

# AN ASSESSMENT OF THE EFFECT OF IMPLEMENTATION OF PERFORMANCE

## MANAGEMENT SYSTEM ON ORGANIZATIONAL PERFORMANCE: A CASE OF

## SELECTED PUBLIC ORGANIZATIONS IN TANZANIA

BY

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## **DECLARATION**

I, Jacob Gabriel Nduye, student with registration number: 201515170 hereunder declare that

- This thesis is my own original work and has not previously been submitted for the award of a degree at any other University.
- In this thesis all sources of information such a books, journals and other relevant materials have specifically been duly acknowledged in the list of references.

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## LIST OF ACRONYMS

Civil Service Reform Programme
Client Service Charter
Drilling and Dam Construction Agency
Government Procurement Services Agency
Kaiser-Meyer-Olkin
New Public Management
Performance Improvement Model
Performance Management System
President's Office Public Service Management
Public Service Reforms Programs
Public Service Management and Employment Policy
Strategic Plans
Statistical Package for Social Science
Structural Adjustments Programme
Training Needs Assessment
Tanzania Meteorological Agency
United States of America
United Kingdom
United Republic of Tanzania
Vocational Education and Training Authority
Variance Inflation Factor
Weights and Measures Agency

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#### ABSTRACT

Tanzanians continue to demand improved performances and better-quality services from public organizations and the government at large. Since independence in 1961, the Tanzanian government continued to undertake a restructuring of different policies, laws and regulations in public services to improve performances and service delivery. Among the results of the restructuring was introduction of Performance Management System(PMS) across public organizations. The system meant to address and redress not only the concerns of the public on improved performances and better services, but also inculcate performance-oriented culture and accountability for results. Despite such efforts by the government, some of the problems existed before the introduction of PMS such as among others weak incentives and accountabilities, and management skills continue to impede issues of improved performance and service delivery in public organizations. It is from this context that the researcher was encouraged to research on issues of performance management system, highlighting specific areas of its effectiveness to improve performance, motivational factors, use of performance appraisal results on different decisions-making and factors for underperformances which affect organizational performances in public organizations.

This study employed a mixed method research design involving both quantitative and qualitative strategies. For the qualitative strategy, data were gathered using in-depth interviews and document reviews; and for the quantitative strategy, questionnaires were used in which the relationship of different variables for the study were statistically analyzed using the SPSS Version 22. In the overall, the study evidences show a strong pressure of support at government level in terms of formulating policies, laws and regulations to back up performance management system to improve performance quality service delivery, but there is less support in public organizations levels. It became clear that many problems still make PMS effectiveness not pragmatic: Political interferences to management of public organizations, government bureaucratic procedures in amendments of outdated laws, inflexible scheme of services important for rewards and incentives and the use of manual voting system for good performances are among problems that the study identified. Furthermore, evidences have shown that a topdown management approach bottlenecks the overall implementation of performance enhancing tools for performance management system effectiveness. There is lack of workers' participation and ownership of tools such as, strategic plans, client service charters and open performance reviews and appraisal system and the general system, and thus becoming hard to implement it in the public organizations. The study suggests practical initiatives by the government to establish highly strict quality service delivery satisfaction tracking system to allow both employees and citizens to evaluate internal and external performances of the public organizations. The findings upheld vulnerability of PMS to improve performance and service delivery, and therefore more attention and adherence to principles of performance management and laws that are biting to issues of underperformances are imperative.

#### **CHAPTER ONE**

#### **Overview and Background of the Study**

#### 1.0 Introduction

Tanzanian public services have passed through different phases of public sector reforms to address issues of performance and quality service delivery in order to contribute to national growth and development. The reforms which started with civil service reforms followed by public service reforms phases I & II, led to the start of different mechanisms, structures, systems and tools aiming at achieving the intended agenda of quality service delivery and improved performance in public organizations. This research, seeks to assess and find out the extent to which these mechanisms and systems such as performance management system have, have not, or continue to achieve the intended agenda of quality service delivery to the public. It also strives to find out the extent to which the systems and tools of performances instituted in public organizations have led or not led to improved performance and service delivery to the public. This chapter starts with background information on performance management system, and highlighting among others the statement of the problem, objectives, research questions and the significance of the study.

#### **1.1 Background Information of the Study**

African countries such as Tanzania did not escape the structural adjustment programs (SAP) pioneered by international institutions to intervene public sectors in terms of efficiency and effectiveness in service delivery.

Mutahaba(2011, p.20)asserts that in late 80's and early 90's, African countries with different social-economic development, culture and politics entered into common agenda of public sector reforms. In this view, Engida & Bardill(2013, p.4) argue that among others, the public service reforms in African countries focused on efficiency measures such as pay linked with performance, skills developments, on-the-job and short-term training for enhancement of performance in public organizations. However, public service reforms in Tanzania and Africa at large had inadequate pay and unmotivated public servants, poor service delivery to the citizens and lack of supplies, equipment and poor performance (Issa, 2010, p.17 and Engida & Bardill, 2013, p.5). In a similar vein, Ochoti et al.(2012, p.38) assert that public service reforms in Africa faced hurdles such as financial and materials resources, poor coordination and political interferences which were a necessary attribute for effective delivery of services.

Due to the common agenda in Africa, Tanzania embarked on various public-sector reforms. Scholars such as Mutahaba(2011, p.22) point out that in 1991, the Government of Tanzania initiated the civil service reform program (CSRP) aiming at re-organizing government functions into core and non-critical functions, and developing well-compensated, efficient and effectively performing civil services. The non-critical functions were to be taken to other newly formed organizations and agencies in order to improve service delivery. In its move, however, Issa(2010, p.11) and Bana & Shitindi(2009, p.3) contend that the reform program (CSRP) had various impediments such as poor service delivery, weak accountability and management triggering other initiatives which necessitated the launch of Public Service Reform Program phase I (PSRP I) which spanned between 2000-2007. It is argued that PSRP I replaced CSRP with an intention among others to install performance management systems (PMS) in public organizations in Tanzania (Bana & Shitindi, 2009:12; Issa, 2010:16).

Kavura(2003) argues that PSRPI in Tanzania has six components aimed at raising the levels of public service delivery. The six components are: performance management, rejuvenating moral behavior and values of public employees, leadership, management and governance, programs coordination, monitoring and evaluations, management information systems and start of semi-autonomous or new government agencies to provide better services to the public.

It has emerged from the literature review that in Tanzania, through these public service reforms, semi-autonomous public organizations were formed and installed with performance management systems with a focus of improving performance and standards required (Bana& Shitindi, 2009, p.4). Further, the main objective for forming those semi-autonomous public organizations were to create smaller, more efficient and better-motivated organizations in terms of operational freedom and improving motivation to its employees (Swailand, 2003,p.18-20). With a similar view, Ochoti et al. (2012, p.38) stress that the formation of organizational reforms in the public sector implied a refocus on the mindset of these organizations from inward looking to a wider view of contemplating production with a business approach technique. Besides that, the government required deliberate measures to be adopted in order to transform public service into ambits and agencies as organizations of excellence in order to play a great role in achieving economic growth and prosperities (Kavura, 2003,p.22 and Yambesi, 2003,p.78).

Bana & Shitindi (2009, p.3), say that in the advent of launching different public service reform programs in Tanzania, performance management was at the center of discussions in the transformation of public organizations and service delivery at large. According to Kohli & Deb (2008, p.71) and Ijeoma et al.(2013), performance management helps to demonstrate the desired behavior properly through aligning individual performance expectations with the organization's mission, vision, values and strategies for meeting goals efficiently and effectively. Additionally, performance management merges both individual goals and those of the organization, and links the actual results to the desired results, but more importantly, performance management acts as a synergy mechanism in addressing functions of different organs in the public organizations (Bana & Shitindi, 2009, p.4).

Public organizations had to introduce Performance Management Systems (PMS) as an initiative to improve both efficiency and effectiveness in rendering services to the public through setting up objectives and targets, outputs and performance indicators, monitoring and evaluation of performance (URT, 1999, pp.12–13). In addition, Issa(2010, p.4) and Mutahaba(2011, p.22) argue that performance management systems were introduced to build integrated systems so as to create common understanding and vision on the results to be achieved including continuous improvements performance of services delivery, accountability and responsiveness.

In 2008, Tanzania embarked in another reform strategy phase II which according to Issa (2010, p.5) imbibed issues of accountability and performance enhancement in public organizations. Through these different reforms, Tanzania continued to formulate different tools and strategies aiming at increasing service delivery to the public organizations. Some of the strategies or tools formulated to facilitate performances management systems during these reform phases among others included the following: Open Performance Review and Appraisal System (OPRAS), Client Service Charters (CSC), Monitoring and Evaluation (M&E) and Strategic Plans (SP).

Within Tanzania public organizations, open performance review and appraisal system, which is the critical component of performance management system, received greater emphasis from 2004 in order to spearhead results-oriented management culture in service delivery. It is perceived with the system that all employees enter into performance agreements with supervisors using well-set performance objectives and targets in order to be used as criteria in the annual performance appraisal process.

Articulating the issues of client service charters, McColl (2013, pp.12–14) contends that they are tools which guarantee service delivery to the public or customers in the particular organization. Moreover, charters in organizations are used to define criteria necessary for assessment of performance outcomes, provide positive or negative feedback on the whole process of service delivery and therefore making it public for accountability. Service standards, service commitments, to provide timely and effective service to the stakeholders, complaints mechanisms on the levels of delivery of services, and the type of services in public organizations are key features of client service charters (Mutahaba, 2011, p.41).

Whereas public organizations need to concentrate on designing and using charters to show responsiveness to the public in terms of quality service delivery Issa(2010, p.17) and McColl(2013, p.13) argue that in most cases are not used for the purpose. They say so for the following reasons: performances of the organizations are not shown to the public; and the citizens are unaware of using the charters to demand quality service delivery leading to reduced accountability among employees. In line to this study, the issue posed, is to what extent the client service charters have differential impacts on public organizations effectiveness, including not only quality service delivery, but also responsiveness to the citizens or organization stakeholders and the entire implementation of different strategies to improve performances. Another key component of performance management system is strategic plans. In the argument, Boyne & Gould-Williams (2003, p.116) state that the strategic plan has a great contribution to the organization as its helps in integrating diverse activities leading to improved performance and

service delivery. It forces management in the organization in the following ways: clarifying objectives, which help in resources allocations; communicating the objectives to all employees of the organizations where efforts will be geared to; and identifying internal and external environment of the organization. It is further stated that strategic planning envisages organizations integrations characterized by shared vision and common values and without it there is no common focus. It is argued that there are different perspectives that strategic plans have positive impacts on organizational effectiveness and performance. On positive perspective view, Mutahaba(2011, p.40) avers that strategic plans embed organizations' missions, objectives, strategies, targets, indicators and means of evaluation which are relevant ingredients towards specific direction to achieve both employees and organizational performances.

As an integral part of performance management system, monitoring and evaluation is fundamental of tracking progress of the implementation of various objectives and targets in public organizations. For example, Armstrong & Taylor(2014, p.223) argue that it is necessary to monitor progress and evaluate effects when implementing different set objectives and targets due to unpredictable events in the organization. On the face of it Bana & Shitindi(2009, p.11) contend that monitoring and evaluation system is important to gather information on the implementation of various strategic goals and objectives in order to improve performances in organizations. However, literature have shown that most of the public organizations have no well-designed monitoring and evaluation systems that identifies, analyses, interprets and tracks progress of organization performances.

It is long adage therefore, that performance management systems efficacy to improve performance is a serious problem in public organizations. The government has been designing systems and other interventions to improve service delivery in public organizations.

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However, the implementations of these systems tools such as OPRAS, CSC, SP and M&E have not yielded tangible results on improving performance in public organizations. The implications are that, delivery of services in public organizations are not to the tune of the public or the community across different sectors, and thus it is appropriate and imperative for this study to investigate the existing performance management systems taking into account issues of accountability and responsiveness to the public, quality service delivery and generally performance improvement in public organizations.

#### **1.2 Statement of the Problem**

The research problem for this study is derived from two arguments: As depicted below, the first is the transformation of public organizations into becoming effective, efficient, competitive inservice delivery, and second, through well-established performance management systems failure to improve both employees and organizational performances to the tune of the public.

#### 1.2.1 The Nexus between NPM and Public Organizations

There are different thoughts among scholars on public organizations performance executing crucial government functions in many African countries including Tanzania. For example, Boyne (2010, p.207), describes public organizations before the new public management philosophy as less effective, efficient and opaque to the public. The idea of performance in public organizations according to Ohemeng(2011, p.467), has been engineered by an introduction of new public management doctrine. Additionally, Talbot (2010, p.62) propounds new public management as a promoter of changes and transformation important for public organizations to become effective, efficient and competitive.

In a similar view, Chakrabarty & Chand (2012, p.476) highlight new public management as an initiative meant to change public organization from process to result oriented philosophy or culture aligning with appropriate managerial approaches and more emphasis in on the performance measurement. On the other hand, Rainey (2009, p.387) connects public services reforms with new public management doctrine with emphasis on issues of accountability and result-oriented management that could be judged by the citizens. Pidd(2012, p.23) enumerates important new public management doctrines that public organization can emulate to improve performances and service delivery to the public: performances assessment based on clear or explicit goals to be achieved; performance measurement with more emphasis on output and outcome control; having clear line of accountability in organizations; discipline in use of resources and freedom to managers achieve well set goals in organizations.

On similar insightful analysis of new public management Chakrabarty & Chand (2012, p.114)identifies important elements imperative to performances in public organizations: (1)professional management; (2) laying explicit factors for performances such as goals, targets and indicators; results oriented; (3) decentralizations of structures; (4) competitive spirit among public organizations in order to bring out quality of services and efficiency; (5) economy, resource utilization and raising labor disciplines in these organizations. It is further asserted that, this movement also led to the introduction of performance measurement and management systems in organizations. The controversy, however, has emerged from the literature that with all interventions that the Government of Tanzania has made to transform public organizations to become responsive and to deliver quality services to the public there is low capacity for citizens and stakeholder to hold these organizations accountable for the performance results.

In a view, URT (2008, p.18) contends that there is public dissatisfaction on quality of service delivery in public organizations anticipating the situation to declining of work ethics such as poor performances, laws and regulations that are not followed. It is from this view that the study addresses various constraints that impair the implementation of performance management systems in the Tanzania public organizations.

## 1.2.2 The Research Standpoint and Key Argument

Tanzania has undergone extensive process of public service reforms in order to promote efficiency, effectiveness and accountability in public service organizations to deliver quality services to the citizens. Among others, different scholars such as Issa(2010, p.20) and Mutahaba (2011, p.22) assert that the account of these reforms which enabled the installation of different mechanisms, tools and systems such as performance management systems have been performance improvement and service delivery, improving communications and transparency and accountability.

Despite the efforts to establish different mechanisms, tools and systems on performance management, there are many views that these mechanisms, tools and systems and results on service delivery are unsatisfactory and not remarkable to improvement of both employees and organizational performances (Maharvi et al., 2014, p.150). The questions here are: why are these systems or mechanisms not yielding the intended plan of quality service delivery for national social-economic and political growth? And to what extent are these mechanisms or systems contributing towards matters of rewards and sanctions to workforce poor performances in the whole process of performance management in public organizations?

Among others, in order for Tanzania to make performance management system achieve the intended plan of performance improvements and quality service delivery to the public, several steps were taken: Firstly, OPRAS was introduced to be used as a tool for reviewing and appraising performances in all public organizations. With contradictory views, OPRAS has attracted several criticisms especially on its efficacy to generate performance appraisal information relevant for rewards, promotions, salary increments and sanctions for poor performances such as demotions, termination, dismissal and employees' development measures.

In the view several scholars have argued on the efficacy, challenges and implementing performance management systems to improve performance in public organizations. For the case of performance appraisal systems such as OPRAS, Fredie et al. (2015) argue that in many public service organizations, managers or supervisors across different organizational departments and divisions or sections do not use such systems to improve performances and apply it for promotions and salary raises and increments. Evidences have also shown that employees express unhappy feelings, reluctant and even skeptical towards participating in using this system to measure their performances (Bana & Shitindi, 2009); Mutahaba, 2011). In a similar tone, Tefurukwa(2014) and Fredie et al. (2015) contend that in many cases performance appraisals are biased and create avenue for favoritism. More questions here are; why employees are critiquing the systems and linking the whole process of performance appraisals in performance management system with financial rewards or incentives only? Secondly, Client Service Charters (CSC) were also introduced, and according to Bana & Shitindi (2009, p.15) meant to improve services and service delivery standards and to gauge service delivery problems in the organizations in order to increasing responsiveness to the public serving.

In contrast, however, the rival literature argue that its effectiveness is questionable as most of the charters are not derived from organizations stakeholders' expectations and are not even influencing quality services in these organizations. Thirdly, strategic plans which according to Therkildsen & Tidemand (2007, p.34) and Poster et al. (2015, p.199) clarify what mission and vision, goal and objectives that are to be linked to employees work plans to improve performance and service delivery in the organizations. With different policies, laws and regulations backing performance management systems and its tools in public service organizations, why quality services delivery patchy. Therefore, it is from these facts that this study investigates these bottlenecks and the extent to which the adoption of performance management system and use of its management instruments such as OPRAS, strategic plans, client service charters and monitoring and evaluation contributes to improvement of performances in public organizations.

#### **1.3** Research Objectives for the Study

The research objectives are at two levels: A general objective of the study, which broadly explains the main research issue, and specific research objectives outlined in the next subsections.

#### **1.3.1** General Objective of the Study

The general objective of the study was to investigate the efficacy of performance management system in improving performance and service delivery in the public service organizations. Issues of systems' practices, the use of performance information in human resources and organizations development decisions, workers motivations through different rewards and incentives, policies, laws and regulations on performance management systems and underperformance in public organizations are considered imperative for in-depth investigation in this study.

#### 1.3.2 Specific Objectives of the Study

In order to achieve the main aim of this study, the following objectives guided this research:

1) To investigate whether performance management systems improves performance in public organizations;

2) To explore factors that motivates workers to deliver quality services in public organizations;

3) To investigate the usage of performance appraisal information on human resources and organizational development decisions-making;

4) To investigate the key reasons for work underperformances which affects performance management system in public organizations.

## **1.4** Key Questions for the Study

Based on the above highlighted objectives, the following research questions guided the study probing process:

1) How does a performance management system improve public organizations performance?

2) What factors motivate workers to deliver quality services in public organizations?

3) How are performance appraisal results used on human resources and organization development decision-makings?

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4) What are the key reasons for work underperformances that affect performance management system in the public organizations?

## **1.5** Research Hypotheses for the Study

Chapter Three of this study covered the theoretical and conceptual framework. Hypotheses were developed to examine determinants of different aspects of performance management system on organizational performances in the public organizations. Based on the theories and conceptual framework, the following hypotheses were developed:

- **H1:** Performance management systems that support and provide clear performance practices (skills development, planning process, accurate assessment, feedbacks etc.) have significant effect on organizational performances;
- **H2:** There is a significant relationship between perceived sufficiently trained managers or supervisors on performance management system (coaching, objective formulations, dealing with underperformance e.tc) and organizational performances;
- **H3:** There is a significant relationship between performance management system that supports clear reward and incentive system (monetary and non-monetary factors) to motivate employees to deliver quality services and organizational performances;
- **H4:** Performance management system that provides adequate performance appraisal results or performance information for human resources and organization decisions-making has significant effect on organizational performances in the public organizations;

**H5:** There is significant relationship between perceived factors for underperformances that affect performance management system and organizational performances in the public organizations.

## 1.6 Significance and Purpose of the Study

The essence of this research is based on the following facts: the growing concern on effectiveness of performance management system to both employees and public organizations performances; the overwhelming debate on the implementation of performance management systems tools such as Strategic Plans (SP), Client Service Charter (CSC), Open Performance Review and Appraisal System(OPRAS) and Monitoring and Evaluation (M&E) which indicate to have fallen short of expectations to enhance both workers and organizations performance. In the light of the argument, this study findings adds the body of knowledge on the following issues: the factors that are connected to the effectiveness of performance management system and its management instruments adopted in public organizations; employees motivating factors to deliver quality services; factors for underperformances and the use of performance appraisal information on human resources and organizations development decisions. Additionally, since the study pertain specifically to questions on public sector reforms initiatives failure or success in public organizations to improve performances and better services to the public? And why management instruments such as OPRAS, client service charters, monitoring and evaluation and strategic plans in these organizations are not significantly improving performances? It expected therefore, the study findings on these issues can become empirical source for government policy makers, employers and employees

#### **1.7** The Rationale of the Research Problem

The Tanzania government has been often in move of developing management instruments with intention of enhancing implementation of performance management system to improve performance and better service delivery to the citizens. The rationale for this study therefore lies behind reviewed literature and reports on the implementation of management instruments which critically among others evidences two key issues: first, continued weakness in utilizations of tools important for effectiveness of performance management system and second, dissatisfactions by large number of population or the public on quality delivery of services and improved performance in the public organizations.

#### **1.7.1 PMS Tools Implementation Report**

Literature reviewed admits management instruments or PMS tools such as open performance reviews and appraisal system, strategic plans, monitoring and evaluations and client service charters as among others key components that facilitates performance management system implementations in the public organizations. In contrast, however, (Mutahaba G. 2011, p. 27) argues that its implementation has been problematic and continue to receive resistance to its use in the public organizations. In addition, as depicted in Figure 1.1, the reviewed literature and evidences such as that of public services reform program report (URT, 2011, pp.8–9), show that despite the government efforts to devise such instruments to optimally enhance performances and service delivery in public organizations its implementation varies and dwindling across different sectors in Tanzania.

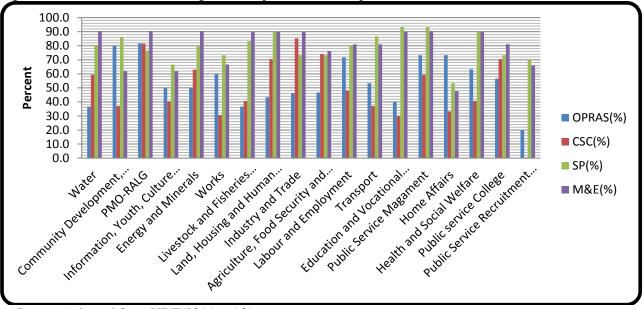


Figure 1.1:Performance Enhancing Tools Implementation Report

Based on the report in Figure 1.1 above, which reflects variation of levels of implementation of the management tools across different sectors, it bears clear testimony that there are more intriguing questions in relation to impediments on implementation of such management tools that need answers. The questions that requires justification through this study are: how contented are workers with management instruments that contributes to improved performances? why the management instruments are appropriately not implemented to improve performance and better service delivery in the public organizations.

#### **1.7.2** Service Delivery Unsatisfactory Report from Different Sectors

According to public service reform phase I report (URT, 2008), an initiative of installing systems in the public organizations was undertaken with a view of enhancing performance and delivery of services to the community or citizens.

Source: Adopted from URT(2011, p.13)

In contradictory, however, the report results shown in Figure 1.2, evidences that there is great community or the public dissatisfaction with quality service delivery in the public sector.

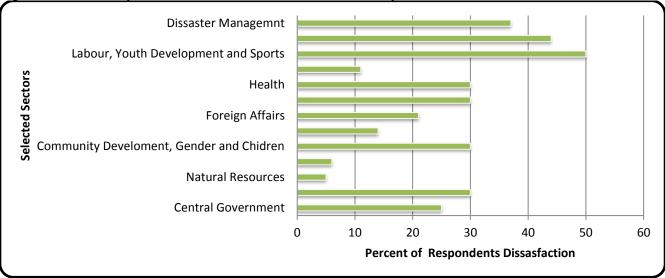


Figure 1.2 Community Dissatisfaction with Public Service Delivery

Further, the results on Figure 1.2 above, suggests crudely implementation of performance management system to a tune expected of improved performances and better services in public organizations. Based on the overall report above and reviewed literature, it shows that that despite initiatives the government had set through public service reforms and policies the state of quality services in public organizations is not healthy. Hence, this study sought to understand these anomalies which suggests that employees across these different sectors entrusted with the responsibility to deliver services are not delivering planned activities and thus affecting the whole process of using performance management system as vehicle to improve performance and service delivery.

Source: Adopted from URT (2008:6)

#### **1.8** The Limitation of the Study

Like any type of research, inevitably, this study has its own limitations: first, sampling frame, there are many public organizations distributed across different ministries in Tanzania, which made it difficult to identify and categorize these organizations for data collections purposes. In regard, for the reasons of affordability and bureaucratic procedures in some of the organizations, the research limited itself to only six easily accessible public organizations based in Dar-es-Salaam the commercial city of Tanzania. The other is the perceived existence of bias by the respondents. The respondents for the study are employees of the public organizations and as such might be biased towards their organizations and there is the possibility of positive and/or negative bias in their responses pertaining to the implementation of different aspects of performance management systems. Also, the scope of the study, which has been limited to, few dimensions of performance management system and its management tools embedding open performance review and appraisal systems, monitoring and evaluation, client service charters and strategic planning. Though the chosen dimensions and tools are important for public organizations to improve, performances and service delivery have limited the research from others variables relevant for the implementation of performance management system. Further, the public organizations for the study were from different sectors and ministries although all are mandated to implement performance management system. Based on this approach, therefore, there are great possibilities that data collected and interpretations have been affected by contextual factors such as homogeneously understanding of variables under the study from various respondents

#### **1.9** Sequences of the Study

This part provides flow of chapters and for that matter, the thesis has been divided into seven chapters as follows: Chapter One provides succinct overview and background information for the study my mapping the whole issues of performance management systems and the need for research. It has sketched several issues of the statement of the problem; objectives, questions to be answered in the research and its significance. Chapter Two lays down the foundation for the research area in which different literatures are reviewed to have broader understanding of key issues in respect to performance management systems practices, rewards and incentives, issues of unsatisfactory performances and performances in public organizations. Chapter Three discusses critically different theories and performance management model imperative for employees and organizational performance. Goal setting, equity and expectancy theories are expounded more deeply and connecting them to the area of the study. Chapter Four reviews global empirical studies about performance management systems, rewards or incentives in public organizations to deeply understand and gain knowledge of the subject in wider perspectives.

It triggers fundamental issues that underlie the main research agenda on performance systems showing the gap in the literature reviewed and the contribution of the study. Chapter Five is on research methodology, which sketches methodology employed in the whole process of the study. Details for tools for data collection such as questionnaire, interviews and technique of data analysis are propounded. Chapter Six: In both qualitative and quantitative findings are presented. Qualitative findings give richer analysis and discussions of qualitative data obtained from the interviews based on the research themes. For quantitative findings, the results and analysis of data gathered through the survey questionnaire are presented using different statistics to reflect the study. Chapter Seven concludes the study by making recommendations for further researches

basing on the findings. It further presents study contributions, implications and researchers reflections on the study of effect of implementation of performance management system and its related aspects to improve performances and service delivery in the Tanzania public organizations.

#### **1.10** Summary of the Chapter

The chapter has laid down the foundation of the research by showing background information and efforts of adopting performance management systems in public organizations to improve service delivery process to the citizens in the country. It has discussed the public-sector reforms that resulted to different mechanisms and tools to be established to improve both employees and organizational effectiveness. In the statement of problem, several issues have been raised on performance management systems practices and its enhancement tools. However, systems practices and tools in public organizations have raised a number of debatable issues among scholars. The debate spins around issues of failure of public organizations to deliver quality services to the public. Therefore, the next chapter tries to in detail to discuss this debate in different ways through reviewing literature and different perspectives on performance management systems, theories and models relevant for the study.

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#### **CHAPTER TWO**

#### **Facts about Performance Management Systems**

#### 2.0 Introduction

This chapter begins by providing a review of the relevant literatures on the performance management system in public organizations. It further discusses on the important elements of performance management system, their effectiveness, benefits and challenges. Based on this review, an integrative conceptual framework was developed that links the factors discussed in the development and use of performance management systems for employees and organizational performance in public organizations. The chapter covers general literature review on different variables of performance management system such as its implementation in public organization, its effectiveness, and its motivations. The chapter ends with a review on issues of underperformances and different relevant legal frameworks geared at the implementation of the system to improve both employees and organization performance in public organizations. Therefore, this chapter argues that unless these fundamental variables of performance management system effectiveness, rewards and incentives, the use of performance information in decision-making and unsatisfactory performances are adequately acknowledged and implemented the same challenges of poor quality services and delivery remain the public organization. Generally, the main argument of this study is, in order to improve performances and service delivery in the public organization, the fundamental variables of performance management system must well be addressed.

# 2.1 Definition of Different Concepts of the Study

There are different understandings of the terms such as performance appraisal systems and performance management systems. Ijeoma et al. (2013) and Kohli & Deb (2008, p.9), elucidate this confusion by explaining that performance appraisal system refers to the means and procedures for recognizing moral conducts and activities that produce practical outcomes, and Balakrishnan & Srividhya (2011, p.27) defines performance management system as all about planning the expected performance levels of the employees, analyze the performance, appraise and actions taken to improve productivity of the employees. Moreover, performance management systems strive to match to anticipate behavior with meeting organizational objectives and targets in an efficacious way. It is argued further by Baird et al. (2012, p.161) that performance management system is a tool for planning through alignment of resources and activities with strategies to achieve desired results, measurement by putting explicit standards and measures of performances and decisions making in organizations.

Torrington et al. (2014, p.193) assert that in an organization context, performance management coordinates several features, training, employees and organization targets, appraisal and different types of payments for quality service delivery and effectiveness. It is taken as a process of optimal management measures for employees' performances through the use of defined performance standards, links employees and their tasks to the strategies and objectives of organizations (Bussin, 2013, p.20). On the other hand, Ghauri (2012, p.3) and Kohli & Deb, (2008, p.9) argue that it is a wider organizational concept whereas workforce evaluative measures are commonly termed as performance appraisals.

Elucidating necessary steps of performance management in organization, Bussin (2013) and Ijeoma et al. (2013) mentions them as performance planning by defining goals and standards, performance coaching and feedback, conducting performance appraisals, performance recognition and rewards and discussion on career development.

Mathis & Jackson (2011, p.320) contend that many scholars use performance appraisal and performance management interchangeably and therefore clarify that the former means the process of determining how employees perform their activities against set standards and the latter is the broader concept entailing a series of activities designs to ensure that the organization gets its performances through employees. On the face of it, Venkateswara (2004, p.213) says that many organizations had been using performance appraisal system as performance management system. Further, the use of these two concepts interchangeably necessitated the importance to distinguishing them as shown in the table below:

Performance Appraisal Systems	Performance Management Systems	
Focus is on performance appraisal and	Focus is on performance management	
generation of ratings		
Emphasis is on relative evaluation of	Emphasis is on performance improvements of	
individuals	individuals, teams and organization	
Annual exercise normally through	Continuous process with quarterly performance	
periodic evaluations are made	review and discussions	
Emphasis is on ratings and evaluation	Emphasis is on performance planning, analysis,	
	review, development and improvements	
Linked to promotions, rewards,	Performance rewarding may or may not be an	
training and development interventions	integral part	
and placements		
Designed and monitored by human	Designed by human resource department but	
resource department	could be monitored by respective departments	
	Focus is on performance appraisal and generation of ratings Emphasis is on relative evaluation of individuals Annual exercise normally through periodic evaluations are made Emphasis is on ratings and evaluation Linked to promotions, rewards, training and development interventions and placements Designed and monitored by human	

Table 2.1: The Difference between, Performance Appraisal System and PMS

Source: Venkateswara (2004: 214)

### 2.1.1 The Implementation PMS in Public Organizations in Tanzania

After defining the concepts of Performance Management System and Performance Appraisal System and their differences, this section discusses in detail the performance management system in Tanzania. The performance management system in Tanzania is under the jurisdiction of the president office public service management ministry. Among others, the ministry is responsible for not only assessment of compliances to human resource management standards, formulating and monitoring the implementation of the system but also responsible for ensuring that public organizations practice it in accordance to the existing policies, laws and regulations.

Similar to other developing countries in Africa, Tanzania has faced the overwhelming tasks of nation building and promotion of social-economic development since attaining its independence back in 1961(Issa, 2010, p.2). Literatures show that at independence, Tanzania identified three critical enemies as poverty, diseases and ignorance: Consequently, it provided the Tanzanian government with a thrust to introduce wider set of strategies to fight against poverty and reforms to address the identified problems and deficiencies.

Spanning from 1980—1990, according to Kayombo (2010, p.5), Tanzania confronted many challenges attributed to shifts in policies, liberalization of the economy and structural adjustment measures in political orientation towards political pluralism, necessitating the embark on different public-sector reforms. Prior to these reforms, it is argued by Mutahaba (2011, p.16) that the quality of service delivery was sporadic in public organizations characterized by features among others: lack of commitment, accountability, and control systems, decline of efforts and performances and demotivation among workers.

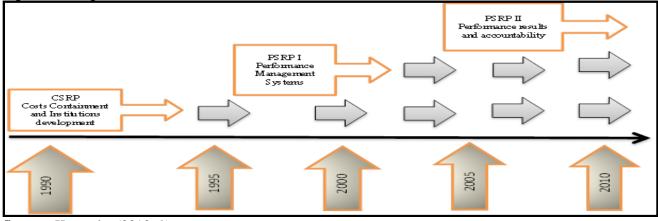
Moreover, before these reforms, public organizations were using different annul reports and workers evaluations through annual confidential reports fraught with many challenges of inability to measure public organizations performances causing to the public or citizens to experience public sector as non-existent, unproductive and inefficient. It is further stated that, in response to these bottlenecks in quality service delivery, the Government of Tanzania came up with efforts to improve performances through the adoptions of a market-oriented economy to enhance efficiency and effectiveness, fiscal discipline, clear results and accountability in public organizations.

As shown in Figure 2.1 below, public service reforms have undergone different stages which are Civil Service Reforms Program from which, according to Issa (2011, p.11), started in 1991 embedding issues of improvement of social services, cost reduction and government restructuring, followed by different phases introducing different systems, mechanism and tools geared at improving effectiveness and efficiencies in service delivery to the public. It is publicized that the Public Service Reform Program, Phase1(URT, 2008) launched in 2000 and preceded by the issuance by the government of a major policy paper called Public Policy Management and Employment Policy in 1999 in which it articulated the principles to guide the reforms, among the principles recognized is the attention given to managing the people in the public service in order to improve service delivery. Kayombo (2010, p.7) further argues that, PSRPI focus was among others to: improve remunerations and incentives, install performance management system which affixed different elements such as strategic plan and client service charters and performance appraisal system in order to: change the way public organizations were managed and administered and improve service delivery by reforming the internal public organizations operations.

However, despite PSRPI focusing on being of paramount importance for public organization efficiency and effectiveness to deliver quality service, its end of the program report 2008 spells out three challenges on its implementation:first, the lack of connection between the reforms and service delivery and national development plans; second, the lack of authority to harmonize issues of reforms and repetitions, and third, the weak accountability mechanism which had negative influence on the implementation of the PMS tools or management instruments such as monitoring and evaluation, OPRAS and clients' service chartres.

Moreover, the appearances of challenges in PSRPI such issues of resistance to changes, lack of top management commitments, discrepancy in goals aligning to the government strategies, and performance – accountability culture, according to Mutahaba (undated:85) led to the government in 2007 to develop and launch Public Service Reform Program Phase2 (PSRP II), in which HR issues were given greater prominence embedding three key result areas which are: managing people in the public service, pay and rewards reform, and leadership development. On a similar argument, Kayombo (2010, p.11) affirms three-fold issues behind PSRP II: first, the accountability within organizations where employees are to be held accountable for performance results based on open appraisal processes; second, the formulations of different frameworks to enhance accountability across the government; and third, the accountability to the citizens or the public where different mechanisms were to be established in public organizations to enhance quality services and service delivery.

Figure 2.1: Stages of Public Reforms in Tanzania



Source: Kayombo (2010: 9)

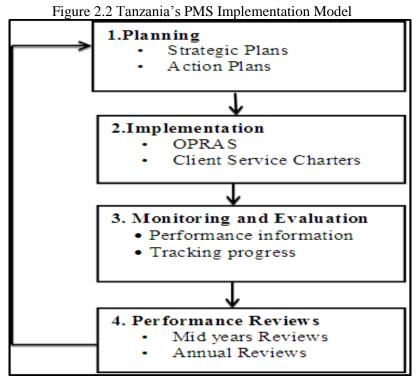
Furthermore, on the implementation of performance management system, Mutahaba (2011, pp.37–38), argues that in Tanzania, Performance Improvement Model (PIM) was made to create a common understanding and agreement towards the achievements of goals and general performance and services delivery in public organizations. As depicted in Figure 2.2 below, PIM is a broader performance management system implementation framework in four stages with different tools important to address issues of improved performances and quality services.

1. Planning encompassing among others, organization self-assessment which is internal assessment in which employees are given opportunities to provide feedback on key issues such as leaderships and other general internal strategies processes; service delivery survey which sets in feedback from external customers satisfaction; strategic plans which provides specific role and actions to be taken in all areas that requires improvements in the public organization.

2. Implementation which uses tools such, OPRAS which emphasizes performance agreements to all employees in organization with immediate bosses or supervisors gearing at improving performance and service delivery and also use of client service charters which offers service standards and commitment to service delivery to the clients or customers.

3. Monitoring and evaluation absorbs issues of gathering and tracking progress of the implementation of strategic plans

4. Performance reviews which make use of different tools such as motoring and evaluation, self-assessment and service delivery surveys to review performances in organization.



Source: Mutahaba (2011:38)

Essentially, the PIM, which was used to implement performance management system, had the objective to provide quality public service, improve both employees and organization performance, and improve accountability and responsiveness to the public. However, despite of all these great achievements and interventions through the public service reforms by installing different performance frameworks, systems and mechanism, unsatisfactory performances persist in public organizations which raises many questions for the researcher and, thus attempts to answer by examining the extent to which these systems and tools are implemented to improve performances.

### 2.1.2 Different Perspectives on Implementation of PMS

According to Kohli & Deb (2008, p.95), in every organization performance management system has the following objectives: rewarding, recognizing and compensating workers for the achievements in transparent, fairly and in equitable ways; bringing up employees' potential and capabilities; encouraging teamwork, senses of belongingness and ownership in the organizations; promoting performance-oriented culture; creating role clarity, objectives and measure at different levels individual employee, team and organizations; fostering relationship between employees and supervisors or managers; identifying training and development needs; and leveraging performance of organizations.

Reviewed literature have outlined that many organizations are endeavoring to implement performance management in order to increase productivity and service delivery. Management controls systems in organizations are put in order to achieve organizations' goals and provide lens or filter errors for problems of the organizations. Substantial numbers of studies have shown that there is a great benefit of using performance management in organizations. Examining the benefits of performance management in organizations, Poster et al. (2015, p.24) argue that it is for organizational goals and objective achievements, ensuring success, control, accountability, producing desired results, data and contributing to more informed decisions, rewards and corrective actions.

Guest & Bos-Nehles (2012, p.83), argue that the effective implementation of any systems or in an organization requires a range of collective actors such as senior executives, line management or managers and supervisors, human resources specialists, trade unions leaders and on some occasions employees. Alhaqban et al. (2016, pp.925-26) reveal that lack of senior management support and commitments are considered among critical factors of different failures of the system and conversely leadership and commitment to performance improvement must well be demonstrated by managers or supervisors at all levels in organizations. Managers or supervisors are horizontal integrators and facilitators to distribution of resources, work process, managing employees' performances, solving problems and enabling different changes towards results-oriented culture. Furthermore, since public organization works in the vertical structures there is a need for special strategies to ensure a high middle management staff commitment to continuous improvements of performances and service delivery. Hutchinson (2013, p.75), contends that there is a great rationale for organizations to make use of heads of departments, divisions or units or in general line managers in the implementation of performance management with the views that are close and have regular contacts to employees, accountable for performances and other routine responsibilities. Some of the identified key areas or responsibilities that are supposed to be done in the line managers or heads of various department, division and units are: training and coaching employees on various activities in order to enhance service delivery, managing employees' absenteeism at workplaces, conducting employees' appraisals, performance management and listening to different concerns, communicating all matters relating to different rewards such as pay increases or recognition for good performances and dealing with development, grievances and disciplinary issues for the employees in the organization.

It is argued that this approach of using line management saves time, increases speed in service delivery, ownership and emboldens commitment towards improvement of performances in organization.

Moreover, specifically for organizational performances, there are two practices that heads of departments, divisions and units or line managers can use to enhance job satisfaction, commitment and motivation to employees: first, participating in human resources practices such among others, training, selections and rewards; and second, leadership by example such as responding to employees' suggestions, treating all employees fairly and dealing with problems at workplaces. Goh et al. (2015, p.160) enumerate factors that are imperative for the successful implementation of performance management in organizations as: top management commitment, buy-in training and education; clarity of vision and mission; culture of performances and strategy and resources. On the other hand, Kohli & Deb (2008, p.77) describe elements that make performance management more effective in organization as the process, motivation, measurements and rewards, clarity and culture, the roles of human resources and the organization ability in attuning it.

## **2.1.3 Role Players for PMS Implementations in Organizations**

It has emerged from literature reviewed that, the implementation of performance management system across any organization need great attention of the entire management team in different departments, divisions and sections. In an organization context, Venkateswara (2004, p.215)spells out five creteria that make performance management system effective to improve performance and service delivery:(1) time spend by line directors and managers in performance planning , and identification development needs; (2) line directors and managers seriousness on performance plans and completing plans on time; (3) performance plans that achieves the objectives by clarifying goals and performance standards; (4) planned general organizational support by removing bottlenecks, arranging different trainings; and (5) regular performance review discussions. On the face of it, Kohli & Deb (2008, p.93) view performance management

system as an integral part of total management in organization in which the information obtained from the system becomes important for human resource and organizational decisions. It is argued by Hutchinson (2013, p.74) that the implementation of PMS in organizations should not be left to the HR functions, instead, depending on the nature of the organization, line directors and managers or supervisors play a great role and are expected to undertake different operational sole or shared responsibilities which are: career counseling, training of employees in the department or divisions, performance appraisal for the employees, rewarding good performances and punishing bad performances, learning and development, dealing with absenteeism and proposing for recruitment of suitable employees to improve organization performances. It is further argued that managing performances on activities such coaching and appraising employees are more likely sole responsibilities of line directors and managers or supervisors where as others areas of performance management can be shared responsibilities with HR functions. On issues of directors and managers or supervisors as key players on performance management to work effectively, Newcomer & Caudle (2011, p.110) argue that they ought to be empowered in a decentralized decision-making structure that fosters accountability for results. As depicted in Table 2.2 below, Kohli & Deb (2008, p.63) add that line directors and managers or supervisors are responsible for setting performance criteria in collaboration with employees in the whole cycle of performance management.

On a similar argument, de Waal & Cournet (2009, p.369) emphasize that in order for performance management system to improve performance and service delivery, organizational members, and more specifically, the management team need to accept, understand and have a positive attitude towards it.

Bussin (2013:102) argues that it is not possible to have performance management system that is applicable to all employees in the organizations, and thus differentiation between general employees, management and executives in terms of different responsibilities is inevitable.

SN	Organization(Executives)	Director and Managers (Supervisors)	Employees(Subordinates)
1	Defining mission, strategies, objectives and values	Prepare and communicate divisional plans, resources and employees job objectives	Understand and agree on job objectives
2	Define tasks, criteria and performance standards	Set performance criteria and standards	Understand and agree on performance criteria and standards
3	Monitor organizational teams and employees performance	Monitor and support employees' performance	Monitor own performances
4	Evaluate organizational team and employees' performance	Measure employee performance, and provide feedback and performance counseling	Report self-appraisal and identify performance improvements areas
5	Improve organizational performance and competences	Develop team and employees' performance	Develop own performance

 Table 2.2: Players Responsibilities in Performance Management in Organization

Source: Adopted from Kohli and Deb (2008: 93)

Despite being potential and playing great role in improvement of performance and service delivery through shared responsibilities scholars, such as Nik Mat & Barrett (2015, p.119) say that in many organizations there are weak links between line directors and managers or supervisors to performance management system which ultimately leads to not performing well.

It is argued that in many cases line directors and managers are reluctant to undertake certain responsibilities such as performance appraisals, assessing employees or subordinates training and development needs through hard work and individual employee's performance. Armstrong (2012, p.80) asserts that the role of line directors and managers or supervisors in employees' management is crucial and plays a vital role in communicating, coaching and recognition of organizational performances. Hence, this study examined these issues through interviews with directors and managers about the organization management as a team towards using performance management system to improve both employees and organization performances.

# 2.1.4 The Effectiveness of Performance Management System

In order for an organization to achieve its missions, visions and strategies or be successfully on its entirety, performance management system effectiveness is of paramount importance (Sharma et al., 2016, p.224). Additionally, effectiveness is all about the success of a system in the achievement of specific goals in the organization. Moreover, performance management system is the strategic and tactical tool in organizations with the following main objectives: aligning employees and organizational goals for the purpose of reinforcing behaviors that contribute towards the attainment of objectives and goals; and giving valuable inputs for rewards based on performances, compensations decisions, relevant performance information and clear signals to workers on performance improvements.

According to Sharma et al. (2016, p.225), there are two factors or dimensions that can be used to measure the effectiveness of performance management system in organizations: first, the accurateness of the system, its ability to align employees and organizational goals, performance standards and behaviors at different levels in the organizations, clarity about the goals set

properly to be achieved, clear connection of goals with the organization needs, clear linkage between performances and performance management system outcomes imbibing recognition and rewards systems, facilitating workers development, performance evaluation against organization planned standards and justifiable through proper performance ratings, regular performance feedbacks that show ways in achieving goals and not only evaluating workers strengths and weakness but also adding more skills to justify employees efforts in the organization; and the second is the fairness of the system embedding all transparency issues in performance planning.

According to Dewettinck & Dijk (2013, pp.810–12), there are three performance management systems characteristics which are important to measure performance management system effectiveness in organizations: firstly, the number of formal and informal performance reviews, where it is proclaimed that formal performance reviews are planned reviews that involves discussions between managers or supervisors with subordinates on matters relating to performance and progress towards fulfilling objectives and targets. The informal performance reviews are unplanned ones that set-in discussions between managers and employees or subordinates to oversee performance progresses. In contrast to formal performance reviews, it is argued that informal performance reviews are more effective measures of performance management systems effectiveness as they allow more interactions triggering to employees' behavioral change towards work and timely performance feedback; secondly, workers' participations in objectives or goals setting which fosters commitments, acceptance and understating leading to optimal organizational performances and service delivery; and thirdly, performance reviews focus involving relevant content.

Furthermore, Biron et al.(2011, p.1294) states that performance management means series of activities undertaken in organizations to enhance the performance of workers, departments, divisions and units, with the aim of improving the effectiveness of the organization. The range of activities, which are undertaken in the organization, includes: setting of organizational objectives which are cascaded to different departments, divisions, and units, rewards strategies, training and career development plans, and the use of appraisal systems. On the importance of training and development, Zumrah (2015, p.78) adds that it enhances competences such as skills, knowledge and attitudes that play a great role in orienting employees towards achieving organizational goals and quality service delivery. On how to measure organization effectiveness, Lusthaus et al. (2002, p.114) list the following indicators, among others: achievement of goals, number of clients served, quality of its services to the public, accessibility of its services and its usage, coverage of different programs, clients and services and programs replications to the stakeholders. Furthermore, it is pointed out that the overall functions of performance management are to enable all subsystems and the entire organizations work together optimally to achieve the intended goals and objectives. The subject of further concern for many organizations to accomplish objectives and targets is the need to establish effective performance management systems to improve both employees and organizational performances. Kohli & Deb (2008, p.97) state that in order for the performance management system to be effective it should possess the following important characteristics: create an environment in which employees are assisted to progress in their careers and other developments, linking performance with remunerations, providing clear performance records for both human resources and organizational decision making, providing feedback on strength and weakness of employees performances, involvement of employees on the whole process of goal settings, and promoting and recruiting employees

based on their talents. On a similar argument, Baird et al. (2012, p.163) argue that an effective performance management system is the one which provides employees and the entire organization management with different insights into how objectives and targets are achieved. Additionally, the effectiveness of the performance management systems according to Rao (2007, pp.1818–20), can well be described into four performance factors namely (1) the content factor which include performance planning, systems awareness and objectives; (2), performance management process such as review of performances, feedback information for different adjustment purposes and grievances mechanisms;(3) third system output such as different rewards, administrative and development values; and (4) characteristics of the organization embedding issues of facilitation of effective reviews, support from the management and building mutual relationship between managers or supervisors and employees.

The reviewed literature has revealed criticisms, praises and debates on the effectiveness of the performance management system to enhance performances and quality service delivery in organizations. On the view of quality service delivery, Zumrah (2015, p.75) articulates two factors that influence quality service delivery in organizations: first, employees factors which include job satisfactions, organizational citizenship behavior and commitment; and second, organizational factors embedding human resources practices such as recruitment and reward systems, support from managers and supervisors, and positive team culture among employees and the whole organization.

Further, it is argued that the effectiveness of performance management systems to improve the organization performance depends on the ways which the systems are implemented and linked to various motivational tools and conversely when inappropriately implemented becomes ineffective and not able to improve performances.

Arguably, for in order performance management systems to be effective Biron et al. (2011, pp.1297–99) suggests four organizational practices, which can enhance performance and quality service delivery:

1. Well communicated performance expectations: consistent and clear communication from top management to all employees on what goals, objectives, or organizational plans to be achieved in order to create open working environment and promote integrative approach and commitment within the organization. Moreover, the approach not only enhances managers and employees to stick to performance-oriented priorities but also perceptions on the potential benefits of the whole system in the organization.

2. Performance management training: the success or failures of the whole process of performance management are anchored on the hands on the entire human resources across the organization such as managers or supervisors and employees, and therefore must adequately be equipped with knowledge and skills or trained. It is argued such training helps managers or supervisors to objectively deal with matters such as performance reviews and evaluation programs, and appraisal discussions consequently increasing positive employees' perception on rating accuracies.

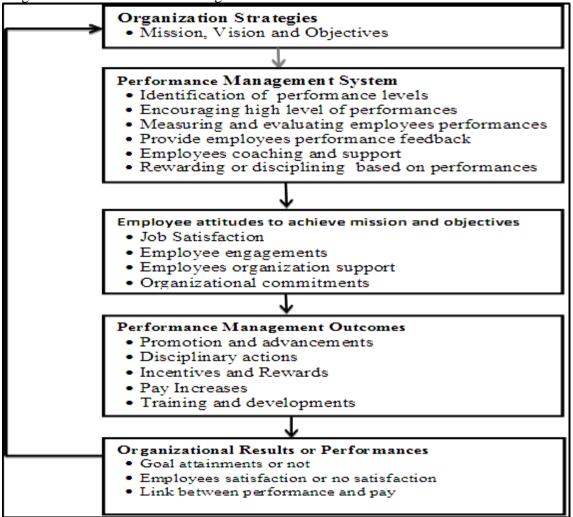
3. Top organization management involvement to the system: the effectiveness of performance management depends of the involvement of senior officials and entirety of top management in the organization. Managers or supervisors accept that they are of more importance and have direct effect on the effectiveness of the systems.

4. Both strategic and tactical goals: through strategic goals, performance management system underpins employees' behaviors that are potential for different operations towards achieving organizational goals. For the case of tactical goals, performance information is

generated through the performance management system playing a pivotal role in both organizational and human resources decisions such as merit salary increases, promotions, recognition of higher employees' performances, demotion, employees' retention and termination and identification of poor performances.

As depicted in Figure 2.3 performance management system effectiveness, according to Mathis & Jackson (2011, p.320) is the one which does the following: identifies areas of success or failures through performance measures and needs for development, show clear picture of the organization expectations by aligning employees and organizational goals to enhance performances, improve communication between employees and managers or supervisors and generate performance information or performance appraisal results to operationalize human resources decisions, document both employees and organizational performances. Additionally, Lawler (2003:396) contends that performance management system effectiveness in the organization increases when connected to ongoing performance feedback to employees, use of behavior-based measures and continuous presets of goals, trained directors and managers or supervisors on various aspects of the system, and tying the system to significant incentives and rewards.

Figure 2.3: The Link of PMS in Organization



Source: Mathis & Jackson (2011: 321)

The Figure 2.5 above portrays performance management system as a cyclic process that integrates various activities in the organizations. According to Mathis & Jackson (2011, pp.321–22), it starts with development and understanding of organizational strategies slotting in other steps, which involves identifying performance expectations, providing performance direction, encouraging employee participation, assessing job performance, and conducting the performance appraisal.

Further, the link of the performance management components shown in Figure 2.5 provides avenues for dialogue between directors and managers and other employees on how to tackle work responsibilities, complete self-evaluations, performance agreements, and individual employees' goals to general organization objectives. With additional views on what influences performance management system effectiveness in organizations, Hainess & St-Onge (2012, p.1159) spells out two factors: First, practices which constitute key features of performance management system such as performance management training, multisource feedback and workers' recognition; and second, contextual variables encompassing strategic integration of human resource management, employees relations and organizational culture which fosters employees commitments. Further, Sparrow & Cooper (2014, p.7), emphasize on organizational culture development in organizations in order to create employees' emotional, attitudinal and mental state inevitable for effective organizational performances.

# 2.1.5 Challenges of PMS in Public Organizations

According to the ultimate goal of performance management system, Liff (2010, p.141) states that there is a need to ensure that an organization and all of its components are interwoven to achieve the desired results through the establishment of goals and performance measures top down to the individual employees. Despite the performance management system being a vehicle for implementing different strategic initiatives and the development of workers in organizations, there is also a prevalent dissatisfaction with its functioning to enhance organizational performances and quality service delivery (Hainess& St-Onge, 2012, p.1158). Newcomer & Caudle (2011, p.110) observe that there are a number of challenges or obstacles for the implementation of performance management system in organizations which among others: organizational factors such as structure, capacity and systems; legal and regulatory constraints and political obstacles. More specifically to public organizations, Mahapa et al.(2015, p.15) connect performance management system implementation problems to financial resources, management skills for top level employees, lack of transparency and accountability among employees in organizations, political interferences and lack of rewards and incentives to motivate employees to deliver quality services to the public.

### 2.1.5.1 Political challenges for Performance Management System

Owusu (2006, p.476) argues that political interference is all about the political context in which organizations operate free from constant directions from politicians and that political interference in the activities of public organizations in Africa has been attributed to the poor performances and service delivery. For example, Dzimbiri (2016, p.15) asserts that there is high political interferences on most of HRM practice areas such as the promotion and appointment of employees to higher positions in public organizations. Such interferences have great negative consequences to the implementation of performance management system.

Different studies have furnished challenges and pressures public organizations have in improving efficiency and management to become more responsive to the public or citizens. More specific on performance evaluations, Park & Cho (2014, p.414) assert that are interesting part of performance management systems but not easy to be fairly conducted by the top management team and board of directors because of being under political control and faces different pressure on improving performances based strategic plans. It is argued by different researches that public organizations are not free working in an environment tightly drawn from legal duties and regulations. For example, according to Calabro' (2011, p.10), the organizations are working in a complex policy, high degree of scrutiny, accountability, control of politicians aiming at social and development of the public.

On similar argument, Van de Walle (2016, p.833) asserts that public organizations function within political environment; consequently, there is high violation of service standards

hampering organizational performances and general service delivery to the public. It is further stated that in the political environment, it becomes even very difficult to define whether the public organization succeeds or fails to meet performance criteria and targets. Additionally, according to Tanzania Public Service Commission Report (URT, 2008:14), public organizations are confronted with many challenges two among others being: 1) political interferences where senior officials and top management in these organizations are trapped within the political network making it difficult to achieve targets and objectives; and 2) lack of well-founded missions and visions owned by workers and strategies cascading in the entire organizations. Hvidman & Andersen (2013, p.37) advocate that public service organizations cannot be divorced from government politics in which operates in well-set regulatory rules and policies, frameworks and demands. It is further, added that there are three distinguishing characteristics criteria for public organizations from other organizations: first, ownership which means that the owner of the public organizations is the government or the public community; second the major sources of financial resources for these organizations are from taxpayers; and third, political authority control.

#### 2.1.5.2 Management challenges of Performance Management System

Walker et al. (2010, pp.1–2) contends that there are several management practices, which can contribute to high performances in public organizations. These include: nurturing developmental culture among employees, making sound resources management, setting viable environment and management strategies and in fulfillment of organizational goals. However, different scholars such as Panda (2011, p.278) contends, that there is no performance management system that is complete and without problems in the organizations. Moreover, areas of performance management system such as timely employee appraisals, biasness in performance ratings by the

supervisors, inadequate resources and lack of performance feedback from the management are pointed out as delicate to the implementation of the system. Additionally, Hawke (2012, p.318) argues that critical challenges such poor top management and execution makes performance management system ineffective and successful to improve performance in organizations According to Seotlela & Miruka (2014, pp.180-81), the top management including line departments in organizations plays a crucial role in operations, formulations of performance measures and indicators and success implementation of instructions of performance management system. Furthermore, there are several challenges which can hamper its implementation. These are: lack of knowledge and skills of the system in which training becomes vital to transfer relevant knowledge to support its implementation, resistance to changes connected to employees' cultural issues and behaviors, lack of evaluating performance capabilities among line managers or supervisors due to fear of giving feedback to the employees, lack of senior employees and management commitments which makes other employees not to take the implementation of the system seriously. Additionally, Kohli & Deb (2008, p.279) contends that lack of management commitment, performance-oriented culture, management tools and techniques such as OPRAS in Tanzania public organizations, ownership and flexibility of the system contribute to failure of performance management systems in organizations.

Torrington et al.(2014, p.208) argue that in order for performance of the management system to work effectively, there is a need of human resource managers and line managers to work together, although in many organizations there is weak link of such a system. More important, Herholdt (2012, p.135) articulates the major determinants of success or failure of performance management system in organizations which are as follows: lack of skills and knowledge to managers or supervisors on giving constructive criticism and positive and negative feedback regarding performances; managers or supervisors do not like confrontation with subordinates or employees; lack of consistency in rating performances where managers or supervisors rate employees not based on standards of performances and consequently being unable to identify good or bad performances; inability of setting realistic and achievable goals; lack of consequences for conducting reviews and accountability among managers or supervisors.

# 2.2 Components of Performance Management System

Different scholars argue that strategic planning, performance appraisal system and monitoring and evaluations are critical important components in performance management system that creates shared understanding for managers and leaders in public organizations to improve performances and service delivery. For example; planning, analyzing, appraising and actions at all levels of performance to improve productivity are, according to Balakrishnan & Srividhya, (2011, p.27), important components of performance management systems in organizations. The above-mentioned components are briefly discussed in the following subsections.

## 2.2.1 Strategic Planning in Organizations

Strategic planning has widely been absorbed in public organizations at all levels in governments through public service reforms and therefore necessary instrument to increases effectiveness and service delivery. Poster et al. (2015, pp.199–200), define strategic planning as a process whereby visions and missions are clarified; objectives and goals are set; and long-term strategies are formulated to ensure high level of performance in organizations.

It is further expounded as a tool to guide organizations towards future courses of actions, goals and objectives priorities, evaluation of activities and fundamental for different decisions in improving performances. Broadly, strategic planning encompasses the following functions in organizations.

- It gives competing values which influence organizational strategies, visions and missions,
- It identifies most fundamental issues in the organization in terms of performances.
- It takes into account the needs, concerns and preferences of both internal and external organizations stakeholders.
- It connects all employees through cascade of targets and objectives to be achieved in organizations and builds commitment plan.
- It positions organization favorably in the future through well focus of implementation of decisions.
- It allows interactions among employees and other participants in the organizations.

There is a number of scholars who have explored on strategic planning in public organizations. For example, Pidd (2012, p.58) argues that strategic planning which have effects to the entire public organizations is the crucial tool to create and sustain vision and direction for better need of the public serving and if not well designed and implemented hampers the whole process of quality service delivery.

Due to the nature and complexity of strategic planning in public organization, Cristofoli et al., (2014, p.136),propose seven important stages in its formulation as follows: First, there must be a clear understanding of different laws which specify the mandate and scope of the organizations' functions and objectives; second, the political game and characteristic nature of the public services with more specific missions and goals; third, social and economic factors embedding issues of environmental scanning; fourth, internal resources of organization assessment; fifth external and internal environment scanning in order to identify strategic issues for optimal

performances; sixth, translating identified issues into action plans for the strategic plan to be drawn up; and seventh, to identify suitable vision for the organization. Armstrong & Taylor, (2014, p.210), contend that employees in organizations are the key implementers of strategic plans. It is arguable therefore that in the whole process of formulating strategic plans, it is important to contemplate the involvement of all employees and stakeholders of the organization. According to Cristofoli et al. (2014, p.138), there are essentially three models of involving employees and stakeholders in the process of formulating strategic plans: (1) information model in which public organizations formulate the strategic plans and through different seminars and workshops is presented to the stakeholders and citizens to have common understanding and easing its mode of delivery, (2) consultation model where after directors and managers or supervisors in public organizations drafting the strategic plans, it is submitted to stakeholders and employees for discussions and modifications to suit its implementation; and (3) partnership model in which stakeholders and employees becomes full participants of the whole process of strategic plan formulation stages. Since the start of public service reforms in public organizations, there has been a widespread use of strategic plans that form part of the critical tools of performance management system; and therefore, it is interesting to explore its implementation and contribution to the organizational performance which is also the focus of the study.

# 2.2.2 Performance Appraisal Systems in Organizations

According to Balakrishnan & Srividhya (2011, p.27), the most important component of performance management system is performance appraisal; a tool to provide performance information that can be used as a basis for pay increases, revealing areas of employees' training, identifying difficulties or progresses on already set standards of performances in organizations.

Agarwal (2014, p.5) states that performance appraisal system is a structured formal interaction that exists between subordinates and supervisors in organization where work performances are examined and discussed in order to identify weaknesses and strengths. It is the formal process in which employees' monitoring, documentation and feedback of performances are undertaken (Cappadocia, 2013, p.12). It provides an opportunity to measure an overall view of work and what employees have achieved during the reporting. Additionally, it's argued that performance appraisals embed three elements of goal setting, performance rating and workers' pay obtained through ratings of performances.

Sudin (2011), mentions different types of performance appraisals in public organizations, and these are: confidential, open appraisal, semi-open and semi-secret. However, many literatures have written on the two types, which are confidential and open appraisals.

#### Confidential Appraisals System

The confidential type of performance appraisal system, according to Agarwal (2014, pp.5–9), employees are not informed of the anticipation of the employer to them in relation to what constitutes bad or good performances because the performance objective or targets are not clear between two parties and therefore generating one-sided information on the performance of employees.

Balakrishnan & Srividhya (2011, p.33) and Femi (2013, p.91)further state that the confidential appraisal system lacks objectivity and fairness, in which supervisors judge the performance of the employees, impressions about employees are recorded and made confidential, and the subordinates are not aware of their ratings, areas of improvements, mistakes and what is evaluated. The system does not offer opportunity for employees to be involved in the appraisal activity; the outcomes are not communicated to the employees being appraised at all and do not

allow employees to know their strengths and weaknesses, hence providing one sided information in work performance.

#### • Open Appraisal Systems

This approach reveals employees' strengths and weaknesses or contributions and failures, which can be discussed during the performance evaluation process. Kohli & Deb (2008, p.183) argue that it is a credible approach that helps employees to become reflective and objective on goal setting, planning and fixing targets and activities for the purpose of contributing the organization's performances.

In the Tanzanian context, Bana & Shitindi (2009, p.12) and Report on the Open Performance Review and Appraisal System (URT, 2011:1) indicate that closed annual confidential appraisal system existed in many public organizations and had many weaknesses of producing one sided workers' performance appraisal reports. In regard, the system failed to improve performance and quality service delivery and consequently, the Open Performance Appraisal and Review System(OPRAS) replaced the Confidential Appraisal System (CAS) in order to allow workers and managers interactively use organization strategic plans to extract objectives and targets necessary for improved performances in the organizations.

### 2.2.2.1 **Perceptions on Performance Appraisal Systems**

Rolle & Klingner (2012, p.304) asset that primarily performance appraisal system in organizations should achieve four objectives: communicating management goals and objectives to employees, motivating employees to improve performances, distrubuting different organizational rewards such as promotions and other salary adjustments, and providing management with understandings to enhance employees' performance and job satisfactions. In

this case, employees' views and perceptions on its implementation have great effect on achieving organizational goals and objectives. It is contended by Femi (2013, p.93) that performance appraisals become a motivational element when it is perceived by employees as accurate and fair. In addition, unfairness and favoritism perceptions in performance appraisals bring dissatisfaction for employees in organizations. Songstad et al. (2012, p.6), argue that many workers are skeptical towards performance appraisal; in most cases, they perceive it as just a process in which performance is measured and goals are set within organizations. The perception here is that since there are insufficient resources to meet the intended goals and objectives set, then the practice is useless or has little relevance in the process of performance appraisals as information and feedback are not disseminated on time. According to Tanzania Public Service Reform Program Phase II (URT, 2012, p.21), OPRAS is one of the performance management system tools that aim at enhancing public organizations responsiveness and accountability to the public.

### 2.2.2.2 Effectiveness of Performance Appraisal Systems

Daly (2012, p.102), argues that performance appraisals should promote the following outcomes: reward of good performances where managers are in the position to understand employees' levels of performance; communicate performance expectations through various discussions and in case of changes in performance standards managers are obliged to inform workers towards achieving the new expectations; and, diagnose the strengths and weaknesses of employees through necessary refining for strategies for employees growth and skills developments. The validity and reliability on the use of performance appraisal systems to measure performances in public organizations has without doubt triggered debates as others view it to be impossible to perfect it

and others advocating it as very potential for organizational existence and performances. For example, Arthur (2008, p.5) argues that performance appraisal systems are important tools for isolating workers behaviors and performances; in this case, outstanding performers can be provided with incentives, employees' aspirations, career development plans to enhance delivery in organizations. And, on the other hand, Torrington et al. (2014, p.205) claim that performance appraisal systems in organizations has attracted criticism and that its effectiveness hinges on different factors such as fairness, objectivity and consistent judgments across the organizations.

Different scholars have used different yardsticks to determine the effectiveness of performance appraisal system in organizations. In the face of it, (Maharvi et al. (2014, p.151) enumerate effectiveness criteria as purpose, fairness, rating accuracy and usefulness to raters, ratees and reviewers important to improve employee performance in organizations. In a similar argument, Venkateswara (2004) and Femi (2013, p.90) mention rating approaches, training, tying performance with pay, accuracy in rating, feedback, and management support and well-defined performance plans to be vital for the performance appraisal to be effective in organizations.

On similar vein, Arthur (2008, pp.7–9) itemizes benchmarks of effective performance appraisal systems in organizations as its acceptability, managerial styles, its validity and reliability, practicability and general commitment.

# 2.2.2.3 Challenges of Performance Appraisal System

Hundera (2014, p.97) argues that the challenges of implementing performanace appraisal system arise from both supervisors and subordinates . Regarding surbordinates, it is stated that dislike of performance appraisals, fear of criticism on weakness and issues related to salary adjustments and promotions are among the key challenges. In cases of supervisors or managers, the major challenges cultural problems of disliking to tell employees weakness and fear of their positions to be taken by surbodinates with outstanding performances. Further, Pynes(2009, p.217) contends that unclear performance criteria, ineffective rating instruments, poor working relationship between employees and supervisors, lack of ongoing feedback, appraisal skills, fairness and trust, management improvements and managers' reluctance to undertake employees' appraisals have created an endless debate on the workability of performance appraisal systems in organizations.

However, Bawole et al. (2013, p.957) postulate that bureaucratic procedures impede the implementation of performance appraisal system and make a negligible contribution to the quality of services and performances in public organizations. Agarwal (2014, p.2) asserts that without well-structured appraisal systems judgments on employees or organizational performance cannot be made lawful, fair, accurate and defensible. According to Torrington et al. (2014, p.195), most of the systems are developed with a focus on employees and organization development, future potentials, rewarding and identification of poor performers.

Within public organizations, the raised concern is on these systems being used as administrative exercise which are ineffective with little contributions to workers and organizations to deliver quality services to the public. Therefore, since performance appraisal system is one of the drivers of performance management system, the study sought to understand its utilization in generating performance appraisal results for decisions-making to improve performance and service delivery in the public organizations.

#### **2.2.3 Monitoring and Evaluation of Performances**

According to the Tanzania Management Standards Checklists for Public Services (URT, 2011, p.11), in particular monitoring and evaluation practices in public organizations, the following activities are overemphasized: holding regular meetings within organizations in order to identify the implementation of goals and objectives in which shortfalls of performances are addressed, conduct reviews and evaluations to gauge organizational outcomes in service delivery and use of monitoring and evaluation results into improving different plans and decisions geared towards the enhancement of quality service delivery. On the views, Issa (2010, p.9) argues that monitoring and evaluations is fundamental to all performance management activities in public organizations as its primary role is to gather, track, analyze, interpret and generate necessary performance information or results basing strategic plans in order to check whether the intended results have been reached or not. It has been highlighted that to identify types of variables that have impacted on performances or service delivery in an organization context is challenging.

However, according to Ashdown (2014, p.178), monitoring and evaluation can overcome such challenges in the whole process of performance management and have the followings advantages: contributions and clear values of organization can be well articulated; the public and organizations stakeholders can be able to see tangible outcomes based on the planned objectives and targets; different upcoming performance management activities can be demonstrated; good practices can be acknowledged and shared across the organization in which knowledge and skills among employees can be strengthened; and confirms performance management outcomes and process fairness which improve performance accountability culture to improve productivity. Moreover, on evaluating performances and other human resources activities specifically, three approaches are propounded: firstly, issues of outcomes, process and procedures in the whole

process of performance management are scrutinized in terms of fairness; secondly, effectiveness in which the focus of evaluation approaches is on the achievements of intended goals and objectives and its impact on the organizational performance; thirdly, efficiency where matters such as the use of allocated resources, value for money and time to complete activities have impact for organization performances. Additionally, it is argued that monitoring and evaluations in organizations should be well focused based on performance management activities and several criteria which are: completion by all employees performance appraisals based on agreed policy; clear understanding of agreed set goals and objectives in organizations; regular feedback of employees performances; link between performance management systems and human resource management practices such as rewards and incentives; contribution of every employee to the success of the organization; performance management carried-out reliably and fairly across the organization and effective employees; team and organizations performances are driven by performance management together with goals and objectives in the organization.

Furthermore, Kohli & Deb (2008, pp.245–46) point out that performance monitoring is a crucial component of performance management which is the continuous observations, analyses, and appraises of employees' performances in which feedback and counseling for improving work attached behaviors and skills are provided and performances deficiencies are instantly corrected to maximize performances in organizations. Additionally, it is argued that performance monitoring is an important tool in assessing the performance management system activities, which stimulate workers' performances towards organizational performances and entails to the analysis of five areas of the systems: achievement of the expected results, effectiveness on planned tasks, progress towards objectives and goals, better procedures and cultivation of attitudes and right work integrities.

In the light of the above outlines, this study therefore, addresses fundamental questions about monitoring and evaluations, a key driver in the implementation of performance management system in public organizations.

## 2.3 The Concept of Performance in Organizations

According to Armstrong (2009, p.31), performance is a multi-dimensional construct, measurements which varies depending on variety of factors. It is further emphasized that, an organization which cannot define its performance criteria then cannot measure or manage it. Therefore, this section discusses some of the scholars' viewpoints of what performances mean in an organization context, performance measures, factors that affects performances in organizations, HRM practices in relation to organizational performance and the link of organization performances to the public.

### **2.3.1 Definition of Performance**

Hutchinson (2013, p.192), conceptualizes performances as two-dimensional aspects of output and behaviors through which individual workers respond to different inquiries in its process to achieve organizational goals. Many scholars have put clearly that performance is an imperative dominant agenda in organizations.

Dooren et al. (2015, pp.2–5), also conceptualizes performance as quality of actions and achievements in which organizations has ability to perform and translate the results obtained into both outputs and social outcomes. On their views however, Cole& Parston (2006, p.16) contend that it is very difficult to define social outcomes in public organizations and the reality is that these organizations focus on outputs which are easy to measure.

However, Agarwal (2014, p.269) argues that outputs in public organizations are no quantifiable. Doreen et al.(2010, p.32) assert that performance is all about realizations of public values such as efficiency, effectiveness, equity, robustness, openness and transparency. However, it is further argued that in public service organization issues of efficiency and effectiveness as concepts of performances. Calabro' (2011, pp.20–21), argues that public service organizations are always not for profit making and primarily aim at producing public value which encompasses social, economic, political, environmental and life of citizens in its totality.

According to Visser (2016, pp.78–79), since public organizations are faced with the demand of public or taxpayers and political pressure, the matters of performances both qualitatively and quantitatively becomes important for quality service delivery, accountability and responsiveness to public community or the government. Dooren et al. (2015, p.2), argue that performance has several meanings and varies according to discipline. However, it is universally stated as deliberate behavior, which can be individual or organizational. Performance has four focus perspectives: actions of employees or organization; quality of actions through competences yielding quality output having effects to the society from different activities; quality of achievements and finally as quality of both actions and achievements in the organizations.

### **2.3.2** Performance Measures in Organization

According to Parmenter (2012, p.71), there are four types of performance measures that can be used in the organizations: first, performance indicators which are important for employees to show what is to be done; second, results indicators which show the achievements of the intended activities or goals; third, key performance indicators which are measures to be done to increase performance in an organization; fourth, key results indicators which are measures of achievements obtained or done in the critical success factors of the organization. It is further argued that in many organization key results indicators and key performances are used interchangeably. Organization key results indicators among others may include the following: customers and employees satisfactions, the implementation of employee suggestions, and availability of services the organization offers to the public or customers. Performance measures are the focus of attention for employees or technical fulcrums of result-oriented management and act as catalyst to improve performance in organizations. Well-configured performance measures in the organization motivate employees to work harder and smoother towards accomplishing set goals and objectives. Moreover, performance measures help employees and organization to identify distinctive outcomes and outputs to be accomplished and used as guidelines for actions and yardsticks for assessing activities.

Poster et al.(2015, p.14) argue that performance measures are crucial elements for result-oriented management in organization that can be used for planning, decision-making, modifying different programs, setting performances, recognizing good performances, comparing performances, informing stakeholders, performance contracting and promoting accountability in the organizations.

It is argued that different performance measures such as outputs, productivity, quality service delivery, effectiveness, efficiency and customers or stakeholders can be used in organizations to manage different operations, reward success and take corrective actions on catastrophes.

There are different views or perspectives on how to measure organizational performances and thus difficulty to measure in organization. On their views, Hussein & Simba (2017, p.91), suggest that organizational performance which is an analysis of organization's results or outputs measured against its intended goals or objectives can both be quantitative and qualitative grouped into two categories of measures: efficiency and effectiveness, but with no consensus

which measures more effective. According to Lusthaus et al. (2002, p.1162)) and Glavan &Vuksic (2017, p.143) contend that qualitative measures or non-financial measures such as customer service and satisfaction and innovations are for the public organizations, which are the focus for this study. Further, (Rainey, 2014, p.163) outlines measures and dimensions for organizational effectiveness which are, among others: low employees absenteeism, value of human resources, productivity, job satisfaction, motivations, employees' morale, planning and goal setting, quality of services, training and development emphasis, profit and achievement emphasis. Furthermore, organizational performance can be measured internally with emphasis on the employees' judgments and well-being and externally on the success of the entire organization based on service consumers and other stakeholders.

On efficiency, (Lusthaus et al., 2002, p.118), argue that in public organizations, where results or outputs are qualitative in nature, it becomes very difficulty to measure. Further, however, timelines of delivery of services, absenteeism rates, programs completions rate are arguably pointed out that they can be used to measure organization efficiency in organizations.

# 2.3.3 Factors Affecting Performances in Public Organizations

Performance in public organizations, which perform very crucial functions of the government in the country, has been debated and recognized as a challenge by many scholars. On the view for example, (Berman, 2006, p.3) states that performances as all about public organizations producing effective results and being vibrant and relevant to public can be affected by a number of factors: management styles-managers or supervisors support and guidance by communicating missions, setting goals, providing feedback, coaching assessing performances to the employees towards organizational goals; contextual factors involving understanding of pattern of behaviors among employees or in organization which are in the priority of the needs of stakeholders or the

public; system factors which embeds input-process-outcomes model focusing the entirety of workers contributions through different tasks in the organization; personal factors such as commitment, motivation and skills and knowledge on the specific tasks towards organizational goals; organizational cultures which involves norms and values in organizations; employees relations which entail relationship existing between managers or supervisors and individual employees. On the other hand, (Armstrong, 2009, p.35), observes overemphasis on employees' relation as very important factor which affect performance in organization in the following ways: fair treatment of employees, consistency with the plans and objectives to be achieved, good management and workers relationship and openness, and honest from the top management in the organization. More specifically on organization external factors which can affect performance, (Walker et al., 2010, p.19) view public organizations as government agencies that are highly controlled resulting into little room for the management to serve the public.

Additionally, it is stated that these organizations are complex and dynamic consisting different values and cultures characterized by slow innovation, bureaucracies and bound by rules, remains to implement government policies. Further, public organizations are characterized by: ambiguous goals and multiple stakeholders to serve; bounded decisions; data unavailability important in examining its effectiveness in term of quality service delivery and to show performances and responsiveness to the public. On ethical challenges in public organizations, (Gomez-Mejia & Balkin, 2012, p.85) argue that the following cases affect performance in public organizations: employees' discipline, behavior of not meeting expectations, managers' misuse of appraisal systems which are used as tool to intimidate employees and revenge.(Rainey, 2014, p.13), postulates difficulties of performance in public organizations by explaining that managers and

directors in the organizations fail to effectively design, motivate and actively manage responsibilities due to complex laws, rules and intense political pressures. It is further depicted that, in public organizations there is little attention on internal management due to central rules, political pressures and managerial skills leading to little authority on incentives or monetary rewards and punishing poor performances. (Martin & Greg, 2006, p.15) argue that public organizations management need to clearly articulate outcomes and measure progress in achieving outcomes in order to improve performances and be accountable to the eyes of the public. In Tanzania public organization, the report in the public service management and employment policy, (URT, 2008, pp.15-23) admits that there are still problems of low salaries to workers as compared to real life costs of living in the country.

#### 2.3.4 HRM Practices and Organizations performances

(Williams & Acheampong, 2016, p.51), contend that HRM practices which provide organizations competitive advantage in the working environments are defined as organizational activities which influence behavior and attitudes for managing human resources and the availability of resources towards achieving organizational objectives and performances. It is argued that, well-adopted practices in organizations and employees' commitment proliferate performances and service delivery. In an organization context, (Kohli & Deb, 2008, p.20)succinctly demonstrate human resources management as playing a pivotal role in organizational performances setting to itself the following goals: supports the application of ethical approaches to workers management through different policies, creates sense of getting things done through employees connecting to positive relationship with managers or supervisors, develops high performance culture in organization.(Armstrong, 2012, p.21),mentions HRM practices that are claimed to be universal to be used in any organization and that have great

contributions to organizational performances and service delivery which are: training opportunities that provides skills and motivation at workplaces, information sharing, reduction of status differentials among employees, job security, selection of employees hiring and contingent compensation on performances. It is further argued that, if not all, organizations in many countries are adopting more specific or many human resource management practices in order to achieve organizational goals and optimal performances. According to (Antwi et al., 2016, p.12), HRM practices are distinct but organized activities, functions and processes in organizations envisioned to develop, maintain and attracting workers towards achieving different objectives and targets in organizations.

Moreover, HRM practices are always advantageous to both workers and organizations. On similar argument, (Pynes, 2009, p.49) posits that HRM activities have great contributions to the effectiveness and success of organization to deliver quality services.

Different scholars have debated on human resource management practices and its impact on the organizational performance. According to (Cho & Poster, 2013, pp.822-23) HRM practices impact on performances and service delivery due to the fact that signifies employees' change in attitude, behavior and interactions in organizations. (Ahmed et al., 2016, p.87), show that human resources management practices such as good reward systems, training and development opportunities, good relations with managers, promotions opportunities and compensations play a pivotal role in management of workers for effective orientation towards organizational objectives and performances. Another argument by (Armstrong & Taylor, 2014, p.57) postulates that human resources practices impacts workers' characteristics which are high motivation, commitment and engagement an important element for organization performances in terms of

quality service delivery to the public. It is further asserted that workers dedications, expertise and skills have great contribution to the improved performances in organizations.

With respect to HRM practices in particular, several scholars have mention practices that have impacts on both employees and organizational performances. Employees' selections, motivations, rewards, job design, trainings, status and involvement, job security, communications and career development are, according to (Cho & Poster, 2013, p.14) and (Antwi et al., 2016, p.14), important practices to improve and enhance performances in organizations.

Additionally, it is emphasized that, practices such as promotions, good working environment, employees' recruitment and performance appraisal practices and good reward system should be geared towards workers well-being, enhancing skills and satisfactions prompting high performance and survival of organizations. On the same view, (Agarwal, 2014, p.5)asserts that accurate performance appraisals in the processes of performance management helps to identify weaknesses and strengths, providing feedbacks and its appraisal results can have many uses such implementation of any incentive system improve their performance.(Torrington et al., 2014, p.133), and (Park & Cho, 2014, p.414) evidence that employees' selection or appointment as one of the human resources practice is an paramount criterion to ensure good performances in organizations, and if employees are poorly selected it accounts to additional training, demotivation and poor performances in organizations. However, on its contrary (Mutahaba, 2009, p.16) emphasizes that training can only have an impact on an organization's performance if it is linked to improvements in recruitment practices, HR planning, employee appraisal as well as pay and reward systems.

(Guest & Bos-Nehles, 2012, pp.82-83), identify four key issues which are important for human resources management practices to be effective: First, quality of line management in an organization that needs to be involved in various stages of implementation of various human resource practices such as evaluation of employees, identification of employees' problems, taking up worker's disciplinary issues and introducing flexible arrangements to enhance performances. Secondly, senior managers or supervisors in organization need to monitor and provide mentoring sessions to employees towards organizational objectives and targets. Thirdly, qualities of practices which are not discriminative in areas such selection, appointments and equal opportunities to all workers in the organization have to be more emphasized.

It is argued that at this stage different mechanisms can be devised to assist organization to its strategic goals, commitment and high performances. Fourthly, allocations of roles, rewarding based on performances and accountability can usefully considered for organization performances. In the view of human resources (Kohli & Deb, 2008, p.5) argue that it is a crucial success factor for organizational performances indicated by effectiveness in terms of achieving objectives and efficiency to use its resources appropriately. Additionally, (Torrington et al., 2014, p.208), point out that linking human resources and performance management practices improves both employees and organizational performances.

### **2.3.5** Linking Public Organization Performance to the Public

Literatures reviewed state that public organizations are organizations engaging in delivering services to the public or are on contract with governments to deliver quality service to citizens. However, according to (Van de Walle, 2016, p.832), it is perceived that public organizations are not delivering services to the public or citizens against established norms or standards of

services. In this case, it is argued by (Balakrishnan & Srividhya, 2011, p.46) that the goals and objectives of any organization is to satisfy customers or clients and therefore all initiatives are supposed to be geared towards setting targets to reach customers and measure performance with regard to the satisfaction of the customers or stakeholders. It is stated by (Denhardt, 2016, p.58) that public organizations should strive to offer the highest quality services possible with the following characteristics among others to the public: Convenience that is accessible to the citizen, reliable that is on time, solving problems that are meeting citizen needs and equitably.

In Tanzania, scholars such as (Bana & Shitindi, 2009, p.15) state that there are tools such as client service charters which can facilitate citizens or the public to demand for better services and even hold employees in public organizations accountable for quality service delivery. (Ohemeng, 2009, p.118), argues that charters in the public organizations meant not only to set activities of the organization but also to establish, standards of service delivery, procedures for the citizens to use the services and general understanding to the citizens regarding service delivery process. Moreover, charter required providing the rights to the public on how to access or get quality services on the required time. The report of the State of Public Service in Tanzania (URT, 2005, p.24), clarifiesthat client service charters are social pacts between service providers and users which specify or establish performance standards of services delivery in a form of commitments or promises to the citizens. It is further publicized that charters are for improvement of accountability and promote customers-oriented culture in organizations. Further, charters create internal pressure at both employees and organizational levels to achieve the intended objectives and targets in the organization. On its effectiveness, however, it is argued that it depends on the commitment of the management in the organization.

In Tanzania, client service charters were introduced in public organization in 2001 as an attempt to establish citizens' rights to quality of services and organization responsiveness to the public. In the study, its assessment aimed at getting employees perceptions or views on whether these charters have been useful tools on enhancing performance, accountability, and responsiveness to the public and service delivery in public organizations. It looked at the availability of the documents in the organizations, awareness on the use of the document and if it has happened for employees to be held accountable based on such an instrument in the organizations.

## 2.4 Performance Measurements System in Organizations

According to (Biron et al., 2011, p.1295), performance management and measurement are incorrectly used interchangeably in which the latter is an element of performance management meaning an act to measure performance and the former is the holistic system towards outcomes in organizations. On a similar vein, (Goh, 2012, p.32) differentiates between performance management and measurement with the former being viewed as broader management tool to improve the performance of an organization and the later focusing narrowly on the metrics used to determine how an organization is performing.

It is argued that performance measurement, which assesses performances for various program activities, is an important and essential tool of performance management in an organization. It serves as a support to employees in the course of implementing various activities by prioritizing actions, identifying problems, providing various performance feedback and realizing improvement opportunities. It is a tool that triggers better performance in public organizations in which targets and performance indicators are set. Moreover, it is claimed to impact the effectiveness of performance management system in organizations. It is argued that performance measurement system which is an integral part of performance management system can be more effective in organization only when there are learning and evaluation culture in an organization, managers pleasure and stakeholders ownership. (Goh, 2012, pp.34-36), contends that there are three factors which are important for the performance measurement practices effectiveness in organizations: first, the involvements of key participants responsible for gathering and developing performance measures; users of such information such as employees, managers or supervisors, politicians and executives that can be held accountable for performances in the whole performance measurement process in organizations. Moreover, the involvement of participants or employees creates the sense of possession of the systems, different processes and clear understanding of performance objectives and targets important for improvement for performances in organization. Second, learning including change in behaviors as a result of experiences. Agarwal (2014, p.209) adds that managers or supervisors need to consider that the information contained in the performance measures can be used as an effective tool for learning in order to improve performances. And, third, managers or supervisors' authority to enact different changes in the fulfillment of responsibilities based on agreed expectations and standards eventually accountable for performance results in the organization.

Park & Cho (2014, pp.414-20), argue that one of the most challenges of performance management in organizations is on how to measure performances. It needs well-defined performance indicators. It is stated that customer-based measure, citizen satisfaction, fairness, accountability and equity can be used as determinants of organizations performance. Dooren et al., (2015, p.29) states different performance dimensions that should resonate to the public values in organizations: outputs in terms of quantity and quality, efficiency, service outcomes; responsiveness that shown both employees and citizen satisfaction, and accountability.

There are debates among many scholars that measuring performance is difficult in public organizations; others connecting to complexity in setting goals which in many cases are vague and intangible and others to inadequate resources and funding; poorly designed policies and programs, political interventions and externally imposed rules and legislatures.

Various scholars have attempted to spell out the reasons and the importance of measuring performance in organizations. Explaining about performance measurement as an important part of performance management, (Dooren et al., 2015, p.39&118), proclaims it as the process of getting performance information valuable for decision making on rewarding workers good performances, holding supervisors accountable for bad performances, improving responsiveness to the public and allocation of resources in organizations. On the same token (Pidd, 2012, pp.28-29) asserts that it supports identification of higher performers and encourages best practices, backs issues of accountability by knowing how well services are provided to the public and find out workable, efficient and effective approaches for delivering services. (Demartini, 2014, p.163), further argues that the fundamental reasons for measuring performance in public organizations or any other organizations are: ensuring and evaluating past actions such as performances, resources allocation, making decisions on promotions, linking success with motivations to improve performances, focus of organizations and identifying both good and bad performances. Emphasizing on the importance of performance measurement in organizations (Bussin, 2013, p.49), argues that it allows identification of alternatives, rewarding appropriate performances and new unite of rewards.

The scholars arguing that performance cannot be measured in public service organizations making monetary incentives suspect and not feasible. Supporting this argument, (Pidd, 2012, p.15) affirms that public organizations which are not for profit maximization but are for

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providing a bundle of services to the public, its performance outcomes are not measurable and quantifiable triggering debate and confusion on assessment and measurement of performances. The following sections therefore shed lights deeply on issues of performance measurements on organizations.

### 2.4.1 Challenges of Performance Measurement in Organizations

It is argued by (Goh, 2012, p.32), that some of the challenges of performance measurement in public organizations are political priorities which sometimes make managers to change or shift the focus of the planned goals and thus making very difficult to measure performances; and another one is ambiguous goals can lead to dysfunctional performance measurement due to the fact of having many stakeholders and desired outcomes. Not only that (Dooren et al., 2015, p.179), add that unlike in private organizations where the main focus is on making sustainable profits, managers or supervisors in public organizations are confronted with a top line of policies, laws and regulation and also political interference and budget constraints making performance measurement difficult.

On similar vein, (Swiatczak et al., 2015, p.374) assert that government organizations or public organizations are confronted with many challenges in performance measurements as it pursues multiple goals and accountabilities and thus having multiple obligations to justify daily operations geared towards performance improvements. Additionally, it is stated that public organizations have the following accountability dimensions among others: administrative accountability which is linked to the government or state ownership which have its decree to control various forms of financial expenditures and service delivery; political accountability embedded in supervisory boards which are accountable to the ruling parties ultimately making

also public organizations to be politically accountable; social accountability in which public organizations are responsible of making sure that objectives or targets are set towards solving problems of the stakeholders and society at large; and legal accountability where by public organizations have to comply to the legal standards provided by the government through its various policies to improve performances and service delivery.

Moreover, in the public organizations context, (Visser, 2016, p.6) admits that objectives are ambiguous and subject to conflicting interests. Outputs in these organizations are supposed to be measurable or quantifiable but in reality, in public organizations are qualitative and vague.

#### 2.4.2 Open Performance Review and Appraisal System(OPRAS) Approach

OPRAS is among Performance Management System tools designed to assist both employees and public organizations in planning, managing, evaluating and realizing performance improvement (URT, 2011, p.1). It is an approach in public organizations to assess, review, identify and measure performance dimensions and quality service delivery. OPRAS which was made mandatory to all public organizations, allows employees to sit and discuss openly the Organization's annual objectives and targets with the managers or supervisors (Issa, 2010, p.9). Potentially, as shown in Figure 2.4 below, OPRAS is a powerful performance management system tool that if employees use it effectively to implement different objectives and targets it enhances performances in public organizations. The OPRAS literatures indicate that it is cyclic process linking various activities across different actors from top management to different levels in the organization.

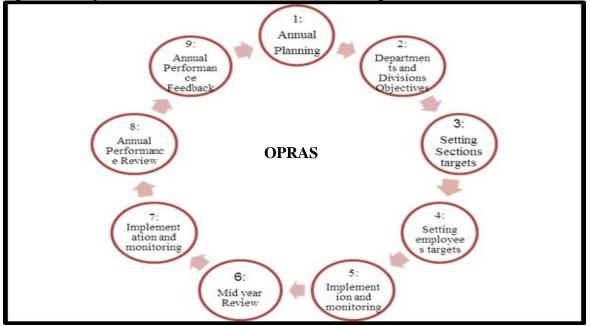


Figure 2.4: Steps of OPRSAS Model in the Tanzania Public Organizations

Source: URT (2011:2)

The OPRAS model as depicted in the figure above shows several stages done annually that Tanzania public organizations have to follow in linking up and implementing employees and organizational objectives and targets. It is the framework that in practice employees and the organization at large necessarily has to follow sequentially in achieving optimal performances and quality service delivery as outlined below.

Step 1: It is the annual planning session in which various objectives, targets and activities are identified and ranked to be implemented in the organizations for the whole year. At this stage among other several tools such as strategic plans and medium-term expenditure frameworks or organization working plan are used as sources for employees taping in objectives or targets to be implemented. Organization medium term expenditure framework is an important tool as it links all employees' activities or organizational objectives and targets with financial budgets for easy implementations and improved performances.

Step 2: At the step annual objectives derived from various sources or tools are spotted to be used by the heads of public organizations. The objectives and targets are not only used as basis for annual performance agreements between head of public organizations and governing boards but also holding these heads of organizations accountable for good or bad performances.

Step 3: At this step heads of various departments, divisions and units based on various functions are cascaded with objectives and targets from the heads of the organizations and form a basis for performance agreements. This also is a stage where heads of departments and units in the organization are accountable for performances and service delivery.

Step 4: If in the organization departments there are sections, the objectives and targets are dropped to lower level employees for the performance agreements with the heads of the departments. The sections employees become accountable for performance targets achievements and performance.

Step 5: This is the last step in objectives and activities cascading process in which different employees both technical and professionals, tapes in the agreed sectional targets and enters into performance agreements with superior employees or head of sections for accountability purposes.

Step 6: This is performance agreement signing stage after the organization objectives and targets identification, prioritizing and cascading process have ended. Supervisor and subordinates at this point sign the agreement ready for the execution or implementation based on criteria and resources.

Step 7: This is performance targets implementation stage embedding various activities. Managers or supervisors at this stage interact with employees in regard to the implementation of the targets by monitoring progresses and providing timely.

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Step 8: There are two performance reviews in the public organizations: first, there are midperformance reviews where managers or supervisors and subordinates track progress, different challenges and capacity deficits are addressed and measures to what extent targets have been achieved or not achieved are realized; and second, annual performance reviews an overall organizational review encompassing performance appraisals based on performance agreements employees entered in fulfillment of organizational objectives and targets. The Government of Tanzania guidelines for implementing performance appraisal system enumerates several advantages of appraisals for both employees and employers in public organizations. Among many others, these advantages are:

- To determine the suitability and eligibility of employees for promotions;
- To identify and plan for training needs;
- To enhance communications between supervisors and subordinates;
- To do placements and appointments; and
- To motivate in terms of rewarding good performance.

Further, Akhtar & Khattack (2013, p.510)argue that performance appraisals: enhance motivation to the employees whose performances are appraised, and as the result, perform their duties and responsibilities more effectively; raise confidence to those employees appraised; are well-synchronized activities for the individuals appraised; provide valuable communication that takes place between supervisors and subordinates in organizations; offer credible financial and non-financial rewards that can be distributed fairly; play a great role in human resource planning and development of training programs.

Seniwoliba (2014, p.601) claims that performance appraisal aims to evaluate employees in terms of their performance and enhances employee behavior and future development of the organization, especially when positive appraisal reaction is conducted. Agarwal (2014, p.5) and Seniwoliba (2014) assert that the performance appraisal system, on the other hand, is a designed program for enhancing capabilities and employees, in other words it is more like a structure that ensure that judgments in performance are lawful, fair, accurate and defensible.

According to Tanzania's OPRAS guidelines (URT, 2011, p.34), public organizations are allowed to implement different incentives and reward schemes, employees' development measures and sanctions for workforce poor performances. Both financial and non-financial rewards can be offered to the good performers in order to raise their morale to deliver quality service to the public. According to the guideline, financial rewards can be in the form of salary increment, bonuses, promotions and non-financial incentives may include: words of appreciation, letter of recognition, official card signed by the chief executive officers.

Additionally, employees with low competencies are identified and put to employees' development measures such as coaching and counseling, exposure to best practices, on job training and formal trainings becomes important to improve performances. The OPRAS guidelines (URT, 2011, p.35) elucidate sanctions for workforce poor performances such as reducing employees' tasks, withholding performance-based benefits, warning letters, demotion, termination of employment and withholding salary increments. It is against this background and facts on adoption of different systems to enhance productivity in public service organizations, rewards and incentives, sanctions for workforce poor performances, and employees' development measures; the researcher is motivated to assess its validity and reliability in public service organizations.

### 2.4.2.1 **Performance Agreements in Organizations**

According to Bussin (2013, p.104), performance agreement is a construal agreement between supervisors and employees in which among other things should include key result areas embedding activities or tasks to be achieved, outcomes and necessary resources to be used in those activities. With the introduction of OPRAS in Tanzania public organizations guidelines and elaborate were availed in which performance agreements which legally provides binding relationship on what has to be achieved between supervisors and other employees. With OPRAS, it is requiring heads of departments/divisions or units in which there is managers and supervisors with employees to enter into performance agreement consultatively by setting objectives and priorities to enhance performances. Poster et al. (2015, p.162) argue that performance contracts or agreements which identify strategic goals and targets to be achieved together with timeframe are useful to link responsibilities or tasks across the organizations.

Moreover, employees' efforts towards the predetermined tasks and responsibilities weigh important in rewards systems, recognition and performance appraisals process in general. Armstrong (2009, pp.70–71) articulates performance agreement as an important activity in performance management and basis for managing performances where managers or supervisors and employees establish relationship based on the following facts of performances: standards and targets of achievements, measures and indicators of performances, quality of services and needs necessary for improved performances in organization. According to OPRAS guidelines report (URT, 2011, p.10), employees are subjected to entering into contractual relationship with supervisors or managers in order to become accountable for achieving outcomes against predetermined indicators or standards.

### 2.4.2.2 Performance Appraisal Process

The performance appraisal process forms a fundamental part of the performance management system, and according to Agarwal (2014, p.20) should serve as vital component of interest between employees and the entire organization connecting to the following steps: establishment of performance standards which are clear and understood for measurements, well understood communication of expectations, determinations of actual performances criteria and comparing actual performance against performance standards in which managers or supervisors articulate all issues of good or bad performances for the employees.

# 2.4.2.3 Performance Rating for Employees in Public Organizations

According to Armstrong (2006, p.512), performance rating means to show the quality of performances or competences demonstrated by employees in the fulfillment of organizational goals through judgments categorized to inform performance contributions in organizations.

It is worth noting that all employees in the public organizations in Tanzania signed performance agreements at the beginning of every financial year through open performance review and appraisal system forms; and according to the guidelines the following ratings are used to assess the employees' performances at the end of the financial year. The performance ratings are linked to various rewards and sanctions as shown below.

SN	Ratings	Performance Characteristics	Mark	Rewards, Sanctions
		All agreed objectives met		Financial and Non-
1	Outstanding Performance	Acceptable work Standards	1	financial Rewards and
		Excellent contribution to the targets		incentives
2	Above Average Performance	Agreed objectives met resonably		Financial and Non-
		Almost working effectively		financial Rewards and
		Less important targets met	2	incentives
3	Average Performance	Agreed objectives not met		Developmet Measures
		Not working Effectively		such as training and
		Not applied Competencies	3	coaching
4	Poor Performance	Below agreed work standards		Employees counselling,
				Demotions, No salary
		Not delivering importants objectives		increments, Warning
		C		letters and termination
		No competencies applied	4	of employement
5	Very Poor Performance	Failed to achive all agreed objectives		Employees counselling,
		C		Demotions, No salary
		Completely not used competencies		increments, Warning
				letters and termination
		No development measures has worked	5	of employement

Table 2.3: Performance Ratings Scales in Tanzania Public Organizations

Source: URT (2011: 16-19)

As depicted in the table 2.3 above, the five performances rating levels are used as basis to differentiate levels of employees' performances in organizations. Through performance agreements and set criteria for performances, there are various performance rating activities that take place to the final stage of determining or deciding types of rewards for bad or good performances to the employees.

## **2.4.3** Performance Information in Public Organizations

Hammerschmid & Loffler (2015, p.60) assert that in an organization context, performance information is very important for reinforcing accountability and performance improvement. Ammons & Roenigk (2015, p.518) adds that through using performance measurement system where performance information is generated, there is a need for organizations to incorporate it in the whole process and use it to influence or inform the public, track progress on the key target

and objectives, management decisions and improve service quality and efficiency. On similar view, Goh et al.(2015, p.159) argues that performance information is fundamental to the management process in which performance management system is effective to continuously improve both outcomes and service delivery. It is stated that the use of performance information generated by performance measurement system has been emphasized by organizations due to its importance to control and improve performance in organizations. On the face of it, Dooren et al. (2015, p.7) state that performance information are very crucial in organizations and are used as follows: allocation of resources, responsibilities and competences; designing of policies; controlling and reshaping different implementations in the organizations; employees or organization self-evaluations; results and behavior assessments and accountability mechanisms in the organizations. From the management perspective in organizations it helps leaders in organizations to make informed decisions, to provide directions and control, in developing organizations' missions and visions and values and to connect management system with the public on performances of the organizations. Hvidman & Andersen (2013, pp.38–39) argue that the major assumption of performance management system in organizations is performance information generation to be used in decisions making. Moreover, the use of such information will depend on three folds: Incentives, goal clarity, and capacity.

On this view, Hammerschmid & Loffler (2015) argue that performance information can have several functions in organizations and therefore important to be collected, analyzed and used for various decisions as follows: sanctions, learning which for future goals improvements and control of various activities planned, motivations, control of budgets, rewarding good performances and improve service delivery processes.

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There are two factors which provoke the use of performance pre-formation in organizations: First, the long use of performance measurement systems which make more links of strategic plans and goals; and second, organization stakeholders creating pressure to managers or supervisors to understanding all matters on performances trend in the organizations. Goh (2012, p.36) argues that performance information should be used for different purposes such as learning, change and planning strategies for future performance improvements and decisionmaking in organizations. It is further argued that, if the performance information is not used for such purposes of change and performance of various activities in the organization. Mughal & Akram (2014, pp.115–16) further explain that the use of performance information needs different supporting mechanisms such as well-established rewards and incentives systems that encourage and recognize learning and improvement of performances.

Additionally, performance management system through performance measurement generates necessary performance information which can be used to improve not only employees' performances but also various important areas imperative for organization improved performances which are: aligning employees' goals with that of organizational for optimal achievements; for administrative decisions which includes recognitions of employees performances, identification of poor performances and reward system, salary increments, retention of employees and terminations; communication within the organization in which managers and other senior officials identifies weakness and strength leading to necessary provision of trainings so that to meet the organizations expectations; performance feedback on development purposes necessary for the employees select career paths and other performance challenges that requires interventions;

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performance information can be used to identify necessary priorities such as allocation of human resources which makes organization competitive to provide quality services; and finally, for documentation objectives necessary for the future employees and organizational strategies and goals planning. On the contrary, however, it is argued that multiplicity of goals, lack of autonomy for decisions among directors and managers or supervisors and lack of proper incentives hinder the usage of performance information in public organizations.

#### 2.5 Rewards and Incentives for Performances in Organizations

Workers' motivation has always been the central problem in many public organizations. Different scholars reveal that in organization context unmotivated workers are likely to spend little efforts in achieving organizational objectives and produce low quality services. However, on the other hand, it is stated that highly motivated employees have feelings of commitment and devotion towards their work. With the diverse ways of motivating employees, Khan & Mansoor(2013, p.41) assert that organizations ought to formulate rewards or incentive systems in order to maximize performances.

Available literature indicates that performance management system in organization to be more effective it must be linked to reward or incentive systems. Demartini(2014, p.183) unfolds rewards into two categories: First, positive non-monetary rewards which include: better work conditions, individual awards, promotions, travels, sculptures and medals where as positive monetary rewards includes bonus and salary increases. The second category is negative non-monetary rewards which are referred to mean no promotions or awards, or the reduction in autonomy and on the other hand, negative monetary rewards imbibing layoff and lack of salary increase or demotions.

It is argued that in an organization context and in order to improve performances all these types' rewards ought to be aligned to the whole process of setting objectives and targets, measuring, and performance evaluation of employees.

## 2.5.1 Linking Rewards with Performance in Organizations

Agarwal(2014, p.5) asserts that performance management systems through performance appraisal system component should be used identify both good performing workers deserving merit pay increases, bonuses and promotions and poor performers needing counseling, coaching and in case of extremely underperformances demotions, decreases in pay and dismissal. Extrinsic and intrinsic types of rewards according to Pynes (2009, p.216) are kingpin factors of motivations contributing to organizations' high performances and quality service delivery. It is however theorized that for its effectiveness rewards should be linked to the appraisals outcomes in organizations. Linking performances with rewards and more specifically on the use financial and non-financial rewards in public organizations has attracted debates among scholars. On one hand, Demartini (2014, p.177) suggests that rewards and incentives which are employees' reminders to achieve and even exceed performances, should involve targets or standards and its process of setting them, measures, evaluations and structures which links evaluations results to different forms of these rewards and incentives.

Further, Allen et al. (2004, p.7) and Rose (2014, p.29) says that rewards practices in organizations have a role to shape employees' behaviors to work hard and perform at higher levels to achieve objectives in the organizations.

Rewards	Individual	Organizational
Practices	Performances	Performances

Figure 2.5: The Link of Rewards and organizational Performances

Source: Allen, et al (2004:8)

In addition, as shown in figure 2.5 above, it is stated that through proper use of variety of rewards and incentives practices individual employees and organizational levels of performances are improved culminating to organizational performances. Overall, it is noted that some identified rewards and incentives practices such as regular expressions of appreciations and other dominant motivators linked to employees' performances are more effective to improve performance and service delivery in the organizations

## 2.5.2 The Use of Financial Rewards and Incentives for Performances

Many scholars have expressed doubts on the use of monetary incentives and rewards in organizations. Proponents of financial rewards such as Yousaf et al. (2014, p.1776) clarify that financial rewards include pay, bonuses, incentives, promotions and allowances in organizations. It is further stated that financial rewards or incentives: provide more security, more status, less anxiety, and more recognition; show the degree of progress in the employee's task performance; reflects how well someone's performance has been relative to others and conveys employees effectiveness in the organizations. Moreover, financial rewards or money has the power to attract, retain, and motivate employees towards higher performance. Employees in organizations prefer monetary rewards with the fact that it is security in living, sign of victory and recognition that allows easy fulfill needs of belongingness. In the view, Tanzania public service reform program report URT (2008:35–36) affirms that linking pay with performances, salary

enhancements are critical to the improvement of service delivery in public organizations. Arguably, it is admitted that financial rewards remain uncompetitive motivators to improve performances and service delivery to the public.

Helmay (2015, p.11) argues that employees are extrinsically motivated and therefore organizations need to take a lot of efforts on findings and putting appropriate reward systems as evidences indicate that there is great relationship with performances. It is arguably that the conversely of well-established reward systems results into decline in productivity in terms of service delivery and performances. Moreover, reward system, which is effective in organization, becomes a good motivator to employees to become productive and focused on organizational goals and objectives contrary to inefficient systems which in many cases lead to poor performances, grievances, lack of commitment and absenteeism. Public organizations' effectiveness and efficiency (Issa, 2011, p.7) can be stimulated by putting more on desired levels of employees' work satisfactions by linking financial rewards or pay with performances ultimately increasing organizational commitment and lowering absenteeism. Lack of amenities, costs of living and poverty among employees, according to Sule et al. (2015, p.14), make the value of financial rewards unvaryingly in many African countries. It is claimed that, financial rewards, which are also termed as extrinsic motivators in organizations, should match with employees' expectations in workplaces.

Literature has shown that in many organizations or more specific public organizations employees' work satisfactions are significantly influenced my many factors: Promotions opportunities, professional trainings, allowances and salary increases being a major consideration. Agarwal (2014, pp.172–73) and Sule et al. (2015) postulate that employees are putting more efforts towards organizational goals and objectives when salary raises or money

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becomes critical motivational variable and maintains the following characteristics: matches expectations, eliminates discrepancies among employees, change employees towards workculture behavior, attractiveness and fairness in organizations. On similar vein, Shivarudrappa et al. (2010, pp.90–91)) argues that employees should adequately be paid and more emphasis should be on goals achievements to improve productive performances. However, this argument can be weakened by the view that financial rewards or monetary rewards as motivators differ from employees based on career stage, generation and are higher in places where there is cost of living and low quality of life employees facing. It is postulated that, when financial rewards or salaries becomes inadequate to the employees' expectations and other social economic factors militates de-motivation and critical issues among others tend to happen in the organizations: decrease in performances and morale towards works, sabotages such as engaging in corruption and bribery, absenteeism and poor performances as whole in the organizations.

Despite the attractions of financial rewards to improve performances and productivity, rival literature by Fowler (2014, pp.31–43) has evidenced that such type of rewards initially help to change employees towards quality service delivery, but can fail miserably due to its sustainability challenges to maintain such behavior in organizations. It is further argued that regardless of culture or gender, motivations towards improved performances solely depend on workers psychological needs satisfactions which are: giving employees freedom of choices and control and empowered towards performances and productivity at workplaces; relatedness which has great impact in improving performances where managers or supervisors encourage interpersonal relationship among employees in organizations; competences in which organizations have to create avenues for learning and training opportunities to improve workers' capacity to excel.

Literature has shown that the mind-set on how workers value financial rewards differs from one individual to another and therefore the outcome of using financial rewards as a motivating factor depends on the preferences of employees' economic or non-economic situations. Therefore, matters for and against non-financial rewards are discussed and set out in the forthcoming section.

#### 2.5.3 The Use Non-Financial Rewards and Incentives in Organizations

Many scholars have debated on the use and type of non-financial rewards to enhance employees' engagement and performance improvements as opposed to the financial rewards, which can be the best choice of motivation to lower level employees in organizations. For example, Armstrong & Taylor (2014, p.349) assert that feedback on performances, recognition, guidance to career path and skills development through different training opportunities in the process of performance management have a deeper and longer-lasting effect than other type of rewards like financial rewards in improving performance in organizations. It is argued that the main focus on non-financial rewards is on needs employees have to varying degrees for in order to put more efforts on what needs to be achieved in the organizations. On a similar argument, Ahmed et al. (2015, p.40) state that as employees are very important in the achievements of goals and objectives in organizations and therefore the managers or supervisors' duty is to constantly identify different needs and make the employees motivated accordingly in order to bring out highest morale of work.

It is asserted that non-financial rewards such as recognition which can be formal or informal such as applauses, written remarks and events or any other tangible rewards can for a long time be remembered by workers and strengthen productivity in organizations.

Specifically, for training opportunities or programs as non-financial rewards, Helmay (2015, p.4) argues that it is an indicator of organization valuing worker as consequently triggering partiality to achieve organizational objectives and high performances.

## 2.5.4 Total Rewards System Approach

Armstrong & Taylor (2014, p.365), refer total reward as the combination approach of both financial and non-financial rewards practices to produce synergy powerful for long and high performances that build more employees' engagements and satisfactions in the organization. It is argued that various aspects of extrinsic and intrinsic rewards are interwoven together with more emphasis on consideration of facets such as employees' work experiences in workplaces and other benefits important to improve performances. Furthermore, the total rewards is approach of reward management comprising reward procedures and practices in organization for recognizing the importance of financial rewards as good motivators to improve performance but without downgrading other rewards based on the work environments and other opportunities such as career development and skills development. Kohli & Deb (2008, p.303), articulate reward management as mechanism by which workers' performances are defined, evaluated and rewarded fairly, consistently and equitably based on the contribution to the organizations and achievement of its objectives. Additionally, it involves the whole process of implementation and communication of rewards, policies and strategies to ensure satisfactions of the needs for both in the organization and employees.

According to Belle & Cantarelli (2015, pp.100–02) there are many challenges that make financial rewards difficult to be implemented in public organizations due to the following factors:

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It has to be linked to performance appraisal systems, such systems have many challenges, criticism and inadequate; failure on contingent pay for performances, dependence on different policies, laws and regulation and budget deficits. Moreover, it is stated that these factors lead to inconsistencies in rewarding systems necessitating the need to make use of both extrinsic and intrinsic motivation to enhance performance and service delivery.

## 2.6 PMS and Underperformances in Organizations

According to Bussin (2013, p.157), when using performance management system, many organizations runs regular employees' performance reviews and appraisals in which from labor laws point of view is an opportunity to the employers to show employees' performances and the appraisal results should be documented incase found to be unsatisfactory for further actions.

## 2.6.1 Issues of Poor Performances in Organizations

Scholars in the field of management have argued that performance management can be used as architecture of defining poor performances in organizations. It is postulated that different organizations can have different ways of defining poor performances and therefore need of setting standard or criteria. The South African Public Service Commission (SAPSC, 2007, p.9), articulates that poor performance in public service is all about employees' failure to meet accepted level of performances and toughest to deal with it organizations. On face of it, Hutchinson (2013, p.194) ignoring workplace norms and rules, failing to meet work deadlines, absenteeism, poor standard of work, failing to meet organization objectives, low outputs, delaying to workplaces, incapability due to lack of skills, bad behaviors among employees and customers and bad time keeping as common poor performances criteria that can be used in

organizations. There are several other writers whose work falls within this broad focus on poor performances in organizations. For example, Arthur (2008, p.33) enumerates some of the factors that can cause poor performances in organizations as follows:

1. Organizational factors such as poorly managed structure; poor work and job design with subsequent lack of challenge in work; ineffective recruitment and selection resulting in a mismatch of workers and jobs; inappropriate planning, limited resources and competing deadlines, unclear lines of accountability such as staff reporting to multiple supervisors.

2. Management practices such as inappropriate or unacceptable management approach; inconsistent application of performance standards; biasness, and lack of care or commitment on the managers' or supervisors' part.

3. Lack of training and development including inadequate induction and explanation of job roles and responsibilities.

4. Insufficient skills and experience to perform the duties and responsibilities due to an introduction of new technology.

5. Poor communication between management and employees such as inadequate performance evaluation and feedback.

6. Social factors including disruptive personality clashes within the work environment.

7. Unsuitable work environment, which includes workplace harassment.

8. Personal issues such as lack of motivation and family problems.

9. Performance difficulties that are not work-related, which may require intervention or assistance by management, and employee associations.

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It is argued that through performance management practices, performance difficulties need to be identified and appropriate strategies developed, including training, to assist the employees to deliver quality services in organizations. Intending to have well motived, disciplined and ethical services in the public organization, public service reforms program report (URT, 2008:18) shows that still there are major challenges in these organizations of ensuring that public servants are delivering improved services to the citizen at required quality and standards expected. Armstrong (2010, p.388)argues that in dealing with such challenges in the organization the following ways can be used to work on issues of underperformances: identification areas of underperformances, root causes, actions, support through coaching and trainings, guidances and invoking disciplinary procedures in organizations.

## 2.6.2 Legal Perspectives on Poor performances in Organizations

There are several legal frameworks that need clear enforcement mechanism to control underperformances in public organizations. The question, however, is why these legal frameworks are not used to improve performance and service delivery in the organizations.

Despite concerted efforts by the government to have many laws and regulations reflecting different punitive measures including among others demotions and termination of employments and correctional ones through training approaches to control both employees conducts and poor performances, there have been violations and reluctance on its enforcements in the public organizations. On the views, Hutchinson (2013, pp.208–10), argues that due to social factors, directors and managers or supervisors are uncomfortable to enforce these frameworks to the poor performances in the public organizations.

#### **2.6.3 Dealing with Poor Performances in Organizations**

Performance has a quality that can be either high or low (Doreen et al., 2010, p.3) in which in the course of performance management process good and poor performances can be identified; consequently, according to SAPSC (2007, p.9), poor performances should be dealt with in order to send messages to employees to meet performance expectations in the organization.

According to Liff (2010, p.142), a rigorous performance management system can only work if it is correctly administered; meaning that good performances are rewarded and conversely poor performances are dealt firmly and fairly. However, on the view, Ammons & Roenigk (2015, p.516) argue that sanctions for poor performance are contentious elements of performance management as when there are clear goals, resonable resources and meaningful incentives employees can find ways to deliver quality services and meet intended goals in the organizations.

Dealing with poor performances in public organizations have created debates among scholars. For example, Habtom (2014) argues that it is very difficult to work with aspects of sanctions to unsatisfactory performances in public organizations because the system is rigid, time consuming and that there are inappropriate bureaucratic procedures that hinder management team to impose such sanctions for poor performance in any meaningful way. It is further argued that managers in public organizations have no discretionary power in dealing with underperformers and consequently it is difficult improving performances.

On the face of it, the Tanzania's Public Service Reform Program Report I (2008:25) contends that the fact that poor performances in public organizations are not punished and adequately reported triggering high level of quality of service dissatisfaction in the public. It is contended that poor service delivery, responsiveness and performance improving in public service remains the major challenge and that the factors contributing to poor performances among others are: leniency or unwillingness of managers or supervisors to deal with underperformances of workers, lack of skills, and lack of performance standards, accountability and cultures issues among employees. In addition to that, Armstrong (2010, p.385&516) views underperformance in organizations to be associated to either poor leadership or problems in the system such as inability to do what is required, employees' attitudes towards the assigned work, expectations and skills to do the job at the workplaces.

In order to avert such a situation there are several ways proposed to deal with issues of poor performances which are: 1) employees being aware on performance measures to be used, standards and targets, managers or supervisors need to provide regular feedbacks on performance shortfalls; 2) establishments of facts for underperformances and if are due to the employees factors necessary skills and support should be given to improve or regulate performances; 3) Several actions if needed should be taken to change employees behavior and skills in which supervisors or managers make clear clarifications of expectations to be achieved and more arrangements are necessary for further actions to improve performances; 4) training, coaching and guidance are also important to be imposed to employees to sharpen skills in order to improve quality of services; 5) performance monitoring and feedback to employees for final actions of underperformances.

Several researchers have suggested how to deal with poor performances in organization. Torrington et al. (2014, p.179), for example, assert that employees can be dismissed from work after reasonable warnings on underperformances and failures on meeting the targets and on an opportunity to improve.

On its contrary, however, for the case of public organizations literatures evidence that dismissals to poor performances are difficult and therefore the management avoids it and instead dresses up poor performances. Different scholars have come with different approaches, frameworks and stages to manage and deal with underperformances in organizations. For example, on stages of managing underperformances, Ashdown (2014, pp.164–68) mentions five stages: First, identifications of performance gaps in which areas such overall productivity, employees attendance, quality of output and behaviors are spelt out; second, identification of reasons for underperformances which are lack of skills for the job, motivation, understanding of what is to be achieved and resources; third, working out on a plan to address employees underperformances; fourth, identifications for appropriate resources to improve performances such as training and development, equipment and motivations; and fifth, putting the underperformance on review and monitoring.

In a quest for approaches to deal with underperformances, Bussin (2013, pp.158–62) contends that many organizations consider poor performances in the disciplinary procedures and codes which bring a lot of controversies to dealing with it as there is a need to differentiate between misconducts and incapacity due to poor performance as they need to be treated separately. As depicted in table4, it is spelled out clearly that in an organization context, employees' performance can be considered in two ways blameworthy (misconduct) and non-blameworthy (incapacity) in which there is a need of employees empowerment by given means such as information and support, ability in which employees are trained on the importance of performing and finally be hold accountable for a certain level of performances or standards.

	Means	Ability	Accountability
	$\checkmark$	Х	Employees are not performing at the standards due to lack of ability and therefore employees should be assisted through training, couching and if there are no improvement at the required standards demotions and dismissal can be considered.
Different Circumstances	$\checkmark$	V	Employees have both means and ability, therefore it is misconduct (Negligence or insubordinations). Disciplinary can be followed and persistent of the underperformances can result into discipline and dismissal.
Diff	Х	$\checkmark$	Employees lack means but have ability to perform. It is the responsibility of organizations to provide support to the employees to perform.
	Х	X	Employees lack both means and ability. Management should assist the employees to perform to the standards. If the poor performances continues dismissal and demotions.

Table 2 4: Dealing with Employees Underperformances in Organizations

Source: Bussin (2013: 162)

The poor performance management plot shown in the Figure 8 below in potential another powerful approach according to SAPSC (2007, p.10) is to deal with underperformances in the organization. It is argued that, directors and managers or supervisors play a great role in the identification of poor performance, informing employees on poor performance, developing different plans on performance improvements and reviewing performance based on performance development plans.

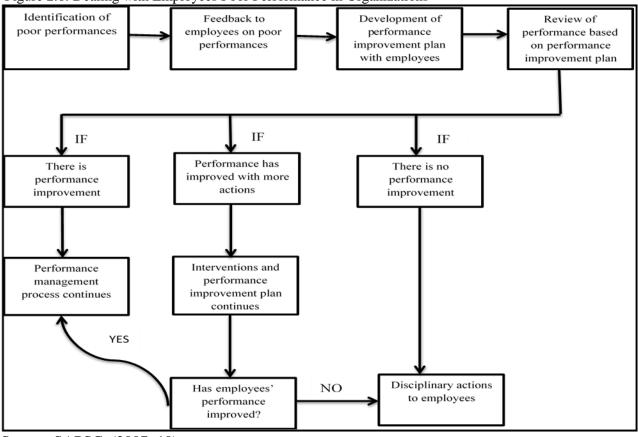


Figure 2.6: Dealing with Employees Poor Performance in Organizations

Source: SAPSC, (2007: 10)

Furthermore, Armstrong (2012, p.590) identifies two reasons, which can cause underperformance, being poor leadership and problems in the system of work. In addition, the report on Tanzania Public Service Management and Employment Policy (2008:18) and Public Service Reforms Program Report (URT, 2008:11) articulates issues of weak accountability and few sanctions against underperformance that cause decline in work morale and poor quality of service to public organizations.

It is argued that in these organizations, a very few civil servants are punished, fired or demoted for violating rules and regulations. It is on the basis of these arguments, this study seeks to identify and examine factors of underperformnces in the public organizations. According to Tanzania's Guidelines for Open Performance Review and Appraisal System (URT, 2011:35), there is more emphasis on public organizations to impose sanctions to employees for underperformances which are among others: withholding salary increment and performancebased benefits, demotion which according to Dzimbiri (2016, p.16), is reducing employees grade as part of disciplinary actions for not performing to the desired performance results, warning letters and termination of employment. It is posited by Hutchinson (2013, p.192) that before imposing such sanctions to employees' underperformance measures such as regular performance feedback, mentoring and coaching are useful means to manage underperformances in organizations.

Further, Nunn (2012) suggests that employees' underperformances in organizations can be dealt with by support measures put in training development programs. However, the persistent failures in employees' performance should result in the use of human resources processes and ultimately dismissal or other disciplinary actions. More specifically, in an attempt to understand factors for underperformances and organizational performances, the study examines the manners in which attentions are given to sanctions for underperformances in the process of implementing performance management system in public organizations.

## 2.7 Policies and Legal Frameworks for PMS

The Tanzania government through different public service reforms has developed and established various policies, laws and its regulations and circulars for controlling, promoting and backing up performance management systems practices in public organizations. Within these legal frameworks, employees and organizations are among others compelled to: defining clearly performance objectives, goals and standards that are supportive to quality service delivery to the public or stakeholders; promote transparency and accountability through the use of client service charters and other mechanisms such as performance measurements; put structures and systems that defines responsibilities within the organizations and link rewards with performances envisioning to sustain high performances. The questions, however, are: with such high potentials of well-defined legal frameworks the government have put in place, why, quality service delivery fails in public organizations; and do the public organizations use these policies, laws and regulations to implement performance management systems for the purposes of improving both employees and public organizations performances? The next section attempts to examine these policies, laws and regulations in relation to performance management systems in public organization because, it is this relationship which underpins this study.

### 2.7.1 Public Services Management and Employment Policy 1999

The Public Service Management and Employment Policy (PSMEP,1999) and its amended version two of 2008 provides an approach for all public organizations to use performance management systems to enhance efficiency by emulating result-oriented management doctrine. The policy transforms public organizations to become more accountable to delivery of quality service to the public through establishing the following mechanisms to foster performances: enlisting necessary services that are well delivered to the public; preparing budgets that base on priority services to the public; devising missions and visions and clear objectives that employees at all levels implements; having annual performance agreement to all top management teams and contacts between supervisors and employees in the organizations. PSMEP, 1999 Section 5(17), further emphasizes public organizations to manage and undertake performance evaluations to all employees based on well-established key performance results areas.

In line with the emphasis, the policy pinpoints five different issues which are important for employees' performance evaluation process: 1) annual prepared strategic objectives or targets for all employees; 2) continuous performance feedback showing problems and challenges;3) performance appraisals which are openly and fairly in which needs such as training, rewards and incentives to improve performances are discussed; 4) employees performance information documented and; 5) compliance prepared report for all employees in the organization. The study in this case, examines the manner in which the public organizations adheres to the key policy issues in the implementation of performance management system to improve performances.

#### 2.7.2 The Public Service Pay and Incentive Policy 2010

The Tanzania Public Service Pay and Incentive Policy (URT, 2010) have been influenced by different public service reforms aimed at inculcating a performance culture, solving problems associated with poor performance caused by the lack of both appropriate compensation structure and weakness in incentive schemes in public organizations. The policy, articulates several pay and incentive reforms objectives for the purpose of improving service delivery and quality. The government has put policies on pay and incentive to ensure a sustainable win-win situation in public organizations and improve productivity, which also maximizes effectiveness, efficiency and utilization of human resource capacities. It is stated that the pay and incentive policy is an integral part of the Public Service Management and Employment Policy of 2008 which makes more emphasis on employees' motivation to perform well to deliver quality services to the public.

In order to improve productivity and performance, the policy emphasizes the use of performance management system and more specifically OPRAS to ensure that there is a link between pay and performances in public organizations. The policy obliges public organizations to implement pay reforms in line with performance management systems having the following priorities: first, the use of objectives, indicators, targets and open employees' appraisal system as a basis for career progression and promotions; second, distinguishing good, fair and poor performers in organizations, and third salary increments and promotions must be based on merits. With such government initiative, the policy spells out three critical issues that public organizations should adhere to: all public servants should be issued with performance contracts to serve as a basis for annual employees appraisals, end automatic promotions and pay increases based on scheme of services to all cadre of employees in the organization, and plan and implement performance-related pay.

The policy spells out clearly that the management of pay and incentives has been a challenge in public organizations such as a tendency among different employees to demand higher salaries without considering improved performance and productivity. The policy further states that with such challenges, issues of designing, developing appropriate incentives schemes and controlling compensation system are centralized to the government. The government through the President's Office Public Service management (PO-PSM) controls and provides guidelines on all matters of compensation system and adjusting salaries for public servants in public organizations. Despite different pay reform efforts, the public service pay and incentive policy spells out different challenges and more specifically on low salaries and rewards and incentives and accountability, which has resulted in emergences of allowances in public organizations.

The government indulges public organization to use total rewards; that is, both monetary and non-monetary to motivate employees towards organization performance and service delivery, which can effectively address the motivational problem in public organizations. According to Van de Walle (2016, p.833), it is argued that a policy is successful if it achieves the goals set up for and attracts no criticism.

The goals of the Tanzania's pay reform in public service and incentive policy among others were to: ensure rational and transparent compensation structure, develop adequately competitive remuneration levels and have incentive system to adequately motivate public servants towards acceptable standards of performance. This study therefore looks at different rewards and incentives structures across the public organizations in relation to reforms agenda and implementation of performance management system to improve performances.

#### 2.7.3 Public Service Training Policy 2013

The Training Policy for Tanzania's Public Service (TPTPS, 2013) forms an essential element of legal framework for the implementation of performance management systems in which it is made mandatory to boost productivity, effectiveness and efficiency in the public organizations. TPTPS 2013 addresses matters of strengthening public organizations' capabilities to have formal systems where employees have chances to acquire skills, knowledge and attitudinal change to improve performance and service delivery; to avail employees with opportunities as enabling means through acquiring various skills to deliver services effectively and efficiently. The major thrusts of the government to formulate the policy were among others to: coordinate training in the public services through proper utilization of resources set aside for training, make emphasis on the importance of training and thus public organizations were to take priority on its budgets, provide guidelines for public organizations to have well-structured training programs structured

to address different levels, cadres and responsibilities of public servants, and provide systematic training that prepares public servants to occupy management cadres in the public services. Furthermore, the policy further emphasizes public organizations with the responsibility of managing the training function systematically and professionally.

The public organizations have to inculcate the importance of training to employees in order improved service delivery by setting aside sufficient funds for training in the annual budgets. Additionally, training needs assessment (TNA), planning and budgeting for training are appropriately inevitable in the allocation of resources for the training cycle. Through this policy all public organizations are mandated with the responsibilities of developing employees in order to improve performance and service delivery. In regard to this policy, the study investigates its implementation to employees to acquire skills and knowledge on different aspects of performance management system and its contribution to the performance and quality service delivery in the public organizations.

## 2.7.4 Public Service Act number 8 of 2002 and its Regulations of 2003

According to Issa (2010, p.16), it is stated that performance management systems are mandated by laws where public organizations have to ensure the use of the systems to foster performances for both employees and organizations. Given the legal status, performance management system has to be used for organizational performances and delivering quality services in public organizations. The public service Act No.8 of 2002 and its amendments of 2007 with its public service regulation (PSR 2003), commits all public organizations to pursue not only results oriented management but also open performance appraisal system in order to improve service delivery. Section 6A (3), of the Act places specific emphasis on promotions of public servants, it obliges public organizations to consider the following critical components of performances: career development and succession plan, seniority amongst the employees, and performance and efficiency in service delivery.

On performance appraisals, sections 22(2–8), in the Public Service Regulations (PSR 2003), it is stipulated that all organizations have to use and operate open performance appraisal system for all employees or public servants in order to discover, evaluate and document different strengths and weakness to improve efficiency and effectiveness in service delivery. In order for the system to work effectively, PSR 2003, in section 24 obliges all public servants in public organizations to enter into performance contracts with immediate supervisors. Depending on the nature of the organizations all heads of departments, managers and employees have to enter such contracts for annual evaluation purposes.

Furthermore, for frankly, openness and fairly, the PSR 2003 contends that based on the performance contracts entered by the employees, the performance appraisal between appraisers and appraises can invite other employees to witnesses the process and performance feedback showing performance against objective are inevitable. Additionally, job descriptions which include operational, specific and skills development objectives and annual measurable indicators for the results to be achieved are required to be given to all employees to enhance performances and service delivery in the organization. Moreover, the PSR 2003, not only sets clearly that performance information or performance appraisal results that should be used for different human resources and organizations decisions such as salary increments, planning for job rotation and training programs and in making different higher posts, demotions, terminations of appointments of posts in the organizations but also, firmly articulates issues of unsatisfactory

performances in organizations which should also result into employees penalties which are termination, demotions and withhold of salary increments.

#### 2.7.5 The Employment and Labor Relations Act 2004 and its Regulation 2007

Through its different sections and sub-sections, the Act specifies clearly issues of poor work performances, and how to manage work performance standards in organizations. The Act requires organizations to implement disciplinary policies and rules for poor work performances. It is asserted that performance standards which are necessary to be known to the employees, are important in decisions for poor work performances such as fair termination of employees in the organizations. It is expressed in the Act that fair termination for poor work performances in organization should base on the following facts: 1) failure of the employee to meet performance standards, 2) reasons for employees' failure to meet performance standards and, 3) well set and known to the employees performance standards. Additionally, the Act lays down clearly what makes poor work performance in organization which is among others: first, unacceptable work performance behavior or consistent work performance below average; second, dishonesty or breach of trust; third, lack of skills; fourth, incompetence or inefficiency in performance of work and fifth, habitual, substantial or willful negligence in the performance of work in the organization.

Among others, this study limits to investigating performance management system in public organizations with a view of examining how these key issues stipulated in policies, laws and regulations such as performance appraisal results are being enforced to improve performances and better service delivery.

# 2.8 Chapter Summary

This chapter has given a review on the literatures clarifying the key concept of performance management systems and how it is important for organizational performances to set stage for what unfolds, as the study is further expanded. The chapter has assessed literatures on the implementation of performance management system underpinned in the public service reform programs which were introduced in Tanzania to improve quality services in the delivery of services to the public, different perspectives on the implementation of performance management system in organizations, players in the implementation of the system, its challenges and effectiveness to enhance both employees and organization performance. Policies, laws and regulations reviewed comprehensively covers core issues of performance management system (employees' motivation monetary and non-monetary, training, performance appraisals and underperformances) but, however, there are failures in enforcements to improve performance in public organizations.

### **CHAPTER THREE**

# **Conceptual and Theoretical Perspectives**

## 3.0 Introduction

This is the second chapter of the literature review. It presents the theoretical perspectives and model used in the research on performance management system, its implementations, and effectiveness to improve performances in public organizations. The reviewed literatures show that the concept of performance management system and its effectiveness on organizational performance bases on three theories, which are: The Goal Setting Theory, the Expectancy Theory, and the Equity Theory and Performance Management Model for Public Organizations. Therefore, the following paragraphs highlight the theories and models and its conceptual framework for the study.

## 3.1 Theories on Organization Performance

Theories provide the foundation of understanding different concepts such as for this study on performance management system in public organizations and how these concepts impact on reality. Jonker & Pennink (2010, p.27), define theory as a set of ideas that intend to explain something providing notions and terms and the way they are interconnected. Therefore, according to Creswell (2012:, p.109), theories serve as lens or bridge which provides understanding and explanation of variables of the study.

The focus of the study is on the performance management systems in public organizations in Tanzania and in this case, it can be grounded on many theories. Based on its relevance and performance management philosophy to improve both employees and organizational performances through goals settings, measuring and rewarding performances, three theories have been chosen: The Goal Setting, the Expectancy, and Equity theories. The fundamental rely on Goal Setting Theory is that for in order to improve performances in public organization which is the focus of this study, goals and objectives must be set and aligned in the entire organization. Goal-setting process is fundamental for performance management system effectiveness depicted through strategic planning process where objectives and goals are flowed through the entire organization to improve performance and service delivery. It is promulgated by the theory that workers with specific and challenging goals perform better than those with vague goals. Thus, with this theory, the assumption is that there is direct relation between specific and measurable goals and performance in an organization.

Since goals are the main drivers of performance outcomes in organization, managers and all employees become oriented towards common direction of delivering services to the public and for accountability purposes. The Expectancy Theory, which is in line with this study, focuses on what motivates employees in public organizations to deliver quality services. It purports the need for well-established rewards or incentives schemes to achieve the intended organizational goals and objectives. Equity Theory stands on fairness or justice in allocation of rewards or incentives and therefore sensitizing managers and supervisors in public organizations to make note of various visible rewards such as promotions and salary increase in order to improve performances and quality service delivery. Managers or supervisors need to be very anticipative on inequities and change of behavior of employees, which ultimately affect performances, and delivery of services. Therefore, Goal Setting, Expectancy, and Equity theories form the foundational framework of this study and are discussed in detail in the subsequent sections.

### **3.1.1 Goal-Setting Theory**

According to Armstrong (2010, p.142), the theory lays and plays a great role in performance management processes as it puts two paramount important issues of setting goals and measuring performance against the accepted goals in the organizations. In a similar argument, Agarwal (2014, p.268) contends that goals in organizations are motivations and facilitate employees' efforts in finishing different tasks. Furthermore, Helmay (2015) postulates on the importance of aligning employee's performance to organizational goals by identifying different factors that increases its achievements and efficiency.

In a similar view, Femi (2013, p.93) avers that employees are always motivated to act when are rewarded at the end of the performance of tasks. Well set goals and objectives in organizations, according to Agarwal (2014, p.183), create priorities, stimulate devotion to employees to work effectively and better, challenge employees to increase acceptance, commitment and self-efficiency. Venkateswara (2004, p.431) and Gomez-Mejia & Balkin (2012) in a similar argument, assert that employees are highly motivated when there are objectives or targets to be achieved. Good goals that are acceptable, targets that challenge employees and realistic, specific, customer or stakeholders' oriented, output-oriented, quantifiable and measurable goals give a clear focus and direction to employees' performances in organizations.

Moreover, Bussin (2013, p.40) contends that in an organizational context goal setting provides focus, acts as stimuli and has great impact on organization's ability to deliver on its mission. On the workers point of view, goals are the most powerful determinants of task behaviors help to devise strategies, be responsible, improves morale, mobilize efforts and exert more efforts in achieving the intended organizational objectives. Connecting goal setting with organizational performance and quality service delivery, goals have the following important functions: 1) aligns all functional goals in organization to the outputs reflecting stakeholders or the public as the whole; 2) articulates the end state or output and part-up to accountable workers creating performance-oriented culture; 3) empowers and creates mastery mind set among workers and sense of ownership through molding future of the organization; and 4) focus and clarity for integrity of efforts in organization. The goal theory is in line with the whole concepts of performance management system effectiveness to enhance performances in public organizations.

In this regard, Rainey (2014, p.287) contends that goal setting theory have been widely used to guide different researchers in different disciplines. In the organization context it is propunded that the theory, helps to link many aspects of intentions, performance standards, and the efforts towards achieving the goals for the purpose of maximizing motivation and thus improved performances in organization. Additionally, the theory shows the importance of employee's participation in goal settings, agreement on difficult goals that must be reinforced by the organization guidance and advises, and performance feedback to maintain motivation. Nevertheless, the theory has received critiques on: its practicality in public organizations, its failure to address issues of behavior of employees, work situations and other social values within the organization having great effects on motivational values.

Though the theory has been criticized in its practicability in public organizations, it was found important for this study to critically examine the concerns of the theory and how directors and managers undertakes issues of objectives and goals formulations and employees' participation in the performance management process in the public organizations.

# 3.1.2 Equity Theory

It posits the fairness of different processes in organizations by instigating issues of equitability in the provision of employment and rewards in order to maximize performance leading to quality service delivery. According to Agarwal (2014, p.264), equity theory emphasizes on three important facts, which are; firstly, equitable rewards which raise morale and productivity, secondly, comparison with other workers with similar jobs within and outside organizations, and thirdly workers reaction to inequality rewards; underpaying or overpaying can change both inputs and outputs. Additionally, it is well asserted that the employees' perceptions, judgments using other reference points or feelings on equity and inequity, which may or may not be detrimental to the whole process of performance management in public service organizations.

Literatures such as those of Armstrong (2010) and Gomez-Mejia & Balkin (2012, p.371) encapsulate the usefulness of this theory on enhancing performance in organizations linking rewards with employees in service delivery. Agarwal (2014, p.263), postulates justice as a critical factor in the theory that stresses perceived fairness on amount allocation and process of determining rewards among employees as influences for job satisfaction and organizational commitments in organizations.

The theory has been very useful to human resource professionals and decisions in organizations, especially regarding performance appraisals in performance management system connecting employees' input and outcomes. Not only that, but also issues of what motivates employees with regards to job inputs such as efforts, education and special skills and outcomes that are rewards such as recognition, promotions and pay. The theory proposes several employees input and expected outcomes. Inputs, among others, are efforts, loyalty, flexibility, commitment, and integrity, while outcomes are financial rewards including: pay, salary, bonus and non-financial rewards such as recognition, reputation, praises, travel, training and development.

Rainey (2014, p.276) argues that the main strength of equity theory is its emphasis on equity in contribution and rewards imperative for management bringing comfort and on the other hand discomfort if there are unfairness among employees in the organizations. Moreover, equity issues play great role in performance–based pay plans with emphasis on rewarding better performers important to improve performances and service delivery in organizations. Without better pay for best performers, inequity can be perceived to employees that lose morale and motivation to work in the organization.

The main critiques of the theory lie not only on its real practicability in the work settings where it is very difficult to measure and assess inequity but also variations in sensitivity on inequity among employees in the organization. Therefore, despite its weakness, the theory is very significant to this study exploring different aspects of rewards and motivations in the public organizations. In the public organizations, directors and managers or supervisors playing great role in the implementation of performance management system have to make sure that employees are fairly and appropriately rewarded based on performances.

#### 3.1.3 Expectancy Theory

According to (Lunenburg, 2011, pp.1–2), the theory developed in 1964 lays down the following necessary assumptions to the operations of organizations: workers find employment in public organizations or any other organizations with great expectations on their requirements of life, different motivations and experiences which in this case, enable them to react to these organizations; employees are free to choose behaviors emanating from their expectations; good salaries, job securities, challenges, and career advancement. In a similar tone, Agarwal (2014, pp.264-66) embeds three main concepts of Expectancy Theory to heighten outcomes in organizations: Firstly, efforts and performance relationship in which the emphasis is on differential levels of efforts workers exert on a particular job and differential levels of outcomes. Secondly, rewards and performance relationship with assumption those workers believe on proper reward or an incentive system that links performance and rewards in order to attain desired outcomes. Thirdly, organizational rewards and workers' goal relationship where the focus is on the attractiveness of different rewards that satisfy employees' needs and goals. Additionally, arguing on the theory, Torrington et al. (2014, p.198) state that it lays a foundation for performance management where workers are motivated to work or act believing to be rewarded on what to be achieved in the organization.

Armstrong (2010, pp.140–41) and Gomez-Mejia & Balkin (2012, p.370) propound about the objectivity on decisions for the management of pay in organizations to motivate employees through putting clearly expectations at work places and incentive schemes that are linked to workers' efforts. It is further argued that, in organizations workers work hard to better performances with expectation of good motivations and in its contrary becomes demotivated when it is found that the reward system is solely not based on performance criteria or other non-

performance factors such as seniority and cooperatives. According to Rainey (2014, p.280) expectancy theory has both weakness and strengths in linking motivation with performances in organization. The theory strengths roots from its use in performance-based pay plans, and thus allowing managers in organization to evaluate employees' performances for salary adjustments and promotion or other development purposes. Moreover, as employees desire different rewards, directors and managers are supposed to match rewards and employees wants in the organization.

Nevertheless, the theory is not without critique that, it has failed to predict efforts and performance, and show its practicability in government organizations. Hence, the concerns of the theory that makes emphasis on the link between rewards and performances, makes it relevant to the study. The theory helps the researcher to provide deep analysis and highlights clearly that in organizations, employees put their efforts in their jobs, and the achievements obtained from those efforts yield good performances that need to be rewarded.

# **3.2** PM Model for the Public Organization

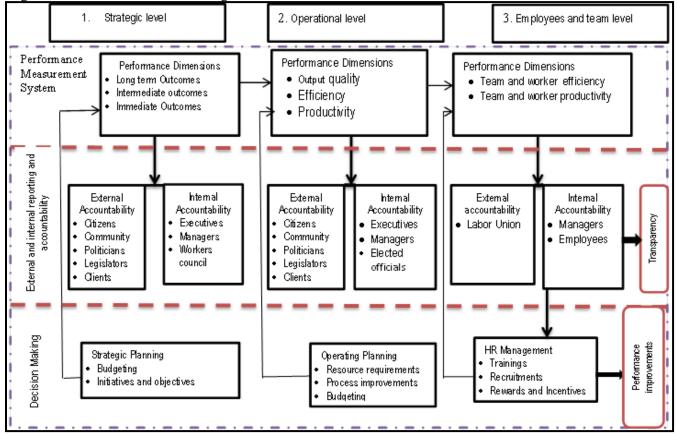
Reviewed literatures have revealed that, there are different models of performance management, and the major challenge is: which of the models fits well in the organization to achieve its intended goals and objectives Lewis et al. (2015, p.31)? The most common aspects of these models are: planning, performance agreements, reviews of performances, feedbacks and performance improvements and developments. As depicted in Figure 3.1 below, (Sole, 2009, p.4) illustrates in detail the performance management model for the public organizations which show different stages and levels important to improve performance and accountability.

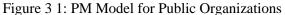
The main goals and components of performance management and measurement system in public organizations are among others: improving performance at all levels in organizations and ensuring internal and external accountability to members of the organizations and its stakeholders. Furthermore, the model essentially differentiates three different organizational levels to clearly understand performance management and measurement processes in the public organization. For the case of performance measurement, Fryer et al. (2009, p.480) propound that it indicates what to measure, how to measure it and communicates results important for the whole process of performance management in the organization.

- Strategic level in the organization: It is propounded that each level of organization has different performance dimensions and at this level there is a need to establish outcome measures which are important for implementation of organization strategic initiatives and monitoring of progresses. Outcomes measure in the public organizations has significant values to different stakeholders such as politicians and legislators, citizens and community and general customers.
- 2. **Operating level in the organization**: At this level, the performance dimensions are more on internal operating efficiency connected to input and output measures and effectiveness in terms of quality service delivery. Aspects of accountability through different judgments on operations and improvements are made. Decision-makers such as top management team at this level prepare reports on operational performances important to both internal senior managers and other necessary stakeholders such as the citizens and the public at large.
- 3. **Group and individual level in organization**: This is a level that looks at both group and individual contributions to the improvement of performances and service delivery.

Feedback to employees is provided for accountability and as an effective approach for human resources management. Group or individual employees' productivity and efficacy measures at this level are used for decisions making on compensations, rewards, and incentives and planning initiatives for human resource managements.

In this case, the clear involvement of employees in strategic, operational and employees and groups levels and commitment, all influence effective implementation of performance management system fueling the improvement of performances in public organizations.





Source: Adapted from Sole (2009:5)

As shown in the Figure 3.1 above the model attempts to integrate various components of performance management covering comprehensively the aspects of strategic planning, accountability among different groups, performance measures which the public organizations are expected to do for the purpose of increasing transparencies and organizational performances. Furthermore, Sole (2009, pp.6–7) argues that the performance management model for the public organization is built up on six stages.

- 1. **Performance measurement system**: It is the stage that connects the system with external accountability system where directors or managers encourage the use of performance measures that foster organizational transparency to the organization stakeholders. On performance measures, Agarwal (2014, p.39) adds that it provides information on the quality of services necessary for making intelligent decision in the organizations.
- 2. Connecting performance measurement system into internal reporting system: At the stage more, emphases are on internal communication among employees at all levels, a critical requirement for the successful implementation of performance management system in the organization.
- 3. **Connecting internal reporting with decision-making processes**: It this stage, managers and general top management can use the reporting system to transform different activities in order to improve performance measures and performances.
- 4. **Review and updates on the result achieved**: This is the stage that has more influences and refocuses employees to key issues of performance and change of behavior towards targets completion and development of different plans.
- 5. Checking alignments of performance measures at all levels of organization and,

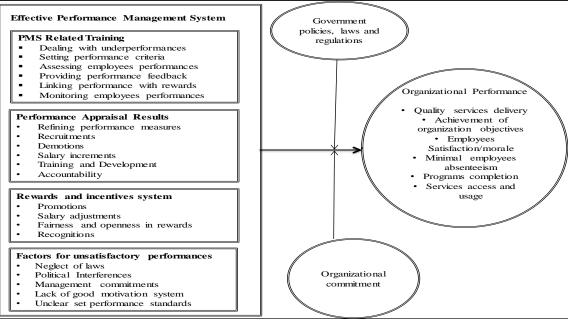
6. Checking the consistency of strategic, operational and human resource management initiatives in the organization.

Therefore, in order for the management team to improve performance and service delivery in public organizations, different levels and stages of performance management have to be addressed; and thus, when well implemented there is optimal improvements in all aspects, external accountability, internal reporting and decision-makings consequently resulting into general organizational performances.

## **3.3** Conceptual Framework for the Study

This study used three theories together with performance management model for public organizations; and accordingly, these different theories provide foundation for performance management system implementation in the organizations. Bussin (2013, p.85), clarifies that in an organizational context that the performance management system plays the following roles: improves performance, motivates employees, allocates rewards to employees, increases employees' satisfaction and lowers employees' turnovers. In connection to theories (Ashdown, 2014, p.24), propounds that Goal Setting Theory, Expectancy Theory and Equity Theory are relevant theories important for the implementation of performance management in organizations.

Figure 3 2: Conceptual Framework for the Study



Source: Researcher's Construct (2017)

Essentially, as depicted in the Figure 3.2 above, the main objective of the conceptual framework is to show based on theories and model the link of different aspects of performances management system to organizational performances. Based on this review, the next subsections discuss different variables or dimensions that were examined in the study, which shows its connections to organizational performances.

## 3.3.1 The Link between PMS and Organization Performance

According to Poster et al. (2015, p.36), performance management system encompasses different practices that create a performance culture. The performance culture in the organization can be achieved through management involvements in performance measures, well-established incentive systems and leadership; as the result of the practices then, the system has a great contribution to the organizational performances.

On the view Kumar & Raju (2017, p.5) argue that the system portrays an integration process through harmonizing relationships between employees and directors and managers or supervisors, linking goals and objectives which facilitate effective communication throughout the organization, measuring and reviewing results, rectifying and improving plans and rewarding performances to improve general organizational performances. Thus, these important aspects of effective performance management systems are tied to goal setting theory which makes emphasis on key issues; feedback, rewards and goal setting that all influences organizational performances which the focus of this study is. This study therefore sought to explore through variables of performance management system effectiveness and theories on organizational performance in public organizations.

### **3.3.2 PMS Training and Organizational Performances**

A number of studies have shown that, training is an important factor and key for performance management system effectiveness and significant to the organizational performances. According to Hainess & St-Onge (2012, p.1159), performance management system effectiveness rests on the shoulders of directors and managers or supervisors in organizations and therefore training to this top management team is of much importance. Ashdown (2014, p.156) adds that top management or supervisors need to be clear on what performance ratings means in relation to actual performances and how to capture performance data for decision making to improve performances and delivery of services. Furthermore, Baird et al. (2012, p.166) propounds that effective performance management system is dependent on executives and managers having, skills, knowledge and ability to use the system effectively.

Therefore, performance management system related training helps managers and the entire members of the organization to enhances and maintain accountability, commitments to the system to enhance organizational performances. Similarly, Hutchinson (2013, p.203) contends that training on areas such as linking performance with rewards, coaching, disciplinary procedures, performance appraisals and ratings, strategic planning, serve as vehicle to improve performance management delivery in the organization. In this case, trainings to managers and senior officials improve competencies, accuracy, and justice to produce desirable outcomes leading to organizational performances. Aspects such as accuracy and justice tie with equity theory which makes more emphasis on fairness and equitability to maximize performances in organization and key to this study. Hence, based on such arguments, this study is interested in examining any training undertaken to equip top management team for performance management effectiveness and organizational performances.

## 3.3.3 Rewards and Incentives Role on Organizational Performances

Several studies have shown that at workplaces, rewards and incentives practices contributes to organizational performances. In this regard, Katou & Budhwar (2006) assert that scarcer rewards and incentives demotivate employees and consequently lowering organizational performances.

According to Baird et al. (2012, p.165), there are four benefits of linking performance to rewards and incentives in organizations: first, best performers in organization feel valued for the efforts and pay more attention to the general achievements of the organizations; second, play an important role in aligning interests by motivating workers to achieve strategic goals and higher quality services; third, help managers or supervisors with effective means of convincing employees that do not achieve the intended goals to improve performances; and fourth, they help managers to pay more attention to accurate performance appraisals based on objective standards and measurable objectives. The expectancy theory ties rewards and incentives with workers' expectations and good performances. This was another area of interest this study investigated to find out what rewards and incentives are more important to employees in public organizations to deliver quality service and general organizational performances. In this regard, monetary and non-monetary motivational factors were used for investigation.

### 3.3.4 Performance Appraisal Results and Organizational Performance

It is argued by Poster et al. (2015, p.7) that the use performance appraisal information in the variety of decisions-making areas such as quality of service improvement, employees' motivations, supporting strategic planning, resource allocations, evaluating performance challenges, accountability and management stimulate performance improvements in organizations and ultimately organizational performances. On a similar view, Abdel-Maksoud et al. (2015, p.530) argues that there is significant link between the use of performance information and organizational performance and therefore important for directors and managers to use it for both external and internal performance improvements in the public organizations. In this case, this study examines these different variables of performance information or performance appraisal results used for decision making to enhance organizational performance and service delivery.

# 3.3.5 Unsatisfactory Performances and Organizational Performance

Different scholars such as Liff (2010, p.85) argue that unsatisfactory performances are skated by and inaction to it has continued in government organizations as compared to private sectors. If top management in organization does not deal with issues of poor or good performers, such mentality quickly permeates to all employees in organization and consequently the overall performance of organization suffers. In a similar argument, Dzimbiri (2016, p.18) argues that one of the main causes of unsatisfactory performances in public sector is the top management paralysis on its supervisory roles, which makes many public servants to continue violating rules and regulations relating to time management and organizational performances. Further, with empowerment and good competencies to deal with underperformance, executives, directors and managers or supervisors are obliged to enforce different laws and regulations equitably (Equity theory) to improve both employees and organizational performances.

This study, therefore, explored the causes of underperformance at both individual and organization levels using variables as propounded by Hutchinson (2013, p.194) such as poor set performance standards, neglect of laws, delays at work places and others from reviewed literatures such as political interferences and lack of proper discipline management. Further, this study explores on the enforcement and implementation of different government policies, laws and regulations intended to curb such predicaments in public organizations.

## **3.3.6 Organizational Performances**

A number of researchers have shown different thoughts in regard to measuring organizational performance in organizations. Glavan & Vuksic (2017, p.143) argue that organizational performance measures can be both financial and non-financial measures which are: the ratio of input and output, achievement of objectives, achievements of financial results, consumer or clients' satisfaction and quality service delivery system. According to Katou & Budhwar (2006, p.1226), the key indicators of organizational performances are: effectiveness in terms of meeting the intended objectives; efficiency in terms of using few available resources to meet the

objectives; satisfaction including stakeholders, employees and clients; quality of services or products, innovation and capacity development to meet future opportunities and different challenges, the key aspects of concern for this study. Thus, in the context of this study the researcher did not concentrate on financial measures of organizational performance, but rather on the common non-financial dimensions of organizational performances which are among others employees' satisfaction, morale to work and achievements of goals and objectives of the public organizations.

## **3.4** The Relevance of the Theories for the Study

The relevance of these theories for this study is based on the following facts: the theories and the model connect different concepts of motivations, goal settings, rewards and incentives that are drivers of both employees and organizational performances. For example, expectancy theory offers insights to directors and managers or supervisors into management of organization performances and rewards. Moreover, it provides sketches on employees' expectations, competences, efforts and rewards in the organization to enhance performances.

According to Armstrong & Taylor (2014, pp.175–76), Equity Theory connects rewards with efforts, and based on this connection, it provides insights to the organization management fair treatment of compensation in the organization by equating input imbibing efforts, experiences, education and ability with outcomes that includes promotions, recognition, benefits and pay. It is argued that injustice among employees leads to dissatisfaction, anger, and guilt consequently affecting performance in organizations. This is not only alerting directors and managers or supervisors to not violate pay equity but also precaution management to avoid inequities that lead to employees' absenteeism and resignation from work.

Furthermore, Goal Setting Theory provides insights to decision makers in an organizational context that timely goal achievements and general improved performance can be realized through conscious goals upon which employees and organizational performances can be managed. The main conclusion to be drawn from these theories is that all have an important role to play in improving both employees and organizational performance.

## 3.5 Chapter Summary

This chapter has offered and presented theories underpinning the conceptual framework for the study. Theoretical viewpoints that show relationship in the conceptual model and different variables from motivational theories; Expectancy, Equity and Goal setting theories together with performance management model for the public organizations have been discussed to show their effects on organizational performances. It generally argued that performance management system forms different practices that motivates and improves performance and service delivery culminating to general organizational performance. This conceptual model forms basis for data analysis in Chapter Six. The next chapter provides general global perspectives by reviewing literature on the implementation of various aspects of performance management in different organizations from both developed and developing countries.

## **CHAPTER FOUR**

# **Empirical Literatures on Performance Management System**

## 4.0 Introduction

The two preceding chapters have provided literature review and theoretical and conceptual framework based on three theories and models for public organizations. This chapter explores empirical literature on performance management system from different perspectives. It deeply reviews literature on different concepts of the system from different global scholars, which include implementation of performance management systems, its effectiveness on organizational performance, rewards and incentives, and the use of performance appraisal results and issues of underperformance in the public organizations. Furthermore, this chapter widely examines empirical studies from different countries in the world on important aspects of performance management system imbibing issues of others countries' experiences on rewarding well performing workers and punishing underperformance to improve the performance and service delivery.

Moreover, the chapter explores different approaches from different countries on how different components of performance management systems such as performance appraisal systems, reward and incentive systems, the use of performance information in decision making and dealing with underperformance are implemented in the public sector and other organizations. Therefore, this chapter starts with global perspectives on the implementation of performance management systems, then the global revolution of the system, regional perspectives of the performance management system, lessons learned from different scholars' viewpoints and showing the gap of knowledge important for this study.

## 4.1 Global Perspectives on PMS

Different scholars have globally debated on the adoption of performance management and appraisal system from private sector to the government organizations. For instance, Yang & Torneo (2015, p.279) argue that the motive behind these global adoptions of the systems in government organizations was to improve efficiency, effectiveness, and accountability. Fryer et al. (2009, p.488), asserts that globally, performance management system raises three common issues and conflicts between different groups that include politicians and professionals, central government agencies that want to control the system and other organizations that want autonomy. Other common issues are: technical issues, which involve choosing indicators in the organizations; system problems including costs of performance management and ambiguity of performance objectives; and people involvement in performance management system such as employees and customers' involvement, insufficient support by the whole organization and decisions makers.

Varma et al. (2008, p.3) contend that categorically performance management system which is the tool for the organizations to set goals, determine standards, evaluate work and distribute rewards has two main functions which are: first, developmental goals such feedback and training; and second, administrative decisions including aspects of workers' promotions, different rewards and incentives and merit raises in the organizations. To achieve these functions organizations, need to set suitable system that links performance and outcomes.

Furthermore, the major challenges of performance management systems around the globe are on how to implement it in different countries with different cultures and perspectives. It is presumably and very likely that managers and employees view performance differently in different cultures.

Therefore, in an individualistic culture, the emphasis would be on individual effort and outcomes, calling for objective and quantifiable performance criteria. Since performance is viewed differently in different cultures, the mechanisms to evaluate and manage performance must be designed to address the local context. For example, seeking feedback on one's performance may be viewed as appropriate and desirable in individualistic cultures like the U.S(Allen et al., 2004, p.8), but such behavior would be deemed out of place and highly inappropriate in a collectivist culture such as Japan. According to Morishima (2008, p.223), the Japanese performance management system strength lies in its ability to support employee and organizational learning. Aspects of employment, seniority wage and promotion, and organizations unionism, describes Japanese human resource management (HRM) system in which learning new skills and acquisition of knowledge are supported and encouraged.

The performance management practices such as extensive in-house training and compensation practices that reward both employee performance and skill development, and other supporting HRM practices, broad job structures and employee participation are highly emphasized to improve performance and service delivery. Thus, it is stated that issues such as culture and structure of the society in which an organization works are the key determinants of effective performance management system. In this connection, with different views of performance, the use of performance management system in one country differs significantly with that of another country, given the differences in culture and social norms.

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It is further noted that global performance management system goal varies widely between locations of organizations, thus impacting how individuals view performance. For example, in the U.S., performance appraisal systems are primarily geared towards determining individual rewards, thus motivating individuals to work harder so that they may achieve the desired rewards. While, in a collectivist culture like Japan (Allen et al., 2004, p.9) performance management system, more specifically performance appraisals, emphasize on long-term potential, thus encouraging individuals to develop skills and competencies in order to improve performance and service delivery. Additionally, performance management system must be context-based, to make allowances for the unique circumstances and cultural norms of the location or specific country and, effective performance management calls for special attention to the national context, as issues of culture, policies and legislation, for example, can have significant effect on the implementation and practice of performance management systems.

In Singapore, Gao (2015, p.92) argues that for the performance management to be effective in the organization there are several factors that should be given more emphasis: employees' empowerment, training, rewards, punishment and feedback system, use of performance information in decisions making. Moreover, decentralization of decision making to managers in the performance management processes enhances performance in the organization. In contrast, however, there are several major barriers of performance management system effectiveness that are, among others: transforming public bureaucracies into innovative performance-based systems, cultural norms, and lack of leaders' commitment with considerable skills.

Additionally, Venkateswara (2004, p.143) adds others barriers for the implementation of performance management system as: lack of support from senior management whose perceptions

are that the system in unimportant, co-ordination of human resources and other line departments and managers training to participate and use performance management system effectively.

Regarding pay and other incentives to the employees as critical components of effective performance management system in public sector in Singaporean government, Kim & Hong (2013, p.1144) argue that the pay structure has two elements: fixed pay and variable pay. In the variable pay, there are three elements: annual variable component, individual performance bonus, and national bonus. In doing so, the Singaporean government links the government employees' pay to their national economic growth. Specifically, for this study, the scholars have demonstrated key issues imperative for the implementation of performance management system in the public organizations. The raised issues by these scholars on empowering employees in areas such as knowledge and skills development, rewards and incentives are imperative for the implementation of performance to achieve its organizational objectives. The views are also supported by Armstrong (2012, p.52) asserting that for in order to attain quality service delivery, efficiency and general organizational performance, issues of training, punishing underperformances and organization management support need to be more emphasized.

Furthermore, another lesson of performance management system can be drawn from Serbia by Tomic et al. (2016, p.451) explaining that one of the reasons for the organization in developing countries to lowly improve performance and delivery of quality services is lack of skilled workers, developed institutional infrastructure and knowing the importance of performance management to improve performances. Contrary to the practices of the developed countries, performance management in most domestic organizations is chaotic, and not based on scientific principles and methods. This means that the proportions of small, medium and large organizations in Serbia are not different in terms of implementing performance management system. Performance management system is relatively equally present in large, medium and small organizations. Therefore, existence of a performance management system is not related to the size of the company and can be done well in any size of company as long as the resources required to do it well are there in place. These scholar's arguments, which are the concern for this study, are supported by different scholars such as Fryer et al. (2009, p.489)who argue that lack of strategic focus, training, insufficient support form the organization decisions makers and customers involments slows down the implementation of performance management system in the organizations.

In Czech Republic, for instance, Spalkova et al. (2016, p.81) cites that there are no legal regulations in the country providing for a specific procedure that can be followed by organizations and the public sector in evaluating their employees or managing performance in general. Furthermore, there is no legal regulation in place in the Czech Republic that would provide for the evaluation of public officials. However, it is clear that the implementation of employee evaluation in public organization in the Czech Republic depends mostly on the will or behavior of specific chief executive officers in the organization.

For the case of Hungary, Revesz (2016, p.12) argues that performance management in public sector is all about increasing performances in terms of economy, effectiveness and efficiency and has been on its agenda for many years. The Hungarian government supports the creation of performance-oriented culture in the public sector in a comprehensive and explicit way. There are different levels in the organization used to implement performance management system in Hungary public organizations: at the organizational level the system does not only support issues of planning, measurement and feedback of actions but also provides necessary information to

important stakeholders on effectiveness and quality of services. Additionally, the system helps to define strategic objectives and these objectives are communicated throughout the organization. In regard, managers as key players in the implementation of the system are given more power for internal decisions in the organizations. The Hungarian public organizations support managers with performance management related trainings to increase knowledge, skills and for accountability purposes. However, such efforts are not without challenges. According to Revesz (2016, p.24), factors that hinder its implementation in public organizations is: lack of legal and financial independence connected to ministerial interferences and lack of clear mission, empowerments and pro-activeness among top management team in organization.

#### **4.1.1The Evolution of PMS**

According to Mutahaba (2011, pp.12–13), there is a tendency by both scholars and practitioners on the subject of performance management to suggest that the phenomena started with the advent of the New Public Management (NPM) movement that was at its height in the early 1990s. In its contrast, however, the concern for improved performance in public organizations has been in trend for more than one hundred years and current focuses in terms of its uses, its elements and application have to some extent been influenced by its evolution over those years. In view of that fact some attention is devoted to reviewing the evolution of the performance movement with a view to establishing the extent to which current thinking and practices on performance management system have been affected by that history.

According to Dooren et al. (2015, p.43), the initial steps in adoption of performance management practices arose between the end of the ninetieth century and early twentieth century, and

emanated from different backgrounds, including social reformers, engineers and specialist administrators as well as large corporations.

Most of the movements were a response to and sought answers for the problems arising from industrialization, poverty and social unrest, and inefficiency and corruption in governments through the rationalization and quantification of policy and administration. However, Dooren et al. (2015, p.54) observed that most notable evolutions in the twentieth-century performance movements have been the ever-increasing integration of measurement in the core processes of the public sector. The twentieth century witnessed a growing integration of measurement within and by the public sector itself. Quantitative approaches to policy and management became an inclusive part of government. Based on this study the arguments are in line with public sector reforms agenda in Tanzania as justifiably asserted by Issa (2011, p.7) that public organizations requires to achieve high productivity and outcomes in terms measuring performances ultimately contributing to the national growth.

On NPM, Visser (2016, p.79) asserts that it is the business-like ways of working, managing and controlling the public organization aiming at improving performance and service delivery. Through NPM, public organizations have to increase ability to correct problems and be accountable for performance achievements to foster responsiveness to political and social demands and value for money. With contradictory views, Kagaari et al. (2010, p.511) argue that difficulty in describing clear and measurable goals, less use of rewards and incentives have lowered performances, service delivery, accountability and responsiveness of public organizations to public. Moreover, the reviewed literature has shown other different factors such as lack of commitments among employees, organizational factors, and political interferences to be affecting the business-like ways of working in the public organizations.

On the view of performance movements, Mutahaba (2011, p.13) details that the first set of performance movement campaigners labeled the social survey movement that comprised social reformers who were concerned with addressing the societal disorders and problems featuring industrialization in the first world including understanding their causes. Further, to effectively deal with poverty there was need to gather quantitative information on characteristics of poverty, including statistics on numbers of poor people, causes of poverty, measures to alleviate it.

Arguably the reviewed literature, and as depicted in Table 4.1, indicate that the performance movements and ideas have been around the globe for hundreds of years and that after the first movement, several other movements each with its own featured characteristics followed.

SN	Performance Movement	Time	Issues/Characteristics
1	Social survey movement	1900-1940	• Facts on social problems such as poverty
	Cost accounting		Resources mobilizations
	• Scientific management and		• Control and openness for costs of activities in
	science of administration		organizations
			<ul> <li>Records keeping and analyses of costs</li> </ul>
			• Output and outcome indicators
			<ul> <li>More demand of public services</li> </ul>
			<ul> <li>Need of professional workforce</li> </ul>
			• Work plans
2	Performance Budgeting	1950-1970s	• Attention on improvement and budgetary process
	Social Indicators		• Link organization objectives and work to be done
			with the budget process.
			• Change from output to outcomes
3	New Public Management	1980-2010s	• Review of performance systems
	Evidence Based Policy		<ul> <li>Measure output and performances</li> </ul>
			<ul> <li>Performance based managed organizations</li> </ul>
			• Effective allocation of resources
			• Use of performance information
			• Use of performance indicators
			• Facts and figures on outcomes

 Table 4 1: The Evolution of PMS

Source: Adapted from Dooren et al. (2015, p.51)

Furthermore, it is argued that the contemporary performance movement in the public sector has been titled differently, such as performance Management System or Results Oriented Management. It has been used extensively in private sector business organizations but it is now being used as a management and performance tool in public organizations. While its public-sector origins have to do with attempts by governments to secure accountability of state owned business-oriented organizations, it came to spread into traditional governmental organizations as part of the measures to contain public expenditure during an extraordinary global economic crisis that overwhelmed the world between the span of 1970 to 1980. Demartini (2014, p.35), argues that the starting point of performance management system can be traced back to the change in management philosophy in 70s caused by the internationalization practices which needed efficiency in production processes resulting into different cost management techniques and pressure on performance measurements. The new management techniques embedded different aspects among others; strategic costs analysis and action-based costing.

Until 1990, according to Mutahaba (2011, p.20), with the rise of New Public Management performance management system was adopted on a large scale, as regular management tools in majority governments. The motives behind the adoption and other reforms were at having governments away from being the principal vehicle for achieving socio-economic development to that of guiding and facilitating the development process.

The main policy options revolved around reducing the role of government and creating space for non-state actors in the socio-economic and governance process. The adoption of such policy responses were based on the premise that the crisis in public sector performance emerged from the increasing and over expansion of the state; the remedies therefore lay in taming and scaling it down. Based on these general global perspectives, there are mixed thoughts among scholars on implementing performance management system in organizations: the major issues presented by the scholars are significant to this study. The key issues here are: cultures and national context, evaluation and management of performances, training and development, policies and regulations and linking performance with rewards and incentives; these are determinants for performance management system effectiveness to improve performances and quality service delivery in organizations.

# 4.2 PMS: Regional Perspectives

This section presents different continental general perspectives on different aspects of performance management system. In each continent two to three countries are tackled to examine different approaches regarding performance management system, its effectiveness, and implementations of the system, issues of rewards and incentives, and the use of performance in organizations. The next section starts with America (U.S.A, Mexico and Canada) looking at performance management practices and how they contribute to organizational performance and service delivery, followed by Europe (UK, Ireland and Italy), Asia (India and South Korea) and Africa (South Africa and Ghana). The aim for this general literature review from these countries is to examine the extent to which issues of performance management system are implemented and pinpointing relevant lessons surrounding its effectiveness to improve performance and service delivery in public organizations.

#### **4.2.1** Performance Management System in America

According to Gao (2015, p.92), the use of performance management practices in developed countries such as U.S.A and UK to a great extend has proven to improve organizational performances and that contributes to citizen satisfactions. In addition, Newcomer & Caudle(2011, p.113) notes performance management system in U.S.A to have improved transparency in reporting achievements and incentives schemes in government agencies. Based on the benefits, Pulakos et al. (2008, p.97) argue that there is enormous variety of performance management systems used in the United States of America (U.S.A) organizations. It is stated that, nearly every category of industry and organizations, from multinational corporations, public organizations that employees hundreds of thousands of people, to the smallest organizations use strong performance appraisal systems embedded in performance management system in response to clear performance results and general accountability to improve performances and service delivery.

Further, Selvajan & Cloninger (2012, p.3079) contend that in American organizations, performance management system and more specifically on performance appraisals, tend to base on individualist approaches. On the view, Pulakos et al. (2008, pp.77–78) argue that the strongest individualistic nature of U.S culture is manifested in performance management systems as a belief that employees ought to be evaluated on the basis of individual performance and contributions. Therefore, performance evaluation in the U.S is mainly focused on the performance of individual employees rather than the performance of teams or work groups. As a capitalist country, workers in the U.S organizations largely expect that rewards and incentives come direct as the result of individual contributions.

As a result of this, there are competitive aspects to many performance management systems in which only the top performing employees receive the greatest rewards and incentives. However, capitalism has also created fierce competition for organizations and the people to be hard work leaders translating into the expectations that performance management systems are administered in a fair and transparent manner and that employees have input into how their performance is evaluated. These expectations are reinforced by the U.S legal system, which allows employees to easily seek redress if they feel they have been treated unfairly. These aspects of top performing employees' rewards, transparency, fairness in evaluation and legal system are of beneficial to knowledge development in this study.

Many U.S organizations use performance management systems for decision-making such as pay, promotions, and reductions in workforce, assignments and bonuses. But very fewer use PM to guide employee development, including training, mentoring, and other experiences to help employees develop their capabilities. The choice of whether to use a system for decision-making or development remains critically an important one that has implications for the system's design and implementation.

However, there are about three key factors impacting the performance management in the U.S be it used for decision-making, development, or both, these factors are so general to essentially all performance management systems in the U.S which are among others: focus on results and use of automated human resource systems. Further, with all the success, there are many challenges associated with implementing effective performance management systems in the U.S, the following three are particularly problematic ones: first, organizational members view performance management as an administrative burden to be minimized rather than an effective strategy to obtain business results; second, managers and employees are reluctant to engage in open performance discussions, and third decisions and time factors impede accurate performance assessment.

For PMS to be effective, according to Pulakos et al. (2008, p.106), organizational members, especially managers, must view the system as one that helps to achieve organization objectives. As if the system will not be used properly, consequently, it will not yield its potential value to improve performances and service delivery. Moreover, the key challenge on the implementation of the system is to determine how to demonstrate and convince leaders about the strategic and business value that effective performance management can have if sound practices are implemented and reinforced within an organization. However, the challenge is on how to convince managers to use the system as an active tool to manage the daily performance of employees.

Newcomer & Caudle (2011, p.111) contend that developing and implementing effective performance management systems in public organizations is not an easy task. In the U.S first, the systems are aligned with and support the organization's direction and critical success factors; second, well-developed, efficiently administered tools and processes are of paramount important to make the system user-friendly and well-received by organizational members; and third, both managers and employees must use the system in a manner that brings visible, value-added benefits in the areas of performance planning, performance development, feedback, and achieving results to improve organizational performances.

In this regard, do Tanzania public organizations use the system to bring visible and valued benefits such as employees viewing it as helping to achieve the organizations objectives? The important lessons here for the organizations are: making the system user-friendly and seriously

connecting the system with rewards and incentives to top performers in organization as propounded by Issa (2011, p.165) will lead to positive performance results and general quality service delivery to the public.

In Mexico, Davila & Elvira (2008, p.115) argue that performance appraisal which is the critical component of performance management system is not the final outcome but it is the initial kickoff for almost all human resources processes. It is advocated that performance management systems have been approached from the angle of contextual and organizational factors. The angle provides insights for performance management in Mexican organizations beyond a narrow preoccupation with measuring individual performance. HRM practices are highly influenced and guided in more culturally sensitive practices of performance evaluation. Furthermore, on the employees in Mexico, Selvajan & Cloninger (2012, pp.3066–68), argue that values, contexts and culture have great impact on the implementation of performance management system and specifically on performance appraisals; consequently, it is stated that the cultural delicacy of the performance appraisal process is key for all the actors involved. The way managers and subordinates respond to organization and mutually rely on social relationships is critical for accepting the evaluation and contributes to protecting trustworthiness.

The view of collective cultures among employees in Mexican organization places higher values on evaluating group performances than individual employees' performances. In Mexico, the organizations use performance appraisal systems as a forum for employee expression rather than for compensation adjustment. Further, it is narrated that, with paternalistic leadership style which creates mutual obligation between managers and subordinates, discourages the use of performance appraisals as a tool to allocate rewards and thus, issues of promotions and other rewards in organization should base on fulfillment of obligations and loyalty. Workers have little incentive to learn new skills in order to improve performances because promotions are based on seniority and not on merit. It is stated that, the use of performance appraisals for administrative purposes such as promotions and salary increments are in many cases subject to managers or supervisors' influences on manipulation of performance ratings and thus performances appraisals encompassing discussions on employees and organizational developmental aspects are perceived high in fairness in Mexico organizations.

In the Mexican context, Selvajan & Cloninger (2012, p.3078) based on the research on the use of performance appraisal to motivate employees to improve performances found among others were that: first, multisource appraisals which involve self, customers and peers evaluation are emphasized to measure performance of employees in the organization, participative management practices and timely performance feedback enhances performances and service delivery; second, employees in organization are more motivated by intrinsic factors than extrinsic rewards on the basis of performance ratings and third, employees are more concerned with psychological matters and relationship building.

In particular, to Tanzania public organizations, less concentration has been given to assessment of different aspects of effectiveness of performance management system. Therefore, this study tried to address the existing issues of monetary and non-monetary rewards and incentives, the use of performance appraisal results and unsatisfactory performances in the public organizations.

In Canada, scholars such as Goh et al. (2015, p.159), indicate that in 1995 the government directed public organizations, specifically, federal departments and agencies to develop strategic objectives and goals and develop plans to measure and report on results. Annually, public organizations are obliged to provide a comprehensive report on plans and priorities (RPP) with

estimates and justifications on their spending plans. Additionally, public organizations performance reports, focuses on performance measures, both financial and non-financial, as they relate to the commitments made in the report of plans and priorities. For consistency purposes, the central government agency that oversees the public organizations provides direction through different policy directives and guidelines. This performance management (PM) process is also practiced at the provincial and municipal levels in those cases where provincial departments and municipalities have to provide annual performance reports. Also, legislation with this regard provides guidelines on the reporting standards for these performance reports. Therefore, a significant amount of PM activity regularly performed in Canadian public organizations with concern to issues of accountability and results-based management.

On the view of what the public gets from the government in term of service delivery, Daniels, (2013, p.55) and Goh et al. (2015, p.169), argue that public organizations in Canada make performance management system more effective as a management tool for improving performance and service delivery. Public organizations are repositioning the system focus on organizational internal process and developing the needed support mechanisms to make it succeed and bring in results in positive outcomes. Moreover, to make performance management system more valued and an effective process for improving the performance of the public organizations, context-sensitive contingency perspective to performance management implementation is highly emphasized.

Despite these scholars efforts to explain the mechanism of implementation performance management system in Canada public sector, issues of the use of performance appraisal results for strategic decisions and linking rewards and incentives with performance as proclaimed by Bana & Shitindi (2009, p.14) and Abdel-Maksoud et al. (2015, p.530) to be important, have not

been well articulated. This study therefore, attempted to examine these critical aspects of performance management system, more purposely, on how the system is effective to improve efficiency and effectiveness in Tanzania public organizations.

#### **4.2.2** Performance Management System in Europe

In the United Kingdom, according to Sparrow (2008, p.132), it is promulgated that the law is imposed on the nature of performance management systems in UK into three ways: Relatively few interactions have the force of law, structural support for collective bargaining, and restrictions on boundaries of lawful action. There is more emphasis on the flow of rights imbibing rights for employees on matters such as: redundancy, equal opportunities, unfair dismissal, and employment rights for the disabled and confidentiality of data. Further, different laws and regulations surround the employment relationship in the public sector and have great impact on the implementation of performance management system to improve performances. In UK, the role of performance management system is threefold: performance with more emphasis on improving and maintaining performances, assessing individual employees giving more attention to development needs and rewards both monetary and nonmonetary rewards. Additionally, Ueno (2013, pp.35–36), argues that performance appraisals are used in public organizations in UK for identification of the scope for performance improvements and employees training and development needs.

Furthermore, in UK organizations have progressed through four successive stages given in order of attention: first, cost effectiveness with narrow specifications of performance as measured through outputs such as objectives; second, the enablement of competences and broader performance specifications; third, concern about the mutual understanding between employers and employees and commitment to performances in organizations; and fourth, concern about broad strategic imperatives for designed performance management systems interwoven to HRpractices, talent management and total rewards management.

The performance management system approach is the top-down cascading process tool with advantages to clarify the nature of individual employees support for strategic objectives, educating the workforce about the nature of business performance, the monitoring of such performance, and the identification of factors that accounted for over-achieving and underachieving performance.

With growth on management competencies and values-based human resources strategies Sparrow (2008, p.135)asserts that in mid 1990s, new context for performances management system was created where organizations gave more attention to the nature of effective managerial performance and introduction of competencies in external recruitment and internal career assessment processes to improve service delivery: Consequently, the competencies approach became popular and exerted more pressure to performance management systems to be used not only to measure outputs such as achievement of objectives, targets and standards but also inputs such as values that an employees brings to a job, and demonstrated behaviors and competencies in the organizations.

On the implementation of performance management system, Sparrow (2008, p.140) admits that there are challenges stemming from micro issues of fairness, assessment validity and strategic sense making. Fairness in terms of three issues: the link between performance appraisal scores and the length of hours worked, domestic workforce discrimination in terms of age and absence of bias. Additionally, other challenges are; levels of internal consistency contained in the PMS initiatives, the varied motivations to performance management system and linking to strategic outcomes; the ability of PMS to produce higher levels of employee engagement, the level of alignment between rewards and results produced by the performance managements system.

Therefore, Mathews (2016, p.307) argues that in UK contextual variables are key determinants of the successfully implementation of performance system in organizations. In the case performance management system are with great focus on individual values orientations, the efficiency of the employment relationship, and levels of devolvement of human resources to line management in organizations. From these point of views such as using performance appraisals to improvement of performances and trainings and development, connecting performance management system to human resource management system, issues of managerial competencies and priority on contextual variable as determinants of effective implementation of PMS, this study has to answer such questions among others: How do Tanzania public organizations abide to these views on the effective way of implementation of performance management system to improve performances?

Further, in Ireland, according Rhodes et al. (2012, p.250), the state of performance management has two distinct period of activity. The first, which began in mid-1990s, focused on, strategic management initiative or delivering better government programs of reforms, and second performance reporting and a re-dedication to the internal administrative reforms reemphasizing on performance appraisal reports. Public organizations not only review performances against objectives but also different policies important for the achievement of the desired outputs and general organizational performances.

In Italy, Rhodes et al. (2012, p.253), narrate that with introduction of New Public Management (NPM) public sector reforms began in the 1990s in parallel with the decentralization of the

political and administrative systems. Different laws got formulated in order to not only introduce greater autonomy among managers, control systems and cost accounting, effectiveness and efficiency indications but also to improve the reporting of financial and other performance statistics in relation to public services. The independent agency bestowed with responsibility to coordinate, supervise and for the orientation of performance management system with great focuses on three main issues: measurement and evaluation of the individual and organizational performance; definition of the standards of the public services; and the transparency and integrity of the public sector.

The body's decision among others includes guidelines for the process of measuring performance through different stages: clear definition of objectives; establishment of significant outcome indicators; a statement of the relationship between objectives, indicators and targets; a description of indicators; and finally, ongoing measurement of the performance over a specified time period. The scholars 'finding highlights key important facts for implementation of various issues of performance management system and thus became motivation for the study of this study to undertake investigation of such aspects to the Tanzania public organizations.

# 4.2.3 Performance Management System in Asia

In India, Sharma et al. (2008, p.180) argue that India government initiated its serious economic reforms in the early 1990s, resulting into several changes in policies and practices which were to be implemented in Indian organizations. The major reforms necessitated to the introduction of performance management system. The major factors that influenced performance management system in Indian organizations were: cultural diversity, economic environment and technological development. Rao (2007, p.1816), asserts that with diverse social economic background, there is

a variety of forms and designs of performance management system in Indian organizations based on types of organizations, that is, public and private. Principally therefore, with the growth of its economy, Indian organizations are emphasizing development of effective performance management system to enhance performances and service delivery.

Furthermore, the crucial human resources system in Indian settings is performance management systems crucial for organizations to be successfully. In similar vein, Venkateswara (2004, p.218), contends that performance appraisal practices vary greatly in India organizations, from no performance appraisal system to multi-component-based appraisal and sophisticated multipurpose systems. It is stated with such variations it possible to find organizations without formal mechanisms of appraising performance. Managers or supervisors use informal appraisal systems to generate different employees' performance reports important to the top management decisions at the time of salary adjustments and promotions. Furthermore, performance appraisals are used at different objectives in Indian organizations: to generate performance appraisal results for human resources decisions such promotions, rewards, transfers, job-rotation, and organizational culture of openness creation, support, identification of training needs, and organization objective setting, managerial self-assessment and performance analysis. Therefore, this study examines further these issues related to performance appraisal results in Tanzania public organizations that seen less connected to HR-practices and other organizations performance developments.

Scholars cite different challenges of implementing performance management system in Indian organizations. For example, Rao(2007, p.1813) contends that Indian organization managerial practices underemphasize performance management process leading to insignificant mutual relationship between managers or supervisors and consequently skepticism and resistance to the

implementation of performance management system. Others are lack of transparency in the appraisal process, establishing clear linkages between performance evaluation and rewards and labor laws. Further, Sahu et al. (2014) contend that though performance management system in Indian organizations provides useful performance appraisal results for both administrative and developmental decisions it lacks clear link performance appraisal data and other different aspects of development. It added that, in Indian organizations, top managers are highly involved in formulation of organizational goals than lower employees with the view that it is not only the communication of the goals that should be open to subordinates but, also the involvement of superiors in various aspects of the performance management system is highly essential for the achievements of the goals and system effectiveness.

In South Korea, Kim & Hong (2013, p.1138) argue that the concept and methods of Performance Management (PM) in both Japan and South Korea were introduced in 1990s as the result of global financial crisis and these two countries had a seniority-based management practices, presumably that more loyal employees, along with a longer seniority based on a long-term employment, could produce higher performances in organizations. In similar vein, Yang & Rowley (2008, p.210) reveal that performance management is an almost feature of work in different organizations in South Korea. With the advent of new public management approach including performance management, the real practices of performance evaluation system in the public sector were introduced in the 1990s to 2000s.

Basically, 1998 is said to be the year when various PM systems were introduced, such as management-by-objective (MBO) and were integrated into governmental organizations or public organizations. Categorically, PMS in South Korea mainly divided in to two types: First, business-based PM, managing the performance of financial projects in relation to budget.

This performance management system for a financial project is an attempt to utilize performance evaluation information in the budget appropriation process and it is also known as performance budgeting or performance-based budgeting. In more meaningful way, it is desirable to integrate both organization based and project-based performance management. Accordingly, each organization is dealing with various businesses and it pursues its organizational mission and goals based on its business. Second, organization-based PMS, which is for managing both individual employees and organizational performances. The organization-based PM is then further categorized into organizational-, departmental-, and individual-levels of PM, based on its level of application. The three levels of PM were not introduced simultaneously in the Korean government and in the public sector.

In the Korean government, an individual-level performance assessment was introduced first as a part of the public personnel management system. After that, organizational- and departmental-levels of PM were introduced gradually. At the organizational-level PM in the South Korean government, it is in the form of the organizational performance evaluation or the management assessment for public organizations. For in order to improve the performance of government tasks, the quality of public policy, and the satisfaction of citizens, it is promulgated that, the Korean government enacted different laws performance evaluation in 2001.

On the view of government performance evaluation, Kim and Hong (2013:1140) assert that there are two major evaluation components: (1) self-evaluation based on three areas such as major policies, financial projects, and organizational capability and (2) specific evaluation areas such as regulatory reform, public customer satisfaction, and specific government policies.

The Korean Government and non-departmental public bodies implements performance management systems based on both organizational and individual levels. Korean government employees are evaluated annually based on the Government Decree on Performance Evaluation of Civil Servants. There are two different types of individual-level PM systems in the Korean government: performance agreement and performance appraisal respectively.

The typical performance appraisal system uses checklist or rating scale based on the following two major areas: (1) job performance in terms of among others timeliness, completeness, job difficulties and (2) job-fulfilling abilities or competencies in terms of planning, communication, cooperation, innovation, customer-orientation. Performance appraisal system is the most important part of promotion to reflect the significance of employee performance in government organizations.

The PMS approach into the government organizations follow different steps: Organizationallevel objectives and targets are broken down into departmental-level goals, and the departmentallevel goals broken down into individual-level performance goals accordingly. Moreover, organizational-, departmental-, and individual-levels of goals and indices should be interconnected. However, as is commonly seen in other different countries, the link and integration among the three levels of PM in South Korea are usually low.

On the other side, there are constraints affecting the effectiveness of PM in South Korea, as Talbot (2010, p.25) put it forward. It is argued that there are four factors behind public sector that affects implementation of performance evaluation and management as compared to private sector: (1) unit and level of analysis; (2) conceptual problems relevant to input-output-outcome; (3) technical problems in measuring the various aspects of performance; and (4) problems of politics, values, and objectives. In fact, organizational culture, institutional fragmentation, lack of institutionalized systems of incentives and sanctions, lack of political commitment and seriousness, and lack of institutionalized training as constraining factors of performance management not well established in the public sector.

The main purpose of performance information is to induce changes in accordance to key signals of governance processes. In this regard, South Korean government has long tried to strengthen performance by introducing competition among organizations and individuals, borrowing a chapter from management of the private sector. Institutions, such as local governments and organizations within a certain body, which share similar missions and functions with multiple other organizations, make it easier to establish a competitive environment and develop credible performance indices.

Furthermore, organizational performances are evaluated based the following criterion: Innovation evaluation for the central, local governments, and public organization and utilizing public customer satisfaction. Having a system that emphasizes public customer satisfaction assumes that beneficiaries of public service, citizens as the customers, are able to directly evaluate the quality and satisfaction of the service given by the public organization.

On the effective development and implementation of performance management system Talbot (2010, p.93) argues that three dimensions need to be considered: political dimension involving different stakeholders such as among others; central ministries, legislatures regulatory and professional associations; legal dimensions imbibing institutional aspects such as law-making and system design and behavioral such as culture, motivation, and behavior of government employees, involvement of stakeholders. Socially, the citizen's awareness and general perception

on the government organizations performance are also important in terms of public trust building. In order to improve citizen's confidence in government, the government and public organizations need to demonstrate a high level of government performance. Moreover, citizen's satisfaction of public service is critical to citizens' perception on government performance in public service delivery.

There are many constraints and limitations of performance management system in government organizations. Among others, in South Korea, is meaningful incentive resources based on the performance results. However, with the fundamental constraints that the public sectors face, public sector need develop own performance management systems based on their own special characteristics.

# 4.2.4 Performance Management System in Africa

Republic of South Africa, different scholars have debated on different aspects of performance management system; its implementation, challenges, measure and evaluation of performances and effectiveness to enhance performance and service delivery in South Africa.

According to Mutahaba (2011, p.58), it is contended that just after independence in 1994 and apartheid regime, in South Africa, different reforms were undertaken in order to wrestle development and improve the delivery of public services. Changes were needed to have single comprehensible assessment of performance in the public services. Further, reforms were brought forward demanding for expansion and improvement of services to the citizens, which posed a number of challenges such as apparent decline in the quality and standard of service in many departments and public organizations. As a result of this, the need for measures to contain and reverse the decline in standards and quality of service delivery were of importance.

One such measure was the introduction of performance management system with a view to having a unified performance assessment instrument across the integrated public service on the one hand, and on the other hand generating improvements in the functioning of the public service. SAPSC (2014, p.8) asserts that the performance management system is a strategic tool that enables managers to measure and evaluate employees' performances and efficiency in order to improve performance and service delivery. As a strategic tool, performance management system imbeds several processes, which are: performance planning, coaching and mentoring, measurements, feedback, documentation, and appraisals.

For in order to make performance management system enforceable in public service (SAPSC, 2007, p.8) shows broad legal frameworks aiming at orienting employees towards performance driven culture. One of the legal frameworks is the White Paper on the New Employment Policy in the Public Service (1997), which articulates key issues important for management of performances in the South Africa public services. The key issues are: rewarding and recognizing good performances, improvement and identification of poor performances, monitoring by managers the employees' achievements and employees to know the required expectations.

On the view of South African Performance Management system thrust, Mutahaba (2011, pp.59– 62) divides into it two folds: First, development outcomes based on broader government strategic frameworks in which, the outcomes are realized through supportive of different parties that includes national agencies, departments, provinces and local governments. The achievement of this drive is through the following mechanism among others: (1) performance agreements which indicate commitments between parties on planned outcomes in a given specific time, (2) delivery units for follow-ups and identification of delivery impediments and ultimately its improvements. Second, performance management system at both institutional and employees levels focusing on the following aspects: (1) improvement of performance and efficiency of public services through performance management measures confined in the broader government development outcomes frameworks (2) assessments of performance of public servants aiming: to create linkages between measures to organizational performances, to improve service delivery; to improve the attraction, retention and development of high quality senior managers and professionals in public service; provide a fair and equitable basis for identifying under-performances and rewarding good performance.

Furthermore, performance appraisal system is for the assessment of individual employees across the institutions, departments and agencies and implemented through different performance agreements with specific performance indicators used for evaluations. Despite of the fact that, the adoption of PMS created unified public services to support the attainment of social economic development, there number of challenges, which, has limited its viability in contributing to improving the delivery of South Africa public services. On the view, study by Mafanya & Matsiliza (2016, pp.26–27) on performance management practices in South African police services found many challenges which lack of proper planning are, conflicting ideas about measuring performances, lack of managers and top management supports to correct mistakes and problems, lack of appreciations for good performances and sanctions for underperformers and general lack of resources.

Additionally, Seotlela & Miruka (2014, pp.184–85) study on the implementation of performance management system in South Africa mining industry found many challenges regarding its implementation which are among others: there lack of training, poor communication between line functions, perception among employees that the system does not add value as rewards and incentives are the same to everyone irrespective of performance results, lack of understanding of

performance management system components and adequate support to the system. Moreover, challenges to do with the implementation of the appraisal system at both senior management level and individual employee level.

Furthermore, the report on poor performances in South Africa Public Services (2007: 13–14) contends that managing poor performances in public service is a challenge and, thus there need of government organizations to manage underperformances in order that performance management systems improves performance and quality service delivery to the citizens. Moreover, there a number of challenges of managing underperformances in public organizations which are among others: unrealistic formulation of targets, lack of both financial and nonfinancial resources which are fundamental mediators of performance management system effectiveness, resistance to changes attributed to many employees liking only job security and not hard working, lack of records on poor performances necessary for disciplinary actions, lack of clear objectives in which majority of employees fails to understand what is expected to be achieved, lack of necessary skills to management team to deal with underperformances and noncompliance to performance managements system.

In Ghana, the introduction of performance management system in Ghana according to Ohemeng (2009, p.115) was the result of different administrative reforms meant to reverse economic crisis in 1980s, which hugely affected the performance of public organizations. Further, it is stated that before these deliberate reforms initiatives public organizations were characterized by among others: lack clear objectives and performances measures. Ohemeng (2011, p.473), contends that performance Management System didn't exist in many public organizations until in the mid-1990s. However, measuring organizational performance in 1990s, was assessed through annual reports and financial statements audited by the auditor general. Employees' performance was

assessed through annual confidential reports system. Such a system had no ability to measure performances of public organizations.

It is further argued that; the inability to carefully measure the performance of public organizations had a strong impact on performance, which also affected the overall performance of the administrative machinery throughout the country. It is asserted that, the overall social, economic, and political environment that prevailed in Ghana from post-independence era (1957) until the mid-1990s contributed in the overall performance of its public organizations. Moreover, organizational performance suffered because of the lack of resources, organizational leadership, and general direction from political authorities.

On the view of performance management system which meant to improve performance and service delivery in public organizations in Ghana and other countries, Rhodes et al. (2012, p.244) argue that it consisted of two major components: first, institutional dimension, putting more weight on operations of the organizations. All organizations had to focus on performance results in order to address needs of the citizens. Moreover, there were number of follow ups to assess the performances of the organization through different reports quarterly, mid-year and annual, which were seriously analyzed to find out achievements of activities and constraints; second, individual measurements involving signing of different performance contracts and agreements. Performance contracts involved heads of organizations with respective appointing authority focusing on specific deliverables linked to the government priorities. Additionally, performance agreements involved employees with supervisors at different levels in the organization. Hence, despite efforts in putting both performance contracts and agreements, change of culture in the public organizations was not at satisfactory degree.

Furthermore, performance management system was an attempt by governments to assess the efficiency, effectiveness, and accountability of public organizations. However, it is stated performance management depends both individual behavior and organizational culture. Thus, whether a performance management system or some other models works depends on the extent to which an organization's members accept the system as part of the organization's culture; if they do, that will mean behavioral change on the part of those members and consequently improved performances.

Rhodes et al. (2012, p.245), add that the implementation of performance management system in Ghana public organizations, encountered several problems which are among others (1) lack of sanctions to unsatisfactory performances and rewards,(2) lack political commitments which consequently affected managers or supervisors attitudes in improving performances and service delivery, (3) employees finding the system valueless contributing no motivation, career development ,(4) failure of the system to distinguish good and bad performers (5) poor capacity on setting clear objectives and targets,(6) the use appraisal forms for promotion only and not for training and development.

Further, on the performance appraisal system in the public organization, Ohemeng (2009, p.121) argues that managers or supervisors are not objectively appraising lower cadre employees or subordinates affecting most of the performance appraisal results or information being not reliable for different decision making. For in order to deal with such challenges, Ohemeng (2011, p.476) contends that enshrining performance management system in different laws to promote a performance culture in public organizations was inevitable. The legal backing of the system aimed at making managers and other members of the public organizations. Other intention of laws backing the system were to deal with some profound institutional and capacity problems

such attitudinal issues, incentive and sanction schemes, and training that had significantly undermined the success of performance management in public organizations.

Furthermore, it is argued by Ohemeng (2011, p.480) that if the legislation of the system does not work and for effective performance management system in public organizations, there need of taking measures: employees involvement and empowerment, continuous support and discussions on the internal performance management system, employees participation in development and implementation of such a system which raises energy to ensure the system flourishes to improve performance in organization. The lack of involvement and knowledge by the public and other important stakeholders means that these citizenries are unable to hold head of public organizations and other employees accountable to whatever through performance agreement agreed to achieve in the system. Therefore, from this study viewpoint, attention has been paid to investigate on the performance appraisal results use on among others accountability imbibing issues of disciplining poor performances and rewarding employees in the public organizations. In this case, Ghana used different means including legal system to institutionalize performance culture in public organizations to foster performance and service delivery. The use of legislation for this purpose has been common practice in many governments, believing that such mechanisms are the best way to infuse such a performance culture into their organizations. However, the mechanism is meaningful way if achieves the intended objective.

Therefore, it stated that, investing in the creation of a support base for the performance management system during the development and implementation stage; ensure organizational commitment and thus its successful adoption to improve performance and service delivery. Further, (Ohemeng, 2009, p.123) adds that rewards and incentives for good performers and sanctions for poor performances are critical elements of performance management system in

public organization, and thus without it, expectations for the system likely to be low affecting performance improvements and quality service delivery. Based on these views this study attempts to answer questions related to rewards and incentives to motivate employees to deliver quality services. It looks into how public organizations link performances with rewards and incentives.

#### 4.2.5 Empirical Studies on PMS in Tanzania

In Tanzania context, issues of performance management system implementations are communicated by a number of literatures and studies done on managements and others aspects of public sector reforms programs meant to improve performance and service delivery. Regarding literature reviewed it is argued, for example, in the public service management and employment policy reports (URT, 1999:12) and its second version (URT,2008:24),that the government and its organizations in the public services need to have performance management system as an approach to sustainably improve and manage performances and achieve the intended goals and objectives.

Moreover, Songstad et al. (2012, pp.12–13) on the study of assessing performance enhancing tools; focused on OPRAS a critical component of performance management system in Tanzania health sector. The researcher found that OPRAS, as applied to health workers was conducted as a matter of compliance with the reason that it was not giving any financial benefits. Another study by Tefurukwa (2014, p.10) focused on the connection between employees' performances appraisal scores and actual productivity in government organizations. Through OPRAS where performance appraisal scores are obtained, the study revealed that such scores were not showing reality in terms of quality services in the public organizations. The study also highlighted that high-performance rates to employees indicated cheating on performance assessment process and

therefore accountability and other disciplinary actions to managers and other supervisors were inevitable. The study further revealed that despite different public services reforms in which systems, management tools and mechanisms were introduced in public organizations the Tanzanian public administration has been slowly changing; consequently, affecting well-timed service delivery to the public. Furthermore, other studies by Therkildsen & Tidemand (2007, p.63) on staff management and organizational performance in Tanzania and Uganda, and Bana & Shitindi (2009, p.4) on performance management in public service, stresses, that performance management is an important element for increased performances, getting better results, measuring both employees and organization performances in public organizations and that requires employees and top management team commitments.

The studies revealed that the implementation of performance management system and more specifically OPRAS in public organizations requires adequate input resources, necessary management requirements and provide means of rewarding employees for good or bad performances. Despite efforts by the above named scholars to study different aspects of performance management system (e.g. OPRAS) in Tanzania public services and reviewed literature, it shows that, little work has been done to examine the following issues: the use of performance appraisal results generated through OPRAS processes in HR-issues and organizational development decision making, effectiveness of performance management system in improving both employees and organizational performances, the key causes and role of performance management system in managing underperformances the organizations. Hence, these became motivators for this study to comprehensively investigate the effect of the implementation of performance management system on organizational performances. The central argument of this study is that with all the reforms in the public sector which culminated to

formulations of different policies, legal frameworks and regulations to back up the systems and mechanism to improve performance and service delivery, little attention (if any) has been paid to examine the difficulties facing these public organizations in the implementation of the system creating a gap in literature on what are problems contributing to its ineffectiveness in its key system areas. The key areas of concern are effectiveness of performance management system to foster employees and organizations performances, rewards and incentives both monetary and non-monetary, factors for unsatisfactory performances at both individual employees and organization levels.

### 4.3 Insights from Literature Reviewed on PMS and Gap of Knowledge

It can be combined from the reviewed literatures that, the main concern behind the introduction of performance management system was in many countries to respond to increasing pressure that public organizations have to improve performances and quality service delivery to the public. Further, the reviewed literature in both developed and developing countries indicates that, many countries experiences related or almost the same problems in the whole process of implementation of different aspects of performance management system.

However, lessons on performance management practices in specific countries revealed levels of economic development and different settings become determinants of the system effectiveness: For example, Gao (2015, p.92) has revealed, in the United States the performance management system with its strong legal framework there is much stressing of many aspects to learn among others: proper documentation of effective and ineffective of performances, holding managers or supervisor accountable for timely delay to provide performance feedback, use of performance appraisal results for different decision making such as higher pay raises for higher rated

employees, the use of high level managers for the evaluation of performances and documentation of roles and responsibilities for managers and other employees. Further, with, individualistic culture, the evaluation needs to base on individual employee performances and contributions.

On the view of individualistic culture, Kohli & Deb (2008, p.416) contend that perfomance management system focuses on individual employees accomplishements and merits as the basis for career developments. In this case rewarding employees performances bases on high performances and that employees regards jobs as more important than job security. Additionally for the case of countries with collectivist cultures, performance management system are set to suit such settings and employees have moral involvements in the organization and places high degree of importance in job security. Therefore, these views are of paramount important on the effective implementation of performance management system in the public organizations. In Japan, publications of performances in the organizations are shown as important approaches of effective performance management system and general accountability in the public services. Further, assessments of employees based on detailed criteria, capability to perform and achieving intended objectives and targets are also important aspects of performance management systems. And thus, there is need of such a study on performance appraisal results.

Furthermore, it is has been revealed from the scholars that, adequate performance management depends, largely, on transparent communication between management and employees about the values and purposes of performance management system. Hence, the purpose and value of performance management need to be explained to employees and in a way that employees understand it better. This study investigates whether in Tanzania public organizations; employees

understand the purpose of performance management system in improving performance and service delivery.

The reviewed literature above has gone further to highlighting a number of development and implementation challenges of performance management system in organizations, including political, organizational, jurisdictional, human, and technological obstacles. Hence, this study examines the manners in which the challenges affect the implementations of different aspects of performance management system in public organizations. Another key lessons are propounded by Newcomer & Caudle (2011, pp.112–13), that contextual variables are important, when considering, when and how performance management systems are implemented and evolve: (1) country's institutional structure and arrangements (2) the process of defining outcomes, such as standards to assess performance and conflicting program goals; (3) issues related to timing, such as reporting periods; (4) availability and investment in data systems, such as data sources and usability and use of data; (5) predominant performance values, such as efficiency, effectiveness, access, and equity; (6) system gaming experiences, such as efforts intended to avoid performance assessment; and (7) accountability arrangements, including internal and external accountability and control through sources such as legal or political expectations.

Therefore, based on lessons, experiences and views from the above scholars, different gaps in literature were identified and thus predicted that performance management system in Tanzania public organizations would have many challenges to improve performances and service delivery. It was interesting to find out issues surrounding performance management system that have well been addressed in other countries but not to the public organizations in Tanzania. The literature has further revealed, that despite efforts the government of Tanzania has put to the development of policies, laws and regulations fewer studies have examined issues of its effectiveness in

backing up performance management system to enhance both employees and public organizations performances and service delivery. Issues such as management of underperformances, financial and non-financial rewards, lack of skilled workers for the system, the use of performance appraisal results in decisions making and general performance management system effectiveness in public organizations were established by the researcher that this study should be conducted to actually assess them, if enhances organizational performances.

### 4.4 Chapter Summary

Country specific performance management system has been a critical element in the public sectors reforms in Tanzania and other countries to improve performances and quality service delivery. Different scholars worldwide have debated on its efficacy to enhance performance and service delivery in public organizations. Since the 1980s, many countries reformed public services by introducing different performance management and appraisal systems in order to make the most out of the public service servants. Further, the reforms, influenced by New Public Management (NPM) movement, likely had improved service delivery, accountability and incentivized workers in government organizations.

This chapter has reviewed the literature on various issues of performance management system, its effectiveness, rewards and incentives, performance appraisal system and use of performance information in decision-making in organization from both developed and developing countries. It has emerged that performance management is an extremely important activity to improve performances and service delivery in organization. Performance evaluation and management helps in demarcating good and not so good performers.

As a barometer to gauge overall performance and service delivery in the public organizations, performance management through measuring and then managing performance is very important. Needless to say, without measuring and managing performance, direction cannot be ascertained. It shows in different countries organizations face the challenge of how best to manage performance. That is, the organizations must determine the best ways to set goals, evaluate work and distribute rewards in such a way that performance can be improved over time. On the view, Varma et al. (2008, p.254) contends that all organizations face challenges, the way organizations respond to those challenges may well depend on where the organization is located and the context within which it is operating.

Further, differences in culture, technology and levels of economic development revealed to have great influence on the implementation performance management system and that approaches of its implementation works differently based on different settings. In addition, the critical analysis on the benefits and importance issues of performance management indicates that, affect every organization, regardless of whether doing business or not. Now, why does any organization need to implement performance management system? There are a number of reasons; however, a major reason underlying all such systems is the attempt to improve performance, accountability among employees and service delivery to the public. This means that the performance management system must motivate employees to exert effort in the directions the organization desires and to help the organization meet its goals.

#### **CHAPTER FIVE**

#### **Research Methodology**

## 5.0 Introduction

This chapter in detail explains the general approach used to conduct this study. The research methodology and design used to achieve this study, collect and analyze data on the effect of implementation of performance management system on organizational performances in public organizations are presented. According to Sahu (2013, p.3), research methodology is the science of studying how research is carried out scientifically encompassing various steps such as understanding how to reach the answers to questions, methods or techniques to be used among available techniques, assumptions, merits and demerits. It is further argued that research methodology helps researchers to formulate and identify problems and hypothesis, gather information, participate in the fieldwork, use statistical tools and drawing inferences from the collected data. This chapter's main objective is to justify the research methodology and design used for the study, establish philosophical basis, ontological and epistemological assumptions for the study.

## 5.1 Research Design for the Study

According to Yin (2011, pp.75–76) and Sahu (2013, p.26), research design is a logical blueprints or framework which links research questions to data to be collected and its strategies for analysis in order to address the intended research problem. The detailed outline plan helps researchers to reach the objective of the research in the best way possible.

Additionally, research design is considered as structure involving specific methods that guides the whole study and clearly explains different stages to be undertaken in the research process in order to reach the objectives of the research. MacIntosh (2015, p.82) contends that research design is all about steps that embrace research questions to data collections and analysis stages in the comprehensible way reflecting social reality being explored. Sreejesh et al. (2014, p.17), add that research design is the framework that provides specific details regarding the research process to be followed in conducting research and its key factors are research objectives and availability of data sources.

Literature adequately outlines different types of research designs based on strategies and specific methods used in the study and philosophical assumptions. On research philosophical assumptions, Newby (2014, p.36) contends that these have influenced to not only how the research is conducted but also what is researched and how evidences are interpreted. Therefore, philosophical foundations for this study based on two research paradigms: first positivist or objectivist research paradigm which according to Wellington (2015, p.26), it is concerned with discovering the truth about the social world through measurable facts (quantitative approach) from which generalization of the findings can be drawn; second, phenomenological or subjectivist paradigm in which, according to Newby (2014, p.38), a researcher investigate different individual viewpoints, experiences, perceptions and understandings(qualitative approach) of different aspects of the research.

According to Saunders et al. (2016, p.165), there are three different types of research designs which can be used to uncover some truth of research questions. These designs are qualitative, quantitative and mixed methods, and it is argued by Newby (2014, p.97) that no one of the design or approach is unquestionably better or worse than another.

On the view, Merriam (2014, p.13) asserts that qualitative research concerns with helping researchers to study things in natural settings, makes sense or interpret phenomena or occurrences in terms of the meanings respondents or people brings in during the research process whereas quantitative research focuses on testing hypotheses to explain underlying relationship and measuring variables.

This study is based on the premises that qualitative and quantitative research designs can be mixed. The mixed method research design approach helped, to have an in-depth understanding of the matters regarding performance management system effectiveness, rewards and incentives, and performance appraisal results in Tanzania public organizations. Additionally, this is a hybrid approach that elicits data or information and relating it to real life experiences and meaningful insights to the topic investigated. In this case, the next subsections briefly review the research designs and justify the choice of the design used for this study.

## 5.1.1 Qualitative Research Design

The philosophical positions for the qualitative researches according to Merriam (2014, p.8) are on the nature of reality that are socially constructed (ontology) and nature of knowledge (epistemology). On similar vein, Gupta & Awasthy (2015, p.14) contend that qualitative research is all about studying phenomena in its natural setting; attempts to make sense of, or interpret, phenomena and uses social actors' meanings to understand the phenomena. Furthermore, in qualitative research, researchers study people doing things at workplaces where things are done on its natural settings. On a similar argument, Bainbridge & Lee (2014, p.15) proclaim that qualitative research provides information about context and allow a deeper understanding of phenomena where the study is not separated from the phenomenon under the study. According to Glenn (2010, pp.95–96), qualitative research is a field of inquiry that helps researchers to have in-depth understanding of human behaviors and the *why* and *how* of the decision-making questions are investigated to get a better understanding of the phenomenon.

Furthermore, qualitative research is not for theory testing but rather theory development and provides details about the lived-in experiences of human beings such as emotions, relationship of individuals, beliefs and opinions. Further, Saunders et al. (2016, p.168) assert that qualitative researches are based on interpretive paradigm in which the study makes sense of subjective and constructs meanings through phenomenon being structured.

According to Yin (2011, p.7) and Creswell (2012, p.18), qualitative research has several distinctive features which are among others: the covering of contextual conditions within which people live, the use of multiple sources of evidence rather than relying on a single source alone, contributes insights from emerging concepts that help to explain human social behavior, based on a set of interpretable material obtained through interviews, artifacts and practices helps researchers to study people's lives, views and perspective under the real-world conditions.

The study used the qualitative research design to understand several aspects of performance management system in the public organizations. Through interviews, the study gained useful insights, interpretations and employees' different perspectives on the implementation and effectiveness of the system on different areas such as rewards as motivators for the quality service delivery and improvement of organization performances.

### 5.1.2 Quantitative Research Design

According to Saunders et al. (2016, p.168), quantitative research is associated with positivism philosophy involving high structured data collection techniques, different variables measured numerically and analyzed statistically. On similar vein, Brown & Hale (2014, p.26) add that quantitative research design focuses on reducing social phenomena to numbers by giving them numerical codes and then analyzing them with statistical techniques. This design bases on identification of research problem in order to establish tendencies and variations of responses from individuals and explaining why something occurs. Additionally, the study identifies a research problem based on trends in the field or on the need to explain why something occurs (Creswell, 2012:, p.13). For example, this study strives to find out how employees perceive performance management system on its effectiveness on organization performances and quality service delivery in public organizations.

Explaining quantitative research design, Bainbridge & Lee (2014, p.15) contend that it draws upon numeric data gathered using structured and validated data collection instruments to test hypotheses about the relationships between variables. On the face of it, Saunders et al. (2016, p.168) state that quantitative research not only relates with a deductive approach, in which it focuses data to tests theories but also examines relationships between variables, which are measured numerically and analyzed using a range of statistical and graphical techniques.

The study used quantitative measuring variables on performance management system, motivation factors, unsatisfactory performances and use of performance information or performance appraisal results and organizational performances in public organizations.

In this case, quantitative research variables were quantified and analyzed using the statistical packages for social sciences (SPSS version 22) in order to draw different conclusions.

Moreover, in quantitative research, Glenn (2010, p.104) propounds that theories and theoretical frameworks are key players that are used to generate hypotheses for data collections and testing in which conclusions for the study are drawn. Therefore, the next section briefly explains the relationship and linkages of issues of performance management systems and organizational performances underpinning the study.

### **5.1.2.1** Hypotheses for the Study

The hypotheses for this study were on the basis that effective performance management system, motivating factors both monetary and non-monetary, the use of performance appraisal results at individual employees and organizational levels decisions making and managing unsatisfactory performances have significant effect on the organizational performances in the public organizations. According to Sreejesh et al. (2014, p.16) hypotheses are statements based on presumptions about existence of a relationship between two or more variables that can be tested through data. On the same view, Kumar (2011:, p.37) argues that a hypothesis brings clarity, specificity and focus to a research problem. Thus, in the context of this study, it is hypothesized that,

1.Performance management systems that support and provide clear performance practices (skills development, planning process, accurate assessment, feedbacks etc.) have significant effect on organizational performances.

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2. There is significant relationship between perceived sufficiently trained managers or supervisors on performance management system (coaching, objective formulations, dealing with underperformance e.tc) and organizational performances.

3. There is significant relationship between performance management system that supports clear reward system (financial and non-financial rewards) to motivate employees to deliver quality services and organizational performances.

4.Performance management system that provides adequate performance appraisal results and used for human resources and organization decision-making has significant effect on organizational performances in the public organizations.

5. There is significant relationship between factors for underperformance that affects performance management system and organizational performances in the public organization.

## 5.1.3 Mixed Methods Design

Different scholars such as Newby (2014, p.132) conceptualize mixed methods research as a type of research in which researchers combine elements of qualitative and quantitative research approaches for the broader purposes of breadth and deepness understanding of the research topic. On the argument, Creswell (2012, p.535) describes mixed research design as a way of not only mixing quantitative and qualitative methods in a single study for the purpose to understand a research problem but also integrating, embedding and merging the approaches. Quantitative research provides information about general relationships and trends, and qualitative research helps shed light on why those relationships and trends exist (Brown & Hale, 2014, p.27).

On the strengths of the mixed method research in the study, Bainbridge & Lee (2014, pp.17–18) describe four-fold: first, the design promises access to both quantitative and qualitative worlds by allowing researchers to: first, draw on complementary strengths of qualitative and quantitative approaches; second, compensate weaknesses in one method through the other. It is argued that combining qualitative and quantitative approaches enables researchers to provide both depth and breadth explanations of complex research problems which cut across cultural dimensions in the organizations; second, the research approach allows research problems that are unapproachable with a single method to be well addressed where aspects of qualitative research facilitates theory building and quantitative research tests theory or hypothesis for the study; third, the design allows a more comprehensive interpretations and insightful description of study phenomena.

For example, in this study different views and experiences performance management systems implementation and its effectiveness in public organizations were collected from different departments and divisions and combining these views and experiences with a survey of other employees in the organizations provided more understanding of the study; and fourth, the mixed methods researches are positively associated with measures of research impact and its quality is high than research that utilizes a single method.

Literature shows controversies surrounding the use of mixed methods research design in the study. Creswell (2012, p.535) and Bainbridge & Lee (2014), for instances, argue that, it requires broader expertise and proficiency in managing and integrating the research findings based on such a design. It is further stated that the mixed methods research involves greater comprehensiveness of data collection and analysis and therefore demanding greater investments of time and resources to undertake. Additionally, Yin (2011, p.293) assets that mixed methods research methods

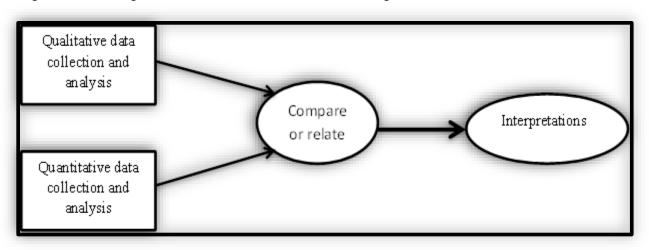
which has different logic and procedures and also signals researcher commitment to the research process and carefully matching quantitative and qualitative components.

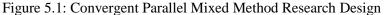
Notwithstanding the controversies on the use of the mixed method research design or merging qualitative and quantitative methods in the study, according to Saunders et al. (2016, p.173) it provides researchers with better chances to answer research questions through the following advantages such as: 1) complementarities that to elaborate, enhance, clarify, confirm, illustrate and link findings; 2) interpretation in which there is possibility to use qualitative data to explain relationship of variables rooted in quantitative data,3) generalizability in which credibility of the study can well be established, and 4) diversity where in the study greater views and in-depth understandings are reflected.

According to Yin (2011, p.292) and Creswell (2012:, p.539), there are six types of mixed methods of research: 1) the convergent parallel design in which both qualitative and quantitative data are collected, merged and its results used to understand a research problem within the same study. The major reason for the use of such a design is to counterbalance strengths and weakness of qualitative or quantitative used in the study; 2) the explanatory sequential design which requires researchers to collect quantitative and qualitative data sequentially in which one form of data helps to explain another form of data. In the design, quantitative data are collected followed by the qualitative data where the qualitative data are used to elaborate the quantitative results 3) the exploratory sequential design, where the study starts with qualitative data followed by quantitative data. This design it is stated that quantitative and qualitative data are collected simultaneously or sequentially in which one form of data play a supportive role to the other form of data in the study.

The supportive data may be either qualitative or quantitative; 5) the transformative design, this is the complex design that makes use of convergent, explanatory, exploratory, or embedded design within a transformative framework. The framework informs the overall purpose of the study, the research questions, the data collection, and the outcome of the study; and, 6) multiphase design, is the design that uses convergent, explanatory, exploratory, and embedded designs in which the study examines a problem through separate studies or series of phases.

Based on the review of different types of mixed methods research design, the study used convergent parallel design in which quantitative and qualitative data were on the same time collected and two types of datasets were developed for the analysis.





Source: Creswell (2012, p.541)

Furthermore, Saunders et al. (2016, p.170) promulgate that the design allows both sets of results from quantitative and qualitative to be interpreted together to provide a richer and more comprehensive response to the research question.

## 5.2 The Purposes of the Research Design for the Study

Research can be designed for several purposes which according Saunders et al. (2016, p.174) can be descriptive, exploratory, and explanatory or a combination of it. Regarding descriptive purposes, Wellington (2015, p.107) contends that accurate profile of events and situations with questions such as "what, which, where, when" are investigated which might lead to explanatory or exploratory approaches. Moreover, questions such as "how and why" demand more exploratory approaches (e.g. case study). Further, Paparachroni & Lochrie (2015, p.82) clarify that: exploratory approach can used when there is inadequate knowledge, research questions are broad and there little use of hypotheses; explanatory approach for explaining how events occurs and appropriate for theory testing and use of hypotheses; and, descriptive approach for presenting a rich and comprehensive description of entities in the study.

According to Gupta & Awasthy (2015, p.170) research questions determine the type of purposes to be used for the research. Based on scholars' arguments and nature of research questions that aimed at disclosing several aspects performance management system in the public organizations, this study adopted all modes. Explanatory was employed in quantitative data in which different hypotheses were tested and explained, exploratory for qualitative data and descriptive for describing different characteristics, profiles of respondents and reality in the public organizations.

# 5.3 Case Studies

Paparachroni & Lochrie (2015, p.80), assert that case study is about empirical inquiries that investigates phenomenon in depth and within its real-life context.

Moreover, on case studies Brown & Hale (2014, p.110), propound that a researcher involves in detailed exploration of information about observable facts and are suitable for addressing "how, what and why" questions. Additionally, case studies allow analyses of information within and across different settings and broaden understandings and perspectives of the research problem. Scholars such as Merriam (2014, p.40) assert that case studies help researchers to get an in-depth description and understanding of the research problem in its real-life context or real natural environment in this case the Tanzania public organizations. Wellington (2015, p.166), contends that there are three types of case studies: Intrinsic case study for gaining better understanding of a particular case; instrumental case study for providing insights on a particular issues or clarifying hypotheses; and collective case study that involves study of a number of different studies with similar or dissimilar characteristics.

On the view, Paparachroni & Lochrie (2015, p.84) add that there are two factors important when selecting cases for the study: predict similar results for replicable reasons and produce contradictory results for predictable reasons. For this study, public organizations with similar characteristics or that would predict similar results for replicable reasons were embraced. For in order to improve performances and service delivery, the public organizations are mandated by laws and regulations to implement different aspects of performance management system.

Different scholars have debated on the number of cases that can be selected for the study. For example, Paparachroni & Lochrie (2015, p.85) proclaim that cases fewer than four are unconvincing for generalizability of results and therefore the range of cases between four and ten are acceptable. On similar arguments, Goh et al. (2015, p.161) argue that, though from theoretical perspectives that cases in the research should be added to a point of redundancy or saturation, it important to limit it to fewer and manageable cases; and thus, should range between

4 to 10 cases. Based on such arguments this study used 6 public organizations cases that is within the range which have similar characteristics required by the government to implement different aspects on performance management system to improve performances and service delivery to the public.

# 5.3.1 Overview of the Site of Study

The study was conducted in six public organizations whose headquarters are based in Dar es Salaam city in the United Republic of Tanzania. The selected public organizations are supposed to use performance management system and are among many organizations mandated by the government of the United Republic of Tanzania to provide and delivery quality services to the public. In this case, it was meritorious to a researcher to access the respondents and study on implementation of various aspects of performance management system that through public service reforms in Tanzania was instituted to these organizations in order to improve both employees and organizational performance and quality service delivery to the public.



Figure 5.2: Map of Dar es Salaam City Council

Source: Dar es Salaam City Profile Report (2004, p.5)

As depicted in the Figure 5.2 above, Dar es Salaam city is the commercial city, which is one of the 26 administrative regions in the United Republic of Tanzania located along the coast, bordering with Indian Ocean, not only endowed with several economic activities, but also is the center of business and all government organizations underpinned this study. It is one of the highly urbanized cities in Tanzania. According to the Tanzania National Bureau of statistics sensor report 2012, the city has total population of 4,364,541 people involving in different economic activities including industries and commercial.

## 5.4 Research Population, Sample Size and Sampling Techniques

This section pinpoints issues of research population, sample size used for the study and sampling techniques. As depicted in the figure below, Pathack (2008, p.42) asserts the connection between population and sample and, thus by studying the sample inferences about the population can be made.

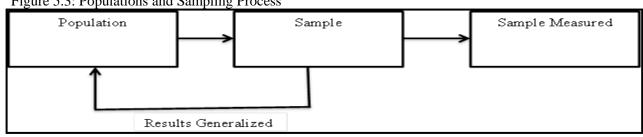


Figure 5.3: Populations and Sampling Process

Source: Pathack (2008, p.42)

#### **5.4.1 Population for the Study**

Research population according to Neuman (2007, p.146) and Saunders et al. (2016, p.274), is a large group of cases or elements, which can be a person, a group or an organization which has an important role in a sampling process or from which sample is taken.

According to the Tanzania Treasury Registrar Office database (2016), there are 218 public institutions and statutory corporations. Further, Tanzania National Audit Office (URT, 2017:353-54) indicates that there 42 government agencies under different parent ministries. In this case, the research population for this study was semi- autonomous public organizations more specifically government agencies and institutions, established by the government under different statutory laws and contract to deliver service to the public.

#### **5.4.2** Sample Size for the Study

Different scholars have debated on the sample size, which plays a great important role in data analysis for the study. Sreejesh et al. (2014, p.19), contend that the bigger the sample size the greater the precision of getting effective research results. Nevertheless, it is argued that, practically it is not feasible to select large samples and when the sample is small, it becomes easily for researchers to trace respondents involved in the research. On the views, Sahu (2013, p.46) argues that it is very difficult to have a fixed rule for getting sample size but rather depends on the following factors among others: time and costs components, size of population, the scope and objectives of the study and sampling techniques. Additionally, it is suggested that sample size (n) greater than 30 can be appropriate in the study. Nevertheless, this study employed statistical techniques such as multi regression and factor analysis in the quantitative data analysis and therefore determination of minimum sample size was inevitable.

On the face of it, Brown & Hale (2014, p.123), assert that statistical techniques for data analysis are sensitive to the sample size and the larger the sample the stronger the relationship in making inferences in the population. Furthermore, the reviewed literature has shown that for accurate research results by using factor analysis, the comforting sample size is at least 300 cases

(Neuman, 2007, p.162) but, however, 150 cases can be sufficient for statistical methods data analysis. For this study therefore, the target population consisted of all employees in the six selected public organizations. As depicted on the Table 6 below the sample size for both qualitative and the quantitative data consisted 318 employees.

SN	Public	Year of	Number of	Coverage	Sample Size
	Organizations	Establishment	Employees		Employees
1	WMA	2002	250-300	Countrywide	53
2	TMA	1999	500- 600	Countrywide	53
3	DDCA	1997	250-300	Countrywide	53
4	TEMESA	2006	650-800	Countrywide	53
5	GPSA	2008	300-400	Countrywide	53
6	VETA	1994	1300-1500	Countrywide	53
					318

Table 5.1: Population and Sample Size for the Study

Sources: Researcher's Construct (2017)

### **5.4.3** Sampling Techniques for the Study

According to Saunders et al. (2016, p.275), there are two types of sampling techniques: probability or representative and non-probability sampling techniques. Creswell (2012, p.142), explains probability sampling as a rigorous form of sampling in which a researcher selects individuals from the population. On the view of two types of sampling techniques,

Wellington(2015, p.117) advocates that probability sampling that tends to very superior approach for a survey study, is the one that involves random, stratified and systematic sampling. Characterizing three approaches in the probability sampling, Newby (2014, pp.242–45) advocates that: First, in random sampling the size of the population must be known, every employee in the organizations have equal chance to be chosen for the study, and data generated in this approaches are appropriates for statistical analysis; second, in the systematic sampling systematic procedures are followed to identify if the target population fits or meets the research

requirements; and third, in stratification approach, it is either random or systematic where the sample is broken down into categories (age, behaviors, gender etc.), meaningful for the research purposes and analysis.

In contrast, however, Creswell (2012, p.145) argues that non-probability sampling is more feasible and informative in the qualitative research in which a researcher selects individuals based on conveniences, availability and characteristics necessary for the study. Additionally, Newby (2014, p.252) propounds that, there are about six non-probability sampling approaches:(1) Self-selecting approach in which a researcher identifies data sources which do not reflect population; (2) case studies for exploring circumstances from the individual, organization and event; (3) convenience sampling where there is use of available sources of data; (4) specialized group of sampling in which a researcher identifies respondents with specialized knowledge, experiences and expertise; (5) snowball sampling is the purposive one which used when it is hard to have respondents for the study; and, (6) quota sampling in which a researcher identifies groups relevant for the research problem.

In this case, for the purpose of this study, mixed sampling approaches sought to be appropriate as follows: Six public organizations for this study because of conveniences were purposively selected for the interviews and questionnaires so that to gain as much knowledge as possible and address questions in particular about research questions on PMS, employees' motivation factors and managing unsatisfactory performances.

The chosen organizations are mandatory implementing performance management system together with other different public service schemes to improve performance and service delivery. Also, since the questionnaires were in English, criterion-based sampling was used to

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identify respondents with minimum diploma certificates to other highest levels of education to accurately fill the questionnaires in the organizations. Further, specialized group of respondents with long work experiences and professionals were purposively selected for interviews to elicit views on the implementations of various aspects of performance management system in the public organizations.

Furthermore, as non-probability sampling approach, the study also used case studies approach. According to Paparachroni & Lochrie (2015, p.80), six case studies (public organizations) allow the researcher to investigate contemporary phenomenon in depth and in real life context. Moreover, there are three types of case study: First, exploratory case study which helps to build theory through inductive methods; second, explanatory case study that helps a researcher to explain how events occurs and appropriate for theory testing; and, third descriptive case study, for a rich and comprehensive descriptions of issues of interests. For this study therefore, the purpose was to richly explain different aspects of performance management system in the public organizations; explanatory and descriptive types of case study were found appropriate.

## 5.5 Data Collection Methods and Techniques

Due to the nature of the study, triangulation approach or varieties of ways were used to collect data which, according to Yin (2011, p.129) serve as foundation for the research. Merriam (2014, p.229), avers that multiple sources of data or data collection methods can be used to cross-check and compared data or information collected. Interviews, questionnaire and documentary assessment were used to collect relevant information for the study. Paparachroni & Lochrie (2015, p.90), suggest that the approach helps to achieve high degree of validity and reliability and ensures good data and allows a researcher to examine phenomenon from different

standpoints. Mouton (2012) depicts that during data collection triangulation approach involves asking different questions, seeking different sources, and using different methods in order to collect about different events and relationships. To have clear understanding on the specific techniques used to collect data for the study, the following sections describe and discuss not only the ways in which these methods were used but also identify its strengths and weaknesses.

SN	Data Collection Method	Coverage	
1	In-depth interviewing	A. 12 Interviews with organizations management team:	
		Human resources and Administration Directors/Managers	
		Line Directors/ Managers from different departments	
		Taped and transcribed interviews conducted both in Swahili	
		and English languages.	
		B. 6 Interviews with employees randomly selected:	
		• Senior staffs from various departments in the selected	
		public organizations	
2	Documentary review	y review Reviewed documents includes:	
		• PSRP I & II	
		Scholarly reports on public service reforms	
		• Policy documents (Employments and Public Services)	
		Laws, regulations and circulars	
		Public service reforms implementation reports	
		PMS implementation reports	
3	Questionnaires	• 300 questionnaires were distributed to employees with 3	
		years and above work experiences in 6 purposely selected	
		public organizations	

Table 5.2: Summary of Data Collection Methods Used

Source: Researcher's Construct, 2017

## **5.5.1 Documents Review**

Different scholars have argued on the use documents as the source of data in the research. For the case of documentary reviews techniques, Creswell (2012, p.230) and Wellington (2015, p.59), argue that documents can provide very valuable information and are good source of data

that helps researchers to understand facts and research problems. It is further mentioned that policy documents, scholarly and professional reports can be relevant to the study. On similar argument, Gupta & Awasthy (2015, p.29) assert that, data collection through documents should involve identification and putting a critical eye on those documents, checking, examining its authenticity and determining value or contribution to the study. This study on performance management system which came into being through various public-sector reforms in Tanzania needed documents which potentially offer a rich source of data and information for analyzes and descriptions of key issues of the research. The documents which were important for the study on performance management system effectiveness and the general public service reforms in Tanzania from the government ministry responsible for the public service management, credible and reliable policy documents important for the analysis of this study. In Tanzania context, the ministry of public service management systems, laws and circulars relevant for the public services in the country.

### 5.5.2 **Interview** Technique

Literature have shown that line and human resources directors and managers are the players in the implementation of different aspects of performance management systems; accordingly, in this interview techniques these key players with varying positions and tasks were interviewed about different aspects of performance management system, its managements tools, rewards and incentives, effectiveness of the system in improving performance and service delivery and the use of performance appraisal results in human resources and organization decisions making. Despite getting participants time for an interview being not easy, Gupta & Awasthy (2015, p.74) argue that well prearranged interviews; minimizes ill responses and misinterpretations and yields

information bank, for the study that may not otherwise be possible to obtain it using scales or questionnaires. Further, Brown & Hale (2014, p.146) argue that in interviews a series of questions to get information from people having knowledge about the topic of interest are inevitable. According to Sreejesh et al. (2014, p.47), there are three approaches of conducting interviews that differ in degree of freedom to respondents in providing data or information for the study which are structured, unstructured and semi structured interviews. It is further argued that in unstructured interviews, open-ended questions are used (Yin, 2011, p.135), and respondents reopen to offer unrestrictedly on the study topic; structured interviews, a researcher through the use of closed ended questions identifies numbers of responses which respondents choose; and semi structured interview researcher establishes general questions in the general order for the respondents.

On the advantages of interview method, Wellington (2015, p.137) contends that it reaches the parts of the research in which other methods cannot reach. It allows researchers to study respondents' behaviors, investigate and prompt things that cannot be observed, and the way an organization portrays itself to various settings or images. In regard, in this study various questions were prompted to respondents to investigate matters of performance management system in the public organizations. Despite of many advantages, scholars argue that the use of interviews as a method of data collection has some problems. Sahu (2013, p.66)mentions some of the weakness of interview method in data collection for the study as follows: It is very expensive and time consuming particularly for when the area of study is big; it needs interviewers' competencies which can affects the quality of information for the study; nonresponsive from potential respondents like management officials in the organizations and the face to face interview may be over stimulated or may cause shyness to the respondents which

hampers the quality of the data. In this regard, at the beginning of the interview, this study assured complete confidentiality to all participants. Moreover, as shown in the table below, Wellington (2015, p.142) summarizes different styles of interviews in which the semi-structured interview was sought relevant for this study.

SN	Unstructured	Semi-Structured	Structured				
1	Control on both sides	Flexibly controlled by	Most controlled by the				
		researcher	researcher				
2	Very flexible	Flexible	Less flexible				
3	Guided by interviewee	Not completely predetermined	Guided by researcher's				
			agenda				
4	Unpredictable direction	Predictable direction	More predictable direction				
5	Difficult in analyses	Easy in the analysis	More easy in analysis				
		•					

Table 5.3: Styles of Interviews

Source: Wellington (2015, p.142)

This study therefore, used semi-structured interview approach where through the directorate of human resources and administrations, two groups of interviewees were prearranged and a total of 18 semi-structured interviews were carried out. First, directors and managers or supervisors responsible for execution of different organization activities and supervision of employees were selected for interviews to divulge relevant information for the study; second senior staff members with at least three years working experiences and varying responsibilities and attitudes were selected to cover various perspectives on the implementation process of performance management system in the public organizations. In the public organizations, HR-departments provided list of interviewees and were notified for the study.

To distinguish interviewees, abbreviations such LM (Line Managers), HRM (Human Resource Managers), LD (Line Directors), DAHRM (Director of Administration and Human Resource Management), SS (Senior Staffs) were used. Through the semi-structured interviews, a total of 18 interviews lasting around one and a half hours were carried out mostly face to face in which

several questions in both official English and Swahili languages in Tanzanian public organizations were posed to gain detailed picture about the study on issues of performance management system and its effectiveness on organizational performances.

# 5.5.3 Questionnaires Technique

The use of questionnaires as a tool for data collection was considered to aid in-depth interview results. Scholars such as Wellington (2015, p.192) have explained questionnaire technique of data collection as interviewing by numbers that can be used for a large number of people but lacks interpretive opportunity in the study. On a similar argument, Newby (2014, p.287) argues that, questionnaires are structured formats that generate responses in which individual respondents are asked specific questions of the study and the researcher is not involved.

It is a technique for large samples widely used for primary data collection within survey strategy, which provides efficient way of collecting responses from respondents to the questions in prearranged order. Additionally, self-completed questionnaires, postal or mail questionnaires, delivery and collection questionnaires, telephone questionnaires are according to Saunders et al.(2016, p.440) among types of questionnaires researchers can use for data gathering and its choice depends on set research objectives and questions. On the strengths of questionnaire technique, Sahu (2013, p.67) opines that it reduces interviewers' biasness, it gives freedom to respondents to answer questions in natural settings, and useful for the comprehensive study and testing hypothesis. Despite its strengths, however, it has weakness in which a researcher is not only at hand to explain difficulties to answer questions but also not sure if the questionnaire is completed by the same person, thus the situation could lead to distorted answers by the respondents.

In order to test the practicability of the questionnaire as an instrument for data collection and to enhance its reliability, pilot study was conducted using the instrument. In the view of (Brown & Hale, 2014, p. 144), pilot study helps to determine whether the research questions can be understood by the potential respondents. In this regard, potential ambiguity is detected and corrected in the instrument before actual data collection process is undertaken. The pilot study was subjected to one public organization with similar characteristics to the target organizations and respondents that implements performance management system. The researcher distributed questionnaires to a sample of 30 respondents. The results helped in correcting errors in the instrument and adjusting of the questions to suit the level of education of the respondents. Thus, the questions with difficulties were revised to appropriately address the focus of the study.

In this study, cross-sectional survey design of self-administered questionnaire to the employees across the organization was utilized to collect the data. The targeted respondents for the questionnaires were employees working across all middle grades from different departments, divisions and sections in the selected public organizations. With assistance from the department of human resource management and administration, one officer was appointed to be in charge in distributing the questionnaires to the respondents.

# 5.6 Data Analysis Techniques for the Study

This study used mixed method research design and therefore forms both quantitative and qualitative type of data analysis. According to Brown & Hale (2014, p.203) qualitative data analysis is all about systematic review of written or spoken words imbibing aspects of drawing out themes, trends and patterns of data. According to Wellington (2015, pp.260–62), qualitative data analysis can be broken down into three stages: first, data reduction where data are sorted out

into themes and categories, assembled, coded and summarized; second, is data display which allows the researchers to conceptualize the data for interpretations and discussions; and, third, conclusions drawing where a researcher interprets to give meaning, compares and contrasts data. For the part of qualitative data analysis, therefore this study used grounded theory where various themes were generated for reporting the findings. Gupta & Awasthy (2015, p.179) propound that grounded theory allows researchers to move between interview data embedding three types of coding: First, open coding which identifies potential themes, labeling of interview data; second, selective coding in which similar attributes of data are merged; and, third, identifying patterns of data. Further, Sang & Sitko (2015, pp.141–43) specify three approaches to the analysis of qualitative data which are: (1) Grounded theory arguably to be time-consuming approach in which a researcher identifies data categories or coding and relevance for the study; (2) thematic analysis which involves several processes; data familiarization, codes generation, identifying and reviewing themes and naming and producing the report;(3) template analysis which is for large qualitative data analysis. For the case of this study therefore, grounded theory and thematic analysis approaches were found appropriate as codes and themes were generated based on the research topic on performance management system, its effectiveness, motivation factors and management of unsatisfactory performance in the public organizations.

Furthermore, for quantitative data analysis, Brown & Hale (2014, p.207) contend that its main goal is to use statistical techniques to establish or determine the kind of relationship existing among different variables of the study. On the same vein, Creswell (2012:, p.175) state that there are several ways of analyzing quantitative data:(1) determining scores to the data by assessing types of scores and selection of statistical software packages,(2) conducting descriptive analysis of responses by showing frequencies, graphs and measure of central tendencies,(3) conducting inferential analysis to test hypothesis to determine confidence interval and effects,(4) reporting the results using different tables and figures, (5) interpretation of results, summarizing and comparing results. In this study demographic characteristic, descriptive statistics and research hypothesis testing were carried out using SPSS 22 version. Quantitative data from the questionnaires were coded, entered and analyzed using Statistical Package for the Social sciences (SPSS) version 22 software.

## 5.7 Validity and Reliability

A scholar such as Newby (2014, p.130) argues that validity and reliability are not only the basis of any research but also a central to judgments regarding quality of the research. Being relevant to this study, validity and reliability are briefly reviewed in the next subsections.

## 5.7.1 Reliability

Merriam (2014, p.220) explains reliability as the extent to which the research findings can be replicated or yielding the same results when repeated. With this argument, however in social sciences reliability becomes difficulty due to the fact that human or participants' behavior is never static.

On the argument, Saunders et al. (2016, p.480) states that reliability means consistency. In case of questionnaires, should produce consistent findings at different time and under different conditions. Further, it is advocated that for the questionnaire to be valid, it must be reliable and there are three approaches assessing it: First, test re-test which estimates reliability by distributing questionnaires to respondents twice and the data obtained are correlated for its consistencies. However, it is a problematic approach as it not easy to pursued respondents to

answer the questionnaire twice; second, internal consistency involving correlating responses across subgroups of questions in the questionnaires. With this approach, cronbach's alpha method is more frequently preferred to calculate internal consistency of respondents with its alpha coefficients ranging between 0 to 1. The alpha coefficient value of 0.7 and above are strongly recommended; and, third, alternative form approach which involves a researcher to make sense of reliability within questionnaires by comparing responses to alternative form of the same questions. Based on the approaches, this study therefore, carried out reliability analysis to show the Cronbach's alpha using SPSS 22 version. Further, this study used triangulation approach in collecting data, which, according to Merriam (2014, p.222), ensures consistency and reliability of the research findings in the study.

### 5.7.2 Validity

According to Sahu (2013, p.41) validity is the degree to which the research instrument measures what was supposed to be measured. On the view, Brown & Hale (2014, p.160)classify validity into external, internal and construct validities that are critical elements of support for research findings in the research: (1)external validity which has do with generalizability of the finding and for this study, it was enhanced through increasing sample in the quantitative data and the use triangulation approach in data collection;(2) internal validity, referring to the ability of the questionnaires to measure what was intended to measure. The internal validity of the questionnaires was enhanced by piloting the questions to respondents and the adjustments were made to suit the purpose of the research topic; and, (3) construct validity, important for assessing behaviors and removes extraneous factors, which may lead to incorrect research conclusions. On the face of it, Sreejesh et al.(2014, p.118) propounds that, convergent and discriminant validity are the two methods which statistically can be used to analyze construct validity in the research.

Therefore, in order to establish construct validity for this study, questions in the questionnaire were subjected to SPSS version 22 for the statistical data analysis. Through, SPSS 22 version, a factor analysis which is one of quantitative data analysis approach was carried out to test Kaiser-Meyer-Olkin's (KMO) and Bartlett's test of sphericity. According to Sreejesh et al.(2014, p.217) Kaiser-Meyer-Olkin (KMO) is the measuring of sampling adequacy.

The KMO value that is greater than 0.6 indicates acceptable sampling adequacy and therefore its validity. Furthermore, the larger the value of KMO, the greater the likelihood that the hypotheses or null hypotheses of the study to be rejected.

## 5.8 Ethical Issues Applied to the Study

In research ethical issues are important in the whole process of doing it; researchers should think the way data will be accessed, disseminated, involvement of people in the organizations where research takes place and confidentiality (Creswell, 2012:, pp.23–24 and Mouton, 2012). By the same token, Jonker & Pennink (2010) hold that it is necessary to protect data; respondents involved in the research and enter agreements with corroborating organizations during the research process. Describing about confidentiality,

Wiles (2013, p.42) puts clearly that information or data provided in the process of research are not disclosed and the identity of the research participants are protected.

Every academic institution has policy on ethical issues in research, in this study ethical issues were guided by ethical procedures and standards of the University of Fort Hare where proposal, research questionnaires and interview questions were submitted to the Ethics Committee of the university for the approval. In compliance with ethical conduct of research, letters indicating the purpose of the study, and the kind of participants for the study were sent to 15 public organizations followed up by trips to make sure that responses are given and management of the organization through face to face interactions understands what is to be done in the research and where necessary questions on the research topic were answered.

Out of 15 public organizations based in Dar es Salaam, the commercial city, six organizations responded the letter on time accepting interaction with employees and research on the performance management system effectiveness, motivation factors, performance appraisal results and underperformances. Enough information to the top management of the organization and participants were provided and no participant was forced into the study. Prior to the commencement of the research by distributing questionnaires and interactions with employees in interviews in the selected public organizations, consent was sought through the directorate of human resources management and administration or business support service departments. According to Wiles (2013, p.25), it is promulgated that informed consent is about providing participants with clear information on participating in the research where opportunity is given to decide whether or not to participate in the study.

More specifically, it is stated that participants need to understand the following important issues in the research process: potential risks and benefits, what the research is about, why the research is being conducted and how issues of anonymity and confidentiality are managed.

## 5.9 Variables Used for the Quantitative Research

This section articulates variables used in the study. According to (Saunders et al., 2016, p.336) variables are attributes or elements that can be measured and help the researcher to answer

research questions and meet objectives. In this study, variables have been adapted from different researchers and few others created based on reviewed literature.

#### **5.9.1** Performance Management System Effectiveness

According to Lawler (2003, p.398), performance management effectiveness can be rated in two factors: first, factors, which are concern with effectiveness of the system that drives the right kind of behaviors to the employees and influences performances; and, second the factors that indicate the system ability to differentiate performances such as good and bad performances in the organization. Performance management system effectiveness measures in this study consisted of (12) items measures in 5-point scales (from 1= strongly agree to 5 strongly disagree).

### **5.9.2** Employees Motivation Factors for Quality Service Delivery

Various authors have tested employees motivating factors among employees in organizations. On the face of it, Agarwal (2014, p.172) argues that there are two categories of motivational factors that can motivate employees to work to achieve organizational goals: monetary and non-monetary factors measure. On employees motivating factors scholar such as (Conrad et al., 2015, p.99) tested in the organization using 12 monetary and non-monetary items measures in 12 ranking scale (1= most important to 12= least important). To measure the motivating factors in public organizations, in this study, three questions were constructed and used different monetary and non-monetary items from such scholars and measured these on a 5-point Likert scale (1=strongly agree to 5=strongly agree) and ranking in the order of their importance for the employees to deliver quality services to the public.

### 5.9.3 Performance Appraisal Results Use in Decision-Making

Measures of the use of performance appraisal information based on Tanzania public service regulation of 2003 section 22(3) and others identified in the literature reviewed. The regulation and reviewed literature makes emphasis that performance appraisal results should not only be used at individual employee level for salary adjustments, planning, job rotations and training programs, making appointments to higher posts in organizations, demotions and termination of appointments but also at organization level for reviews of plans and rectifications of progresses decision making. In the study, a question with two parts was made to solicit views from employees on whether performance appraisal results are through implementation of performance management system generated and used for decisions-making to improve performances in 4-point Likert scale (1= very effective to 4=Not effective).

### **5.9.4** Unsatisfactory Performances in Organizations

Measures for under-performances in public organizations based on reviewed literatures. One question with two parts, that is, to cover factors at both organization and individual levels unsatisfactory performances were constructed.

According to Ehiyamen et al. (2009, p.464) it is propounded that economic, social-political, social-cultural and management factors have great impacts on performances in organizations. Therefore, this study, tested different dimensions of e factors of underperformance such as among others: unregulated or increased absenteeism, lack of performance standards, weak rewards and incentive system and neglect of set rules and regulations relating to performances in 5 Likert point scale (1=Strongly Agree to 5= strongly agree).

## 5.9.5 Organizational Performances

The reviewed literature has shown different approaches of measuring organizational performances. For example, Glavan & Vuksic (2017, p.143) argue that organizational performance measures are important in the organization in which actual results are measured against the intended goals and objectives. On similar vein, (Katou & Budhwar, 2006, p.1226) , point out two categories of indicators of organizational performances: first, general organizational performances that can be measured by indicators such as effectiveness in terms of completing intended objectives, satisfaction such as employee satisfactions, development regarding capacity to meet challenges and quality of service delivery to the customers; and human resource management outcomes imbibing issues of the right number and competent, motivated, committed employees and without absenteeism. Based on these aspects of organizational performance, measures were developed and measured in 5- point Likert scales.

### 5.10 Summary of the Chapter

This chapter has provided rationale of various aspects of research design for the study. The chapter has laid down different aspects such as sampling techniques, validity and reliability with its means of assessing them, data collection techniques and site for the study. In the context of this study, mixed method research design, which includes quantitative and qualitative research paradigms have principally been embraced. For qualitative research paradigm, interview and documentary review methods were used to elicit qualitative data for the study topic regarding different issues of the performance management system. Questionnaires were used in quantitative research to gather quantitative data.

For the case of data analysis, SPSS version 22 was used in, analyzing quantitative data and testing hypotheses, validity and reliability. Moreover, statistical techniques such as multiple regression analysis, factor analysis and descriptive statistics were used for different analysis of data collected through the questionnaires. For the qualitative data analysis, grounded theory and thematic analysis approaches were adopted by generating codes and themes necessary for reporting the findings. Additionally, documentary analysis method was used to analyses policies and laws regarding performance management system in the public organizations. Furthermore, this chapter has addressed ethical issues in which interviewees and respondents in the selected public organizations preferred confidentiality. The next chapter therefore, presents key research findings, analysis and discussions.

## **CHAPTER SIX**

## **Presentation of Findings and Discussion**

## 6.0 Introduction

This chapter presents both qualitative and quantitative analyses of data generated through both in-depth interviews and self-administered questionnaires to employees in the public organizations. The questionnaires and in-depth interviews were used to assess the objectives of the study. In qualitative study, directors and line directors, managers and line managers and other selected senior staffs from different departments, divisions and units in the public organizations were subject to in-depth interviews consisting different aspects of performance management system, its effectiveness to enhance performance and service delivery, rewards and incentives, performance appraisal results and unsatisfactory performances. For the quantitative study, in particular questionnaires were distributed in all six public organizations. Further, the questionnaires and interviews based on research questions, as follows: How does a performance management system (its effectiveness) improve public organization performances? What factors motivate workers to deliver quality services in public organizations? How are performance appraisal results used in human resources and organization development decisions? And what roles does performance management system play in the management of poor performances in the public organizations? The next two sections are devoted for presenting and discussing both qualitative and quantitative findings.

## 6.1 Qualitative Data Analysis

The next section starts with details of descriptive analysis related to main thematic areas covered in the study on the effect of implementation of performance management system on organizational performances in public organizations. Areas covered in this section are general views on performance management system effectiveness in the public organizations, key performance enhancing tools imbibing strategic plans, client service charters, monitoring and evaluation and performance appraisal systems, the use of the system to improve performance and service delivery in organizations, and performance management effectiveness. Other themes include challenges of performance management system in public organizations including issues of motivations, management, the use of performance appraisal results for both employees and organizational decisions making, and issues of the use of performance management system in controlling unsatisfactory performances to improve performance and quality service in public organizations. In order to have in-depth information on these areas eighteen semi-structured interviews involving two categories of respondents were conducted. The first category involved twelve employees in the managerial positions identified in this analysis by code letters (LD, HRM, and LM), and the second category involved 6 selected employees not in managerial positions identified in this analysis by code letter (SS). In the public organizations under the study, the respondents were asked questions in relation to identified themes for the study.

# 6.1.1 Respondents' Demographic Characteristics

This study collected data from different employees in public organizations in Tanzania. A total of 300 self-administered questionnaires were distributed to employees of different ranks, professionals, and teams across different departments and sections in the selected public

organizations, 215 questionnaires were returned but 201 were found useful for analysis. Regarding interviews, 18 respondents were purposively chosen involving, senior staffs; human resource management and administration directors and managers, line directors and managers in the selected public organizations were involved into face-to-face interviews. In this case, the demographic characteristics of the respondents were important to have their background and suitability for this study. The respondents' demographic features for the study, which play a great role in the implementation of performance management system, comprised of gender, age group, the public organization sector, education levels and work experiences. The following subsections present in a snapshot the findings about the demographic features of the respondents.

## 6.1.2 Respondents' Genders

The idea of gender sensitivity was important demographic feature in this study. Implementation and handling various matters of performance management system requires the involvement of both females and males in the public organizations. Therefore, with that gender sensitivity, questionnaires were distributed to different groups of employees in the selected organizations.

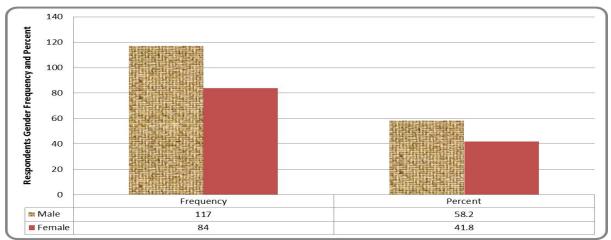


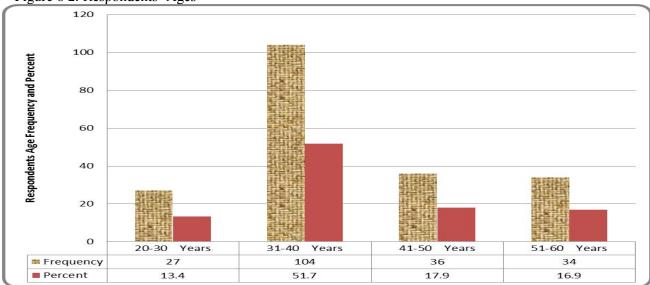
Figure 6.1: Genders of Respondents

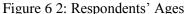
Source: Researcher's Construct (2017)

As shown in the figure above it can be revealed that, of all the participants in the questionnaires 84(41.8 per cent) were females and 117 (58.2 per cent) male counterparts. Therefore, it can be deducted from the findings that the majority of respondents responded to the questionnaires questions were males.

# 6.1.3 Ages of Respondents

As shown in the figure below, this study composed of respondents with different age categories. It shows that the majority of respondents, 51.7 percent were aged between 31-40 years followed by 17.9 percent between 41-50 years. Further, age groups with the minimal number of respondents 16.9 per cent aged between 51-60 years followed by 13.4 aged between 20-30 years. The results imply that the majority of workers in the selected public organizations are in the age group between 31-40 years and few at the age group of 20-30 years.





Source: Researcher's Construct (2017)

# 6.1.4 Respondents' Work Experiences

According to (Neuman, 2007, p.173), work experience adds knowledge, skills on different operational matters regarding different activities in the workplaces. It therefore plays a great role for the employees to gain greater insights in the whole process of implementing performance management system. The gained insights provide significant information and knowledge about the system. And, thus in this study, work experiences were of particular important for respondents to answers different questions regarding issues of performance management system in the public organizations.

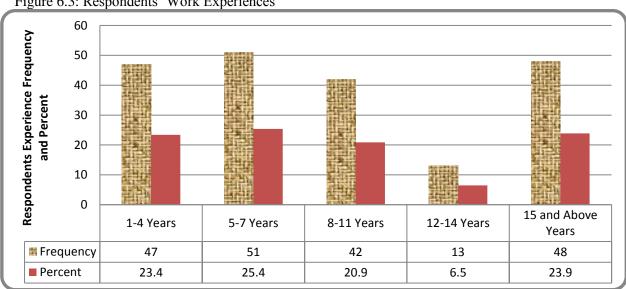


Figure 6.3: Respondents' Work Experiences

Source: Researcher's construct (2017)

As shown in the figure above, there is a combination of potential respondents with different work experiences. It can be revealed that the majority of respondents 51 (25.4 per cent) had work experience of 5-7 years, followed by 48 (23.9 per cent) 15 years and above, and thus credible enough to provide views and experiences on various aspects of performance management system in their public organizations.

Further, 47(23.4 per cent) had work experience of 1–4 years, 42 (20.9 per cent) 8–11 years and 13(6.5 per cent) 12–14 years. Thus, such a combination of respondents work experiences has possibility to have contributed credibility and reliability of the study findings.

# 6.1.5 Respondents' Educational Levels

The educational level of the selected respondents was another important demographic feature for clear communication and interaction. It is believed that the educational level of respondents and general employees can possibly help and influence implementation of different aspects of performance management system in the public organizations. On this view, Rao (2007, p.1834) also explains that employees with good education background and profile are good implementers of performance management system; and thus, important for the study.

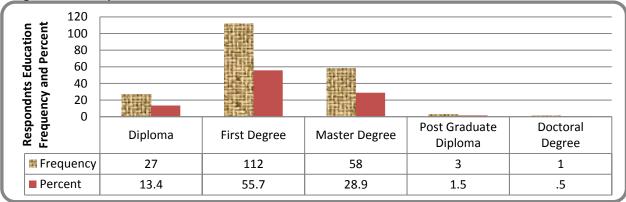


Figure 6.4: Respondents' Education Levels

Source: Researcher's Construct, 2017

As depicted on the Figure 6.4 above, it indicates that the vast majority 55.7 per cent of the respondents had first degrees, followed by 28.9 percent master's degree holders. This shows that the majority of respondents in the study had first degree and masters' degree. Other respondents included 13.4 per cent diploma holders, 1.5 per cent postgraduate diploma and 0.5 per cent a doctoral degree.

# 6.1.6 Public Organization Sectors

This study involved public organizations from different sectors of the Tanzania economy that are mandated to implement the same standard of performance management system in order to have diverse understanding of experiences and opinions on the research questions. The public organizations sectors comprised in the study were from industry and trade, meteorology, water, transport, education and procurement and supplies under different ministries.

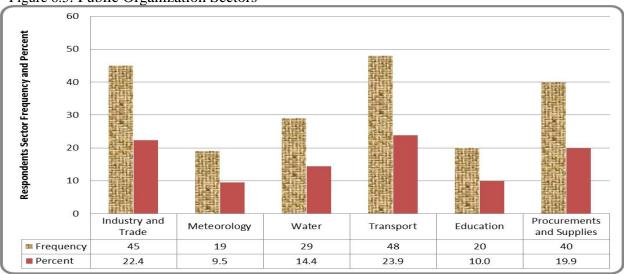


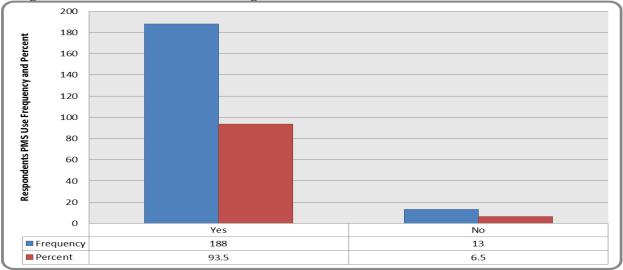


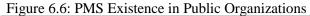
Figure 6.5 above depicts categories of public organization sectors involved in the study: 23.9 per cent of respondents from transport, 22.4 percent from the industry and trade, followed by 19.9 per cent procurement and supplies. Further 14.4 per cent of the respondents were from water and works, 9.5 per cent meteorology and 10.0 percent from education sector. Therefore, it is revealed that the majority of respondents, 23.9 per cent were from the public organization in transports sector and 22.4 per cent industry and trade sector.

Source: Researcher's Construct, 2017

## 6.1.7 The Existence of PMS in the Public Organizations

To understand the existence of performance management system in the public organizations a cross section of employees through questionnaires and interviews were asked if there exists such a system. The main questionnaires' results are depicted in Figure 6.6 below, indicating that 93.5 per cent of the respondents agreed that, the system exist in their respective public organization.





Furthermore, the questionnaire results were supported by the interview results, which found that the majority of respondents in managerial positions, agrees that performance management system had been introduced in their public organizations to enhance performance and service delivery. It is viewed by the respondents that performance management system has somehow contributed to their organizations to identification of various challenges, evaluate and monitor performances. In an interview, one of the employees in managerial position commented (LM3) *The System has at least helped the top management to be more focused on clearly stated objectives. Every head of department or section requires prepare plans and that encourages monitoring and even to track progresses.* It was further found that the majority of participants at

Source: Researcher's Construct (2017)

the top management in the organizations stated that initially performance management system was well pushed by the president's office public service management ministry, through different trainings. One interviewee (HRM3) in an interview said: *I remember the government through the ministry made several efforts to ensure few employees are trained on the system and these employees were supposed to be trainers of other employees in their respective organizations. The problem is, I don't think now if the trained employees were used for training others in the public organizations. This implies there have been government efforts to make sure that the public organizations implement performance management system to improving performances.* 

Furthermore, in the Figure 6.6, through questionnaire approach it shows that the minority 6.5 percent of the respondents do not agree that in their public organizations there exists of performance management system. This implies that probably the public organizations need to have appropriate strategies of inductions, orientations and relevant training avenues so that employees have knowledge regarding the system. Moreover, the study confirms that, the understanding of PMS varies across the public organizations with participants treating it as OPRAS important for employees' promotions and identification of training needs. The results evidence that there is general awareness gap of the system in the public organizations.

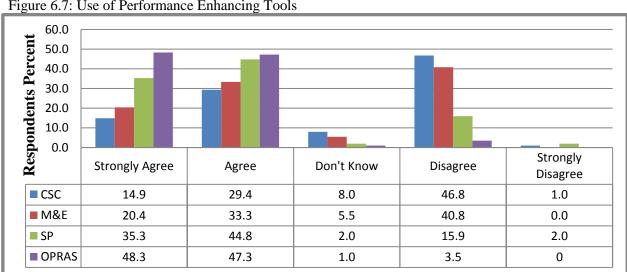
Contrary to the impressive responses on the existence of performance management system that has helped to at least orient organization management to more objectives focused to improve performances, other respondents went further to expressing problems that threaten the system in the public organizations. For example, in an interview a respondent (LD3) in the organizations under the study lamented: *It true that we have the system in the organization. To my views, the issue is not having the system in the organizations. There are a lot of challenges that need to be addressed, there are unnecessary bureaucracies in the government, and there are lot of*  procedures especially on procurements and supply of different resources. Such challenges to my views threaten the existence of the system and sometimes-even difficulty to meet the organizations objectives.

In addressing problems of the existence of performance management system public organizations another respondent said (LD2): I think the main reason for this system was to lessen bureaucracies, to become flexible and focus to quality service delivery to the public. Things are not like that there many bureaucracies, which make these public organizations uncompetitive any more. With such unnecessary bureaucracies, how can the public organizations compete with other private organizations doing similar activities? It is very difficult and consequently revenue collections drop affecting general organizations performances and even service delivery to the public. This implies that the existence of performance management system has been perceived differently among employees in public organizations. And, thus its implementation is confronted with many challenges that require interventions where necessary in order that the system improves performance and service delivery.

#### 6.1.8 The Performance Enhancing Tools of PMS

This section wanted to assess the use of performance enhancing tools in the implementation of performance management system in the public organizations with view to find out: first, how employees are involved in different stages of formulations of such management tools; strategic plans, client service charters, open performance review and appraisal system and monitoring and evaluations; second, what are challenges or factors that workers consider to be facilitating or impeding the use of the performance enhancing tools to implement the performance management

system. In this case, through both interview and questionnaires respondents in the selected public organizations were asked questions to have their views on: the role of employees played in the formulations of the management tools and the whole implementation of performance management system, and, how the management tools such as strategic plans, client service charters, monitoring and evaluation and open performance reviews and appraisal system contributes to the achievements of organization objectives and targets. Interviews and questionnaires results are widely both presented and explained in the next subsections. Figure 6.7 below indicates questionnaires participants' responses on the use of performance enhancing tools of the performance management system in improving performances in the public organizations.





Source: Researcher's Construct (2017)

#### 6.1.8.1 **Strategic Plans**

In the organization context, performance management system should serve as vehicle in the implementation of different organizational strategies and goals cascaded across the organization in order to improve performance and service delivery. In Tanzania context, for example, to implement performance management system, public organizations prepare strategic plans

spanning between three to five years. Containing vision, missions, objectives, strategies and indicators, the strategic plans of the public organizations are used to address keys areas of performance improvements and link of objectives across the organizations.

To assess this critical component of performance management system, the respondents from management team, senior staffs and other employees were given questionnaires and interviewed to have their views if strategic plans have contributed to the achievements of the organizations objectives and goals. Further, a cross section of participants, directors, managers and senior staffs in the selected public organizations were interviewed to find out if the employees are involved in the development and implementation of the strategic plans. The results from the questionnaires are depicted in Figure 6.7 above and specifically for strategic plans, the responses indicate that 48.3 per cent and 44.8 per cent of respondents strongly agree and agree respectively that the strategic plans improve performance and used for aligning objectives across the public organizations. Additionally, 5.5 per cent of the respondents indicate to have no views whether the strategic plans are used to improve performances and align objectives in the organizations. Moreover, it indicates that 15.9 per cent of respondents disagree that in their organization strategic plan are used to enhance performances and link objectives and targets in the public organizations.

An assessment of interviews results from senior staffs and employees in managerial positions revealed different views on development, use and implementation of strategic plans to enhance organization performances and service delivery. The 15.9 per cent of questionnaire results of respondents disagreeing that strategic plans are used to enhance performances concurred with results of the majority senior staffs in the interviews.

Senior staffs were asked their views if employees are involved in the development of strategic plans, and if are well implemented and contribute to achievements of the intended organizations objectives. In an interview, the majority of senior staffs in the public organizations reported that strategic plans are used by employees in the managerial positions with little involvement of employees especially in the designing and formulation of objectives. One of the respondents in an interview argued (SS6): *The strategic plans are formulated by experts outsourced from outside the organization, so there is very little involvement of vast majority of employees in the organization. I think may be top management staffs are involved in the process.* Moreover, the study revealed that the majority of senior staffs view strategic plans are not more emphasized and remain unused and shelved in the offices.

However, a respondent from top management officials perceived strategic plan as useful tool when said (HRM6): This is very useful tool and the organization has been using the strategic plans for building performance-oriented culture among employees. The major challenges regarding the strategic plans emanates from understaffing and budget cuts in which the organization can have very good plans, but what can you do with the plans if there is no financial resources and staffs? It even becomes more difficult and serious when understaffed.

Regarding strategic plans being used to enhance performances by allowing the organizations to cascade objectives across the organizations, the majority of respondents in top management showed mixed responses.

Others view it as an important management tool for the effective implementation of the performance management system and improvement of performance and service delivery. In particular, the interviewee (LM3) had the following comment.

There huge efforts invested in developing strategic plans in this organization. The organization-outsourced experts to develop the current strategic plan and the majority of top management officials were involved at all stages of development. Actions plans are every year developed from the strategic plans. The issue here is on how to implement the objectives in the strategic plans due to the serious budget constraints. The organization sometimes fails to implement the strategic plan due to delays for subsidy from the government.

Notwithstanding top management responses that strategic plans are useful for alignment of different objectives and improving performances, repeatedly across the public organizations under the study respondents had the view that despite its availability in the organizations, the strategic plans are not reviewed on time and outdated. Some of the directors and managers in the interviews showed concern that there sometimes mismatch between the objectives found in strategic plans and current government objectives and therefore on time reviews of the plans to accommodate various changes taking place in the economy was imperative. In an interview, one of the managers in the public organizations noted (LM2): *the current strategic plan was supposed to be reviewed in every two years and there is nothing happening. Therefore, the present strategic plan has not been reviewed for the almost two years and in reality, does not reflect the current issues.* 

In addition regarding employees and organization stakeholders involvement in development of strategic plans, one of the respondent (SS4) indicated that: For the case of strategic plans development, at some stage stakeholders are involved but not all employees are involved, the concerns in this case are what happens when the organization strategic document are ready for

use, there is little concentration on it, no culture of employees to go through the document and in most cases the strategic plans remain in the shelves. With such situation, we sometimes receive or follow what our bosses decide to be implemented. On a similar argument, another respondent (SS6) had the opinion: To my views, the major concern to issues of strategic plans is on the organization leaders' commitments. The management does not dedicate time to make sure that employees understand the strategic plans through training or coaching and as the result; things are mostly done in ad-hoc. Respondents commented that there are little involvements of employees in the strategic plans and lack of employees' competencies on linking identified objectives to the real day-to-day activities. It was stated that training might be one of the solutions to equip these employees with relevant knowledge and skills on all aspects regarding the system. On the views of strategic plans to support the alignment of objectives and goals across the organization, departments, divisions to employees' levels, respondents' results show different reflections and experiences. The study has revealed that, irrespective of widespread use and development of strategic plans in the public organizations the senior staff respondents in terms of helping the organizations to connect organization objectives to enhance performance and responsiveness to the public realize little optimum benefits. Especially in an interview, the majority of respondents not in managerial positions reported failure of the top management to make use of the performance-enhancing tool to align organization objectives and targets to that of individual employees. Therefore, a deeper analysis of the findings reveals that, despite the importance of strategic plans as performance enhancing tools could have in making performance management system effective to improve performance and service delivery to somewhat ineffective in the public organizations because of lack of involvement of employees and awareness to it.

### 6.1.8.2 Client Service Charters

The most compelling reason for introducing client service charters in the public organizations has been to quicken service delivery and increases responsiveness to the public. In Tanzania context, since 2001, public organizations were required to design and implement client service charters in order to improve accountability in the service delivery to the public. The charters set organization's performance standards and its chances for effectiveness is more depending on the involvement of employees and organization stakeholders its development stages. Therefore, to attest these contributing factors that client service charters have in enhancing performance and service delivery, through both questionnaire and interviews, respondents were asked questions on the availability of such as tool and if it helps the public organizations to improve transparency in service delivery, holding employees accountable for the results and responsiveness to the public. Figure 6.7 depicts questionnaire results which in one hand, indicates that the majority of respondents 46.8 percent in the selected organizations disagrees that client service charters are used to improve performances and service delivery. And on the other hand, 14.9 per cent and 29.4 percent of the respondents respectively strongly agree and agree that the client service charters are used to improve performance and service delivery in their organization. Moreover, the minimum responses 8.0 per cent of the respondents cannot explain if client service charters are typically used in their organizations.

Furthermore, some of the interview results reflect responses obtained in the questionnaire findings. The respondents had different mixed views that the client service charters have promoted and improved performances and services delivery as evidenced by one of the respondents in managerial position (LM2): *We have the documents but who use them. The point is who bothers to go through such documents, on my view there is lack of seriousness and* 

subsequently no one is held responsible for not following those set performance standards in the charters. On my view, the charters are prepared for conformity purposes but its implementation requires seriousness and more efforts by top management and more awareness to the employees. In similar argument, another employee in managerial position noted (LM3): Client service charters are available in the organization but who makes follow up of what is done or not. There no clear mechanism that monitors if what has been agreed in the charters are being well implemented. The organization invest a lot of time on preparing the charters documents but in most cases, these are just documents in the offices and more badly stays for many years without being even reviewed. Nevertheless, to my views, if the management could have insisted its use and devise proper mechanism of following up, really these charters could have improved service delivery as performance standards are well indicated. The study further revealed that most of the public organizations have client service charters that explain services standards but not communicated to the employees across the organizations and there are no follow-ups on using it. The majority of respondents in the public organizations expressed problems on using charters to improve performance and service delivery to the public or customers. During the face-to-face interview, another employee in managerial position (HRM4) said: This is all about culture; the majority of employees do not abide to the standards stipulated in the charters. The organization has even put the charter in the website to explain all the performance standards but who follows it. I think the problem starts with employees' mindset. The organization sometimes receives views from our clients about our performances. I think even our clients are sometimes not aware of the performance enhancing tool as they could have utilized it to demand better services.

Another respondent not in the managerial position (SS2) evidenced similar challenge regarding the implementation of client service charters by saying: There is no seriousness on the way to implement client service charters. Although some of the employees are aware of the charters, in fact the majority of our bosses pay very little attention to it. The majority of senior staffs in the selected organizations stated that there is lack of commitment to the implementation of client service charters as evident in another comment (SS6): No one bothers or even monitors its implementation. There is no clear explanation to employees regarding the benefits of client service charters to the public organization. The client service charters are not cascaded to employees across the organization, so to my views this is the challenge. In addition, a respondent in managerial position stated more that the problem with client service charters in the public organization is lack of awareness and even commitment and support from heads of the public organization. The respondent in an interview noted (HRM6): To my views, if client service charters are effectively used as performance-enhancing tool can improve performances and even accountability among employees. The problem is, there is no external monitoring that could force heads of the organization to implement it seriously. The respondent perceived that, it is the duty of the government to frequently check the implementation of these performance-enhancing tools in the public organizations. Based on the respondent excerpts and even questionnaire results the issues of client service charter, its use in increasing responsiveness to the customers, improving performance and service delivery need more emphasis. Additionally, these results are also not in line with Korir et al. (2015:51), advocated that, client services charters which sets outs commitments and assures quality delivery and standards must be complied and shared to different employees in the organization in order to appropriately improve performances in the public organizations.

The study robustly affirms therefore that, the public organizations management does not provide or has failed to clearly show and train employees on the importance of the client service charters to improve performances and quality service delivery.

## 6.1.8.3 Open Performance Review and Appraisal System

Another essential component of implementing performance management system in Tanzania public organizations is open performance review and appraisal system. In an interviews and questionnaires, research participants were asked their views on whether this performanceenhancing tool has been useful to achieve public organizations goals and objectives. The study found mixed results. For example, whereas in an interview with employees in managerial position, the results generally indicated that the majority viewed that OPRAS was an important performance enhancing tool for the implementation of performance management system, the majority of senior staffs respondents in the same interviews are overwhelmingly not supporting the system that has any significances in improving performance and service delivery in the public organizations. Regarding questionnaire results, Figure 6.7 indicates that 48.3 per cent and 47.3 per cent of respondent respectively strongly agrees and agrees that the system is used in the public organizations. With contradictory views, however, questionnaire results divulge that 3.5 per cent and 1 per cent of respondents indicate that not all employees in the organization use OPRAS.

The implementation of OPRAS incorporates different aspects of performance management system such being as a tool for performance agreement in the public organizations, identification of employees for different salary adjustments and developments and performance measurements. These aspects were well highlighted in the face-to-face interviews with both employees in the managerial positions and those not in such positions. Regarding performance agreement through

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open performance review and appraisal system for performance evaluations, the majority of the respondents considers that it is done for compliance only as there are no follow-ups after the employees signing such an agreement.

For example, in interviews with employees in managerial positions admitted to have problems in performance agreements to the heads of the public organizations. One respondent in an interview remarked (LM3): *To my experience performance agreements to the heads of the public organization is the challenge. We have the parent ministry, and we have ministerial advisory boards and others. These are two players, so sometimes there is confusion in supervising and evaluating performances in public organizations.* The respondent pointed out the need for the government to establish one regulatory body to purview all public organizations performances and service delivery. In addition, the study found that for the approval of salary increments or any salary changes in the public organizations there need of attachments of performance evaluations forms to the central government system; and thus, one respondent in an interview (LM1) asserted: *On my view no any employees could bother to fill such performance agreement forms for performance evaluation, it is done for compliances only.* 

On a similar argument, another respondent (SS2) in an interview said: *The system has no use at all and that its implementation is merely for the compliances purposes and more specifically at the time of salary adjustments*. The study further found that, the majority of respondents viewed that employees are in most cases involved in setting of performance criteria when entering performance agreement with managers or supervisors, and the problems are on lack of close supervision, close monitoring and general follow ups of progress of activities after the signing such as performance agreement.

In relation to performance evaluations in the organization, the majority of respondents view it as a complex process. In an interview one respondent echoed (SS6): We have a lot of challenges at time of performance evaluation for employees: The reality is our managers do not take the event very seriously and mostly becomes devious and sometimes it happens that there no performance criteria and even periodic evaluations. It is time for our heads of departments and managers to take the matter seriously in order to improve both employees and organization performances.

The study further revealed that OPRAS as the system covers different workers groups across the public organizations. With such approach the study found that, there challenges of identifying performance indicators to certain cadre of employees in the organizations. In an interview with an employee in managerial positions evidenced the disclosure when said (LM3): *It is true that employees in low cadres are not in the position sometimes to set performance indicators and therefore an evaluation becomes difficulty*.

Furthermore, regarding using OPRAS, for identifying and rewarding good performances, the majority of the respondents view it as a challenge. The directors and managers' views that the major challenge for its implementation is the issue of having two players, more specifically on salary increments and adjustments, the ministry responsible for public service management and the public organizations. In an interview one of the employee in managerial position elucidated (HRM5): *There challenges in using the system to identify and reward good performances. Salary adjustments are centralized to the government, so even if directors and managers identifies such employees deserving different rewards such as promotions or salary increments there is no such mandate, till the approvers from the centralized system do so.* Such centralized system was perceived as bureaucratic in nature hampering the whole process of the system implementation and consequently demotivating employees towards achieving organization objectives and targets.

It was revealed in an interview that workers complain about the use of OPRAS in their performance evaluations, as it seems not to help employees to grow.

On the research, a participant in the public organizations noted (HRM3): There contradiction here, the public organization has scheme of services, which requires and employees to stay in the job position for at least three years before getting their salaries adjusted. And, at the same, it happens that through OPRAS every year employees achieves goals on time and deserves salary adjustments, so this is a challenge. This is why employees do not find the system useful at all. On similar argument respondents pointed out another challenge for OPRAS implementation is for employees reaching the highest job positions in the scheme of services. It was further stated that for employees about to retire in the public services and those reached career growth bar, OPRAS becomes just a paper filling event which has little influences on salary adjustments. In an interview, one employee in managerial positions remarked (HRM5): We have employees at the top job positions in the public organization scheme of survives, may be are waiting for appointments or are about to retire from the public services, and to them OPRAS becomes meaningless. This group of employees becomes skeptical in using the system and even performance evaluations to improve performance and service delivery. The findings further revealed that the use of OPRAS to improve performance and service delivery a problematic. In an interview the majority of senior staffs' respondents in the public organizations repeatedly remarked issues of lack of support from top management commitment and laxity to use systems. In contrast, to the majority of respondents views are that OPRAS implementation is a challenge; the study has revealed that some of the public organizations have customized this government system of performance evaluation to the one that can be more suitable to their respective organizations.

One of the top management officials asserted (HRM6): After getting difficulty with OPRAS, the organization customized it to Objectives Oriented Performance System (OOP). Initially the system worked very well especially on orienting employees to work towards the intended organization objectives and targets. With this organization innovation however, the major challenges remain with the same lack of management commitments. The respondent further added a view that there is need to have outside interventions especially on appointments of management team in terms of having competent and committed directors and managers to make use of the available system to improve performances. With the results, this study realizes that despite the innovation and hard work some of the public organizations are putting in addressing issues of improved performances, the main setbacks to such efforts are among other lack support from top management officials. Furthermore, the findings of this study, from both questionnaire and interviews are consistent with various study findings on the implementation of OPRAS in public organizations, that is questionable: For example, report of the public service exhibition week on ethical public service is a catalyst for improving service delivery to the public by the President Office Public Service Management (URT, 2006:16), it indicates that the system is insufficiently practiced in the public organizations. What participants of the public service exhibition week commented has also been revealed in this study: Among the comments are:

OPRAS is the good system and it is a tool that if it could be used appropriately in the public service, it could have boosted the performances and service delivery. In reality, the system cannot or lowly implemented in the public organizations working environment. Employees in the organizations have different needs to accomplish the organization goals and thus where complications of the use of the system begin. The government follow-ups and interventions on its implementations are needed, as their organizations even do not use the system.

In addition, Songstad et al. (2012, p.6) further corroborate these observations with study, on the use of performance review and appraisal system in health sector in Tanzania. The study found that the majority of employees in the sector perceive the system as for compliances and not to improve performance and service delivery. In this regard therefore, the results indicate that for in order to achieve acceptable levels of service delivery and performances in public organizations through the use of OPRAS, observable setbacks such as, among others, constraints of resources for its implementation, different rewards to motivate employees and top management commitment on seeing the system important for the improving performances in organizations need to be well addressed.

### 6.1.8.4 Monitoring and Evaluation

For in order public organizations to improve performance, work progresses, organizational specific results and objectives must continuously be evaluated and monitored to ascertain whether are in line with what was planned. It is noted that once the objectives and targets are pervaded across the organization and implemented by the employees has to be evaluated and monitored from time to time to ensure that that the results are connected with objectives and outcomes in the organization. And, therefore, monitoring and evaluation is one the central pillar of the implementation of performance management system in which identifications of areas of performances improvements in the organizations can be tracked. Through questionnaire and interviews, respondents were asked; if in their organization there is monitoring and evaluation system that helps to improve performance and service delivery.

On one side, the questionnaire results indicate that 40.8 per cent of respondents disagree that their organization has strong monitoring and evaluation system for performance improvements. On another side 20.4 per cent and 33.3 per cent of respondents respectively *strongly agree* and *agree* that, the public organization system has monitoring and evaluation system. This implies that the questionnaire results are somewhat different across six public organizations under the study. Nevertheless, in an interview, it was revealed that some of the public organizations have established a formal monitoring and evaluation divisions. In regards to monitoring and evaluation noted (LD2): *The organization has established special division for monitoring and evaluation that often provides feedback on organizational performances, crosschecks progress of implementation of various activities*. According to the respondent, the division has been very helpful in monitoring organization performances, though the organization had more to do in terms of having competent and well-trained employees.

In contradictory views however, interviews results with employees not in managerial positions showed that monitoring and evaluation system in their public organizations a challenge. The majority of these respondents revealed that despite having such division for monitoring and evaluation there is no smooth link with other departments in regarding to sharing feedbacks on the implementation of various activities in the organization. Interviewed respondent viewed the division as not playing its role in providing performance feedback to the employees. The senior staff said (SS5): *Yes, the organization has independent division for monitoring and evaluation of performances. But how comes that we do not receive our performance feedback, this is the challenge.* 

The respondents reported that performance reports are channeled through workers councils where not all employees are involved and in many cases such reports ends to the top management in the organizations. The results imply that there is gap between the division for performance monitoring and evaluation and employees' expectations in the organizations. The responses signify further that the implementation of monitoring and evaluation system is not taken more seriously in the public organizations as another respondent remarked in the interview (SS2): *There is no clear mechanism in the organization to closely monitor employees, even their daily works*. Based on the most interviews respondents' excerpts, which concur with the majority respondents in the questionnaire survey 40.8 per cent disagreeing that the public organizations have strong monitoring and evaluation system, it is clear indication that public organizations do not use this important component of performance management system to improve performance and service delivery.

One respondent in the managerial position stated further that it would be appropriate for monitoring and evaluation to be seriously carried out internally and externally by external consultants or another independent regulatory government agency using different public organization performance indicators. In the respondent views, the mere quarter and annually organization performance reports it would not distinguish performance management system implementation shortcomings and consequently little benefit to the organization to improve performance and service delivery. To reconcile on the results obtained during the interviews and that of the questionnaire, the study persistently continues to argue that largely, public organizations are not effectively implementing some of these critical components of performance management system. In particular, top management administrators should view monitoring and evaluations as critical component that can show a complete picture of performances in order to improve performances and quality service delivery in the public organizations.

### 6.1.9 The Effectiveness of PMS

Effective performance management system serves as vehicle for improving both individual employees and organization performances in the public organizations. In this regard, the respondents across the selected public organizations were through interviews and questionnaires asked their views based on designed questions and a list of items important for effective performance management system to improve performance and service delivery. The responses from the questionnaire are depicted on Figure 6.8 below. The result indicates that different items of performance management system effectiveness records different percentages of responses from the respondents. With regarding to performance management system that helps the public organizations to identify good and bad performances 35.82 per cent and 24.88 per cent respectively agrees and strongly agrees that the system helps to achieve such an objective; 31.34 per cent and 6.4 per cent in that order *disagree* and *strongly disagree* that the system has been able to help the public organization to identify good and bad performances; 1.4 per cent of respondents are unaware if the system is effective in helping the organization to identify good and bad performances.

Statements	Strongly Agree	Agree	Don't Know	Disagree	Strongly Disagree
Helps to identify performance problems	90 (44.78 %)	87 (43.28 %)	12 (5.97 %)	12 (5.97%)	0 (0.00%)
Improves employees commitment to the organization	71 (35.32 %)	90(44.78 %)	6 (2.99 %)	30 (14.93%)	4 (1.99%)
Helps in skills development for the job	49 (24.38%)	98 (48.76 %)	13 (6.47%)	40 (19.90%)	1(0.5%)
Helps to link performances with rewards	36 (17.91%)	70 (34.83%)	10 (4.98%)	81(40.30%)	4(1.99%)
Helps to achieve organization goals and targets	81(40.30%)	93 (46.27%)	7(3.48%)	19 (9.45%)	1(0.50%)
Helps managers and other supervisors to enhance performances	52 (25.87%)	107 (53.23%)	3(1.49%)	39(19.40%)	0(0.00%)
Improves organization planning process	54(26.87%)	104(51.74%)	19(9.45%)	23(11.44%)	1(0.50%)
Provides accurate assessment of performances	28(13.93%)	75(37.31%)	6(2.99%)	78(38.81%)	14(6.97%)
Develops a performance oriented culture in the organization	22(10.95%)	108(53.73%)	7(3.48%)	62(30.85%)	2(1.00%)
It provides performance feedbacks to employees	42(20.90%)	85(42.29%)	10(4.98%)	63(31.34%)	1(0.5%)
Helps to increased responsiveness to the public	44(21.89%)	78(38.80%)	14(6.97%)	64(31.84%)	1(0.50%)
Helps to identify good and bad performances	50(24.88%)	72(35.82%)	3(1.49%)	63(31.34%)	13(6.47%)

Table 6.1: PMS Effectiveness to Enhance Performances

Furthermore, it is observed from the Table 6.1 above that 44.78 percent and 35.32 percent of respondents respectively *agrees* and *strongly agrees* that performance management system has been effective in improving employees commitment in the public organizations; while14.9 per cent and about 2.0 per cent of respondents *disagree* and *strongly disagree* that the system has improved employees commitment to the organizations. With regards to the system helping the public organization to link performances with rewards, 40.30 per cent and 1.99 per cent of respondents *disagree* and *strongly disagree* that the system helping the public organization to link performances with rewards, 40.30 per cent and 1.99 per cent and 17.91 per cent of respondents *agree* and *strongly agree* that the system helps the public organization to link performances with rewards; and 4.98 per cent of respondents had no views on whether PMS has been effective in linking performance with rewards.

On the system being accurate on assessment of employees' performances, 38.81 per cent and 6.97 per cent of respondents *disagree* and *strongly disagree* that it is effective, whereas 37.3 per cent and 13.93 per cent *agree* and *strongly agree* that, the system has been effective in assessing performances in the organization and 2.99 per cent had no views about it. Thus, it shows here that the majority of respondent perceived PMS as not very effective in helping the public organizations to assess performances.

Furthermore, the results showed on the table above apparently show great discrepancy views and experiences on different dimensions for performance management system effectiveness to enhance different aspects of organization performances. For example, among others, regarding the system being effective to develop performance-oriented culture in the organizations, 53.7 per cent and 10.95 per cent of respondents consecutively *agree* and *strongly agree*, whereas 30.85 per cent and 1.0 per cent *disagree* and *strongly disagree*.

However, the questionnaire findings to some extent contradict with the views of the majority of respondents through interviews admitting that it is very difficult to know that different dimensions of performance management system are effective to improve performance in the public organizations. Particularly, one respondent expressed (LD2): *How can PMS be effective if the public organizations do not have enough resources. Our public organization spreads countrywide and has offices in almost every region, so to effectively implement PMS, there need of resources but the organization has limited financial resources. With such a situation, how can the organization effectively implement different aspects of performance management system?* 

In regarding to using performance management system as a tool that helps the public organizations to identify good and bad performances, sizable number of respondents not in the managerial positions in interviews had also different views. For example, these respondents across the selected organizations contradicted with the questionnaire findings depicted in table 6.1, 35.82 per cent and 24.88 per cent *agree* and *strongly agreeing* that the system helps to identify such performances. In particular contradiction, an interviewee leveled (SS5): *For me, I don't think if the PMS is effective in identification of good and bad performances*. Repeatedly almost these cadres of respondents had views that the system is not effective in helping to identify such type of performances in the public organizations.

Further, in interviews, top management officials were quested if different dimensions of performance management system have been effective in improving performances. The general views and experiences held by the majority of the respondents in managerial positions considerably indicates that the system has been somehow helpful in developing performance-oriented culture, and improving organization planning processes in the organizations.

In an interview one respondent remarked (LD3): *I don't think if the system has wholly been effective in helping the organizations to achieve goals or objectives but rather somehow assist the management team in the planning processes and identifying some performances challenges.* 

As a tool for accurate assessment of performances, respondents stated that for improved performances and accountability heads of the public organizations are though fully needed to be assessed for their performances. The respondent remarked (LD2): *To my views, heads of the organizations should be assessed for their performances. It happens sometimes, even without clear assessment, the permanent secretaries in the ministry are receiving performance reports from the public organization, which sometimes do not reflect the challenges in the organizations. If the system can well be enforced to the top management officials, then it becomes easy to other employees in the public organization. In similar vein, another respondent added that their public organization has been striving to use the system to enhance performance but regarding using it for performance rating, the respondent expressed (SS5): <i>My views on using it as a tool for assessment of performances are somehow different. Here, human beings are shy in nature which to my views is something to do with our culture, so when it comes to performances assessment, it is where the system mostly seems not to work well.* 

Furthermore, performance management system as a tool to develop performance-oriented culture. The majority of respondents noted that there are several challenges that make the system ineffective in that critical component to improve performances in the public organizations. In an interview, one respondent clearly explained the concern (LM2): *To transform the public organization to performance-oriented culture somehow becomes difficulty. We are service providers to the public and at the same time forced to compete with other organizations in terms of increasing efforts to business to expand sources of revenue.* It was stated further, with that challenge, it is very difficult to understand if the adopted system has been effective or not especially in building performance-oriented culture and general improved performances.

On if the performance management system has effectively helped the public organizations to generally improve performances; respondents further explained in an interview that the system has somewhat helped to instill performance culture among employees but still with many problems in terms of improving performances. One of interviewees (LM2) stated:

For such a system to be effective to improve performances in the organizations, there need of both financial and non-financial resources. The problems here can partly be from the government and others within the organizations. For example, the government, has formulated different policies, laws and guidelines and gives them to the organizations, but what is the reality in terms of these organizations preparedness or capacity to implement these policies, laws and guidelines in order to orient the employees into performance-oriented culture?

In addition, another respondent explained that there are numerous existing laws and regulations that provide the public organizations with legitimacy to independently implement different aspects of performance management system. However, in terms of improving performances, some of the policies and laws contribute to system ineffectiveness. The concerns about these policies and regulations were echoed by interviewee (LM3): *To me, the government passes laws and regulations, which are important to facilitate different operations in the public organizations. However, to my views some of the laws and regulations complicate implementation of such system.* The respondent clearly pointed out the laws and regulations on procurement and supplies of equipment makes things very difficult in terms of bureaucratic procedures that it takes very long time to have necessary resources resulting into unnecessary delay to accomplish the agreed objectives and targets. The respondent concluded that if such bureaucratic procedures would not be minimized more challenges will continue prevailing causing low work morale and poor service delivery in the public organizations.

#### 6.1.9.1 Findings Discussion on PMS Effectiveness

As part of the objectives of the study, this part wanted to find out different aspects of effective performance management system in improving performance and service delivery. Twelve aspects were through questionnaires assessed and few through face-to-face interviews in the public organizations. Effective performance management system should among others: identify and measure performance accurately, connect performance with rewards, create perception of fairness and equitable treatment of all employees and identify good and bad performances in the organizations.

Notably in the questionnaires, the different aspects of effective performance management system recorded high percentages from the respondents. For example, the findings show that about45 per cent and 43 per cent of the respondent *agrees* and *strongly agrees* that performance management system helps the public organizations to identify performance problems. Moreover, about 52 per cent and 27 per cent of respondents also *agrees* and *strongly agrees* that the system helps the public organization in the planning process. In contradictory views, however, similar findings show that 39 per cent and 7 per cent of respondents views that the system is not helping in identifying and measuring accurately performance in the organization. And also, sizable respondents, 31 per cent and 6 per cent views that the system does not help the organization to identify good and bad performances, the findings are consistent with Rhodes et al. (2012, p.245), advocated failure of PMS to identify poor performances in the public organizations.

Furthermore, from interviews in areas of identifying good and bad performances, performance assessment, planning processes, the findings somewhat collaborated the questionnaire findings. The majority of interviewees supported the findings that the system has been helpful identifying performance problems and planning processes in the public organizations.

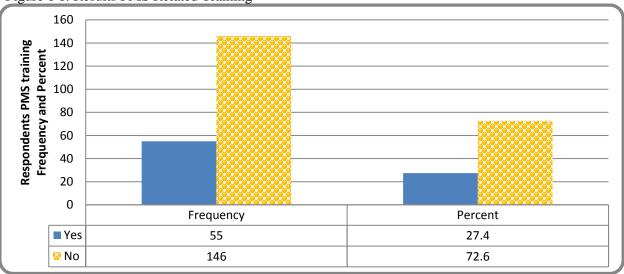
### 6.1.10PMS Related Training

This section was imperative for this study to know if the public organizations put more stresses on such specialized trainings on performance management system. On one hand, through an interview, respondents were asked questions on any training programs related to performance management system and on the other hand, respondents were given questionnaires to have their views on specific areas important for the implementation of performance management system. The next subsections present the findings from the respondents.

## 6.1.10.1 PMS Related Training Programs in the Public Organizations

Training and development leads to acquisition of advanced skills, abilities, attitudes, knowledge and behavior of workers that consequently enhance organizational performances. In this case therefore, public organizations need to put considerable attention to employees training and development. In the survey questionnaires, the first part wanted to have respondents' general views if employees in managerial positions in the selected public organizations are provided with necessary training on performance management system variables.

As depicted on the Figure 6.8below a total of 72.6 percent of all the respondents under the study showed that directors and managers are not trained on various issues of performance management systems; whereas 27.4 per cent of the respondents perceived that directors and managers are trained on the PMS related aspects.





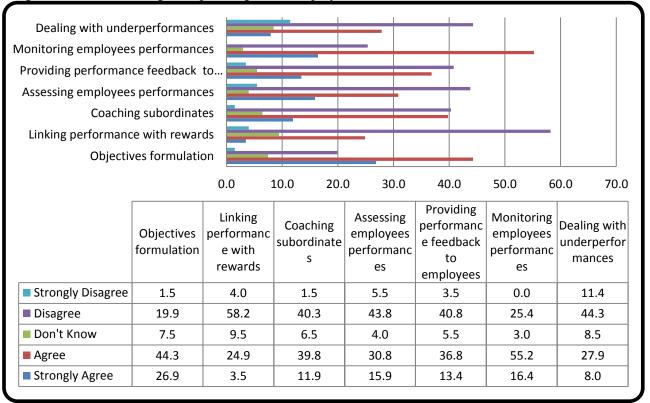
Furthermore, in an interview the majority of respondents not in managerial positions pointed out that training and development more specifically to issues of performance management system is the challenge. The majority of the senior staffs doubted if there were some of the directors and managers had clear understanding of the system and places much emphasis on it to enhance performances. The respondents perceived that training and development on performance management system was very important and was supposed to be taken very seriously. In particular, training and development for the directors and managers, one of the senior staff said (SS1): What happens if directors and managers are not well trained on how the performance management system works? There times employees given higher positions without any formal training and therefore what do you expect to get from the subordinates, it becomes very difficult. Just to give an example on the use of OPRAS on assessing employees performances, the majority of our supervisors are not trained to use it and therefore skeptical. My views are, since directors and managers are the central actors for the implementation of the system, it is better for the organization to emphasize employees in managerial positions to the specialized training on different aspects of performance management system.

The Interview and questionnaire results in this part support one another that training and development on areas of performance management system are not given priority. The study further revealed that there has been not only no training on PMS but even to its performance enhancing tools such as client service charters, strategic planning and performance appraisal system. It has been revealed from the respondents that most of the public organization had not been able to provide adequate training to different cadres of employees.

#### 6.1.10.2 PMS Training in Public Organizations

Employees in managerial positions need to be trained in order to understand the main purpose and the benefits of using performance management system in the public organizations. It is therefore very important for directors and managers to be better trained on wide range of issues of performance management system. This part therefore wanted through questionnaires and interviews to solicit views and experiences if there are formal trainings on aspects of the system such as development of performance criteria, performance monitoring and evaluation and entirely performance management process. Questionnaire and interview results more specific on PMS related training to employees in the managerial positions are presented below.

#### Figure 6 9: PMS Training to Top Management Employees



The Figure 6.9 above depicts views and experiences from the respondents on public organizations giving specific training on PMS. The results from the questionnaire indicate that 44.3 percent and 26.9 percent of respondents agrees and strongly agrees respectively that directors and managers in public organizations are well trained of objectives formulations important for the performance agreements in the departments and divisions. Regarding monitoring employees' performances 55.2 per cent and 16.4 percent of respondents respectively evidences that such training to the directors and managers in the organizations. However, in contradictory views, the results show that specific training on areas such linking performance with rewards58.2 percent of respondents are dissatisfied; coaching subordinates40.3 percent of respondent dissatisfied; assessing employee performances 43.8 percent of respondent are dissatisfied, dealing with underperformances 44.3 per cent of respondents disagrees and whereas, also providing performance feedback 40.8 per cent of the respondents *disagrees* that such specific skills are given priority to directors and managers in order to improve performance and quality service delivery. In this regard, the questionnaire results indicates that, in spite the benefits of training to employees, most of the public organizations do not provide more emphases on the training and development on specialized areas of performance management system.

Regarding interviews, top management officials and senior staffs were asked questions if employees are trained on effective use of different aspects of PMS. Surprisingly, the study found that all calibers of employees in the public organizations showed the importance of training on different aspects of performance management system.

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In an interview one respondent said (SS2): I think if there would be training programs on how the performance management system works, it could have made the majority of employees motivated and aware of the systems. This could have ultimately raised employees' commitment and high morale to implement it and improve performance and service delivery. Another respondent reminded on aspect of proper training on assessing employee performances to directors and managers. In an interview, the respondent remarked (SS4): I think it is important for our supervisors to undertake special training on how to assess performances of employees. This is the problem because sometimes assessments are done in a rush. The respondent added that training on important dimensions for effective implementation of performance management system such as monitoring employees' performance, labor laws for underperformances should be made so effective in the public organizations in order to improve performances. On similar argument another respondent noted that (SS6): Even though the public organizations have enough budget for training there is very little priority to training of employees. There need of formal PMS related training so that managers and supervisors becomes knowledgeable on how for instance to deal with employees that do not finish up goals on time. The respondent further added that dedicating employees in managerial positions to PMS related training could signal that the public organizations prioritize it and in turn facilitating system effectiveness.

Moreover, the study found that the majority of top managerial positions respondents converges on their views that public organizations need to incorporate vigorous specialized training on performance management system critical components to boost up directors and managers morale in its implementations.

### 6.1.10.3 Discussion on PMS Training

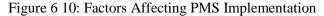
On the same view, (Bussin, 2013, p.103) asserts that directors and managers should be empowered and trained to make informed judgments, take responsibility for results and initiatives of improving performances in the organization. In addition, (Kohli & Deb, 2008, p.364), clarifies that promotion to higher levels or management cadres in the organization is the reward for outstanding performances which demonstrate leadership ability and ability to develop strategies for given functional areas. For this study, core management practices; objectives formulations, coaching employees, linking performance with rewards, providing feedback to employees and dealing with underperformance were in questionnaires and interviews assessed. The findings analysis shows that questionnaires responses record higher 44 per cent and 27 per cent that directors and managers are perceived to have skills and knowledge on management practice objectives formulations in the organization. However, the interviews findings supported other questionnaires results on management practices; assessing employees' performances, dealing with underperformances and coaching subordinates perceived to have not well trained to employees in managerial positions.

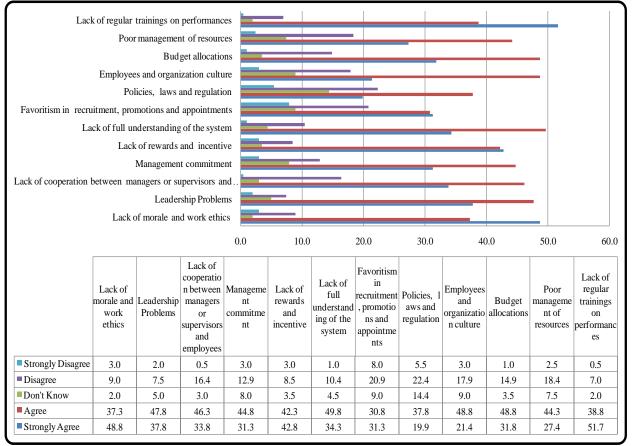
The study has revealed that the majority of respondents felt that training on performance management practices have somewhat not given emphases in the public organizations. These findings are inconsistent with Hainess & St-Onge (2012, p.1170) and Baird et al. (2012, p.166)findings that for effective performance management processes, public organizations need to comprehensively invest on managers and other supervisors training on areas such as performance coaching and the manner to constructively provide performance feedback to employees in order to use the system effectively and develop outcomes oriented culture. This

study argument is that well trained directors and managers on different aspects performance management system can improve performance and service delivery in the organizations.

# **6.1.11 Interfering Factors for PMS Implementations**

The effective implementation performance management system requires employees' acceptance, awareness, participation, HR strategies, commitment and broad-based understating of the system in order to improve performances. Regarding factors that hinder implementation of PMS in the public organizations, respondents through interviews and questionnaires were asked several questions. For questionnaires, the respondents based on different factors that might hinder the implementation PMS, were asked their views and experiences. The results on the identified items are depicted on the Figure 6.10 below. Apparently, the results show discrepancies on respondents' views and experiences about the factors that impede implementation of PMS in the public organization. It indicates that the majority of respondents 51.7 percent and 38.8 per cent respectively *strongly agrees* and *agrees* that lack or regular training on the system and performance entirely affect the implementation of performance management system in the public organizations.





Furthermore, with regard to employees morale and work ethics, 48.8 per cent and 37.3 per cent of the majority of respondents *strongly agree* and *agree* it affects its implementation, whereas minority 9.0 per cent and 3.0 of respondents *disagree* and *strongly disagree* that it affects the system implementations and at the same time 2.0 per cent had no views about the factor.

In addition, another common factor that impedes implementation of PMS in public organizations under the study is lack of financial incentives and rewards. The results show that 42.8 per cent and 42.2 per cent respectively strongly agrees and agrees that financial rewards and incentives affect implementation of the system. In fact, 8.5 per cent and 3.0 per cent *disagree* and *strongly disagree* that financial reward affects system implementation. It is notable from the questionnaire results shown on the Figure 6.10 above that, the majority of respondents views almost that the

identified factors with regarding to implementation of performance management system impedes its implementation. For example, among other, issues of lack of clear understanding of the system 49.8 per cent and 34.3 per cent of respondents *agree* and *strongly agree*; budget allocation problems, 48.8 per cent agree and 31.8 percent of respondents *agree* and *strongly agree*; management commitment, 44.8 per cent and 31.3 per cent of respondents *agree* and *strongly agree*; and favoritism in recruitment and appointment, 31.8 per cent and 31.3 per cent of respondent *agree* and *strongly agree* on it.

Furthermore, in interviews respondents were asked on different factors that impede implementation of performance management system in the public organizations. The findings here are mixed. With clear understanding of the system, the majority of respondent held views that there is in-adequate training to employees across the public organizations. In one public organization an interviewee clearly stated (HRM2): *I definitely admit that for systems or any management tools to be effective there need of adequate short training courses to all cadre of employees and other new recruits to understand what the benefits of such a system. So to my views such things are overlooked but crucial for operations and success for the system.* On the views of employees not in managerial positions perceived it as a serious problem.

This was reflected in an interview as one respondent pointed out (SS4): To my views the system is well known to the top management officials. The problem is how to bring it to junior employees and newly recruited employees in the organizations. There is great gap between managers and subordinates and thus its implementation becomes problematical. On the views, another interviewee with striking observations had this comment (SS2): In our organization structure we have ministerial advisory board, which has to work very closely to the organization management team. To my views this Board has no autonomy and mandate to execute decisions timely to the public organization.

The respondent stated that the situation hugely affects the implementations of different aspects of performance management system in the organization. The respondents further addressed that the spirit of change to effectively implement the system should start at the top management team. When asked how another critical component such as lack of rewards and incentives that affects implementation of performance management system, the majority of respondents in the managerial positions pointed out that lack of management and financial autonomy to implementation some of rewards and incentives contributes to the problems: In regard one respondent had this observations (HRM2): You know Some of the HR-related practices are in highly centralized system. The situation limits the autonomy for the public organization to *implement these practices such as salary annual increments.* The respondent highlighted that in general for directors and managers, it becomes very hard to act to some of the practices and therefore difficult to achieve the intended organization results which ultimately affecting implementation of the system. The argument was further supported by another interviewee when he commented (HRM6): In my opinion, the centralized system somehow slows down implementation of the system facets and many other things. Just take it from me issues of replacement of retirees, recruitment of new employees and promoting employees to different job positions can take years. The respondents showed great concern to such practices and concluded that it was important to set other relevant modalities in to effectively implement performance management system.

This study further sought views on workers work morale and work ethics and its effect on the implementation of performance management system. The majority of respondents not in the

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management positions frequently in some interviews, perceived that a regular review of rewards and incentives was important to boost up employees work morale and system implementation. One among several respondents in an interview remarked (SS2): There is a much expectations when rewards and incentives schemes are regularly checked upon. To my views such acts promotes hard working morale to employees and consequently improves performances. The respondents added that clear and open rewards and incentives schemes motivate employees to work hard towards organizational objectives and targets. Managers or supervisors are responsible for the day-to-day responsibility of managing organizations activities. In this case, respondents were asked if lack of cooperation between managers and other employees affects system implementations. The majority of senior staffs respondents perceived that there exits little gap in terms of communication of various activities in the public organizations. One interviewee asserted this concern (SS1): Yes, sometimes we experience little cooperation more specifically on aspects of our managers to communicate key issues such as budget for implementation of activities on time in our division. There is kind of ad hoc way of communicating things in the organization which affects efficiencies.

The study revealed continual perception among senior staff respondents that there is little cooperation between managers and subordinates in the whole process of system implementation in the public organization. Hence, it is the responsibility of the organizations executives to ensure that there are clear communications among employees in the public organizations for better performance improvement and services to the public.

## 6.1.12 Management commitment to PMS

Reviewed literature shows that directors and managers supervisory role in terms of commitment in organization promotes workers' comfort ability, commitment and job satisfaction. And, also, in an organization context, heads of departments and managers' commitment appears to an important dimension for the performance management system effectiveness to improve performance and service delivery. Conversely, however, Panda (2011, p.298) puts clearly that lack of management commitment results into poor organizational performances. And, thus, commitment of the top management is vital for the implementation of performance management system. In both questionnaire and interviews, respondents such senior staffs were asked their views and experiences on the commitment top management officials in the whole process of the implementation of performance management systems. For the case of questionnaires, nine statements regarding top management officials commitment to the implementation of PMS were constructed and the results are depicted in Figure 6.11 below.

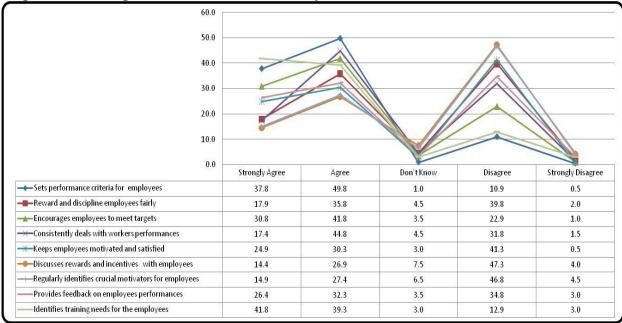


Figure 6.11: Management Commitment to PMS Implementation

Figure 6.11 portrays categorical views of respondents about top management official commitments to the implementation of performance management system. Results on views and experiences regarding top management employees involving in setting performance criteria for employees, 37.8 per cent and 49.8 per cent of respondents respectively indicates to strongly

agree and agrees that they are committed, whereas about 10.9 per cent and 0.5 *disagree* and *strongly disagree* that the top management officials are involved in setting up performances criteria for employees in the public organizations under the study: and on 1 percent of respondent did not views that top management officials have commitment to the implementation of PMS. Moreover, about 40 percent and 2 per cent of vast majority of respondents *disagree* and *strongly disagree* viewing that top management officials are not committed to issues of rewards and disciplining employees fairly: whereas, approximately 36 per cent and 18 percent of respondents views top management team as committed to rewarding and disciplining employees fairly; and further, about 5 percent of employees had no views whether their top management official had commitment to rewarding and disciplining employees fairly.

Furthermore, on regarding top management officials' dedication to providing feedback on employees' performances in the public organization, the study revealed that the vast majority of respondent 35 per cent and 3 per cent disagree and strongly disagree that there such a commitment: On its contradictory views, 32.3 per cent and 26.6 per cent of respondents respectively *agree* and *strongly agree* that management cadre of employees are dedicated to providing feedback on employees performances. Additionally, 47.3 per cent and 4.0 per cent of respondents in the study, *disagree* and *strongly disagree* that top management officials in the public organizations dedicatedly discusses with employees issues of rewards and incentives; 14.4 per cent and 26.9 per cent of respondents *strongly agree* and *agree* that their organizations management team discusses with employees different aspects of rewards and incentives important to improve performances; about 8.0 per cent of respondents had no views that discussions are held on rewards and incentives with top management officials.

With regard to regularly identifying crucial motivation factors for employees, 46.8 per cent and 4.5 per cent of respondents *disagree* and *strongly disagree* that their organization management team is committed to it; whereas, 14.9 per cent and 27.4 per cent of respondents *agree* and *strongly agree* that organization management teams identifies motivating factors for employees in the public organization; and 6.5 per cent of respondents do not have any views on it. Also, from the interviews perspective, the study sought views and experiences on dedications of top management officials on some critical aspects of performance management system in the public organizations. In this case, the majority of senior staffs, directors and managers in the selected organizations were interviewed.

The study revealed that the majority of respondents viewed management commitment to implementation of different aspects of performance management system as problematic and relatively low. The respondents pointed out lack of managerial skills among top management officials and that becomes a challenge. The claims were reflected in one of the interviews (SS6): *Organization management commitment to the implementation of the system is a problem. For example, it happens many times our managers or supervisors even do not have time or opportunities to interact with subordinates to discuss things like performance criteria. The respondent described that implementation of some of the system has perceived low agenda to most of the managers and supervisors in different department in the public organizations. It was further explained that there was a power distance between managers and subordinates. An interviewee narrated the situation (SS2): <i>Most of the decisions are made in top management meetings or annual workers council meetings. So, employees are sometimes just given what to do without given a room to put ideas on how to deliver the activities and services in general.* The respondents showed the majority of supervisors do not seem to put needed

attentions to formulating performance standards and as the result performance assessment becomes a challenge.

On commitment to assessing and providing timely feedback to performances of employees, respondent from top management official expressed concern on the practice (LM2): *We as supervisors of performances sometimes face difficulties to control and assess workers performances. How can for example a supervisor give bad feedback to subordinates while it is the management problem that does not give resources on time. With such the scenario this becomes very difficult for managers to be dedicated to implement such a critical component of performance management system.* 

The respondent also views that setting performance standards without being sure with the availability of resources is a challenge in the public organization. On the similar argument another respondent held views that supervisors have little commitment to issues of monitoring performance and even providing performance feedback to employees on the achievement of the objectives; one respondent pointed out (SS2): *Supervisors have to monitor performance and work progress and see what was planned to be achieved. To my views, some of the supervisors are laissez-faire especially on issues of dealing with employee performances.* 

With respect to directors and managers' commitments to identifying rewards and incentives to employees to improve performances, in on organization, the respondent pointed out (LM3): Yes, I have to admit that t motivation issues are important to raise work morale but require resources. We as managers are sometimes committed and play our party on identifying issues of rewards and incentives. The point here is on lack of financial resources. Some of the respondents maintained that issues of rewards and incentives are difficulty but when available are implemented. On contradictory arguments however, the majority of respondents not in

managerial positions viewed that top management officials are getting substantial amount of incentives and therefore making the officials are not critically taking it a priority to other employees. One of the respondents confirmed the assertion when explained (SS6): I partly agree that the public organization faces financial problems, but when it comes to trips managers and other leaders are travelling and given incentives. So, to my views there is lack of commitment to the organization management to fairly provide incentives. Other respondents similarly noted that there is reluctance of directors and managers when it comes to training programs for employees. In particular, one respondent put it (SS1): There is no such seriousness when it comes to managers to identify training needs to employees. It is just an individual effort to struggle for training opportunities. There higher positions in the organization that requires new skills so every employee has to struggle when wants to be promoted to such positions in the organizations. Several respondents held views that it was important for top management officials to show commitments on areas such as rewards and incentives in order to motivate employees in the public organizations. It was further emphasized that if directors and managers were devoting time and efforts and committed to keeping employees motivated the system could have enhanced performances and service delivery.

## 6.1.13Employees Motivation in the Public Organization

The role of performance management system in the organization is to facilitate performancebased remuneration and rewards in order to clearly show workers the link between their performances and the rewards that are received. In addition, the persuasive reasons for the implementation of rewards and incentives are to motivate employees to achieve performance targets. Therefore, this part of study through face-to-face interviews and questionnaires, the respondents were quested their views and experiences about issues of financial and non-financial rewards and incentives in their public organizations. The detailed findings are presented in the following subsections.

# **6.1.13.1 Financial Rewards and Incentives**

Financial rewards and incentives are among key dimensions of the performance management system and are required to be attached to specified performance levels in the organizations.

In the questionnaires, several financial rewards and incentives items were used to measure respondents' views and experiences. The identified items of financial rewards and incentives showed mixed views and experiences.

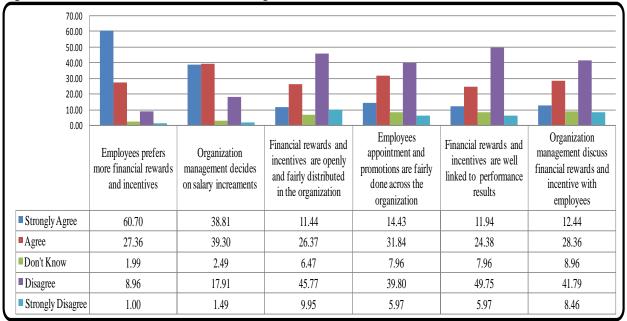


Figure 6 12: Financial Rewards in Public Organizations

Figure 6.12 above indicates that the majority of respondents 60.70 per cent and 27.36 per cent respectively *strongly agree* and *agree* that financial rewards and incentives are most prepared in the public organizations.

However, minority of respondents about 10 per cent and 1per cent *disagree* and *strongly disagree* that employees in the public organization mostly prefers financial rewards and incentives to accomplish organizational objectives and targets. About 2 per cent of respondents had neutral views on issues of financial rewards and incentives being more preferred in the organizations. Another most critical component of employee rewards and incentives is promotions. Figure 6.12 depicts that about 40 per cent and 10 per cent of the majority of respondents *disagree* and *strongly disagree* that promotions decisions are fairly done across their organizations; whereas about 32 per cent and 14 per cent *agree* and *strongly agree* that promotions decisions are fairly done in their organizations.

In this critical component of reward and incentive for employees to improve performance and service delivery, the results shows that promotions are not implemented fairly and thus employees in such public organizations may become demotivated to enhance performances. In addition, regarding linking employees' performance results with rewards and incentives in the public organizations, it appears that 49.75 per cent and 5.97 per cent of the majority respondents *disagree* and *strongly disagree* of such practices to be done to the employees in their organizations. And, however 24.38 per cent and 11.94 per cent of respondents *agree* and *strongly agree* that their public organizations links employees' performances results with rewards and incentives.

While the answers from the questionnaire results divulge discrepancies in the implementation of financial rewards and incentives, interviews results also showed mixed views and experiences with the majority of respondents raising concerns over such crucial practices in the public organizations as problematic.

Regarding the most preferred rewards and incentives the questionnaire results in the figure above showing that the majority of respondents (60.70 per cent), prefers financial rewards concurs with interviews results. For example, in an interview, almost all respondents in non-managerial positions showed employees prefer financial rewards than others. One respondent expressed (SS1): *Yes, the majority of employees in the organization prefers more financial rewards and incentives compared to other types of rewards. To my views the reasons are obvious, life is very difficult, everything here needs money, employees have to use transport to the workplaces, pay school fees and house rents.* 

In similar argument another respondent in the organizations viewed (SS4): You know due to the cost of living money is everything. Life is very tough here so if you have money or if you are given financial incentives you can solve immediate problems. Just to give an example every year when this organization looks for the best work performers; employees are fighting not through real performance results but voting system in collaboration with trade unions members in order to have financial rewards. In interviews however, the study revealed the majority of respondents felt that good performances should fairly be rewarded showing the importance of performance management system as one respondent remarked (SS6): I confidently assure you that when the public organization capitalize its efforts to use the system to reward good performers, it will even motivate its implementation.

Furthermore, even though the respondents who are not in managerial positions stated that financial rewards and incentives are more preferred the study found different contextual factors in relation to motivating employees to improve performances in the public organizations. The disparities in the way incentives to employees are provided in these organizations were more reflected during interviews with top management officials in the selected public organizations. One top management official (HRM2) elevated an important concern: Yes, to my views, financial rewards are most preferred rewards but other type of rewards should not be underemphasized. The good thing with financial rewards it helps to solve immediate economic problems and thus why the majority of employees prefer cash payment kind of rewards.

Openly and fairly linking financial rewards to outstanding performances remain very important in the organizations to improve performance and service delivery to the public. Interviewees were asked their views on the practices in the organization. Respondents concerns were on the way of getting and rewarding good performances.

The study revealed that there two contradicting approaches and in most cases there is no link between employees rewards and performance results. The situation was reflected in an interview, when one respondent remarked (HRM6): The problem here, there two opposing approaches of getting good performers for rewards; voting system which is controlled by the trade unions offices and that one based on performance evaluations. The respondent expressed that the two approaches have resulted into finding the performance management system meaningless in terms of identifying good performances for different rewards in the public organizations. From the standpoint, another respondent from top managerial positions added (LM3): To me, in some cases, the issue of rewarding good performances in the organization is difficult. It is true that we have the voting system and therefore how can you as a leader; make more emphases on the use of our performance evaluating system (OPRAS). The respondent remarked that there was need to establish clear rewarding structure that makes emphasis that links to employees achievements in the public organization. Similarly, on having open rewarding structure a respondent concludes (HRM2). Actually, there is no doubt that financial rewards are the greatest factor that motivates employees in the public organization. My views are whenever possible, the management should frequently review incentives schemes to improve workers performances for more work drive to achieve organization goals. In addition, on the issue of voting system for best work performers, another respondent had the views (SS4): Annual good performers are given a bit good amount of financial rewards. To my views, the challenge here is how do we get the best performers? Given such good amount of financial rewards, our employees sometimes campaign so that a group of employees votes to have such an amount of money.

The respondent more stated that financial rewards in the public organizations are not linked to individual performances, which ultimately affect the importance of the system in linking employees' performance with results of the organizations. Based on respondents' responses, the study revealed that the majority of exceptionally performing employees and hard workers are not voted and consequently in most cases skeptical to some management practices such as performance appraisals and demotivated to continue working hard in the organizations.

When asked on financial rewards being distributed fairly and openly based on efforts, respondents differed in opinions and experiences. The respondents stated that there two categories of financial rewards which are statutory for top management officials and non-statutory for all employees that depends more on economic reality in the public organizations. On statutory financial incentives, one interviewee stated this (LD2): *To my views, the government sought this type of incentives to make directors and managers more committed to different management practices. Despite the government efforts, however we have very serious on fairness implementation of these incentives.* The respondent claimed such entitlements to unfairly being distributed among top management officials in the organizations that creates lack of team work spirit among the executives. It was expressed that some managers are not given the incentives with the reason of budget problems while others given without such reasons. The

study revealed that such kind of rewarding system hurts other top management officials resulting into laissez-faire type of management and lack of commitment in the public organizations to achieve its objectives and targets. The majority of respondents in executive positions felt that, it was better for the government to harmonize such a system in these organizations.

On other financial rewards being distributed openly and fairly the study also found that some of the public organizations are somewhat striving to distribute these incentives openly as one respondent witnessed in the interviews (SS1): *In reality, the organization has clear structure on certain category of financial incentives. For example, the organization currently provides financial incentives for transport to work places and lunch.* On contradictory views, however another interviewee felt that (SS5): *When it comes to financial rewards for employees training and development opportunities there is somehow no openness.* The respondent perceived favoritism and lack of transparency on the management practices and required fairness in the distribution of recourses especially financial resources.

The majority of interviewees not in organization management positions felt that despite their organizations sometimes putting efforts to fairly distributing some category of financial incentives still there need of openness on other rewards and incentives in areas such short courses and other necessary training in the public organizations. On this aspect, the study further found that financial rewards for training and development opportunities are problematical that need organizational interventions and new strategies for the purpose of improving performances and service delivery in the public organizations.

## 6.1.13.2 Non-financial Rewards and Incentives

With budgetary problems, non-financial rewards and incentives have great role in heightening employees work morale in the public organizations to achieve objectives and targets. Therefore, this study through interviews asked to organization executives and senior staffs, the extent to which the public organizations ties desired performance results with different non-financial rewards and incentives in order to improve performances and service delivery.

Based on few non-financial rewards such as good work environment, appreciations for good performances and job security, responses from the respondents indicated different perceptions. Regarding good work conditions as non-financial rewards to improve performances and quality service delivery, the majority of respondents in top management positions were strongly in view that are important as cited (LM1): *I find good offices with enough spaces and working equipment more motivating. So, it depends on everyone interest and feeling on the type of rewards.* The respondents added that if the public organization does not invest and give priority to good work environment employees becomes demotivated. It is worth noting that several interviewees had similar views that good work environment attracts and boosts morale to work towards organizational goals.

On the views of using appreciation as non-financial reward for good performances such as praising and giving certificates, controversy views among top management officials and senior staff were observed. One respondent expressed views (HRM6): *Identifying an employee for just the praise, sometimes becomes very hard. The problem with this kind of rewards is that, many exceptional performances of employees need tangible things that can help their life. These kinds of rewards in the public organization give us hard time.* 

In addition, similar response was echoed by another respondent (SS6): *The issue of appreciation for good performances motivates, but what happens if you don't have enough basic pay, we need to buy things for our parents and kids. Therefore, there is a need of over-emphasis of reviews of our salaries and then to my views issues of appreciations such praises and certificates for exceptional performances can really make meaning.* The respondent demonstrated further that non-financial rewards could be more effective if top management officials take priority to basic pay and other necessary allowances to reflect cost of living reality.

The study has revealed that, despite of the majority of senior staff respondents considering nonfinancial rewards as being not so instrumental to improve performance in the public organizations, top management officials view these kinds of rewards as vital and can influence employees' job satisfaction leading to enhanced performance and service delivery. In that view one interviewee noted (HRM2): *Under any circumstances and in such budgetary constraints, non-financial rewards are important. There is time here we give our employees bags of cements and iron sheets which to my views raises work morale and commitment towards achieving organizational goals. So, the important thing is to change our employees mind set on nonfinancial rewards.* The respondent expressed more that since their organizations spreads countrywide another somewhat non-financial reward that motivates, is excursions for workers to other offices of the organization.

Job security creates confidence among employees that cultivates positive effect on commitment to the organizations. It allows employees to expend extra efforts in the organization and therefore contributes to organization performances and service delivery. As a non-financial reward, respondents were asked in interviews their views if such a reward contribute to employees' commitment towards achieving organization goals. One of respondents had this view (SS4): *We* 

do not have problems with job security in the organization. It just assures employees jobs and I do not think if it can be a real motivating factor. The study revealed that since the majority of respondents were in permanent contracts, job security was perceived high and therefore not a great concern to improve performance and service delivery

The issue of using non-financial rewards among top management officials and senior staff has shown mixed views. However, based on interviewees' excerpts and other responses, it is revealed that the majority of respondents have the views that, unless public organizations improves salary structure then these kinds of rewards will have great influence in boosting performance and quality service delivery to the public.

## 6.1.13.3 Most Employees Motivating Factors

Financial incentives cannot work in isolation, it must be supported by other management practices such good working environments and other non-financial rewards. Therefore, the mix of financial and no-financial rewards is an important practice and bedrock for employees enhanced performances in the public organizations. And, since employees differ in preferences between extrinsic and intrinsic rewards, identification of what motivates employees to work hard and deliver quality service to the public became inevitable. In this case, this study through interviews, respondents were asked on few critical aspects of motivations. And questionnaires sought respondents' views and experiences by ranking in their order of preferences, which among ten mixes of financial and non-financial rewards would motivate employees, improve performance and service delivery in the public organizations. Respondents' responses are presented below.

Ranks	19a	19b	19c	19d	19e	19f	19g	19h	19i	19j	Item code	Motivatioanal Variables	Ranks
1	78	4	10	18	3 11	2	27	4	6	25	19a	Training and development opportunities	1
2	31	5	27	18	3 44	15	28	10	3	19	19e	Better working Conditions	2
3	27	9	16	j 20	) 40	18	35	11	15	16	19g	Salary increments and promotions	3
4	15	11	28	34	26	20	20	19	12	19	19d	Bonus and other incentives(e.g. extra duty allowances )	4
5	29	12	19	29	21	19	19	20	15	29	19j	Job security	5
6	9	9	30	33	3 22	19	31	21	14	20	19c	Appreciations and recognition for achievements(e.g. certificates and praises)	6
7	3	6	20	) 14	15	38	21	29	34	13	19f	Free housing or allowances	7
8	5	18	17	23	3 11	31	9	34	45	9	19h	Competent managers or supervisors	8
9	1	34	22		5 9	25	8	21	50	27	19i	Free transport or allowances to work places	9
10	3	93	12	! (	5 2	14	3	32	7	24	19b	Free tea/food at work places	10
Total	201	201	201	201	201	201	174	201	201	201			
Maximum	78	93	30	34	44	38	35	34	50	29			

Table 6.2: Ranking of Motivational Variables in Public Organizations

Table 6.2 above depicts the results showing that among ten listed motivational variables for the employees to improve performance and service delivery in the public organizations under the study, training and development to employees, ranked number one as the greatest motivational variable. The other highly ranked motivation factors as indicated above are better working environment and the third factor is salary increments and promotions. Furthermore, based on the results, the least ranked motivating factors are competent managers or supervisors, free transports and allowances to work places, free tea and food at work places. It shows that sizable number of respondents felt the three motivational variables have little influence to employees to improve performance and service delivery in the public organizations.

However, when asked the greatest motivating factor for employees to improve performances and services, an interesting and contradictory views showed that the majority of respondents felt that promotions and other financial incentives greatly motivates employees to improve performance and service delivery.

In one public organization, an interviewee noted (SS3): *I would opt for money as most motivating factor to improve performances. There is no doubt about the reasons behind it.* 

The respondent added that depending on the financial position, however, both financial and nonfinancial incentives could be used to raise work efforts in the public organizations. Other respondents expressed similar views and that some of the public organizations are far in implementing mix of incentives to improve performances.

## 6.1.13.4 Issues of Implementing Incentives in Public Organization

Enhanced understanding of various factors impeding the implementation of financial incentives and rewards helps directors and managers to design different strategies that are more likely to be used as alternatives motivating employees to improve performances and quality service delivery. This study through both questionnaire and interviews, respondents were asked their experiences and views on the challenges of implementing rewards and incentives in their organizations. In regards to questionnaires respondents were required to rate few identified challenges for implementing rewards and incentives. From the data collected from the employees across the selected public organizations there are three highest felt challenges regarding implementation of rewards and incentives in the public organizations: First, as depicted in figure below, 49.25 per cent and 37.81 per cent of respondents *agree* and *strongly agree* that budget problems for rewards and incentives is the major challenge, whereas a sizable minority of respondents 7.46 per cent *disagree* and 4.98 per cent *strongly disagree* that budget is the challenge for implementing rewards and incentives in their organizations; and 3.98 per cent had no views on the challenge; the second, the highest of respondents 43.28 per cent and 28.36 per cent agreeing and strongly agreeing that lack of clear reward and incentives system as another challenge to its implementation in their organizations.

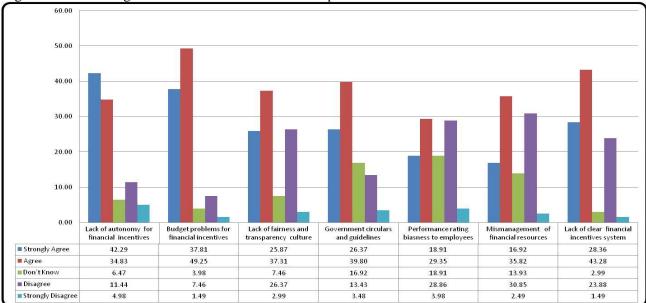


Figure 6 13: Challenges for Rewards and Incentives Implementations

Furthermore, as shown above, across the public organizations 42.29 per cent and 34.83 per cent of respondents strongly agree and agree that lack of autonomy for financial rewards and incentives is another challenge for its implementation in their organizations, whereas 11.44 per cent and 4.98 per cent disagree and strongly disagree that lack of autonomy is a challenge for its implementation.

In addition, in an interview with top management officials and other senior staffs, regarding challenges confronts to implement rewards and incentives in their public organizations, results showed different views partly some of them concurring with the questionnaire results. The highest views and experiences with the majority of employees in managerial position showed budget problem as the major challenge as evidenced in comment by one of the respondent (HRM2): This is obvious, we have challenges in soliciting enough funds for implementing rewards and incentives be used for different rewards.

The respondent added on top of that, at management level the organization strives to have funds to implement such an important component in the implementation of performance management system. Another respondent with similar views added budget for rewards and incentives as a major challenge but cited clear reward and incentive system as more critical when stressed (LD1): *In my views despite the budget problem, the organization has no clear reward and incentive system. For instance, when it comes to employees going to field works where per diem and other incentives are paid there is different perception on issues of budget.* On the issues that sometimes budget is not the problem another senior staff respondent held an extreme view when stated (SS4): *I do not think that budget is always a problem; with me lack of transparent reward and incentive system is the problem. This is in contrast with government intention that has allowed the public organization to collect funds from different source to cover such budget problems.* Generally, it appears that there is an element of dissatisfaction among employees with regard to rewards and incentive system that greatly affects it implementation.

The issue of government circular and directives on reward and incentive system was raised by some of interviewees, which also was felt as the challenge to its implementation in the public organizations. In particular, an interviewee had these views (HRM5): *The issue of government-centralized system on some rewards and incentives is somehow a challenge in the organization. Employees are forced to wait responses from the government central system to have their rewards and incentives implemented.* 

In addition to the concern on centralized system on rewards and incentives as a challenge to its implementation, another respondent expressed (LM1): In most cases employees after hard work employees expects rewards and incentives or their salary being adjusted immediately but with centralized system, this becomes out of control. So, this is a challenge especially to centralized rewards and incentives in the public organizations. Several respondents repeatedly indicated such a drawback in the reward and incentive implementation and that requires serious concerns to the organization management team in order to improve performance in the organizations. Further reflecting on the need for the top management officials to work on the concerns, an interviewee stated (SS6): The management team needs to see on how to harmonize these issues of delays in some of the rewards and incentives due the government-centralized system. For example, I have worked for about six years without being considered for any salary adjustment this is the challenge and there a need a true efficiency of such centralized system. The respondents showed dissatisfactions with the mismatch between the public organizations and government centralized system on some of issues of rewards and incentives perceiving it as detrimental to motivating employees to accomplish their organization objectives and targets.

## 6.1.13.5 Discussion on Rewards and Incentives

Views and experiences on various dimensions of financial and non-financial rewards and incentives were examined as part of the objectives on this study. Further, what motivates employees to deliver quality services to the public from the viewpoint of total reward and incentive system was also investigated.

With respect to views and experiences from the respondents on financial rewards incentives in the public organizations. From the questionnaires, over 60 per cent and 27 per cent of respondents agree and strongly agree with the statement that employees prefer more financial rewards and incentives in their organizations. These questionnaire results were supported by interviews findings in which almost all respondents held views that financial reward and incentives are more preferred with employees in the public organizations. During the interviews sizable number of respondents indicated life difficulties, issues of transports to work places and house rents to be the major reasons for employees to prefer more financial rewards and incentives than other type of rewards. The findings correspond with Tanzania public service employees survey (URT, 2010:10) that increased salaries were preferred by the majority of public servants followed by increased working tools and budget in public organizations. The findings are further consistent with Bussin (2012:199) findings which indicated that the number one motivator of employees in the organization is financial rewards. With the light of the findings, the impressions to this study are there need of well-established rewards and incentive system that will play a pivotal role in enhancing workers commitments and motivation in the public organizations.

Turning to linking performance results to rewards examined in this study, questionnaires finding revealed almost 50 per cent and 6 per cent of respondents respondents disagree and strongly disagrees that their performance results are linked to rewards. The findings were partly supported with interviews findings which indicated that performance results are linked to financial rewards though voting system approach.

With vosting system approch however, the study revealed shallow link in relation to actual performance results as good performers were sometimes based on popularity in the organzaition. The findings are inconsitent with Tanzania pay and incentive policy and regulations (URT, 2010:174) which explicitly stipulates that public organizations should link performance with

different rewards and incentives and Baird et al. (2012:174) findings suggests that perceived link between performance and rewards and incentives motivates employees to work towards organizations objectives and targests.

Regarding the views and experiences on non-financial rewards, the study found little consensuses in views among top management officials and subordinates. In one hand, the highest number of top management official respondents felt that good work environment and appreciation for good performances were inevitable to improve performances. And, on the other hand, senior staffs repeatedly viewed that unless financial rewards are improved then non-financials are important to boost work morale to employees. Additionally, when respondents were asked to rank the most motivating factors between financial and non-financial rewards and incentives, the findings showed that training and development was motivator factor number one to improve performance and service delivery. On the basis of findings drawn from both questionnaire and interviews with literature reviewed, it can be suggested that financial and non-financial rewards are equally important and have great significance effects on performance improvement in the public organizations.

## **6.1.14** The Use of Performance Appraisal Results in the Organization

The major assumption of performance management system is to generate performance appraisal results or information necessary to inform decision-making process at different levels in the public organization. Top management officials in the public organizations can use performance appraisal results in two key roles; strategic related decisions such as tracking successes and clarifying objectives and other HR-related decision making such promotion and salary adjustments in the organizations. This study through interviews and questionnaires sought views

and experiences from respondents across all the selected public organizations if such performance appraisal results for the two roles; HR and organization development decisions making. The subsequent subsections present the results.

# 6.1.14.1 Performance Appraisal Results for Organizations Development

The respondents were asked to rate the constructed statements if their public organizations are very effective to not very effective in utilizing performance appraisal results or information in organization development decisions making. The notable results in the figure below indicate that there is a discrepancy in respondents' views and experiences across the public organizations. For example, 50.25 per cent and 14.93 per cent of the majority respondents views that their organizations are respectively effective and very effective in using performance appraisal results in allocation of resources in the organization; 22.89 per cent of respondents views that their public organizations are not effective in using it for allocations of resources and 11.94 of respondents takes neutral views on it.

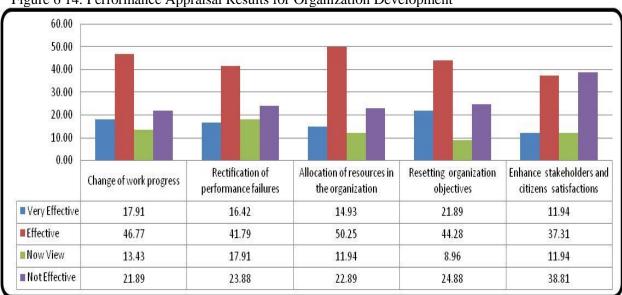


Figure 6 14: Performance Appraisal Results for Organization Development

Furthermore, with regard to using performance appraisal results for changing work progress in their public organizations, 46.77 per cent and 17.91 per cent of respondents, view it as being effective and very effective; 21.89 per cent of respondents, views as not effective and 13.43 per cent of respondents had no views to it.

The results indicate that performance appraisal results are taken into account in the decisionmaking process in particular in highlighting and changing work progress in the public organizations. A majority of respondents 44.28 per cent and 21.89 per cent opine that their public organizations are effective and very effective in using performance appraisal results for resetting organization objectives; where 24.88 per cent held views that are ineffective and 8.96 per cent had no views. It is further an indication that top management officials are perceived to taking an account performance appraisal results into organization strategic decisions making important to improve performance and service delivery.

Additionally, however, with regards to using performance appraisal results for improving and strengthening customers' satisfactions, a sizable number of respondents 38.81 per cent held views that their public organizations are not effective, while 37.31 per cent and 11.94 felt that are effective and very effective respectively. In an interviews respondent also were asked questions if their public organizations use performance appraisal results for various decisions making. Numerous responses from the respondents somewhat concurred with questionnaire results. When asked if during the performance management process performance appraisal results are gathered and informs decision making process, one respondent in managerial positions stated (LD3): *Through performance reviews and appraisals, we are getting both internal and external information on our performances. The major challenges here are lack of follow-ups and how to implement those views from the customers and other organization stakeholders which sometimes* 

*it because of limited resources*. The respondent further pointed out that during performance evaluations, performance information are collected for decision-making and communicated to employees and externally to the organization stakeholders.

In a view, one respondent remarked (LM1): In our organization through performance reports from various sections are gathered and internally communicated through annual workers council meetings and workers representatives are given time to give views on how to improve performances in the organization. On contradictory response, however, is the question of performance appraisal result being communicated to employees across the public organizations? It was viewed that most of performance reports are for the top management officials and infrequently communicated to employees as cited from one interviewee (SS3): I think the organization does not have clear ways of using performance appraisal results and communicating such performance results to the employees. In many times performance information are communicated through the parent ministry. Particularly, on communicating performance information through the parent ministry especially during the parliamentary sessions, the majority of respondents not in managerial positions held views that were somewhat not reflecting performance reality in the public organizations. The respondents recognized that performance management system has not properly been administered to provide performance appraisal results that play a pivotal role in management practices.

With respect to using performance appraisal results for allocation of resources, the majority of respondents held views that no consciously evidence that show the public organizations are making use of appraisal results for such allocations of different resources to enhance performances and service delivery. In one public organization, an interviewee pointed out (SS3): *To my views, performance information informs the top management on issues of resources for* 

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employees to accomplish organizational objectives or meet the deadlines. Just an example, every year employees fills performance appraisal system forms (OPRAS) indicating necessary resources. The experience shows that this is not the case as decision making are not based on such information. On the use of performance appraisal results for different decisions, the study found mixed findings. For example, from the descriptive analysis of questionnaires, the management practices of using performance appraisal result for resources allocations were highest about 50 per cent of respondents agreeing it, the views concur with interviews findings with the majority interviewees in top management positions in the public organizations. Conversely, however, sizable majority of senior staffs' interviewees held views and experiences that the public organizations customarily have not been appropriately using performance management system to generate performance information for such management practices.

## 6.1.14.2 Performance Appraisal Results and HR Issues

It is stipulated by (Therkildsen & Tidemand, 2007, p.2) and (Biron et al., 2011, p.1297) that performance management system is designed to provide among other valid performance appraisal results necessary for HR-related decisions embedding issues of salary adjustments, retention and terminations, promotions and other general merit increases or decreases for the employees. And also, in order to improve organization performances being it in public or private organizations employees must be recruited, terminated, demoted, transferred and promoted based on merit principles. The study further sought to find views and experiences from respondents across the public organizations on how their organizations are effective or not effective in using performance appraisal results in HR-practices.

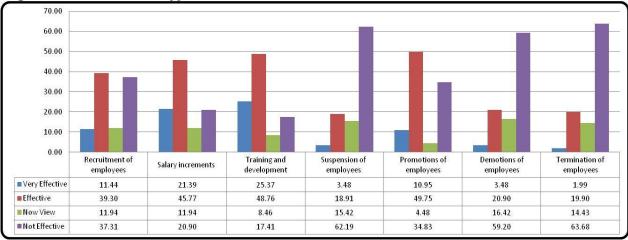


Figure 6.15: Performance Appraisal Results for HR-Decisions

Figure 6.15 depicts findings on items questions, which were asked to the respondents on effectiveness or ineffectiveness in using performance appraisal results. The subsequent subsections in detail present the questionnaires and interviews findings on items questions.

## 6.1.14.2.1 Promotion and Salary Adjustments

Promotional opportunities for workers' career development and improvements have an important role in increasing job satisfaction and commitments. Regarding the use of performance appraisal results in promoting employees to various job positions, respondents showed mixed findings. Figure 6.16 above indicates that 49.75 percent and 10.9 per cent of respondents view their public organizations as effective and very effective in using performance appraisal results for employees' promotional opportunities. In slight difference however, the findings indicate that 34.83 percent of respondents view that their public organizations are not effective on using performance appraisal results for promotions. Additionally, 4.48 percent of respondents had no views and experiences if their public organizations use performance appraisal results for such important HR-practice. The findings that public organizations are not effective in using performance appraisal results for such important HR-practice. The findings that public organizations are not effective in using performance appraisal results were consistent with the majority of respondents in the interview.

It has emerged from the findings that the majority of senior staffs' respondents viewed that there many flaws on employees' promotion to different job positions in the public organizations. In particular, concerning promotions, one interviewee (SS5) noted: *The use of performance appraisal results is very imprecise. For example, to be more specific on promotion, I have been working for nine years now without being considered for any salary adjustments. So, I think you can have a picture if really the organizations make use of such employee performance information.* 

What claimed by the senior staff interviewee was also reflected in an interview with one of the line managers in the public organizations. The top management officer (LM4) doubted on the use of performance appraisal results for the promotions and said. *I think the current system does not really provide information for HR-decisions such as promotions. Look here, there time as head of section was very shocked to find out one of my subordinates getting promoted to higher post without even any of my comments. So where are my views reflected in the whole process of employee performances and promotions.* 

A similar argument regarding the use of performance appraisal results for salary adjustments and promotions was remarked by an interviewee (HRM5): *We have employees annually being their performances evaluated. So, in the process we have performance appraisal results related to promotions and other salary adjustments. To my views, the major drawback is on ways to implement the results which sometimes become beyond public organizations controls.* 

Further, in an interview, the majority of senior staffs respondents expressed frustrations not only at the implementations of the performance appraisal results but also failure of the management to give more emphasis on issues relating to different merit salaries increases. An interviewee in one of the organizations felt (SS3): I do not think that such emphasis on using performance appraisal results on employees' promotions. To my views the results are not factored into merit salary adjustments thus why the majority of employees do not take even seriously when it comes to aspects of performance management system.

#### 6.1.14.2.2 Performance Appraisal Results for Training and Development

Training and development initiatives are important to improve both workers and organizational performances. According to Tanzania Training policy (URT, 2013:5), all public organizations are required to prepare training needs assessment and thus necessitating the importance of administered performance management system to be used as a tool to produce performance appraisal results related to training and development avenues for employees. In regard, respondents were posed with questions to divulge their views on how their organizations are effective in using performance appraisal results for employees training and development.

As depicted on the Figure 6.15 above, questionnaire findings show that 48.76 percent and 25.37 per cent of the majority respondents had views that, their organizations are effective and very effective in using performance appraisal results on employees and development .And, further, on its contradictory views, however, the same questionnaire findings shows that 17.41 percent of respondents had views that their public organizations were not effective on using performance appraisal results and 8.46 per cent had no views if performance appraisal results were connected to employees training and development.

With respect to interviews findings, partly coincided with results from the majority of top management officials. Significant number of these respondents viewed training and development as an important aspect to improve performances in the public organizations. These views were

reflected in one public organization when an interviewee noted (HRM4): *The organization has invested on employee competences assessment. So, there is training plans to make sure that employees are well trained. The organization also encourages employees to join their professional associations where there also training opportunities.* 

*My views on performance appraisal results for training and development are of course depending on the availability of funds.* The study revealed that in all public organizations top management officials subscribed to the views that the use of performance appraisal results to training and development avenues to employees mostly depends on the availability of funds.

In addition, the issue of using performance appraisal results on training and development to employees raised concern to the majority senior staffs respondents in the public organizations. An interview with the group revealed that, the majority of respondents said that it was important for employees to be vested with appropriate knowledge and skills to their specific jobs but doubted if their public organizations had clear training and development programs. In an interview, one respondent has these views (SS3): *I think everyone here needs training and development opportunities. Yes, our managers sometimes identify training and development needs for the employees in our department. To my views, however, the problem is, there are no clear training plans in place and favoritism to some of employees. Even if the public organization has funds, there is favoritism and training and development opportunities for the employees receive very low priority.* 

In most of the selected public organizations, senior staff respondents had almost similar views that performance management system should well be administered and objectively identify training gaps among employees.

It was further stated that directors and mangers should periodically conduct training needs assessment to find out areas of weakness for further training and development in order to improve performances and service delivery.

## 6.1.14.2.3 **Performance Appraisals Results and Demotions**

Demotion happens when employees exert less efforts or failure to perform according to the desired performance standards in the public organization. It is a disciplinary action that involves reducing salaries because of an act of underperformance. To understand this management practice, respondents were subjected to both questionnaires and interviews to have their views and experiences if their public organizations very effectively to not effectives are using performance appraisal results to punish such workers with poor work performances or do not achieve desired performance standards. The Figure 6.16 above depicts the questionnaire results, which indicate that vast respondents 59.2 per cent views that the public organizations are not effective in using performance appraisal results to demote employees for not meeting desired performance standards. In contrary however, the findings show that 20.90 per cent and 3.48 per cent of respondents show that the public organizations are effectively and very effectively in using performance appraisal results to demote employees for underperformances. Further, 16.42 per cent of respondents had no views if the public organizations use performance appraisal results for decision making such as demotion of employees.

Furthermore, in an interview with top management executives the study revealed that the majority of respondents, across the organization under the study reported demotions as very difficult management practice.

The findings were reflected in an interview such as (HRM5) explained: *How comes as* supervisor to recommend demotion to an employee? This is very hard as there many procedures that must be followed and as a leader you may end up wasting time.

The respondents added that proper disciplinary procedures are needed to counteract employees poor work performance and unacceptable behaviors, however it is more depending on heads of the public organizations. With this view, one respondent echoed in an interview (HRM2): *Demoting an employee is real a confrontational issue. In my views, this depends on how the top management team is serious about it to improve performances in the organization. There cases where employees have been demoted in this organizations.* The study revealed that interviews findings supports the descriptive analysis of questionnaire which indicates 59.20 per cent had views that public organizations are not effective in using performance appraisal results on management practices such demotion of employees.

## 6.1.14.2.4 Termination of Employees

During performance management, process issues of workers underperformances are addressed in order to improve performance and meet organization objectives and targets. Termination of employment is the result of employees' failure to deliver against their objectives or persistently remedy unsatisfactory performances in the public organization. Hence, this study sought to understand from respondents if employees are terminated from employment based on specifically performance appraisal results in the public organizations.

The Figure 6.15 above indicates a significant number 63.68 per cent of respondents in questionnaires views that their public organizations are not effective in using performance appraisal results for such practices.

Also, the minority about 20.0 per cent and 2.0 per cent of respondents felt that their organizations are effective in terminating employees from employment using appraisal results; whereas the results show that 14.43 per cent of respondents had not views about it. In context, this is further an indication that the majority of respondents have views that termination of employees based on performance appraisal results is not a common management practice in the public organizations.

Furthermore, interviews were carried out with some respondents in managerial positions on if their public organizations are subscribed to a management practice of terminating of employees based on performance appraisal results. The interviews findings confirmed questionnaire respondents' views as respondents agreed that termination of employees-based performance appraisal results is a very difficult practice in the public organizations.

This finding on termination is difficulty was expressed by interviewee (LM3): You know Termination is an extreme case in the public organization. We as managers sometimes recommends to the HR departments for further actions on poor work performances by the employees, but not to the extent of an employee be terminated. The respondent further commented that terminations of employees happen when there enough evidences on employees persistent unsatisfactory performances. In another public organization an interviewee had similar viewed when remarked (LM1): The issue of terminating employees in public organizations is very difficult. For example, if an employee gets poor performance rating or unsatisfactory performances there might be many causes for it and therefore difficulty to make conclusions.

The respondent stated that the management practice of termination requires undergoing several legal processes and other stakeholders such as trade unions in the organizations. In addition, an interviewee from another public organization had views that (LD1): *Even if an employee* 

repeatedly gets unsatisfactory performances, conforming to legal procedures to my views is a problem. Who need such troubles in life? I think also we have problem on documentation so the use of performance appraisal results on termination of employees for not meeting objectives cannot work. Despite such problems, however, the respondent concluded that stricter top management officials on such aspects of using performance appraisal results to deal with issues of employees' unsatisfactory performances remain important.

With respect to the management practice of termination for unsatisfactory performances in the public organization, few respondents were concern on the issue of appointing authority and other supervisory boards. The general views held by the respondents were for in order to improve performance and service delivery the supervisory boards should ensure that disciplinary actions such as termination should strictly be against all employees in the public organizations.

## 6.1.14.2.5 **Recruitment of Employees**

In the organization, performance appraisal results serve as means of validating selection of employees to higher positions, recruitment and other judgmental workforce decisions. This study also wanted to find out if recruitment and selections of new employees are based on performance appraisal results in the public organizations. As depicted in Figure 6.16 above among the questionnaires respondents in the public organizations, 39.30 per cent and 11.44 per cent of respondent are on the views that their public organizations are effective in using performance information or appraisal results for recruitments and selection of new employees while slightly below 37.31 per cent of the respondents disagreeing that are not effective on it; only 11.94 had no views that the performance appraisal results are the bases for workforce planning and proper allocation of employees and recruitment.

Nevertheless, in interviews about the use of performance appraisal results for workers planning and recruitments, among sizable number of respondents emerged mixed views on recruitment process in the public organization. Remarks by the respondents did not clearly indicate that there are links between performance appraisal results and decisions for recruitment and other selections. On a view of recruitment one respondent expressed (LD1): I think we have problems in recruitment of employees in the public organizations. Of course, there somehow elements of favoritism. And another one is, government centralized system for recruitment of employees sometimes causes unnecessary delays. The respondents held views that centralized recruitment of employees by the government agency delays of getting desired competent employees to improve performance and service delivery. Concerning recruitment of employees through another government agency, in one public organization an interviewee noted (LD3): Recruitment through such agency has its disadvantages. The processes are very bureaucratic and hamper organization performances. In addition, those newly recruited employees sometimes lack necessary job competences. In addition, the respondent added that when recruited employees lacks competencies resulting into necessary trainings to provide better knowledge and skills which are given scant priority impacting organization performances. Similarly, another respondent noted (HRM2): There is no involvement of the organization in the process. Our organization receives employees recruited by another organization, consequently you can find that these employees cannot perform at the needy standards, so what can you do with such employees in terms of improving performances in the organization.

The respondent views are consistent to Van de Walle's (2016, p.834) argument that in the absence of market pressure and, incompetent civil servants failure of public organizations to implement different aspects of performance management system almost inevitable.

# 6.1.14.3 Discussion on the Use of Performance Appraisal Results

Based on findings drawn from interviews and questionnaires on the use of performance appraisal results for human resource management and organization improvements decisions, the impressions show that, interviewees and other respondents had mixed views and experiences. First with respect using performance appraisal results for organization improvement decisions, practices of changing work progress, rectification of performance failures and allocation of resources were in this study examined. On the practice using performance appraisal results for changing work progress decisions about 47 per cent and 22 per cent of respondents held views that their public organization are effective and very effective. Similarly, for using it for refinement of performance failures, almost 42 per cent had the same views that the public organizations are effective. These findings are to some extent corroborating with interviewees views and experiences, spelling out that, the practice depends on resources availability and management commitments. Consistent with previous studies, the interviews findings can further be explained by Abu-Doleh & Weir (2007, p.80) and Melo et al. (2010, p.248) findings which showed that there is increase in performance measurement in public organizations resulting into excessive amount of data on performances for different decisions. The study however revealed public organizations are less active in using such performance information for performance improvement purposes decision-making.

Second, the other practices examined in this study, the use of performance appraisal results for human resources management decisions on promotion and salary adjustments, terminations and recruitments in the public organization. For the case of promotions of employees, a significant number 50 per cent and 11 per cent of respondents perceived that their organizations use the appraisals results for such practices.

The findings corresponds another study by Lutwama et al. (2013, p.9) findings which showed in the health sector performance appraisal results were used for promotions to higher job positions and staff confirmations. Analysis of interviews findings revealed that, the highly perceived use of performance appraisal results for promotions and other salary adjustment drawn from descriptive statistics from the questionnaire are in line with the public service Act 2002 and its regulations (URT, 2003:23) that requires public organizations to link promotions and other salary adjustments to appraisal results. However, the majority of interviewees felt that such practices are upheld for compliances purposes only.

In a view of using performance appraisal results for demotion and termination of employees 64 per cent of respondents viewed that the public organization are not effective. The findings were supported by the majority of interviewees' views and experiences that implementation of such management practices is problematical in the public organizations. The findings are further consistent with Lutwama et al. (2013:10) study, which showed more than eighty percent of respondents were disagreeing that terminations and demotions are implemented in the public sector based on performance evaluations results.

Furthermore, the findings in respect to using performance appraisal results to validate recruitments, appointments to higher job positions show that 37 per cent of respondents perceive that the public organizations are not effective. The previous findings by Bana and McCourt (2005:15–17) showed that there is a high perception among employees in the public sector that there is unfairness in appointment, which includes recruitment and selection where senior appointments are not made based on open competitions and not based on known criteria. Additionally, issues of patronage, social-affiliation and who know who were found in high prevalence in areas of recruitment and selection for senior management staffs.

The report further indicated issue of government-centralized system in the areas of recruitments and other employee appointments and selections problematic. These previous findings hugely were reflected in interviewees' responses in this study and therefore consistent. Hence, the impressions to this study and that what the majority of interviewees felt, there is no clear link noticed between performance appraisals results on such management practices workers planning, recruitment and appointments.

## 6.1.15Underperformances in Public Organizations

Weak performance management system leads to underperformances or poor work performances in the public organizations. It is assumed that real consequences to work underperformances in the public organizations are an important aspect of effective implementation of different aspects of performance management system resulting into improved performances and service delivery. In this case, the study investigated if the public organizations enforce different policies, laws and regulations on underperformances in the public organizations, at organizational and individual employees' levels underscored the causes of underperformances, which have detrimental effects on organizational performances.

Therefore, respondents through questionnaire were required to rate constructed statements for causes of underperformances and interviews, different questions were asked to have their views and experiences on the manner in which different policies, laws and regulations are used to enforce issues of performance management system in the public organizations.

# 6.1.15.1 Dealing with Work Underperformances in Public Organizations

Using questionnaires, this study wanted to find out general respondents' views on enforcements of policies, laws and regulations regarding different aspects of performance management system in terms of facilitating management of poor performances in the public organizations.

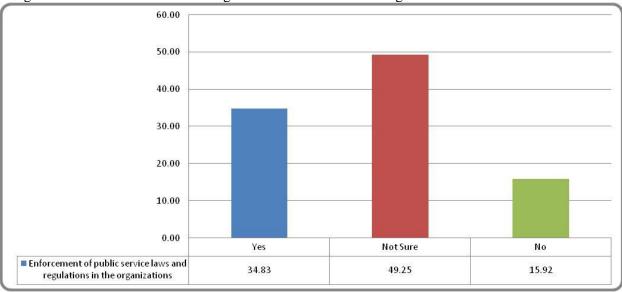


Figure 6 16: Views on Laws and Regulations' Enforcement in Organization

Surprisingly, as depicted on the Figure 6.17 above, the results revealed that, the majority of respondents' 49.25 percent doubted on one hand that the public organization enforces laws and regulations on different aspects of performance management system. But, on the other hand, the respondents about 15.92 percent had no idea or views if in their organizations there any enforcements mechanism of different laws and regulations are. And, however, 34.83 per cent of respondents viewed laws and regulations are well enforced in their public organizations.

The results are supported by the interviews conducted with senior staffs in the public organizations, where the majority responded that there is no awareness of different laws and regulations, implicating that the top management team in the organizations need to take workers

on board through adequate training on how different laws and regulations in connection to the implementation of performance management system works. One of the senior staff argued (SS1): The organization has not put concerted efforts to sensitize employees about different laws and regulations of the public services, especially on promotions, code of conducts and others. It is important therefore; the organization takes its responsibility of ensuring that employees clearly understand laws and regulations underpinning the performance management system. As a way of keeping abreast with the issues of public services policies, laws and regulations enforcements, another senior staff interviewee commented (SS3): The government regularly reviews policies, laws and regulations, so it is important for our directors and managers to consider such changes as a matter of urgent and not as now where new laws and regulations tend to be available to the department of human resource management or top management. The respondent added that employees need to be aware, for example what the laws or regulation says when an employee do not fulfill the intended obligations or achieve the objectives. Top management need to ensure that the majority of employees is aware of different laws and regulations on areas such as promotions, recruitments and rewards and incentives in order to improve performance and quality service delivery in the organizations.

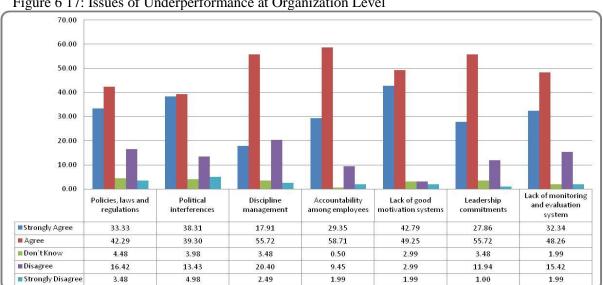
In addition, an interview with top management executives in the public organization; on one hand, the study revealed that the majority of the interviewees at the top management level are aware of different policies, laws and regulations that guide performance management system. Also, on the other hand however, the majority of the respondents expressed their frustration not only at implementing public services policies, laws and regulations but also failure and bureaucratic ways of enforcing them in areas such as dealing with underperformances in the public organizations. One respondent in an interview said (LM1):

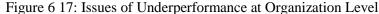
The government has very good policies, regulations and orders for the public servants in the public organizations, which have somehow contributed, to changes on the way the organization are implementing and performing duties and activities. My experience however, there are many problems on who implements those policies, laws and regulations. The experience shows that there is great lack of training that enables members of the top management team of the organization to implement it. For example, in this organization there sometimes different reshuffle of head of departments and recruitment of employees from private organizations, but do these new recruits have any knowledge and skills on different laws and regulations of the public services? Again, regarding the use of laws and regulations on managing poor performance, the laws are very clear, but its implementation becomes very difficult especially on handling work poor performances in the public organizations.

The respondent pointed out more that, enforcements of policies, laws and regulations in the public organizations entails creating and supporting it by having committed top management leaders and periodic training on how to implement different legal frameworks in order to enhance organizational performance. On its conclusion remarks, another respondent viewed the issue of enforcement of public service policies, laws and regulation (HRM2): *Well, the government formulates very good policies, laws such as on training, pay, and incentives, the only difficulties are on enforcement mechanism. For example, I think there bit negligence to complying with it. And there no clear monitoring on its implementation. There also this problem of resistance to changes in public organization.* It was further stated that, accountability to employees and regular trainings were important in the public organizations.

## 6.1.15.2 Unsatisfactory Performance at Organizational Level

Among the chief objectives of performance management system is to identify the causes and management of underperformances and to take measures in order to bring about improved performances in the public organizations. It is through monitoring and evaluation cycle top management officials and other employees can highlight different aspects underperformances at both individual employees and organizational levels. At organizations level, respondents were asked to indicate their agreement to disagreements with factors, which causes underperformances in their public organizations. As the Figure 6.18 below depicts statistics of responses relating to causes of underperformances in the public organizations, the overwhelming the majority of respondents 58.71 per cent and 29.35 per cent respectively agrees and strongly agrees that lack of accountability among employees is the major cause of underperformances in the public organizations. Few respondents 9.45 per cent and 1.99 per cent disagree and strongly disagrees that it is the major causes of work underperformances.





Furthermore, the findings on the Figure 6.18 above also indicates that 55.72 per cent and 27.86 per cent of sizeable respondents agrees and strongly agrees that leadership commitment is another factors which affects performance and service delivery in the public organizations. And, however few respondents 11.94 per cent and 1.0 per cent all together disagrees that leadership commitment contributes to underperformances in the public organizations. The general broader picture of the survey results in the figure above apparently shows that the majority of respondents agrees and strongly agrees that the identified factors are at organizational level contributing to unsatisfactory performances in the public organizations. Therefore, it would be important for this study to suggest that for in order to improve performances and service delivery in the public organizations critical factors such as accountability, leadership commitments and awareness on different policies, laws and regulations are important and should be more emphasized.

With regards to interviews findings, respondents have shown different views and experiences on the causes of work underperformances in the public organizations. The study revealed that, the most resurfaced response in interviews that causes underperformances in the public organization was political interferences. Particularly on political interferences, one of the interviewees reflected (LD1): *To my views, political interferences and government centralized system somehow contributes to issues of underperformances. For example, the organizations can have set objectives and activities but extraneously being interfered from our parent ministry. You may find the minister or the permanent secretary from the ministry coming up with so many directives which to my view affects the performance of the public organization.* Giving example, another respondent pointed out the government through the respective ministry, which needs to deal with policies and guidelines, interferes some of the activities, which eventually results in inefficiencies. In an argument one of the respondents commented (LM2): Somehow, there still no clear line between the ministry activities and that of the public organizations. For example, the public organization can have projects that depend on the government funds, with delays and bureaucratic procedures; you may end up perceived as ineffective resulting into underperformance. The respondents were dissatisfied with political interferences on the implementation of some of activities that have considerable amount of budget. On similar views, another respondent stated that (LD3) Sometimes the main hindrance to our programs comes from our ministry. There sometimes several interruptions in terms of giving orders to what is to be implemented to the public organization? Though we are to operate in arm's length from the ministry, it happens sometimes that you cannot differentiate the ministry activities and that of its public organization.

The other thing revealed in an interview on political interferences was people in high political positions interfering activities in the public organizations. On the issue, an interviewee noted (LD3): *Yes, it sometimes happens the parent ministry or just a politician can transfer or remove employees or activities, so this is a problem which if there no good reasons it contributes to underperformances in the organization.* The respondents further stated that, it is imperative that issues of unnecessary reshuffles and other unfavorable interferences spearheaded by political leaders should not be underestimated in order to improve performances in the public organizations.

The evidence from the interviews about discipline management that causes work underperformances in the public organizations, interviewees showed disparities especially on identifying poor performers through the performance appraisal system for disciplinary actions. The situation was stated in one of the interviews (HRM6): *What happens if the top management* 

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leaders do not involve in dealing with poor performers? Such mentality spreads across the organization. This issue should start from the management and more to recognize good and bad *performances*. The respondent further stated that unquestionably the issue of underperformance can continue to prevail if practices such as laissez-faire, rewards and incentives, business as usual and lateness are not dealt with well by committed management officials in the public organizations. Additionally, another respondent is of the view that discipline management can be associated to accountability issues (SS6); I think, the issue here is accountability for either good or bad performances. For example, poor service delivery can be because of no motivations to hard workers or management delays in allocating funds to the activities. Bringing up different observation, another respondent held these views (SS3): There issues of employees' affiliation to within organization executives or outside the organization and job security partly contribute to work underperformances. With the situation, the respondent added that even if there evidences that that employees have not finished goals on time little actions are taken and therefore holding an individual employee accountable for the results becomes difficulty and consequentially resulting into poor service delivery and poor performances in the public organizations.

As an aspect mentioned by the majority of respondents is the way the public organization deals with underperformances. Respondents depicted widespread views and experiences in this area, which affects organization performances and service delivery. On a view of it, one respondent expressed (SS6) *When there is lack of management support on measuring employees' performance through the current system (OPRAS) to identify underperformances in the organization, what would you expect.* The respondent viewed that supervisors are not fairly using the available system to deal with underperformance in the public organization. In contradiction, however interviewees in the managerial positions ascribed work underperformances or low

service delivery to lack of necessary resources to the employees to accomplish given goals in a particular financial year. In addition, another interviewee added on the feeling (HRM3): *It is true that PMS should be used as a tool to manage underperformances. Undoubtedly, I have to admit that the system has not well been used for such purposes.* The respondent further emphasized seriousness and top management commitments to be necessary for the public organizations to improve performances: In contradictory views in one public organization an interviewee made a substantial comment (HRM6): *On my views the issue of work underperformance cannot always be about commitment or management support it can be due to lack of training opportunities, level of competences of some employees to adequately meet the organization objectives; and emerging new skills important for improve performance in the public organizations.* 

The respondents in the public organizations view that policies, laws and regulations as crucial to improve performances in the public organization. The results from the interviews showed conflicting views and experiences and that can contribute to work underperformances. The majority of respondents tightly interlinked it different bureaucracies having effects on implementation of some activities in the organizations. One interviewee in the organization argued(LM1): *There somehow weakness in relation to policies, laws and regulations amendments. For example, when the public organization want to amend outdated laws for performance improvements or just to improve operations but this; I tell you it takes years, so it is important for the government to closely look at these challenges.* Additionally, several interviewees in the organizations under the study were concern on bureaucratic procedures of changing different policies and laws that directly or indirectly affecting improvement of service delivery and general organizations performances.

### 6.1.15.3 Unsatisfactory Performances at Workers' Level

Performance management system plays substantial role in tightening issues of managing underperformances and general accountability in the public organizations. With policies, laws and regulations in work places, performance management system can be implemented in order to strengthen performances by identifying and punishing underperformances in the public organizations. In this subsection, the study sought to elicit information regarding the causes of employees work unsatisfactory performances in the public organizations.

In the questionnaires several factors were identified and respondents were asked their views and experiences on strongly disagreeing to strongly agreeing on the factors that causes underperformances.

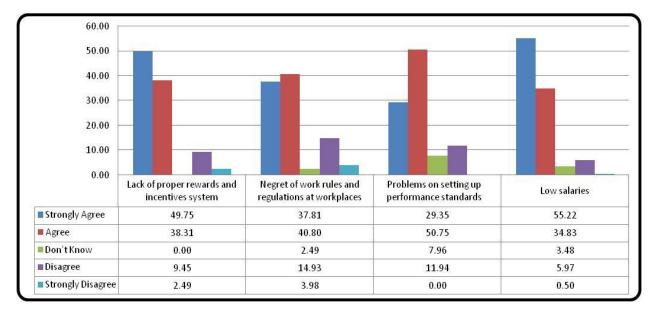


Figure 6 18: Issues of Underperformance at Workers' Level

The Figure 6.19 above show the questionnaire results from responses on causes of unsatisfactory performances at workers level in the public organizations. The results indicate that the majority of respondents 55.22 per cent and 34.83 strongly agrees and agrees lows salaries contributes

unsatisfactory underperformances in the public organization; while sizable minority about 6 percent of the respondents disagrees that low salaries causes work underperformances in the public organizations. Moreover, it is realized that 50.75 per cent and 29.35 of respondents agrees and strongly agrees that another cause of underperformance is the problem of setting performance standards in their public organizations and about 12 per cent of respondent disagree with the cause and about 8 per cent had no views that the problem of setting performance standards causes underperformance in the public organizations.

The interviews carried out on the causes for underperformance for the employees in the public Respondents' views about performance standards as the cause of organizations. underperformances varied with a significant number of respondents perceiving it to be complex as one respondent puts it (LM2): Well, it is a matter of fact that setting performance standards depends on availability of funds. With availably of resource every department prepares sort of benchmarks for evaluation purposes. Similarly, another interviewee added (SS6): I don't think if the public organization has well set performance standards. Nevertheless, every year through the performance agreements with our heads of departments or divisions, objectives and targets are established. More generally interviewees perceived that the practices of setting performance standards are infrequently communicated to employees in the public organizations and therefore in particular an interviewee noted (SS3): There need of employees to be involved in setting up appropriate performance standards: Sometimes our managers do not take their subordinates on board to discuss and agree on ways of meeting such standards. Across the public organizations, the majority of respondents held views that when performance standards are seriously well communicated to employees, it would motivate employees and ultimately improved performances and service delivery.

Another variable for underperformance in the public organizations is neglecting work rules and regulations such absenteeism at work places. Rules and regulations are instrument for eliciting conformity and discipline to improve performances. And thus, employees' behavior to violate such policies, rules and regulations contribute to unsatisfactory performances in the public organizations. An insight on how neglect of rules and regulations can affect performances in the public organizations was reflected in one of the interviewee (SS4): *Neglect to abide to rules and regulations at workplaces are common practices in the organization. To my views, the problem depends on how seriousness heads of departments and sections are, to control things like time keeping and absenteeism, which of course has great effect on performances and service delivery in the public organizations.* 

In contrast, however, one of the top management officials held views that the public organizations need to train employees regarding different rules and regulations, which are important to performances. The respondent echoed (LD2): *Yes, the issue of neglect of rules and internal policies greatly harms performances and quality services delivery. To my views and experiences, the staff regulations and other policies are just hidden in the offices. There is little follow up on what are in it and training.* Generally, the vast majority of the research respondents envisaged that the issue of breaking rules and regulations at workplaces would be minimized when managers and general top management officials show commitments in order to improve performance and service delivery.

There are widespread views and experience about another factor contributing to the work underperformances as findings from the interviews stressed on rewards and incentives system. Findings confirmed through interviews that respondent's experiences unfair treatment in aspects of the whole system of rewards and incentives in the public organizations. Concerning it one respondent highlighted (HRM5): *My experiences*, although there are efforts to improve rewards and incentive system, still, we need to have well-structured and re-designed system in the public organization. The challenge is low degree of awareness of the current system and definitely, it contributes to work underperformance in the organizations. In particular, almost all senior staffs' interviewees had widespread uncertainty on reward and incentive system in the public organizations.

In addition to that, a more ambiguous view was reflected (SS3): *There are so many challenges* with rewards and incentive system, which absolutely affects performances and service delivery. Just to give an example, it is very common to find a newly hired employees receiving similar amount of salary with other long served employees regardless of work experiences and competencies. Other interviews expressed similar views to have transparency and re-designed reward and incentive to improve employee satisfactions and organizational performances.

## **6.1.16Discussion on Underperformance in Public Organizations**

The main controversy in performance management system implementation relates to using it for management of poor performances. As part of the objectives of the study, causes of underperformances were probed with a viewpoint that affects performances and service delivery in the public organizations. In trying to investigate the causes of underperformances, multiple factors at organization and individual employee levels were identified and subjected to respondents' views and experiences. At organizational level themes like political interferences, leadership commitment, discipline management and monitoring and evaluation system, and at employees' level themes such as neglect of rules and regulations, problems in setting up performance standards and rewards and incentive system were investigated.

First, at organizational level, with respect to political interferences, the findings revealed that there is great consensus among key respondents in both questionnaires and interviews that it contributes to work underperformances in the public organizations. The analysis of questionnaires shows that, almost 40 per cent and 38 percent of respondents are agreeing and strongly agreeing that political interferences contribute to unsatisfactory performances. Similar views were reflected with the majority of participants in interviews.

The interviewees frequently confirmed the findings and showed that despite being semiautonomous organizations, delays in amendments of outdated policies and laws, politically selected ministerial supervisory boards and political directives and appointments of heads of the public organizations contributes to some extent unsatisfactory performances and service delivery. The findings are consistent with research work by Dzimbiri (2016, p.20) asserting that political interferences on areas of appointments and other organization activities is the major cause of ineffective service delivery and general poor performances in the public organizations. With regards to leadership commitment, about 56 per cent and 28 per cent of respondents held views that it is a problem and contribute to underperformances in the organizations. Some interviewees' mostly senior staffs in the public organizations supported these findings. Notwithstanding the senior staff respondents held views, the majority of top management officials viewed leadership commitment as not contributing to poor performances in the public organizations. Broadly, the senior staffs' respondents' views and the questionnaires findings are revealed to be consistent with Liff (2010, p.158) arguments that if employees realizes that leaders are committed to issues of implementing performance management system in a perspective to deal with underperformances, it more likely that the employees will work hard towards organization goals leading to organizational performances.

Second at workers level, the study examined performance standards, neglect of rules and regulations and rewards and incentive system. Regarding the challenge of setting clear performance standards, the findings from the questionnaires revealed that about 51 percent and 29 per cent of respondents agree and strongly agrees that contributes underperformances to workers in the organizations.

These findings are supported by interviewees' responses, which showed that, lack of clear communication and performances standards from top down to employees a challenge. The findings further, agrees with what is spelt out in the report in Tanzania public service management and employment policy (URT: 2008:11) that formulation of performance standards is a challenges in the implementation of one of the critical component of performance management system, OPRAS in the public organizations. Also, in South Africa (RSA-PSC, 2010, p.24), findings showed that management of poor performances hit a snag due to lack of performances standards in the public services. Another theme, reward and incentive system, 50 per cent and 38 per cent of respondents felt that, it contributes to workers poor performances in the public organizations. Further, the questionnaires findings seemed to tie in with qualitative interviews findings in which some interviewees remarked that reward and incentive system in the public organizations problematic. The study findings corroborate with Rugumyamheto's (2005, p.20) argument that weak public service pay and incentives system in public organizations contributes to poor performances. Finally, on neglect of rules and regulations, 41 per cent and 38 per cent of respondents agree and strongly agree contributes to underperformances in the organizations. The findings somehow contracted with top management team respondents but highly supported by senior staff interviewees embedding to laxity in controlling such practices in the public organizations.

This study's key insights are also explained in public service reform program one report (PSRP1: 2008) that despite underperformances due to weak accountability and violation of rules and regulations vast majority of employees in the public organizations remain unpunished.

# 6.2 Quantitative Data Analysis

It is put very clearly by Creswell (2012:398) and Wellington (2015:42) that when dealing with multiple variables, data analysis should not just end up with simple descriptive statistical analysis but going beyond analyzing reliability for internal consistency of results across different settings, validity for showing how the findings match reality, and inferential statistics or testing hypotheses. Using the collected quantitative data, SPSS 22 version was used to compute internal consistency the most common form of reliability estimations. Regarding validity analysis, factor analysis was used to check the collected quantitative data. The next subsections explain in details these analyses and multiple regression analysis.

# 6.2.1 Reliability and Validity Analysis

It argued that reliability is the necessary condition for the validity; and are two important aspects of accuracy in research. As explained by Wellington(2015, p.41), validity means a degree to which a research tool or method actually measures what it was intended to measure. It is about the accuracy of measurements in terms of whether item measures or questions measures what it was intended to measure. Therefore, for in order to make sure that internal validity and construct validity are not compromised, this study used different sources of evidences. These sources of evidences included use of research methods and tools such as documents, questionnaires and interviews. Such use of different tools enhanced both internal and external validity.

Furthermore, on the other hand, Saunders et al.(2016, p.202) distinguishes between two forms of reliability which are internal reliability for ensuring internal consistency during a research and external reliability concerning with research findings generalizability.

The study used questionnaires instrument to gather quantitative data and its reliability therefore was statistically measured through internal consistency. This study measured internal consistency using cronbach's alpha Saunders et al.(2016, p.451) by performing different reliability tests based on scale items of the questions in the questionnaires. Further, it is stipulated that alpha coefficients with the value ranging between 0 and 1 or its values of 0.7 or above are considered acceptable that the questions in the scale are measuring the same thing. Therefore, in this study, cronbach's alpha values were used as measure of reliability. In this case, the computed cronbach's alpha ( $\alpha$ ) values are summarized on the table below.

SN	Questions	No of Items	<b>Cronbach's Alpha(</b> α)
1	9	4	0.52
2	10	12	0.85
3	11	5	0.61
4	13	7	0.71
5	14	12	0.85
6	15	9	0.85
7	16	6	0.71
8	17	6	0.62
9	18	7	0.63
10	21	12	0.77
11	23	11	0.79

Table 6.3: Reliability Coefficients (Cronbach's Alpha)

As depicted on the Table 6.3 above, the findings indicate that the cronbach's alpha ( $\alpha$ ) for most of the questions meet the minimum values. The finding clearly suggests that different items in

the questionnaires as research instrument have good acceptable reliability values and therefore internally consistent and thus reliable.

#### **6.2.2 Factor Analysis**

According to Bordens & Abbott(2014, p.468), factor analysis is a technique of reducing a large set of variables to a smaller sets that consists of variables relating to one another. Arguably, factor analysis is a technique of data reduction. It is seeking underlying unobservable (latent) variables that are reflected in the observed variables (manifest variables). Further, it is argued by Karuhanga & Werner(2013, p.232) and Sreejesh et al.(2014, p.84), that before conducting factor analysis, Bartlett test of spherecity and the Kaiser- Meyer Olkin (KMO) tests should be used to determine if items of the research are factorable and adequate. The KMO which measures sampling adequacy need to be greater than 0.70 and found to be insufficient if less than 0.6. Moreover, it is stated that KMO describes the adequacy of factor analysis if it varies between 0.9 and 1(very good), 0.8 and 0.9 (good) and 0.7 and 0.8 (medium). In this study, the computed values are presented on the table below.

	KMO Measure and Sampling Adequacy	Appro. Chi-Square	df	sig
PMS Effectiveness	0.84	754.10	66	0
PMS Related Training	0.78	249.25	21	0
Rewards and Incentives	0.73	314.97	15	0
Performance appraisal results for organization development and HR Decisions	0.76	653.90	66	0
Factors for organization and individual workers underperformances	0.80	530.29	55	0

Table 6.4: KMO and Sig. Values

As depicted on the Table 6.4 above, the findings show that KMO values are at least 0.70 above the standard suggested minimum value of 0.6. Further, Bartlett's test of sphericity is significant at 1 % with (p-value=0.000). These results, therefore, confirm appropriate for the factor analysis that can be conducted.

### **6.2.2.1 Factor Analysis Communalities**

Factor analysis communalities were performed in order measure variable's reliability. In this case, several dependent variables are analyzed to find out if any of them share common underlying dimensions called factors

Communalities					
	Initial	Extraction			
Helps to identify performance problems	1	0.67			
Improves employees commitment to the organization	1	0.54			
Helps in skills development for the job	1	0.56			
Helps to link performances with rewards	1	0.52			
Helps to achieve organization goals and targets	1	0.44			
Helps managers and other supervisors to enhance performances	1	0.54			
Improves organization planning process	1	0.76			
Provides accurate assessment of performances	1	0.56			
Develops a performance oriented culture in the organization	1	0.62			
It provides performance feedbacks to employees	1	0.67			
Helps to increased responsiveness to the public	1	0.51			
Helps to identify good and bad performances	1	0.50			
Extraction Method: Principal Component Analysis.					

Table 6 5: PMS Effectiveness Communalities

As depicted on the Table 6.5 above, it indicates that communalities of 12 variables measure the first objective of study. The Varimax Method with Kaiser Normalization was used as the rotation method. The orthogonal rotation method minimizes the number of variables with high loadings on each factor. The advantage of factor analysis is that, it revealed inter-correlations between all variables under the specific objective. The communality for a given variable can be interpreted as the amount of variation in that variable explained by the factors that comprise the variable.

The results reveals that the communalities analysis is comparable to that of multiple linear regression: Based on the table above, the value of  $R^2$ = 0.67 which is the first variable for performance management system effectiveness on organizational performance, meaning that about 67 percent of the variation in terms of helping an organization to identify performance problems is explained by the factor model.

Furthermore, the second variable for the performance management system effectiveness is to improve employees' commitment to the public organization. Its extraction value is  $R^2=0.54$ , implying that 54 per cent of the variation in terms of improving employees commitment to the public organization can be explained in the model. Similarly, for other remaining variables of the performance management system effectiveness can be explained in the same way based on extraction values (R-squared) in the table above and when communalities values are higher the better.

# 6.2.2.2 Factor Analysis Loading

otated Component Matrixa Component						
	1.Factor	2.Factor	3.Factor			
Helps to identify performance problems	-0.150	0.779	0.193			
Improves employees commitment to the organization	0.238	0.647	0.259			
Helps in skills development for the job	0.360	0.656	-0.047			
Helps to link performances with rewards	0.629	0.342	0.074			
Helps to achieve organization goals and targets	0.385	0.513	0.165			
Helps managers and other supervisors to enhance performances	0.317	0.106	0.651			
Improves organization planning process	0.092	0.195	0.845			
Provides accurate assessment of performances	0.683	0.184	0.236			
Develops a performance oriented culture in the organization	0.773	0.127	0.100			
It provides performance feedbacks to employees	0.696	0.104	0.422			
Helps to increased responsiveness to the public	0.645	0.167	0.254			
Helps to identify good and bad performances	0.271	0.652	0.067			
% of Variance	24.150	19.990	13.250			
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.						
a. Rotation converged in 5 iterations.						

The results in Table 6.6 show rotated component matrix in which factor analysis has extracted three factors. These are the factors that researcher is most interested to explain. The first factor which can be called performance behavior drivers accounts for 24.150 per cent of variances, which includes the following five variables (helps to link performance with rewards, provide accurate assessment of performances, develops performance oriented culture in the organization, provides performance feedback to employees and helps to increased responsiveness to the public); the second factor which are performance differentiating practices account for 19.99 per cent of variances loaded to five variables: helps to identify performance problems, improves employees commitment to the organization, helps skills development for the job, helps to achieve organization goals and targets and helps to identify good and bad performances, and the third factor called performance development strategies accounts for 13.25 per cent of variances loaded to two variables (improves organization planning processes and helps managers and other supervisors to enhances performances). This factor analyses loading can be extended to other objectives of the study.

## 6.2.3 Hypotheses Testing Using Multiple Linear Regression Analysis

It is propounded by Bordens and Abbott (2014:461) that the main goal of multiple regressions is explain the variation of one variable (dependent) based on variation in a set of others (predictor variables). Therefore, this sub subsection shows the results of hypothesis testing based on the proposed conceptual model described in chapter three. The model construct was classified into two categories, which are independent, and dependent variables. The independent variables constructs were performance management system effectiveness, performance management related training, performance appraisal results for organization development and HR-related issues decision-making, rewards, incentives, and management of underperformances and for dependent variable construct consisted of organizational performances. Based on the model construct: Hypothesis H1: predicts that factors for effective PMS are significantly and positively related to organizational performances. Hypothesis H2: predicts a significant and positive relationship between performance management systems related training and organizational performances. Hypothesis H3, predicts that perceived use of performance appraisal results for organizational development and HR-related issues decision-making is positively and significantly related to organizational performances.

Furthermore, Hypothesis H4 suggested that well and fairly implemented rewards and incentives to motivate employees in the public organizations significantly and positively relates to organization performances. In addition, Hypothesis H5, predict that management of causes of underperformances in the public organizations significantly and positively relates to organizational performances. In this case for in order to test the hypotheses this study therefore used multiple linear regression analysis.

# 6.2.4 Multiple Linear Regression Analysis

Multiple linear regression is efficient method for establishing relationship between variables (Creswell, 2012:50; Lynch, 2013:153). It is used to understand collective or combined relationship of multiple independent variables with a single dependent variable. Additionaly, Saunders et al.(2016, p.547) clarifies further that multiple regression analysis is for calculating coefficients of multiple determinants using two or more independent variables. Since multiple regression analysis shows relationship between variables, this study therefore, used the approach to examine hypotheses for the study. The study used organizational performance as dependent variables and different dimensions from performance management system effectiveness, rewards

and incentives, performance appraisal results for the organizations development and HR decision making, causes of underperformances at organization and individual employees levels forming independent variables. The study sought to determine how the identified independent variables influence performances in the public organization under the study. And thus, in particular for this study, multiple linear regression analysis was conducted to determine the effect of identified independent variables of different aspects of performance management system on dependent variable organizational performances in public organizations. The following multiple linear regression model was developed:

 $Y = \beta_i X_i + \varepsilon_i$ , Where Y = Organizational Performances, B = presents a vector of coefficient of the explanatory variables; X = represents a vector of explanatory variables based on performance management system effectiveness, rewards and incentive, performance management related training, performance appraisal results for both organization development and HR- decisions making and factors for underperformance at both organization and employees levels.

$$i = 1, 2, 3, 4, 5, 6, 7, \epsilon =$$
 the error term.

The statistical analysis made use of a regression model to facilitate the investigation of causal relationships in the data. This model was preferred over other association measures, such as Chi-Square, Cromer's V and Lamda, which would not have allowed the same level of analysis, especially with regard to causal relationships.

Furthermore, to perform multiple linear regression analysis on the collected data or quantitative data, Sreejesh et al.(2014, p.82) and Saunders et al.(2016, p.533) recommend that various assumptions tests such as among others multicollinearity, normality of data, and independence of errors are most important. It is argued that violation of these assumptions can cause biased

critical values and influences in standard errors. In regard, this study carried out testing of these fundamental assumptions so that are not violated.

#### **1. Testing Multicollinearity**

Multicollinearity is an important assumption that establishes the extent to which two or more variables are correlated to each other and without it becomes difficult to determine separate effects of individual variables. Moreover, if two variables are highly correlated, one should be eliminated from the analysis (Bordens & Abbott, 2014:466). In this study, two approaches to measure multicollinearity by using a standard multiple regression were checked: First, tolerance which is a percentage of variance in the independent variable that is not accounted for by the other independent variables. This is where an independent variable is regressed on to the other independent variable in a multiple regression analysis and produces an R-square value, which is then subtracted from one.  $1 - R^2$ , the difference is tolerance.

Most commonly, a tolerance value of 0.10 or less are deemed as problematic and therefore the value of 0.20 and above has been suggested as acceptable.

Second approach is Variance Inflation Factor (**VIF**)which is a reciprocal of tolerance  $1/(1 - R^2)$ and indicates the degree to which the standard errors are inflated due to the levels of co-linearity. A VIF value of 5 or greater is often problematic. Figure 6.8 below portrays multi-collinearity results of the independent variables.

	Collinearit	y Statistics
Model	Tolerance	VIF
PMS effectiveness and organizational performance		
	0.69	1.45
PMS related Training and organizational performances		
	0.654	1.529
Performance appraisal results for organization development decisions		
	0.769	1.3
Performance appraisal resultst for HR Decisions		
	0.735	1.361
Factors for underperformances at organizational level		
	0.712	1.405
Factors for underperformances at individual employees Level		
	0.736	1.359
Rewards and incentives		
	0.763	1.31
a Danandant Variables organizational performances		
a. Dependent Variable: organizational performances		

#### Table 6.7: Multicollinearity Statistics Analysis

As depicted on Table 6.7 above, it indicates that tolerance values ranges between 0.65 and 0.80 and with the values which are not less than 0.10, it can be suggested that there is no multicollinearity problem between independent variables which are causes of underperformances at both organization and individual employees levels, rewards and incentives, variables for performance management related training, use of performance appraisal results for both organizational development and HR-related issues, and performance management system effectiveness on organizational performances.

Regarding variance inflation factors, the values range between 1.31 and 1.53, the values are far below suggested cut-off value of 10. The values in this case suggest that there is no multicollinearity problem between the independent variables and the dependent variable. Based on the results, this study therefore did not violate the assumption of multicollinearity.

#### 2. Testing for Normality of Data

Normality of data testing is an important assumption before applying multivariate statistics. Its violation affects multiple linear regressions analysis. This study checked the normality of data to see if it meets the assumption. Normality assumption through multivariate statistics assumes that the population distribution underlying the sample distribution of the study is normal. And, therefore for in order to check normal distribution of data, normal distribution curves were shown.

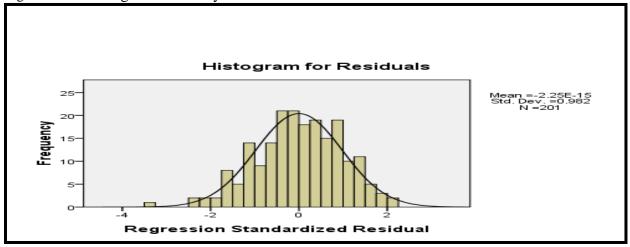


Figure 6 19: Testing for Normality Results

Figure 6.19 above depicts normal distribution curves in which it shows that errors are approximated normal distributed. Based on results depicted above that show values of the residuals that have approximate a normal curve it is recommended that the normality assumption have not been violated.

#### 3. Test for Independence of Errors

This is another assumption important before running multiple linear regressions in which errors assumed to be independent with constant variance. The violations of this assumption can underestimate standard errors, and label variables as statistically significant when they are not. Therefore, Durbin-Watson test was used. According to (Saunders et al., 2016, p.553), Durbin– Watson statistic ranges from zero to 4. The value below 2 indicates positive autocorrelation.

Table 6.8:Test for Independence of Errors

Model	Durbin-Watson statistic value
1	1.85

The table above portrays the Durbin- Watson statistic value of 1.85. Since its value is less than 2, it implies that errors are independent and thus test for independence of errors is not violated in this study.

### 4. Model Summary

The model summary indicates the correlation between organizational performances and its determinants.

Table 6 9: Model Summary

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.391 <sup>a</sup>	0.153	0.122	0.53385		
a. Predictors: PMS effectiveness, rewards and incentives, PMS related training, performance appraisal results for HR and ogranization development decisions and factors for employees and organization underperformances.						

The Table 6.7 above indicates the values of R, which speaks about correlation. It can be deducted from the results that only 15.3 per cent of the variability in organizational performances is explained by performance management system effectiveness, performance management system related training, performance appraisal results for organization development and HR decision making, rewards and incentives and individual employees and organizational levels factors for the underperformances. Thus, about 84.7% of variance in organizational Performances is explained by other factors not included in the model. Furthermore, for in order determine whether the model can fit for the data, analysis of variance was conducted and its findings summarized on the Table 6.10 below.

Table 6 10: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.		
1	Regression			1				
		9.939	7	1.42	4.982	$.000^{a}$		
	Residual							
		55.003	193	0.285				
	Total							
		64.942	200					
a. Predictors: PMS effectiveness, rewards and incentives, PMS related training, performance pppraisal results for HR and ogranization								
development decisions and factors for employees and organization underperformances.								
b. Dependent Variable: Organizational Performances								

Table 6.8 above portrays the results from the analysis of variances. Based on the results the pvalues was 0.000, the value which is less than 0.05 and thus the model fit is significant in predicting how independent variables influences dependent variable organizational performances in public organizations. Further, the results show that the model variances of 1.420 are considerably higher than the error variances of 0.285, also indicating that the different determinants succeed in predicting organizational performance of the public organizations sat a 95% level of certainty.

## 6.2.5 Multiple Regression Coefficients for the Hypotheses Tests

The table below depicts the results of regression. It shows both standardized and un-standardized coefficients, standard errors, significance (p-values) and t-values. In this regard, the standardized coefficients (the beta values) and p-values were used to test the outcomes of the hypotheses for the study. Regarding the general results, the table below shows that beside one independent variable factors for organization underperformances that have negative beta values other independent variables show positive beta values. The independent variables with positive beta values of dependent variables, which is organizational

performances. The table summarizes the results of the multiple regression analysis and well presented in the subsequent sections.

	Unstandardized Coefficients		Standardized Coefficients		
Model	Beta	Std Error	Beta	t	sg
Constant	1.922	0.256		7.511	0
PMS effectiveness and organizational performance	0.083	0.068	0.097	1.215	0.226
PMS related training and organizational performance	0.05	0.067	0.061	0.743	0.459
Performance appraisal results for organization development decisions	0.119	0.057	0.158	2.096	0.037
Performance appraisal results for HR Decisions	0.023	0.011	0.158	2.039	0.043
Factors for organizations underperformances	-0.058	0.07	-0.066	-0.838	0.403
Factors for individual employees underperformances	0.037	0.064	0.045	0.582	0.561
Rewards and Incentives	0.083	0.062	0.101	1.336	0.183
a. Dependent Variable: Organizational Performances					

Table 6.11: Regression Analysis Coefficients Values

# 6.2.5.1 Outcomes of Hypothesis H1

H1: Performance management systems that support and provide clear performance practices have significant effect on organizational performances. As depicted on the table above the beta coefficient value of performance management system effectiveness on organizational performance is 0.083 at significance value of 0.226.

The significant value is above the standard value of 0.05, level of significance. Therefore, with these mixed results, is indicates that factors for performance management system effectiveness such as helping in identification of performances problems, linking performance with rewards, providing feedback and accurate assessment of employees positively influences organizational performance but not statistically significant implying this hypothesis cannot definitely be confirmed.

### 6.2.5.2 Outcomes of Hypothesis H2

H2: There is significant relationship between perceived sufficiently trained managers or supervisors on performance management system and organizational performances. The result depicted on the table above shows that performance management related training is a strong direct predictor of organizational performances as its beta coefficient is 0.061. Its implication is that different aspects of performance management related training such as dealing with underperformances; coaching employees and objectives formulation have positive effect organizational performances. However, the argument can be weakened by the value of its significance, which is 0.459 above the standard significance level of 0.05. Therefore, with such results, statistically the hypothesis is not supported.

# 6.2.5.3 Outcomes of Hypothesis H3

H3: There is significant relationship between performance management system that supports clear reward system both financial and non-financial rewards to motivate employees to deliver quality services and organizational performances. In table above, multiple regressions analysis results indicate that its beta coefficients value is 0.101 entailing that rewards and incentives, which include salary increments, linking it with good performance, have positive influences on organizational performances. The significance relationship for this hypothesis is 0.183; the value which is above its standard significance level of 0.05. With regard to the results, it means that there is no statistically significant relationship between performance management system that supports clear reward system and organizational performances.

# 6.2.5.4 Outcomes of Hypothesis H4

H4: A statistically significant relationship between the use of appraisal results or performance information for human resources and organization decision-making and organizational performances exist in the public organizations. The results indicate that when performance appraisal results are used to inform the HRM decisions making in areas such as recruitment of employees, salary increments, training and development, promotion of employees, demotions, suspensions and terminations of employees to a great extent in the public organization enhance performances and service delivery. Regarding for HRM decisions making, the results on the table above shows that its un-standardized coefficient value is 0.023 and significant value is 0.043. Since the values are lower than the standard significance level of 0.05, it can statistically be confirmed that are strong determinants of organizational Performances. Further on the views that when performance appraisal results are used for the organization development, the results depicted on the table above shows that the beta coefficients are 0.158 at significant level of 0.037.

This implies that if performance appraisal results are at organizational level used to change work progress, refine performance measures and rectify performance failures to great extent contributes to the organization performances, service delivery, and therefore strongest determinant of organizational performances. For this hypothesis, therefore public organizations must concentrate on the performance appraisal results in HR-related variables and organizational development since there is strong positive and significantly related to organizational performances.

### 6.2.5.5 Outcomes of Hypothesis H5

H5: A statistically significant relationship is found between factors for underperformances that affect performance management system and organizational performances in the public organizations. Regarding this hypothesis, the results depicted in table above demonstrates that at employees' level performance management system that supports management of causes of underperformances such low salaries, ignoring of workplaces rules and regulation unclear performance standards. The beta coefficient of 0.045 depicted on the table above show that there exist of direct and positive relationship between performance management system supports management of causes of poor performances and organizational performances.

# 6.3 Chapter Summary

This chapter has presented and discussed the findings obtained from both qualitative and quantitative data. The chapter meant to cover and answer key research questions of the study as well as to test the research hypotheses. Initially this chapter, started with qualitative analysis where respondents' demographic information such as age, gender, educational level and work experiences were analyzed. Through interviews, the main themes were explored and presented covering aspects of performance enhancing tools, effective performance management system to improve performances, motivation-embedding issues of financial and non-financial rewards and incentives.

Further, the chapter highlighted and discussed issues of performance management system related training, the use of performance appraisal results in different decision-making and management of poor performances in the public organizations.

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Furthermore, the chapter presented and discussed quantitative data to uncover the relationship between construct dependent and independent variables.

## **CHAPTER SEVEN**

# **Major Findings, Conclusions and Recommendations**

# 7.0 Introduction

Tanzania public sector has undergone various reforms to oblige to the public outcry for improved performance and quality service delivery in public organizations. Through these reforms, one of the tools for improved performance and service delivery was the introduction and implementation of performance management system in these organizations. However, ample evidence from this study has shown that the implementation of the system has not yielded intended results. This study aimed at investigating the effect of the implementation of performance management system on organizational performance in public organizations in Tanzania. It was guided by four questions to highlight and better understand complexities in implementing different aspects of the system: The first looked at employees' views and experiences on the effectiveness of performance management system to improve both employees and organization performance; the second was to explore the use of performance appraisal results in different decision-makings; the third was relating to motivating factors for employees to deliver quality services to the public; and the fourth sought to investigate issues of underperformance and general management of underperformance in the public organizations.

Therefore, based on data analysis from interviews and questionnaires held to different groups of employees in the public organizations, summary of findings and conclusions can be drawn from the insights obtained and other necessary recommendations of the study. This chapter therefore presents brief summaries of both qualitative and quantitative research findings, conclusions of the study, general study recommendation and finally directions for further research.

# 7.1 Summary of Main Qualitative Findings

Based on the identified themes on matters of performance management system, the findings are drawn from the interviews carried out to two categories of employees; top management officials and senior staffs in the public organizations; and also, questionnaires which have been used to generate descriptive statistics such as frequencies and percentages of responses to questions.

### 7.1.1 PMS Effectiveness in Public Organizations

In order to fully understand issues of performance management system and its effects to improved performance and service delivery, four performance enhancing tools and general different variables for its effectiveness were examined. From the point of view of performance enhancing tools, open performance review and appraisal system, strategic plans, monitoring and evaluations and client service charters were explored. The study findings have clearly revealed in interviews and questionnaires that the tools greatly contribute to performance improvements and quality service delivery in the public organizations.

Several issues were brought to light by the majority of respondents on the use of open performance review and appraisal system to evaluate employees 'performance that was not implemented for performance but for compliance purposes with more focus on salary adjustments. Also, with regard to client service charters which were meant for public organizations to justify timely improved performance and quality service delivery, many respondents' concerns are that they have shown benefits to improve responsiveness to the public. The same thing has been revealed on monitoring and evaluation that the majority of interviewees view it as ineffective tool to improve performance. Nevertheless, the minority of respondents in questionnaires and interviews sees that although strategic plans are not regularly reviewed to some extent have helped the public organizations in building performance-oriented culture.

In assessing different parameters of effective performance management system to improve performance and service delivery in the public organizations, respondents held mixed views on some of the critical parameters that make the system more effective for organizational performance. With the majority top management officials in interviews, perceiving that performance management system has been helpful and somewhat effective to improve planning processes, also the majority of senior staffs across the public organizations felt that the system has shown great positive effect to enhance performance in the organizations. In particular, the majority of respondents are concerned on the inadequacy of the system in helping the public organization to accurately assess both workers and organization performance. The findings further showed lack of serious performance evaluations to heads of public organizations and general top management officials, which felt to be one of the contributing factors to implementation of performance management system in the public organizations. The study findings also have shown that despite the fact that all public organizations are supposed to implement performance management system, there are great variations that organizations are not homogeneous more depending on the organization management and leaders and therefore need for regular government interventions.

## 7.1.2 PMS Training in Public Organization

As propounded by Hainess and St-Onge(2012:1159) that the implementation of performance management system in the organizations rests on the shoulders of top management officials, the findings revealed that are inadequately trained. The findings also show that trainings are not given needed attention to improve performance in public organizations. In addition, public organizations fail to support identified employees for training avenues culminating to lack of necessary skills and expertise to satisfactorily implement matters of performance management system to improve performance and service delivery.

# 7.1.3 Employees' Motivations in Public Organization

Based on the interviews and questionnaire, the findings have shown that due to high cost of living and other life variables, promotions and salary adjustments are considered vital for employees to improve performance and quality service delivery in the public organizations.

The majority of respondents repeatedly showed that insufficient salaries and incentives contribute to low workers' morale shifting concentration to other sources of money to supplement such salaries in the public organizations. Additionally, the most striking result in this study was the controversy of rewarding good work performance with sizeable respondents disagreeing with voting system to have annual best performers in the public organizations.

Furthermore, issues of appointments to managerial positions and promotions greatly are perceived by workers to be not basing on merit or performance results, but rather on either top executives or political patronage, which frustrates and discourages good performance in the public organizations. In particular, the findings confirmed that the majority of respondents felt that the issue of motivation needs comprehensive improvements to ultimately enhance workers performance in the public organizations.

## 7.1.4 Use of Performance Appraisal Results in Public Organizations

The interviews and questionnaires investigated performance appraisal results generated in performance management processes for various decisions making, key to improved performance and service delivery in public organizations. With respect to tying performance appraisal results to issues of HR practices, the findings reveal public organizations to be moderately effective on areas of promotions and other salary adjustments and less effective in demotions, withholding salary adjustments and terminations for poor work performance. Nevertheless, despite the public organizations showing to be a bit effective in appraisal results for salary adjustments, the findings showed considerable shortcomings that such practices are solely for compliances only, in which does not reflect real employee performance appraisal results are weakly tied to decision-making regarding allocation of resources, rectification of performance failures and enhancing organizations clients' satisfactions to quality services.

## 7.1.5 PMS and Management of Underperformance

The examination of perceived factors that contribute to work underperformance in the public organizations, at both employees and organizational levels were carried out. The findings of the study revealed weak conformity to enforcement of well-stipulated laws and regulations regarding accountabilities for performance results, political interferences and discipline management in the public organizations.

During the personal interviews with some top management officials and senior staffs on the problem of poor work performance, the vast majority of respondents expressed their concerns with regard to the way of dealing with aspects of underperformance in the public organizations. Issues of unclear performance standards, neglect of rules and regulations, and lack of proper reward and incentive system were singled out by the majority of respondents as factors greatly affecting performance at workers' level in the public organizations.

# 7.2 Summary of Findings for Hypotheses

Testing hypotheses was important for this study to find out relationship of identified variables of different aspects of performance management system. The hypotheses testing based on conceptual framework proposed in Chapter Three where dependent and independent variables were constructed. Before testing for relationship between the identified variables using multiple linear regression analysis, regression assumptions for no violations such as multicollinearity, normality of data and independence of errors were checked. The findings are summarized in following subsections.

7.2.1 H1: It was hypothesized that performance management systems, with clear management practices such as accurate assessment, giving performance feedback to employees, identifying good and bad performance have a significant effect on organizational performance. From the regression analysis, the findings showed that the values for standardized coefficient and p-value are 0.097 and 0.226 respectively. It is clearly however, that the p-value is greater than standard value of 0.05 and therefore, there is no statistically significant relationship between organizational performance and respondents' views on critical factors for PMS effectiveness in the public organizations.

7.2.2 H2: The second hypothesis states that there is a significant relationship between perceived sufficiently trained managers and other supervisors on performance management system and organizational performance. Performance management system related training dimensions (linking performance with regards, workers 'performance assessments, dealing with underperformance and coaching subordinates) to directors and managers as an aspect of importance for the system effectiveness resulting to general organizational performance. The findings based on the regression analysis on the constructs items indicate positive effect on the organization performance but not statistically significant (calculated  $\beta$ = 0.061, p-value = 0.459).

7.2.3 H3: There is a significant relationship between performance management system that supports clear reward system both financial and non-financial rewards to motivate employees to deliver quality services and organizational performance. By using regression analysis approach, the prediction of organizational performance from variables of financial rewards and incentives was carried out. The findings of the analysis showed that organizational performance is positively influenced by financial rewards and incentives but statistically not significant ( $\beta$ =0.101, p-value =0.183). Hence, the hypothesis was rejected.

7.2.4 H4: Performance management system that provides adequate performance appraisal results or performance information for human resources and organization decision-making has significant effect on organizational performance in the public organizations. With regards to HR-related decision-making dimensions (promotions, salary adjustments, termination, suspension, training and development, and demotions), the regression analysis findings reveal positive and significant relationship with organizational performance ( $\beta$ =0.158, p-value=0.043). The findings indicate that the effective use of performance appraisal results on the identified HR-

practices contributes to improved performance and service delivery in the public organizations. Furthermore, regression analysis on the use of performance appraisal results variables to make decisions to improve performance in the organizations (change of work progress, allocation of resources, resetting objectives) demonstrates positive effect and statistically significant to organization performance. Overall, the study findings reveal that there is a great effect in using performance appraisal results on organizational performance. It is important for public organizations to make more emphasis on the use of performance appraisal results for various decision-making in order to explain issues of performance and quality service delivery in the public organizations.

7.2.5 H5: It was posited that there is significant relationship between perceived factors for underperformance that affect performance management system and organizational performance in public organizations. With respect to parameters for underperformance in the public organizations, stepwise regression analysis on the factors at both organization (policies and laws, political interferences and lack of accountability among employees) and employees (proper reward and incentive system, set performance standards and low salaries) levels was carried out to examine the perceived effects on organizational performance. The perceived factors for underperformance that affect performance management system appear to have positive influence and effect on organization performance, but statistically not significant ( $\beta$ =0.045, p-value =0.561). Thus, the hypothesis was rejected.

## 7.3 Conclusion for the Study

The study set out to assess the effect of the implementation of performance management system on organizational performance in public organizations in Tanzania. It explored aspects of its effectiveness, challenges in implementation of the system, rewards and incentives as crucial motivating factors for the employees to deliver quality service to the public, factors for underperformance at both employees and organizational levels and the use of performance appraisal results on different organizations and human resources management decisions.

The extent to which performance management system is implemented and its effectiveness to improve performance in the public organizations is complex. Findings have confirmed that though performance management system has a great role to improve performance and quality service delivery, the majority of workers in the public organizations are not satisfied with its effectiveness on the areas of helping public organizations to assess performance and identify good and bad performance. The findings further indicate that public organizations are slowly making progress in the implementation of some aspects of performance management system. Hence, public organizations and the government at large need sound investments in terms of more reforms in legal frameworks, creating understanding and commitment and changing mindset of top management executives in the public organizations to effectively implement the system. Further, in order to successfully implement performance management system in the public organizations several initiatives and interventions in terms having different categories of performance contracts to employees in managerial positions need closer attention.

When it comes to performance management system related training to top management officials, respondents in the public organizations reported little priority and dissatisfactions that are not provided with relevant skills and knowledge to implement different aspects of performance management system. Since special training related to performance management system is an important factor that contributes to effective implementation of the system and thereby improved

performance, there is need for public organizations to adopt effective training programs to employees in managerial positions not only to improve competencies and necessary skills but also escalate quality service delivery.

On the performance appraisal results for HR-practices and organization developmental decisionmaking, broadly the key findings reveal variability in application of the appraisal results in implementation of HR-related and other development issues in public organizations. In particular, therefore, it is worthwhile to conclude that as long as performance appraisal results are important for improved performance and service delivery, public organizations need to emphasize and manage it to support higher performance and quality service delivery.

With respect to motivation factors, the study findings reveal that the vast majority of respondents across the public organizations views that there is no best approach to motivate employees to improve performance and service delivery in the public organizations. Despite the findings of the study to show that financial rewards and incentives are highly preferred by employees due to social and economic reasons, its critical analysis shows that they are not a panacea to issues of motivations. Therefore, mix of monetary and non-monetary means can be appropriate to improve performance and service delivery in the public organizations.

On the overall, even if the introduction of performance management system in the public organizations meant to improve performance and service delivery, the key emphasis has to be put on ensuring monitoring and evaluation system and timely amendment of old laws, allocation of resources and funds for the systems to be effective in improving performance.

In addition, if the public organizations would like to realize the system contribution to quality service delivery, issues of employees' accountability for performance, employees training and development should not be underestimated.

# 7.4 Recommendations of the Study and Issues of Future Research

Based on the drawn conclusions from the research findings, it would be important for this study to make recommendations, which are essential ingredients that will possibly help to solve the problems associated with effective implementations of different facets of performance management system in the public organizations in order to improve performance and service delivery.

## 7.4.1 PMS Effectiveness

The Tanzania government through the ministry responsible for public service management has formulated numerous policies, laws and regulations that play a great role in implementing critical components of performance management system in public organizations. The policies, laws and regulations are for the well-being of employees to work hard in the organizations and to guide management and procedures in areas such as among others employees' recruitments, training and development and pay and incentives. For example, according Tanzania public service management and employment (1999:12), all public organizations should have performance management system embedding other issues such as annual performance agreements to all top management officials, recruitments, and performance evaluation systems. This study finding shows that issues of annual performance agreements more specific to heads of public organizations, recruitment of employees and performance evaluation systems are problematic.

In regard to the situation, more policy reforms are recommended to enable the public organizations to realize full benefits and other potentials of performance management system to improve performance and service delivery. The study further recommends:

• Establishment of public customers' satisfaction system. As literature reviewed in Chapter Four found in developed countries beneficiaries of the public service, the citizens as the customers of the public organizations should be given time to evaluate the quality and satisfaction of services rendered for both internal and external accountabilities.

• Since the majority of public organizations predominantly rely on the government annual audit reports for assessment of general performance, it is recommended that performance evaluations both externally and internally should frequently be conducted based on financial and non-financial reports.

• The findings have shown that annual performance agreements to heads of public organizations are not overemphasized. To ensure that management officials seriously implement performance management system, it is recommended that the government should revisit different mechanisms such as ministerial advisory boards and board of directors to be committed to evaluate performance in public organizations. Further, the government needs to design independent performance tracking system that involves stakeholders and service consumers for easy judgment of performance.

• Different policies and laws show that public organizations have to operate in semiautonomy in the management of activities in order to improve performance and service delivery. However, the findings have revealed that political interruptions of some activities result into failure of the organizations to successfully implement performance management system and tools to improve performance. It is recommended therefore that there is need of well-defined

pragmatic performance management model particularly for public organizations that is free from political interruptions for better environment to deliver services.

• Generally, the evidence gathered in this study revealed leadership challenges in the implementation of the performance management system and discrepancy in areas of human resources management function need to play to implement the system. On leadership, the study recommends that the government should establish a system that heads of public organizations and other employees in the managerial positions to undergo specialized training on various aspects of leadership and management. There is also need of including a wider circle of employees in different training and development opportunities to contextualize the PMS in the organization environment for its effective implementations. And to invest on empowering the HR-function in order to enforce rules and regulations in the public organizations.

• This study has confirmed the continual existences of problems on the implementation of performance enhancing tools important for performance management system. Overall it appears that open performance review and appraisal system, monitoring and evaluation, strategic planning and client service charters are not integrated in the whole process of performance management in public organizations. To ensure that the tools are implemented, it is recommended that the existing policies and regulations are improved so that public organizations 'supervisory bodies and external government moderators are set for performance evaluations in order to improve performance.

• It is recommended that public organizations should adopt different types or categories of performance appraisal system with consideration of the nature of works and cadres of employees in public organizations.

• The government needs to differentiate categories of performance appraisal system with consideration of the nature of works and cadres such as employees in managerial positions and other ordinary staffs. Further, both external and internal measures of performance need to be established in which stakeholders in the environment of an organization such as service consumers or clients should be given avenues to judge the kind of services the organization provides. For the case of internal measures of performance, employees need to be empowered and give secret views on the general performance and service delivery in public organizations.

• The study has found that there is no clear performance agreement between top management officials and close supervisory boards or ministerial advisory boards important for accountability. It is therefore recommended that public organizations should have very clear performance contracts to management officials to improve performance.

• The government needs to intervene on some conflicting policies and regulations on areas of recruitments and appointments that are important for all members of the public organizations to take full charge on implementation of performance management system to improving performance.

• Although the government has laid very clear policies and regulations that workers' training and development is a crucial factor for organizational performance, the study findings revealed problems in its implementation. It is therefore recommended that, the government should adopt strategies that forces public organizations to abide to the formulated policies to have human resource development programs tied to carefully conduced training needs assessment.

• Improved performance and quality service delivery requires most appropriate selection of employees in the organization. It is therefore recommended that issues of meritorious

appointments and promotions of employees to managerial positions should not be underestimated in the public organizations to improve performance.

## 7.4.2 Motivational Factors in Public Organizations

Emanating from the findings both monetary and non-monetary factors are globally regarded as significant to motivate workers to work towards achieving goals and objectives in organizations. However, this study has shown that monetary factors are greatly perceived to contribute to high performance and quality service delivery in public organizations. It is therefore recommended that: there should be established some mechanism to ensure that public organizations implement different forms of financial rewards and incentives to improve performance and service delivery, the top management officials should regularly improvise and find solutions on workers salary and incentives schemes to facilitate hard work to enhance performance.

Giving rewards and incentives to good performance based on performance criteria is an important element of effective performance management system. The study found conflicts between trade union ways of rewarding good performance basing on voting system and that of performance results. It is therefore recommended that the management of public organizations should put great focus on identifying good and bad performance and award good performance based on performance appraisal results.

# 7.4.3 Training and Development

Based on the research findings, training and development has resurfaced as the major challenge in the implementation of performance management system and general improvement of services in the public organizations. The government upfront investments on resources and support to public organizations are needed in terms of technology and other managerial capacity that are good determinants of effective PMS. The caliber of employees in managerial positions in public organizations requires specialized training in leadership and other management skills. And therefore, it is recommended that the government and specific public organizations should have sound training system to employees appointed to higher positions and more generally overhaul performance management system by integrating training programs mandatory to all employees in public organizations. The study recommends that more emphasis should continuously provide employees in managerial position with in-service trainings, which are according to this study promoted to management positions without being adequately equipped with necessary skills and capabilities to deal with different aspects of performance management system to improve performance and service delivery.

### 7.4.4 Performance Appraisal Results in Public Organizations

According to public service regulations (URT, 2003:23) performance appraisal results are important for different public organizations decisions making. Different rewards such salary increments, promotions, terminations and training programs and other organization developments need to base on performance appraisals results at both individual employees and organizational levels. Based on preceding findings, it is suggested that:

• A clear policy should generate performance appraisal results for various decisions. The initiative will reciprocate more pressure to employees in managerial positions to implement the system in the public organizations.

• The performance appraisal results are considered appropriate for workers accountability for performance results, and that will induce behaviors skewed at using performance management system to improve performance and service delivery.

• It is worthwhile for the policy-makers or the government to practically design vigilant approach for public organizations to adhere to formulated policies and regulations on tying performance appraisal results to issues such as workers appointments to higher positions, sanctions for poor performance and other salary adjustments. The study recommends that performance appraisal results that indicate that employees need trainings should accordingly be given such training to enhance the relevance of the system to employees and improved performance in the public organization.

## 7.4.5 Management of Poor Work Performances

The study findings have proven unwillingness and great challenges in enforcements of various policies and regulations on poor work performance in public organizations. As viewed by Hutchinson (2013: 203) that disciplining manages underperformance, this study recommends that top management officials should undergo short training courses on rules and regulations in order to know and appreciate issues of managing underperformance and apply them appropriately to improve performance in the public organizations. The study empirical evidence has shown that strictness of management on implementation of performance management system can result into workers' commitment to actions towards improved performance and ultimately leading to organizational performance. Therefore, this study suggests that the government need to openly every year classify public organizations based on both internal and external performance. The poor performing public organizations due to specifically to mismanagement of

resources and decisions and poor service delivery need to publicly be made known and punished based on performance results.

There is great potential for public organizations to improve performance and service delivery, if performance management system can seriously be emphasized to identify the factors for underperformance. It is therefore recommended that, the government through the ministry responsible for the public service management should take countermeasures to problems with regards to work underperformances through monitoring and assessment of achievement of the objectives in public organizations. The study has found that the selected public organizations that spread countrywide have not well tapped in computer technology as a tool for implementation of performance management system to improve performance and service delivery. The study therefore suggests that PMS computerization should be more emphasized for appropriately and timely implementation of different organization objectives and targets and performance feedback in the public organizations.

## 7.5 Issues for Further Research

Previous chapters have looked at different perspectives from developed and developing countries on matters relating to performance management system. The diverse literature reviewed from different countries open up avenues for further studies in Tanzania context which since 1990s has undergone different public-sector reforms, resulted into introduction of performance management system to fight against poor work performance and therefore improve performance and quality service delivery to the public. Overall however, as part of public sector reform several shortcomings persists requiring to find out consented ways of minimizing them for better implementation of the system in the public organizations. This study has come up with results showing problems in implementing performance enhancing tools and other essential aspects of performance management system, signifying that there more need of research in order to come with the system appropriate for improving performance and service delivery in the public organizations. For example, the study closely looked at few factors for PMS effectiveness such as among others, assessment of performance and developing performance-oriented culture. The study revealed great challenges to these critical factors culminating to more research to it and other factors such as organizational policies and leadership perceived to influence performance in organizations. Another found problematical area of PMS is the use of performance appraisal results in decision-making on both human resources and organization developmental practices. A further empirical research is needed to investigate use of performance appraisal results and its influences on performance improvements within different public organizations.

In addition, there need of future research on issues of motivational factors both monetary and non-monetary to install clear understanding from the perspectives of the public organizations and policy makers in order to create constructs of harmony from both sides and thus reducing the controversies on the practices. Moreover, at employees' level the study examined factors such as low salaries, neglect of rules and regulations, reward and incentive system as contributing to underperformance in the public organizations. Further research can incorporate others factors such as cultural ones to find if affects performance in the public organizations. Other studies can further focus on supervisory role of board of directors or the ministerial advisory boards on issues of underperformance and general implementation of performance management system in the public organizations. Further more, since the study has shed light and focused on issues of performance management system and confined to six public organizations, it can further be replicated to other organizations to further understand, compare and provide enough information on the ways different variables of the system are being upheld in Tanzania public organizations in order to improve performance and service delivery.

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# Appendices

# Appendix A: Interview Guide Questions

## Part One: For Employees in Managerial Positions

1) How many employees (for HR-department) are in the public organization?

100-200 201-300	301-400	401 and above	
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- 2) What are your personal views and experience on the performance management system (issues of performance enhancing tools) in the public organizations?
- 3) What are your views on organizational performances (issues of achieving objectives, absenteeism and employees work morale) of the public organization?
- 4) What are your views that majority of employees in public organizations link performance management system with financial rewards and incentives only?
- 5) How is performance management system in the organization used to improve performances and services delivery to the public?
- 6) Based on your personal views and work experiences, are available policies, laws and regulations enough in enforcing performance management system to improve performances in public organization?
- 7) Does the public organization use performance management system to generate performance appraisal results or information to improve performance and service delivery?
- 8) What are your views and experience relating to performance appraisal results use in organization development and HR-practices decisions making?
- 9) What are your views on the factors for underperformances in public organizations?

Part two: For Employees in Senior Positions

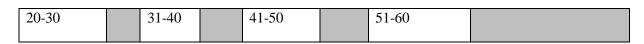
- 1) How are employees involved in performance management system (issues of OPRAS, Strategic plans, monitoring and evaluation and client service charters) in the public organizations?
- 2) Based on your views and experiences, is performance management system linked to rewards and incentives to improve employees' performances in the public organizations?
- 3) What is your views on factors for poor service delivery (issues of underperformances) in the public organizations?
- 4) What are your views on motivational factors (monetary and non-monetary) for employees to deliver quality services in public organizations?
- 5) What are your views and experiences on the public organization management commitment on implementation of performance management system?

## Appendix B: Survey Questionnaires for Employees

## A. SECTION ONE: Demographic Information

- 1. Your gender (*Please tick*)
  - Male Female

2. Age Group (*Please tick against age group*)



3. What type of public organization are you working in? (*Please tick the correct answer*)

	Health		Education		Industry and Trade		Transport		Works		Other(specify)	
4.	Name of	f yo	our directorat	te/d	epartment/ Divis	ion						
5.	5. Your position in the directorate/ department											
6.	The hig	hes	t academic q	uali	fication (Please	tick t	he correct a	nsv	ver)			
	Diplon	na	First de	gre	e 🔲 Master's D	egree	e 🔲 Doctor	ral l	Degree		if (any)	
7.	How ma	ny	years have y	ou	been at the publi	c org	anization? (A	Plea	ase tick tl	ne o	correct answer)	
	1-4 years 5-7 years 8-11 years 12-14 years 15 and above years											
B.	SECTIO	N '	TWO: Perfo	rma	ance managemen	t syst	tem effective	enes	ss in publ	ic c	organizations	

8.	Does your organization use performance management system to improve employees and organization performances? (Please <i>tick the correct</i>	YES	NO
	answer)		

9. On your views and experiences, how the following performance enhancing tools for PMS used in improving performances and service delivery in the organization (*Please circle the correct statement*)

	Statements	Strongly agree	Agree	Don't know	Disagree	Strongly Disagree
a	The performance appraisal system(OPRAS) is used by all employees in organizations to improve performance	1	2	3	4	5
b	Client service charters are used to improve service delivery to customers	1	2	3	4	5
с	Monitoring and evaluations are frequently conducted to track performance problems and progresses	1	2	3	4	5
d	Strategic plans are used to link organization objectives and targets across the public organization	1	2	3	4	5

10. Based on your work experience, what are your views regarding performance management system effectiveness to improve performances in the public organization (*Please circle the correct statement*)

	Statements	Strongly Agree	Agree	Don't know	Disagree	Strongly Disagree
a	Helps to identify performance problems	1	2	3	4	5
b	Improves employees' commitment to the organization	1	2	3	4	5
с	Helps in skills development for the job	1	2	3	4	5
d	Helps to link performances with rewards	1	2	3	4	5
e	Helps to achieve organization goals and targets	1	2	3	4	5
f	Helps managers or supervisors to enhance performances	1	2	3	4	5
g	Improves organization planning process	1	2	3	4	5
h	Provides accurate assessment of performances	1	2	3	4	5
i	Develops a performance-oriented culture in the organization	1	2	3	4	5
j	It provides performance feedbacks to employees	1	2	3	4	5

k	Helps to increased responsiveness to the public	1	2	3	4	5
1	Helps to identify good and bad performances	1	2	3	4	5

# 11. What are your views on performance of your public organization based on the following indicators? (*Please tick against the statement*)

	Statements	Strongly Agree	Agree	Don't know	Disa gree	Strongly Disagree
а	All organization legal responsibilities are fulfilled	1	2	3	4	5
b	Employees absenteeism is a challenge in the organization	1	2	3	4	5
с	Annual organization objectives and targets are achieved on time	1	2	3	4	5
d	All employees are highly motivated with great morale to work	1	2	3	4	5
e	Our Clients/customers are highly satisfied with our services	1	2	3	4	5

12. In your views, are organization managers and other supervisors well trained on performance YES NO management systems? (*Please tick the correct answer*)

13. Based on your experiences and views on performance management system in your organization which skills managers or supervisors have? (*Please circle the correct statement*)

	Statements	Strongly Agree	Agree	Don't know	Disagree	Strongly Disagree
а	Objectives formulation	1	2	3	4	5
b	Linking performance with rewards	1	2	3	4	5
с	Coaching subordinates/employees	1	2	3	4	5
d	Assessing employees performances	1	2	3	4	5
e	Providing performance feedback to employees	1	2	3	4	5
f	Monitoring employees performances	1	2	3	4	5

g	Dealing with underperformances	1	2	3	4	5
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14. On your views which factors affects the implementation of performance management system in public organizations (*Please circle the correct statement*)

	organizations ( <i>Please circle the correct stat</i>	/				
	Statements	Strongly Agree	Agree	Don't know	Disagree	Strongly Disagree
a	Lack of morale and work ethics	1	2	3	4	5
b	Leadership problems	1	2	3	4	5
с	Lack of cooperation between supervisors and employees	1	2	3	4	5
d	Management commitment	1	2	3	4	5
e	Lack of rewards and incentives	1	2	3	4	5
f	Lack of full understanding of the system	1	2	3	4	5
g	Favoritism in recruitment, promotions and appointments	1	2	3	4	5
h	Policies, laws and regulation	1	2	3	4	5
i	Employees and organization culture	1	2	3	4	5
j	Budget allocations	1	2	3	4	5
k	Poor management of resources	1	2	3	4	5
1	Lack of regular trainings on performances	1	2	3	4	5

15. What are your views on, managers or supervisors' commitments to performance management system to achieve desired results in the organization? (*Please circle the correct statement*)

	Statements	Strongly agree	Agree	Don't know	Disagree	Strongly Disagree
а	Sets performance criteria for employees	1	2	3	4	5
b	Reward and discipline employees fairly	1	2	3	4	5
с	Encourages employees to meet targets	1	2	3	4	5
d	Consistently deals with employees' performances	1	2	3	4	5
e	Keeps employees motivated and satisfied	1	2	3	4	5

f	Discusses rewards and incentives with employees	1	2	3	4	5
g	Regularly identifies crucial motivators for employees	1	2	3	4	5
h	Provides feedback on employees' performances	1	2	3	4	5
i	Identifies training needs for the employees	1	2	3	4	5
Μ	ention others (if any):					

C. SECTION THREE: Factors that motivates workers to deliver quality services in public organizations

16. What is your experience and views on the importance of measuring performance for both employees and organizations? (*Please circle the correct statement*)

	Statements	Very important	Important	No	Not important
				View	
а	Holds managers and employees accountable for performance results	1	2	3	4
b	Measure service quality and public satisfaction	1	2	3	4
c	c Brings organization performances improvements		2	3	4
d	Motivates employees and supervisor to work harder	1	2	3	4
e	It helps organizations to reward success	1	2	3	4
f	Provide relevant information on organization performances	1	2	3	4

17. What are your experiences and general views on financial rewards and incentives in the public organization? (*Please circle the correct statement*)

	Statements	Strongly Agree	Agree	Don't know	Disagree	Strongly Disagree
а	Employees prefers more financial rewards and incentives	1	2	3	4	5
b	Organization management decides on Salaries increments without considering performance results	1	2	3	4	5
с	Financial rewards and incentives are openly and fairly distributed in the organization	1	2	3	4	5

d	Employees appointments and promotions decisions are fairly done across the organization	1	2	3	4	5
e	Financial rewards and incentives are well linked to performance results	1	2	3	4	5
f	Organization management discuss financial rewards and incentives with employees	1	2	3	4	5

Does your public organization offer financial incentives schemes other than government schemes for motivating employees? Please mentions them if any-----

18. In your views and experiences what are the challenges of implementing financial rewards or incentives in the public organization? (*Please circle the correct statement*)

	Statements	Strongly Agree	Agree	Don't know	Disagree	Strongly Disagree
a	Lack of autonomy for financial rewards and incentives	1	2	3	4	5
b	Budget problems for financial rewards or incentives	1	2	3	4	5
c	Lack of fairness and transparency culture	1	2	3	4	5
d	Government circulars and guidelines directives	1	2	3	4	5
e	Performance rating biasness to employees	1	2	3	4	5
f	Mismanagement of financial resources	1	2	3	4	5
g	Lack of clear financial incentives system	1	2	3	4	5

Mention other challenges (if any) ------

19. Rank the following motivating factors (financial and non-financial rewards or incentives) in order of their importance to employees to deliver quality services in public organizations (1= highest important to 10 = lowest important)

	Factors	Order	Rank
a	Training and development opportunities	01	
b	Free tea/food at work places	02	
c	Appreciations and recognition for achievements (e.g. certificates and praises)	03	
d	Bonus and other incentives (e.g. extra duty allowances)	04	
e	Better working Conditions	05	

f	Free housing or allowances	06	
g	Salary increments and promotions	07	
h	Competent managers or supervisors	08	
i	Free transport or allowances to work places	09	
j	Job security	10	

D. SECTION FOUR: The use of performance appraisal results on human resources and organizational development decisions

20. In your view is performance management system used to generate appraisal results or information for human resources and organization decisions-making?	YES	NO

# 21. Based on your experience, how effective is the organization using performance appraisal results for your human resources and organizations decisions? (Please *circle the correct statement*)

	Statements	Very effective	Effective	No view	Not Effective					
Α	Performance information or appraisal results for organization decisions									
a	Change of work progress	1	2	3	4					
b	Rectification of performance failures	1	2	3	4					
с	Allocation of resources in the organization	1	2	3	4					
d	Resetting organization objectives	1	2	3	4					
e	Enhance stakeholders and citizens satisfactions	1	2	3	4					
В	Performance information or app	raisal results for	Human Resource Mar	nagement(HRN	M)decisions					
f	Recruitment of employees	1	2	3	4					
g	Salary increments	1	2	3	4					
h	Training and development	1	2	3	4					

i	Suspension of employees	1	2	3	4
j	Promotions of employees	1	2	3	4
k	Demotions of employees	1	2	3	4
1	Termination of employees	1	2	3	4

E. **SECTION FIVE**: Factors for underperformances that affects performance management system in public Organizations

22. In your views, are public service laws and regulations on performance management systems enforced in your public	Yes	Not Sure	No
organization?			

23. Based on your work experience, what are the reasons for both workers and organizational underperformances in public organizations?

	Statements	Strongly agree	Agree	Don't know	Disagree	Strongly Disagree
А	Organizations reasons for underperformances					
а	Lack of awareness on policies, laws and regulations on performances	1	2	3	4	5
b	Political interferences	1	2	3	4	5
d	Problems on discipline management	1	2	3	4	5
e	Lack of accountability among employees	1	2	3	4	5
f	Lack of good motivation systems	1	2	3	4	5
g	Problems on leadership commitment	1	2	3	4	5
h	Lack of monitoring and evaluation system	1	2	3	4	5
В	Employees reasons for underperformances					
i	Lack of proper rewards or incentives system	1	2	3	4	5
j	Neglect of work rules and regulations at work places	1	2	3	4	5
k	Problems on setting up performance standards	1	2	3	4	5
1	Low salaries	1	2	3	4	5

# THE END OF THE QUESTIONNAIRE Thanks for your participation in the study

# Appendix C: List of Interviewees and Questionnaire Respondents

SN	Titles of Respondents in Interviews	Number of Interviewees	Participated Organization		f Questionnaires nts and Return
1	Director of Operations	1	GPSA	50	49
2	Director of Human Resources and Administration	1	VETA	50	21
3	Director of Business Support Services	1	TEMESA	50	47
4	Manager Surveillance	1	WMA	50	48
5	Business Support Services Manager	1	DDCA	50	32
6	Manager Planning	1	TMA	50	18
7	Technical Support Services Manager	1	DDCA		
8	Head Survey Services	1	DDCA		
9	Human Resources Manager	3	TMA/GPSA/TEMESA		
10	Chief Internal Auditor	1	GPSA		
11	Head Monitoring and Evaluation	1	TMA		
12	Senior Mechanical Engineer	1	TEMESA		
13	Senior Accountant	1	VETA		
14	Senior Quantity Surveyor	1	TMA		
15	Senior Human Resource Officer	1	WMA		
16	Senior Administrative Officer	1	VETA		
		18		300	215

# Title Categories of Respondents to the Interviews and Questionnaire in the Study