as well as previous performance, result oriented strategic planning.

Figure 1: How performance information integrates planning, measurement and decision venues
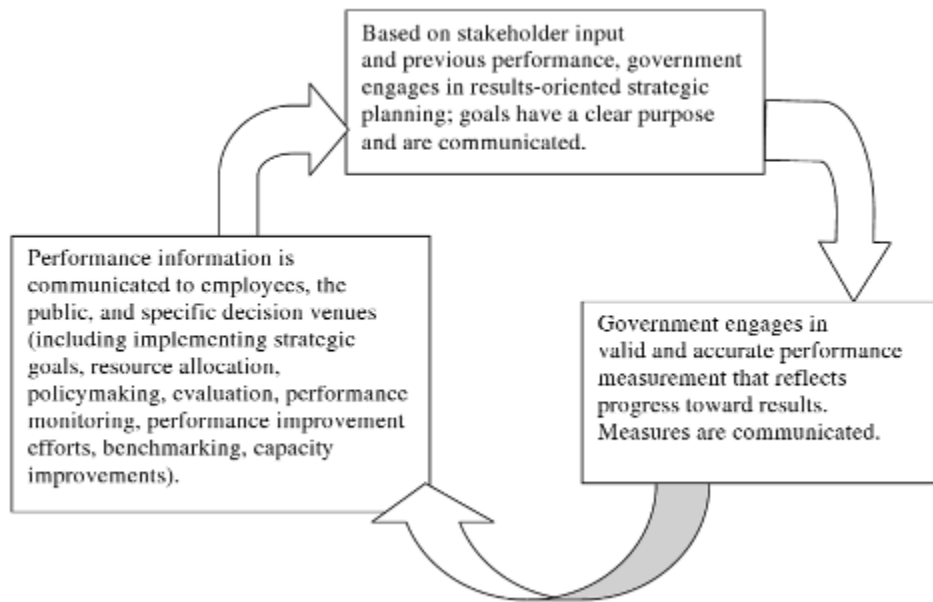
Source: Adapted by Moynihan (2008) from Ingraham and Moynihan (2000)

Based on numerous authors (e.g. Behn, 2003; Moynihan & Pandey, 2010; Wholey & Harty, 1992) , Gerrish (2016) listed the following checklist for performance management systems:

1. Setting performance goals or creating performance measures through fiat, negotiations, or models.
2. Using incentives to achieve performance goals, including monetary rewards.
3. Collecting performance information for use in strategic planning.
4. Evidence that performance information is used in organisational decision-making.

5. Benchmarking current performance to previous performance or performance of other entities, inside and outside of the organisation. Similarly, grading, categorizing, or recognizing performance from benchmarking.
6. Linking agency, departmental, or organisational budgets or autonomy to achievement of performance goals.
7. Publishing performance targets and results for managers, staff, stakeholders, and the public.

Figure 2: Performance Management Model

Strategic planning	Performance measurement	Decision venues
•Direction setting (consultation and communication) •Outcome and impact measures •Lower level objectives and action steps and contracting	•Tracks implementation •Corrective action	•Strategic planning •Resource allocation •Policy-making • Evaluation •Performance monitoring •Performance improvement efforts •Capacity improvements •Benchmarking •Accountability •Performance reporting, publishing to staff, stakeholders and the public

Performance information →

2.4 Public sector performance

PMS effectiveness refers to public sector performance improvement. Determining performance improvement requires an understanding of what is and should be measured in a public entity. Because public sector organisations have multiple

stakeholders, public sector performance measurement should entail multiple dimensions to address different public sector stakeholders' perspectives. Public sector performance measurement dimensions are developed from two models of organisational performance: 3Es (Efficiency – Effectiveness – Economy) and IOO (Input – Output – Outcome) models (Boyne, 2002).. The 12 dimensions *(See Table 7: Dimensions of organisation performance),* are grouped into five broad categories: output, efficiency, outcomes, responsiveness, and democratic outcomes. This framework is used to operationalise public sector performance for purposes of this study.

Table 7: Organisational performance dimensions

Category	Dimension
Output	• Quantity • Quality
Efficiency	• Cost per unit of output
Service outcomes	• Formal effectiveness • Impact • Equity • Cost per unit of service outcome
Responsiveness	• Consumer satisfaction • Citizen satisfaction • Staff satisfaction • Cost per unit of responsiveness
Democratic outcomes	• Probity • Participation • Accountability • Cost per unit of democratic outcome
Source: Adapted from Boyne (2002)	

Outputs are the quantity and quality produced by a public entity, outcomes are the results, and efficiency is cost per unit of output. Responsiveness is customer satisfaction staff satisfaction, and cost per unit of responsiveness. Democratic outcomes include public participation probity, which is the adherence to proper governance of public funds, the absence of fraud and corruption by elected officials and public officials, and accountability, which is the extent that citizens have access to processes to address inequitable services or unfairness as well as public perceptions of the public entity executive authority answerable for their actions (Boyne, 2002).

In summary, for purposes of this study, performance management effectiveness refers to the twelve (12) public sector management dimensions. A performance measurement dimension or a category of public organisation performance dimension could be used interchangeably with performance management system effectiveness.

2.5 Public sector organisations

The key characteristics of public sector organisations are inconsistent with new public management and performance management ideas, which reduces the chances of performance management being successful in public entities. In a strict sense, public organisations are defined by three criteria, namely ownership by the public, funding by the taxpayer, and control by politicians - these three criteria determine the 'publicness' of a public entity (Andrews, Boyne, & Walker, 2011). The level of 'publicness' of an entity, determines the extent to which performance management will be successful (Hvidman & Andersen, 2014). The 'publicness' criteria theoretical arguments show how each criteria is inconsistent with new public management and performance management principles.

Firstly, public funding makes public managers more responsive to political demands and rules than to customer or market pressures (Andrews et al., 2011). In order to get more funding, public managers focus on meeting the demands of their political principals and following the rules. (Andrews et al., 2011). Moreover, the fact that politicians who allocate the budgets might not have access to all the information when allocating those budgets, and bureaucrats might exaggerate their budgetary needs, might result in

inefficiencies in the budget allocation (Andrews et al., 2011). This may, however be addressed by performance measurement systems which require the provision of detailed performance and financial information (Andrews et al., 2011). Privatisation could also improve economic efficiencies (Andrews et al., 2011).

Secondly, because property rights in the public sector are not as clear cut as those in the private sector, voters have no direct financial incentive to control public managers' behaviour. Property rights theory predicts that public sector performance, more specifically efficiency, will be negatively affected by public ownership (Clarkson, 1972; Demsetz, 1967). Moreover, public managers are not usually paid more for higher performance, otherwise the expectation of financial rewards could improve performance (Andrews et al., 2011). In addition, because of differences in ownership in private and public sector organisations, management practices in the private sector, even if successful, are inherently different from those in the public sector (Andrews et al., 2011; Boyne, Jenkins, & Poole, 1999). This is presumably because private sector managers have more autonomy, and therefore have more options than public managers.

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Lastly, political control means that organizational priorities are externally determined, changing as governments come and go. Monitoring the implementation of political priorities, and regulation of managerial behaviour is high (Nutt & Backoff, 1993). Control and monitoring include audits, inspection, performance reports, submission of plans and limitation of budgetary control by bureaucrats (Andrews et al., 2011). These controls may have negative effects on performance as a focus on compliance to these control mechanisms might undermine efficiencies and effectiveness in public entities (Andrews et al., 2011).

The 'publicness' of public sector organisations does not necessarily result in inefficiencies and poor performance, but there are factors that moderate the effect of 'publicness' on public performance (Andrews et al., 2011; Boyne, 2003; Hvidman & Andersen, 2014). Boyne (2003) found that of the five factors that affect public entity performance - regulation, market, management, resources and organisation – management and organisation had the greatest effect on public entity performance. Andrews et al. (2011) suggested that management, organisation and environment

moderate the effect of 'publicness' on performance. In a study where the impact of performance management systems in Danish private schools and public schools was compared, Hvidman and Andersen (2014) found that performance management systems did not work in public schools because public organisations mimicked characteristics of organisations in which performance management systems do not work, namely less autonomy, and a lack of goal clarity and incentives. By implication, for performance management systems to work in public entities, public managers need more managerial autonomy, goal clarity and they need to be provided with more incentives to achieve performance goals. Managers can therefore influence the outcomes of 'publicness' by influencing these factors such as organisational characteristics, organisational resources, and the nature of management.

Not all public organisations meet the publicness criteria. Based on the theoretical arguments about how the level of 'publicness' determines the extent of effect on performance, it follows that agencies that do not meet all 'publicness' criteria could be more efficient and perform better that public entities that meet all three criteria. The existence of public entities that do not meet all publicness criteria is explained by 'agencification' literature (Ennser-Jedenastik, 2016; Overman, 2017; Overman & van Thiel, 2016; Overman, van Thiel, & Lafarge, 2014; Trondal, 2014).

New public management has been used as justification for 'agencification', or the creating of semi-autonomous agencies, government entities structured to be 'business-like', claiming that this will benefit the country economically, politically, and organisationally (Pollit, Bathgate, Caulfield, Smullen, & Talbot, 2001). Semi-autonomous agencies, are, according to Overman and van Thiel (2016, p. 612) "… organisations that carry out public tasks like social benefits, education, market regulation and policing, operating at arm's length of the government administration." In addition to being 'business-like', semi-autonomous agencies are structurally separate from their parent department or ministry, having managerial autonomy to determine organisational policies depending on the country's legislative framework (Overman & van Thiel, 2016). The CIPC is one such agency.

Overman and van Thiel (2016) found that 'agencification' has a negative effect on public sector performance, noting that it breeds resistance by semi-autonomous agencies to government reforms, and can affect service delivery because it provides grounds for blame shifting between the agency and the parent department. Overman and van Thiel (2016) also found that 'agencification' is insignificantly related to output and outcomes, and negatively related to efficiency and value for money. This refuted the claim that 'agencification' has economic benefits.

2.6 Rationale for performance management

One of the presupposition underlying new public management is that duplicating private sector performance management techniques into public organisations will result in efficiency improvements (Hvidman & Andersen, 2014). Private sector management techniques are underpinned in economic theory, and economic theory postulates that prices are a conduit of information throughout the markets that adjust demand and supply, such that products and services are offered at an optimal level in an efficient way (Patinkin, 1949). Therefore new public management reforms such performance management should result in efficient public entities (Boyne, 2003).

However, it has been found that where there are few players in a market, competitive conditions fail to create efficiencies (Ouchi & Williamson, 1977) and traditional public sector monopolies are better alternatives (Blank, 2000). Moreover, applying private sector practices such as competitive pricing reforms may have negative effects on equity – the more needy groups are the most expensive to meet their needs, and charging competitive prices for such services will disadvantage these groups even more (Boyne, 2003).

As indicated in the discussion of new public management, it was thought that reforms such as performance management would, among other things, improve accountability (Ammons, 1995, 2002; Hood, 1995; Moynihan, 2008b). According to the theory of performance reporting (Cunningham & Harris, 2005), performance management will increase accountability, because sharing performance reports with the public motivates politicians to keep their promises, as they would fear that citizens would vote them out if they do not keep their promises. (Hibbard, Stockard, & Tusler, 2005). Sharing public

performance plans and reports would also force public managers to be accountable and perform well to protect their reputation, because if they do not, this may attract negative attention from citizens and the media (Ammons, 2002; Cunningham & Harris, 2005; Halachmi, 2002).

Proponents of performance management also argue that it improves performance. Accordingly, the reiterative process of setting goals and receiving feedback in the performance management system keeps public managers and employees informed about political and executive goals and priorities, thus aligning their individual performance goals, which in turn improves their performance (Joyce, 1993). The goal setting and feedback process helps to identify performance problems and solutions to these problems therefore strengthening organisation learning, and in turn improves performance (Moynihan & Landuyt, 2009). In addition, goal clarity, have motivational effect and therefore translate to improved performance (Behn, 2003; Poister et al., 2013; Wholey & Harty, 1992).

Performance management systems do more than help solve integrative leadership problems of coordinating all other management systems, human resource management, capital management, information technology management and financial management to the achievement of overall organisational goals - they also improve the effectiveness of all these systems (Moynihan & Ingraham, 2004). Goals provide a basis for decision making with regards to capacity as well as assessing the effectiveness of all management systems to achieve these goals (Moynihan & Ingraham 2004). In other words, according to Moynihan and Ingraham (2004) "…management decisions must be justified within the context of performance."

2.7 South African literature on performance management

South African public administration research is criticised for poor quality (Cameron, 2013; Cameron & McLAverty, 2008; Cameron & Milne, 2010; Wessels, 2008). The poor quality is with respect to both journal articles and doctoral theses and therefore there is limited theory development and no cumulative and meaningful knowledge creation.

Despite criticism, the review of examples of South African performance management studies (Faull, 2016; Munzhedzi, 2017; Singh & Twalo, 2014; Tirivanhu, Olaleye, & Bester, 2017) follows.

Singh and Twalo (2014) studied the alignment of employee outputs to organisation goals, in the Buffalo City Metropolitan Municipality, and concluded that a well implemented performance management system is an important factor in effective human resource management. This research affirms that when employees' expectations are not met, inappropriate job behaviour and performance can derail the attainment of an organisation's goals. Faull (2016) evaluated Chart, a South African Police Service (SAPS) performance management system that replicated the US's CompuStat, and found that Chart had not been effective, and has instead resulted in unsafe communities who do not trust the police – a result of measuring and focusing on non-impact measures. Munzhedzi (2017) evaluated how training and performance management are related and found that training underpins and is fostered by performance management. Tirivanhu et al. (2017) found that implementing a performance management system should take into consideration local conditions. What could be learned from these studies is that South African literature on performance management is in line with extant literature, in terms of striving to understand how performance management systems work in different contexts. In line with international literature, the results of these studies indirectly show the importance of management practices, design (choosing impact and outcome in the case of the SAPS performance management system), implementation of performance management systems (to motivate employees), as well as training, which is also a management imperative.

Whereas South African literature on performance management systems is troubled with poor research quality, the international literature on performance management systems is troubled by inconsistent results. This makes it difficult to prove or refute the argument that performance management does not live up to its promises of improved accountability, increased efficiencies and improved performance (Ammons, 2002).

2.8 Performance management system effectiveness

Studies that have been conducted to evaluate performance management system effectiveness show inconsistent results. There are a few cases that suggest that

performance management systems work (e.g. Behn, 2007; Bratton & Malinowski, 2008; Kroll et al., 2019; Poister et al., 2013), but some studies that show that performance management systems do not work or produce unintended negative results (Courty & Marschke, 2004; Dias & Maynard-Moody, 2007; George & Desmidt, 2018; Hvidman & Andersen, 2014; Jann & Lægreid, 2015; Moynihan & Lavertu, 2012; Pasha, 2018; Speklé & Verbeeten, 2014). Some of the studies produced mixed results (Gerrish, 2016; Nielsen, 2014; Pasha, 2018). There are also studies that showed that performance management systems can result in unintended results such as improved citizen participation, management innovation, and that they can complement program evaluation (Kroll & Moynihan, 2018; Kroll et al., 2019; Walker et al., 2011).

Because studies on the impact of performance management systems on public entity performance have shown contradictory results, Nielsen (2014) argued that it is futile to continue with studies to identify the effects of performance management systems. Instead, studies that explore the conditions that might influence the impact of performance systems will be of value (Nielsen, 2014). Gerrish (2016) suggested that randomised trials and studies could explain whether performance management systems work, and why.

On the subject of conditions that might influence performance management system effectiveness, a common theme that emerges among many studies is how managerial efforts, behaviours or practices with respect to managing performance influence the success of a performance management system. Moreover, in a meta-analytical study of how performance management impacts public sector performance, Gerrish (2016) found that management practices have a mediating effect on performance management. For an example, he found that the management practice of benchmarking increased the effectiveness of a performance management system. Further, numerous studies have been conducted on the influence of management practices on performance management system effectiveness but have found contradictory results (e.g. Dee & Wyckoff, 2015; Dias & Maynard-Moody, 2007; Gerrish, 2017; Nielsen, 2014; Pasha, 2018b; Poister et al., 2013).

2.9 Positive effects of performance management systems

Performance management systems have been found to have complementary effects with programme evaluation. Kroll and Moynihan's (2018) study found complementary effects between program evaluation and performance management, and that the benefit of program evaluation for performance management is the reinforcing of performance information use by managers, who otherwise would not understand the meaning of performance data and would therefore not use it. For performance management to work, it might be necessary to have a program evaluation system.

Performance management has a mediating effect on management innovation (MI) (Walker et al., 2011). Through the implementation of performance objectives, performance management systems improve management innovation, which in turn, influences organisational performance (Andrews et al., 2011).

Despite the fact that citizen participation is part of the new public service paradigm, which is seen as being in contrast with new public management, Kroll et al. (2019) found that performance management reinforces citizen participation. Performance management systems encourage openness by public managers to external feedback, encouraging citizen participation. Further, citizen input is collected through internal organisational processes rather than through political processes (Kroll et al., 2019). Based on these findings, Kroll et al. (2019) concluded that firstly, elements of different ideologies can be fused, and reforms need not be evaluated according to their promises, but in terms of their unintended consequences and spill over effects..

2.10 Unintended negative effects of performance management systems

It has also been found that performance management systems produce negative effects such as gaming, creaming, target fixation, use for political ends and misplaced accountability. These unintended consequences have a negative impact on public sector performance.

Gaming happens when those expected to report on performance learn to game the system to make themselves look better, or to get rewards (Courty & Marschke, 2004; Gerrish, 2016). As an example, Courty and Marschke (2004) found that training agencies reported good outcomes, and waited for the bad outcomes to improve before reporting them, or waited to report bad outcomes during a time when they do not stand

to lose their financial rewards. Courty and Marschke (2004) found this to have a negative impact on training outcomes. However, they thought this finding revealed the importance of having explicit performance incentives rather than being critical of performance management systems. In other words, gaming was the cost of having a financial incentive system that is explicit (Courty & Marschke, 2004). Both Gerrish (2016) and Pasha (2018) suggested that future studies should focus on how performance management systems result in gaming. Pasha (2018) further suggested testing whether police officers would be likely to engage in gaming if they were not consulted in target setting.

Creaming, on another hand, is when public servants choose to attend to communities they perceive to have less problems, in order to produce good reports, resulting in less focus on issues that need more or more difficult attention (Boyne, 2003; Hvidman & Andersen, 2014; Pasha, 2018). Pasha (2018) suggested that the potential harmful effects on social justice of performance management systems, especially against vulnerable groups, should be studied. Target fixation is when those reporting focus on what is measured at the expense of what is not measured (Gerrish, 2016; Hvidman & Andersen, 2014; Jantz et al., 2015; Pasha, 2018). For example, in a policing environment, police officers may not attend to crimes that they are not expected to report on, but rather focus of crimes that they are expected to report on (Pasha, 2018).

It has also been found that performance management systems can be used for political ends, in cases where public managers were aligned to certain political parties (Jann & Lægreid, 2015; Lavertu & Moynihan, 2013). Party aligned managers pursue the goals of the party concerned, disregarding other performance outcomes.

Nonetheless, when testing the effects of performance outcomes and the unintended effects, Kelman and Friedman (2009) found exceptional performance improvements and no unintended effects such as gaming or target fixation.

Although there is a need for further research on unintended negative performance management system results, this falls outside the scope of this study.

These findings on unintended negative results of performance management systems, evidence of their ineffectiveness, and other criticisms beg the question of why

performance management systems are still used? Moynihan (2008, p.24) suggested that it was because politicians and public managers were desperate to improve their organisations but they were not capable of differentiating between popular practices with no empirical and theoretical bases, and those that do not have these. Hvidman and Andersen (2014) suggest that public managers were pressurised by politicians to implement performance management systems. Moreover, performance management systems might be required by politicians so that they (politicians) can signal change, and not necessarily performance improvement (Hvidman & Andersen, 2014).

In addition to unintended negative consequences, more possible reasons for the ineffectiveness of performance management systems could include performance management system design; not giving performance management systems enough time before they are assessed for success; as well as the absence of incentives, capacity and goal clarity.

Fit for purpose performance management system design is important for its success. In the earlier years of performance management adoption in the public sector (Denardt & Denhardt, 2000; Hood, 1995), performance management systems were not designed for performance improvement, but rather for accountability (Moynihan, 2005b), and as a result, many systems might still have accountability as an underlying principle of their design. This could explain why there was little evidence of performance management success (Ammons, 2002). Performance management systems should be designed with clear processes that foster performance information use, as performance information use is at the centre of performance management systems (Moynihan, 2008), and should include all the other performance management system elements (Nielsen, 2014).

Kroll and Moynihan (2018) suggested that performance management systems they studied were not given time to be tried, tested and adapted where necessary. Performance management systems were evaluated too soon, producing negative results. However, when testing the effect of time on performance management system effectiveness, Gerrish (2016) found mixed results. Further research to evaluate the effect of time could be valuable, however, it is beyond the scope of this study.

Hvidman and Andersen (2014) explained that because the actual use of performance information was at the centre of performance management system effectiveness, and

performance information use depended on the presence of incentives, capacity and goal clarity (which were scarce in public organisations), public organisations are not conducive environments for performance management systems.

2.11 Definition of management practices

Management practices, as defined for purposes of this study, are procedures that managers apply in an attempt to influence performance management system effectiveness (Gerrish, 2016; Nielsen, 2014). Management practices can emerge from theory, research and practice, and may be accepted industry-wide to improve day to day organisational effectiveness (Gerrish, 2016; Pasha, 2018). Important to note is that certain management practices may not work at all; their effectiveness may depend on the presence or absence of other management practices or may work only in specific conditions (Bracmort, Engel, & Frankenberger, 2004; Newell, Edelman, Scarbrough, Swan, & Bresnen, 2003). Jong (2016) highlighted that chosen as a proxy of management, best practices' effectiveness may be highly dependent on organisational and policy factors that are independent of management.

2.12 Moderating effects of management practices

A strong theme that emerges in performance management studies (e.g. Boyne, 2003; Faull, 2016; Kelman & Friedman, 2009; Moynihan, 2008a; Moynihan & Pandey, 2005; Behn, 2007; Poister et al., 2013) is that management is important for the effectiveness of performance management systems in the public sector.

A number of factors affect public sector performance. According to Boyne (2003), resources, regulation, market structure, organisation, and management are possible sources of performance improvement. Resources were mainly public spending; regulation was the extent to which external parties impose rules and obligations, limiting managerial autonomy; market structure is the level of competitiveness in which the public entity operates; organisation refers to size, structure, and power; and managerial variables are leadership styles and expertise, organisational culture, human resource management, strategy processes and strategy content (Boyne, 2003). Managerial autonomy and culture are within the scope of this study.

Factors that affect public sector performance emanate from external and internal environments. External factors include the support of elected officials and the influence

of the public and media, and those from the internal organisational environment are culture, structure, and technology (Moynihan & Pandey, 2005). For Boyne's (2003) five sources of performance improvement, regulation and market structure are external to the organisation and resources, while organisation and management are internal factors.

Managerial efforts are a source of performance improvement. Boyne (2003) found that effective leadership styles and expertise, development of appropriate organisational culture, effective human resource management, and good strategy processes and strategy content leads to better performance Moynihan and Pandey (2005) also found that management efforts were positively associated with organisational effectiveness. This meant that fostering a developmental organisational culture, a results orientation through goal clarity, and decentralising decision-making authority improves organisational effectiveness (Moynihan & Pandey, 2005).

Kelman and Friedman (2009) suggest that managerial behaviours are necessary to deal with the unintended effects of performance management systems. They suggested developing additional measures to counter target fixation, to adapt measures reflecting learning from gaming behaviour, and lastly, to appeal to the values of employees and managers to motivate them to do the right thing.

Managerial practices were found to be the key factor in the success of performance management systems such as CompStat and CitiStat in US cities (Behn, 2007; Bratton & Malinowski, 2008). Conversely, poor management practices were the reason for failure of Chart in South African policing (Faull, 2016).

Behn (2007) found that the success of the CitiStat program in Baltimore City in the US was due to the fact that the program was approached as a leadership strategy, and designed to suit local conditions (Behn, 2007). This was in addition to the expected elements of a performance management system seen in *Table 6: Elements of performance management systems*, such as goal clarity, regular performance follow up meetings, benchmarking with previous year's performance, and use of performance information.

CompStat applied similar tactics of goal clarity, benchmarking, persistent follows up, and also emphasised adapting the program to suit local conditions, considering cultural differences, budget constraints and bureaucratic constraints, as well as focusing on outcome and impact measures rather than outputs (Bratton & Malinowski, 2008). Stakeholder consultation on diagnosing and agreeing on the problems was also a key success factor (Bratton & Malinowski, 2008).

The SAPS implementation of a similar program called Chart did not see the same success. Police practices bred mistrust and lack of confidence in the police resulting in service unrests (Faull, 2016). Faull (2016) suggested that it was the lack of proper measures of public confidence and safety which were necessary in the post-apartheid South Africa that led to the system's poor results.

Recent studies have found that management practices have moderating effects on performance management system effectiveness (Dee & Wyckoff, 2015; Döring, Downe, & Martin, 2015; Gerrish, 2016; Jann & Lægreid, 2015; Kroll et al., 2019; Nielsen, 2014; 2013; Speklé & Verbeeten, 2014; Verbeeten & Speklé, 2015). In his study where he tested the average effect of performance management systems in schools, Nielsen (2014) found the effect to be highly insignificant. However, he found that managerial authority over human resources in pursuing performance goals was important for performance outcomes. Gerrish's (2016) meta-analytical study, where he tested the effect of an average performance management system in 49 cases, showed an insignificant effect of performance management on public sector performance confirming Nielsen's (2014) finding that the effect of performance management systems were highly insignificant. Similar to Nielsen's (2014) finding that managerial authority moderate the effect of performance management systems, Gerrish's (2016) important finding was that in cases where management practices were present, the effect of performance management systems on public sector performance was found to be greater than in cases where these were not present.

Unlike Nielsen (2014) and Gerrish (2016) who found performance management systems to have insignificant effects on performance, Pasha (2018) found that that performance management systems were effective in reducing crime even after controlling for related best practices in his study of based on a survey of over 300 U.S. police agencies.

However, in agreement to Gerrish (2016) and Nielsen 2014), Pasha, (2018) confirmed that management practices moderated the effect of performance management systems on crime reduction.

2.13 Performance Management Conceptual framework

Figure 3: Performance management conceptual framework is based on the literature that has been reviewed in this chapter. It is a presentation of how the effectiveness of a performance management system on public sector performance is moderated by management practices. It shows that a performance management system is comprised of three broad components: strategic planning, performance measurement and performance information. The three components have different elements shown in *Table 6: Elements of performance management systems*. Performance information is the 'engine' of a performance management system, as it connects all the components. Management practices are informed by external environmental factors as well as internal organisational factors. Impact on public sector performance is evaluated on multiple dimensions, grouped under output, efficiency, service outcomes, responsiveness and political outcomes as shown in *Table 7: Public performance dimensions.*

Figure 3: Performance management conceptual framework

Market structure, Support by elected officials, legislation, influence of the public and media

Culture, structure, technology etc.

External factors

Internal factors

Management practices

Creating a results oriented culture, bottom-up decision making, discretion, performance leadership teams, benchmarking, performance information use,

Performance management system

Strategic planning

Performance measurement

Performance information

Public sector performance

Output

Efficiency

Service Outcomes

Responsiveness

Democratic outcomes

Although studies (Gerrish, 2017; Nielsen, 2014; Pasha, 2018b; Verbeeten & Speklé, 2015) showed that management practices have moderating effects on performance management system effectiveness, and earlier studies showed the importance of management efforts in general on performance improvement, the results are contradictory.

To illustrate, whereas Gerrish (2016) found that bottom-up decision making was positively associated with performance management system effectiveness, Pasha (2018) found that bottom-up participation in target-setting did not influence police effectiveness in crime reduction. Verbeeten & Speklé (2015) found that while operational decentralisation has a positive effect on performance, strategic decentralised decision making has a negative effect on the results oriented culture but positive effects on performance. Whereas Nielsen (2014) found managerial discretion to be beneficial to public sector improvement, (Pasha, 2018) found that giving discretion to police officers had negative impact on crime reduction. Similarly, Nielsen (2014, p. 421) in his study of Danish schools, found that where there was discretionary managerial authority to "engineer performance oriented change", the effect of performance management was increased, whereas in Pasha's (2018) study of over 300 US police agencies, he found that providing discretion to officers did not significantly impact crime reduction.

The findings on how management practices moderate performance system effectiveness reinforces the proposition that that management matters to public sector performance (Moynihan & Pandey, 2005). However, inconsistent results on the effect of some management practices suggest that management might work differently in different contexts. Boyne (2003) suggested that future research could explore what forms of management mostly affect public entity performance improvement. Nielsen (2014) encouraged testing a combination of performance management system factors because their effectiveness might be dependent on the absence or presence of other factors.

The fact that some management practices have shown different effects when studied, shows that further studies should be conducted in different contexts to determine under which contexts each management practice work, under which contexts it does not, as

well as find out which management practices apply in all contexts (Lurey & Raisinghani, 2001; Overman & Boyd, 1994).

It has been shown that management practices are organisational contextual characteristics that determine the effectiveness of performance management systems. Although suggestions have been made on what determines the positive moderation of performance management systems by management practices (Pasha, 2018), the debate is at the early stages. An exploratory study of how management practices influence performance management systems' effectiveness contributes to the debate. This is the basis of this study.

Research Question: How do management practices influence performance management systems in public entities*.*

Sub-research questions are based on management practices specified in *Table 3: Management practices* – results based culture**,** bottom-up decision making, outcome and impact performance measures, discretion, performance leadership teams to drive performance goals, performance information use, benchmarking, sharing of performance reports. These are management practices that have been explored in recent studies (Gerrish, 2016; Nielsen, 2014; Pasha, 2018a; Speklé & Verbeeten, 2014b; Verbeeten & Speklé, 2015). The findings of studies into the influence of each managerial practice on performance management system effectiveness is summarised under each of the sub research questions below. Due to the scope of this study, and the fact that there is no consistent definition of management practices (Gerrish, 2016), the list of management practices explored in this study is not comprehensive.

Sub-RQ 1: How does a results oriented culture influence performance management system effectiveness*?*

According to Garnett et al. (2008, p. 266), a mission-oriented culture "…is characterised by innovation and development, growth and resource acquisition and measurable goals and achievements…" whereas a rules-oriented culture is (p. 266) "…characterised by structure, formal rules and procedures, and lack of conflict…" Results based cultures, or mission-based cultures, have been found to be positively associated with improved performance (Moynihan & Pandey, 2005). Managers who create focus on results

through goal clarity produce positive performance outcomes (Moynihan & Pandey, 2005). Upward communication has been found to have moderation effects on performance in organisational performance cultures, positive effects in results based cultures, and negative effects in rule based cultures (Garnett et al., 2008). However, Verbeeten and Speklé (2015) found reliance on rules to be necessary for a results-oriented culture.

Sub-RQ2: How does bottom-up decision making influence performance management system effectiveness in a public entity?

Moynihan and Pandey (2005) found that decentralising decision making authority had a positive effect of performance, which was later confirmed by Garnett et al. (2008) and Gerrish (2016). In contrast, Nielsen (2014) and (Pasha, 2018) found that bottom-up participation in target-setting did not lead to more effective policing. However, Verbeeten & Speklé (2015) found that while operational decentralisation has a positive effect on performance, strategic decentralised decision making has a negative effect on the results oriented culture but positive effects on performance.

Sub-RQ3: How do the use of outcome and impact performance measures influence performance management system effectiveness in a public entity?

The use impact and outcomes rather than inputs and processes in performance management systems (Joyce, 1993) ensure that organisational activities are directed towards organisational performance resulting in performance improvement (Moynihan & Pandey, 2010; Swiss, 2005). Gerrish (2016) found positive results with respect to and use of outcome and impact outcomes on performance management system effectiveness.

Sub-RQ4: How does discretion influence performance management system effectiveness in a public entity?

Several authors (Hvidman & Andersen, 2014; Moynihan, 2005b; Nielsen, 2014) found that providing discretion to managers had a positive effect on performance. However, Pasha (2018) found that allowing officers discretion was ineffective or counterproductive in police work. Pasha (2018) argues that despite negative effect on performance, employee discretion can have other benefits such as developing teamwork and

improving the well-being of employees, job satisfaction, and employee retention. Andersen and Moynihan, (2016) found that discretion granted to school principals had positive effects on them acquiring more knowledge about their schools' performance.

Managerial discretion has multiple dimensions (Verhoest, Peters, Bouckaert, & Verschuere, 2004) including pay negotiations, hiring and firing, financial management, task autonomy and goal setting autonomy, and it is therefore important to differentiate between these dimensions to know which ones are important for performance management system effectiveness, and to understand in which direction each of the dimensions work (Nielsen, 2014).

Discretion of front line and field workers is important as they have to make quick decisions in serving communities, but this does not mean discretion is beneficial under all conditions (Pasha, 2018). From a goal-setting perspective, giving discretion to employees increases ownership of and commitment to achieving organisational goals (Locke, 1996). However, as shown by Pasha (2018) discretion can have a negative effect on performance outcomes.

Sub-RQ5: How do performance leadership teams to drive performance goals influence performance management system effectiveness in a public entity?

For purposes of this study 'mechanisms' include all managerial efforts to ensure the implementation of performance plans such training and preparation of employees, organisational structure (Moynihan & Pandey, 2005), performance contracts (Speklé & Verbeeten, 2014), monetary rewards, and performance leadership teams (Gerrish, 2016). Because of time constraints of this study, only performance leadership teams are explored.

Dias and Maynard-Moody (2007) found that contract management linked to financial incentives led to negative programme results and poor client outcomes. Training and preparation of employees for performance management system implementation have been found to lead to increased system effectiveness and greater performance improvement (Garnett et al., 2008; Kroll & Moynihan, 2015; Moynihan, 2005; Moynihan, Pandey, & Wright, 2012). Using mechanisms and incentives such as performance contracts (Speklé & Verbeeten, 2014), monetary rewards, and leadership teams to

achieve performance goals have been found to have a positive relationship on performance management system effectiveness (Hvidman & Andersen, 2014). A more recent study by Dee and Wyckoff (2015) found that the introduction of IMPACT, a teacher-evaluation system in the District of Columbia Public Schools with incentives linked to teacher performance, measures produced positive results.

Sub-RQ6: How does performance information use influence performance management system effectiveness in a public entity?

Performance information use has been found to be directly and indirectly (Moynihan et al., 2012) associated with greater perceived effectiveness of performance management systems.

Performance information use is at the centre of performance management system effectiveness (Moynihan, 2008a). Moynihan (2008) suggested that "knowledge of the environment of agency level actors and the nature of performance information dialogue is the key to understanding when performance management can succeed." Interagency communication will see performance information used for advocacy purposes and internal agency dialogues will see performance information used for learning and problem solving (Moynihan, 2008).

Sub-RQ7 How does benchmarking influence performance management system effectiveness in a public entity?

Gerrish (2016) found that benchmarking had a positive effect on performance when performance management was in use. Benchmarking helps organisations to generate information on what to measure themselves against, and to have organisations they can learn from (Gerrish, 2016). Benchmarking can be done in two ways: benchmarking against the previous year, and benchmarking with other similar organisations (Gerrish, 2016).

Sub-RQ8: How does sharing performance reports influence performance management system effectiveness in a public entity?

Publishing plans and reports motivates politicians to keep their promises, because of the knowledge that citizens might vote them out if they do not keep their promises (Hibbard et al., 2005). Public performance plans and reports force public managers to

be accountable and perform to protect both the organisation's reputation and their own reputation, because if they do not, this may attract negative citizen and media attention (Cunningham & Harris, 2005; Halachmi, 2002). However, it has been found that sharing performance information with citizens was ineffective or counterproductive in police work (Pasha, 2018).

2.14 Conclusion

New public management as a paradigm within which performance management is conceptualised is based on economic theory principles. Performance management as a doctrine underpinned in private sector principles came with promises of improved organisational efficiencies, performance and better accountability. However, new public management and performance management have been criticised for not living up to these promises, mainly due to a contradiction between private sector principles and what Hvidman and Andersen (2016) refer to as the 'publicness' of public entities.

Nevertheless, management practices as a proxy for management have been found to have moderating effects on performance management system effectiveness. However, there is still little understanding of how management practices influence the effectiveness of performance management systems as extant studies show contradictory results. Suggestions for future research into performance management system effectiveness (Gerrish, 2016; Jong, 2016a; Pasha, 2018a) advocated in-depth studies that focus on a policy context, to learn how performance management systems and related management practices work in that particular context.

This exploratory, comparative case study will investigate how management practices influence performance management system effectiveness in two divisions of a single public entity, and aims to contribute to the debate on how management practices influence performance management system effectiveness.

Chapter 3: Research Questions

The main research question is:

How do management practices influence PMS effectiveness in a public entity?

The sub-research questions are:

Sub-RQ1: **How do results based culture influence PMS effectiveness in a public entity?**

Sub-RQ2: **How does bottom-up decision making influence PMS effectiveness in a public entity?**

Sub-RQ3: **How does the use of outcome and impact performance measures influence PMS effectiveness in a public entity?**

Sub-RQ4: **How does discretion influence PMS effectiveness in a public entity?**

Sub-RQ5: **How does performance leadership teams drive performance goals influence PMS effectiveness in a public entity?**

Sub-RQ6: **How does performance information use influence PMS effectiveness in a public entity?**

Sub-RQ7 **How does benchmarking influence PMS effectiveness in a public entity?**

Sub-RQ8: **How does sharing performance reports influence PMS effectiveness in a public entity?**

Chapter 4: Research Methodology

4.1 Research Design

According to Saunders, Lewis and Thornhill (2015, p. 160) "Research design focuses upon turning a research question and objectives into a research project." This chapter therefore presents the research design, describing and also defending research methods and techniques used, defining the unit of analysis, the population, the sample size and sampling method, the research instrument, presenting the details of how the data was collected and the process of data analysis, as well as stating quality controls, including the specification of validity or trustworthiness criteria, and research limitations (Gordon Institute of Business Science (GIBS), 2019).

4.1.1 Exploratory perspective

An exploratory study design was pursued to contribute to the academic debate by providing new and in-depth insights into how management practices influence performance management system effectiveness in a public entity. Seeking new and in-depth insights into a studied phenomenon is achieved through an exploratory study (Davies, 2006; Saunders et al., 2015). In contrast, explanatory studies explain relationships between variables, and descriptive studies, which are usually part of explanatory studies, provide a correct picture of what is studied (Davies, 2006; Saunders et al., 2015). Because explanatory studies have already been done on this topic (Gerrish, 2016; Nielsen, 2014; Pasha, 2018; Verbeeten & Speklé, 2015), an exploratory design will complement these studies by providing in-depth understanding and therefore expand the theory of how management practices influence performance management systems in public entities.

Exploratory research is occasionally misunderstood to be inferior to the other two research perspectives. However exploratory research can be a valid scientific enquiry whose findings can be relied on to contribute to academic literature if it is designed and conducted according to acceptable research design principles (Davies, 2006). Exploratory research leans to an interpretivist research philosophy (Saunders et al., 2015).

4.1.2 Research philosophy

Researchers that favour interpretivism understand the differences between research participants, and are empathetic to the research participants' points of view. There is little separation between the researcher and research participants; and openness and dialogue are the underlying principles (Hurworth, 2011; Saunders et al., 2015). Interpretivism is compatible with business and management research because each business environment is uniquely complex and comprised of multiple circumstances and different individuals at a particular point in time (Saunders et al., 2015).

The interpretivist view of the world is one of a socially constructed reality, which is the result of continuously changing multiple perspectives. Acceptable knowledge is a subjective and social phenomenon and the focus is on details of the situation and the reality behind these details, and subjective meanings inform actions taken; research is value bound research and is therefore subjective (Saunders et al., 2015). According to Hurworth (2011, p. 2), "…interpretivists see the goal of theorizing as providing an understanding of direct lived experience instead of abstract generalizations." Because of its subjectivity, findings of interpretivist research is varied and arguable (Hurworth, 2011; Saunders et al., 2015). Qualitative research methods and natural settings (case studies) are compatible with interpretivist research philosophy (Hurworth, 2011; Saunders et al., 2015).

4.1.3 Research Approach

It is important to understand the research approach of a study in order to choose an appropriate research design, research strategies and methods, as well as identify possible constraints and design the study to cater for these constraints (Saunders et al., 2015). The research approach for this study is inductive. The exploratory nature of this study lends itself into the inductive approach to research (Saunders et al., 2015). In contrast to the deductive approach, which entails having a clear theoretical foundation before data collection and then testing theory through data collected, the inductive approach entails data as a starting point, which is used in developing themes to expand or build theory (Miller & Brewer, 2019; Saunders et al., 2015). The strength of inductive methods, as distinct from deductive methods, is in-depth understanding how the world is perceived by research participants (Saunders et al., 2015).

This study set out to provide an academic contribution by closing a research gap in the understanding of how management practices influence performance management system effectiveness in public entities. There is extensive literature on the impact of performance management systems on public sector performance (e.g. Bratton & Malinowski, 2008; Dee & Wyckoff, 2015; Gerrish, 2017), however these studies produced inconsistent results. Limited literature confirms the moderating effects of management practices on the effectiveness of performance management systems, however, these studies show contradictory results (Gerrish, 2016; Nielsen, 2014; Pasha, 2018). This suggests a need to better understand how management practices influence the effectiveness of performance management systems. This study focuses on public entities as they provide a different context to private entities (Hvidman & Andersen, 2016). The inductive approach is appropriate for such a research aim. An inductive approach is compatible with qualitative research methods which use a small sample of subjects and are less concerned with the need to generalise (Saunders et al., 2015).

4.1.4 Research Strategy

A case study research strategy was used in this study. A research strategy, according to Saunders et al., (2015, p. 600) is a "general plan of how the researcher will go about answering the research question(s)." Other research strategies are experiments, surveys, action research, grounded theory, ethnography and archival research (Saunders et al., 2015).

A case study research strategy was chosen for numerous reasons. Firstly, the case study strategy is recommended for understanding how performance management systems and related management practices work in particular policy context (Gerrish, 2016; Jong, 2016). Secondly, the case study research strategy also fits well with exploratory, inductive research with interpretivist underpinnings, in other words studies that seek in-depth insights from multiple perspectives to expand or build theory (Eisenhardt, 1989; Saunders et al., 2015; Yin, 2003). Thirdly, a case study is useful in answering the research questions "how" and "why" (Yin, 2014), and this study aims to answer 'how' management practices influence performance management systems in a public entity. Fourthly, a case study is useful when a researcher has little or no control over behavioral events (Yin, 2014), as in this study. Fifthly, a case-study is useful when

the study focus on contemporary phenomena (Yin, 2014). Sixth, a case study is useful where there is a need to understand complex social phenomena (Yin, 2014). Public sector performance management is a complex phenomenon due to their 'publicness' (Hvidman & Andersen, 2014); multiple performance dimensions from multiple stakeholders (Boyne, 2002). The moderating effect of management practices on performance management systems is not straightforward because besides showing inconsistent results, their influence might be dependent on the absence or presence of other management practices (Pasha, 2018). Lastly, case studies are useful in inductive studies, that is, expanding or building theory (Eisenhardt, 1989)

The case study research strategy can involve a single or multiple cases. Based on the two types of case strategies, there are four types of case study designs depicted in *Figure 4: Types designs for case studies,* which are: holistic single-case designs, embedded single-case designs, holistic multiple-case designs, and embedded multiple designs (Yin, 2003).
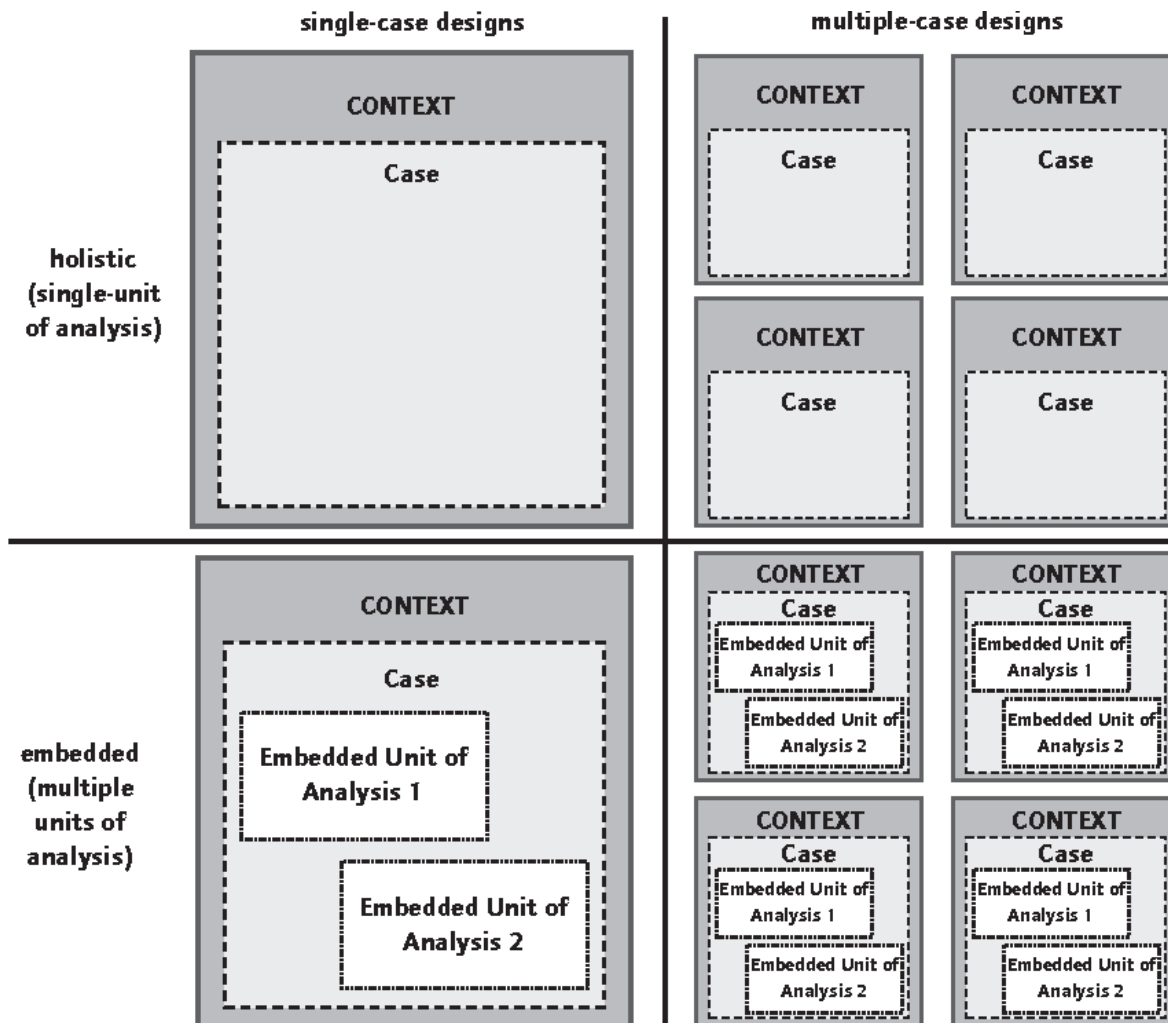
Figure 4: Types of designs for case studies Source: (Yin, 2003)

There is no superior case design - each design is appropriate depending on the research question (Yin, 2003). Yin (2003, p. 46) says that a holistic single case study design is appropriate when "…(a) a case represents a critical test of existing theory; (b) a rare or unique circumstance; (c) a representative or typical case; or when a cases serves (a) a revelatory case; or a (e) longitudinal case". An embedded single case design involves one case with more than one unit of analysis, where more insights into the case are deemed necessary; a holistic multiple case study design involves multiple cases each with one unit of analysis; and an embedded multiple case study involves multiple cases with each case having more than one unit of analysis (Yin, 2003).

4.1.4.1 Multi-case design

A holistic multiple-case design (Yin, 2003) was used in this study. This study compared the two organisational units, and as two cases, each case as a unit of analysis. The rationale for choosing a holistic multi-case design was that multiple case design, also known as a comparative case study design (Yin, 2003) has higher generalisability compared to single case designs because two cases are more representative than one case (Gerring, 2007; Saunders et al., 2015). The robustness of a study also increases when multiple case are used (Yin, 2003).

4.1.4.2 Study setting

The CIPC is established by the Companies Act, No 71 of 2008 (Government Gazzette, 2009, p. 309) as "…a juristic person to function as an organ of state within the public administration, but as an institution outside the public service." According to the "publicness" criteria, public control, public ownership and public funding (S. Overman & van Thiel, 2016), as a government agency reporting to the Department of Trade, Industry and Competition (the dtic), the CIPC is public controlled (Companies and Intellectual Property Commission, 2018).

However, the CIPC, as an agency 'outside of the public service', has some level of autonomy in how it is run, for instance the CIPC uses the 'Peromnes' salary grading system, whereas the South African public service uses the Persal' salary grading system. With regards to public ownership, the CIPC is publicly owned, and therefore open to public scrutiny through the Minister and Parliament. With regards to public funding, it is fully self-funded, it collects fees for registration and data disclosure services, as well as annual returns (Companies and Intellectual Property Commission, 2019). This means that the CIPC is semi-autonomous public entity as described in 'agencification' literature, has a some level of managerial autonomy (S. Overman & van Thiel, 2016; Trondal, 2014). These specific characteristics of the CIPC will impact on the limitations on generalisability of this study.

The CIPC is comprised of six organisational units, of which two are line units – Business Regulation and Reputation (BRR), and Innovation and Creativity (I&C) (Companies and

Intellectual Property Commission, 2019). See **Figure 5** for the CIPC organisational structure.

Figure 5: CIPC Organisational Structure
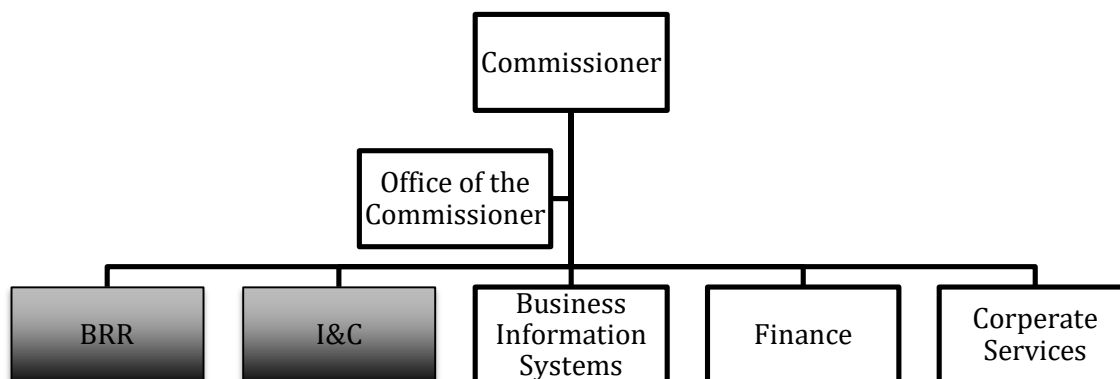
The CIPC must adhere to the South African government's performance management system outlined in the Public Finance Management Act, National Treasury Regulations and Guidelines, as well as the Policy Framework for Government-wide Monitoring and Evaluation Framework (The Presidency, 2014). Public entities are required to submit strategic plans and annual performance plans, quarterly and annual reports to the relevant executive authority (National Treasury, 1999). The South African government's performance management system is results based, and public entities are required to show logical steps on how they intend to reach targeted outputs, outcomes and impacts (The Presidency, 2014).

The dtic and the CIPC annually sign a shareholder compact which outlines the documents that must be submitted by the CIPC as well as timeframes for submission of these documents as a way of implementing the government's performance

management system. The CIPC has an organisational performance management policy which aligns to the organisation's performance management system to the government performance management system.

4.1.4.3 Case selection

Selecting cases correctly is important for building theory through case studies (Eisenhardt, 1989). It helps set boundaries for what is to be studied and to determine how far the findings can be generalised (Eisenhardt, 1989). Cases should not be selected randomly but purposefully based on the research question (Bleijenbergh, 2005; Eisenhardt, 1989; Gerring, 2007). Cases selected in descriptive studies should be able to provide information to describe the phenomenon; cases for explanatory studies should allow for comparisons of variables; and cases selected for exploratory studies should provide for the discovery of new information on the phenomenon studied (Bleijenbergh, 2005; Eisenhardt, 1989; Gerring, 2007). Multi-case designs must use cases that are comparable and therefore can show replication or contrasts (Bleijenbergh, 2005; Yin, 2003).

In addition to case study selection criteria for exploratory studies with an inductive approach, the cases had to be located in a public entity as the study focused on the public management discipline. Ideally, the cases needed to use the same performance management system in order to make viable comparisons. The CIPC's two organisational units, BRR and I&C, were therefore chosen as case studies, which are the greyed out boxes in *Figure 5*. The two units have similarities. Although regulating different areas, both are regulators with similar activities such registration services, registration maintenance, education and awareness, and compliance monitoring (Companies and Intellectual Property Commission, 2018). The BRR unit is mainly responsible for regulating business environment in line with company legislation, I&C is responsible for regulating intellectual property (IP) protection environment in line with IP legislation (Companies and Intellectual Property Commission, 2018). The two units use the same performance management system and therefore can be compared or contrasted (Gerring, 2007; Yin, 2003).

4.1.5 Research Method

Qualitative research methods were chosen for this study. In contrast to quantitative research methods which mainly use numerical data to answer research questions, qualitative research mainly uses non-numerical data (Berg, 2012; Saunders et al., 2015). Qualitative data collection methods were semi-structured interviews and documentary secondary data. The qualitative data analysis method was data categorisation using computer aided qualitative data analysis software (CAQDAS) (Saunders et al., 2015), Atlas.ti. See *Table 8: Research questions and research methods*. Secondary data was used for sub-research questions 3 to 8, as documents such as the CIPC Strategic Plan, Annual Report and Quarterly Reports had evidence of how these management practices were applied. In this way, primary data from semi-structured interviews was triangulated.

Table 8: Research questions and research methods

Research question	*Data collection techniques*	*Data analysis technique*
Main research question: How do management practices influence performance management system effectiveness?	Semi-structured interviews; documentary secondary data	Data categorisation (Atlas.ti)
Sub-RQ1: How does the results oriented culture influence performance management system effectiveness?	Semi-structured interviews	Data categorisation (Atlas.ti)
Sub-RQ2: How does bottom up decision-making influence	Semi-structured interviews	Data categorisation (Atlas.ti)

Research question	Data collection techniques	Data analysis technique
performance management system effectiveness?		
Sub-RQ3: How does outcome and impact measures influence performance management system effectiveness?	Semi-structured interviews; documentary secondary data	Data categorisation (Atlas.ti)
Sub-RQ4: How does discretion influence performance management system effectiveness?	Semi-structured interviews; documentary secondary data	Data categorisation (Atlas.ti)
Sub-RQ5: How does mechanisms to drive performance goals influence performance management system effectiveness?	Semi-structured interviews; documentary secondary data	Data categorisation (Atlas.ti)
Sub-RQ6: How does performance information use influence performance management system effectiveness?	Semi-structured interviews; documentary secondary data	Data categorisation (Atlas.ti)
Sub-RQ7: How does benchmarking influence performance management system effectiveness?	Semi-structured interviews; documentary secondary data	Data categorisation (Atlas.ti)

Research question	Data collection techniques	Data analysis technique
Sub-RQ8: How does sharing performance reports influence performance management system effectiveness?	Semi-structured interviews; documentary secondary data	Data categorisation (Atlas.ti)

Qualitative methods fit well with studies underpinned in interpretivism and which are exploratory in nature, inductive and use case study research strategy (Eisenhardt, 1989; Marshall & Rossman, 2016; Merriam & Tisdell, 2016; Yin, 2003). Through qualitative methods, research participants provide perspectives based on their lived experiences (interpretivism), providing new insights into the studied phenomenon (exploratory), in a real life context (case study) (Saunders et al., 2015). Qualitative research methods allow flexibility, adaptability and interpretation during a study, which is important for an exploratory, inductive research (Marshall & Rossman, 2016).

4.1.6 Time horizon

This study is cross-sectional. The time horizon of a study depends on the research question (Saunders et al., 2015). A study is either cross-sectional or longitudinal (Saunders et al., 2015). A cross-sectional study focuses at a particular point in time whereas a longitudinal study focus on multiple points in time (Saunders et al., 2015). Although longitudinal studies are thought to be stronger because of their ability to detect change, research conducted for academic purposes, such as this one, are time constrained and therefore are often cross-sectional (Saunders et al, 2009). Although cross-sectional studies usually use surveys, it is not uncommon to use case studies (Saunders et al., 2015).

4.1.7 Unit of analysis

Because the multi-case design was used, where two organisational units were used as cases, each organisational unit was a unit of analysis. Each unit is analysed in relation to its performance management and related management practices.

4.1.8 Population, sample size and sampling method

The research population was managers in the top four levels of management and in the 'Peromnes' pay grades 7 and above, (see *Figure 5* for a general depiction of management levels in the two units. These managers were chosen as they are entrusted with performance management responsibilities and therefore are highly involved in performance management activities to a larger extent that lower level management. In a 281 staff complement, the BRR unit had 19 managers, and out of 99 staff complement, the I&C unit had 12 managers that fit the criteria. These managers formed the research population for this study.

The selection of interview participants followed replication and contrast logic instead of sampling logic (Yin, 2003) as it was important that there were enough participants within each group for replication and contrast. Non-probability purposive sampling (Saunders et al., 2015) was used because it is preferable when in-depth research is conducted and when there are no statistical inferences required (Saunders et al., 2015). The sample size was 10 for BRR and seven for I&C as shown in *Table 9: Interview participants.* 52% (10) of the population were sampled in the BRR unit, and 58% (7) in I&C. To increase the level of significance of this study.(Yin, 2003), a judgement was made to not have less than 50% sample for each case.
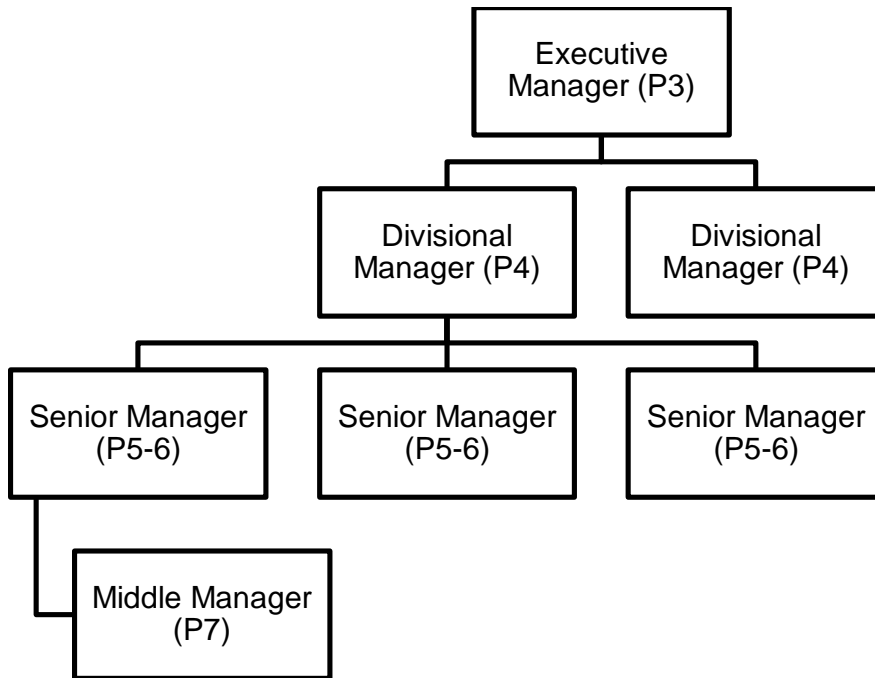
Figure 4: Depiction of management levels and Peromnes grades

The sample for each division consisted of members of each level of management unless no positions were filled at a particular level. All interviewees were treated equally. Data collected was treated equally, regardless of management levels. To ensure data saturation and simultaneous to data collection, data analysis was done to identify a point where additional data collected provides a few or new insights (Kristie & Given, 2008; Saunders et al., 2015). Saturation shows that all the possible data to develop a robust and generalizable theory have been collected (Kristie & Given, 2008).

Table 9: Interview participants

Management level	*BRR*		*I&C*	
	Population	**Sample**	**Population**	**Sample**
Executive Manager (EM)	1 (Acting)	1	1	1

Management level	BRR		I&C	
	Population	Sample	Population	Sample
Divisional manager (DM)	2 (Vacant)	0	2	1
Senior manager (SM)	8	5	5	5
Middle manager (MM)	8	4	4	0
Total	19	10	12	7

4.1.9 Research instrument

An interview questionnaire was used as a research instrument (**See Appendix 1: Interview questionnaire).** The interview questions sought to establish perceptions on the presence or absence of the management practices drawn from extant literature and listed in **Table 3: Management practices**, as well as other management practices, and to establish what informed the practices as well as how management practices influenced the performance management system effectiveness.

4.2 Data collection

Multi-qualitative data collection methods were used.

> "Qualitative data collection is the selection and production of linguistic (or visual) material for analysing and understanding phenomena, social fields, subjective and collective experiences and the related meaning-making processes…. The aim is often to arrive at materials that allow for producing generalizable statements by analysing and comparing various exemplars, phenomena or cases." (Flick, 2018, p.14-15),

Data sources were semi-structured interviews of managers at the top four management levels and documentary secondary data from the CIPC Strategic Plan, Annual Performance Plan, Quarterly Reports and Annual Report, as well the CIPC Integrated Organisational Performance Policy.

In alignment with the interpretivist underpinnings of this study, semi-structured interviews were used. The researcher follows a list of predetermined themes and questions which may vary depending on the context of a particular interview, and questions may be omitted or probing questions asked (Saunders et al., 2015). Semi-structured interviews are compatible to exploratory, inductive and case study research (Eisenhardt, 1989; Saunders et al., 2015). Semi-structured interviews allow for openness and dialogue, allowing the researcher to be empathetic to the research participant's point of view and allows the researcher to get more detailed data during interviews (Hurworth, 2011; Saunders et al., 2015). It is also a useful technique in studying the real life context (Eisenhardt, 1989).

Research participants were invited to participate in the research interviews via email. Interviews were scheduled for 1-2 hours. All executive, divisional and senior managers were invited to participate in interviews. However, middle managers (Peromnes level 7) were selected only if they were involved in performance management activities. In total 17 interviews were conducted, 10 BRR (one group interview, and nine one-on-one interviews), and seven I&C interviews.

Interviews took place at the CIPC premises, in a meeting room. Face to face interviews were conducted to establish personal contact with interviewees, to allow for easy explanation where necessary, and to allow for further probing questions where necessary. The researcher conducted the interviews. Interviews were recorded using two devices, one used as a backup device in case of a technical failure. Interviews ranged between 35 minutes and two and a half hours. See *Tables 10* and *11* for more details.

Table 10: BRR Interviews

Interview No.	Respondent No.	Position of participant	Interviewer	Recording (Length)	Transcript (words)
1	1	BRR EM	Self	00:31.35	5119
2	2	BRR SM	Self	01:40:44	9499
3	3	BRR SM	Self	02:25:48	17912
	4	BRR SM			
4	5	BRR SM	Self	01:32:02	13229
5	6	BRR SM	Self	00:58:57	7921
6	7	BRR MM	Self	01:45:37	13779
7	8	BRR MM	Self	01:28:23	10232
8	9	BRR MM	Self	00:41:50	10960
9	10	BRR MM	Self	01:43:00	Not transcribed

Table 11: I&C Interviews

Interview No.	Respondent No.	Position of participant	Interviewer	Recording (Length)	Transcript (words)
1	1	I&C EM	Self	01:51:44	13641

Interview No.	Respondent No.	Position of participant	Interviewer	Recording (Length)	Transcript (words)
2	2	I&C DM	Self	01:22:00	12120
3	3	I&C SM	Self	01:13:24	9578
3.	4	I&C SM	Self	01:15:10	8052
4	5	I&C SM	Self	01:07:50	9255
5	6	I&C SM	Self	01:12:00	17120
6	7	I&C SM	Self	01:20:15	13451

To provide some degree of data triangulation, documentary secondary data were also used (Saunders et al., 2015; Yin, 2003). Documentary secondary data is commonly used in case studies and can be "…notices, minutes of meetings, diaries, administrative and public records and reports to shareholders, as well as non-written documents such as tape and video recordings, pictures, films and television programmes" (Yin, 2003).

The CIPC Strategic Plan, Annual Performance Plan, Quarterly Reports and Annual Report were used to extract data on the use of performance measures, use of performance information, mechanisms for achievement of performance goals, benchmarking and sharing of performance reports.

4.2.1 Ethical considerations

Approval was granted by the head of the CIPC to use the organisation as the host for the case study, to interview managers, and to use CIPC documents for research purposes. Ethical clearance was sought and granted by the GIBS Research Ethics Committee. Consent letters were signed by all research participants before each interview commenced - see *Appendix 2: Interview consent letter.* Research

participants were also verbally informed that participation was voluntary and that they could withdraw at any point. Research participants were also informed or shown the approval letter signed by the head of the CIPC granting the researcher access to the organisation.

4.3 Data analysis

Data categorisation was used as an approach to analyse data. Categorisation entails organising data according to categories in order to identify relationships between categories, and develop theory from this (Saunders et al., 2015).

Although research questions were used to develop codes that were used to categorise data collected, an inductive approach to theory contribution was followed. A computer aided analysis software, Atlas.ti, was used. Pre-determined codes and transcripts were loaded into the system. The transcripts were then coded. In cases where data did not fall under any of the predetermined codes, new codes were created. All codes were then categorised into themes (Saunders et al., 2015). This was done for each organisational unit in order to be able to compare reports of each group. Firstly within case analysis was done, followed by cross-case analysis (Eisenhardt, 1989).

4.4 Quality control

Qualitative and case study research using semi-structured interviews has data quality issues relating to internal and generalisability, as well as bias, which must be considered in order to determine how to overcome these (Saunders et al., 2015; Seale, 1999). Internal reliability is whether another researcher will produce similar data when conducting research using the similar research techniques (Saunders et al., 2015; Seale, 1999). Lack of standardisation in semi-structured interviews results in internal validity data quality issues (Saunders et al., 2015).

Interviewer bias is when the interviewer's non-verbal behaviour, tone of voice or the way they ask questions imposes their beliefs or ideas, or influences how interviewees respond to questions (Saunders et al., 2015). Interviewer bias can extend to the analysis stage where the researcher imposes their beliefs and ideas during data analysis (Saunders et al., 2015).The 'opposite side of the coin' of interviewer bias is interviewee bias where interviewees respond in a biased way because of their perceptions of the

interviewer, based on the interviewer's non-verbal behaviour and tone (Saunders et al., 2015).

Interviewee bias also includes response biases which are not related to the interviewer. An interviewee may withhold information due to their unwillingness to expose sensitive information (Saunders et al., 2015). Response bias may also result from the fact that data collected may be biased because of who responded to the invitation to participate in research (Saunders et al., 2015). Both the interviewer and interviewee bias may limit the value of data collected (Saunders et al., 2015).

Generalisability of a study is whether the findings can be generalised to apply in other settings. Small samples in qualitative and case studies reduces the level of generalisability of a study (Saunders et al., 2015; Seale, 1999).

Criticism of qualitative research and case studies includes that these studies are not reliable in terms of producing repeatable data and findings, and that they do not 'hold water' because unstandardized research methods are not intended to be replicated – rather, they reflect the current circumstances (Marshall & Rossman, 2016; Saunders et al., 2015). Qualitative studies using non-standardized methods allow for studying complex and dynamic situations, which is a limitation for standardised methods (Saunders et al., 2015). Lack of replicability does not imply that qualitative methods and case studies using non-standardised methods lack robustness (Saunders et al., 2015)..

Ensuring saturation increases the quality of data used in qualitative studies (Kristie & Given, 2008; Saunders et al., 2015). As indicated in the data collection section, saturation was ensured through simultaneous data collection and data analysis to identify a point where additional data collected provides few new insights, therefore ensuring that little relevant data is left out of the study. Documentary data analysis was also done to triangulate data that was sourced from interviews.

Thorough preparation for interviews is another way to increase internal reliability (Saunders et al., 2015). Preparation demonstrates researcher credibility. Showing that the researcher is knowledgeable on the topic, supplying information to participants, arranging an appropriate location, preventability of the researcher, nature of opening comments, approach to questioning, being attentive, testing by summarising responses,

as well as the proper approach to recording data all contribute to increasing researcher credibility (Saunders et al., 2015).

Thorough preparation was done prior to interviews. Interview questions were developed based on the literature review and distributed to participants beforehand. Prior to commencement of the interview, participants were informed that the interview would be recorded and reasons for doing so were provided. The purpose of the study was outlined. A brief description of key concepts was also given. During the interviews, questions were clarified where necessary, and answers and meanings probed.

With regards to generalisability of this study, a multi-case design was used to increase generalisability of the study.

4.5 Limitations

In addition to data quality issues discussed in the previous section, the limitations identified at the research design stage have to do with the use of a case study and the researcher being a practitioner in the subject and an employee in the organisation that hosts the case study. Case studies, especially those using semi-structured interviews have a limitation in terms of generalisability because cases or samples are too small and therefore not representative to make generalisations (Yin, 2003). Therefore, the contribution to theory is limited. A multi-case design is better than a single case design with regards to generalisability. Moreover, the CIPC is a semi-autonomous public entity that is self-funded. As a result, generalisation of this study will therefore be limited to similar entities, that is, semi-autonomous and self-funded.

Saunders et al (2009) highlight that the subjectivity of the researcher is a limitation to a study, when the researcher is the practitioner in the subject and area that is studied. The researcher is a practitioner in the subject of performance management and she is employed in the organisation which is used for the case study. This was mitigated by using an interview questionnaire to ensure that participants were asked the same questions. The participants were encouraged to speak frankly and also as if the researcher did not have knowledge of the organisation and the performance management function.

4.6 Conclusion

In summary, the underlying philosophy for the study is interpretivist. Exploratory perspective using qualitative research methods was adopted for this study. An inductive approach to theory building was followed. Case study research strategy was used with a holistic multi-case design. Semi-structured interviews were used to collect data to answer the research question. Data was also sourced from archival documents. The data collected was analysed by coding and categorising into themes using Atlas.ti after a codebook was created based on the research questions. The key limitation of this study is the possible bias of the researcher as an employee responsible for the performance management function at the CIPC.

Chapter 5: Results

5.1 Introduction

The results of the data analysis are presented in this chapter. The results of the BRR within-case analysis are presented first, followed by the results of the I&C within-case analysis. Lastly, the results of the BRR and I&C cross-case analysis are presented.

5.2 BRR case results

Although the entire sample of 10 participants for the BRR case were interviewed (in eight one on one interviews, and one group interview), only eight transcripts (seven one on one interviews, and one group interview) of the nine interviews were analysed because no new codes were created on the eighth transcript, indicating that a point of saturation had been reached. The CAQDAS, Atlas.ti was used to analyse the data collected. All transcriptions were uploaded into the Atlas.ti software. *Table 12* shows respondent numbers in relation to Atlas.ti identities, to avoid confusion.

Table 12: Respondent No. and Atlas.ti ID, Interview role and demographics

Interview No.	Respondent No.	Atlas.ti ID	Role	Gender	Age	Year Appointed at the CIPC
1.	1	1	Acting EM (Commissioner)	Male	47	Over 10 years
2.	2	3	SM: Corporate Disclosure and	Male	44	1995
3.	3	6	MM: Senior Investigator	Female	41	2004
4.	4	7	SM: Companies and Close Corporations	Female	39	2006

Interview No.	Respondent No.	Atlas.ti ID	Role	Gender	Age	Year Appointed at the CIPC
5.	5	9	MM: Senior Investigator	Female	49	1999
6.	6	10	MM: Senior Investigator	Male	43	2008
7.	7	11 (Group interview)	SM: Directors, Practitioners and Representatives	Male	43	2007
	8	11b (Group interview)	SM: Senior Legal Advisor	Female	38	2009
8	9	12	SM: Co-operatives	Male	64	1998

A code book consisting of 35 codes, derived from the research questions and extant literature, was uploaded to the Atlas.ti software. Codes created were in line with the research questions. The transcriptions were then coded according to the predetermined codes. New codes were created in instances where quotations fell outside the predetermined codes. The final code scheme is presented in *Appendix 3: BRR code scheme.*

5.2.1 Data saturation

To ensure saturation, new codes created per transcription were recorded. When only a few codes were added, as shown in *Figure 6*, this was an indication that the point of saturation was approaching.
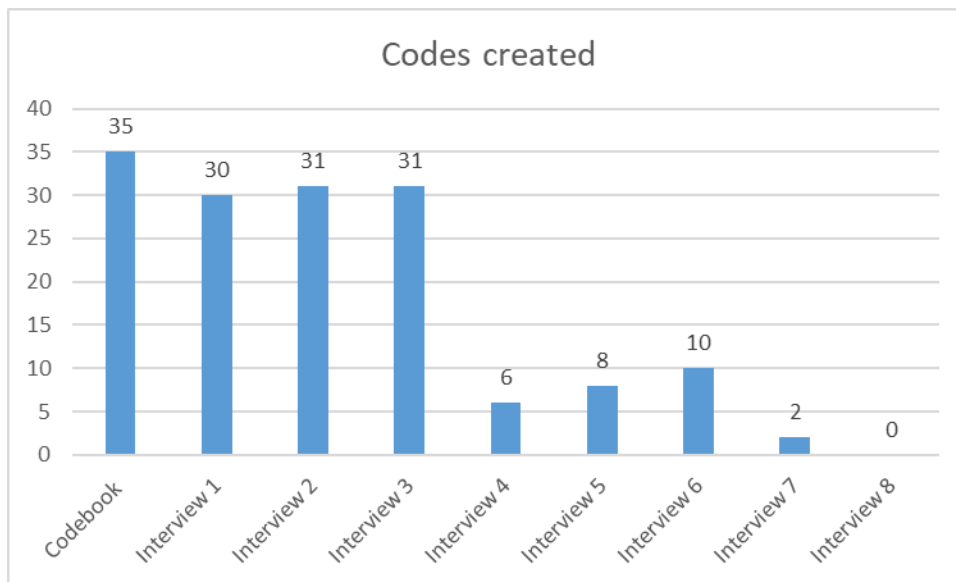
Figure 6: BRR Case Data saturation

5.2.2 Sub-RQ1: How does a results oriented culture influence performance management system effectiveness?

Because literature on performance culture covers not only creating a results culture but also the role of rules, interview questions related to this research question aimed to establish what the interview respondents thought was the nature of the performance culture in place in the BRR unit, whether it was a results oriented or rules oriented culture. The research questions also sought an explanation of why the respondents believed it was one way or another. They were further asked about the extent to which the particular performance culture was embedded, as well as the mechanisms to instil it. They were also asked how the performance culture influenced performance

management, as well as if there were any other issues that they wanted to discuss regarding the performance culture.

5.2.2.1 The nature of the performance culture in place

The responses on the nature of the performance culture in place were varied. A dominant view by four respondents was that the performance culture was both rules and results driven. Two minority views by two respondents each were that the performance culture was results driven, and that it was rules driven. Irrespective of their view, most respondents still put emphasis on following rules and regulations.

Respondents 2, 4, 7, and 9 thought it was a combination of both rules and results that drove performance in the BRR unit. This is what was said by one of the respondents.

7:1   "I think it's both, …"

7:2   "As BRR we cannot go outside of the prescripts of the law, but we are not necessarily, our performance is not based on how accurately we execute the law. We are actually measured against the output, the results.

The quote below is evidence that Respondents 1 and 5 thought the performance culture was results oriented.

9:1   "I would say its results-oriented, yeah.'

9:2   'We have the company's Act, which we as the regulator we must make sure that the directors or the board of directors … must comply with those provisions that are outlined in the Act.

The following quotes show that Respondents 3 and 8 thought that performance was rules driven. This was what was said,

11b:2   "…it is very much rules-and-compliance-orientated. In law, there is, to put it bluntly, not much of thinking outside the box, you have rules and you have structures, legislation and processes, etc, that must be adhered to timeously and efficiently."

The differences in views can be attributed to a combination of work experience, and although the four respondents have vast experience, their experience is not particularly longer than the other respondents. (See *Table12: Respondent No. and Atlas.ti ID, Interview role and demographics)*

5.2.2.2 Embedding the performance culture

Engagement of staff to get buy in, recruitment of new staff, leadership, entrenching a performance focus, and instilling customer centric values and customer centricity as well as changes in legislation were perceived by Respondents 1 and 2 as critical for embedding a results culture.

Recruiting new talent was seen by Respondent 2 as another way to instil a results culture.

3:5   "I think, the change from the old companies act to the new companies act as well as the bringing in of new employees into the organisation during that period, allowed for, firstly, a good mixture of people with new ideas as well as using the experienced people's way of doing things."

According to Respondents 2, 3, and 9 rules, were embedded through engagement of staff to get buy-in, leading by example, having a legal framework in place, emphasising documenting all activities to keep as evidence of what had been done; as well as providing feedback on the work done.

12:7   "We discuss that with the staff and then we make sure that they understand the rules and then we make sure that they comply to the rules and they do what is expected of them."

Respondent 4 expressed concern on the detrimental effects of focusing on results.

7:3   "CIPC tends to push more for output base, based on the customer experience currently, than looking at how the laws are administered."

Respondent 4 then suggested that the results and rules orientation should combined.

7:8   " Compliance cannot just be a numbers game, because if we push numbers on compliance, you may have things falling through the cracks."

7:9   "Mesh the two."

5.2.2.3 Influence of a performance culture on performance management system effectiveness

On the question of how performance culture influences performance management system effectiveness, Respondent 1, an acting executive manager and the head of CIPC, gave a perspective on how managers were doing. He said managers were not agile enough to meet continuously changing customer expectations, they had a silo mentality and lack understanding of their role in the CIPC strategic vision, and they were not making a mark on performance outcomes.

1:11   "Yes, because what [we] find is that some managers and some units do not improve. They do not get worse, they do not regress."

Respondent 4 pointed out work overload and lack of proper prioritisation as factors that impede performance, but Respondent 2 had a positive outlook, that rules have a positive impact on the entrepreneur (CIPC customer) and the results culture can be credited for improved delivery to customers and access.

3:2   "So, I think the availability of rules in the companies allows the organisation of the group to be able to, sort of, won't say perfect, but at least optimise efficiencies with regards to delivering results."

Respondent 2 also felt supported by the executive manager, by bringing a political and strategic perspective.

3:15   "Our executive will now and then remind us to say hey, don't forget to include this particular matters."

These results suggest that rules and regulations have a positive effect on performance management system effectiveness in regulator public entities.

5.2.2.3 BRR performance culture key findings

In summary, the key findings are:

1) Although there are varied views on the whether the BRR performance culture is rules oriented, results oriented, or both, and the dominant view is that BRR performance culture is both rules and results driven, it is clear that the BRR unit is characterised by rules as well as results orientation. It is rules based because of its regulatory nature. It is results based because of the strategic focus on speedy delivery of services. The reasons for varied responses may emanate from differences in interpretation of the question, or differences in their roles.

2) The rules culture is embedded through engagement of staff to get buy in, recruitment of new staff, leadership, entrenching performance focused values and customer centricity, and changes in legislation. Rules were embedded through engagement of staff to get buy-in, leading by example, having a legal framework in place, emphasising the documentation of all activities to keep as evidence of what had been done, as well as providing feedback on the work done.

3) With regards to the influence of the performance culture on performance management system effectiveness, the outlook was negative. The executive manager (Respondent 1) thought that there was neither improvement or digression because managers lack agility, the have silo mentality, and do not have strategic view on their roles, and therefore were not contributing to improving performance.

5.2.3 Sub-RQ 2: How does bottom-up decision making influence performance management system effectiveness?

The interview questions were intended firstly, to establish whether decision making or consultation with regards to strategic planning, including goal setting and target setting were bottom-up or top-down, and secondly, to establish how this type of strategic planning decision-making influences performance management system effectiveness. In order to establish the nature of consultation in strategic planning (whether it is bottom-up or top-down), interview participants were asked about the strategic planning, goal setting and target setting processes. They were then asked how this type of consultation

influences performance management system effectiveness, to get insight into their perspectives on how the current way of strategic planning consultation influence performance management system effectiveness.

5.2.3.1 Type of BRR consultation

Respondents 1, 2, 3, 4 and 9 commented on the nature strategic planning consultation.

Respondent 1 commented that he was happy with the strategic planning process, and strategic planning included engagement among various levels management. However, he did not think that management was cascading the strategic plan to staff in satisfactory matter.

> 1:14 "We might…we get together as far as management and at various levels and basically, we have an engagement as to what the strategy is, but as to what occurs after that, for example, in terms of having that approach of engaging the greater staff body for which they are managing, I don't think they've reached that level of getting that done."

Respondent 2, who is a subordinate to Respondent 1, commented that organised labour and junior managers were involved in strategic planning. He also commented on how he engaged strategic planning consultation, in contrast to Respondent 1's belief and that it was bottom up, and how it was not everyone who readily cooperate in strategic planning consultative process in his unit.

> 3:10 "Yeah, I think the involvement of the organisation, the involvement of organised labour, and junior management into strategic planning has a positive effect on the organisational culture."

Respondent 3, who is subordinate to Respondent 2, commented on strategic planning consultation as well, noting that business planning forms part of strategic planning, and confirming Respondent 2's claim.

> 6:12 "Every year our unit, because we've got business plan that needs to be part of the overall strategic, we plan what we need to do and to achieve within a certain time frames."

Respondent 4, who is also a subordinate to Respondent 1, commented on how the strategic planning process was disjointed due to time limitation to consult with staff adequately, confirming Respondent 1's views. She also confirmed Respondent 1's views that strategic planning included management and unit representatives. She also mentioned management involvement in the Annual Performance Plan (APP) and Business Plan (BP) development.

7:67 "Well it's a little bit disjointed."

Respondent 9, who is also Respondent 1's subordinate, commented on how he ensures that his management team understands what is in the business plan, and what is expected of them, and that this information is cascaded down to supervisors and team members.

12:25 "They must work in terms of the business plan. What's required of them. They must fully understand and they must just take it down to the, to the supervisors, and, to the team members."

The differences in views about the extent of strategic planning consultation, between Respondent 1 (acting executive manager) and Respondents 2 and 9, could be that respondent one's views are true for senior managers whose comments were not coded, and those who were not sampled.

5.2.3.1 Influence of the consultation process on performance management system effectiveness.

All nine respondents agreed that strategic planning adds value into the organisation. Respondents further explained what they thought were benefits of strategic planning. They thought it ensures organisational focus on performance; outlines actions to be taken to realise performance goals; ensures that there is a yardstick from which to measure performance; has a positive effect on organisational culture; is beneficial for personal development; contributes to the country's political, social and economic goals; helps managers keep abreast of issues; and helps direct operational planning.

3:10 "The kinds of input which comes from organised labour and junior management, is eye-opening, because there is no glossing over of issues."

These results show that a choice between bottom-up and top-down decision-making in strategic planning could be a matter of each individual manager preference, based on their leadership style. It seems that it is how it is applied than its nature (bottom-up or top-down), that determines its effectiveness. This suggests that management practice effectiveness could be dependent on how it is applied.

5.2.3.3 BRR Bottom-up decision-making key findings

1) The nature of strategic planning consultation is such that management, junior managers, unit representatives, and labour representatives are involved in the strategic planning sessions. Some managers, such as Respondent 2, practice bottom-up consultation, however not all team members co-operate. Some, such as Respondent 9, practice top-down consultation, and some see the consultative process (cascading to the rest of the staff) not done in a satisfactory manner, and as disjointed due time limitation to consult with staff adequately.

2) On the question of how strategic planning in its current state adds value into the organisation, there was wide agreement that it does. The benefits were that it ensures organisational focus on performance; outlines actions to be taken to realise performance goals; ensures that there is a benchmark from which to measure performance; has a positive effect on organisational culture; is beneficial for personal development; contributes to the country's political, social and economic goals; helps managers keep abreast of issues; and it helps to direct operational planning.

3) Managers use both bottom-up and top down consultation in strategic planning. This could be determined by each person's leadership and/or management style.

5.2.4 Sub-RQ 3: How does the use of outcome and impact measures influence performance management system effectiveness?

The interview questions sought to establish the nature of performance measures in the BRR unit. However, the question on how the current performance measures influence

performance management system effectiveness was asked together with strategic planning effectiveness. The responses provided in 5.2.3.2 applied here.

5.2.4.1 The nature of BRR performance measures

On the question of the nature of performance measures in the BRR Unit, Respondents 3, 7 and 8's perspectives were that what was currently measured was time, although there was focus on efficiencies according to Respondent 3. Respondent 3 also thought that it was not easy to measure compliance (compliance monitoring is one of the main functions of the BRR unit). On what determines performance measures, Respondent 8 indicated that performance measures and targets were based on legislative requirements, and Respondent 3 also said that managers measure what is within their control. They thought quality, efficiencies, and reputation as well as growth in understanding of the company law requirements is what should be measured. Moreover, BRR should have measures that show that the CIPC is making contribution to the country's imperatives.

> 6:13 "…we concentrate on the efficiencies other than the outcomes, because outcomes sometimes is not really something that we can control, because…"

The CIPC 2018/19 Annual Report (Companies and Intellectual Property Commission, 2019), 2019/20 Annual Performance Plan, and CIPC 2019/20 Business Plan (See Appendix 5, 6 and 7) show that BRR unit performance measures are as follows in Table 13: BRR Performance measures:

Table 13: BRR Performance measures

BRR Performance Measures	Type of measures
1) The average number of days to register a company from the date of receipt of a complete application.	Efficiency (Time)

BRR Performance Measures	Type of measures
2) The average number of days to register a co-operative from the date of receipt of a complete application.	Efficiency (Time)
3) Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation	Output (Activity)
4) Percentage of companies (entities with an active business status) that have filed Annual Returns by the end of the reporting period (year to date)	Effectiveness (Outcome)
5) Ascertain compliance with Social and Ethics Committee requirements in respect of Companies Tribunal Decisions refusing application for exemption	Effectiveness (Outcome)
6) Compliance with the Companies Act through the instalment of Compliance App.	Output
7) XBRL implementation completed	Activity
8) Independent Review Workshop	Output (Activity)
9) Prospectus Boardroom Visits	Activity

The document analysis confirms the respondents' view that time is measured, however, efficiencies and compliance are measured, in contrast to what respondents believed. Moreover, effectiveness, which is a service outcome dimension according to Boyne (G. A. Boyne, 2002) is also measured. This misalignment between the respondents' views and documentary evidence could be saying something about a silo mentality (that was mentioned by Respondent 1 as a reason for poor strategic planning consultation) where managers are not aware of what transpires in their unit, or it says something about the level of understanding of performance measurement.

5.2.4.2 The process of developing performance measures

The CIPC Integrated Organisational Performance Management Policy (provided in a flash disk) outlines how the CIPC performance measures should be developed, as part of the strategic planning process through consultation with relevant managers. Email archives show that the CIPC strategic plan and annual performance plan, which includes performance measures, are tabled, reviewed and approved through various governing bodies, including the management committee, executive committee, and audit committee (archival documents provided in a flash disk).

The 2017-2022 CIPC Strategic Plan (Companies and Intellectual Property Commission, 2018) and the 2019/20 – 2021/22 Annual Performance Plan (APP) outline the strategy development process that culminated in the development of the strategic plan and annual performance plan. The Technical Indicator Profile, an annexure of the APP, outlines a profile of each performance measure, showing detailed thinking process of developing these performance measures.

Having a policy in place and taking planning documents through governance processes does not mean that managers are involved in the process. The lack of understanding of types of measures suggests that managers are not fully engaged in the process, an indication of weaknesses in the performance measure development process. There might be capacity to adapt the process to engage managers more and take the managers through training.

5.2.4.3 BRR performance measures key findings

In conclusion, the key findings are:

1) BRR has the following type of measures monitored at a strategic and business plan level: activity, output, efficiency, effectiveness measures.

2) Managers view performance measurement as difficult in a compliance monitoring context such as theirs. There may be lack awareness of the workings of the BRR unit, especially in relation to performance measures, perpetuated by its managers' silo mentality and / or understanding of performance measurement.

3) The process of developing performance measures, which is part of the strategic planning process, is detailed in the CIPC Integrated Organisational Performance Management Policy and the current CIPC strategic plan, and is implemented as such. However, poor understanding of types of performance measures could be an indication of weaknesses in the performance measure development process. Improvement of the performance measurement development process and training might be necessary for BRR managers.

5.2.5 Sub-RQ 4: How does discretion influence PMS effectiveness?

The interview questions sought to establish whether managers had autonomy in pay negotiations, hiring and firing, financial management, task autonomy, and goal setting autonomy in implementing the unit's performance objectives. Respondents explained why they thought they had or did not have autonomy in a particular aspect. The interview questions also sought to establish what they thought the impact of level of autonomy was on their achievement of performance goals.

5.2.5.1 The nature of autonomy

In terms of pay negotiations, all the respondents who commented on this question agreed that they had no autonomy with regards to pay negotiations. Respondent 7 thought negotiating salaries outside the normal salary band could result in perceived injustice by other employees.

11a:35   " And that individual may negotiate a salary that would create, even now, a

conflict in a unit whereby people will say this one just came in now, he or

she does not know the job, but he earns more than the others."

Perception of on organisational injustice could be a be a hindrance in managers pursuit of pay negotiations autonomy, in turn negatively affecting the manager's ability to source the best talent to meet performance goals.

Respondent 2 answered affirmatively on the question of hiring and firing autonomy. Respondent 3 answered negatively and added that she would rather explore other alternatives before firing an employee. Respondent 4 thought she could hire but not fire, and highlighted that she would also use firing as a last resort, adding that the firing process is long and strenuous. Respondent 7 answered affirmatively but emphasised that the process is highly influenced by labour representatives. Respondent 5 answered 'no'. Although Respondent ni9ne responded negatively at first, he went on to say that he could hire and fire, depending on how he motivates his decisions to his principals.

7:48   "No, it's a very rigid process that we have to go through."

12:74   You can motivate …to your principals. Ja. Motivate your principals. You

yourself, I cannot tell you tomorrow you must not come to work, I've fired

you.

Respondents 2 and 3, who happen to be in the same sub-unit, answered affirmatively on a question of whether they have budget autonomy. The rest of the respondents answered negatively, explaining that although they give inputs, there is no feedback, and the budget is unilaterally decided by the finance division as they see fit. Proposed allocations may be cut out without any explanation.

3:34   "There is that autonomy, yes, whatever input that one makes, one should just be

able to support it."

11:38   "So there's influence with regard to budgets inputs, but it is difficult to ascertain in the beginning of the financial year while the budget is being approved to know what division it will need, really in the year that comes…"

Except for Respondent 4, who answered 'yes and no', all respondents answered affirmatively to whether they had autonomy in determining tasks to be done. Respondent 4 was of the view that working in a collaborative environment allows for those with loudest voices to set direction.

3:35   "So, yes, both from my team's side and from a senior executive, there is a level of autonomy and an encouragement of ownership of activities on the business plan and the structure plan and the APP. "

Respondents 1 and 4 agreed that there was goal setting autonomy. However, Respondent 9 answered negatively, but later explained that goal setting was a negotiated process.

7:55   "Yes and no, we are in a collaborative organisation, and sometimes like, talk about the little fights that we have, the person with the loudest voice can override a person who's got maybe a sound idea."

Respondents 1 and 7 made general comments on autonomy in general. Respondent 1 highlighted that conditions of service limit managerial autonomy to the office of the commissioner (the chief executive of the CIPC). He explains that centralisation of decisions related to conditions of service is necessary to ensure organisational stability. Respondent 7 highlighted that some systems such as a leave system impact managerial autonomy.

1:19   "Because what happens in one unit, if it's not aligned to the organisational impact of conditions of service, it could make the entire organisation unstable."

The differences in views with regards to autonomy might be a matter of perspective informed by individual preferences. The fact that autonomy is limited to the

Commissioner's office in as far as conditions of service are concerned, says something about autonomy. Lack of managerial autonomy is not aligned to organisational autonomy.

5.2.5.2 Influence of discretion on performance management system effectiveness

Respondent 2 thought that the autonomy he has on hiring allows him to hire the right people. Respondent 9 thought that limited managerial autonomy impacts performance negatively, however with regards to budgeting he was not affected as his budget is mainly personnel budget.

12:71   "It has caused problems in terms of performance."

It does not seem like managerial autonomy has a major impact on performance.

5.2.5.3 BRR discretion key findings

In conclusion, key findings are,

1) Most managers agreed that they do have autonomy in most areas, except in budgeting. However, Respondent 1, who is the acting head of the BRR unit as well as the chief executive of CIPC, thought that managerial autonomy was limited by conditions of services requiring centralisation of decisions in that regard. Organisational autonomy does not necessarily mean managerial autonomy.

2) Limited managerial autonomy was not perceived as having major impact on performance.

5.2.6   Sub-RQ 5: How do performance leadership teams drive performance goals to influence performance management system effectiveness?

Interview questions sought to establish whether management used performance leadership teams to drive performance goals. The questions also sought to establish the perceived influence of these mechanisms on performance.

5.2.6.1 Nature of performance leadership teams to drive performance goals

Respondents 2, 3 and 9 answered affirmatively on whether they use performance leadership teams to drive performance.

12:105   "Yes, yes, we put together teams."

5.2.6.2 Influence of performance leadership teams on performance management system effectiveness

Respondent 2 and 9 commented on the benefits of leadership teams. Respondent 2 thought that teamwork allows for optimal use of staff's time, as team members can point out a team member who is slacking. Respondent 9 said that teams allow different perspectives.

3:44   "It's more the learning but also about avoiding, it's also about optimal utilisation of staff's time."

12:106   "I think the benefit is that you get, I think, different opinions from different people. That will make sure that you're going to build a good system because [a] one-man show has never worked before, teams."

5.2.6.3 BRR performance leadership teams key findings are that

1) Performance leadership teams were used widely to drive performance and were seen as beneficial.

5.2.7 Sub-RQ 6: How does the use of performance information influence performance management system effectiveness?

The interview questions sought to establish how performance information was used, if at all, and its influence on performance management system effectiveness.

5.2.7.1 Nature of performance information use

Respondents 1 and 2 said that performance information was used for planning. Respondent 2 also said that it was for performance monitoring and reporting. Respondent 3 said performance information was used to assess the level of compliance. Respondent 4 spoke about a need for an intelligent reporting system to extract performance information. Respondent 7 though that performance information was used for complying with dtic reporting requirements.

1:30   " I think it ties up with what I said, there are certain units that certainly do."

The 2017-2022 CIPC Strategic Plan (Companies and Intellectual Property Commission, 2018) and the 2019/20 – 2021/22 Annual Performance Plan (APP) and 2018/19 Annual Report show that BRR use performance information from the previous year to determine new targets. Performance is monitored against these targets.

5.2.7.2 BRR performance information use key findings

In summary, the key finding is that performance information is mainly used for planning performance monitoring and reporting.

5.2.7 Sub-RQ 7: How does benchmarking influence performance management system effectiveness?

The interview questions sought to establish whether the BRR managers benchmark their current target setting and performance with the previous year's performance, whether they benchmark their performance with similar organisations, or with other countries. The questions also sought to get the perception of managers on how benchmarking influences performance management system effectiveness.

5.2.7.1 Nature of benchmarking

Respondents 1, 2, 3, 4 and 5 said that BRR engaged in benchmarking. Respondents 2 and 4 said that they benchmark the current performance with the previous year's performance. External benchmarking includes Doing Business (DB) Report benchmarking, where the CIPC through BRR contributes to the DB indicator of 'ease to start a business' in South Africa; they contribute through the Corporate Registrar's Forum; benchmarking with countries who have similar regulators as CIPC; through conferences; and through desktop benchmarking, because of budget constraints.

1:34   "One is that we benchmark against the World Bank report."

3:54   "The unit does benchmark its performance levels to different reporting periods, it's always helpful."

Respondent 4 spoke about benchmarking problems that arise from limited travel as a result of cost containment. She said that asking counterparts for benchmarking information is fruitless, and travel requires motivation.

7:106 "If you ask them for information, they send you oblivion… yes, but to get to, in order to go and visit them you need to, there must be a business case, and it must be linked up to a project and those type of things, yes."

The 2017-2022 CIPC Strategic Plan (Companies and Intellectual Property Commission, 2018) and the 2019/20 – 2021/22 Annual Performance Plan (APP) and 2018/19 Annual Report show that BRR benchmark the current performance with the previous . Performance is monitored against these targets.

5.2.7.2 Influence of benchmarking on performance management system effectiveness

As indicated by Respondents 1 and 3, many improvements, such as the eXtensible Business Reporting Language (XBRL) have resulted from benchmarking:

1:35 "Actually, many of the improvements have been done at the CIPC has come specifically from us benchmarking other jurisdictions, for example, Singapore, and New Zealand, Malaysia, UK, etc."

6:45 "There were things that were more similar that we could use and we took, and hence we've got the XBRL [which] has already been implemented, the workflow behind the analysing part. We got them initially from them."

5.2.7.3 BRR benchmarking key findings

In summary, the key findings are that:

1) Most of the managers benchmark their current plans and performance with the previous year's. They also benchmark internationally through country visits, and international forums.

2) Due to cost containment, managers do desktop benchmarking, although this sometimes has problems.

3) Many improvements such as the eXtensible Business Reporting Language (XBRL) has resulted from benchmarking exercises.

5.2.8 Sub-RQ8: How does sharing a performance report influence performance management system effectiveness?

The interview questions sought to establish whether managers share performance reports with the staff and stakeholders, as well public representatives, the dtic and Parliament, as well as establish whether sharing performance reports added any value to the organisation.

5.2.8.1 Nature of performance reports sharing

Respondent 2 and 9 spoke about how sharing performance reports with staff motivates them because they see how their work contributes to the bigger picture. Respondent 4 highlighted that the usefulness of sharing of reports depend on the readiness of the targeting staff to receive a message that is shared. She spoke about how the reports can be broken down to share what will be useful to intended audience.

12:109   "So, I think they'll pull their socks [up] if they see they are not performing."

The 2018/19 Annual report show on page 62that the CIPC shares its quarterly performance reports with the Minister of the dtic.

5.2.8.2 Influence of performance report sharing on performance management system effectiveness

Respondent 1 was not too convinced that sharing performance reports with the dtic was of value, he thought that it might just be a sheer compliance exercise. However, he thought that sharing the reports with Parliament adds value to the organisation. Respondent 4 agreed with this sentiment, adding that this allowed the organisation to show its contribution to broader government goals.

1:40   "As far as Parliament is concerned, yes, I think the fact that we have quarterly reporting from in the portfolio committee certainly helps. It keeps us on our toes."

5.2.8.3 Sharing performance reports sharing key findings

1) Performance reports are shared, firstly with staff and secondly with the dtic and Parliament.
2) There was value in sharing with staff because they are motivated to improve when they see the contribution they have made, in the report
3) There was also value in sharing with Parliament as it keeps managers on their toes, knowing their work will be scrutinised by Parliamentarians.

5.3.10 Conclusion

In conclusion of the results of BRR case, key findings are

1) Both rules and results drive performance, and influence. With regards to the influence of the performance culture on performance management system effectiveness, the outlook was negative. The executive manager (Respondent 1) thought there was neither improvement or digression because managers lack agility, had silo mentality, and do not have strategic views on their roles, and therefore were not contributing to improving performance.
2) Strategic planning includes not only senior management, it includes junior management and labour representatives. However, the use of bottom-up and top-down consultation methods may be dependent on the preference of each manager.
3) Although the head of the unit thought managers had limited autonomy due to set conditions of service, managers thought they had autonomy in most aspects, except for budget management. Due to autonomy in pay and hiring and firing being centralised with the Commissioner, the lesson is that managerial autonomy may exist in different levels, and it might be different depending on the level.
4) Although managers thought performance measures were not appropriate, analysis of planning documents and annual reports show that most of the measures were appropriate. It is possible that managers lack knowledge of what is measured in the unit, or there was a need for performance management training, in particular performance measurement.
5) Performance leadership teams are used widely and are found to be beneficial to the organisation.

6) Performance information is mainly used for planning and performance monitoring and reporting.

7) Benchmarking is used extensively, and many improvements have resulted from benchmarking.

8) Sharing performance reports with staff, the dtic and Parliament is found to be beneficial.

5.3 I&C Case results

The researcher interviewed seven participants as planned, in one-on-one interviews. Some potential participants declined the opportunity to participate in group interviews, later explaining that they were not comfortable participating in group. All seven interviews were transcribed. The CAQDAS Atlas.ti was used to analyse the data collected. All transcriptions were uploaded into the Atlas.ti software. A code book determined from the research questions and extant literature was also uploaded to the software. Code created was in line with the research questions. The transcriptions were then coded according to the codebook. See *Table 14* for interviewee identification and demographics.

Table 14: Interviewee identification and demographics

Interview no.	Respondent No	Atlas.ti ID	Role	Gender	Age	Year appointed at CIPC
1.	1.	1.	DM: Innovation support and protection	Female	44	2016
2.	2.	2.	SM: Innovation Policy and Outreach	Male	56	1981
3.	3.	3.	Senior Policy Analyst:	Male	47	2000

Interview no.	Respondent No	Atlas.ti ID	Role	Gender	Age	Year appointed at CIPC
			Copyright and IP Crime			
4.	4.	4.	SM: Patents and Designs Register	Male	36	2016
5.	5.	5.	SM: Copyright and IP enforcement	Female	49	1993
6.	6.	6.	EM: Innovation and Creativity Promotion	Female	56	2014
7.	7.	7.	SM: Indigenous Cultural Expressions and Knowledge	Female	51	1995

5.3.1 Data saturation

To ensure saturation, new codes were created per transcription recorded. When only a few codes were added, as shown in *Figure 7*, this was an indication that the point of saturation was imminent. The reason that interview six resulted in a spike of new codes was because this was an executive manager who is the head of I&C unit, and she gave a new perspective on some of the issues.
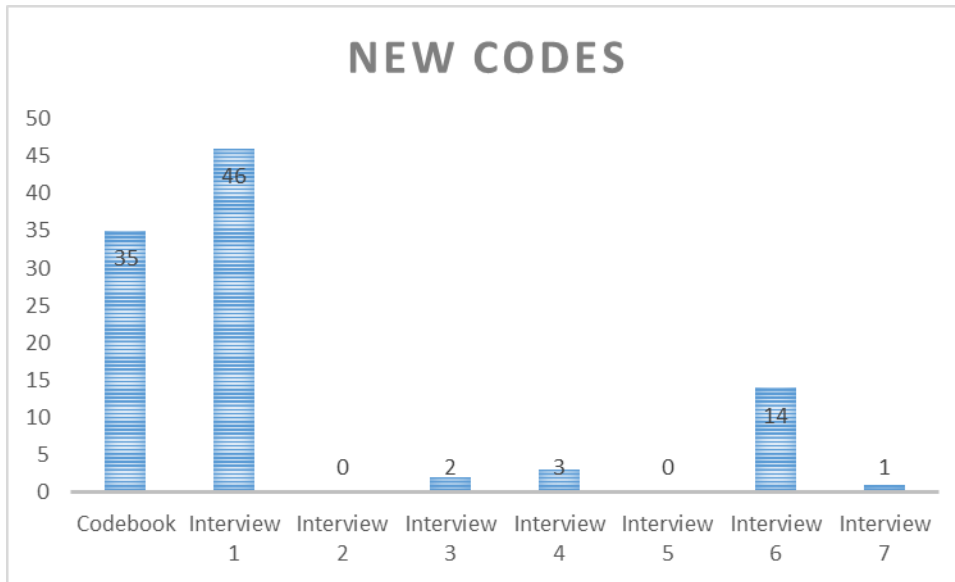
Figure 7: Illustration of saturation

5.3.2 Sub-RQ1: How does creating a results oriented culture influence PMS effectiveness?

5.3.2.1 Nature of performance culture

Respondent Two viewed the I&C performance culture as both rules and results based. The rules side was because of a requirement to comply with the Acts and policy direction from the parent department, as well as governance committees, and this compliance creates results.

2:1 "I think there's a mix of both. On one hand, performance management is more rules compliance orientated. The results become a natural outcome of the action of compliance."

Respondents 1, 4, 6 and 7 thought the performance culture was results driven. Respondent 1 explained that they plan for results such as an increased number of patents. Respondent 4 explained that the daily job activities are determined by what needs to be achieved, more than by the rules. Respondent 6 said that what they do is aimed at economic development results.

6:5   "We are you know, results orientated and because we believe that patents or IP is a tool for economic development."

Respondents 3, 5 and 6 thought the performance culture was rules based. Respondent 3's understanding is that everything is done within the ambit of the law and compliance with the law should precede anything else. Respondent 5 thought creativity and quality is overlooked because of a focus on rules. She seemed to be referring to procurement processes rather than the performance culture in the unit. Respondent 6 understands the rules focus to emanate from the fact that the organisation is governed by the Act.

5:33   "Ja, so I would say it's more compliance-driven because if you're compliant, it doesn't matter about the outcome. It's fine."

The reasons for varied views could be a combination of work experience, roles or interpretation of the question, or mind-set. However, demographics do not show any similarities or differences that support this view. However, unlike BRR managers who emphasised the importance of rules despite the fact that they viewed the performance culture as results oriented, I&C managers made no mention of results.

5.3.2.2 Embedding a performance culture

In instilling a results driven performance culture, respondents spoke about how they make it part of a daily practice; use risk management; put people at the centre through supporting, communicating, educating, giving feedback and engaging; and practice teamwork together as managers.

In instilling adhering to the rules, managers set timeframes and use disciplinary measures

2:5   "… there's a growing practice of engagement."

5.3.2.3 Influence of performance culture on performance management system effectiveness.

On the question of managers' perceptions of how the current performance influence performance management system effectiveness, Respondent 4 spoke about how his efforts had paid off with employees being more committed to their work.

4:26 "Because they know, they know that ultimately, I'm earning a salary; because of I'm sitting here. Not being outside, and causing that nonsense over whatever."

5.3.2.4 I&C Performance culture key findings

1) A dominant view is that the I&C performance culture is results driven. Results such as contribution to economic development are planned for and drive daily conduct. However, rules are an important and foundational aspect of the unit as a government agency such as CIPC is governed by Acts of Parliament and policy direction from the parent department. What is noteworthy is that, unlike BRR managers who emphasised the importance of rules despite the fact that they viewed the performance culture as results oriented, I&C managers made no mention of results. This suggests that there was less emphasis on the rules and regulations.

2) The results culture is embedded by putting staff at the centre, through motivating, giving feedback, communicating, educating and engaging and supporting staff; making results focus part of daily work life, and management working as a team. Rules are also instilled through ensuring adherence to timeframes, and using disciplinary measures where necessary.

3) Managers appreciate the importance of focusing on both rules and results, and therefore exert effort in instilling both compliance to the rules and focusing on results.

5.3.3 Sub-RQ2: How does bottom-up decision making influence performance management system effectiveness?

The nature of strategic planning consultation

The results show that management participates in organisation-wide strategic planning sessions, therefore shaping the vision of the organisation.

1:19   "Our participation to shaping that vision, participating in the workshops and ensuring that we shape whatever the outcomes of that vision are going to be…"

Goals are also set at the strategic planning level.

1:40   "Ja, with the performance goal setting, the processes that we have, already because we have already set out the goals for the five-year strategy."

The results show that unit goals are cascaded to smaller unites, emanating from the strategic, annual plan and business plan. The strategic plan, the annual performance plan, and the business plan are cascaded to individual performance plans.

1:3   "By the time it goes to the individuals, they already know that, ok, this is their contributions to the overall performance of the unit, or of the division or of the group."

In one case, the divisional manager, their senior manager, and junior managers set divisional goals together, plan activities to achieve the goals, and allocate tasks (Respondent 4).

4:62   "…And then from there we allocate tasks – you know who's going to do what, and what needs to be done…".

In another case, a senior manager lets their junior managers set goals.

6:53   "The managers I allow them to set their own goals…"."

The outcomes of the strategic planning sessions are communicated to the rest of their staff to get a buy-in.

2:5   "…engage them from the unit in order to provide inputs and discussions. ."

On a regular basis, the I&C executive convenes management group meetings to discuss everything that needs to happen in the unit.

2:8   "…led by the executive. The executive always believes that...she prefers a group approach rather than being driven from the executive side.."

According to Respondent 1, quarterly meetings with the entire staff are conducted to give them the bigger picture, pitching the messages at a level that staff can understand. She also reflected on the extent of understanding of these messages, and the need to measure that.

1:10   "…Giving them that bigger picture that they understand how important it is that they carry out their work with professionalism, ensuring that there is accuracy in all that."

Communication with staff is thought to be key: Respondent 2 was of the view that communication needs improvement; Respondent 3 said that employees should be shown new opportunities emanating from changed efforts; and Respondent 1 highlighted a need to check if staff understand what is communicated to them.

Respondent 1 and 6 were concerned about the strategic planning session outcomes not implemented. Respondent 1 attributed this to capacity and time constraints.

1:8   "…The capacity to deliver on some of these, so you know, we just need to maybe focus on a few."

Respondent 1 expressed agreement with the executive managers' leadership style, but also highlighted a peculiar problem of differing understandings of roles of managers at different management levels. In contrast to Respondent 1's view that senior managers and executive managers are equally responsible for developing and giving strategic direction, Respondent 2 thought the executive manager had the sole responsibility to set and give direction to divisional and senior managers because of their international exposure, among other things. Respondent 1 said that they engage the manager who has a different view to change their mind-set and recommended performance management training.

1:45   " And I think the training should be, should cut across on this management, performance management."

I&C managers spoke about a number of ways in which strategic planning influence performance management system effectiveness.

1) It provides guidance and focus out of many things that needs to be done. Managers are then able to identity their contribution to the strategic goals.

2) Engaging all levels of management ensures that plans are realistic, as lower levels are more attuned to what goes on work-wise.

3) It sometimes provides an opportunity for a group approach in addressing problems.

5:80   It also ensures that you stay on track.

Coding also shows the need to involve lower level staff more in strategic planning, because as Respondent 3 believes, more understanding will mean more involvement in work.

3:50   "We should bring strategic thinking to the very same people who are the drivers of this machinery."

In conclusion, the key findings are:

1) The I&C managers interviewed are involved in the organisation-wide strategic planning process where the vision and goals are set. The strategic planning outcomes are shared with the rest of the staff. Moreover, regular meetings are held, as are unit (group) management meetings and quarterly staff management meetings. Goals, and actions also developed at this level.

4) Managers value strategy consultation and engagement as they believe it is a way to improve performance, as a result they invest themselves in strategy consultation and engagement activities.

   a) It provides guidance and focus out of many things that needs to be done.

   b) Managers are then able to identity their contribution to the strategic goals.

   c) Engaging all levels of management ensures that plans are realistic, as lower levels are more attuned to what goes on work-wise.

   d) It sometimes provides an opportunity for a group approach in addressing problems.

2) It is noteworthy, that there were no comments on whether consultation is top-down or bottom-up, however, it is clear that engagement is valued and done

5.3.4 Sub-RQ3: How does the use of outcome and impact measures influence performance management system effectiveness?

Respondents 2 and 5 commented on performance measures, Respondent 2 emphasising the importance of measuring performance, which in turn raises the question of whether their view was in relation to BRR, or organisation-wide.

5:40   "No, it's not. It's not seeing the bigger impact, it's about the numbers. "

The CIPC 2018/19 Annual Report (Companies and Intellectual Property Commission, 2019), 2019/20 Annual Performance Plan, and CIPC 2019/20 Business Plan (See Appendix eight, nine, ten) show that BRR unit performance measures are as follows in **Table 15**:

Table 15: I&C performance measures

Performance measure	Type
1) Number of education and awareness events on IP conducted by CIPC	Output (activity)
2) Number of education and awareness events on IP enforcement initiatives conducted by CIPC	Output (activity)
3) Audit report on collecting societies	Output (activity)
4) Administration system for patent registration	Output (activity)

The type of measures at I&C are output measures. This is in line with Respondent 5á view that the focus is on numbers rather than impact.

Process of developing performance measures

The process of developing performance measures, which is part of the strategic planning process, is detailed in the CIPC Integrated Organisational Performance

Management Policy and the current CIPC Strategic Plan, and is implemented as such as shown in the CIPC Strategic Plan and email archives (an example provided in a USB).

Influence of measures

Respondent 5 spoke about how the focus was on numbers rather than on impact, with measures showing contribution to meeting the country's socio-economic needs.

I&C Use of performance measures key findings:

1) There is some appreciation of the importance of performance measurement.
2) I&C unit measures output indicators.
3) The process of developing performance measures which is part of the strategic planning process is detailed in the CIPC Integrated Organisational Performance Management Policy and implementation shown in the current CIPC Strategic Plan and email archives (an example provided in a USB).

5.3.5 Sub-RQ4: How does discretion influence performance system effectiveness?

Understanding of discretion and nature of discretion

Responded 6's view was that an organ of state tends to have limitations as per the Act the governs the CIPC. Respondent 3 expressed satisfaction in the fact that she can disagree with the executive.

6:46   "… Powers rest in the commissioner is the head of the institution."

The dominant view (except for one respondent who answered negatively) regarding pay negotiations autonomy, was that it is limited by human resource delegations according to the government system. Managers can motivate to pay outside the salary band. Respondent 5 explained how limited autonomy regarding pay has resulted in the loss of new recruits to law firms.

2:40   "At an organisational level, pay negotiations are not left, are not delegated to units."

All respondents were unanimous in their view that hiring and firing autonomy is limited. The Commissioner, the chief executive of the CIPC, is the only one with the authority to hire and fire; managers can initiate the process, and motivate to the Commissioner if they want someone hired or fired.

2:47   "The employer hires and fires. That's given to the commissioner."

Respondents indicated that they make budget inputs, which are not guaranteed to be approved.

3:40   "Ja. Even if you budget for certain trips that you think are valuable for the business, you can budget but there is no guarantee that you will be granted the approval when the time comes. Even a pre-approved trip can be cancelled."

Respondents 1, 4 and 7 answered affirmatively on the question of whether they have autonomy to set goals. Respondent 6, through an example, showed that autonomy may be limited in cases where key decisions are made externally.

1:36   "Ja, the goal as well. Ja we have full autonomy there."

Respondents 1, 5 and 7 all said that they have task autonomy. Respondent 3 said managers had autonomy as long as if it is within the legal framework. Respondent 6, who is the head of the I&C unit, said she gives discretion to managers on how to carry out their tasks, confirming the view that managers have full task autonomy.

1:35   " We define what is it that we are going to do."

Respondent 6 discussed how a policy decision to implement substantive patent examination did not make organisational in terms of efficiency, however it made sense at a country level suggesting limited autonomy of a public entity.

5:12   "But if you think about why does this government do[es] certain things, also to create opportunities in the country."

Influence of autonomy on performance management system effectiveness

On the influence of the level of autonomy on performance management system effectiveness, from what Respondent 7 expressed, it is clear that they feel that effectiveness is impeded because of the limited autonomy to make changes in their staff.

7:51   You sometimes wish you could fire everyone and reappoint you know, according to what you want.?

Discretion key findings

1) Managers have limited autonomy with regards to pay negotiations and hiring and firing because the Commissioner has the authority over pay issues, as well as hiring and firing.
2) The budget process is centralised. The influence of managers on the budget is limited to budget inputs.
3) Managers have task autonomy as long as it is within the legal framework as well as goal autonomy, sometimes limited by external policy decisions.

5.3.6 Sub-RQ5: How do performance leadership teams drive performance goals to influence performance management system effectiveness?

Most respondents said they used teams. Respondent 5, who is the head of the unit, seems to have had the opposite experience, namely that teams do not work. In their experience, team members do not arrive for meetings, and there is no flexibility.

5:82   "I tried it now, with the IP for Kids Week, what a nightmare."

The key finding is that performance leadership teams are widely used and found effective by most managers.

5.3.7 Sub-RQ6: How does the use of performance information influence performance management system effectiveness?

Performance information is used for decision making in planning (Respondents 1 and 4), performance monitoring and reporting (Respondents 2 and 7).

> 2:66 "Well, performance information again gives us a good yard stick to assess and gauge our level of performance."

The 2017-2022 CIPC Strategic Plan (Companies and Intellectual Property Commission, 2018) and the 2019/20 – 2021/22 Annual Performance Plan (APP) and 2018/19 Annual Report show that I&C use performance information from the previous year to determine new targets. Performance is monitored against these targets.

The key finding is that the performance information is used for planning and performance monitoring.

5.3.8 Sub-RQ7: How does benchmarking influence performance management system effectiveness?

Respondents said they benchmark for target setting, to learn from the mistakes of others, to find best practice. Respondents emphasised that benchmarking should be done with a goal in mind.

> 6:88 "A goal of finding and implementing something better. "

I&C managers face challenges of budget constraints which limits travel abroad. They seem despondent about this limitation. This shows how important international benchmarking is for them

> 3:69 "They will say there is no need, sometimes they will say financial constraints."

To mitigate for the inability to travel abroad to benchmark, coding shows that managers get benchmarking information from colleagues who have attended conferences. They also do desktop benchmarking, although this has own limitations.

3:71   "So we piggyback on those kind of meetings…"

Managers benchmark current and future targets with the previous year's performance.

2:36   "…using the previous year's information is very important because it serves as an indicator of either progress digressions or transgressions in a way it's sitting baselines. "

Respondent 7 spoke about what she had learnt from her counterparts, showing that benchmarking can be done within South Africa.

7:81   "I've seen it like, like in DST, while they were pushing their IKS bill, they already drafted that regulations."

.

I&C managers also benchmark internationally, from other countries and organisations like the US, BRICS, and through the European Patent's office.

4:79   "So we have a co-operations with a number of offices, so we do study visits…"

The 2017-2022 CIPC Strategic Plan (Companies and Intellectual Property Commission, 2018) and the 2019/20 – 2021/22 Annual Performance Plan (APP) and 2018/19 Annual Report show that I&C benchmark the current performance with the previous   . Performance is monitored against these targets

The key findings are that:

1) I&C managers use benchmarking to set targets, to get best practice.
2) I&C managers benchmarking current performance with the previous year's performance, as well as with other SA departments and international counterparts.
3) I&C managers benchmark with similar legislators abroad.

5.3.9 Sub-RQ8: How does sharing performance reports influence performance management system effectiveness?

Respondents 1, 2, 3 and 6 said that they shared performance plans and reports with their staff mainly to show them their contribution towards overall organisational performance and motivate them to meet targets. Sometimes the reports are simplified for easy understanding. This shows that I&C managers use performance plans and reports to motivate staff.

3:77   "We even share with the staff the overall performance of our organisation."

Respondents 1, 2, 4, 6 and 7 said that they provide information as per requirements of stakeholders, and not in the original format of performance plans and reports.

1:72   "Maybe other stakeholders it will be just, you know, reports about the processes, it's part of the, it's not that we are giving them the report, but we are giving them… you know, our division, what is it all about, so you know, we do give those kind of presentations when we engage stakeholders but somehow we do share."

According to the Respondents 1, 2 and 3, performance plans and reports are shared with the dti (now the dtic) and Parliament to ensure transparency, compliance, demonstrate good governance, and to get external scrutiny and feedback, as well to build organisational reputation. This shows that I&C managers understand the role of political principals and value the exercise as beneficial to them and the organisation.

3:75   "No, it's very good because we need an outsider to look what we are doing and they can always give that outside thinking, which can help us to keep on improving."

The 2018/19 Annual report show on page 62 that the CIPC shares its quarterly performance reports with the Minister of the dtic.

The key findings are that:

1) I&C managers share performance plans and reports with staff and public representatives, the dtic and Parliament. They share selective information with stakeholders.

2) They share with staff to motivate staff by showing them their contribution to overall organisational performance.

3) They share with the dtic and Parliament, for reputational, transparency, compliance, and governance purposes.

5.3.10 Conclusion

The analysis of the I&C case shows that

1) Although the dominant view is that performance is results oriented, all managers appreciate the importance of rules in regulatory environment. These results suggest that rules and regulations have a positive effect on performance management system effectiveness in regulator public entities. What is noteworthy is that unlike BRR managers who emphasised the importance of rules despite that they viewed the performance culture as results oriented, I&C managers made no mention of results. This suggests that it could be that there was less emphasis on the rules and regulations.

2) The strategic planning process is a valued process, and the willingness and mechanisms to extend it to broader staff is there. There is appreciation of how staff involvement in this process will positively influence performance outcomes.

3) Performance measures used are output measures. There is appreciation of a need to measure impact.

4) I&C managers use performance leadership teams, and this mechanism is found to produce positive results.

5) I&C managers perceive their autonomy to be limited, with most powers such as pay negotiations, hiring and firing remaining with the Commissioner, and budget processes are centralised with the office of the chief financial officer. However, the managers think that they have leeway to influence within the legislative frameworks and public service prescripts. They also believe that they influence

budgeting through providing inputs. The dominant view is that there is full goal and task autonomy.

6) Performance information is mainly used for planning, performance monitoring and reporting.

7) Benchmarking is used widely and has resulted in improvements such as the implementation of substantive examination of patents.

8) Sharing of performance plans and reports with staff is for showing staff their contribution to overall performance. Specific information is shared with other stakeholders as it is requested. Sharing performance plans and reports is understood to contribute to reputation building, as well as ensuring compliance, transparency and good governance.

5.4 Comparison of Results of the two cases

5.4.1 Sub-RQ1: How does creating a result oriented culture influence PMS effectiveness?

With regards to the performance culture, the organisation units differ in that in BRR the dominant view is that performance is driven by a combination of a results and rules and focus, while in I&C the dominant view is that performance is driven by a results focus. This is not a fundamental difference because whether respondents said their unit is driven by both or driven by results or rules only, they all still showed appreciation of both results and rules. It can be concluded that the similarities are that both organisational units' managers appreciate the importance of both rules and results, and incorporate this in designing practices to drive performance. What is noteworthy is that unlike BRR managers who emphasised the importance of rules despite the fact that they viewed the performance culture as results oriented, I&C managers made no mention of results. This suggests that it could be that there was less emphasis on the rules and regulations.

Management practices that managers engage in to embed the performance culture are all people-centred. It goes without saying that people are key in inculcating a performance cultures.

What can be learnt about management practices in a public entity that established by the law and entrusted with regulatory duties, is that:

1) Managers appreciate the value of functioning within the rules and therefore design practices that inculcate the rules, but also use the rules to enhance results.

2) Managers appreciate that people are at the critical in embedding a performance culture, and therefore adopt practices that focus on people.

5.4.2 Sub-RQ2: How does bottom-up decision making influence PMS effectiveness?

With regards to strategic planning consultation, the difference is that it seemed important to BRR managers that junior managers and labour representatives were part of the strategic planning process. I&C managers made no mention of this, however they discussed how they engage with staff outside the strategic planning process. This is, however, not a major difference because both managers, through their comments, showed appreciation of a need for engagement. Only one manager, BRR Respondent 9, mentioned that he used a top-down engagement approach which he was happy about. The emphasis was that he engages with staff and he ensures that they understand their roles and contributions, which is similar to the group meetings and quarterly meetings used by I&C management to engage with staff. In spite of these efforts, there were views that the level of engagement of staff can be improved.

The list of benefits of strategic planning and related engagement activities has a common theme, that these benefits are related to performance improvement. What then can be learned about strategic planning decision making management practices is that,

1) Managers engage in practices which, in their view, lead to performance improvement.

2) Management practices are varied, and it does not seem relevant for managers whether it is bottom-up or top-down. What is important is the effectiveness of the method.

5.4.3 Sub-RQ3: How does the use of outcome and impact measures influence performance management system effectiveness?

For both organisational units, although there are email archives showing that managers are part of the process of developing performance measures, there is no evidence

showing their level of participation. However, the need for performance management training came up from the BRR side.

The difference is in the type of measures used. BRR uses activity, output, efficiency, effectiveness measures, while I&C use output measures.

5.4.4 Sub-RQ4: How does discretion influence PMS effectiveness?

BRR managers perceive themselves to have autonomy, except in making budget inputs, and I&C respondents perceive themselves to have limited autonomy in all aspects except in goal and task autonomy. Although at face value it seems the findings are different, a closer look at how they describe autonomy, shows similarities. Both sides describe limitations as being based on the fact that the Commissioner has authority in most areas. Budget autonomy is limited by the centralisation of the budget processes. Therefore, it can be concluded that all managers from both groups have limited autonomy with regards to pay negotiations, hiring and firing, and budgeting. Managers have full autonomy with regards to goal and task autonomy. Moreover, managers do have influence on the aspects in which authority is conferred to a particular position by law. Managers can initiate, motivate for an action as per the legislative framework or prescripts.

What can be learnt about management practices with regards to autonomy, is that even in a semi-autonomous public entity such as the CIPC, if powers related to particular aspects are conferred to the chief executive by legislation, autonomy is limited in those particular aspects.

5.4.5 Sub-RQ5: How does performance leadership teams to drive performance goals influence performance management system effectiveness?

Managers from both sides use performance leadership teams widely to drive performance. Managers thought that teams allow for optimal use of staff's time, as team members can point out a team member who is not doing their part. Respondent nine said that teams allow different perspectives.

5.4.6 Sub-RQ6: How does the use of performance information influence performance management system effectiveness?

In both cases, the key finding is that performance information is mainly used for planning performance monitoring and reporting.

5.4.7 Sub-RQ7: How does the use of performance information influence performance management system effectiveness

In both cases performance information is used for decision making in planning performance monitoring and reporting.

5.4.8 Sub-RQ8: How does benchmarking influence performance management system effectiveness?

In both cases, most of the managers benchmark their current plans and performance with the previous year's. They also benchmark internationally. However due to cost-containment, managers do desktop benchmarking, although this can be problematic. Benchmarking has resulted in improvements.

5.4.9 Sub-RQ8: How does sharing performance reports influence performance management system effectiveness?

Managers from all sides share reports with staff, stakeholders, the dtic and Parliament. Managers share with staff to motivate them by showing them their contribution to overall performance. Information is shared with stakeholders in the format that is required. Plans and reports are shared with the dtic and Parliament for accountability, transparency, good governance and to get external feedback.

The lesson about management practices is that managers engage in activities that will improve performance. They seem to be driven by a need to keep good standing with stakeholders. They also appreciate accounting to the public through the dtic and Parliament.

5.4.10 Summary

The following are similarities:

1. Rules and results are emphasised in the performance culture.

2. Consolation and engagement is valued and practiced.
3. Performance leadership teams are used.
4. Benchmarking with the previous year's performance, and with international counterparts is done. Travel is limited by budget constraints.
5. Performance information is used for planning, performance planning and reporting.
6. Sharing performance reports is found to be beneficial.

The following are differences between I&C and BRR

1. The dominant view in BRR is that the performance culture is both rules and results based. Moreover, all managers places emphasis on rules. The dominant view is that results drive performance, and managers, except for the executive manager, did not emphasise the importance of rules.
2. Some BRR managers indicated that they use bottom-up or top-down consultation, while I&C managers made no mention on the type of consultation done.
3. Whereas BRR measures use activity, output, efficiency and effectiveness measures, I&C measures output.
4. Although recognising that autonomy is centralised in the Commissioner's office, BRR managers thought that they had autonomy in all aspects, as they can influence the outcome through determined processes. I&C managers thought that they do not have autonomy in aspects related to conditions of employment because this is centralised in the Commissioner's office. However, they believed they have full goal and task autonomy. Organisational autonomy does not equal managerial autonomy.
5. Whereas BRR measures use, activity, output, efficiency and effectiveness measures, I&C measures output measures.

Key findings.

1. Rules may be important for performance in a public entity that functions within a legislative framework.
2. Strategic planning consultation, whether bottom-up or top-down may be dependent on a person's management style.

3. Absence of managerial autonomy does not equal absence of organisational autonomy.

5.5 Conclusion

This chapter presented the results of the two cases, BRR and I&C. There are no fundamental differences between the two cases that can explain how management practices work. Findings show that managers of both units engage in the managerial practices tested. Legislation or rules are generally not seen as impediments but as important aspects of how both units operate. The next chapter evaluates these results against the public sector performance management literature reviewed in Chapter Two.

Chapter 6: Discussion

6.1 Introduction

This chapter evaluates the results from analysis of the two cases, BRR and I&C organisational units, as well as results from cross-case analysis against the literature review presented in Chapter 2. Such an assessment will produce empirical findings on public sector performance management and its related practices that contribute to academic discourse, as well as practical implications for public managers and policy makers.

A multi-case research design was used to collect qualitative data using semi-structured interviews. An exploratory inductive study sought to gain insights into public sector performance management and related practices in order to contribute to public sector performance management theory, in particular, performance management.

The main research question is how management practices influence public sector entities. The supporting research questions were informed by the recent literature on the effect of management practices in performance management systems (e.g. Gerrish, 2016; Nielsen, 2014; Pasha, 2018; Verbeeten & Speklé, 2015). These studies use quantitative methods in establishing management practices as moderating effects of performance management on public sector performance. However, more studies are required to understand how performance management and its related management practices work in the public sector, in different contexts (Gerrish, 2016; Jong, 2016b). An exploratory study using a multi-case design comparing two organisational units in a single entity, using the same performance management system, is possibly a novel approach among public sector performance management studies.

The study is set at the CIPC, a semi-autonomous self-funded public agency which, according to the Companies Act, 2008 (Government Gazzette, 2009, p 323), "function[s] as an organ of state within the public administration, but as an institution outside the public service". However, the CIPC is required to implement the South African government's performance management system, as outlined in numerous frameworks and legislation such as the government-wide Monitoring and Evaluation Framework (The Presidency, 2014), and the Public Finance Management Act, No. 1 of 1999 (as

amended) (National Treasury, 1999). South African public entities are not only required to develop and submit planning and reporting documents, strategic plans, quarterly and annual performance reports, they are required to conceptualise, build and implement performance information frameworks.

Two CIPC organisational units, BRR and I&C, were used as case studies. Managers from middle management upwards (Peromnes 7-2) of the two organisational units were interviewed in semi-structured interviews to gain insight into their experiences of how performance management and related management practices work, perspectives and expertise. Data collected was initially coded and categorised as per research questions, however new codes were added as coding continued.

The research objectives were firstly, to understand the nature of the management practices in each organisational unit as perceived by the interviewees, and to understand how each of these practices influences performance management system effectiveness in that organisational unit, as perceived by the interviewees. The second objective was to compare findings from the analysis of each case to see if there is anything else that can be learned about how management practices influence performance management system effectiveness in a public entity.

The two cases produced similar results for all research questions, except for Research Question 3: How does the use of outcome and impact performance measure influence performance management system effectiveness in public entities? Whereas the BRR unit uses activity, output, effectiveness and efficiency measures, the I&C unit uses output measures. A detailed discussion of each research questions follows.

6.1.1 Sub-RQ1: How does creating a result oriented culture influence PMS effectiveness?

One of NPM and performance management ideas is doing away with a focus on rules and procedures, instead to focus on results (Verbeeten & Speklé, 2015). Moreover, studies (Moynihan & Pandey, 2005; Verbeeten & Speklé, 2015) has shown that a results-based culture is positively associated with performance. In his study of the mediating effects of communication on a performance culture, Garnett et al. (2008) found that the adoption of performance management systems has increased rules. This

was a paradox because proponents (Ammons, 1995; Hood, 1995; Pollitt, 1986; Wholey & Harty, 1992) of NPM and the performance management doctrine believed the adoption of performance management systems in the public sector would reduce the effect of rules and procedures. However, (Verbeeten & Speklé, 2015) found rules to have a positive effect of a results culture. The interview questions therefore sought to establish whether the nature of a performance was rules or results oriented. The interview questions also sought to establish how managers embed a performance culture and their perceptions on how the performance culture influence performance management system effectiveness.

6.1.1.1 The nature of performance culture

Although in the BRR case the dominant view was that the performance culture was both rules and results based, most respondents also spoke about the importance of the working within a legislative framework. In contrast, in the I&C case, although the dominant view was that the performance culture is results-based, only respondent six (the executive manager) commented on the importance of working within a legislative framework. The emphasis of rules suggests that the performance cultures can be driven by both rules and results.

The importance of rules in performance management is in contrast to the idea put forth by NPM and performance management doctrine that for performance management systems to work, a results culture should be combined with deregulation (G. A. Boyne, 2003). These results, however, are in line with what Verbeeten and Speklé (2015) found in their study. When they analysed Organisation for Economic Co-operation and Development (OECD) reports to evaluate the effects of reliance on rules and procedures in public organisations, Verbeeten and Speklé (2015) found that reliance on rules was positively associated with a results culture.

The results showing an influence of rules on performance support a hypothesis put forth by Verbeeten and Speklé (2015, p. 971) that rules and regulations have a place in performance management to balance public managers overly pursuing organisational and personal goals as a result of performance management. Rules and regulations also ensure equity in treatment of citizens and ensures a balance between managerial pursuit of results and democratic values that require procedural fairness (Verbeeten & Speklé,

2015). This is a challenge that public managers face from time to time. A case in point is that one of the respondents mentioned how a decision to have a substantive patent examination capacity, was not an ideal for the organisation in terms of economy and efficiency considerations, however this decision was taken for the benefit of the country as a whole.

The differences in the dominant view is not a fundamental difference.

6.1.1.2 Embedding a performance culture

In the BRR case, coding showed that results were embedded through, engagement of staff to get buy in; recruitment of new staff; leading; entrenching performance focused values; and entrenching customer centricity. These were categorised into two, changing mind-sets and changing behaviour. Engagement of staff to get buy-in, leading were categorised under changing mind-sets; and recruitment of new staff, entrenching performance focused values, and entrenching customer centricity categorised at changing behaviours. Coding showed that rules were also embedded through engagement of staff to get buy-in, leading by example, having a legal framework in place; emphasising documenting all activities to keep as evidence of what had been done; as well as providing feedback on the work done. The same categories were used for codes for embedding rules, with one more category created. Engagement of staff to get buy-in and leading by example were categorised as changing mind-sets; emphasising documenting all activities to keep as evidence of what had been done; and providing feedback on the work done categorised as changing behaviour.

In I&C case, coding showed that the results culture was embedded by putting staff at the centre, through motivating, giving feedback, communicating, educating and engaging and supporting staff; making results focus part of daily work life; management working as a team. Motivating, giving feedback, communicating, educating and engaging staff are categorised as changing mind-sets; and supporting staff, making results focus part of daily work life; management working as a team were categorised as changing behaviours. Coding showed that rules were instilled through ensuring adherence to timeframes, and using disciplinary measures where necessary which is changing behaviours to align to the required culture.

The results showed that there were no differences between the two cases in embedding rules and results focus to drive performance, both BRR and I&C managers use tactics that fall into two categories, changing mind-sets and changing behaviours. What was also apparent was that it was incumbent upon management to instil the performance cultures and the staff were at the centre of embedding a performance culture, therefore tactics to embed a performance culture should be directed at the staff. BRR and I&C manager thinking about how to instil their performance culture is aligned to literature on creating performance culture.

Firstly, managers are thought to be at the centre of PMS success (Cavalluzzo & Ittner, 2004). Therefore, high involvement of management in instilling a performance culture will increase the changes of a performance system effectiveness. Secondly, communication has been found to have mediating or moderating effects of organisational culture on performance, (Garnett et al., 2008). Garnett et al. (2008) however, found that upward communication has a positive effect on a results oriented culture, and negative effect on a rules oriented culture. Having established by Verbeeten and Speklé (2015) that rules might be key to the success of a performance management system, Garnett et al. (2008) argument is called into question. However, next is a discussion of the results with regards to how the results culture, embedded with rules and regulations.

6.1.1.3 The influence of performance culture

Having discussed the suggestion that rules may have a positive effect on a results oriented culture for public sector performance, and the importance of management commitment in embedding a performance culture, the extent of influence of a results culture on performance management system effectiveness is discussed at this disjuncture. As indicated in chapter two, performance management system effectiveness for purposes of this study is performance improvement in relation to twelve (12) public sector performance dimensions, divided into five categories (G. A. Boyne, 2002).

Before turning into evaluation of how the two units have fared in terms of performance, the study results are discussed. On the question of how performance culture influence performance management, there was a view that rules and regulations have had a

positive impact on the entrepreneur, as the CIPC (BRR) customer, enforcing a finding that results could be perpetuated by rules in the public entity (Verbeeten & Speklé, 2015). Another view was that the results culture can be credited for improved service delivery and access for customers, which is in line with earlier literature (Garnett et al., 2008; Moynihan & Pandey, 2005). In contrast, another view from the acting executive manager for BRR (the CIPC Commissioner), as one of the respondents, was of the view that BRR managers were not agile enough to meet continuously changing customer expectations; managers had a silos mentality; and lacked understanding of their role in CIPC strategic vision, and they were therefore not making a mark on performance outcomes. The perspective from one manager shed a light into what might be a reason why they were not showing performance improvement, as perceived by the Commissioner. The manager said that managers were faced with work overload and poor prioritisation. On the question of managers' perceptions of how the performance culture influence PMS effectiveness, there was one view that efforts to inculcate a culture of performance had resulted in increased employee committed to their work. Revisiting a discussion of chapter one on GCI 4.0 and DB rankings and a review of the CIPC performance reports could shed light into how the two units are really performing.

South Africa's ranking has improved from 69th in 2018 to the 55th place in 2019 in the institutions pillar, but dropped from 56th to 60th in terms of business dynamism, and remained 46th in terms of innovation capability, according to the GCI 4.0 (World Economic Forum, 2018, 2019). Reducing regulation burden, has also drastically gone from bad (84th) to worse (101st). CIPC partly influences the three indicators, therefore these are not appropriate as indicators of CIPC performance. However, the following indicators are more relevant: protecting minority investors, resolving solvency, strength of reporting and auditing standard, shareholder governance, starting a business, cost of starting a business and time to start a business, for the BRR unit, and property rights, intellectual property protection, patent applications, commercialisation (of innovation). Trade marks applications are left out because of its anomaly with regards to CIPC structure. It falls under BRR although it is part of intellectual property indicators. However, trade marks ranking has worsened from 58th in 2018 to 73rd in 2019 (World Economic Forum, 2018, 2019). This begs a question, whether the current structural positioning of this division has any impact on worsening of ranking.

On the BRR side, South Africa has simplified the process to start a new business by reducing a time for on line business registration, (WB, 2019a), it has improved from 136th in 2018 to 134th in 2019 for starting a business (World Bank, 2018, 2019). SA is ranked amongst the highest in the cost of starting a business at number four in 2019, from 2nd in 2018. For the rest of the indicators, there has been an improvement in five (not highlighted) of the ten indicators in **Table 14: GCI 4.0 and DB – CIPC relevant indicators** under BRR. To get a better picture of how BRR is performance, reviewing performance from an internal perspective show that, BRR has reduced the time it takes to register a company (which is part of the process of starting a business) from average of 15 days in the year 2014/2015 (Companies and Intellectual Property Commission, 2015) to an average of one days in 2018/19 (Companies and Intellectual Property Commission, 2019).

On the I&C side, **Table 14: GCI 4.0 and DB – CIPC relevant indicators** show that patent applications ranking has improved by one point from 50th in 2018 (World Economic Forum, 2018) to 51st in 2019 (World Economic Forum, 2019). Internally, I&C has been engaging in education and awareness events and the average turnaround time for patent applications (which is only the first step of patent registration process which takes months) was three days in 2014/2015 (Companies and Intellectual Property Commission, 2015) and still three days in 2018/2019 (Companies and Intellectual Property Commission, 2019).

Table 16: GCI 4.0 and DB – CIPC relevant indicators

Pillar/Component	2018 Ranking -- /140 (Progress score)	2019 Ranking - -/141 (Progress score)
BRR		
- Starting a business	136th (79.97)	134th (81.2)

Pillar/Component	2018 Ranking --/140 (Progress score)	2019 Ranking --/141 (Progress score)
BRR		
- Protecting minority investors	24th (70.0)	23rd (73.23)
- Resolving insolvency	55th (57.9)	66th (54.49)
- Strength of reporting and auditing standard	55th (64.6)	49th (67.5)
- Shareholder governance	56th (60.0)	37th (67.0)
- Business dynamism	56th (61)	60th (69.1)
- Administrative requirements	-	82nd (67.3)
- Cost of starting a business	2nd (99.9)	4th (99.9)
- Time to start a business	128th (55.3)	129th (60.3)
- Insolvency regulatory framework	24th (78.1)	38th (71.9)
- Insolvency recovery rate	77th (37.0)	78th (37.1)
Innovation and creativity		
- Property rights	97th (49.2)	89th (51.5)
- Intellectual property protection	60th (56.0)	46th (61.1)
- Patent applications	50th (26.6)	51st (25.6)
- Commercialisation	-	64th (57.1)

The Commissioner may be correct in saying that managers were not making an impact on performance because they are not responding to the continuously changing customer expectations as international rankings show regression in important areas

such time to start a business and patent applications. Despite internal improvements, as perceived by managers, these improvements might not be addressing pertinent issues that translate to better rankings and therefore improved SA competitiveness.

In conclusion, the picture painted here is that improvements or lack of improvement inside of the CIPC, might not necessarily translate to improvements in international rankings. A more scientific study of a link between CIPC indicators and international rankings could shed a light into how these work. It could be that the measurement instruments used for international rankings and those used by the CIPC are different. It is worthwhile for the CIPC managers to understand how these work. Moreover, for the question at hand of how management practices influence PMS effectiveness, this suggest that it is important that managers have a sophisticated understanding performance measurement, so that they carefully select internal measures that link and therefore impact global rankings.

6.1.1.4 Key conclusions

The nature of the creation of a results oriented culture is that the rules and regulations might be important for a results oriented culture in a public entity, especially those heavily reliant legislation to carry out their mandate. In line with Verbeeten and Speklé (2015), further research on such contexts using quantitative methods or a combination of both qualitative and quantitative methods to describe and explain the relationship between rules and regulations and a results-oriented culture should be conducted.

Management and staff are at the centre at inculcating a results oriented culture. In a rules focused environment, inculcation of the results culture should build in tactics to perpetuate the use of rules and regulations, and results focus together. Tactics should aim to encourage a mind-set that rules and results are both necessary and are complementary. Behaviours that encourage both rules and results focus should be entrenched.

It may be critical for performance management effectiveness, to ensure that management practices are designed to take into consideration external environment such as global competitiveness measures, and how these measures are assessed.

In conclusion, the key findings is that,

1) Rules and regulations may be a key factor in the successes of a performance management systems in a public entity.

2) Rules and regulation ensures equity, fairness, and control of behaviour while pursuing performance results.

The need to engage staff to embed a results culture and rules and regulations focus, is linked to the next discussion. The next section discussed strategic planning consultation as an important success factor of the strategic planning, as a phase of performance management systems.

6.1.2 Sub-RQ2: How does bottom-up decision making influence PMS effectiveness?

Consultation is one the key principles in strategic planning stage of performance management (Ingraham & Moynihan, 2000). Consultation, is usually done in two ways, bottom up or top down (Gerrish, 2016). Studies (Garnett et al., 2008; Gerrish, 2016; Moynihan & Pandey, 2005; Nielsen, 2014; Pasha, 2018a; Verbeeten & Speklé, 2015) on the effect of bottom-up and top-down decision-making show inconsistent results. The need to better understand how strategic planning consultation work, lead to this research question.   In a quest to explore the nature of management practices at the CIPC and their perceived influence on performance management system effectiveness, this research question, and hence interview questions sought to establish the form strategic planning consultation, and the its perceived benefits or disadvantages.

6.1.2.3 The nature of strategic planning consultation

Strategic planning entails organisation-wide mission establishment, goal setting, and target setting as well as choosing performance measures (George & Desmidt, 2018; Moynihan & Ingraham, 2004; Poister, 2010). Results in both cases are evident of a strategic planning at the CIPC. Respondents commented on how they participate in developing a vision and goals. They commented on how strategic plans, annual performance plans and business plans were cascaded into unit and individual plans.

The results about the strategic planning process is in line with in the CIPC Integrated Organisation Performance Management Policy provided with this report, is in line with the SA government-wide performance management system (The Presidency, 2014).

Moreover, strategic plans, annual performance plans, annual performance reports and quarterly performance reports (Companies and Intellectual Property Commission, 2019) are evidence of a performance management system.

The BRR case results show that strategic planning included not only senior management, it also included junior management and labour representatives, which is in line with strategic planning literature (George & Desmidt, 2018; Heinrich, 2002; Ingraham & Moynihan, 2000; Poister, 2010). For BRR managers However, there was no preference of either bottom-up or top-down consultation methods. The choice of a consultation method seemed to depend each manager.

The results of the I&C case show that strategic planning process is a valued process, and the willingness and mechanisms to extend it to broader staff is there. There is appreciation of how staff involvement in this process will influence performance outcomes positively.

Most important for this study the strategic planning process, respondents commented mostly about participation. As a key principles for strategic planning, consultation and consensus (Poister, 2010) are evidence of proper strategic planning process. BRR managers commented that strategic planning sessions included management at various levels including junior managers or unit representatives and labour representatives.

Managers in both cases clearly valued the strategic planning consultation, as they seem concerned about the appropriateness of the level of engagement of the rest of the staff who were not part of the strategic planning process; whether the staff understood what was committed; and disinterest by some staff members when consulted on strategic planning. If the logic of Moynihan and Pandey (2005) who found that decentralising decision making authority, in other words consultation, had a positive effect of performance, is followed, BRR and I&C should reap fruits of consultation, in improved performance. The perceived benefits of strategic planning consultation is discussed in the next section.

In both cases, managers explained how they consulted staff on strategic planning. Only two managers, from the BRR case, categorically mentioned that they used bottom-up or top-down approach in consultation. One managers said after strategic sessions, he

sits down with his management team, to ensure that they understand, and he expects them to cascade the message to the supervisors, and the supervisors to their teams. The second manager is the only one who spoke about getting inputs from his staff before strategic planning sessions. This was confirmed by another manager who is part of his team. They both commented that a business planning session is held in preparation of inputs into the strategic plan confirming a bottom-up. Gerrish (2016) found that bottom-up decision making had positive moderating the effect on performance management systems effectiveness. This was in line with (Moynihan & Pandey, 2005)

With the rest of the managers, from their comments it can be inferred that they use a top down approach to consultation. Goals are set at the corporate strategic planning level as well as at the unit level. One I&C manager indicated that junior managers are allowed to set their own goals. As indicated at the beginning of this discussion, studies are inconsistent on the effect of bottom-up and top-down consultation on performance. The contradiction of strategic planning consultation approaches in one organisational unit might explain the contradiction in between what Gerrish (2016) on one hand and Nielsen (2014) and (Pasha, 2018) on another hand found regarding bottom-up and top-down participation. Nielsen (2014) and Pasha (2018) found that bottom-up participation in target-setting did not have a positive effect on performance. None of the managers are complaining about the effect of either bottom up or top-down consultation. However, Verbeeten & Speklé (2015) findings suggest that it is not a good idea to use a bottom-up approach on strategic planning, however if strategic plans are cascaded into operational plans, bottom-up consultation might be beneficial. (Verbeeten & Speklé, 2015) found that while operational decentralisation has a positive effect on performance, strategic decentralised decision making has a negative effect on the results oriented culture but positive effects on performance.

This is an example of management styles determining whether a manager uses top-down consultation or bottom-up consultation. A manager and her subordinate, disagreed on whether strategy should be developed by the executive manager, or it should be decided collectively.

One view was that the strategic planning process was disjointed due time limitation to consult with staff adequately, somehow confirming a view that staff engagements were

not at an appropriate level, but in contrast with the view that staff are consulted whether in a top-down or bottom-up approach. Another view was that strategic planning decisions were not implemented satisfactorily due to capacity and time constraints.

The differences in views about the extent of strategic planning consultation, could be managers have individual preferences, possibly informed by differing management styles. Managers said staff were consulted to get their buy-in, to get their inputs, to give them a bigger picture, instilling professionalism, new opportunities emanating from new change efforts.

The results about the strategic planning process is in line with in the CIPC Integrated Organisation Performance Management Policy provided with this report, is in line with the SA government-wide performance management system (The Presidency, 2014). Moreover, strategic plans, annual performance plans, annual performance reports and quarterly performance reports (Companies and Intellectual Property Commission, 2019) are evidence of a performance management system.

The BRR case results show that strategic planning included not only senior management, it also included junior management and labour representatives, which is in line with strategic planning literature (George & Desmidt, 2018; Heinrich, 2002; Ingraham & Moynihan, 2000; Poister, 2010). For BRR managers However, there was no preference of either bottom-up or top-down consultation methods. The choice of a consultation method seemed to depend each manager.

The results of the I&C case show that strategic planning process is a valued process, and the willingness and mechanisms to extend it to broader staff is there. There is appreciation of how staff involvement in this process will influence performance outcomes positively.

The difference between the two case results was that for BRR managers it seemed important that junior managers and labour representatives were part of the strategic planning process as they mentioned it. I&C manager made no mentioned of the involvement of the labour representatives and junior managers, however discussed how they engage with staff outside the strategic planning process. This is however not a major difference because at the end of the day managers in both cases through their

comments, showed appreciation of a need for engagement. Only one manager, mentioned that he used a top-down engagement approach which he was happy about. The emphasis was that he engages staff and he ensures that they understand their roles and contributions. Which is similar to group meetings and quarterly meetings used by I&C management to engage with staff. In spite of these efforts, there were views that the level of engagement of staff can be improved.

6.2.1.4 The influence of strategic planning consultation on performance management system effectiveness

Strategic planning is considered of a valuable in ensuring quality strategic decision-making (Elbanna, William, & Raili, 2016; George & Desmidt, 2018). In the BRR case, all participants agreed that strategic planning add value into the organisation. Respondents further explained what they thought were benefits of strategic planning. They thought it ensures organisational focus on performance; outline actions to be taken to realise performance goals; it ensures that there is a yardstick from which to measure performance; it has a positive effect on organisational culture; it is beneficial for personal development; it contributes to the country's political, social and economic goals; it helps managers keep abreast of issues; and it helps direct operational planning.

I&C managers also spoke about a number of ways in which strategic planning influence PMS effectiveness: it provides guidance and focus out of many things that needs to be done. Managers are then able to identity their contribution to the strategic goals; engaging all levels of management ensures that plans are realistic, as lower levels are more attune to what goes on work-wise; it sometimes provides an opportunity for a group approach in addressing problems.

The previous section showed that embedding culture, and in CIPC case or similar entities, embedding rules and regulations, requires engagement of staff, and consultation is considered an important principle in strategic plan, it can be concluded that strategic planning consultation is not only important for strategic planning, consultation also embeds a performance culture. The next section discussed strategic planning consultation as an important success factor of the strategic planning, as a phase of performance management systems.

6.2.1.4 Key conclusions

In conclusion, the key findings are,

1) The nature of strategic planning consultation is mostly top-down.
2) A choice of a strategic planning consultation could be dependent on an individual's management style.
3) The list of benefits of strategic planning and related engagement activities has a common theme, a focus on performance improvement.

What then can be learnt about strategic planning decision making management practices is that, management practices could be influence by personal style in respect to management.

6.1.3 Sub-RQ3: How does the use of outcome and impact measures influence PMS effectiveness?

Public organisations must meet multiple needs from multiple customers, citizens, and stakeholders (Boyne, 2002). Performance measures must therefore reflect multiple perspectives (Boyne, 2002). Boyne (2002) developed 5 categories of public sector performance measures, namely output, efficiency, outcomes, responsiveness, and democratic outcomes. See *Table 7* for a detailed list of 12 performance dimensions.

The use of outcome and impact measures have been found to have a positive effect on performance (Behn, 2007; Bratton & Malinowski, 2008; Gerrish, 2016). To answer the question of how management practices influence performance management system effectiveness, research question three sought to establish how and what type of measures are used; as well as the benefits of using outcome and impact measures.

6.1.3.1 The nature of performance measures

Boyne's (2002) model is used to understand CIPC performance measures. The results showed that there was poor understanding of performance measures. BRR managers viewed performance measurement as difficult in a compliance monitoring context such as theirs; and were not familiar with the type of measures used. Understanding CIPC measures using Boyne's (2002) model may be a good foundation for improving the use of performance measure at the CIPC. Outputs measures are quantity (e.g. number of company registrations processed at CIPC), quality (e.g. the average time it takes to

process registration); outcomes are the results (e.g. percentage of companies economically active); efficiency and value for money is achieved when a government entity achieves outputs and outcomes with low costs (unit cost per company in the CIPC database that is economy active) Boyne, (2002). Responsiveness is customer satisfaction (e.g. CIPC customer satisfaction index), citizen satisfaction (e.g. CIPC reputation index), staff satisfaction (e.g. CIPC employee satisfaction/engagement index), and cost per unit of responsiveness (cost per customer, cost per citizen, cost per employee). Democratic outcomes include public participation (e.g. number of stakeholder engagement session/number of attendees), probity, which is the adherence to proper governance of public funds, and the absence of fraud and corruption by elected officials and public officials (CIPC audit findings), and accountability, which is the extent that citizens have access to processes to address inequitable services or unfairness (CIPC Ombudsman, Company tribunal) as well as public perceptions of the public entity executive authority answerable for their actions (Boyne, 2002).

Results showed that BRR has the following type of measures monitored at a strategic and business plan level: activity, output, efficiency, effectiveness measures, and I&C, activity and output measures (See *Table 17 and 18*).

Table 17: BRR Performance measures

BRR Performance Measures	Type of measures
1) The average number of days to register a company from the date of receipt of a complete application.	Efficiency (Time)
2) The average number of days to register a co-operative from the date of receipt of a complete application.	Efficiency (Time)
3) Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation	Output (Activity)

BRR Performance Measures	Type of measures
4) Percentage of companies (entities with an active business status) that have filed Annual Returns by the end of the reporting period (year to date)	Effectiveness (Outcome)
5) Ascertain compliance with Social and Ethics Committee requirements in respect of Companies Tribunal Decisions refusing application for exemption	Effectiveness (Outcome)
6) Compliance with the Companies Act through the instalment of Compliance App.	Output
7) XBRL implementation completed	Activity
8) Independent Review Workshop	Output (Activity)
9) Prospectus Boardroom Visits	Activity

Table 18: I&C performance measures

Performance measure	Type
1) Number of education and awareness events on IP conducted by CIPC	Output (activity)
2) Number of education and awareness events on IP enforcement initiatives conducted by CIPC	Output (activity)
3) Audit report on collecting societies	Output (activity)
4) Administration system for patent registration	Output (activity)

6.1.3.2 Process of developing performance measures

The process of developing performance measures, which is part of the strategic planning process, is detailed in the CIPC Integrated Organisational Performance Management Policy and the current CIPC strategic plan, and is implemented as such. However, poor understanding of types of performance measures could be an indication of weaknesses in the performance measure development process. Improvement of the performance measurement development process and training might be necessary for BRR managers.

6.1.3.3 Influence of outcome and impact measures

If the logic that output and impact measures have a positive effect on performance (Behn, 2007; Bratton & Malinowski, 2008; Gerrish, 2016), BRR should show better performance. As shown under the discussion of sub-research question 1, from an external perspective (GCI 4.0 and DB rankings), I&C related indicators show better performance that the BRR related indicators. However, from an internal perspective, BRR has made a lot of improvements that have resulted in improved efficiencies such as the average time it takes to register a company, whereas I&C does not show any visible improvement in efficiencies such as the time it takes to register a patent. It can therefore not be concluded with certainty that the use of impact and outcome measures

by BRR has increased its performance because from an external perspective, BRR is not performance well. As discussed under sub-research question one, the misalignment between what is happening externally and the impact externally could be because of lack understanding of the theory of change with regards to GCI 4.0 and DB indicators. It could be that although BRR measures impact and outcomes, they are not measuring the right things because they do not understand or have not defined the theory of change. This is also related to understanding of performance measures and how they work.

6.1.3.4 Key conclusions

The hypothesis that use of outcome and impact measures results in improved performance might only hold in cases of measures defined internally, and not externally because the review shows that BRR use of outcome and impact measures, could be related to improvements on internal indicators but not on external indicators.

There may be poor understanding of performance measures and how these work and or the process of developing measures might be flawed, because managers showed what was measured.

6.1.4 Sub-RQ4: How does discretion influence PMS effectiveness?

To learn how management practices work, this research question and subsequent interview questions set to establish the nature of different aspects of autonomy, pay negotiations, hiring and firing, financial management, task, and goal autonomy (Verhoest et al., 2004). According to Nielsen (2014), it is important to explore all the aspects to determine which was is important for a performance management systems. The interview questions also set to gain insight into what were the perceptions of managers with regards to influence of managerial discretion on performance, and therefore establish which of the autonomy aspects were considered important in this study, as well as learn how management practices work..

6.1.4.1 The nature of discretion

According to Andrews et al. (2011) and Hvidman and Andersen (2014) the extent to which a public entity meets a 'publicness' criteria of public funding, public control and public ownership, is determinant of the entities' characteristics in terms of autonomy,

incentives and lack of goal clarity. Hvidman and Andersen (2014) found that because public entities has less autonomy, less incentives, and less goal clarity, performance management systems do not work. This therefore makes a case for giving discretion to managers to improve effectiveness of performance management systems. Following this logic, semi-autonomous public agencies such as the CIPC should be more successful in implementing performance management systems but not fully effective.

BRR manager perceive themselves to have more autonomy except in inancial management, and I&C managers perceive themselves to have limited autonomy in all aspects except for goal and task autonomy. Although at face value it seems these findings were different, a close look at how managers from both sides describe autonomy, show similarities. Both sides describe limitations as based on the fact the Commissioner has authority in most autonomy aspects. In both cases, financial management autonomy is limited by centralisation of the budget processes. Therefore, it can be concluded that all managers from both sides have limited autonomy with regards to pay negotiations, hiring and firing as well budgeting. However, they have full autonomy with regards to goal and task autonomy. Limited autonomy means managers do have influence on the aspects in which authority is conferred to a particular position by law. Managers can initiate, motivate for an action such as pay negotiations, hiring and firing as per the legislative framework or prescripts. These results are in line with the literature that political control is characterised by limited autonomy.

6.1.4.2 Influence of discretion of performance management systems

Hvidman and Andersen (2014) found that performance management systems did not work public organisations with less autonomy, amongst other things. The results showed one view that limited authority on pay negotiations, and hiring and firing causes an impediment to performance.

6.1.4.3 Key conclusions

It can be concluded that that even in a semi-autonomous public entity such as the CIPC, when certain powers conferred to the chief executive by legislation, autonomy is limited. In other words, an organisation can have autonomy but not its managers.

6.1.5 Sub-RQ5: How does performance leadership teams to drive performance goals influence PMS effectiveness?

Performance leadership teams is one of many mechanisms to drive performance goals. The research question sought to establish whether performance leadership teams were used and whether it was perceived to influence performance management system effectiveness. According to Gerrish (2016) the use performance leadership teams was on of the key elements of performance management systems.

Performance leadership teams were found to be used widely to drive performance in both cases. Managers thought that teams allow for optimal use of staff's time, as team members can point out a team member who is slacking; as well as different perspectives.

6.1.6 Sub-RQ6: How does the use of performance information influence performance management system effectiveness?

Performance information is a critical element of a performance management system (Moynihan, 2008). It is links strategic planning to performance management and into many aspects where decisions are taken. In both cases key finding is that performance information is mainly used for planning performance monitoring and reporting.

6.1.7 Sub-RQ7: How does benchmarking influence performance management system effectiveness?

In both cases, most of the managers benchmark their current plans and performance with the previous year's. They also benchmark internationally. However due to cost-containment, managers do desktop benchmarking, although this has problems sometimes. In line Gerrish (2016) findings benchmarking has resulted in improvements.

6.1.8 Sub-RQ8: How does sharing performance report influence performance management system effectiveness?

Managers from both organisational units s share reports with staff, stakeholders and the dtic and Parliament. Managers share with staff to motivate them by showing them their contribution to overall performance. Information is shared with stakeholders in the format that is required. Plans and reports are shared with the dtic and Parliament for

accountability, transparency, good governance and to get external feedback. This is line with literature (Cunningham & Harris, 2005; Halachmi, 2002) which suggest that public performance plans and reports force public managers to be accountable and perform to protect both the organisation's reputation and their own reputation, because if they do not, this may attract negative citizen and media attention.

Publishing plans and reports motivates politicians to keep their promises, because of the knowledge that citizens might vote them out if they do not keep their promises (Hibbard et al., 2005). Public performance plans and reports force public managers to be accountable and perform to protect both the organisation's reputation and their own reputation, because if they do not, this may attract negative citizen and media attention (Cunningham & Harris, 2005; Halachmi, 2002). However, it has been found that sharing performance information with citizens was ineffective or counterproductive in police work (Pasha, 2018).

Managers from both cases share reports with staff, stakeholders, the dtic and Parliament. Managers share with staff to motivate them by showing them their contribution to overall performance. Information is shared with stakeholders in the format that is required. Plans and reports are shared with the dtic and Parliament for accountability, transparency, good governance and to get external feedback.

The lesson about management practices is that managers engage in activities that will improve performance. They seem to be driven by a need to keep good standing with stakeholders. They also appreciate accounting to the public through the dtic and Parliament.

6.2 Conclusion

This chapter evaluated results against literature concluding that,

1) There are no fundamental differences between the two cases that can be used to explain how management practices work.
2) Rules and regulations many be important for the success of a results oriented culture in a public entity. This may be more true for public entities reliant on rules

and regulations to carry their functions. Efforts to instil a results culture should also focus on instilling rules and regulations.

3) The choice to use either bottom-up decision-making or top-down decision making may be dependent on a person's management style. Consultation efforts are not only important for strategic planning, but are also important for embedding a results-oriented culture, and rules and regulations.

4) The use of outcome and impact measures may only work as propagated in literature, in an entity whose focus is internal. Public entities that must influence external measures may require sophisticated understanding of performance measures and a clear definition of a theory of change.

Chapter 7: Conclusion

7.1 Introduction

The aim of this study was to investigate how management practices influence the effectiveness of the same performance management system in a public entity. The research objectives were therefore to:

1. Firstly, to understand the nature of the management practices in each organisational unit as perceived by the interviewees, and to understand how each of these practices influences performance management system effectiveness in that organisational unit, as perceived by the interviewees.
2. Secondly, to compare findings from the analysis of each case to see if there is anything else that can be learned about how management practices influence performance management system effectiveness in a public entity.

This chapter concludes this report by presenting key findings, suggestions for future research, suggestions for public managers and legislators, as well as recommendations for CIPC managers.

7.2 Key findings

- The study found no fundamental differences between the two cases studies. A possible explanation is that the two organisational units has too many similarities than differences. Another possible explanation is that the CIPC performance management activities are more centrally coordinated than dispersed into business units.
- Rules and regulations might be important for a results oriented culture in a public entity, especially those heavily reliant legislation to carry out their mandate, in line with Verbeeten and Speklé (2015). Rules and regulations are important for equity, fairness, and control of behaviour while pursuing performance results.
- The hypothesis that the use of outcome and impact measures results in improved performance might only hold in cases when assessing performance inside of an organisation rather than global indicators.

- Management practices may be influenced by personal style. The results and discussion showed that choice to use bottom-up or top-down consultation could be dependent on an individual's management style.
- It can be concluded that that even in a semi-autonomous public entity such as the CIPC, when certain powers conferred to the chief executive by legislation, autonomy is limited. In other words, an organisation can have autonomy but not its managers.

7.3 Suggestions for public managers

In a rules focused environment, inculcation of the results culture should build in tactics to perpetuate the use of rules and regulations, and results focus together. Tactics should aim to encourage a mind-set that rules and results are both necessary and are complementary. Behaviours that encourage both rules and results focus should be entrenched.

Management and staff are at the centre at inculcating a results and rules oriented culture. Public managers and legislators bear this in mind when deciding to adopt performance management systems in public entities, and ensure that there is buy-in from these two groups.

It may be critical for performance management effectiveness, to ensure that management practices are designed to take into consideration external environment such as critical performance measures, and how these measures are assessed.

It is important that managers have a sophisticated understanding performance measurement, so that they carefully select internal measures that link and therefore impact global rankings.

7.4 Recommendations for CIPC managers

There may be poor understanding of performance measures and how these work and or the process of developing measures might be flawed, because managers showed what was measured.

Improvements or lack of improvement inside of the CIPC, might not necessarily translate to improvements in international rankings. CIPC managers must understand the theory of change before they choose performance measures. This is important if the CIPC

managers want to make an impact into the country's competitiveness more scientific study of a link between CIPC indicators and international rankings could shed a light into how these work. It could be that the measurement instruments used for international rankings and those used by the CIPC are different. It is worthwhile for the CIPC managers to understand how these work.

It is important that managers have a sophisticated understanding performance measurement, so that they carefully select internal measures that link and therefore impact global rankings. The process of developing performance measures should be improved to ensure that managers know what is measured and why it is measured.

7.5 Limitation of the study

Careful consideration should be taken in generalising the findings of this study as CIPC as a semi-autonomous public entity could be more efficient and perform better that public entities that meet all three criteria, as shown some studies (Andrews et al., 2011; Hvidman & Andersen, 2016) that agencies that do not meet all 'publicness' criteria could be more efficient and perform better that public entities that meet all three criteria.

Although this study was design in a way to ensure robustness and internal validity for a qualitative study, the notions about the influence of management practices on BRR and I&C performance was not scientific but qualitative. It was based on research interviewees' perceptions as well as the researcher's assessment using qualitative methods. Caution should therefore be taken in interpreting the results with regards to the conclusions on how management practices influences PMS.

7.6 Suggestion for future research

The recommendations for future research are

- This study used qualitative methods, availing insights into the experiences, understanding and perceptions about the influence that management practices have on performance management system in improving performance. Although a multi-case design was used to increase generalisability of the report, no fundamental differences were observed that could explain the studied topic. A quantitative study or a study using a combination of qualitative and quantitative

in a policy context involving a wider sample of mangers could describe and explain how the performance management systems and related practices work.

- In line with Verbeeten and Speklé (2015), further research on such contexts using quantitative methods or a combination of both qualitative and quantitative methods to describe and explain the relationship between rules and regulations and a results-oriented culture should be conducted.

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Appendix 1: Interview consent letter

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

Dear Interview Participant

I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of an MBA.

I am conducting research on performance management system (PMS) management practices. My intention is to find out how do management practices influence PMS effectiveness in a policy area, business and intellectual property environment regulation.

I hereby request your consent for participation as an interviewee.

The interview is expected to last for about an hour and a half.

Your participation is voluntary and you can withdraw at any time without penalty.

All data will be reported without identifiers. If you have any concerns, please contact my supervisor or me. Our details are provided below.

Researcher name: Nokwanda Mdletshe   Research Supervisor: Dr Philip Maxton
Email: evilamai@gmail.com   Email: MaxtonP@gibs.co.za
Phone: 082 902 4448   Phone: 082 456 4180

Signature of participant: _____
Date: _____

Signature of researcher: _____
Date: _____

Appendix 2: Interview questionnaire

Student Name: Nokwanda Mdletshe

Student Number: 17392219

Supervisor: Dr Philip Maxton

Introduction:

1. Performance management refers to strategic planning, performance measurement and performance information use (monitoring and reporting), not employee performance management.
2. The focus is on the organisational unit (Business Regulation and Reputation / Innovation and Creativity) not the entire organisation (CIPC)

Research Question 1: How does creating a result oriented culture influence PMS effectiveness?

1. Is the Unit rules/compliance oriented or results oriented? In what way?
2. To what extent is the rules/compliance / results oriented culture embedded?
3. To what extent do the rules/compliance / results oriented culture influence performance management?
4. What mechanisms do you use/ are used by management to mitigate the risks associated with organisation unit culture that is not conducive to performance management?
5. Is there anything else you would like to talk about regarding organisation unit culture and its influence on performance management?

Research Question 2: How does bottom-up decision making influence PMS effectiveness?

6. What is the strategic planning, goal and target setting process? How are the performance goals and targets set?
7. How does the current consultation process influence PMS effectiveness?

Research question 3: How does the use of outcome and impact measures influence PMS effectiveness?

8. What type of performance measures are used in the organisation?
9. How do these measures influence PMS effectiveness?

Research Question 4: How does discretion influence PMS effectiveness?

10. To what extent do management have autonomy (pay negotiations, hiring and firing, financial management, task autonomy, and goal setting autonomy) in implementing the unit's performance objectives?
11. How does the current level of discretion influence PMS effectiveness?

Research Question 5: How does performance leadership teams to drive performance goals influence PMS effectiveness?

12. Do you use performance leadership teams to drive performance?

13. What value do performance leadership teams in deriving performance add in the organisation?

Research Question 6: How does the use of performance information influence PMS effectiveness?

14. How is performance information used in the organisational unit?

Research Question 7: How does benchmarking influence PMS effectiveness?

15. Do you benchmark with the previous year's performance to inform the current target setting and performance?
16. Do you benchmark with other similar organisations performance to inform current target setting and performance?
17. How does the way you benchmark influence PMS effectiveness?

Research Question 8: How does sharing performance report influence PMS effectiveness?

18. Do you share these performance reports with staff, stakeholders, and the public?

19. What value does sharing performance reports with managers, staff, and other stakeholders as well as **the dtic**, parliament and public through publishing on the website, add to the organisation?

Catch all question

20. Are there any other factors which we have not discussed which you think may affect the PMS effectiveness?

Appendix 3: BRR Final coding scheme

Code	Grounded	Code Groups
Benchmarking: Benchmarking done	18	Benchmarking
Benchmarking: Challenges	3	Benchmarking Challenges
Benchmarking: Influence on PMS effectiveness	1	Benchmarking
Bottom-up decision making: Challenges/Solution - planning consultation	14	Bottom up decision making
Bottom-up decision making: Influence on PMS effectiveness	18	Bottom up decision making
Discretion: Budgets	17	Discretion
Discretion: General	2	Discretion
Discretion: Goal setting	15	Discretion
Discretion: Hiring and firing	25	Discretion
Discretion: Influence on PMS effectiveness	6	Discretion
Discretion: Pay negotiations	5	Discretion
Discretion: Task autonomy	8	Discretion
Mechanisms: Influence on PMS effectiveness	5	Mechanisms
Mechanisms: Performance leadership teams	16	Mechanisms
Performance culture: Challenges - embedding a results culture	5	Performance culture
Performance culture: Embedding	25	Performance culture
Performance culture: Evidence of performance culture	1	Performance culture
Performance culture: Impact of a results culture	3	Performance culture
Performance culture: Influence on PMS effectiveness	3	Performance culture
Performance culture: Leadership and management support of adoption and implementation	8	Performance culture
Performance culture: Management buy-in and attitude on PMS	8	Performance culture
Performance culture: The performance culture in place and reasons	14	Performance culture

Code	Grounded	Code Groups
Performance reporting	3	Performance monitoring
Publishing of performance reports	2	Sharing performance reports
Review performance wrt targets	1	Performance monitoring
Sharing performance reports with staff	6	Sharing performance reports
Sharing performance reports: Influence on PMS effectiveness	7	Sharing performance reports
Strategic planning consultation/decision making: Type of	15	Bottom up decision making
Understanding of performance management systems	1	PMS
Use of outcome and impact performance measures: Influence PMS	1	Use of impact and outcome performance measures
Use of outcome and impact performance measures: Performance measures used	14	Use of impact and outcome performance measures
Use of outcome and impact performance measures: Process of developing measures	3	Use of impact and outcome performance measures
Use of Performance Information: How PI is used	18	Use of performance information

Appendix 4: I&C Final code scheme

Code	Grounded	Code Groups
Benchmarking: Challenges	6	Benchmarking
Benchmarking: Solutions	3	Benchmarking
Benchmarking: Understanding of	4	Benchmarking
Bottom up decision making: Influence on PMS effectiveness	16	Bottom up decision making
Bottom up decision making: wrt Strategic planning	32	Bottom up decision making
Bottom-up decision making: Challenges	9	Bottom up decision making
Discretion: Budget	19	Discretion
Discretion: Challenges	3	Discretion
Discretion: General	1	Discretion
Discretion: Goal setting	8	Discretion
Discretion: Hiring and firing	26	Discretion
Discretion: Influence on PMS effectiveness	2	Discretion
Discretion: Pay negotiations	19	Discretion
Discretion: Task	11	Discretion
Discretion: Understanding of	2	Discretion
Mechanisms: automation	4	Mechanisms
Mechanisms: Budget	8	Mechanisms
Mechanisms: Capacity	2	Mechanisms
Mechanisms: Challenges - Capacity	1	
Mechanisms: Challenges - Differing leadership styles	8	Mechanisms
Mechanisms: Challenges - employee attitude	7	Mechanisms
Mechanisms: Challenges - External influences	2	
Mechanisms: Challenges - Implementation of externally decided polices	7	Mechanisms
Mechanisms: Challenges - Organisation age profile	4	Mechanisms
Mechanisms: Challenges - organisation productivity levels	1	Mechanisms
Mechanisms: Challenges - organisation transition	2	Mechanisms

Code	Grounded	Code Groups
Mechanisms: Challenges - organisational skills profile	5	Mechanisms
Mechanisms: Challenges - Support units	4	Mechanisms
Mechanisms: Communication	4	Mechanisms
Mechanisms: Continuous improvement	2	Mechanisms
Mechanisms: Customer centricity	2	
Mechanisms: Deployment of managers	2	
Mechanisms: disciplinary process	1	Mechanisms
Mechanisms: Employee goal setting	0	Mechanisms
Mechanisms: Employee motivation	5	Mechanisms
Mechanisms: External collaboration	7	
Mechanisms: Future solution - coordination of BRR and I&C	3	Mechanisms

Appendix 5: BRR Strategic Performance Measures

Output	Performance Measure or Indicator	2018/19 Annual Target	Actual Achievement	Deviation from planned target to actual achievement	Comments on deviations
GOAL 1: Reduce the administrative compliance burden for companies and IP owners					
Strategic Objective 1.2 Timely delivery of all CIPC products and services.					
Reduction in the average number of days to register a company from the date of receipt of a complete application	The average number of days to register a company from the date of receipt of a complete application.	2	1	1	The positive achievement is mainly due to staff gaining experience in processing applications (speed within which certain applications are processed due to increase experience, memory retention and memory application. Also the queues are checked multiple times a day to ensure that incoming applications are processed speedily
Reduction in the average number of days to register a co-operative from the date of receipt of a complete application.	The average of the number of days to register a co-operative from the date of receipt of a complete application.	3	2	1	The unit exceeded the annual target due low system down time.
GOAL 2: A reputable Business Regulation and IP Protection environment in South Africa.					
Strategic Objective 2.1: Increased knowledge and awareness on Company and IP Laws.					
Increased level of awareness of the Company Act and other related legislation.	Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation	3	3	0	No deviation

GOAL 2: A reputable Business Regulation and IP Protection environment in South Africa.					
Strategic Objective 2.2: Improved compliance with Company and IP Laws.					
Increased % of Companies (entities with an "active business" status) that have filed Annual Returns by the reporting period	% of companies (entities with an active business status) that have filed Annual Returns by the end reporting period (year to date)	44%	44%	0%	No deviation

Appendix 6: Current BRR strategic performance measures

Goal/Outcome 1: Reduced administrative compliance burden for companies and IP owners.								
Output	**Performance Indicator/ Measure**	**Audited Actual Performance**			**Estimate Performance**	**Medium Term Targets**		
		2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Strategic Objective 1.2: Timely delivery of all CIPC products and services.								
Reduction in the average number of days to register a company from the date of receipt of a complete application	The average number of days to register a company from the date of receipt of a complete application.	6	3	2	2	2	2	1
Reduction in the average number of days to register a co-operative from the date of receipt of a complete application.	The average of number of days to register a co-operative from the date of receipt of a complete application.	15	3	3	2	2	2	1
Goal/Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa.								
Strategic objective 2.1: Increased knowledge and awareness on Company and IP Laws.								

Goal/Outcome 1: Reduced administrative compliance burden for companies and IP owners.								
Output	**Performance Indicator/ Measure**	**Audited Actual Performance**			**Estimate Performance**	**Medium Term Targets**		
		2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Increased level of awareness of Company Act and other related legislation	Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation	-	-	-	3	3	4	5
Strategic Objective 2.2: Improved compliance with the Company and IP Laws.								
Increased % of public companies (entities with an "active business" status) that have filed annual returns on time by the end of the reporting period	% of public companies (entities with an active business status) that have filed annual returns on time by the end of the reporting period	80% (Not audited)	80% (Not audited)	79% (Not audited)	73%	75%	80%	90%
Increased % of public companies	% of public companies (entities with an active business status) that	Not measured	Not measured	Not measured	50%	60%	70%	80%

Goal/Outcome 1: Reduced administrative compliance burden for companies and IP owners.								
Output	**Performance Indicator/**	**Audited Actual Performance**			**Estimate Performance**	**Medium Term Targets**		
	Measure	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
(entities with an "active business" status) that have filed audited financial statements on time by the end of the reporting period	have filed audited financial statements on time by the end of the reporting period							

Appendix 7: BRR Business Plan Performance Measures

Link to Strategic Objective	Key Performance Indicators	Target 31 March 2020
Improved compliance with the Company and IP Laws	Ascertain compliance with Social and Ethics Committee requirements iro Companies Tribunal Decisions refusing application for exemption	Follow up on Companies Tribunal rejections of exemptions relating to Social and Ethics Committee
	compliance with the Companies Act through the instalment of Compliance App.	Verify 12 Companies information submitted through the Compliance Application(App)-Company Enforcement
	XBRL implementation completed	Implementing Phase 2 of XBRL
	Independent Review Workshop	Implementing the decisions from the report on the 2018 IR Workshop
	Prospectus Boardroom Visits	Report on the 2019 BR Visits Conducted
	% of public companies (entities with an active business status) that have filed annual returns by the end of the reporting period (proposed change: annual returns on time)	75% of public companies (entities with an active business status) that have filed annual returns by the end of the reporting period (proposed change: annual returns on time)

Link to Strategic Objective	Key Performance Indicators	Target 31 March 2020
24/7 access to all CIPC products and services.	The average number of days to register a company from the date of receipt of a complete application.	2
	The average number of days to register a co-operative from the date of receipt of a complete application.	3
Increased knowledge and awareness on Company and IP Laws	Improved Education and Awareness of the Company Laws	Develop a Directors Education Programme
		Train National Prosecuting Authority on areas of the Companies Act at 2 events
		Number of education (12) and awareness events initiated / collaborated in on the Companies Act and related legislation.

Link to Strategic Objective	Key Performance Indicators	Target 31 March 2020
		Participation in Ministerial events, for both *dti* and other government departments Ministers.
		Use Webinars to do 3 CIPC product & services education sessions.
		Train 4 Municipalities on 3rd party utilisation.
		Arrange and / or participated in 3 events in Rural Areas in order to provide onsite e-Services (e.g. company registration)

Link to Strategic Objective	Key Performance Indicators	Target 31 March 2020
		Co-operatives Amendments Act workshops, subject to implementation of the Act.

Appendix 8: I&C Strategic Performance Indicators

Output	Performance Measure or Indicator	2018/19 Annual Target	Actual Achievement	Deviation from planned target to actual achievement	Comments on deviations
GOAL 2: A reputable Business Regulation and IP Protection environment in South Africa.					
Strategic Objective 2.1: Increased knowledge and awareness on Company and IP Laws.					
Increased knowledge and awareness on IP	Number of education and awareness events on IP conducted by CIPC	30	56	26	The stakeholders responded in numbers on the IP interventions
Strategic Objective 2.2: Improved compliance with Company and IP Laws.					
Increased knowledge and awareness of creativity and IP enforcement	Number of education and awareness events on IP enforcement initiatives conducted by CIPC	6	9	3	Special requests were received that had future collaboration benefits.

Appendix 9: Current strategic performance indicators

Goal/Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa.							
Output	**Performance Indicator/ Measure**	**Audited Actual Performance**			**Estimate Performance**	**Medium Term Targets**		
		2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Strategic objective 2.1: Increased knowledge and awareness on Company and IP Laws.								
Increased knowledge and awareness on IP	Number of education and awareness events on IP conducted by the CIPC	-	-	23	30	30	40	40
Strategic Objective 2.2: Improved compliance with the Company and IP Laws								
Increased knowledge and awareness on IP Enforcement	Number of education and awareness events on IP enforcement conducted by the CIPC	-	-	4	6	6	8	10

Appendix 10: I&C Business Plan Performance Measures

Link to Strategic Objective	Key Performance Indicators
Improved compliance with the Company and IP Laws	Audit Report on collecting societies
24/7 access to all CIPC products and services.	Administration system for Patent registration