Chapter 1   *INTRODUCTION*

1.1   NATURE OF THE PROBLEM AND NEED FOR THE STUDY

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

The economy of a nation is expressed in terms of its Gross Domestic Product. This GDP is the total production outcome of all its applied labour together, which is traded in the global market. Their cumulative production outcome depends on how much is produced by each worker and the number of workers that participate. In comparison with other winning nations such as Japan where each Japanese produces 40000 $ US per year, South Africans only manage to produce 3000 $ US per year per capita. It is therefore obvious that the low GDP is a consequence of low levels of production by the workers. Combine this with the low

number of people employed, the result is disastrous for the economy and consequently for the inhabitants of the country. The researcher suspects that many products produced are produced at such a high production cost that they cannot compete price wise with overseas competition. Many potential alleys can also not be explored because of the same reason. If only a small portion of a nation enjoys employment, it means that very little money is available amongst households to be spent on finished products which implies a lesser demand for these products which in turn means less employment. It becomes a vicious downward spiral with heavy accompanying social problems and increasing levels of crime. The seriousness of the problem cannot be underestimated and the need for a cure is beyond any doubt.

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

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

1.1.1 Problem Statement

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

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

1.1.1.1 Sub-problem 1:

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

1.1.1.2 Sub-problem 2:

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

1.1.1.3 Sub-problem 3:

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

1.1.1.4 Sub-problem 4:

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

1.1.2 Purpose of study

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

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

1.1.2.1 Research objective 1:

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

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

1.1.2.2 Research objective 2:

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

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

1.1.2.3 Research objective 3:

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

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

1.1.2.4 Research objective 4:

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

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

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

1.2 METHODOLOGICAL APPROACH AND COMPOSITION OF STUDY

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

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

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

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

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

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

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

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

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

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

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

1.3   SCOPE AND DELIMINATIONS OF STUDY

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

As no measurement scale exists in measuring the effectiveness of management, the researcher based his conclusions and interpretations on opinions of subjects and the mentioned experience over years. The researcher recognises this as a limitation of this

study as it can be argued that the study only represents a personal viewpoint of the researcher and may not be an adequate indication of what the real causes of low levels of productivity are or the impact of a non-enabling management role on the dilemma. The researcher proposes that further quantitative research be performed on different dimensions of the problem and that more case studies be recorded where the corporate communication system is implemented in its full capacity. Different variables should be identified and measured on conditions that exist before the implementation of the corporate communication system. Regular measurements of these variables should be recorded over time and compared to pre-measurements. The computerised corporate communication system, BIMP, that was developed on the principles of the corporate performance communication system resulting from this study, allows for different indicators to be compiled and trends and comparisons to be plotted.

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

1.3.1 Components of the corporate communication system

There exists no known consensus that the 3 main components of the corporate communication system. namely performance management, competence development and work environment improvement in fact represent a complete and holistic solution to productivity improvement. There exists also no known consensus that on the other hand all 3 these components are necessary to form a complete corporate communication system. No research has been done to explore the exact relationship between productivity and any of the 3 components and interdependency between any 2 of them. There also exist no universally

accepted exact measure of productivity in order to measure the direct effect of any of the components on the corporate communication system as a whole on productivity in quantitative terms. Based on his experience and relevant studies, the researcher made the assumption that these 3 components could be considered the complete set of factors in a holistically developed corporate performance communication system and that all 3 must be included else the system will be incomplete and unsuccessful.

1.3.2 Completeness of experiment

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

1.3.3 Non-randomisation of subjects to groups

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

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

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

Chapter 2   *THE IMPORTANCE OF PRODUCTIVITY GROWTH*

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

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

2.1   PRODUCTIVITY GROWTH IN ECONOMIC GROWTH

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

Usually in immature economies, productivity growth is initially caused by large investments in capital intensity. It seems easier and more obvious to buy technology and better

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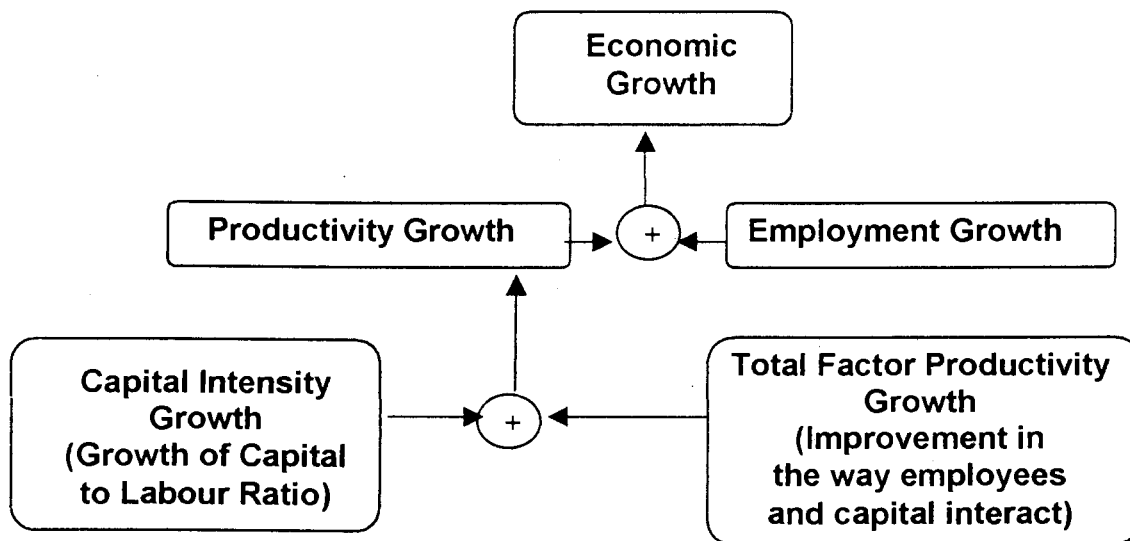

Figure 1   Economic Growth Tree
                    (SOURCE: Ramasamy 1993)

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

2.1.1 Productivity growth and quality of labour

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

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

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

2.1.1.1 Determinants of quality of labour growth

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

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

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

Table 1: Determinants of Quality of Labour

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

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

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

whole.

2.1.2 Organisational performance and productivity

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

2.1.2.1 Macro-economic effectiveness

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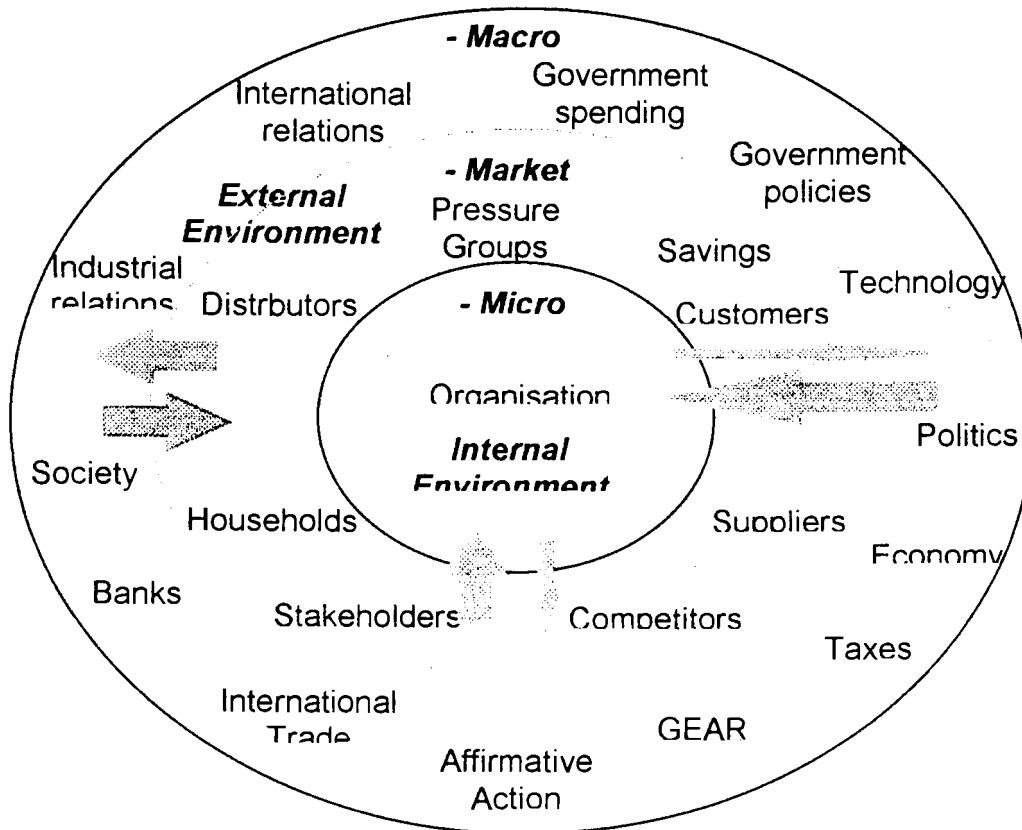

Figure 2   External Business Environment

The overall goal of any organisation should be macro-economic effectiveness. Even Government Departments and not-for-profit organisations should have as objective. their

economic effectiveness with regard to the external environment. In a First World country with an established society , macro-economic effectiveness mainly implies profitability to private business and service effectiveness to non-profit organisations. In a developing country such as South Africa, a second important component is more prominent than in First World countries namely, legitimacy also called social responsibility. This refers to meeting the expectations of government and society regarding the demographic distribution, development opportunities and equity, amongst others, in the organisation. During the initial stages of becoming legitimate, it will have a limiting effect on profitability, therefore a balance should exist between the two issues. Affirmative action as an example inevitably draws heavily on business profits if done properly. Therefore, the balance between profitability and legitimacy must be carefully managed. Little return on investment exists when focusing all attention and resources on the functioning of the organisation if it is in the wrong business or going in the wrong direction with regard to these issues.

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

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

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

The overall welfare of any organisation also depends on micro efficiency. It is equally fatal to travel efficiently in the wrong direction than to travel inefficiently in the right direction. Both

issues must be optimised simultaneously and to neglect one for the other will eventually derail the organisation.

2.1.2.2 Micro Efficiency

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

The micro environment basically consists of three elements, namely:

- structure
- employees
- organisational resources

Table 2: Micro Environment

Figure 3   Internal Business Environment
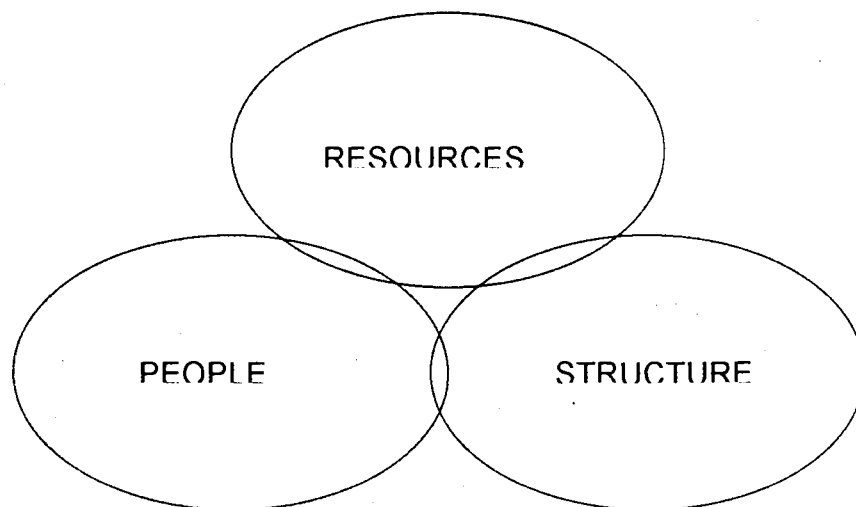
As far as structure is concerned, it includes all systems, policies, procedures and anything else that directs or directly influence the performance of the employees. The functional structure, that is "who reports to who" and "who must do what", is usually the focus of most business improvement plans and organisational change projects, usually with little effect on

improved efficiency. As far as micro efficiency is concerned everyone's performance should be structured in such a way that all efforts are aligned and going in the same direction. It will be fatal if people work against one another, which will imply that the higher the performance effort, the worse the result. All functions should be structured in such a way that a synergistic result can follow from their individual performance outcomes. Job flow must be easy and no functional gaps must exist, else some important tasks will be neglected. If the human effort is not structured properly, that is, applied in the right positions to cause an aligned effort, the performance objective cannot be achieved effectively.

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

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

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

A nation will only succeed if they put an end to all scattered, shotgun attempts to improve business and consolidate and align their efforts as part of a global properly defined intervention. This does not ask for half-hearted, noncommittal involvement, but fully committed, passionate participation from everyone. The vehicle to create and sustain this is

a well-designed corporate performance communication system. Such a system forms the nerve system throughout the organisation sending the appropriate impulses and information to all relevant sections in order to initiate effective response.

Traditionally productivity improvement attempts showed any of the following characteristics:

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

Table 3: Traditional Productivity Improvement Characteristics

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

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

creation of wealth.

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

2.1.2.3 Characteristics of low performing organisations

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

and choose sides.

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

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

Table 4: Characteristics of Low Performing Organisations

2.1.2.4 Characteristics of high performing organisations

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

- No Us-Them climate exists.

- No strikes or industrial aerobics. A mode of adaptive co-operation between management and union. Unions are seen as strength and not a threat. Union and Management share the same objective - Highly productive and profitable organisation.

- Company perks are not reserved to management ranks. E.G. Reserved parking based on job necessity and not status. Company cars for business purposes and not status.

- Remuneration range of approximately 1-9 between newly appointed junior to CEO.

- There is a high degree of bonding amongst people, and a sense of freedom and mutual responsibility.

- Risk is accepted as a condition of change and growth.

- People are continuously learning to learn together - Learning Organisation.

- Poor performance is not accepted, but a joint resolution sought instead of personal punishment.

- Where there's a will, there's a way.

- Organisational structure, procedures, and policies are developed to help people get the job done and to protect the long-term health of the organisation and not to protect the organisation against its people. They are also changed readily by the people themselves. An attitude of assistance rather than restriction can be read between the lines.

- There is a sense of order, and yet a high rate of creativity. Old methods are questioned and new ones encouraged.

- The organisation itself adapts swiftly and timeously to opportunities or threats in the market place, because everyone is on board of the transformation train all the time and every person is competent and attuned to anticipating it.

- The description of a rehumanised organisation may appear idealistic. It is perhaps more a statement or direction than a state that has been achieved by any known organisation.

- Ongoing deliberate performance communication across all sectors of the organisation

Table 5: Characteristics of High Performing Organisations

2.2   SUMMARY

2.2.1 Business Performance in perspective

2.2.1.1 Macro perspective

The Gross Domestic Product (GDP) is the basic measurement of the total economical

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

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

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

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

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

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

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

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

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

Therefore, the amount of economic upliftment that can be achieved in the future in any country, will depend to a large extent on how fast the productivity can grow. The speed of growth of productivity depends on how responsive organisations are towards improvements and how well the workforce can cope with it. The workforce will only be equipped to cope

with it if they have sufficient work skills as well as an acceptable level of overall education allowing them to understand business and the economy, and a desire to perform. This will depend largely on the attitude and astuteness of Business and Government. Only by managing these factors deliberately and successfully will a nation be able to enjoy a higher standard of living as a whole.

2.2.1.2 Micro Perspective

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

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

concrete set of instructions and directives that will continuously force the behaviours of all employees to correspond with the characteristics of an empowered learning organisation. This is called a corporate performance communication system. There exists a distinct difference in principle between the purpose of a corporate performance communication system and the traditional performance assessment or merit rating systems.

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

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

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

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

Such an approach differs from most other approaches in that it not only involves setting objectives and evaluating them at specific times but it also involves the development of productivity in order to ensure the successful achievement of these objectives. Development of productivity entails development of the human resources as well as development of the organisation on an ongoing basis as the process requires. For an organisation to become and remain a world class performer it has to implement this type of properly designed

corporate performance communication system that will continuously enable the organisation to detect and eliminate as many as possible inhibiting performance barriers with respect to existing and future performance objectives. It must result in a competent, motivated and properly equipped work team that delivers effective and efficient work on a continual base.

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

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

them in order to improve their level of productivity. Only an increase in productivity can lower the cost of labour.

2.3   PRODUCTIVITY IMPROVEMENT

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

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

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

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

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

2.3.1 Fundamentals of productivity improvement

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

- Employee competence
- Employee motivation
- Work environment effectiveness

Table 6: Production Elements

The outcome of the production process is the performance outcome that results from bringing employees and a work environment together with the intent of producing that outcome. Whether this result is good or bad, will depend on how effectively this outcome, service or product, fits the external environment and how efficiently the production process went. The model can be taken very literally. Without a solid foundation the pillars will sag away and the structure will collapse. Employee motivation forms this foundation, therefore to ignore it will be fatal in the end. The competencies of the employees must be applicable and in balance with the work environment and vice versa. If organisational capacity lies unutilised because of a lack of competencies, it is a waste. If there exist more useful competencies than what can be applied due to a lack of organisational resources or

infrastructure, it will cause frustration and a mediocre performance at best. In both cases, with reference to the model, the construction will be lopsided and it might collapse. If both competencies and the work environment are low, the roof will be very close to the ground and competitors might easily walk straight over it. All three the components of productivity must be managed deliberately and in an integrated fashion. The element that is most neglected, is employee motivation. Many managers consider it a soft issue and not an organisational concern. It is however a critical component and without it the organisation will not survive in the long term.
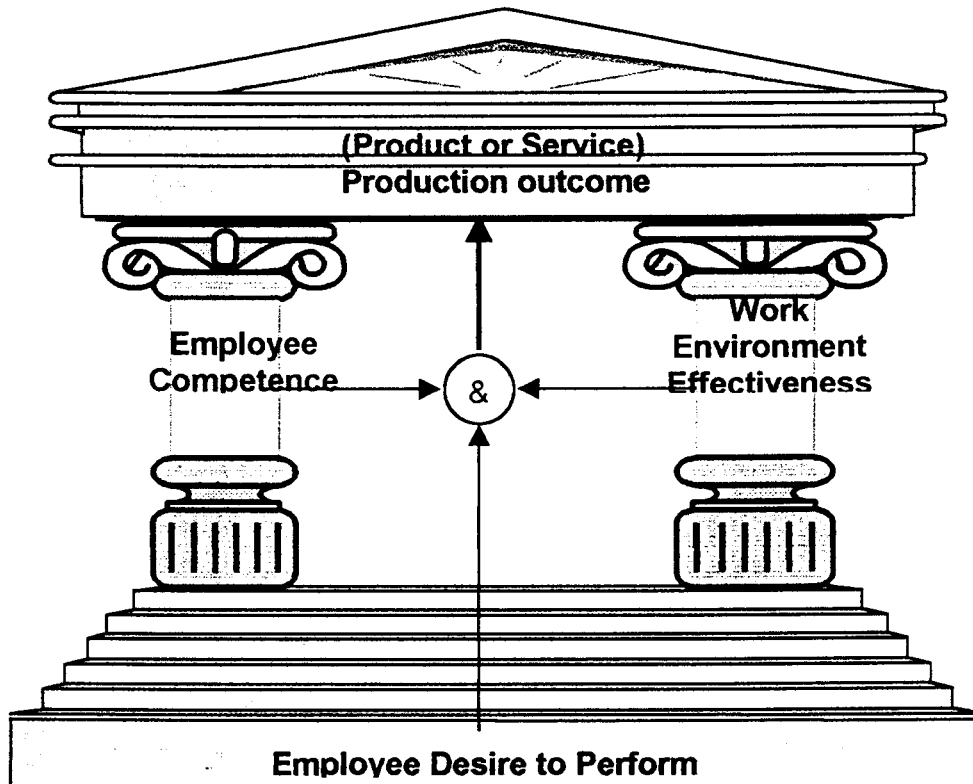
Figure 4   Production Model

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

2.3.2 Employee Motivation - The desire to perform

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

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

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

▪ Extrinsic motivators
▪ Extrinsic demotivators

Table 7: Components of the Desire to Perform

In some motivational studies intrinsic and extrinsic motivators are discussed. Intrinsic

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

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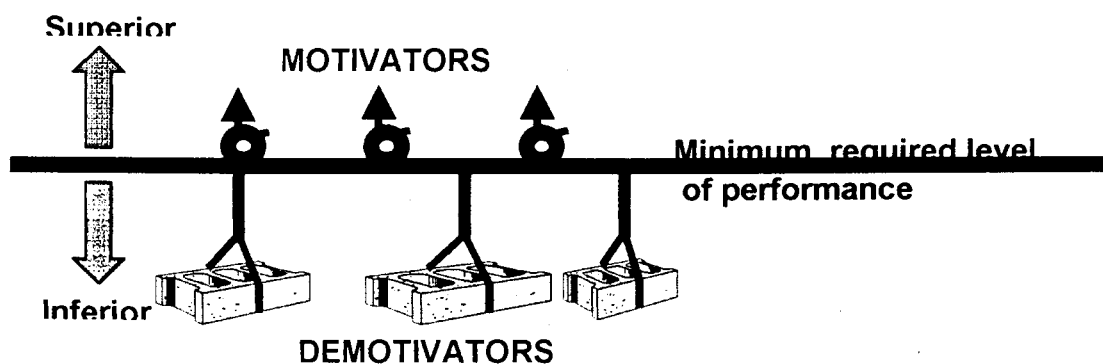
Figure 5   Extrinsic Motivators and Demotivators

In general the management of demotivators is much cheaper and much more effective than the installation of motivators (Rokeach 1973; Senge 1990; Sikyula 1971:277-286). It is much easier, cheaper and effective over the full range of employment to identify performance demotivators and to eliminate or reduce them. It takes only one or two irritating or frustrating events to upset a person and turn him off, whilst it takes quite a major delightful event or a series of events to turn him on. It is easier to get irritated than to get exited with respect to

external influences and furthermore that in general motivators lose their effect sooner than demotivators. Some people view extrinsic rewards in a very negative light, reasoning that if less was spent on it, more could be afforded to improve the work environment.

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

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

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

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

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

Effective leadership implies:

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

Table 8: Effective Leadership

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

2.4 PERFORMANCE MANAGEMENT

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

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

2.4.1 Performance Planning

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

Old Chines Proverb

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

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

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

therefore include the elements as indicated in figure 6.

Thus, to conclude, organisational performance refers to the performance outcome of people and certain environments being brought together. The intention is to achieve the goals of the organisation which in turn manifests in the service or product at the end of the line. It is straight forward then that performance planning means the derivation of each employee's specific tasks that should be performed. The requirement being that all the performance outcomes added together should result in the final product or service. Any extra energy applied would represent a waste of effort and funds. Experience has shown that it will probably also affect performance adversely. The series of performance outcomes should therefore be lean and mean.
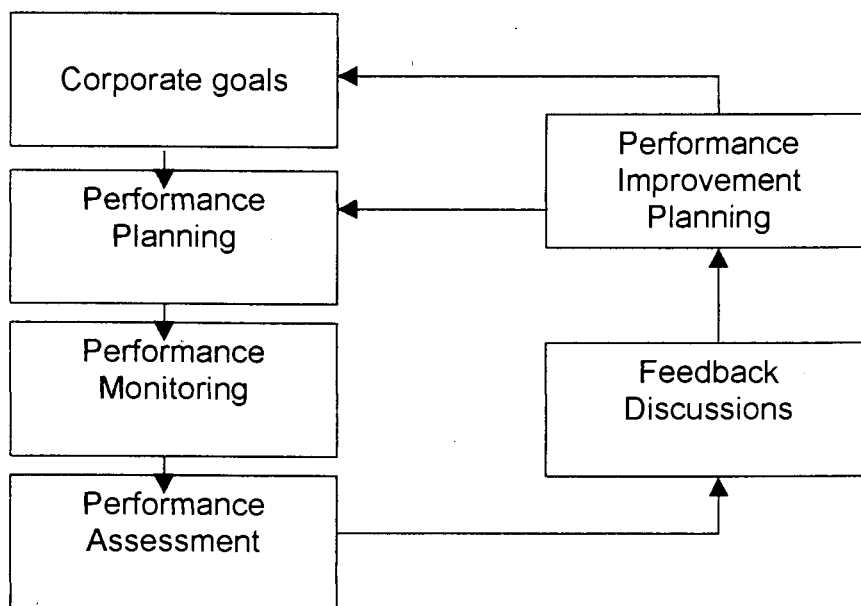
Figure 6   Performance Management Cycle

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

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

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

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

2.4.2 Key customer Identification

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

objective assessment the organisation could wish for and will contribute towards continuous productivity improvement.

2.4.3 Key supplier identification

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

2.4.4 Setting Standards

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

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

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

2.5 POTENTIAL PROBLEM PREVENTION

Prevention is better than cure!

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

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

to any organisation.

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

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

2.6 PERFORMANCE ASSESSMENT

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

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

This is where organisations often hurt themselves tremendously. By hurting their employees, consciously or unintentionally, they destroy the desire to perform and produces a climate of tension and distrust. By tackling performance assessment incorrectly it will mean the end of all the other good intentions of the complete corporate communication system. The road to hell is paved by good intentions they say. This is one case where intentions play no role but only the experienced effect of the task outcome. The key customer technique is

recommended, which is more objective and balanced. It is called "team assessment" or "360° appraisal", as all the key parties are involved and it therefore differs significantly to a one-on-one situation. Some organisations claim they make use of team appraisal, but the team they use consists of a panel of superiors and sporadically a colleague or two, who gets together to judge the employee's performance once a year. It could be called "Judgement Day, the dehumanising climax". The fact that more than one person is involved does not mean anything, it will only serve to hide responsibility and to intimidate the performer. The relevant employee under discussion must participate in the session.

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

2.7 UPWARD APPRAISAL

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

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

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

By upward appraisal it is not meant a tit-for-tat mechanism for employees to get back at their unpopular bosses who had hurt them in the past. If the organisation is using a healthy corporate performance communication system, it will avoid this negative event. If upward appraisal is installed in a bad corporate communication system with inappropriate

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

2.8 PERFORMANCE DEVELOPMENT

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

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

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

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

The cause may be any of the following:

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

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

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

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

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

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

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

In Japan down-sizing is treated with the greatest care possible. A person will only be "down-sized" if he ends up better off compared to what he's had before. In other words his complete existence is respected and his years of service is highly recognised. All employees witness this automatically, thus their respect for the organisation even increases in a case like that. There is a company in Japan where no-one was laid off during slow times. They were all doing maintenance to their premises and since only say one out of three production lines were active at a time they were able to thoroughly service the other. Furthermore, since people are usually so busy during fast times, that they find it difficult to report for training, the available time was used for intensive human resources development. Top management decided secretively to sacrifice a percentage of their salaries to support these

activities. It was not easy for them, but they refused to sacrifice a single person, thereby hurting the trust that existed between them and their people. This bad financial period proved in the end to have been a tremendous opportunity for this organisation to enhance the strongest asset any organisation could ever have, namely the trust, respect and loyalty between management and employees. When the economy came right again, they had a perfectly serviced infrastructure and a highly competent, extremely motivated work force. They demolished their overseas competition who were busy employing and training workers in their down-sized positions. Production lines un-serviced, unskilled labour, no trust, no motivation. What a sad, but regular story. It is quite amazing to see how much money organisations invest in building knowledge capital and how much money they spend years later to get rid of it. It does not make a lot of sense to him.

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

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

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

before correction or development can take place.

"Diagnosing and solving organisational problems means looking not merely to structural reorganisation for answers but to a framework that includes structure and several related factors."

(Waterman, Peters & Phillips 1980)

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

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

Table 9: Performance Barriers

2.9 SETTING UP A POSITIVE REINFORCEMENT PROGRAMME

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

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

Positive reinforcement programmes usually involve four stages:

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

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

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

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

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

Therefore, if organisations are reluctant or scared to use a performance management the way the researcher has constructed it, they can modify the appraisal stage and eliminate any

negative reactions to undesired behaviour. A well designed corporate performance communication system will definitely enhance the successful execution of a positive reinforcement programme. The principles of positive reinforcement is in perfect harmony with re-humanising the organisation.

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

2.10 PERFORMANCE PLANNING AND DEVELOPMENT DISCUSSIONS

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

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

action plan. These are all components of the suggested corporate performance communication system that is explored in this study.

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

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

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

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

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

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

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

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

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

* Employee participation. Do not involve the employee, let him participate. There is a big difference. This will ensure that competence development, career and performance planning contain the ideas of the employee. There is thus a greater sense of ownership of the appraisal by the employee (Neale 1991). In fact, performance assessment should actually be the employee's need and prime responsibility, and not the manager's.

* Structure of the feedback discussion. There should exist a simple and shared agenda. Preparation for the discussion should include a checklist which can act as such an agenda, as a frame of reference for purposeful feedback (Murphy & Cleveland 1991). If a complete corporate performance communication system is used, the system reports can be used very effectively to discuss all relevant issues.

Table 10: Performance assessment Influences

2.11 Performance Reward

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

In most failed cases, the cause is the lack of a proper transparent corporate communication system that indicate performance achievement in the most objective way. The most effective solution, is the corporate performance communication system discussed so far. It sets out all

the performance outcomes the employees must deliver as well as the standards of each. It also allows for customer teams to participate in the appraisal of the task outcome. These appraisals also happen at regular intervals and are accompanied by development plans. For all employees an overall performance indicator is derived taking all performance outcomes and their relative importance into account. It is therefore a balanced calculation.

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

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

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

Chapter 3   *HUMAN RESOURCES DEVELOPMENT IN PRODUCTIVITY IMPROVEMENT*

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

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

3.1 PITFALLS OF TRADITIONAL TRAINING AND DEVELOPMENT

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

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

A lot of pressure is usually brought to bear on the training people to prove their validity by placing much emphasis on the number of people they train. This leads to trainer's becoming

instructors par excellence, with a tremendous amount of energy being spent on drawing more candidates to their courses. They might even get professional help to save face and win course applications through powerful advertising. The need for training is therefore vested in them as training staff.

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

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

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

3.2 PITFALLS OF SINGLE-LOOP COMMUNICATION

One of the most cumbersome consequences of single-loop human resources development is the way it side-tracks top management from what the essential purpose of training and development is - which is to increase productivity in the organisation through a more

competent workforce - and gets them into unnecessary and futile arguments about financial control. The researcher discovered very few organisations that can really claim that their employee skills and the organisational capacity are optimally matched.

3.2.1 Summary

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

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

3.3 CONCLUSION

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

3.4 DOUBLE-LOOP DEVELOPMENT

Double-loop development is defined by the researcher as the synchronised and related development of the human resources and their work environments in order to match the

ability of the employees and the performance capacity of the organisation. This should become a continuous process, in which one improvement builds on the other, making the organisation more and more competent and resulting in continuously increasing performance. Applied to the productivity model double-loop development will look as illustrated in figure 7 below.
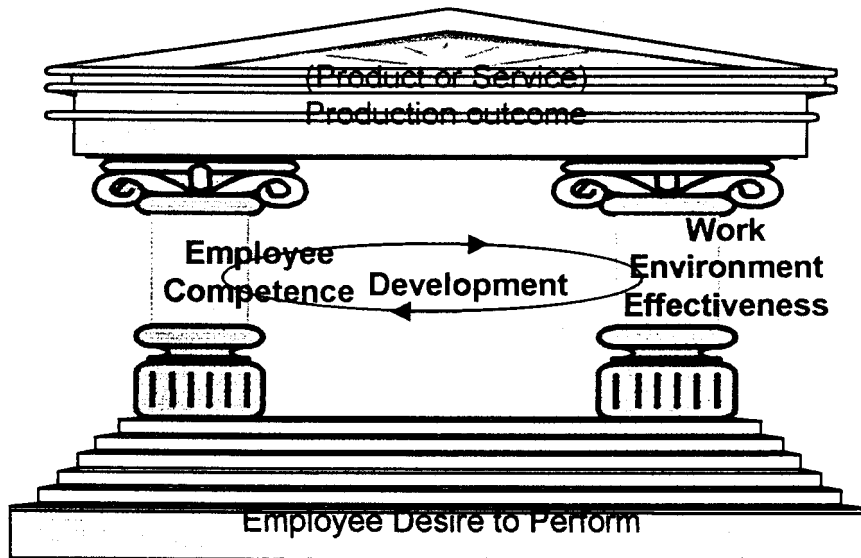
Figure 7   Double-Loop Development

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

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

3.5 OUTCOME BASED COMPETENCY DEVELOPMENT

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

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

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

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

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

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

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

corporate performance communication system as was done with performance management.
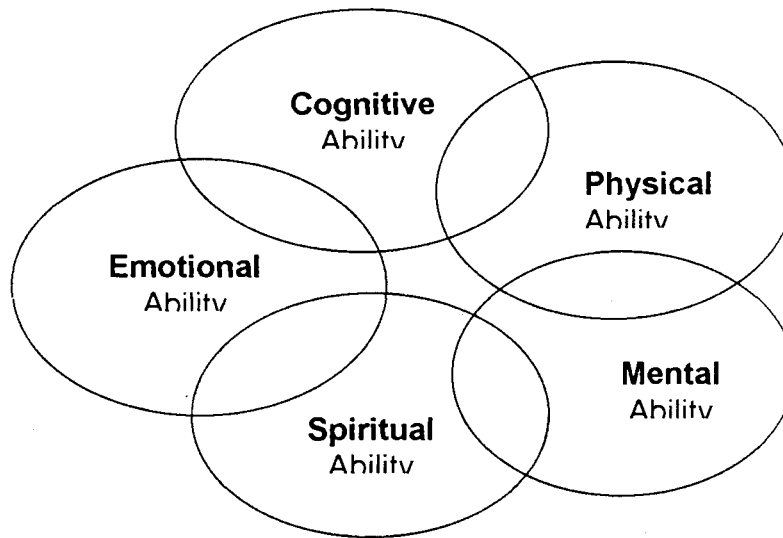
Figure 8   Human Competence

3.6 HUMAN RESOURCE DEVELOPMENT PLAN

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

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

3.7 BUDGETING FOR HR DEVELOPMENT

Some organisations have little trouble in compiling HR development plans, but their shortfall arises when planning the training budget. It is fairly simple to determine what all the different

development actions will cost by simply adding all their projected costs together, but that is not the total cost of HR development. A second component, not difficult to calculate, but often forgotten, is travel, accommodation, venue and equipment costs. These must also be estimated and included for each action.

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

The reason for low course attendance is two fold:

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

Table 11: Reasons for Low Course Attendance

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

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

3.8 WORK ENVIRONMENT IMPROVEMENT IN PRODUCTIVITY IMPROVEMENT

In general, it could be argued that people have more or less similar mindsets about the functioning of an organisation, with differing perceptions and attitudes within this basic framework. That is probably why so many organisations are faced with common business

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

3.8.1 Systems Theory and productivity

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

Manning has to say:

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

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

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

the treatment of symptoms are usually very busy since they cure no illness. Similarly, managers or employees who focus on events are extremely busy and have little time to add real value to the organisation. The question is, are they good workers because they are always sweating at the millstone or are they in fact busy fools?

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              /\
             /  \
            / Events \
           /--------\
          /          \
         / Patterns of Behaviour \
        /----------------\
       /                  \
      /     Structure      \
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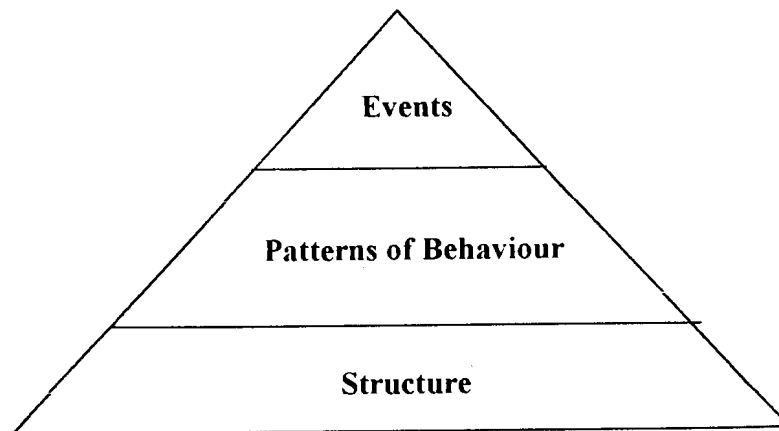
Figure 9   Multiple levels of explanation
                        (SOURCE: Senge 1990: 52)

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

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

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

Pattern of behaviour explanations focus on longer term trends and assess their implications. According to Senge (op. cit.) it suggests how an organisation can respond to changing trends. The significance as far as the researcher is concerned is the fact that it starts to identify the patterns of behaviour that exist in the organisation. These patterns are directly

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

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

3.8.2 Organisational behaviour

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

As was explained in the previous section, the nature of the events that occur in the organisation will depend on the existing patterns of behaviour amongst the workforce,

according to Senge (op. cit.). Mbigi and Maree (op. cit.) describes these patterns of behaviour as the result of different attitudes that exist amongst the workforce and he explains it symbolically at the hand of Afro-centric religious spirits. He is not prophesising witchcraft and is not suggesting that if people indicate a certain behaviour that they are possessed by one of these spirits. It is simply a metaphor as others might use Greek metaphors. If any negative spirit or pattern of behaviour exist amongst the workforce, destructive events will result under certain conditions. The workers' spirits can also be influenced by external factors, such as religion, politics and economics.
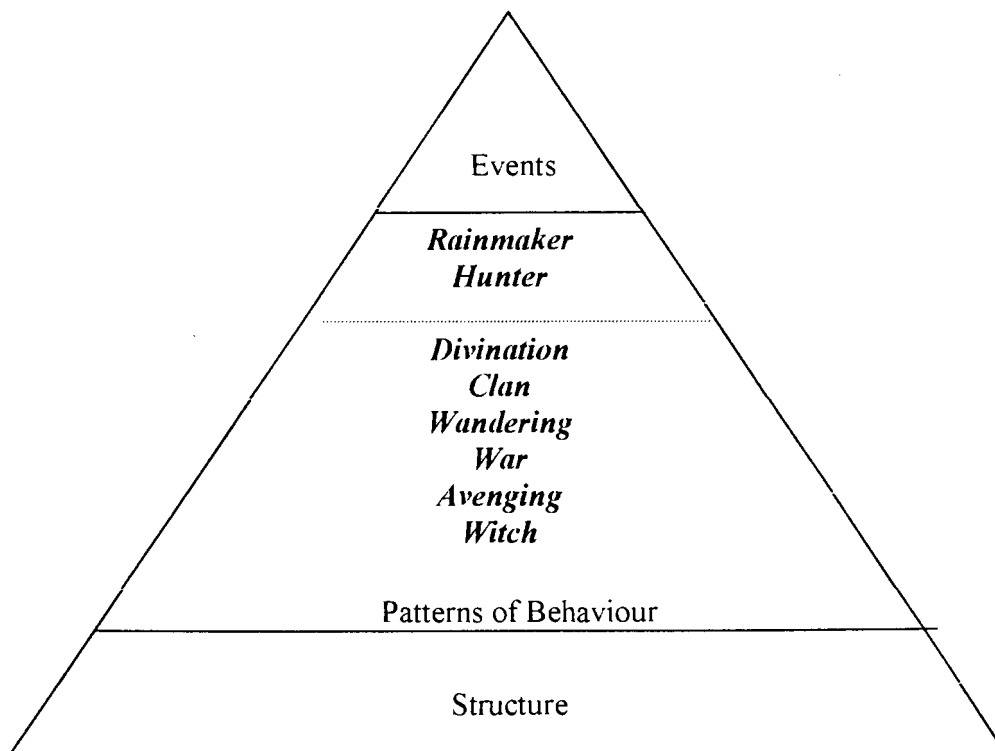
Figure 10   Hierarchy of Spirits

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

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

Mbigi (op. cit.) uses the African spirits to symbolise organisational culture, values and climate. What is important in terms of performance management, is what the experienced performance outcome of the culture, values or climate are in terms of behavioural patterns. If the behavioural pattern represents the spirit of Mutakati, the Witch spirit, it will be

experienced as destructive cynicism, indifferent and negative thinking. This causes a lack of enthusiasm in terms of organisational change and renewal.

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

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

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

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

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

The spirit of Divination, Sangoma, suggests that only the king knows the truth and the ordinary man must share this truth else he is persecuted. In many of our bureaucracies this is the prevailing spirit amongst top management and challenging ideas from the workforce

are not tolerated. To his mind this is the most dominant spirit in South African business and probably the greatest barrier to becoming a true learning organisation. Excessive amounts of control is evident in these organisations and often the budget system is used to punish those who think differently about business.

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

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

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

Managing events inevitably leads to the creation of more unwanted events. This usually is the performance outcome of an excessively controlled, unhappy, demotivated but often highly skilled workforce. His description of a de-humanised organisation. Performance

management and competency development alone is therefore not enough.

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

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

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

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

organisations and to empower their employees.

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

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

3.8.3 Work Environment

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

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

3. Performance assessment

4. Performance reward

5. Competency development

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

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

Table 12: Organisational Environment

All these elements of the work environment represent the resources or inputs that are available to the employee: but they could also represent barriers. In addition there is an environment containing the numerous, and often complex, personal aspects of life. There are mental, emotional and physical factors which obviously impact on performance at work. These are considered to be outside the manager's sphere of influence, or, in the opinion of many people, outside the manager's right to intercede. He should however have empathy with these and take it into account when managing performance. The research done by Dr. Gilbert, has revealed that a mere 3% relate to the person involved with regard to these personal barriers, although the researcher suspects that with the increasing stress levels nowadays, it might be on the increase as well. Many experts have tried to come up with a

solution to low performance problems such as Robert Mager and Peter Pipe in their book Analysing Performance Problems, where they have devised an algorithm for analysing the exact cause of a performance problem. The researcher will say it once again that a holistic approach is a pre-requisite with regard to the entire productivity issue, else it is again a case of working on one link in the chain.

The work environment is illustrated in figure 11.
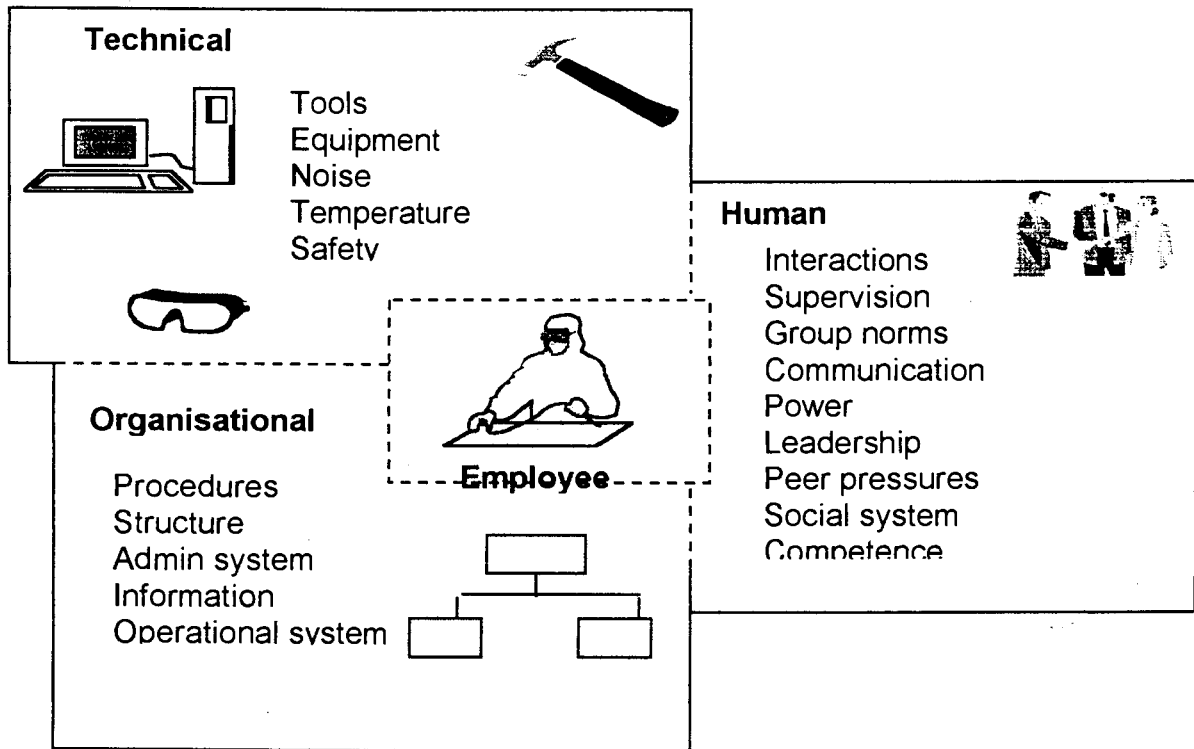
Figure 11   Work Environment

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

Following is a discussion of the three sub-systems:

3.8.3.1 The Technical Environment

The most obvious elements here are the tools, equipment and materials needed to do the job. They are the physical resources that are required or the physical inputs to enable the

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

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

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

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

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

3.8.3.2 The Human Environment

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

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

As in the case of the camel the damage is usually irreversible and the organisation is left with permanent scars. When a mechanical thing goes faulty there usually appears to exist a number of potential causes and the challenge is to eliminate them to find the one most probable cause. With humans it is different. When something goes wrong, everybody is quick in identifying the one real cause, but the obvious is seldom the true cause and could be very misleading. The obvious is usually only the last straw. The challenge in this case, is to widen the search to include all the straws that contributed to the problem. This is a very difficult process and often the problem cannot be solved without leaving some afterglow of the damage. Prevention is therefore much better than cure when it comes to human problems. Thus, when the researcher refers to proper, efficient and effective productivity

improvement, the researcher is referring to preventive management or pro-active management as some may call it. Therefore, if the organisation wants to optimise productivity improvement, it will have to identify the factors (straws) in the environment that could cause harm to the incumbents and eliminate them as far as possible.

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

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

Table 13: Human Factors Affecting Performance

3.8.3.2.1 Work Group Factors

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

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

In general people have different motives, objectives, needs, fears, hopes, impulses, interests and values. This leads to them desiring different things. But they also have different beliefs and mindsets: They think differently. They perceive, comprehend, process and conceptualise differently. Their assumptions about the organisation differ. How people perceive things depends on their mental models formed through history and experience. These differences lead to different behaviours. People act and react differently, express their emotions and moods differently and are usually judged by these behaviours and not their

intentions (Margerison & McCann 1990; Torres 1980; Varney 1989; Wellins, Byhan & Wilson 1991). The researcher has come upon many employees who regard the work group as an extremely important issue and some feel that the work group should have an input in the evaluation of individual performance.

3.8.3.2.2 Leadership Factors

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

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

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

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

Table 14: Environmental Factors Influencing Performance

3.8.3.3 The Organisation Environment

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

the two was done the previous time around.

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

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

- Operational System
- Administrative System
- Social System
- Reward System

Table 15: Main Organisational Systems

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

Ainsworth and Smith (1993) reckons that structure produces systems, systems produce procedures and they all have a very significant influence on the level of performance. When deficiencies are encountered, people often become frustrated and they perform less and less. They blame the system and often they are correct in blaming them. Structures that are top heavy and rigid, with tortuous or weak communication paths, or systems which are overly complex, flooded with red tape, slow and obscuring the job flow or procedures which become

ends in themselves and forbid creativity and innovation, are major reasons for performance breakdown. The workers cannot be blamed for low performance as a result of that. It's not their fault, but the responsibility of management to identify the causes, give support and take it up with their seniors. The manager should provide an environment which supports the kind of performance that are needed. That should change the role of the manager drastically from being an administrative "outsider" to an integral part of the team, responsible for removing performance obstacles from the path of his employees. That should result in a team leader-team member relationship where the manager stimulates the performance of the employee by enabling him to perform without the interference of barriers beyond his control.

3.8.3.4 Elements of the Work Environment

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

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

3.8.3.4.1 Values

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

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

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

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

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

3.8.3.4.2 Job Fit

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

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

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

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

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

accepted in a highly technical environment. They challenge the unknown and are comfortable with change.

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

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

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

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

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

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

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

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

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

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

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

Table 16: Reasons for Job Mismatch

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

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

3.8.3.4.2.1 Summary

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

3.8.3.4.3 Rewards

Different people seem to find different situations rewarding. For example, one person goes home from a seminar saying, "that was good. The researcher heard some interesting opinions", while a another says, "What a bore. Having to listen to a bunch of theorists all

day". Or two friends returning from a fishing trip. One says, "It felt good to relax on the beach all day", and the second says, "It was certainly a waste of time. Not even a single bite all day long".

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

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

| Self-actualisation |
| Esteem |
| Social |
| Security |
| Physiological |

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

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

Existence needs - sustain human existence, in other words it includes physiological and safety needs.

Relatedness needs - how people relate to their social environment. It therefore includes the need for meaningful social and interpersonal interaction.

Growth needs - this includes the needs for self-esteem and self-actualisation.

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

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

Much effort and money are often wasted by organisations with well-intended reward efforts that fail to satisfy the individual needs or wants of employees. Management often decide behind closed doors what would be the best rewards for their people. Usually it is an across the board system with no provision for personal preference. Nothing can be as disappointing as a well-intended reward that is received with a long face and open disappointment. In a case like this the reward becomes a demotivator instead of a motivator. A few years ago the researcher witnessed a large service organisation rewarding its employees with an unexpected "good-will monetary reward", presenting each and every employee with a substantial cheque. Everyone got the same amount, thus no-one could complain that the rich at the top received a higher reward when they fact needed less. This organisation was

going through a tough industrial relations time and thought this gesture would solve their problem. Only two months later they were facing their first industrial action confrontation ever since they were founded. The very same recipients of the rewards, went on strike, because the reward did not address any of the needs they had at the time. This very costly exercise proved to be in vain and even created more problems for the organisation later on. What was surprising was the fact that the same organisation repeated the same reward exercise the next year and faced the same consequences.

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

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

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*   Recognition - the need to be noticed, valued and credited for achievements

*   Respect - the desire for unconditional dignity and the need for personal values to be observed and respected

*   Achievement - the need to set specific targets and achieve them successfully or even exceed them

*   Power - the need to prevail over others, sometimes closely connected to coercive power. A common need amongst affirmative action candidates

*   Affiliation - the need to be with others, and support or assist them or being supported

*   Status - the desire to be higher up the ladder than others, a feeling of importance

*   Novelty - the need for trying out new ways of doing things, being different to the norm. A need for creativity and innovation (Scott & Jaffe 1991; Thomas 1990; Varney 1989).

*   Autonomy - the need for independence and self-efficiency

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* Money - a need for high compensation to purchase items usually in order to attain social status

* Exhibition - a need to be the centre of attention, likes audiences, any behaviour to draw the attention including acting and jokes

* Endurance - never give up, work long hours to solve problems, patient

* Nurturance - sympathetic towards others, likes to take care of disabled, the "helping hand" type

* Understanding - wants to understand many areas of knowledge, logical thought, great need to satisfy intellectual curiosity

* Succurance - Seeks sympathy, protection, love, advice, reassurance from others

* Aggression - strives on conflict and combat, willing to hurt people or get even, easily annoyed, fast reactor

Table 17: Rewarding Motives

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

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

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

Table 18: Management Perception of Needs Experiment

Many formal studies have been done in the past, but many of them imposed several

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

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

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

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

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

There is evidence that intrinsic rewards are at least as important as explicit rewards. It is clear that job dissatisfaction could result where a person's motives are not met by intrinsic rewards. Even if the organisation offer someone a very high salary increase, if the work is not rewarding the explicit reward may fail to motivate, especially over the long term. It is vitally important that rewards are appropriate to motives. Job-enrichment, is an essential management activity. It is important in ensuring the appropriateness of intrinsic reward through proper job fit. It could involve vertical or horizontal expansion of responsibilities depending on the motives of the incumbent. Effective job modification is not necessarily a major job reconstruction but can be very small modifications only for resulting in major rewards. The incumbent should play an active part in planning these modifications as the intention is to enrich this person's job for greater job satisfaction. If the person finds it rewarding, the organisation will benefit in that a higher level of productivity can be expected and an increase in performance outcome because of the added responsibilities. Encouraging a recognition seeking trainer to join a monthly training and development

meeting to present his achievements over the previous month is an example. The change might effect only a few hours in the month, but the incumbent now has an opportunity to display his efforts and get recognition for it which was previously not available. This will encourage the incumbent to perform even better and better as he knows that every month he will get the opportunity to make his performance visible. A properly designed and administered corporate performance communication system could have the same effect. To plan performance formally with properly set standards and to allow room for performers to exceed these requirements, will also enrich the job of the achiever, who can now build in objectives that exceed the standards, knowing his achievements will be appreciated and seen as superior performance.

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

To conclude, everybody is different, therefore the reward system must allow for individual differences. The organisation can offer the same reward to several people, but because of the differences that exist between them, some will value the reward more highly than others. The reward may inspire some to much higher levels of performance but leave others disappointed. It is therefore important to allow people to indicate what the nature of the

reward should be. The researcher also noticed a strong trend towards the linking of rewards to performance. Rewards thus form another addition to the environmental factors. In almost all the organisations the researcher has consulted, the employees placed performance reward as the most important factor. It is very cumbersome that they have also indicated that it is the most neglected or the highest mismanaged factor. The researcher accepts that it might be a symptom resulting from another problem, but it cannot be ignored.

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

3.8.3.4.4 Feedback

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

It is important to make sure that feedback does not only exist, but that it is specific, constructive, relevant, regular, timeous and complete. That can only be achieved if it is

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

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

3.8.3.4.5 Personal Consequences

Consider the following case:

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

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

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

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

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

3.8.3.5 Conclusion

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

The list of work environment factors is:

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

Table 19: Environmental Factors

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

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

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

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

the employee who takes prime responsibility for his own development.

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

direction and capabilities. If misalignments it go unaware, it will not solve the problem.

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

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

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

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

Revising performance assessment. Departing from well specified tasks, all the relative parties that will be affected by the execution of these tasks, can be involved in determining

the standards the performance should comply with. They can then appraise the performance in a 360° fashion, which is the most objective and unbiased form of appraisal, one could wish for.

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

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

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

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

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

Table 20: Performance assessment Discussion Elements

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

It would be senseless to analyse the work environment and determine all its different

elements that could affect productivity significantly and then leave it at that. The purpose for doing the analysis in the first place is to improve the work environment to make it more effective and therefore more conducive to optimum performance.

3.8.4 Work Environment Improvement

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

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

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

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

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

Organisational Environment

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

2. Standard Operating Procedures

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

3. Policies

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

4. Continuous enforcement of standards

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

5. Performance feedback

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

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

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

6. Easy job flow

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

7. Shared values

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

8. Information

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

9. Performance assessment

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

10. Performance rewards

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

Human Environment

11. Difficulty of tasks at appropriate level

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

12. Work evenly distributed

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

13. Empathy with personal problems

(mental, emotional, physical)

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

14. Competence development

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

15. Trusting climate

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

16. Relaxed climate

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

reflects a happy atmosphere.

17. Vertical communication

Flow of communication between associates and managers throughout the hierarchy.

18. Lateral communication

Flow of communication between associates, peers and teams.

19. Manager's leadership style

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

High on Direction, Low on Support

Low on Direction, High on Support

High on Direction, High on Support

Low on Direction, Low on Support

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

20. Coaching by manager

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

21. Encouragement of creativity

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

22. Participative decision making

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

23. Continual execution of decisions

Decisions that were made are always executed.

24. Career planning

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

25. Positive consequences for desired behaviour

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

26. Removal of negative consequences for desired behaviour

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

27. Full team present for work

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

Technical Environment

28. Occupational health and safety

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

29. Work conditions

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

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

30. Correct resources and inputs

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

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

31. Social events

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

Table 21: Environmental Framework

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

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

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

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

Table 22: Work Environment Improvement Tool

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

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

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

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

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

Each section of the corporate performance communication system supplies an indicator that

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

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

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

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

Table 23: Role of Management - Drucker

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

3.8.5 Management role in productivity improvement

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

<div align="right">Robert M. Tomasko</div>

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

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

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

3.8.5.1 Traditional Management Role

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

When control takes over, death is the reward. It is often seen that when a creative high performing individual shows entrepreneurial initiatives in bad times, he gets punished by means of one of the control system, that was mentioned. This results in these valuable assets to resign and start their own businesses and the organisation is left with the controllers and the controlled. A full-proof recipe for organisational death. The organisation should not manage people, but rather the performance process. The alignment and development of human performance are very important management issues, but the release of that performance ability to creatively add value in the organisation as part of creating and stimulating the desire to perform, should be the focus of management. Some managers do realise that, but they fail to harness the emotional components of worker motivation and keep concentrating on controlling performance, often hurting the performers' desire to perform.

The researcher is convinced that one can expect better results from a team of less skilled, less organised but highly motivated people than from a highly skilled and well aligned, but demotivated group of people with no desire to perform. Traditional managers are very uninformed people and know little about their people and their performance problems. No manager can possibly enable his people if he knows nothing about their desires, aspirations, needs or problems. An enabling manager, will have an official mechanism in place whereby his team members can indicate, on an ongoing basis, what they need from their work environment and from him and how well these needs are being satisfied by the organisation and him. In other words a work environment improvement tool, as was discussed.

The corporate performance communication system should also include an upward-appraisal process which employees are encouraged to use in order to appraise the manager's

performance with regard to the value he adds to their team effort. Their should also be an action plan in place which was derived from their diagnosis in order to improve the manager's role and function as team leader. Basically the manger's actions should lead directly to the removal of his sub-ordinates' performance barriers in order to enable them to perform better.
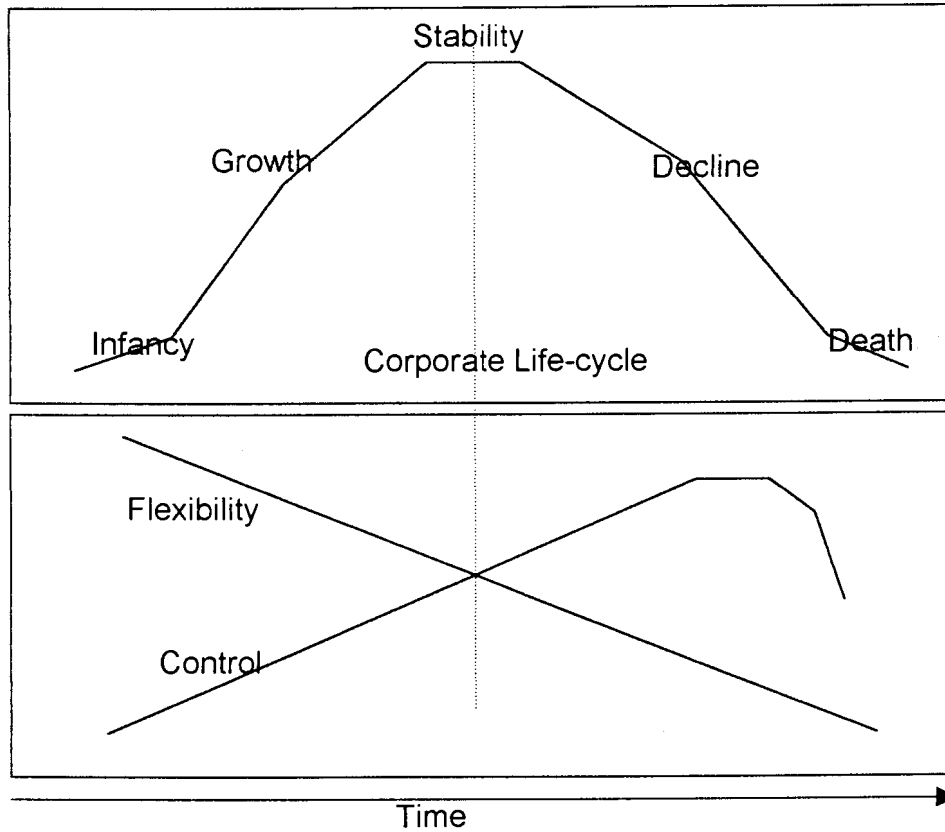
Figure 13   Control – Flexibility Relationship
                    (SOURCE: Adapted from Adizes 1988 & Porter 1995)

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

3.8.5.2 Management Role re-defined

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

"Managers have the responsibility, according to the need hierarchy line of reasoning, to create a "proper climate" in which employees can develop to their fullest potential. This

proper climate might include increasing the opportunities for greater autonomy, variety, responsibility, and so forth, so that employees could work toward higher-order need satisfaction. Failure to provide such a climate would theoretically increase employee frustration and could result in poorer performance, lower job satisfaction, and increased withdrawal from the organisation."

Traditional

Suggested
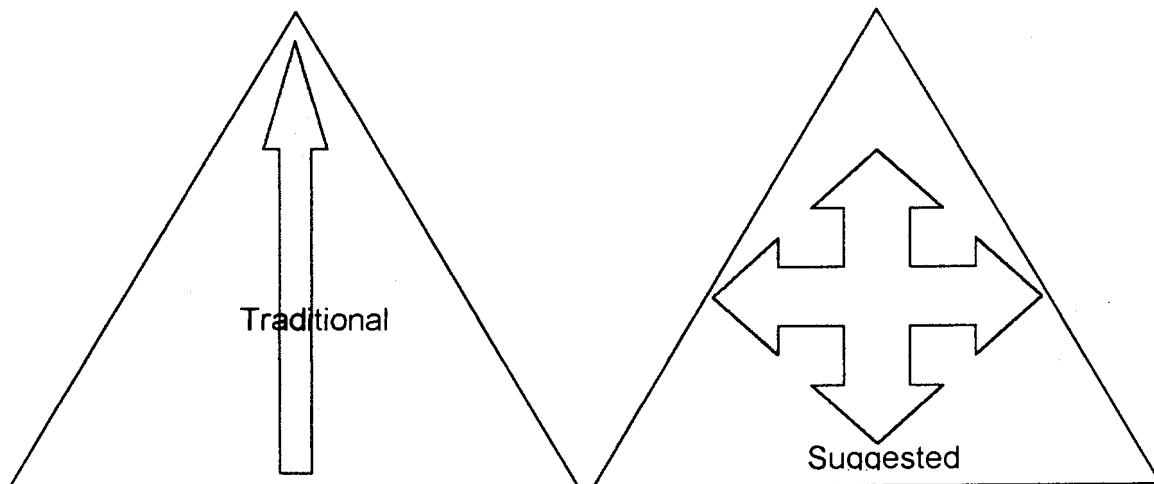
Figure 14   Internal Customer Line

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

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

3.8.5.2.1 Team Leader Role

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

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

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

Traditional Worker Role/Tasks

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

Table 24: Traditional Worker Role

Re-defined Worker Role/Tasks

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

Table 25: Redefined Worker Role

Traditional Manager Role/Tasks

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

Table 26: Traditional Manager Role

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

Table 27: Redefined Manager Role

3.8.5.2.2 Conclusion

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

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

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

or changing his performance plan in terms of performance outcome definition, will not make that much of a difference to the work environment diagnosis.

4.1 Diagrammatic presentation of the actual system
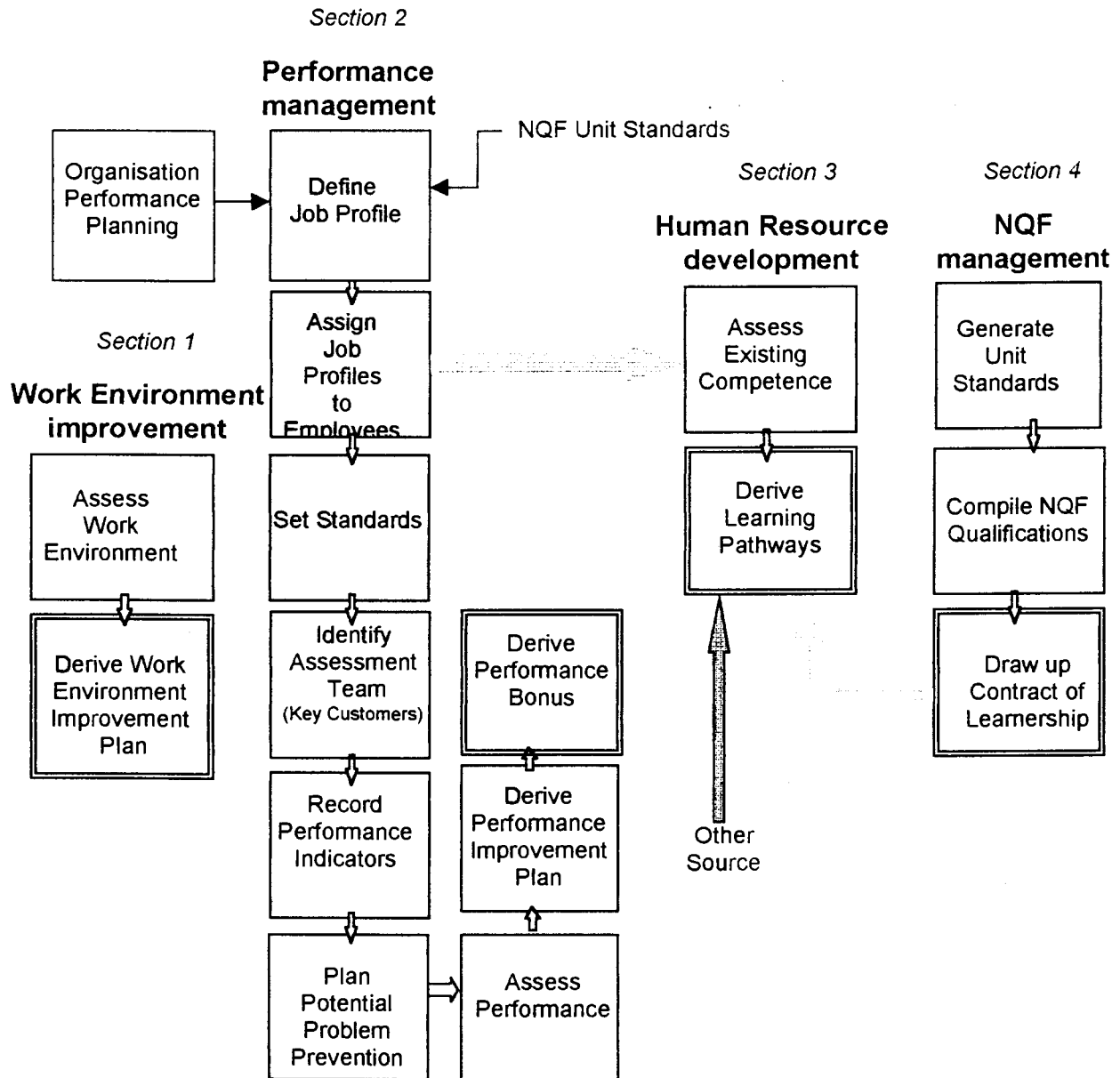
Figure 15   Corporate performance communication system Block Diagram

The reason why work environment improvement is positioned as number 1, is because it contains the highest amount of motivational capability and employees, especially ones that had been hurt before, find it delightful to start a new system by expressing their needs and dissatisfaction with the status quo. During this phase they will most probably also indicate that they want a performance management system as well as a competency development

system. The rest of the BIMP system is therefore an answer to their needs and will not be perceived as just another mandatory practice dictated by management. People must have trust in the intentions of the system and the system will only be as good as the extent to which the participants allow it to be. Addressing this section first gives real meaning to participative management and employee empowerment as they get the opportunity to actively take part in managing the world around them. Improving the work environment is a good practice even on its own, but in order to achieve optimum productivity improvement. the other two dimensions should also be addressed at the same time, else the communication loop won't be complete.

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

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

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

4.2 Corporate communication breakdown

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

- People hear what they want to hear

- The transmission is ineffective

- Physical distance

- Psychological distance

- The message gets distorted

- Differences in perspective

- Status barriers

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

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

1. a proper linkage of all relevant parties in and around the organisation;

2. a sound performance communication agenda.

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

4.3 Information-flow for focussed performance communication

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

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

```
┌──────────────────┐        ┌──────────────────┐
│      MACRO        │        │     MARKET        │
│  ENVIRONMENT      │        │  ENVIRONMENT      │
│  REQUIREMENTS     │        │  REQUIREMENTS     │
└──────────────────┘        └──────────────────┘

┌──────────────────┐        ┌──────────────────┐
│    CORPORATE      │        │     MARKET        │
│   OBJECTIVES/     │        │    OFFERING       │
│   STRATEGIES      │        │                   │
└──────────────────┘        └──────────────────┘

┌──────────────────┐        ┌──────────────────┐
│    FUNCTIONAL     │        │                   │
│   OBJECTIVES/     │        │   OPERATIONS      │
│   STRATEGIES      │        │                   │
└──────────────────┘        └──────────────────┘

                            ┌──────────────────┐
                            │    SUPPORT        │
                            │    SERVICES       │
                            └──────────────────┘
```

➤ Information

▪▪► Product/service
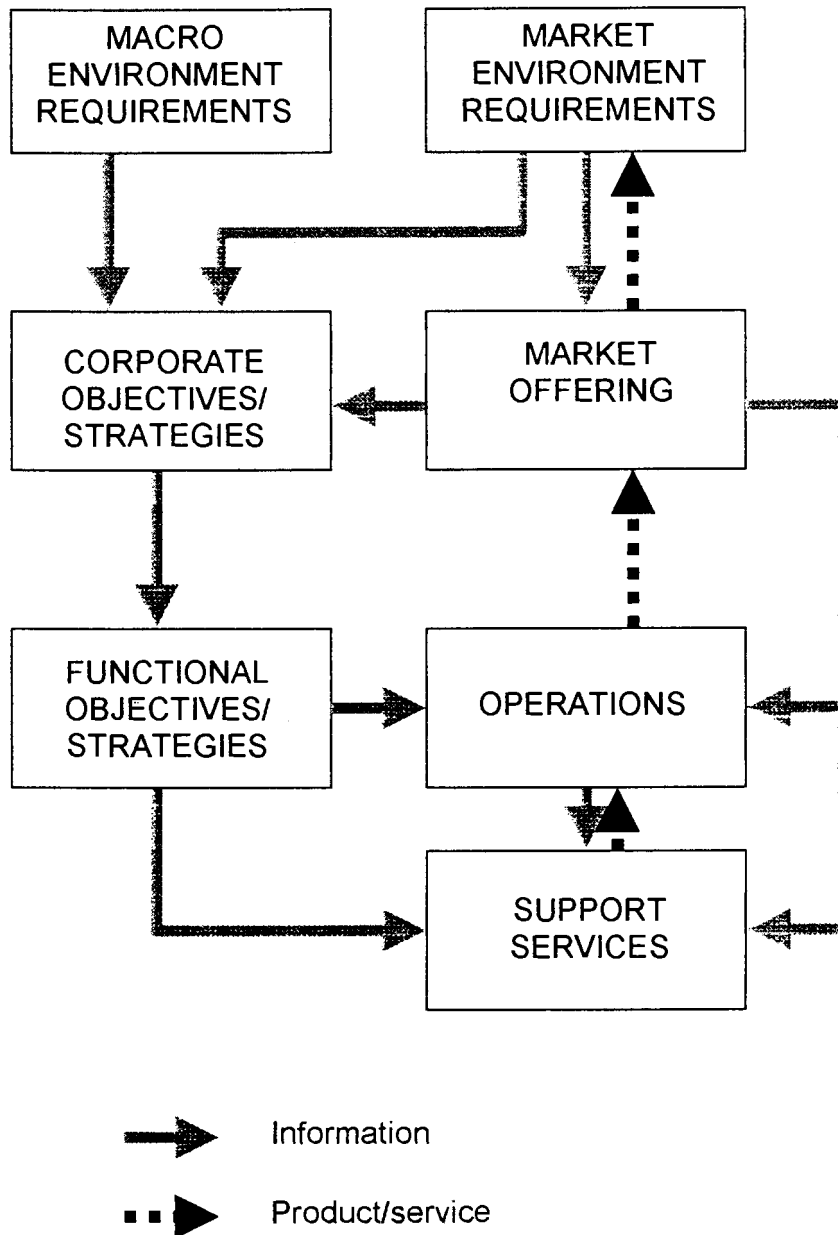
Figure 17 MAIN INFORMATION FLOW
LEVEL 2
{Focus is on effectiveness of the production outcome}

MARKET ENVIRONMENT REQUIREMENTS

Tangible and Intangible attributes of market offering according
to desires and demands of target market
Attributes are divided into 'order winners' and 'order retainers'
and performance planning is influenced accordingly

CORPORATE OBJECTIVES/ STRATEGIES

MARKET OFFERING

FUNCTIONAL OBJECTIVES/ STRATEGIES

OPERATIONS

SUPPORT SERVICES

→ Information

■■► Product/service

Information

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

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

MARKET ENVIRONMENT REQUIREMENTS

MARKET OFFERING

feedback

OPERATIONS

1st PROCESS

output

Final PROCESS

external input

input

feedback

feedback

feedback

SUPPORT SERVICES

1st PROCESS

output

Final PROCESS

external input
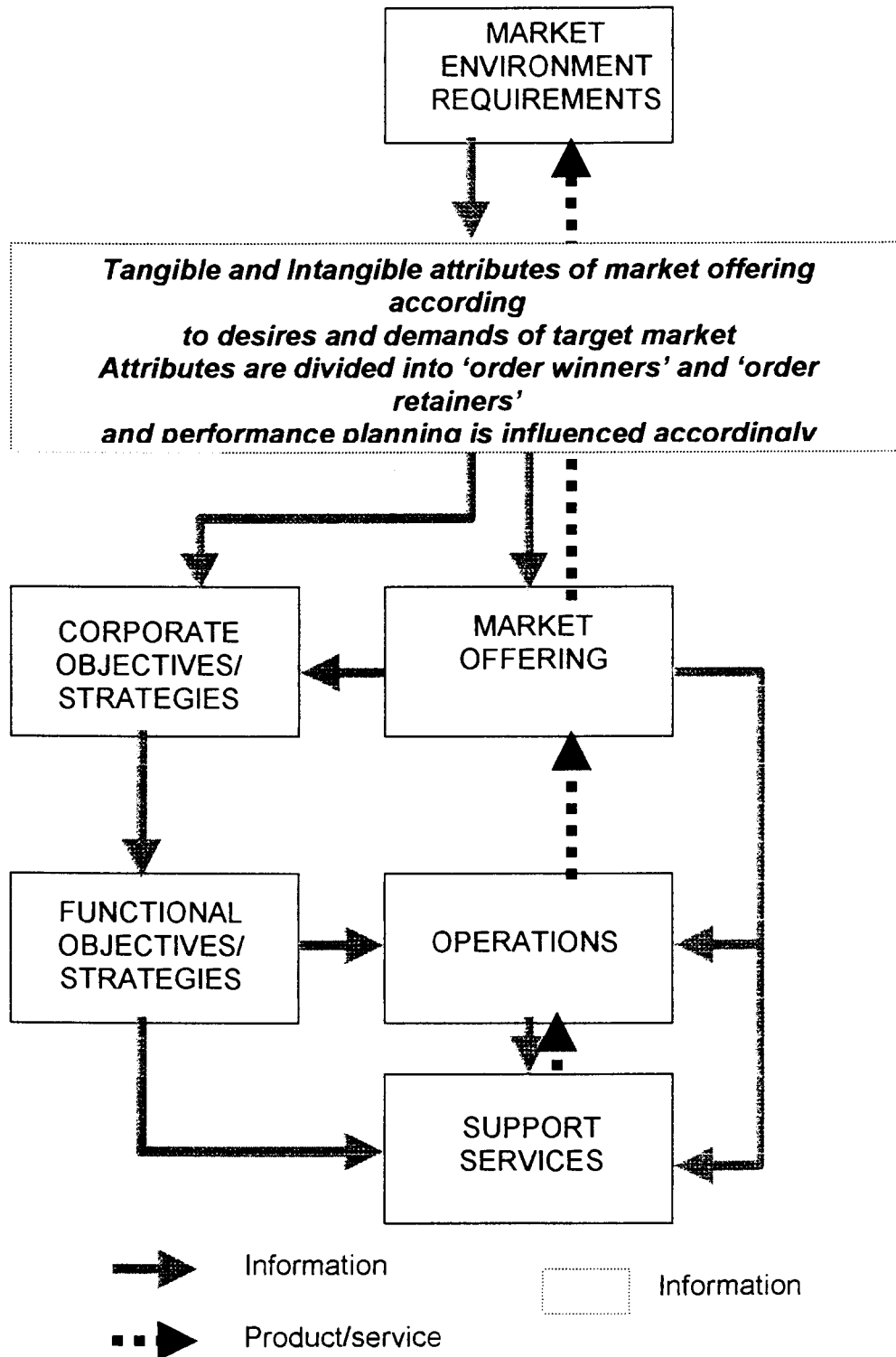
input

feedback

feedback

Information

Product/service

Information

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

JOB PROFILE PER EMPLOYEE

```
                              output
┌─────────────────┐   ▪▪▪▪▪▶  ┌─────────────┐
│  PERFORMANCE    │           │    KEY      │
│   OUTCOMES      │           │  CUSTOMER   │
│    (TASKS)      │           │             │
│                 │◀━━━━━━━━━ └─────────────┘
│                 │   standard
├─────────────────┤
│  PERFORMANCE    │
│   PROCESS       │
│                 │
┌──────────┐ input│                 │
│   KEY    │▪▪▶   │                 │
│ SUPPLIER │◀━━━━─┘
│          │ standard
└──────────┘
```

━━━▶   Information

▪ ▪ ▶   Product/service

[   ] Information

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

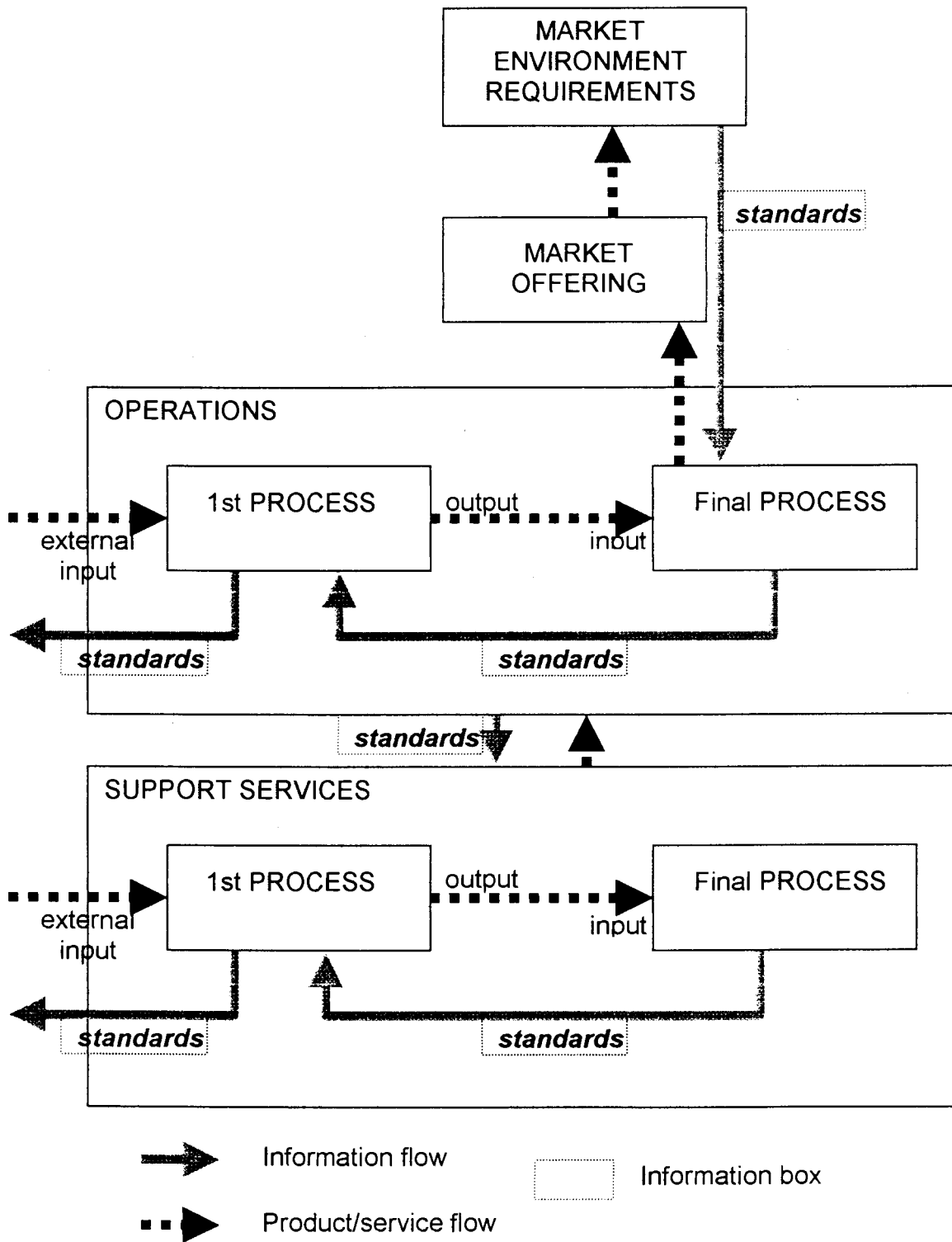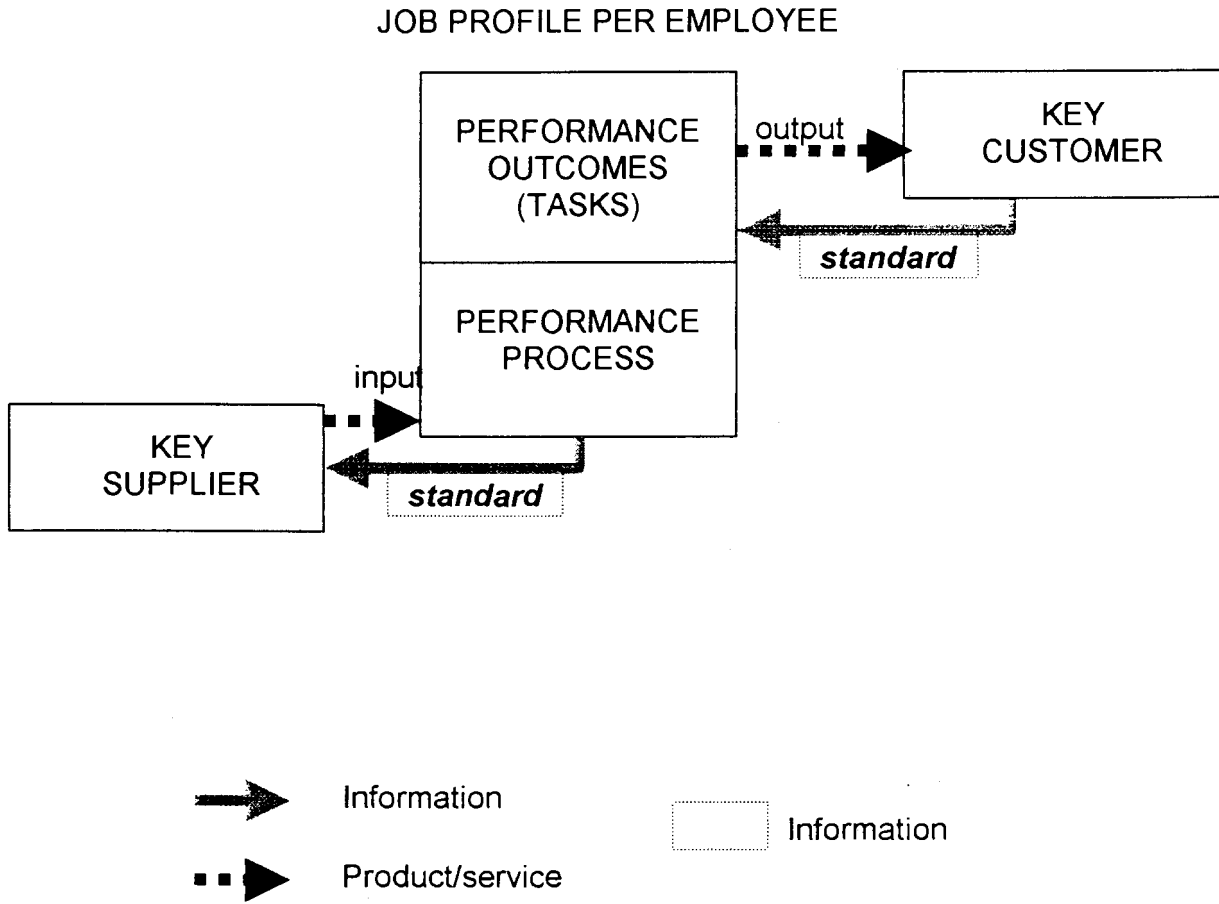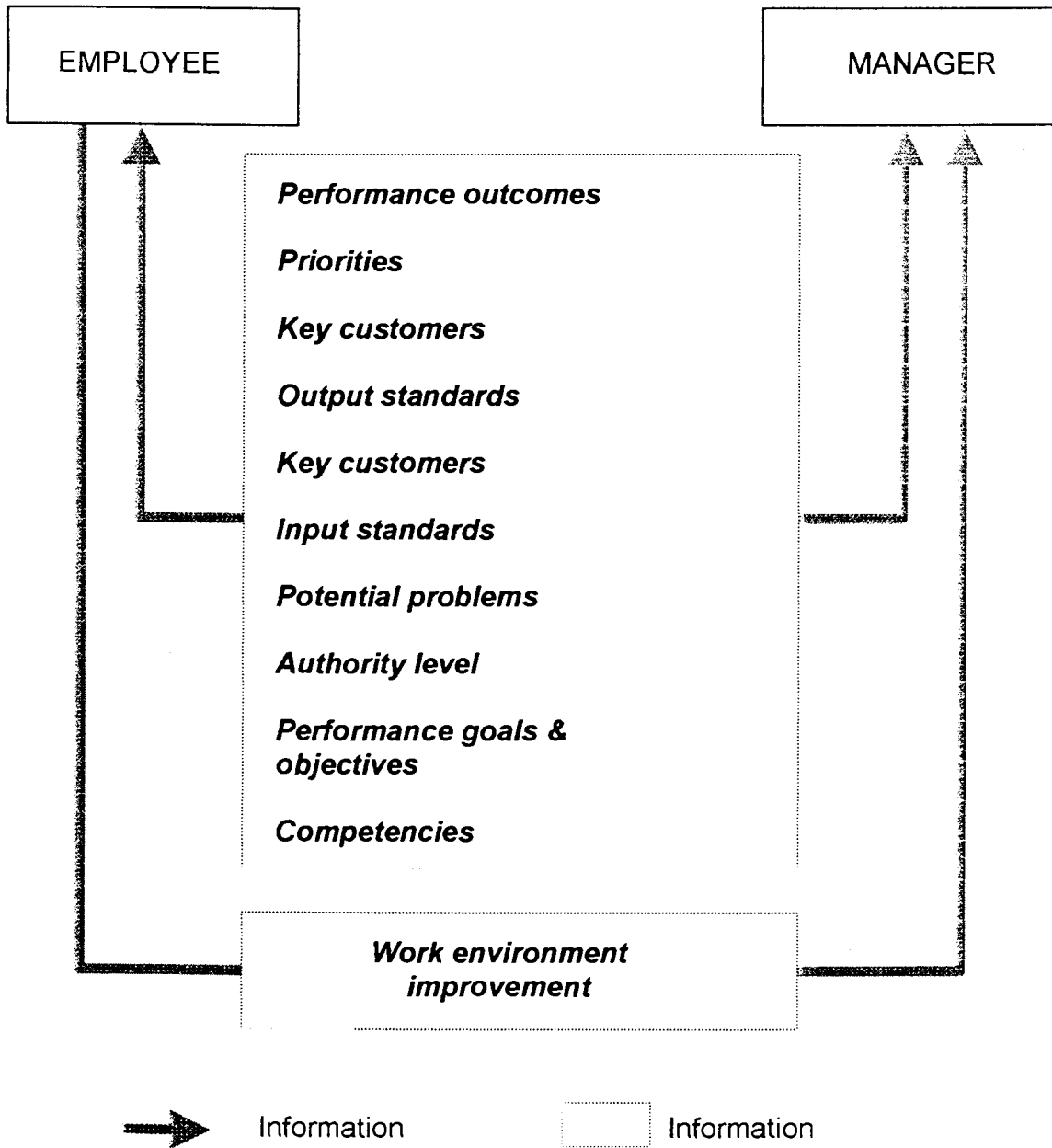| EMPLOYEE		MANAGER

Performance outcomes

Priorities

Key customers

Output standards

Key customers

Input standards

Potential problems

Authority level

Performance goals & objectives

Competencies

Work environment improvement

Information   Information

EMPLOYEE		KEY CUSTOMERS	MANAGER

Performance

Performance outcomes

Performance goals & objectives

Performance

Work environment improvement

➡ Information   ⬚ Information