THE PERFORMANCE MANAGEMENT SYSTEM IN SOUTH AFRICA'S LOCAL GOVERNMENT: A STUDY OF POLICY IMPLEMENTATION
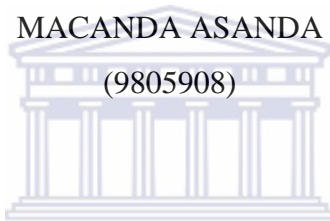
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A RESEARCH REPORT SUBMITTED TO THE SCHOOL OF GOVERNMENT, UNIVERSITY OF THE WESTERN CAPE, IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE MASTER OF PUBLIC ADMINISTRATION DEGREE.

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BACKGROUND TO THE STUDY

1.1 INTRODUCTION

Providing quality service to the best interests of the public has become a problem in the

South African public service. This has detrimental effects in the level of service delivery

in local government. However, this emerging problem has been made possible by the

legacy of the past, which makes it practically impossible to redress and address the

immediate needs of ordinary South Africans. The South African government has

established a long-term plan in order for local government to be more productive and this

plan is called performance management. This plan seeks to establish a development and

people centered approach to the running of municipalities. The central idea behind the

concept of performance management as clearly stated by the White Paper on Local

Government (1998), is to ensure that plans already made are properly implemented and

that the outcome has the desired development impact. In this light, the Department of

Provincial and Local Government (DPLG, 2001b:3) stipulates that the Performance

Management System requires municipalities to identify priorities and objectives, set

performance indicators, targets and development strategies. For these reasons,

performance management is a tool that assists municipalities to continuously monitor

performance and evaluate in order to be effective.

This study focuses on the Performance Management System in the South African local

government with specific emphasis on policy implementation. With this in mind, it is

appropriate for this study to examine, investigate and analyse the nature of performance management in municipalities by looking at different instruments that form it. An attempt will also be made to outline and scrutinise Integrated Development Planning (IDP) as a tool that assists and informs municipalities. Service delivery analysis will act as a variable that could test the validity and ability of this system. Moreover, attention will be given to the implementation of this framework and investigate the psychology of street-level bureaucrats, normally regarded as public officials (this will be explained more on page 20). Finally, the conclusion and recommendations will reflect the overall view of the research counter-points of argument and debate.

1.2 STATEMENT OF THE PROBLEM

The South African public service has been greatly and publicly criticized for poor performance, more especially on service delivery with specific reference to municipalities (DPLG, 1999:1). This led to the adoption of a new development national framework that would counter existing problems and further realize the goals and needs of the people. However, this does not come cheap. Although this framework promises to assess performance and monitor the outcomes of programs, it often appears that failure emanates from implementation. Largely, the Performance Management System will not always remove problems, instead the application of performance management is only an attempt to reinforce positive change and for public officials to carry out the intended functions. However, evaluation in local government is uneven and many obstacles to evaluation exist in organizational cultures. Local municipalities need to go beyond the development of review systems and processes to ensure that the capacity for evaluation

and learning is entrenched as an attribute of 'organisational culture'. Furthermore, in order to improve the quality of public policy, public officials need to be properly trained so as to reach the desired results. The need for training has not been firmly emphasised in this framework and this leaves municipalities with many needs for new skills to meet new performance demands. Top management normally makes an assumption that municipalities will understand and embrace this policy. However, it should be acknowledged that the nature of the problem that arises from the implementation perspective of performance management stems, amongst other things, from the absence of a training policy. The crux of this study is to investigate the success and obstacles to performance management as a tool that seeks to alleviate problems of performance that eventually handicap service delivery values. Moreover, this study will explore the challenge of translating strategy into delivery – a unique phenomenon to transform apartheid local government into a vehicle for public service delivery.
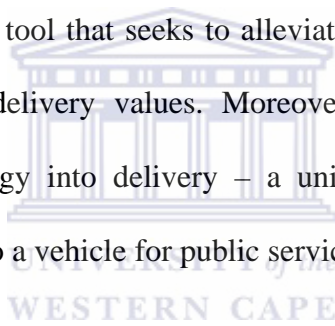
1.3 ASSUMPTIONS

This study is guided by the following assumptions:

1. The legacy of the past, which has created distortions and underdevelopment in South African communities, has led to the need for capacitated municipal institutions that will improve the quality of life for our people.

2. Proper distribution of municipality capacity and improved levels of service delivery will be maintained if other spheres of government play an instrumental role for local government to perform.

3. Appropriate application of performance management will reinforce positive change and accelerated service delivery.

4. The formulation of a clear, coherent training policy will improve the capabilities of municipalities, but lack of commitment at implementation will undermine the entire developmental system.

5. Poor evaluation and understanding of performance management will have detrimental effects on implementation, and having clear and simple language for administrators to understand and translate into physical programs can minimize problems.

6. Lack of coordination at strategic intervals between relevant stakeholders might handicap the integrity of implementation procedures.

1.4 OBJECTIVES OF THE STUDY

The main objective of this study was to identify key factors that act as obstacles to effective municipal functioning. Moreover, this study also aimed to uncover and address the backlogs in service delivery and further to bring communities closer by engaging with local municipalities. In an attempt to find solutions, this study analysed performance management, Integrated Development Planning, service delivery and implementation. However, extensive assessment of performance management was examined from an implementation perspective. This was done solely to identify and minimize or eliminate the problems that emerged at implementation. As a guide to effective public policy implementation, this study sees training as a tool for accurate decision-making and required implementation procedures. In addition, this study encourages municipalities as

part of their commitment, to continuously undertake needs analyses and service delivery analyses.

1.5 RESEARCH METHODOLOGY

This study is largely based on a descriptive research method of investigation. According to Rosenthal and Rosnow (1996:15) in descriptive research, the goal of the investigation is the careful mapping out of a situation or a set of events, that is, describing what is happening behaviorally. Casual explanations are not of direct concern. It is solely the mapping out of how things are, why they are the way they are, what can be done and how they can be improved. In addition, a theoretical approach has been used in the study primarily because it reflects a particular scenario whereby people react to a particular situation or event due to being blocked by internal and external barriers in reaching their goals, e.g. black residents in townships being prevented from getting equal distribution of resources and poor service delivery being rendered, resulting in residential unrest and increased demands for improved services.

However, in order to rely on the above-mentioned method, structured questionnaires and unstructured interviews were used (see below) as the major tools for acquiring information for this study. In collecting data, the researcher hoped to interview management and workers including other relevant stakeholders (as explained below). However, the researcher could not be able to interview individual service employees as the interviews and questionnaires were conducted and distributed before the adoption of individual performance management (accountability agreements). Attention was given to

the Amatole District Municipality (ADM) in the Eastern Cape Province. Due to external pressures ADM was only in a process of implementing organizational and departmental performance management and thus the researcher could not interview individual employees, as they were not in a position to understand the dynamics involved. To shed more light on this, the scorecard approach the ADM adopted requires the implementation of organizational, departmental and individual performance management. Therefore, during the time of this research they (ADM) had not cascaded performance management to individual employees, which are called accountability agreements.

The researcher distributed questionnaires to six top management members (director level) and further conducted unstructured interviews. The researcher interviewed an Assistant Director of Human Resource Management, the Director of Finance, Deputy Director of Administration, the Director of Executive Support who was also a Mayoral Committee member, Acting Strategic Manager at the IDP and Municipal Manager's office and the Deputy Director of Engineering. The selection of top management members has assisted this researcher to gain a thorough understanding of the overall state of affairs pertaining to PMS at ADM.

The researcher also intended to interview three middle managers, however, their internal workload and pressures could not afford them an opportunity to take part in this exercise. Furthermore, a case study of performance management in Parliament will also be outlined and scrutinised (see chapter 2). Various individuals involved in the implementation process in the above-mentioned government agency were interviewed.

The selection of a sample to be interviewed was made possible by using simple random sampling; to ensure that the process was not biased, random selection was employed. This helped to ensure a balanced assessment, as both sexes were interviewed. In addition to these data collection methods, the researcher examined the literature on the subject, especially academic books and papers, journals, government documents and the Internet. A list of questions asked to acquire information for this study is scheduled in Appendix IV and these questions are addressed in chapter 5 of this study.

1.6 LITERATURE REVIEW

As part of a national commitment to accelerated change, the government has made an initiative by introducing the performance management system in municipalities. This system, according to DPLG (2001b:3), can be broadly defined as a strategic approach to management, which equips leaders, managers, workers, and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance in the organization. This initiative calls on local government to view citizens as customers as opposed to mere users of services and further calls on managers, leaders and individual employees to be held accountable thereby ensuring improved delivery and value for money to the local communities (DPLG, 1999:3). The logic behind this policy framework as stated in the local government information series (DPLG, 1999:3), is purely to discover new ways of working, encourage new attitudes and cultures, and develop new skills and competencies. Therefore, performance management is a strategic tool that can help bring about such change.

Performance management for local government is part of a government-wide attempt to create a performance culture and ethos into the public service. The Batho Pele principles form the basis for this new local government performance management system. These principles aim not only at providing service, but constantly improving the quality of service to meet customer needs, and seek to make municipalities efficient, customer orientated and developmentally creative institutions that enable citizens to have access to quality services and obtain better delivery (DPLG, 2001b:6).

According to the requirements of performance management as stated by the White Paper on Local Government (1998), municipalities must set key performance indicators (KPI), which cover both efficiency measures and human development indices. Performance indicators are management tools, which assist in making performance-based decisions. As noted in the Batho Pele White Paper (1997), the development of a service orientated culture and setting of key performance indicators requires the active participation of the wider-community. The White Paper on Local Government (1998), also suggests that municipalities need constant feedback from service-users if they are to improve their operations. Key performance indicators can provide valuable information for two purposes:

❑ Firstly, development indices (such as Household Development Index) can help municipalities to know their areas better and plan more effectively. Development indices also assist municipalities to assess the impact and effectiveness of the development strategies, which they adopt and make adjustments to their plans as

required. Development indices should also assess the impact of their strategies on women, and ensure that the needs of women are incorporated into municipal planning processes.

❑ Secondly, indicators which measure value-for-money in service provision can provide valuable guidance for municipal organizational transformation. Efficiency and quality indicators enable municipalities to set targets for continued improvement in their operations, to prioritise areas where organizational change is required, and assess the success of their transformation programs (WPLG, 1998).

Involving communities in developing municipal key performance indicators increases the accountability of the municipality. Some communities may prioritise the response time for a municipality to answer a query, while others may prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased and public trust in the local government system is enhanced. Moreover, the incorporated interests of municipal stakeholders (i.e. management, organized labour) when designing key performance indicators can assist in developing a shared organizational vision and common goals for improved performance and delivery. However, poorly designed performance indicators can have a negative effect on delivery, and it is crucial that indicators focus on outcomes and not only inputs and outputs. For example, a municipality has a program for cutting the grass verges. The aim is to maintain an orderly appearance in the streets and to

discourage the dumping of rubbish in public spaces. However, if the municipality fails to collect the cut grass, it will build up and lead to the dumping of garden refuse by residents. This would defeat the municipality's original objective. A Performance Management System which only measures the frequency of cutting the grass (the output) - and not the effect that this has on the maintenance of the public spaces (the outcome) - will give a misleading report on the effectiveness of the municipality's actions (WPLG, 1998).

The Municipal Systems Act (Act 32 of 2000), has put into place a national Performance Management System that will assess the overall state of local government, monitor the effectiveness of development and delivery strategies adopted by different municipalities to ensure that scarce resources are utilized efficiently. Furthermore, it could provide or act as an 'early warning' signal for communities in difficulty, and minimise a state of crisis. It could also enable municipalities to compare their own performance with that of similar municipalities across the country, identify successful approaches or 'best practices' and learn from one another. A national system can only incorporate indicators which are relevant to all municipalities. Subsequently, municipalities should continue to develop key performance indicators which are specific to their local circumstances and goals, and to the priorities of local communities. Performance indicators could also assist in motivating and orientating staff towards achieving objectives. Performance indicators simply define how performance will be measured along a scale of dimensions (e.g. number of houses to be built). Indicators could also be used to communicate the achievements and results of a municipal council to the community. Performance

indicators are further used to determine whether local government is delivering on its developmental mandate, in terms of the provision of services and infrastructure. The local authority would be in a better position to determine whether its organizational structure, i.e. technical and human resources, is suitable to meet its strategic objectives (DPLG, 2001b:13).

The Department of Provincial and Local Government (2001b:13), stipulates that before the indicators are set, municipalities are expected to identify development priorities and objectives as part of their Integrated Development Planning. Once this is done, municipalities will develop indicators and targets with regard to each of their development priorities and objectives. Integrated Development Planning, however, is a process through which a municipality can establish a development plan for the short, medium and long-term (Department of Constitutional Development, 2000:2). It is generally regarded as a process by which future development is achieved in an orderly, sensible and manageable manner and financial resources for such developments are allocated in a disciplined and responsible way. Integrated Development Planning enables a municipality to assess the current situation in the municipal area, including available resources, skills and capacities. It also assesses the needs of the community and prioritises these needs in order of urgency and importance. Moreover, it assists at setting goals to meet these needs, devise strategies to achieve these goals within a set time frame, and sets targets so that performance can be measured (Department of Constitutional Development, 2000:2). This stage is necessary because it calls on municipalities to

produce integrated development planning processes and the following are some of the important activities:

❑   Current Realities

Planning requires a vision of where one wants the municipality to go. In order to arrive at this vision, one first needs a clear picture of where the municipality is currently – i.e. an assessment of one's own current realities. One way to achieve a broad assessment of your current realities is with a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, needs analysis, and situational analysis (Department of Constitutional Development, 2000:24).

❑   Vision Statement

In most cases, it is possible for residents and stakeholders to have conflicting ideas on what to prioritise. Therefore, development should be planned and managed in the best interests of all the residents and stakeholders. In this light, the vision statement should act as a broad support-base for future development initiatives. It is necessary in the integrated development planning process to find ways in which aspirations can come together. A vision statement aims to build a base for agreement and consensus, to start the planning process concentrating on the common aspirations of all those concerned. A vision should be realistic and should be grounded in an understanding of one's current realities and what is actually happening (Department of Constitutional Development, 2000:24).

❑   Setting Goals and Situational Analyses

It is important to set clear, achievable and prioritised goals. These goals should reflect what the municipality wishes to achieve over the next 5 years. Furthermore, it is also important to review progress against these goals regularly and to review the goals

themselves on an annual basis, because priorities can change and the goals the municipality has committed itself to should change as well. On the one hand, situational analysis will enable councilors to gain deeper insight into the key development issues. The analysis should cover internal factors, external factors and spatial analysis of the local area. On the other, the situation analysis will help at addressing the things one wants to do, the things one must do, and finally the things one can do (Department of Constitutional Development, 2000:25-7).

❑ Financial Plan

An Integrated Development Plan must include a financial plan. This is a strategy for the regular budgeting and allocation of resources so that the development strategies can be achieved within a given budget and a set time frame. The financial plan involves producing a medium-term (5year) projection of capital and recurrent expenditure. It will also contain a plan for raising the revenue to support these strategies. The financial plan will show how the priorities in the budget change over the five-year period in order to achieve the integrated development planning. By doing the above, municipalities will be better able to direct, redirect and manage resources in a focused and disciplined way, to achieve the objectives of the Integrated Development Plan (Department of Constitutional Development, 2000:37).

❑ Action Plan and Budget

This is a stage where one needs to plan for the implementation of strategies. An integrated development plan must address how the development strategies will be carried out, managed, monitored and sustained. Two kinds of action must take place i.e. institutional plan of action, and financial plan of action. The first one spells out how

municipalities with resources at their disposal will implement their development strategies. The second one comes into play primarily to regulate budgeting and allocation of resources so that development strategies can be achieved within a given time frame and budget (Department of Constitutional Development, 2000:35-6).

1.6.1 TWO KEY ELEMENTS OF PERFORMANCE MANAGEMENT

❑ Identifying areas for Improvement

As part of the Integrated Development Planning process, each municipality will identify and prioritise areas where performance improvement is most required. On the one hand, internal, broader transformation issues and the change management strategy for the municipality must inform the priorities. On the other hand, performance measurement and continuous monitoring of municipal activities act as trigger for further investigation and remedial action. If municipalities are to actively improve their performance, capacity building must be a core activity of the broader Performance Management System. Most importantly, the Performance Management System will have to be linked to a national training and capacity building initiative, including a learning network. At this stage the objectives already made are therefore measured in terms of the Performance Management System (DPLG, 1999:9).

❑ Assessing Performance

According to the Department of Provincial and Local Government (1999:10), assessing performance and making decisions about how to enhance it can be a highly subjective affair. This then requires a measure of objectivity. The performance indicators need to cover all key aspects of performance, including economy, efficiency, and effectiveness.

The 3E's model (see figure: 1 below) is a tool that could be used to measure different aspects of the work of an organization. These include the cost involved to produce outputs, the outputs achieved in relation to the resources and the final outcome of a service in relation to its objectives.

Imagine two municipalities – A and B, with similar budgets, responsibilities and staff complements. Both municipalities decide to undertake similar-sized housing development projects. An independent team is asked to assess their performance on these housing projects. How would the team assess performance? To answer this question, the following factors would have to be considered:

How much did it cost?

The team would probably look first at finance – **economy measures**. These measures look at the cost of acquiring resources (office supplies, raw material, etc.). Therefore, if municipality A spent twice as much on raw materials as B (e.g. because of bad tendering practices, lack of information, etc.), this would be one indication of bad performance.

How good is the final product?

Efficiency measures look at the quantity and quality of the products or outputs. They measure how well the organization has used a certain set of inputs or resources to deliver certain products.

How useful has the initiative been?

Finally, **effectiveness measures** look at the final outcome of an activity or service and not simply its outputs. They measure how well the actual products or outputs lead to desired social impact (DPLG, 1999:11).

Figure: 1

The 3E's Model:

Economy   Efficiency   Effectiveness

(Cost)   (Resources)   (Outputs)   (Outcomes)
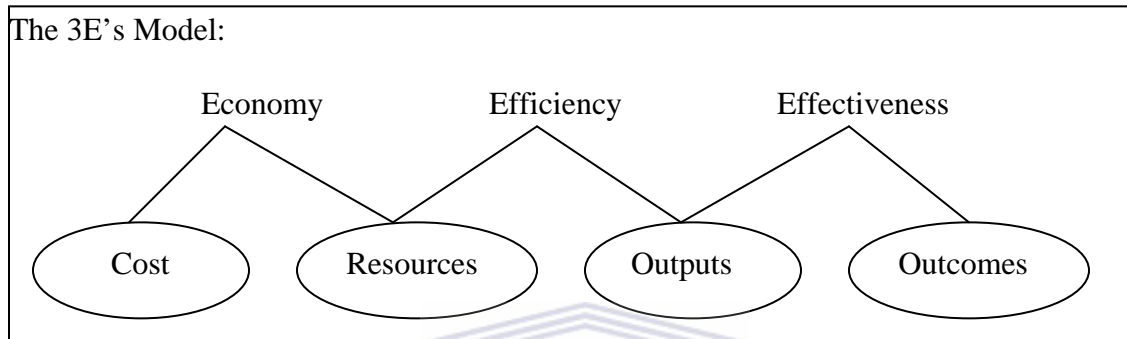
Source: Local Government Information Series – DPLG, 1999:11

1.6.2 PERFORMANCE MEASUREMENT

Municipalities will also be expected to set measurable performance indicators and to link these to performance targets. Performance indicators define how performance will be measured, whereas performance targets identify the results to be achieved within a specific given time. Performance indicators are set once a municipality has identified the objectives for the development with the municipality's overall development goals and priorities in mind (DPLG, 1999:12). They are generally used to describe how well a program or set of actions is achieving its objectives. On the one hand, performance indicators should be SMART (Specific, Measurable, Attainable, Realistic, and Time related). On the other, real efforts should be made to ensure that targets are based on what local people consider important rather than being purely managerially orientated (DPLG, 2001b:16).

1.6.3 MONITOR, EVALUATE AND REVIEW PERFORMANCE

The Performance Management System appears to be a simple process but in effect it is not that straightforward. Interpreting the results of indicators often calls for value judgments, which implies that the exercise is not a completely objective and technical one. Performance monitoring, evaluation and review are inter-linked activities which provide different levels of diagnosis. Performance monitoring is an ongoing process to track and assess whether targets are being met, and broader development objectives are being achieved (DPLG, 2001b:17); moreover, performance evaluation is a deeper, more detailed process of analysis. It occurs during key points in a process – for example, on a quarterly and annual basis. The evaluation process does not just look at whether a municipality is performing adequately, it also analyses why there is underperformance or what the factors were that allowed good performance in a particular area. Performance review, however, takes place over a defined period of time. It is intended to identify broad trends and assesses the likelihood of outcomes being achieved (DPLG, 2001b:17).

1.6.4 PERFORMANCE AUDITING

The key element of the monitoring and evaluation process is to audit the results of the performance measurements. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. Municipalities will be required to submit their performance results to be annually audited by the municipality's external auditor. In addition to verifying the results of the measurement exercise, it will also verify the accuracy of the measurement

methods. The auditor-general as well as the provincial public accounts committees will play an important role in this process (DPLG, 1999:16).

1.6.5 PERFORMANCE REPORTING

The Municipal Systems Act (Act 32 of 2000) stipulates that municipalities must annually prepare and present performance reports to their citizens on their development plans in the form of a public meeting. These annual reports will include or cover the following:

❑ Annual financial statements

❑ The development and service delivery priorities and the performance targets set by a municipality for the following financial year

❑ The review of performance by the external auditors

❑ Performance indicators and targets of the next year

❑ The statement by the external auditors regarding the integrity of the municipality's performance measurement mechanisms (DPLG, 1999:18).

On a crucial but different point, the problems of interpreting the results of indicators do not lessen the importance of performance management, but call for an intensive training policy for administrators. Training is vital in the public service, especially during the period of local government transformation. Transformation is a process that is designed to reshape the public service in order to take its rightful and prominent role in the post-apartheid era. It is against this background that training could be used as a tool when engaging with performance management to change behaviors and attitudes in this new dispensation. Moreover, Stahl (1976:287) argued that the drafting of a training policy is

vital in order to state explicitly the financial needs of the training program and the number of entities required to monitor the program. Proper training of administrators who would be required to carry out policy frameworks such as performance management would enhance their ability to interpret and further allow them to translate strategies into meaningful and practical programs. Finally, poor and good interpretation will affect the implementation stage.

1.6.6 IMPLEMENTATION

A great deal has been said about performance management and its components. However, this particular section is mainly concerned with the implementation of this program. Although performance management appears to be a perfect program that promises improved delivery, not much has changed since its introduction. However, much has been also said about the problems local municipalities face when implementing; and this section will look at different issues such as behavioral and structural approaches to implementation. Policy implementation is crucial, yet people act as if it did not exist. Implementation is seen as merely an administrative choice, which, once made and legislated would happen by itself. It is also important to view implementation as part of the larger process of policy-making (Brynard in Cloete and Wissink, 2002:164).

According to Pressman and Wildavsky (1973:13) implementation means to carry out, accomplish, fulfill, produce, and complete. Policies become programs when, by authoritative action, the initial conditions are created – implementation, then is the ability to forge subsequent skills in the casual chain so as to obtain the desired results.

As part of behavioral approaches, the departure point will be on the roles of lower-level officials or street-level bureaucrats in the implementation process[1] (also known as public officials). Ham and Hill (1985:131) suggested that a great deal of policy is in fact made, or modified in the implementation process. They further argued "…that bureaucrats are likely to show particular attachment to rules that protect the internal system of social relationship, enhance their status by enabling to take on the status of the organization and protect them from conflict with clients by emphasizing impersonality" (Ham and Hill, 1985:133). In this sense policy goals are distorted as means are treated as ends. The second criticism of public officials according to Ham and Hill (1985:136) has to do with the fact that when engaging with policy implementation, there is a tendency to assume the existence of bureaucratic personality, when in practice such behavior may be a means of protecting the individual from total involvement in his/her work situation. Other factors that disrupt proper implementation focus on the pressures upon bureaucrats and this pressure has a direct link on why policies become reshaped as public officials seek to bring some order into their lives. Ham and Hill further argued "people often enter public employment with at least some commitment to service. Yet the very nature of their work prevents them from coming close to the ideal conception of their jobs, large documents, huge caseloads and inadequate resources combined with the uncertainty of methods and unpredictability of clients defeat their aspirations as service workers" (Ham and Hill, 1985:137).

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[1] Street-Level Bureaucrats or Lower-Level Bureaucrats are referred to in this study as those public officials whose work has significance on the interaction with the public and who are involved as professionals in policy delivery.

Lipsky (in Ham and Hill 1985:137), argued that street-level bureaucrats or public officials develop methods of processing people in a relatively routine and stereotyped way; this can be attributed to the fact that they spend their working lives in a corrupt world of service. They develop techniques to salvage service and conceptions of their work and of their clients that narrow the gap between their personal and work limitations and the service ideal. Lipsky also portrayed street-level bureaucrats' role as an alienated one. Such alienation prevents them from performing and seeing their work practices as not having control over outcomes, or over raw materials and there is no control over the pace of work. He also emphasized the problem of resources. Street-level bureaucrats often face uncertainty about just what personal resources are necessary for their jobs, they find that work situations and outcomes are unpredictable, and they face great pressures of inadequate time in relation to limitless needs. Moreover, they make choices about the use of scarce resources under pressure; contemporary fiscal pressure upon human services makes it much easier for officials to emphasize control than to try to put into practice service ideals. These difficult work conditions or environments lead to the abandonment of ideals and to the adoption of techniques, which enable clients to be managed. In addition, Hogwood and Gunn (1984:212-3) suggested that human behavior and attitudes must also be influenced if policies are to be implemented.

The behavioral approach begins by recognizing that there is often resistance to change. To start with, there may be fears of change per se, because change means uncertainty and some people have a very low tolerance for ambiguity. Moreover, there may be more specific fears, such as fears about the economic effects of change in terms of earnings,

benefits, job security, and career prospects. In this light, threats to personal security need not all be economic – people are often uneasy about having to learn new skills, assume different responsibility, and meet higher standards.

If the symptoms and causes of resistance are understood, provision should be made to avoid or minimize resistance – full information should be provided at an early stage about proposed or anticipated changes, including the reasons, objectives, and means involved. There should be extensive consultation with affected parties both inside and outside the organization. The aim, according to this approach, would be to create an atmosphere of trust, mainly by management showing concern for people's interests (about loss of workmates, personal insecurities, etc.). In this regard, Hogwood and Gunn (1984:197) stated that in seeking to understand what is meant by policy failure, it is useful to distinguish between non-implementation and unsuccessful implementation. On the one hand, a policy is not put into effect as intended perhaps because those involved in its execution have been uncooperative and/or inefficient, or because their best efforts could not overcome obstacles. Unsuccessful implementation, on the other hand, occurs when a policy is carried out in full and external circumstances are favourable but, nonetheless, the policy fails to produce the intended results (or outcomes). What happens at the implementation stage will influence the actual policy outcome. Conversely, the probability of a successful outcome (which we define for the moment as that outcome desired by the initiators of the policy) will be increased if thought is given at the policy design stage to potential problems of implementation.

Lipsky (1980:397) insisted that the notion that policy-makers exercise or ought to exercise some kind of direct and determinary control over policy implementation might be called a 'noble lie'. Analysis should focus on those who are charged with carrying out policy rather than those who formulate and convey it. He further argued that sub-ordinate compliance does not automatically follow upon the issuance of orders and instructions for discretion at lower levels is not only inevitable, but also desirable because it is necessary for policies to be 'reinvented' so that they better fit local needs.

Lipsky stated that greater influence over policy is exerted by those who formulate it than by those who carry it out, and proposed that in many cases the altitude of those charged with carrying out policy is so substantial that policy is effectively made by the people who implement it. Those who are sometimes called 'front-line workers' or defined by Lipsky (1980:398) as 'street-level bureaucrats are central to the study of implementation.
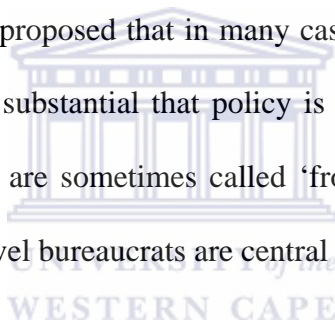
In turning the focus from behavioral approaches to structural approaches, it became evident that the organizational structure alone has a great deal to offer when implementing. To simplify this subject it is important to draw attention to the distinction between 'planning of change' and 'planning for change'. The former occurs when change is generated within the organization. Here implementation is seen essentially, as a technical or managerial problem. The latter takes place when change is externally imposed (by other organizations or environmental forces) or when the change process is difficult to predict and control. In this case, implementation will require a more adaptive approach. When planning for change, a quite different organizational structure may be

appropriate, with some at least of the 'organic' features (Hogwood and Gunn, 1984:209). Organic structures are seen (Hogwood and Gunn, 1984:209) as being appropriate in an uncertain or fast-changing environment. They adapt more speedily and effectively, partly because they have a greater capacity and information processing. More broadly, the organic prescription seems relevant to those capable of implementing a sequence of changing policies over-time rather than to design a specific structure for a one-off program. In addition, organic structures are often uneasily received within the public sector because of such considerations as the sheer scale of many governmental agencies, the demands of accountability, and the requirements to show consistency overtime. Conversely, an organic structure stresses less emphasis on hierarchy (Hogwood and Gunn, 1984:210).
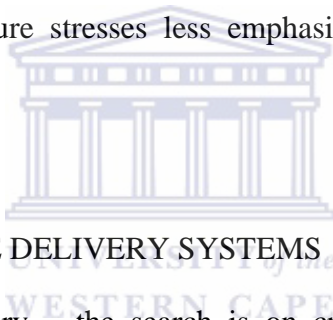
1.6.7 ANALYSING SERVICE DELIVERY SYSTEMS

In transforming service delivery – the search is on creating effectiveness in service delivery which meets the needs and aspirations of all South African citizens. Improving service delivery is therefore the ultimate goal of the public service transformation program. Nevertheless, the introduction of a service delivery improvement program cannot be achieved in isolation from other management changes within the public service. It must be part of a fundamental shift of culture whereby public officials see themselves first and foremost as servants to the citizens of South Africa, and where the public service is managed with service to the public as its primary goal. Improvement of service delivery is a dynamic process out of which a completely new relationship is developed between the public service and its individual clients. To implement service

delivery programs successfully, public managers require new management tools (White Paper on Transforming Public Service delivery: 1997:11).

The Batho Pele or People First (Figure: 2) principles form the basis for this section. The following figure outlines the components of Batho Pele principles that contain a vision for managing performance within a broader public sector.

Figure: 2

The Eight Principles of Batho Pele

1. Consultation
Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered

2. Service standards
Citizens should be told what level and quality of public services they will receive so that they are aware of what to expect

3. Access
All citizens should have equal access to the services to which they are entitled

4. Courtesy
Citizens should be treated with courtesy and consideration

5. Information
Citizens should be given full, accurate information about the public services they are entitled to receive

6. Openness and transparency
Citizens should be told how national and provincial departments are run, how much they cost, and who is in charge

7. Redress
If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response

8. Value for money
Public services should be provided economically and efficiently in order to give citizens the best possible value for money

Source: White Paper on Transforming Public Service Delivery 1997, 8 May

In relation to the above, the government's commitment to integrated service delivery approach is seen by the formulation of Multi-Purpose Community Centres (MPCCs). The Multi-Purpose Community Centres have been identified by government (in a MPCC business plan launch speech by Minister in the Presidency, Dr Essop Pahad: 13 November 2001) as a key in the successful implementation of the government's integrated approach towards service delivery and development, bringing much needed services closer to communities that need them desperately. An MPCC is a one-stop centre where local, provincial and national government departments, as well as other service providers, offer services in a co-coordinated fashion. People living around the centre and surrounding areas are the ones who identify and request the services essential to their development. MPCCs are non-political community institutions run in strict adherence to Batho Pele principles, where people are paramount and service delivery improves lives. MPCCs are intended to play a major role in narrowing the social and economic gap between South African people (http://www. gcis.gov/media/releases/mpcclaunch.htm).

1.7 LIMITATIONS OF THE STUDY

This study was affected by time constraints due to the complexity of issues to be researched and uncertainty about the availability of relevant documentation and related work and material.

1.8 SIGNIFICANCE OF THE STUDY

The significance of this study is that it can assist and serve as a guide to local municipalities, especially to consultants, managers and administrators when drawing

policies or engaging with the performance management system. Furthermore, it could enable local governments and related agencies to enhance their understanding and attitudes towards the performance management system. Most importantly, it can help to shape the thinking of policy-makers by basing their ideas on the issues raised in this study.

1.9 ORGANIZATION OF STUDY

This study is arranged as follows:

Chapter 1:

This chapter outlines the introduction, statement of the problem, assumptions, objectives of the study, research methodology, the literature review, the limitations of the study, the organization of the study and the summary.
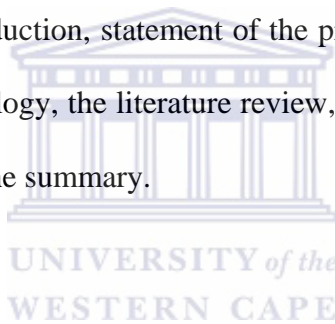
Chapter 2:

Chapter two examines Performance Management as a case study in the Parliament of South Africa. It further discusses, analyses and explains the problems encountered when introducing and implementing this system.

Chapter 3:

This chapter generates most of the information concerning the nature of Performance Management System in local government and its implications on performance, service delivery, and trust relations amongst relevant stakeholders.

Chapter 4:

This particular chapter contains and presents analysis of the current situation in the Amatole District Municipality pertaining to Performance Management System processes and implementation. Moreover, it captures and provides a comprehensive outlook of the PMS in this district municipality.

Chapter 5:

This chapter evaluates the findings of the study. It also raises issues for further inquiry and practical application in local municipalities. Further, it provides recommendations and draws conclusion on the basis of collected and available data.

1.10 SUMMARY

This chapter has laid down the most critical issues concerning performance management in the South Africa local government context with specific reference to policy implementation. It has also attempted to show that this is not only a new system to improve performance and service delivery but that it has the capacity or can extend to be an instrument that can empower and improve the lives of citizens. This new system seeks to use and transform this very same vehicle of local government into an instrument of hope. Even though the introduction of this system makes provision for accelerated and capacitated change, in most local municipalities the system is still at its infant stage and is subject to criticism. This policy framework therefore is intended to reshape local government structures and attitudes for the better. The next chapter examines the Performance Management System as a case study in the Parliament of South Africa. It

further discusses, analyses and explains the problems encountered when introducing and implementing this system.

CASE STUDY OF PMS IN PARLIAMENT

2.1 INTRODUCTION

There has been a significant recognition in Parliament that while Parliament cannot be managed like a private organization it must be managed for performance. The Parliament administration therefore committed itself to develop more effective measures of output, which must evaluate the services it renders and how effectively it delivers these. An initial step in this direction was the strategic decision to embark on a process of implementing a Performance Management System for the Parliament administrative service. For the purpose of this study, a discussion of planned change through performance management will be incomplete without a prior outline and discussion of a case study on performance management in Parliament on which this chapter will focus. It will examine the approach used by Parliament to introduce and implement performance management. This chapter will again outline the problems that arose because of conflicting ideas about performance management and review the findings and reactions of the parliamentary staff and union in dealing with this system.

2.2 CASE STUDY – **Performance Management in Parliament under threat.**

According to Nehawu Newsletter (2002:1), intimidation was the order of the day in Parliament; as employees were being blackmailed and coerced to sign performance contracts in exchange for money. This action attempts to defeat the good intentions of the Performance Management System with its primary objective of improving service

delivery. In this regard, the Secretary of Parliament was seen as adopting an oppressive behavior, the union - National Education Health and Allied Workers Union exclaims (Nehawu Newsletter, 2002:1).

The article (Nehawu, 2002) further stipulates that the union got involved in the Performance Management process at Parliament with great enthusiasm believing that such a system would change workers' lives for the better. However, in May 2002, Nehawu believed that it was premature for its members to sign performance contracts as required by the Secretary of Parliament's memorandum to all staff dated 1 March 2002. Given this background, Nehawu called on all members not to sign performance contracts for the following reasons:

1. "Nehawu declared a formal dispute regarding the performance management. What this means in practice is that the whole process would be halted until the parties reached an agreement. Thus, the union demands that the Secretary to Parliament should not intimidate individual members in this process as they are protected by the dispute procedure. Moreover, the Secretary's circular as dated above is in violation of the dispute procedures as agreed between both parties. This unilateral action is also in contempt of workers' rights and the union representing them."

This, according to Nehawu (Newsletter, 2002:2), was a clear indication of negotiating in bad faith as Nehawu was still waiting for their response on its proposals to break this deadlock.

The action of the Secretary of Parliament raises questions around the Secretary's commitment to address the concerns around Performance Management System.

   2. Nehawu's concerns as communicated to management are:

-   "Performance management will be regarded as a condition of service, which by law should be negotiated with Nehawu. In their meeting with the Secretary to Parliament on 25 February 2002, the Secretary to Parliament endorsed this position.

-   Nehawu also proposed that the performance management system be introduced as a trial during the year 2002. This will enable parties an opportunity to evaluate its compatibility to Parliament's needs" (Nehawu Newsletter, 2002:2).
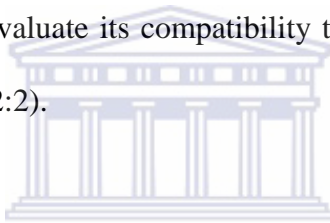
In principle, performance management is essentially a top-down process. What this means is that the most senior person in an organization will be the first to sign a performance contract, followed by the next level of seniority, and so on. At Parliament it means that the Secretary to Parliament must be the first person to sign, followed by the Divisional Managers, then the Section Managers, Unit Managers, Control level of management and then the rest of the staff. The union argues that this has not yet happened. Instead, management has chosen to use the performance management process as a means for holding workers to ransom, i.e. only those workers who have signed performance contracts will be paid a "special bonus". However, the union remarks, this so-called "special bonus" is actually money that was set aside for the adjustments to

salaries and conditions of employment for the 2001/2002 financial year (Nehawu Newsletter, 2002:2).

In this manner, the union further argues that management has reduced performance management to a money issue. In Parliament, the agreement was that if the Performance Management System is not in place as it is now, then the money would be paid out equally to all staff at the end of March 2002. In relation to the above, the union exclaims that once again management has proved to be only interested in enriching themselves through this "special bonus". Nehawu also called for the establishment of an Appeals Committee that would deal with the staff grievances around the outcome of the performance management system (Nehawu Newsletter, 2002:3).

What surfaces from this case is that performance management, being a Human Resource process, contains human resource jargon which is not easily understandable by non-human resource practitioners. The effect of this is lack of understanding of the words used during the whole process. In addition, the human resource practitioners, as the custodians of the system, have not yet been trained to deal with problems which might arise from the system. There is also no common understanding of the meaning of different concepts. For example, two members of staff doing the same job were made to understand the meaning of 'weighting' in two different, contrasting ways. What this brings to light is that some managers seem to understand performance management and what it involves, much less than the staff they are supposed to manage. In short, staff and their managers are not on the same level of understanding with regards to this system;

staff in various divisions also found themselves in various steps in the process. The process is at different stages in various sections and units. Parliament is not moving forward cohesively at the same time; for example, in some sections job profiles have not yet been finalized; in some, job descriptions have not yet been agreed to, or have not yet been drawn up. Parliament does not have a Performance Management policy plan. The result of this is that the performance management process is managed in a chaotic fashion – everybody is doing what they think is right, on the basis of their own understanding of the process (Nehawu Newsletter, 2002:4).

Parliament, in introducing change in the form of a performance management system, opted to appoint a change agent to facilitate the process and guide the organization through the process. The change agent was a team from a human resource consultancy. Given that Parliament has a human resource section that employs well-trained human resource specialists, it was unclear why an external change agent was appointed. Employees have expressed concern about this matter. The external change agent also had a very tight and unrealistic deadline in which to roll out the project. Thus, it was felt that the change agent might not be able to adequately scan the internal environment and assess the organisational culture and identify employee and organisational obstacles to managing resistance to change (Interview – Corker, 10 April 2002). However, management stipulated that the reasons for contracting external change agents when attempting to change was primarily because they may bring objectivity to the situation and be better able (than internal human resource practitioners) to obtain the acceptance

and trust of the organisation's members. With time, the management reaffirmed, internal practitioners would be moved into the role of change agents.

When introducing a change process like this, it is reasonable to assume that the change agents were proceeding with a set of assumptions about the problematic areas, whether this relates to organizational culture, readiness for change or management competence. When asked what they thought about Parliament's situation at a first briefing session, the change agents reported that they had neither real ideas nor assumptions about problem areas and how to deal with them. This was also an issue of concern for managers, and seems not to have been adequately addressed (Interview – Corker, 10 April 2002).

A further issue that has been expressed by employees is that of trusting that managers would use the performance management system in the best and optimal interest of the employees. However, the Performance Management System has apparently been used as a form of work-place discrimination. Furthermore, there are concerns of who is required to measure the performance of whom. Another problem arising from the introduction of performance management in Parliament is the battle between the workers' union (Nehawu) and the management of Parliament that threatens trust-relations between these two segments. The incorporated interests of stakeholders (i.e. staff and organised labour) when designing interventions and creating change can assist in developing a shared organisational vision and common goal for improved performance and delivery. Given this, poorly designed change strategies can have a negative effect on delivery. The union (Nehawu) declared a dispute and according to the Chairperson of Nehawu, the whole

process of performance management had to be stopped until a ruling of the court was decided. Parliament, according to Nehawu, was however carrying on with the process and disregarding the dispute. Management on the contrary, claims that no dispute has been declared, and according to them, the process of Performance Management contracting must continue (Interview – Corker, 10 April 2002).

This disregard by management further deepened the crisis that threatens to disrupt trust-relations, and resulted in Nehawu members going on a two-day protest in Parliament. On 14 March 2002 (Interview – Corker, 10 April 2002), Nehawu also filed an urgent application for an interdict against the performance management process with the Labour Court. However, the union argues, this did not stop management from going ahead and insisting that staff sign performance contracts.
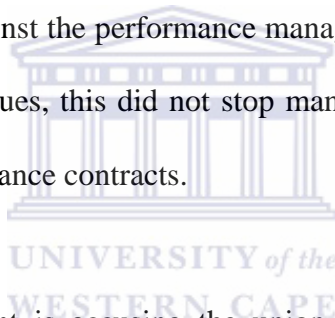
The management in Parliament is accusing the union (Interview – Corker, 10 April 2002), of using implementation of the Performance Management System to achieve political and worker support. According to the respondent (Corker, 10 April) a bonus was paid out to staff to cover up for lack of salary progression on the basis of an equal percentage. In the current situation the union is attempting to force management to accept the principle of equal distribution in rand terms as opposed to distribution on an equal percentage basis. He further stated that the performance management process had the full support of organised labour from the start up until where the process is now (Interview – Corker 10 April 2002).

2.3 FINDINGS

The research found a very unsystematic approach to evaluation to inform project and performance appraisal, to assess effectiveness in achieving objectives in outcome terms, to undertake impact assessment or to review implementation processes. Moreover, there was little evidence of participative, 'multi-stakeholder' approaches to evaluation, while many managers were skeptical of qualitative approaches. It is these forms of evaluation which have been identified as having the greater potential to inform improvement. While many officers and managers recognised the importance and potential of these forms of evaluation, there was evidence of a number of significant obstacles to the development of a more systematic approach to performance measurement as a key driver of change and improvement.
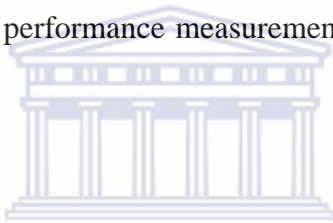
The way in which officers and managers in the case study discussed obstacles to performance management suggested that these were related closely to key aspects of organisational culture. Thus, certain features of the political context of management were seen as important – managers tend not to like 'bad news' and may be reluctant to 'put themselves on the line' with explicit objectives. Heavy emphasis was placed upon time pressures and lack of resources for evaluation indicative of a low priority being given to performance management. I interpreted these findings as 'overt' characteristics of organisational culture and identified three key 'cultural attributes' which were hostile to performance evaluation. First, the lack of a strategic approach to policy and service development, with insufficient focus on purpose, desired achievements (objectives) and processes of review. Second, the perception of performance evaluation and review as a

threat both to the role and integrity of service professionals and to levels of service provision, especially when it is perceived as 'imposed' from the corporate centre. Third, the focus on 'negative' blame/punish reactions to mistakes, problems or poor results rather than 'positive' reinforcement and support for addressing problems, recognition for achievements and learning from mistakes.

These factors produce a context in which evaluation and review are either perceived to have low priority relative to the 'mainstream' business of setting policy and budgets and delivering services or are actively resisted as a threat or imposition. As a result, inadequate resources are allocated for implementation, evaluation and review activities. In particular, there is a lack of time for staff to spend on performance evaluation and review, given that 'more pressing work' will be given priority and a lack of money in constrained budgets, given a priority to protect front-line services, especially for relatively more costly research to assess service quality. A shortage of staff skills and expertise in implementation can result if low priority is given to such skills in recruitment and in constrained training budgets. Moreover, a lack of commitment to, and support for, performance evaluation and review in service departments often resulted in corporate initiatives to develop review processes being seen as a 'nuisance' by service managers. This was particularly so if insufficient time was allowed to consult, persuade and support changes in thinking and working. The danger then was that performance management became a 'superficial paper-chase', subject to manipulation and avoidance tactics and became thereby discredited, making the task of culture change even more difficult.

2.4 SUMMARY

The implementation process of the Performance Management System at the National Parliament seems to be flawed and, at the time of writing, Nehawu and the Parliament management were at loggerheads on the matter. What emanates from this case study is that there is a long way to go for all stakeholders to take ownership of this system. Subsequently, these conflicting ideas surrounding the implementation of performance management suggest that there is a desperate need to develop more participative approaches to performance measurement, taking seriously the notion of empowerment, particularly in relation to service users and citizens and front-line staff. Moreover, a key element is supportive training and development for both staff and elected members to ensure that they understand the changes required and their rationale. In this regard, it is apparent that change involves people, thus the environment and climate that support change must be fostered for more successful change efforts. The next chapter will examine the nature of Performance Management System in local government and its implications on performance, service delivery, and trust relations amongst relevant stakeholders.

PERFORMANCE MANAGEMENT ANALYSIS

3.1 INTRODUCTION

This chapter examines the limitations and challenges that are brought to play by Performance Management System. It would further look at broader issues that gave rise to this state of affairs. These issues are seen and referred to in the chapter as trends that align themselves with the 'marketization' of the state. Conversely, such issues provide inadvertently problematic situations for the new South Africa's government's aim of 'modernizing' the management of local government.

Performance has become a critical issue amidst the requirements for competitiveness in the global village. The general idea of performance and its appropriate measurement is also very visible in all the policy documents of the South African public sector. In this regard, public sector reforms are producing a new model of 'public governance' embodying a more modest role for the state and a strong emphasis on performance management. However, the development of performance management has been primarily 'top-down' with a dominant concern for enhancing control and 'upwards accountability' rather than promoting learning and improvement. Moreover, the development of performance management and evaluation in local government throughout South Africa has been conditioned by external pressures, including reforms imposed by central government, which have encouraged an 'instrumental-managerial' focus on performance measurement (Sanderson, 2001:297).

This writer is, however, aware that there are limits to what such performance measurement can reveal and that some indicators may even contradict some non-financial development-orientated performance indicators. A more comprehensive system will therefore make provision for categories of performance that relies on both the financial and non-financial indicators such as service performance, quality, and productivity. Moreover, the government's program of modernizing local government places considerable emphasis on performance review and evaluation as a driver of continuous improvement in promoting Best Value. However, Sanderson (2001:297) indicates that the capacity for evaluation in local government is uneven and that many obstacles to evaluation exist in organisational culture.

3.2 THE LOCAL GOVERNMENT PERFORMANCE MANAGEMENT CONTEXT

The Municipal Systems Act (MSA), 2000 (Act 32 of 2000) prescribes the establishment and development of a performance management system (sections 38 and 39), the establishment of mechanisms to monitor and review the performance management system (section 40), and the core components of such a system (section 41).

The core components of the performance management system are firstly required to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact relating to the development priorities and objectives as identified in the Integrated Development Plan. Subsequently, measurable performance targets must be set for these development priorities and objectives. Performance must be monitored and then measured and reviewed at least once a year. Afterwards, steps to

improve performance where targets are not being met are to be taken. Finally, a performance reporting process must be established to keep city council, other political structures, political office-bearers, staff, the public and appropriate organs of state informed. It is further determined that the system must be devised in such a way that it can serve as an early warning system where under-performance regarding the attainment of development priorities and objectives is occurring. The Act also determines that community involvement in all the above should be ensured (Burger and Ducharme, 2000:50-1).

According to Sanderson (2001:297), post apartheid South Africa has witnessed growing economic challenges that resulted in large-scale public sector deficits, and the resulting fiscal crisis interacted with a legitimacy problem as the capacity of government to solve social and economic problems effectively came increasingly into question. New ideas of performance produced a critique of traditional bureaucratic forms of organization as lacking flexibility and dominated by 'producer' interests. In this context, the recent thrust of policy became to reduce the size and scope of the public sector and to increase the efficiency of services and activities which remained in the public sector. This involved a substantial program of privatisation, the introduction of competition and attempts to make public services more responsive to their users or 'customers', applying 'business-like' management techniques with a stronger focus on measured performance. However, these approaches are primarily focused on profit interests and influenced by global changes that suggest that government or local government in particular should operate as business and citizens should be viewed as customers and that being a customer means one must be

eligible to pay. Conversely, this then strips the very essence of being a citizen and robs citizens of their rights.

Moreover, Sanderson (2001:298) argues that, notwithstanding differences in the nature, size and approach to public sector reforms, a common agenda has developed, constituting a new 'paradigm' for public management aimed at fostering a performance-oriented culture in a less centralized public sector. Thus, responsibility for operational management is devolved but within a framework of accountability for results. It is in this context that reference has been made to the rise of the 'new evaluative state' in which performance is scrutinized at different levels through a variety of means: in terms of outputs through systems of performance measures and indicators; in terms of managerial systems and processes through monitoring of standards. In relation to local government, the increasing requirement for accountability in terms of performance and results can be seen as a prime 'driver' of the development of evaluative systems.

Loughlin (1994) has argued that in Britain a shift in forms of administrative accountability has taken place in the context of the New Right challenge to professionalism as the guarantor of standards of administrative efficiency. He saw the rise of performance management as providing the basis for new forms of accountability in terms of performance and results. The UK Citizen's Charter performance indicators were seen as playing a key role in enhancing accountability in these terms and performance management has increasingly been implemented in local municipalities with the encouragement of the Auditor General and the Audit Commission (Sanderson,

2001:298). There has been a strong 'top-down' orientation to these developments and there are limitations of performance measurement in evaluative systems in providing a basis for effective government due, in part at least, to a failure to promote understanding and learning.

Other research (e.g. Palmer 1993) has indicated the degree to which local municipalities developing systems of performance measurement have failed to integrate them adequately with mainstream budgetary and management processes. This has provided support for Mckevitt and Lawton's (1996:88) conclusion that performance management has tended to be developed to provide legitimacy within the 'institutional environment' rather than to inform organisational change and service improvement. This situation can be seen as problematical for South Africa's new government's aim of 'modernizing' the management of local government through Best Value which embodies a performance management framework as a key driver of improvement.

3.3 THE RATIONALE FOR EVALUATION: CONTROL OR IMPROVEMENT?

The New Right critique rejected the notion of 'rights' to universal welfare provision based upon a commitment to social justice and further questioned the rationale of 'intervention' by government in economic and social affairs (Farnham and Horton in Sanderson 2001:299). Thus, government policy informed by this critique has emphasized individual self-responsibility, the need to reduce the size and scope of the state and to regulate producer interests, and the need to increase the role of the market. This logic is embedded in what has been called 'managerialism'. Furthermore, 'managerialism'

comprises three key themes: first, an emphasis on cash limits, cutting costs and increasing labour productivity and efficiency; second, the decentralization or devolution of management responsibilities, especially in relation to budgets; and third, the development of 'neo-Taylorian' practices such as setting standards and targets through planning systems, performance measurement and performance-related pay linked to appraisal, all designed to create incentives for better performance (Pollitt, 1993:55).

According to Pollitt (1993:56), the development of managerialism has gone hand-in-hand with the marketization of the state and represents the "acceptable face" of new-right thinking concerning the state, providing an apparently 'technical' solution to the political problem of increasing the productivity and efficiency of local government. Farnham and Horton (1993:47-9) argue that managerialism is founded upon economic, rationalistic, generic assumptions all of which increase the emphasis on measuring performance, mainly in terms of costs, productivity and efficiency, in the context of planning systems driven by objectives and targets. Walsh (1994) argues in the context of the UK that there is an attempt to replace planning and professionalism with the market and managerial control as the 'rationality' for organizing public services. Within market rationality, accountability to consumers assumes key importance with information on performance seen as empowering consumers and facilitating choice. The decline in trust in professionals as the basis for ensuring value for money in public service and local government in particular has resulted in new forms of control based upon 'surveillance', notably inspection and performance measurement. Indeed, Hoggett (1996) regards the key features of managerialism as a 'technology of control', which is superseding

bureaucratic control as the preferred method of regulating public service agencies. Thus, in the development of devolved forms of management, and in the growth of performance management techniques, there is a move towards new, post-bureaucratic forms of control. Moreover, devolved 'business units' are increasingly subject to performance based funding linked to quantitative performance measures. According to Hoggett (1996:20-1), performance management system displays new kinds of formalization, the proliferation of performance measurement, quality systems, audit and inspection underpinned by the mechanistic rational-systems model, indicative of an interest in control.

Furthermore, to discipline and transform the old institutional sites of power in the state involves a shift of power to management but subject to processes of regulation, audit, inspection and evaluation to achieve enhanced accountability to central government (Sanderson, 2001:301). This relationship between the growth of performance measurement or management and the centralization tendencies of the South African state has also been examined by Henkel (1991) who argues that the emphasis on control and accountability encouraged the development of a particular form of 'evaluation'. Government policies now promoted evaluation as a contribution to the control of the periphery by the centre, particularly in the management of resources. It stressed values of economy, efficiency, 'value for money' and effectiveness or performance. As a consequence, it assumed that evaluation would be summative, delivering authoritative judgments, based as far as possible on performance indicators or quantitative measures of input-output relationships and outcomes and set against predefined targets and standards (Henkel, 1991:20).

Sanderson (2001:301) argues that central control has been the dominating purpose behind the external imposition of performance indicators and performance management approaches in the South African public sector agencies. He further argues that 'top-down' control is the primary interest in the development of performance measurement and management systems within public sector agencies. Earlier research by Mckevitt and Lawton (1996:89) founded that since performance management systems have developed primarily under the 'top-down' external forces, they tend not to be integrated into overall strategy and management processes and fail to engage the commitment of middle and junior management. Moreover, even though community participation is taken seriously, such systems neglect the views of service users and therefore tend to contain few measures of relevance to their needs. Sanderson (200:302) comments on performance management and makes the distinction between 'top-down' systems oriented primarily to accountability and control and 'bottom-up' systems with a greater concern for promoting improvements. Relatively, evaluation in local government does contribute to organisational learning. Sanderson (2001:302) further indicates that there is no other function within an organization that has more potential to contribute to the organisation's learning than evaluation. However, in order for evaluation to contribute effectively to learning, it must take account of the practical realities of governing and, the need to achieve synergy with the organization's context and culture suggests a 'bottom-up' approach to development. Sanderson (2001:302) also argues that a collaborative or participative approach is important; it values different perspectives, spreads ownership and plays an educative role. Effective communication of information "in the right form to the right people, at the right time" is seen as crucial. Finally, and perhaps most

importantly, the appropriate attitudes, behaviors and incentive structures are required to support 'evaluative enquiry' involving the ability to question and challenge the existing practices, beliefs and values and the capacity for critical reflection and dialogue.

3.4 TOWARDS PERFORMANCE MANAGEMENT

According to Sanderson (2001:303) a key-underpinning theme in performance management is growth of 'contractual' forms of relationships. The form of 'contracts' varies from the formal, legal documents which provide the basis for competitive tendering, through 'service level agreements' commonly used in internal markets, to 'customer/citizen charters' which may be used to specify service standards, and business plans which specify performance targets for organisational units in devolved management systems.
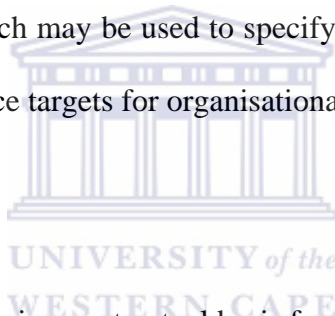
It is also possible to see an evolving contractual basis for the funding of local government (e.g. funds earmarked for urban regeneration linked to output targets). The basic principles of 'management by contract' apply in all these cases – that the service to be delivered is specified in advance in terms of measurable criteria and that performance against these criteria is subsequently monitored and evaluated. The spread of these 'contractual' forms of management can be seen as a key factor responsible for the growth in performance measurement and evaluation. Walsh (1996:126) argues that the introduction of competition and contracting resulted in some fundamental changes to the 'traditional organisational paradigm' of local government founded upon hierarchical management systems and self-sufficiency in service provision. Relationships between

such organizations and units became increasingly formalized in contracts and service-level agreements in order to maintain control and there was increasing use of business planning, performance management and quality assurance systems. However, the focus was primarily 'managerialist', with heavy reliance on inspection and technical standards; there has been only limited involvement of the public in monitoring processes. It is primarily through Best Value that this 'modernisation agenda' continues, and indeed strengthens the development of evaluative systems and performance management. The duty to Best Value, operative from March 1998 requires local authorities to make arrangements to secure continuous improvement in the way in which their functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Sanderson, 2001:305).

3.5 SUMMARY

What emanates from this chapter is that performance management systems have important limitations as 'drivers' of change and improvement, particularly to the extent that these systems are externally imposed. This chapter has also shown that external pressures have played a key role in promoting a greater focus on performance in local government but the emphasis has been much more on enhancing accountability and control rather than on using performance management as an engine of change. In this regard, local authorities need to develop the capacity to achieve change and improvement based upon evidence of performance produced by performance management systems. Furthermore, the nature of change must be consistent with the key goals and objectives expressing required or desired outcomes. There is a significant danger of distortion of

focus and action if the key measures and targets in performance management systems do not capture the essence of primary values and objectives. It is also essential to ensure that the views of all major stakeholders are embodied in key targets and standards. This chapter does not reject the use of evaluative systems in performance management, but rather argues that they can only serve the purpose of appropriate performance measurement if they are part of a comprehensive performance management system framework. The next chapter will deal with the analysis of the current situation in the Amatole District Municipality (ADM) pertaining to PMS processes and implementation. Furthermore, it captures the essence of PMS and provides a comprehensive outlook of the Performance Management System in this district municipality.
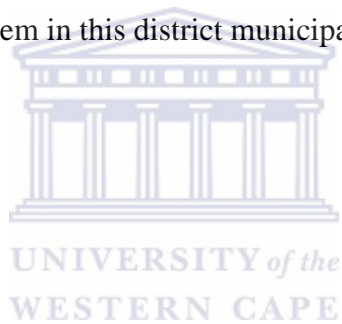
- CHAPTER 4 -

CURRENT REALITIES AT THE ADM

4.1 INTRODUCTION

With local government fast becoming the centre for service delivery, the Amatole District

Municipality (henceforth, ADM) together with its local municipalities adopted a

Performance Management System in accordance with the Integrated Development Plan

(henceforth, IDP). This step towards this direction marks a new and challenging character

for this municipality. According to the ADM-IDP (2002-2003:13) the current condition

of affairs with regards to infrastructure and service delivery varies across the district but

are generally low with substantial backlogs. It is against this background that the ADM

employs PMS as its medium for progressive reform. In this regard, this chapter

introduces performance management system planning processes and other factors

affecting planning in this district municipality. Moreover, it contains the summary of the

current situation in the district pertaining to PMS processes and implementation.

However, the first section provides insight into legislative requirements to the

implementation of PMS. Furthermore, it is the intention of this particular chapter to

provide a comprehensive outlook of the PMS in this district accompanied by an

introspective insight on the quality of performance management adopted by the ADM.

Conversely, it is the absence of individual performance that affects or allows limitations

to findings in this chapter. Furthermore, internal and external pressures could not afford

the district a chance of cascading PMS from organizational performance management to

individual performance management and thus during the time of this research the district was only focusing on organizational performance management (see triangle diagram on page 56).

4.2 BACKGROUND

Amatole is a coastal district municipality situated in the eastern mid-section of the Eastern Cape Province with a population size of approximately 1.6 million and estimated land extent of 23 675 square kilometers. There are eight local "B" municipalities (Mbashe, Mnquna, Great Kei, Buffalo City, Amahlathi, Ngqushwa, Nkonkobe, and Nxuba) located within its boundary of which Buffalo City is a secondary city. The Municipal Structures Act divides municipalities into three categories, these municipalities are arranged as follows: Category A municipalities, have exclusive municipal executive and legislative authority in their area. In other words, there is only one municipal council in an area with a category A municipality. Category A municipalities will be established in metropolitan areas. Category B municipalities share municipal executive and legislative authority in their area with a category C municipality within whose area they fall. A local municipality is an example of category B municipality. Category C municipalities have municipal executive and legislative authority in an area that includes more than one municipality, for example, a district municipality (http://www.dplg.gov.za/Documents/Publications/type_muni/muni_type.htm). Amatole District Municipality (ADM) shares boundaries with three other districts (see locality Map-1 page 55). Moreover, Amatole is the second largest district in the province and is host to some of the province's major economic development nodes and corridors. Buffalo

city within the district represents an important provincial economic development and employment node; and has been identified as a strategic role player that can significantly influence the success of many development programs (ADM-IDP, 2002-2003:6).

In its attempts to contribute to social upliftment, the Amatole District Municipality together with its local municipalities embarked on a strategic decision of implementing a performance management system. In terms of legal requirements, the Local Government: Municipal Planning and Performance Management Regulations, DPLG (2001a) stipulates that in developing PMS a municipality must ensure that the system complies with all the requirements set out in the Regulations; demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting; clarifies the roles and responsibility of each role-player, including the local community in the functioning of the system. Clarifies the processes of implementing the system within the framework of the IDP process. It should further determine the frequency of reporting and the lines of accountability for performance; relates to the municipality's employee performance management processes; provides for the procedure by which the system is linked to the municipality's IDP processes, and a PMS must be adopted before or at the same time as the commencement by the municipality of the process of setting key performance indicators (KPI) and targets in accordance with its IDP (DPLG, 2001a).

Moreover, chapter 6, (sub-section 38a) of the Municipal systems Act (Act 32 of 2000), sets out further requirements that municipalities must:

(a) Establish a performance management system that is:

(i) commensurate with its resources;

(ii) best suited to its circumstances; and

(iii) in line with the priorities, objectives, indicators and targets contained in IDP;

(b)   Promote a culture of performance management among its political structures, political office bearers and councilors and in its administration; and

(c)   Administer its affairs in an economical, effective, efficient and accountable manner.

The primary reason that this is so important goes back to the theme of people development and service delivery – a good performance management system is an integral part of a good people development and human resource management system.

LOCALITY MAP-1
Source: ADM-IDP, 2002-2003

4.3 ORGANISATIONAL VS INDIVIDUAL PERFORMANCE MANAGEMENT

The legal framework relates directly to the establishment of an organizational Performance Management System – or a system that enables one to monitor and manage the performance of the organization as a whole against the IDP. However, it is common sense that the people inside that organization, working together towards common goals, are going to be responsible for the achievement (or not) of the organization's performance targets. Therefore, there needs to be two components within a municipality's overall Performance Management System: one for managing organizational performance and another for managing individual performance. It is important to note that these are components of the same system and should complement each other or the system will be unstable and will not produce the desired results. The following triangle diagram best demonstrates individual and organizational performance management (ADM-Operational Learning Facility, 2002b:1-2).

Source: ADM-Operational Learning Facility, 2002b:2

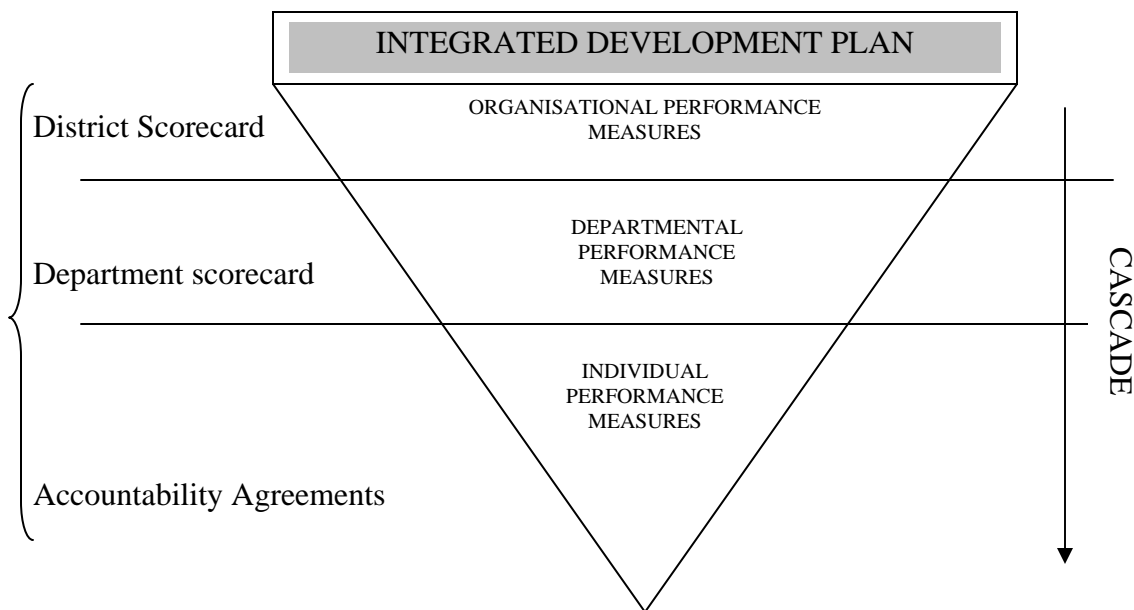| INTEGRATED DEVELOPMENT PLAN	
District Scorecard	ORGANISATIONAL PERFORMANCE MEASURES
Department scorecard	DEPARTMENTAL PERFORMANCE MEASURES
	INDIVIDUAL PERFORMANCE MEASURES
Accountability Agreements	

CASCADE

Figure: 3

4.4 THE SCORECARD APPROACH

There are many different ways of designing a Performance Management System. The ADM has adopted the 'scorecard approach', and is strongly recommending that municipalities that fall within the district adopt the same approach. The scorecard is simply a simple and easy to use method of presenting performance management information, at both the organizational and individual levels. The scorecard approach recognizes that a number of different factors need to be measured in order to evaluate successful performance. In the ADM, these factors have been rolled up into four-performance perspective.

4.4.1 THE DEVELOPMENT IMPACT PERSPECTIVE

In this perspective the municipality will need to assess whether the desired development impact in the municipal area is being achieved. This perspective will constitute the development priorities for the municipal area and indicators that tell the City Council whether the desired development outcomes are being achieved. It will be difficult to isolate development outcomes, for which the municipality is solely accountable. It is expected that the development priorities and indicators, will often lie within the shared accountability of the municipality, other spheres of government and civil society. The measurement of development outcomes in the municipal area will be useful in telling whether Council policies and strategies are having the desired development impact (ADM-Operational Learning Facility, 2002b:3).

Figure: 4   **Structure of the Municipal Scorecard**
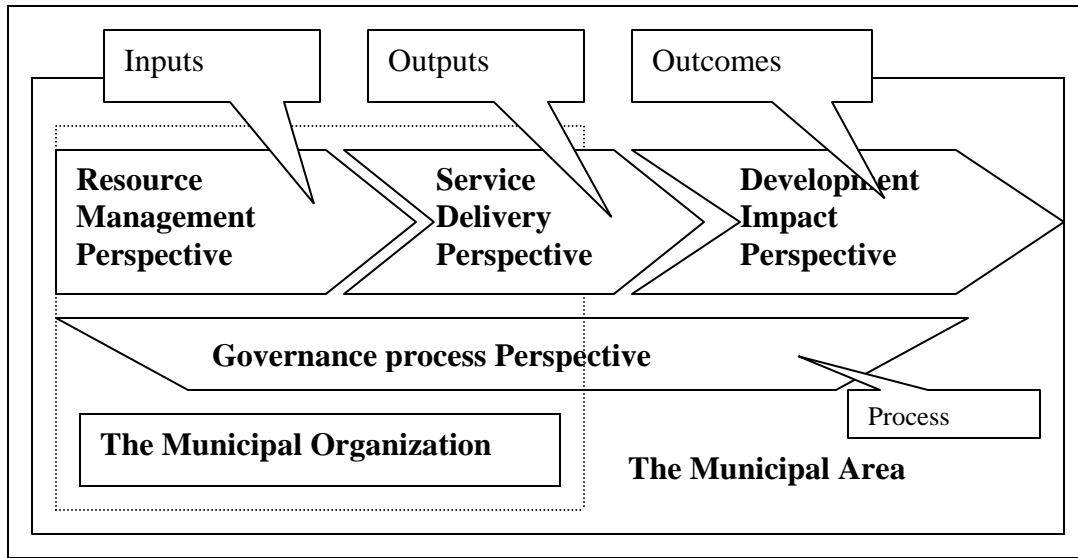
4.4.2 THE SERVICE DELIVERY PERSPECTIVE

This perspective should tell one how a municipality is performing with respect to the delivery of services and products. This relates to the output of the municipality.

4.4.3 THE RESOURCE MANAGEMENT PERSPECTIVE

This perspective should tell one how a municipality is performing with respect to the management of its resources:

- ☐ Financial

- ☐ Human

- ☐ Information

- ☐ Organizational infrastructure

This relates to the inputs of the municipality as a whole.

4.4.4 GOVERNANCE PROCESS PERSPECTIVE

This perspective should tell one how a municipality is performing with respect to its engagement and relationship with its stakeholders in the process of governance. This perspective should include, amongst others:

☐ Public participation

☐ Citizen satisfaction

☐ Access to information

This relates to the governance processes of the municipality as a whole (ADM-Performance Management Framework, 2002a:8).

4.5 PERFORMANCE MEASUREMENT MODEL

International experience in both private and public sectors has shown that traditional approaches to measuring performance, which have been heavily reliant on financial measures, are severely lacking. It has become well accepted that in order to assess an organization performance, a balanced view is required, incorporating a multi-perspective assessment of how the organization is performing as seen by different categories of stakeholders. To ensure this balanced multi-perspective examination of performance, a model will be adopted to guide performance measurement (ADM-Performance Management Framework, 2002a: 6).

4.6 WHY THE SCORECARD APPROACH

A scorecard will be used as a model and performance measurement in the ADM because models have proved useful in performance management for the following reasons. They provide:

(a). Balance

A good model will ensure balance in how the organization measures and manages its performance. It should not bias performance measurement by relying on one facet of performance, but represent a multi-perspective holistic assessment of municipal performance (ADM-Performance Management Framework, 2002a:6).

(b). Simplicity

A good model should organize simply, what would otherwise be a long list of indicators attempting to comprehensive cover performance into a set of categories sufficiently covering all key areas of performance. Models differ most significantly in what they assert are the key aspects of performance (ADM-Performance Management Framework, 2002a:6).

(c). Mapping of inter-relationships

A good model will map out the inter-relationships between different areas of performance. The inter-relationships relate to the extent of which poor performance in one category would lead to poor performance in another related areas and the converse. These inter-relations help in both the planning stage and the review stage, particularly in the diagnosis of causes of poor performance (ADM-Performance Management Framework, 2002a:6).

(d). Alignment to the strategic planning (IDP)

A good model will align the processes of performance management to the IDP processes of the organization. It will ensure that the IDP is translated into performance plans that will be monitored and reviewed (ADM-Performance Management Framework, 2002a:6).

4.7 THE AMATOLE DISTRICT MUNICIPALITY'S APPROACH

The theme of the Amatole District Council's (ADC) transformation imperative is "Building a new Municipality". Developing and implementing a tool to manage and measure performance within the new municipality is very critical. The PMS will serve as a mechanism to monitor, review and improve the implementation of the municipality's IDP and thus improve service delivery. The system will be developmental in two ways: at the organizational performance management level it will be a tool to measure development in local government and the impact of the municipality on delivery of its key strategic objectives. At the individual performance management level, it will identify areas of weak performance and help develop Individual Learning Plans (ILP) that will in turn ensure staff development when implemented effectively. The PMS will be in line with Best People Management Practices (BPMP). In principle, performance management will be founded on fairness and objectivity in the recognition of poor or good performance. It will not be used to victimize or give an unfair advantage to an individual or groups of people. However, time is yet to reveal this. The objectives of institutionalizing a PMS, beyond the fulfilling of legislative requirements, is to serve as a primary mechanism to monitor, review and improve the implementation of the municipality's IDP. The diagram (below) best demonstrates the three levels of scorecards

of the ADM Performance Management System (ADM-Operational Learning Facility, 2002b:4).

(a). Accountability

A performance management system will facilitate accountability between:

☐ Council and the citizens of Amatole

☐ The Mayoral committee and the Council

☐ The administration and the Mayoral committee

It will also ensure integration and alignment of programs across departments and their spheres of government (ADM-Operational Learning Facility, 2002b:4).

(b). Learning

It will ensure learning by helping the municipality to know which approaches are having the desired impact, and enable the municipality to improve delivery. It should form the basis for monitoring, evaluating and improving the IDP (ADM-Operational Learning Facility, 2002b:5).
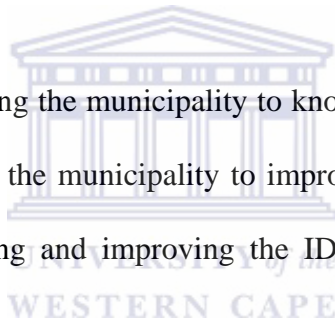
(c). Early Warning

It must also be expected that the PMS will provide the municipality with early warnings of failure to achieve IDP objectives and governance commitments. Early warning should enable early intervention (ADM-Operational Learning Facility, 2002b:5).

(d). Decision Making

It must help improve the efficiency and effectiveness of decision-making. This is particularly relevant in making decision on the allocation of resources. It must enhance budgetary processes through the availability of appropriate management information, monitoring and evaluation capacity (ADM-Operational Learning Facility, 2002b:5).

In order to monitor the performance of the district as a whole, the ADM envisages that scorecards will need to be developed at three levels.

Figure: 5   **Three levels of scorecards**
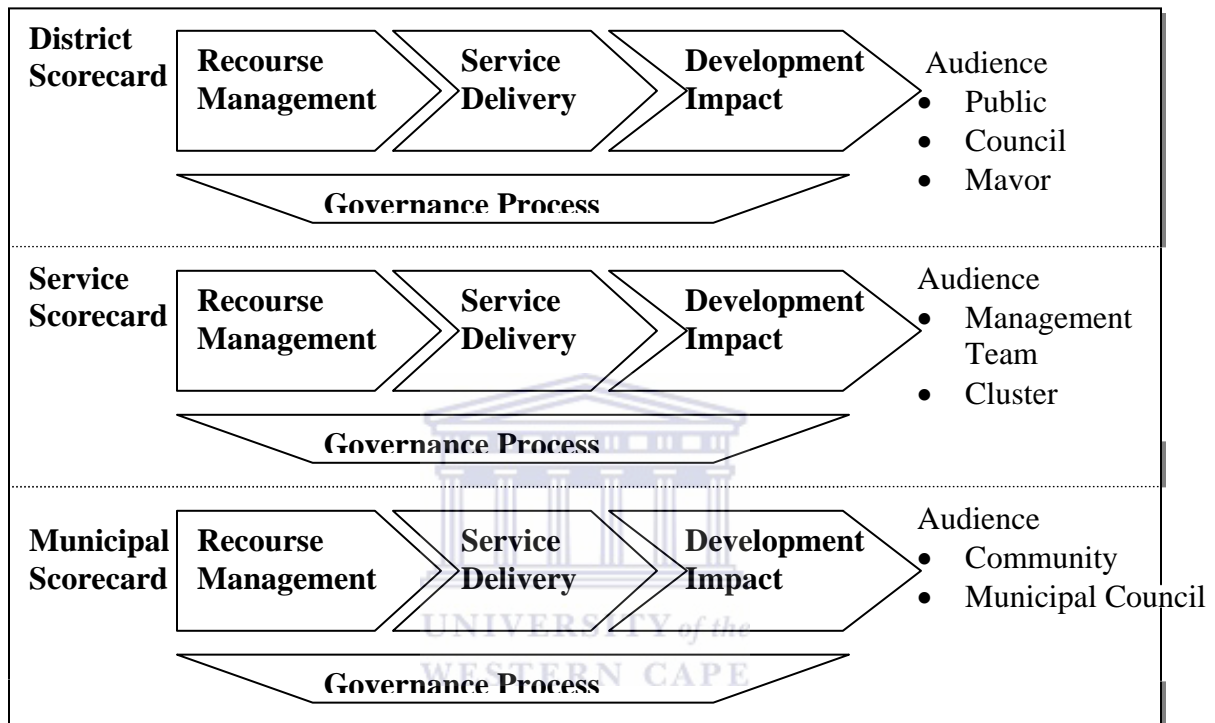
ADM-Operational Learning Facility, 2002b: 6).

4.7.1 THE DISTRICT SCORECARD

The district scorecard will provide an overall picture of performance for the district municipality as a whole reflecting performance on its strategic priorities. It will be used, after review by the Municipal Manager and Head of Departments, as a basis for reporting to the Executive Mayor, Council and the public (ADM-Operational Learning Facility, 2002b:6).

4.7.2 THE SERVICE SCORECARD

The service scorecard will capture the performance of departments. Unlike the strategic scorecard, which reflects on the strategic priorities of the municipality, a service scorecard will provide a comprehensive picture of the performance of relevant departments. It will consist of objectives, indicators and targets. It will be crucial that service scorecards should not duplicate current reporting, but be integrated into as a core component and simplify all regular reporting from departments to the municipal manager and clusters. Performance in the form of service scorecards will be reported to the municipal manager and relevant clusters for review (ADM-Operational Learning Facility, 2002b:6).
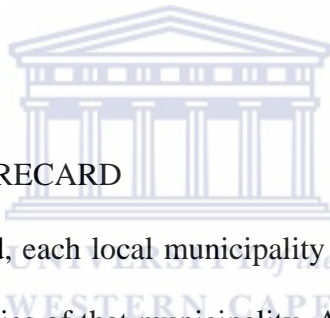
4.7.3 THE MUNICIPAL SCORECARD

Similar to the district scorecard, each local municipality can have a municipal scorecard that reflects the strategic priorities of that municipality. As you can see from the diagram above, it makes good sense for municipalities located within the Amatole District to adopt a similar approach to that taken by the AD.M. This will facilitate co-operation and support, and will ensure easy reporting and management (ADM-Operational Learning Facility, 2002b:7).

4.8 IMPLEMENTATION OF SCORECARD APPROACH AT ADM

In getting commitment, the concept of performance management will need to be introduced to all stakeholders. This process will probably be led by the Council. Stakeholders will need to be briefed on the requirements of the Municipal Systems Act

(MSA) of 2002, the Municipal Planning and Performance Management Regulations of 2001 and have the rationale behind the act and the regulations explained to them (ADM-Operational Learning Facility, 2002b:7).

The stakeholders will include the following:

□   Citizens and communities or IDP forum

□   Councilors

□   HOD's and cluster champions

□   Organized labour representatives

□   Employees

Once stakeholders have been consulted, the PMS for the municipality will have to be finalized. As stated above, municipalities within the Amatole district are strongly advised to adopt the scorecard approach, to ensure consistency and coherency within the district and to ensure that the ADM is able to provide the requisite levels of support and co-ordination (ADM-Operational Learning Facility, 2002b:7).

From a good practice perspective, it is preferable to develop the organizational and individual components of the PMS together. This will ensure that they are strongly linked and can be successfully implemented. However, if one is short of time, one can start with the organizational component and then use that as a foundation for developing the individual component later on. ADM identified four stages to implementing the PMS.

□   Performance planning

□   Performance measurement, analysis and reporting

☐ Performance reviews

☐ Performance auditing

These four key stages will appear in both the organizational and the individual components of the PMS, although the starting point and activities will be slightly different. At the time of this research, the ADM had only managed to implement organizational performance managements and still needed to cascade them into individual performance management (ADM-Operational Learning Facility, 2002b:7).

(a). Measurement, Analysis and Reporting

Measurement is the act of collecting data on identified performance indicators while analysis is the act of interpreting the meaning of such data in terms of performance. For each District Scorecard indicator, a relevant cluster champion will be the designated custodian, and it is suggested that municipalities do the same. While the cluster champion will not necessarily be accountable for performance on the indicators, he/she will be responsible for conducting measurements of the applicable indicators, analyzing and reporting these for reviews. Analysis requires that the cluster champions compare current performance with targets, past performance and possibly the performance of other municipalities, where data is available, to determine whether or not performance is poor. They should also analyze the reasons for performance levels and suggest corrective action where necessary. At District level, review will be undertaken by the Municipal Manager, Executive Mayor, and Council (ADM-Operational Learning Facility, 2002b:10).

(b). Departmental Reviews

It is recommended that departments review their performance quarterly. Departments whose area of responsibility is a District Authority function will report from a resource management, service delivery and impact (District wide) perspectives. Whereas departments whose function is organizational service will report from resource management and service delivery perspective unless their function is extended to support local municipalities in which case they will report on the impact perspective as well. Decision-makers should be immediately warned of any emerging failures to service delivery. It is important that departments use these reviews as an opportunity for reflection on their goals and programs and whether these are being achieved (ADM-Operational Learning Facility, 2002b:10).
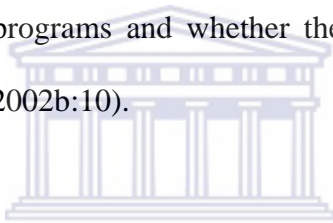
(c). Local Municipal Reviews

Ideally, local municipalities should forward performance reports on agreed upon indicators to the office of the District Municipal Manager every three months. This, however, may not be realized during 2002-2003. The District Municipality will engage with local municipality with the aim of achieving this situation in the future. For the purposes of consistency, a district performance report which has not taken into account local municipality reports will be called a Strategic Scorecard, a report which takes them into account will be called a District Scorecard (ADM-Operational Learning Facility, 2002b:11).

(d). Mayoral Reviews

The Executive Mayor should engage quarterly in an extensive review of municipal performance against both the Strategic Scorecard and the Service Scorecard as reported by the Municipal Manger. The review should reflect on the performance in terms of Service and the Strategic Scorecards. The Executive Mayor will need to ensure that targets committed to in the Strategic Scorecard are being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the reasons for poor performance (ADM-Operational Learning Facility, 2002b:12).

☐ Incentives for Excellent Performance

It will be important that the Mayor not only pay attention to poor performance but also to good performance. It is expected that the mayoral committee will acknowledge good performance, where Mayoral Award for Excellent Performance, which rewards departments and local municipalities who have excelled in terms of their scorecards, will be introduced (ADM-Operational Learning Facility, 2002b:12).

(e). Auditing

All auditing will comply with Section 14 of the Municipal Planning and Performance Management Regulation (2001a). The performance management team, with support from the internal auditors, will be required on an ongoing basis to co-ordinate and ensure good quality of reporting and reviews. It will be their role to ensure conformity to reporting formats and checks the reliability of reported information. The municipality's internal audit function will need to be continuously involved in auditing the performance reports

of service and strategic scorecards. After the full cycle of the annual review is complete, the performance management team will initiate an evaluation report annually, taking into account the inputs provided by departments. This report will then be discussed by the Management Team and finally submitted to the Executive Mayor for discussion and approval (ADM-Operational Learning Facility, 2002b:13).

4.9 SUMMARY

The Amatole District Municipality has implemented a Performance Management System as mandated by legislation. They have adopted an Integrated Development Plan, which is specific to their location and situation. In following this path, the ADM have designed a scorecard approach that will assist them to capture elements of poor performance and district-wide development objectives. The ADM performance management is still an unfolding developmental story subject to pressures. Moreover, performance management at ADM is implemented on the basis that managers will be fair and are entrusted to implement it with the best intentions. The scorecard approach, as dynamic as it is has also enough room for human error. Given their ambiguity in nature, they can be easily used for unfair work practices, especially by senior management. This system is still at its fragile stages and should be cascaded to individual employees. Accountability agreements are individual performance management contracts that would capture the extent of the quality of performance of individuals with the organization. The next chapter, Chapter Five, deals with the findings of the study. It also raises issues for further inquiry and practical application in local municipalities. In particular, it provides recommendations and draws conclusion on the basis of collected and available data.

- CHAPTER 5 -

CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents insightful analysis of the current situation at the Amatole District Municipality, and gives bases to collected data. This chapter continues from the previous ones and draws close attention to the real issues and further pays attention to detail that will inform the conclusion of this study. Moreover, this chapter will put forth in-depth coverage of events and explores what's on the surface and what lies beneath because what looks absolute or eminent may be in doubt. Having said that, this chapter soldiers on from the previously stated assumption to forwarding recommendations that will improve and inform strategic change management processes, after which the conclusion will underpin key points of analysis.
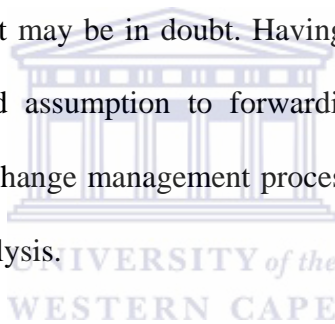
5.2 EVALUATION OF FINDINGS

According to Mickey Mama, a former Strategic Planning Manager at the ADM in the article called – "Why do we need PMS Reviews?" when introducing change management techniques, the ADM implemented a PMS. Approximately two hundred and seventy (270) employees were trained on PMS. Two hundred and fifty (250) of these went through at least one performance review interview. Enormous effort and resources were invested into the production of the IDP. However despite all the work completed in developing the IDP specific to their circumstances Amatole District Council (ADC) management found themselves battling to refine Land Development Objectives (LDO's)

and coming up with KPI's and targets of the various departments and sectors. It became clear that people were not sure of what they should be doing in year one to start implementing the IDP. It is subject to these challenges that the initial PMS and IDP were cancelled. Nonetheless, a new IDP that fits with institutional strategic goals has been adopted and a new PMS system has also been implemented by ADM (see appendix IV).

At the time of this research the ADM were only implementing organizational and departmental performance management. The ADM had not yet cascaded to individual employees. However, attempts to this direction are made through soon-to-be-finalized accountability agreements which are individual performance management.

This study has found that at organizational and departmental levels, there is a balanced understanding of performance management and its components. Most senior level employees interviewed showed a deeper insight that performance management not only consists of identifying objectives reflected in the IDP and other strategic documents, but also involves evaluating risks of not achieving these objectives and then setting targets. Further, they have also reflected that it is important for these targets to be captured as part of performance agreements and accountability agreements to ensure success of the IDP and other strategies including a structure of reporting on performance. This display of understanding is clear evidence that suggests that proper training, seminars and workshops have taken place and thus senior employees are better able to identify with the existing system. The ADM viewed PMS as a productivity enhancement management tool to assist at measuring, guiding and monitoring of the performance of an institution and its

staff. Furthermore, it is a systematic mechanism to ensure a linkage between planning and implementation and to promote accountability and continuous improvements.

As stated earlier (page 58, chapter 4), the ADM have identified four key components to inform their PMS processes.

☐ Service delivery perspective

☐ Resource management perspective

☐ Development impact perspective

☐ Governance perspective

All but one of the senior level employees interviewed have boldly indicated significant changes in the operations of local government since 1994 and expressed that, due to such changes, it has appeared that there has been a shift from top-down decision making processes. There also has been a better understanding of the objectives of the institution by employees at different levels and employees have better understanding of their roles. It became clear that such forces provided the municipality with a new strategic framework to implement their programs in a performance-based approach and projects done in a participatory manner through the IDP process. The senior management member who expressed opposing views about the impact of changes in local government stated that even though he saw no significant changes, better linkage between planning and implementation had materialized. In this regard, a sharp picture had emerged about the impact of such changes in the ADM. All senior staff members highlighted that such changes have actually made staff aware of what their individual contribution are worth in the institution. Given these changes, it has made staff own these objectives and goals so

that they become responsible in their own areas. These changes have further injected positive vibes and helped to give direction. Most importantly, the staff PMS provides a critical opportunity to both the employer and the employee to examine their relations in so far as work environment is concerned. One could also cite that it is easy to motivate for budgets especially if it is in the interest of performance, for people are then motivated. Once incentive scheme runs next to the system it can work as an appraisal tool to raise staff morale. To be more precise, external changes to the operation of local municipality have contributed to productivity and have helped to give more focus on a performance culture, and for the community to play a role in judging delivery objectives of the local municipality.
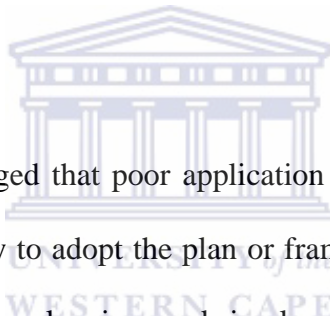
It has also become acknowledged that poor application of the policy framework by all municipalities and the tendency to adopt the plan or framework but without following it thoroughly, followed by poor planning and implementation of PMS, coupled by institutional instability, are all attributes of factors that prevent changes. Apart from these, the tendency of some people to become complacent, more especially the old guard is a reason for the slow pace of change.

The study has also discovered that there are constant problems that both officials and employees face in their attempts to implement performance management. The base for these problems is that since 1994 there are so many new things and many officials are new with limited experience. The result is slow adaptation and confusion with new initiatives like PMS. Moreover, one senior staff member expressed that capacity

limitations lead to congestion of personnel responsibilities, which cause time management to be difficult or impractical. Some of the more specific problems were raised by the other two directorial level staff members and argued that from the outset the PMS in the ADM seems to be unimaginable because employees battle to grasp the concept. They further argued that it is absolutely important to have the same person that developed the IDP to assist with the PMS; this then ensures continuity of having PMS developed, especially for the first round/time. In this regard, the PMS still then does not make sense until the scorecards and performance contracts together with accountability agreements are signed, only then does one grasp the full concept of how it starts, and how it is measured. Everything only makes sense at the end of all the phases. In relation to the above, at ADM baseline employees are not exposed to the current PMS, and thus view it as merely punitive measures directly aimed at identifying those whose performance is below the one required, rather than seeing it as a development tool and this creates a hostile climate to a fragile system.

This study also discovered that, even though at ADM there is evidence of the smooth running of things, there was increasing concern about the limits of performance management. To support the above statement, PMS in terms of organizational requirements must identify the need for extra capacity needed or skills training programs, it has to be developmental in nature. Having said that, it also required time and proper resource allocation. What emanated from the research is that there is a distinct desire for one to report in terms of performance, for when one is clear of one's objectives; therefore to report is an absolute pleasure.

Reporting systems give the District Council fair warning with regards to areas that become absolute and are not possible to achieve and further allow for Council to devise methods early enough to address the matters, allowing success to be the only outcome. Success can also be found in that the municipal manager was determined to implement the system, take commitment from top management. The process was also championed by dedicated and resourceful staff who played a high-level support function. Moreover, to gain success, the process has to be driven hard with commitment to avoid failure. This means that people must not feel threatened and must see PMS as an opportunity to reflect positively on their performance in the organization by assisting the organization in attaining its goals. Occurrence of the above has resulted in PMS being implemented only at organizational and developmental levels; it needs to be cascaded down to individual staff members.
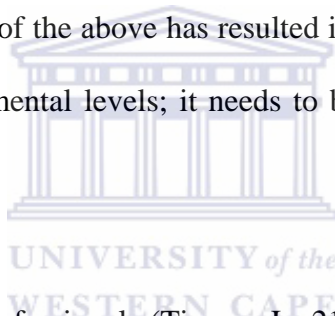
According to one senior professional (Timm, J. 21 January 2003), the present organizational structure of ADM does make it difficult for staff to operate and perform their roles and duties due to new powers and functions having been assigned which have caused uncertainty. However, five senior staff members disagree with this statement and argue that the organizational structure does not hamper the operations of staff; on the contrary, it has captured a sense of a rationalized service delivery approach with clear lines of authority. They also said that the Head of Departments are on contract with performance bonuses that are linked to the PMS; hence the system is seen as ideal. Performance contracts should be further cascaded in the staff structure to ensure even further commitment. It is also this organizational structure that allows the establishment

of roles and job descriptions of employees and all employees are appointed and placed according to competency and once appointed, employees are given a dedicated superior or supervisor who can assist. Therefore, the structure ensures that each one complies with institutional requirements as detailed in the employment contacts.

On the one hand, the study has found that delays in placement of staff in the new organogram and delays in approval of budgets for projects and limited capital project funds do present themselves as obstacles to effective implementation at different departments.

On the other hand, four senior staff members have stated that they have not seen any specific problems to implementation and provided that the reason for such problems being avoided is that there has been a comprehensive review of performance at pre-determined intervals. Furthermore, the other reason provided is that the organization has work-shaped the idea of new PMS and had obtained the views of all levels of employees in the process. In addition, one senior manager explained that another reason that helped to avoid such problems is that there was unshaken commitment first by the HOD. The HOD's must put the system in place to ensure success, this is seen as the very reason for their employment after all – people always follow when there is a common goal that is known by all, they like to receive report-back even if it is negative. Performance management allows for all of this.

Conversely, there was a split of response when asked whether the municipality experienced any specific problems on work-force performance. However, owing to this split, those senior manager's that accepted problems of staff performance suggested reasons for such problems and stated that some employees do not meet deadlines and that in some areas there is relatively a poor work ethic. A more comprehensive response provided that accountability agreements have only been assigned for management up to a certain level and have not been fully cascaded to the last person that could possibly contribute to the success of the District Council. The District Council has also recognized this and is currently embarking on an exercise where all staff will be exposed to accountability agreements and will commit to performance. In regard to this, poor work ethic can be addressed through PMS and absenteeism has been identified as a problem that negatively affects performance since it affects the delivery of services to the communities.
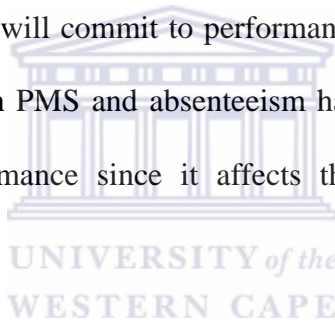
In this context, there has been general agreement that the introduction of performance management techniques has injected a culture of responsibility and eliminated duplication and overlapping of roles. It has further introduced reporting systems that workers will have to comply with. Moreover, a department scorecard that informs their specific job description guides them and through this people are aware of their roles as service workers. Consequently, employees view it as merely a punitive measure and policing of their activities since it assess all aspects of performance be it weak or good performance. Although departments have the same performance management, they generally have slight differences in application. In most departments, the HOD has the

authority to monitor and measure performance. The PMS that forms part of the IDP is distributed out from a central point at the beginning of each round (quarterly). The HOD then uses a departmental and district scorecard that forms part of the PMS. Staff members that report to that particular HOD are made fully aware of the contributions they are to make towards successes. Monthly figures and statistics are extracted together with reports to determine success or problems. Staff report back to the HOD and in the event of problems, staff are expected to communicate them and devise solutions and submit back to the HOD. The measuring and monitoring of performance for individual employees will be administered through soon-to-be-finalized accountability agreements. After this, all findings should be documented and forwarded to the IDP managers' office, which is directly accountable to the municipal manager.
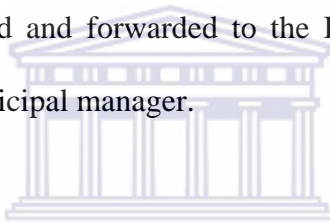
Aligned to the PMS is capacity building, staff should know what they need to achieve and managers should also be aware of subordinates weaknesses and development that is necessary. All this is captured in a skills developments plan. A work place skills plan is preceded by a training needs analysis. All staff based on their training needs, can go through a training program in each department, which has to be approved by Council. Over and above, all senior managers have been generally satisfied with the implementation of PMS even though there is room for improvements. On the whole, they saw the implementation of PMS going well, although it had been hoped to proceed with more speed, but the ADM have learnt that such endeavors take time.

5.3 CONCLUSION

It has become clear that rational planning is generally associated with superior performance, thus the performance management system will help identify gaps in staff performance. It will therefore be a tool to ensure staff development, career planning and succession planning/work-place planning. Moreover, strategic change management in the form of performance management is a multi-dimensional process. Firstly, employees must be informed of the need for change. Secondly, internal or external change agents must be identified to facilitate the change process. Thirdly, an environment and climate that support the change process must be fostered and the objectives of the organization must be adapted. It also became evident that change primarily involves people. Therefore, it is important for change agents to involve the people in the organization in the process of change and the scorecard approach and specifically accountability agreements at the Amatole District Municipality is a positive step towards that direction. If this happens, employees are more likely to commit themselves to the change effort, resulting in more successful change efforts and proper running of municipal programs. It is also in the interest of municipality and its staff to view PMS as a change effort, which is developmental in nature, rather than seeing it as a punitive measurer and policing of individual activities.

Consequently, such negative attributes to PMS may radically hamper and handicap development efforts. Performance management assists in ensuring that implementation makes most efficient use of recourses, is done on time, and has desired effect on target population. In view of the findings provided, the introduction and implementation of
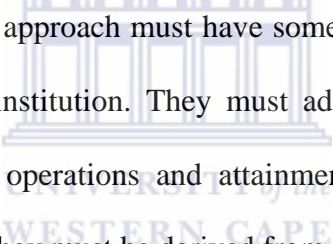
performance management systems marks a triumphal path towards a climatic ending of apartheid elements in local government service delivery values and thus proceeds to new beginnings. It has also been stated that PMS has limitations as drivers for change, however, commitment should be injected in all job levels and PMS should be cascaded to the last person performing a job. It is also important for the ADM to review the nature of their existing scorecards and they should have direct bearing with current organizational strategic goals; and should be able to be translated easily into physical programs.

5.4 RECOMMENDATIONS

In view of the findings and wanting the PMS to be effective, it seems reasonable to propose that a management skills audit be conducted. This will highlight gaps in competence and may identify training needs for managers to meet new performance demands. This is important to ensure the success of the PMS. It has been suggested that success will depend quite significantly on skilled and competent municipal managers who are leaders and who possess broad yet finely-honed skills.

The scorecard approach is a dynamic tool which is easy to change and can be presented differently for baseline workers depending on one's specific circumstance. However, they should also be viewed with caution because for other people or employees they could contain a lot of confusion and complexity. Moreover, the scorecard system is the integral component of the PMS, it consists of the district scorecard and the department scorecard. The district scorecards are broader issues, some of which the institution has no influence over but would like to measure. The departmental scorecard is more specific and allows

for departments to be measured on issues that they would like to be measured on. The scorecard allows for quarterly targets to be set for the immediate financial year and for 5 years thereafter. It also assists with performance measurement. Furthermore, the scorecard should also be cascaded. The current scorecards are a little cold and abstract in nature. They relatively have less linkage with the real issues of moving an institution from one position to another. Be that as it may, the current scorecard also keeps the organization focused on the set targets. The scorecard approach is a fair monitoring mechanism in terms of assisting the organization's migration to the envisaged new horizon.

Having said that, the scorecard approach must have something to do with the attainment of strategic objectives of the institution. They must address issues that have a direct bearing on the organizations' operations and attainment of the organizational goals. These cannot be imported, but they must be derived from the operational situation itself.

On a rather different note, for the ADM to improve their performance they should have clear goals/objectives, clear institutional targets, a scorecard to assist, a reporting format/process, performance contracts and accountability agreements that are cascaded. IDP's and PMS should always be supported by a risk assessment document, risks of not achieving what is captured in the IDP. Moreover, performance must be properly work-shaped to the stakeholders and PMS communicated to all employees and the system itself must be user friendly and not complicated.

When asked about whether one can locate the relevance of PMS in the new development local government, the general feeling was that PMS is crucial and necessary. As it is unconstitutional not to be transparent it is mandated by legislation to move forward from one position to another in terms of performance and service provision. There was also a general agreement that while local government will not collapse had PMS not been designed, however, local government could be improved vastly with the introduction of PMS. The respondents stated that they are running a business, a business in which the community trust to which they pay heaps of money trusting that basic services will be the outcome. The communities and the institution need value for money in the staff that it employs – therefore any system that will ensure performance will help. Moreover, it is not enough to have a system that works; rather there should also be a system that copes well with problems.
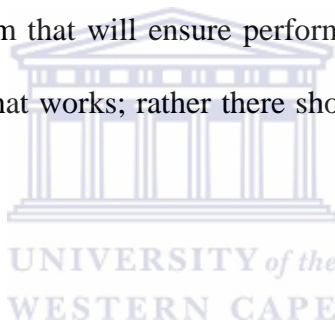
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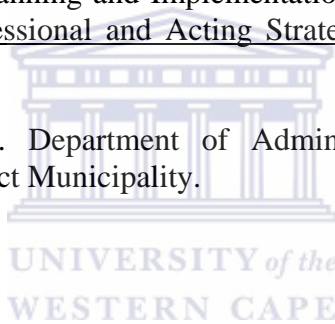
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APPENDICES

Appendix I: Section 3.2 of the White Paper on Local Government

3.2. Performance management

Performance management is critical to ensure that plans are being implemented, that they are having the desired development impact, and that resources are being used efficiently. Municipalities currently set their own measures of performance, or key performance indicators. Key performance indicators vary greatly from municipality to municipality, and cover both efficiency measures and *human development indices**.

Key performance indicators can provide valuable information for two purposes:

> - Firstly, development indices (such as the Household Development Index) can help municipalities to know their areas better and plan more effectively. Development indices also assist municipalities to assess the impact and effectiveness of the development strategies which they adopt, and make adjustments to their plans as required. The Central Statistical Service already provides useful indicators to assist municipalities in planning for their areas. Following the demarcation of new municipal boundaries, it will be possible to disaggregate (lift out) information according to municipal jurisdictions, which will be of particular value in the planning process. Development indicators should also be disaggregated according to gender to allow municipalities to assess the impact of their strategies on women, and ensure that the needs and interests of women are incorporated into municipal planning processes.

> -Secondly, indicators which measure value-for-money in service provision can provide valuable guidance for municipal organisational transformation. Efficiency and quality indicators enable municipalities to set targets for continued improvement in their operations, to prioritise areas where organisational change is required, and assess the success of their transformation programmes.

Involving communities in developing some municipal key performance indicators increases the accountability of the municipality. Some communities may prioritise the amount of time it takes a municipality to answer a query, others will prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased, and public trust in the local government system enhanced.

Municipal Councils will also find that developing some key performance indicators in consultation with internal municipal stakeholders (i.e., management and organised labour) can assist in developing a shared organisational vision and common goals for improved performance and delivery.

Performance monitoring indicators need to be carefully designed in order to accurately reflect the efficiency, quality and value-for-money of municipal services. International experience shows that poorly designed performance indicators can have a negative effect on delivery, and that it is critical that indicators focus on outcomes and not only inputs and outputs. For example, a municipality has a programme for cutting the grass verges. The aim is to maintain an orderly appearance in the streets and to discourage the dumping of rubbish in public spaces. However, if the municipality fails to collect the cut grass, it will build up and lead to the dumping of garden refuse by residents. This defeats the municipality's original objective. A performance management system which only measures the frequency of cutting the grass (the output) - and not the effect that this has on the maintenance of the public spaces (the outcome) - will give a misleading report on the effectiveness of the municipality's actions.

In the medium-term, a national performance management system is required to assess the overall state of local government, monitor the effectiveness of development and delivery strategies adopted by different municipalities and ensure that scarce resources are utilized efficiently. It would provide 'early warning' where municipalities are experiencing difficulties, and enable other spheres of government to provide appropriate support before a crisis develops. It would also enable municipalities to compare their own performance with that of similar municipalities across the country, identify successful approaches or 'best practice', and learn from one another.

National government will work closely with municipalities, provincial governments and other agencies that can contribute to the development of a national performance management system (such as the Central Statistical Service and the Auditor-General's Office) to develop a set of indicators which can be piloted by different municipalities and ultimately lead to the establishment of a national system.

While it is envisaged that the national system will apply in all municipalities, it will not replace the need for municipalities to set their own key performance indicators as part of the integrated development plan process. A national system can only incorporate indicators which are relevant to all municipalities. Municipalities will need to continue to develop key performance indicators which are specific to their local circumstances and goals, and to the priorities of local communities.

Appendix II: Chapter 5 (Section 23-5) of the Municipal Systems Act (32 of 2000)

INTEGRATED DEVELOPMENT PLANNING

Part 1: General

Municipal planning to be developmentally oriented

23. (1) A municipality must undertake developmentally-oriented planning so as to ensure that it—
   (a) strives to achieve the objects of local government set out in section 152 of the Constitution;
   (b) gives effect to its developmental duties as required by section 153 of the Constitution; and
   (c) together with other organs of state contribute to the progressive realisation of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.
   (2) Subsection (I) must be read with Chapter 1 of the Development Facilitation Act, 1995 (Act No, 67 of 1995),

Municipal planning in co-operative government

24. (1) The planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.
   (2) Municipalities must participate in national and provincial development programmed as required in section 153(b) of the Constitution.
   (,3) If municipalities are required to comply with planning requirements in terms of national or provincial legislation, the responsible organs of state must—
   (a) align the implementation of that legislation with the provisions of this Chapter; and
   (b) in such implementation—
      (i) consult with the affected municipality; and
      (ii) take reasonable steps to assist the municipality to meet the time limit mentioned in section 25 and the other requirements of this Chapter applicable to its integrated development plan.
   (4) An organ of state initiating national or provincial legislation requiring municipalities to comply with planning requirements, must consult with organised local government before the legislation is introduced in Parliament or a provincial legislature, or, in the case of subordinate legislation, before that legislation is enacted.

Adoption of integrated development plans

25. (1) Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which—
   (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality:
   (b) aligns the resources and capacity of the municipality with the implementation of the plan:
   (c) forms the policy framework and general basis on which annual budgets must be based;
   (d) complies with the provisions of this Chapter; and
   (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.
   (2) An integrated development plan adopted by a municipal council in terms of subsection (1) may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council.

Appendix III: Chapter 6 (Section 38-45) of the Municipal Systems Act (32 of 2000)

PERFORMANCE MANAGEMENT

Establishment of performance management system

38. A municipality must—
   (a) establish a performance management system that is—
      (i) commensurate with its resources;
      (ii) best suited to its circumstances; and
      (iii) in line with the priorities, objectives. indicators and targets contained in its integrated development plan;
   (b) promote a culture of performance management among its political structures. political office bearers and councillors and in its administration;and
   (c) administer its affairs in an economical, effective, efficient and accountable manner.

Development of performance management system

39. The executive committee or executive mayor of a municipality or, it' the municipality does not have an executive committee or executive mayor, a committee of council lors appointed by the municipal council must—
   (a) manage the development of the municipality's performance management system:
   (b) assign responsibilities in this regard to the municipal manager, and
   (c) submit the proposed system to the municipal council for adoption

Monitoring and review of performance management system

40. A municipality must establish mechanisms to monitor and review its performance management system.

Core components

41. (1) A municipality must in terms of its performance management system and in accordance with any regulations and guidelines that may be prescribed—

(a) set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact. with regard to the municipality's development priorities and objectives set out in its integrated development plan;

(b) set measurable performance targets with regard to each of those development priorities and objectives;

(c) with regard to each of those development priorities and objectives and against the key performance indicators and targets set in terms of paragraphs (a) and (b)-

   (i) monitor performance; and

   (ii) measure and review performance at least once per year;

(d) take steps to improve performance with regard to those development priorities and objectives where performance targets are not met; and

(e) establish a process of regular reporting to—

   (i) the council, other political structures, political office bearers and staff of the municipality; and

   (ii) the public and appropriate organs of state.

(2) The system applied by a municipality in compliance with subsection (1)(c) must be devised in such a way that it may serve as an early warning indicator of under-performance.

Community involvement

42. A municipality, through appropriate mechanisms, processes and procedures established in terms of Chapter 4, must involve the local community in the development. implementation and review of the municipality's performance. management system. and, in particular, allow the community to participate in the setting of appropriate key performance indicators and performance targets for the municipality.

General key performance indicators

43. (1) The Minister, after consultation with the MECs for local government and organised local government representing local government nationally. may—

(a) by regulation prescribe general key performance indicators that are appropriate and that can be applied to local government generally; and

(b) when necessary, review and adjust those general key performance indicators.

(2) Key performance indicators set by a municipality must include any general key performance indicators prescribed in terms of subsection (1). to the extent that these indicators are applicable to the municipality concerned.

Notification of key performance indicators and performance targets

44. A municipality, in a manner determined by its council, must make known. both internally and to the general public. the key performance indicators and performance targets set by it for purposes of its performance management system.

Audit of performance measurements

45. The results of performance measurements in terms of section 41(1)(c) must be audited-

(a) as part of the municipality's internal auditing processes: and

(b) annually by the Auditor-General.

Appendix IV: Batho Pele (1997)

The White Paper on Transforming Public Service Delivery (Batho Pele) puts forward eight principles for good public services:

The Eight Principles of Batho Pele

1. Consultation

Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered

2. Service standards

Citizens should be told what level and quality of public services they will receive so that they are aware of what to expect

3. Access

All citizens should have equal access to the services to which they are entitled

4. Courtesy

Citizens should be treated with courtesy and consideration

5. Information

Citizens should be given full, accurate information about the public services they are entitled to receive

6. Openness and transparency

Citizens should be told how national and provincial departments are run, how much they cost, and who is in charge

7. Redress

If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response

8. Value for money

Public services should be provided economically and efficiently in order to give citizens the best possible value for money

Appendix V: Questionnaire used in the study

INTRODUCTION

My name is Asanda Macanda from UWC, and I am conducting research on Performance Management System in the South African Local Government. In particular this research wants to gain an understanding of the success and challenges posed by this system. By taking part in this research you are helping developing solutions to some of the issues relating to this system. **Please note that the researcher ensures confidentiality.**

Personal-data

(a) Current Government Position: …………………………………………………………...

(b) Previous Government Position: ………………………………………………………….

(c) Gender: …………………………………………………………………………………...

(d) Age: 21-30 [   ]   31-40 [   ]   51-60 [   ]   over 60 [   ]

1. What is your understanding of Performance Management and its components?

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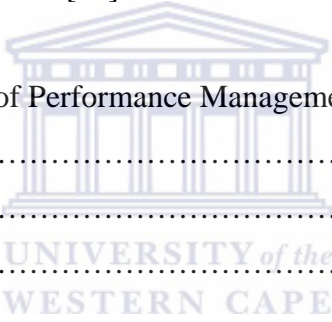
2. Do you think that there has been any significant change/s since 1994 in the operations of local government since the introduction of Performance Management?

      Yes: …………   No: ……………   Don't Know: ………….

   (a) If 'No', (please proceed to 3 below).

   (b) If 'Yes', please give an example or examples of such change or changes?

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(c) How do you view such a change or changes in the operations of your local authority?

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3. If there has not been any significant change/s in the operation of the local government

function, why do you think this is so?

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4.   What problems if any, do public officials or workers in this local authority face in

their attempts to implement performance management?

None: ……………   Don't Know: ……………..

5. (a) Please outline these problems.

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(b) If 'None', please say why you say this.

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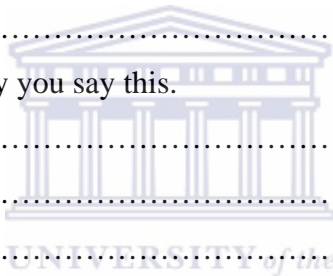
6.   What in your view are the successes and limits of (PM) in you local authority?

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7. Does the present organisational structure of this local authority make it difficult in any

way for workers or staff to operate and perform their roles?

Yes: ……………….   No: ……………….   Don't Know: …………….

(a) If 'Yes', how?

………………………………………………………………………………………

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………………………………………………………………………………………

(b) If 'No', please say why you say this.

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………………………………………………………………………………………

8. Are there any specific 'problems' in your unit or department that act as obstacle/s to effective implementation of performance management?

    Yes: ……………….   No: ……………….   Don't Know: ……………….

(a) If 'Yes', please give examples.

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……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………………...

(b) (If 'Yes'), how do you think these 'problems' can be resolved?

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……………………………………………………………………………………………………
……………………………………………………………………………………………………

(c) If 'No', please say why you say this? i.e. How are the 'problems' avoided?

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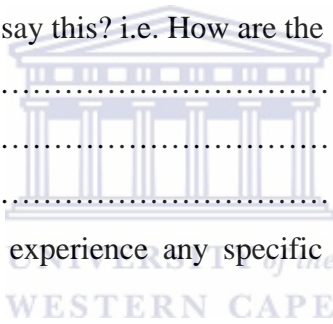
9. Does your local authority experience any specific 'problems' on work-force/staff performance?

    Yes: …………………   No: ……………….   Don't Know: …………………

(a). If 'Yes', please explain briefly.

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……………………………………………………………………………………………………
……………………………………………………………………………………………………

10. Which of these problems, in your view, negatively affect Performance Management?

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11. (a) Has the introduction of (PM) changed the roles of workers?

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…………………………………………………………………………………………………
…………………………………………………………………………………………………

(b) If 'Yes', how?

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12. What do you think should be done to improve performance?

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13. (a) I understand that PM stresses the importance of monitoring and measuring of performance. In your department who has been given the authority to monitor and measure performance?
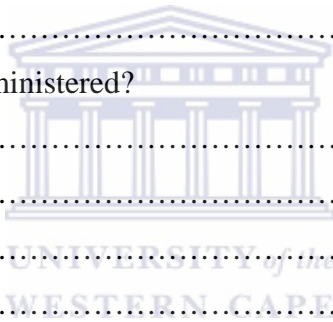
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(b) How is that process administered?

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14. Does your local authority have a training policy to support new performance demands?

Yes: ……………… No: ………………… Don't Know: …………….

(a) If 'Yes', please explain briefly how the policy is being applied.

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(b) If 'No', why does your local authority not have a training policy?

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(c) Are you satisfied with the implementation of (PM) in this local authority?

Yes: ……………….. No: ………………… (Please Explain)

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15. What are the strengths and shortcomings of the scorecard approach?

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15. Comment on the relevance of the PMS in the new development local government?

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Any other information

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THANKYOU FOR HAVING AGREED TO BE INTERVIEWED