EFFECTIVENESS OF PERFORMANCE MANAGEMENT SYSTEM ON EMPLOYEE PERFORMANCE

¹Dr. Bernardus Franco Maseke, ²Viola Karungu Unengu, ³Tuukondjelanee Haufiku

University of Namibia, P.O.Box 99518, Windhoek, Namibia

Private bag 13302 Windhoek, University of Namibia, Windhoek, Namibia

Author email: fmaseke@gmail.com

Abstract: The study objectives were, to identify the effectiveness of PMS on employee performances, secondly, to establish whether employees and managers understand the objectives/aims for PMS. Furthermore, to analyses if challenges faced by employees, have an effect on their performances. Finally, to outline possible Solution to the managers. A simple random sample of the 50 participants was selected from the population. Findings indicated employees strongly believe that performance counseling should be introduced in the organization. Furthermore, organization must provide training to employees on managing work balance stress. In addition, employees find it difficult to achieve their goals because no clear career path is provided. Performance feedback needs to be introduced in the organization to identify areas of weakness and strength and offer training where it is necessary. Moreover, the organization needs to introduce a career path based on performance management whereby those that perform better or above their goals get a rewarded. Furthermore, the employees urged management to explain and set clear objectives for individual employees at the beginning of every trimester. This will make it easy for individuals to achieve their objectives.

Keywords: Performance management system, Employee performance, Career path performance management, Performance management feedback.

1. BACKGROUND OF THE RESEARCH PAPER

Performance management systems can be defined as a continuous process of improving organizational performance by setting individual and team goals that are aligned to the strategic goals of the organization, planning performance to attain organizational objectives or goals, reviewing and assessing progressive performances, and developing the knowledge for employees. Michael, (2017). Performance management systems improve both the quality and quantity of work done and bring all activities in line with institution or organization goals. Performance management systems can be used in a different way such as support pay decisions, how much one gets paid, promotion decisions, who deserve to get promoted, looking at certain criteria? Employee development and reductions in force. (Elaine, 2004). A recent study, conducted on the ministry of sports and culture, by Owen, (2018) found out it is a big loophole in understanding the objectives of PMS. Managers make it difficult to adapt to the PMS framework because employees are not being fully involved in the implementation of PMS.

In addition, some employees believe that PMS is ineffective in state-owned enterprises due to stated factors of poor leadership and commitment of managers. Poor leadership plays a major role on employees' performance, as employees want to lead by examples and get motivated when they are under a better leadership, especially when, the managers, focuses on employee's well-being rather more on performance., this boost up employee's morale, to work with less pressure and achieve the organization goals.

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

Mziray, (2006), urged that PMS can only be effective if Employees are trained and well explained to what the organization expects from the at the end of the financial period, this will make it easier for employees to work hard toward their achieving their goal. Motivation is the key to high employee performance; managers must reward employees for PMS to be effective. Motivation can be money or paid leave. Absenteeism, job dissatisfaction, poor motivation, poor working standards are among the factors which trigger poor performance of employees (Jenifer, 2014). Therefore, this paper wants to explore the effectiveness of the Performance management system on employee performances, determine whether employees and managers understand the purpose of the performance management system, to differentiate different types of performance management systems and to establish the challenges that are faced by employees, on their performance.

2. INTRODUCTION

2.1 Introduction

For quite a long time, a performance management system was regarded as a critical factor in organization survival. Telecom has been heavily dependent on the government for daily operations because it is financially underperforming, till 2016/2017, the financial year where they reported a 9 million revenue. Telecom annual report, (2016/2017). Telecom had an increase in job dissatisfaction, since they commenced, and didn't provide any statically information regarding, job satisfaction and performance management in their last annual report. This came into question by the researcher, what is really going on inside telecom, regarding employees' performance and the performance system if the is any, how is carried out and how effective it is to employee's performance and the organization development overall. Furthermore, PMS, enhance organization performance. PMS is used as a means or tool of increasing productivity which, further ensures the organization achieves the overall goal and objectives of the organization are through Pisa sale, (2013). PMS helps the employees regain their interest, and finding solutions in their job leading to high or above-average performance. Performance management involves progressions of planning, reviewing performance, rewarding and developing performance. (Patrick, 2013) Governments worldwide are under pressure to improve their public service and to control their costs. Mo Alexander Mohr and Georgios Batsakis, (2014). Performance management is one of the important keys why organizations keep performing at a high level for many years, and it became an interesting topic to many researchers, because of the magnificent effect it brings to the organization. MS brings along so many benefits such as profitability, customer satisfaction, and boosts up employee morale to put the effort in the organization in the process increasing productivity and efficiency. Managing employee's performance is the key objective of establishing systematic Performance Management system in an organization

Performance management systems can be defined as a continuous process of improving organizational performance by setting individual and team goals that are aligned to the strategic goals of the organization, planning performance to attain organizational objectives or goals, reviewing and assessing progressive performances, and developing the knowledge for employees. Michael, (2017). Performance management systems improve both the quality and quantity of work done and bring all activities in line with institution or organization goals.

Performance management systems can be used in a different way such as support pay decisions, how much one gets paid, promotion decisions, who deserve to get promoted, looking at certain criteria? Employee development and reductions in force. (Elaine, 2004).

A recent study, conducted on the ministry of sports and culture, by Owen, (2018) found out it is a big loophole in understanding the objectives of PMS. Managers make it difficult to adapt to the PMS framework because employees are not being fully involved in the implementation of PMS.

In addition, some employees believe that PMS is ineffective in state-owned enterprises due to stated factors of poor leadership and commitment of managers. Poor leadership plays a major role on employees' performance, as employees want to lead by examples and get motivated when they are under a better leadership, especially when, the managers, focuses on employee's well-being rather more on performance., this boost up employee's morale, to work with less pressure and achieve the organization goals

Mziray, (2006), urged that PMS can only be effective if Employees are trained and well explained to what the organization expects from the at the end of the financial period, this will make it easier for employees to work hard toward their achieving their goal. Motivation is the key to high employee performance; managers must reward employees for

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

PMS to be effective. Motivation can be money or paid leave. Absenteeism, job dissatisfaction, poor motivation, poor working standards are among the factors which trigger poor performance of employees (Jenifer, 2014).

Leadership plays a vital role on employees performance, employees who believe that management is concerned about them as a whole, this includes personal life, and care about their work-life balance, and not just as ordinary organization employee is more productive, more satisfied, and Satisfied employees mean satisfied customers, which leads to profitability and great working atmosphere for employees. Therefore, this paper wants to explore the following objectives below to address the knowledge gap in the discipline of performance management.

2.2 This paper is hinged research objectives

- 1. Explore the effectiveness of the Performance management system on employee performances.
- 2. Determine whether employees and managers understand the purpose of the performance management system
- **3.** To differentiate different types of performance management systems.
- **4.** To establish the performance management challenges faced by employees.

In some parts of Europe, PMS has been found very unsuccessful. According to Miguel P, e Cunha, Daniel V. V A. R. &Stewart C. (2018), Performance management system, has been a master of distraction in some organizations.

Poor goal definition leads to poor performance from employees since they don't know what is expected from them. means poorly defined goals have the potential to destroy progress, kill motivation, and create attitudes and culture that are worse than they would be if the goal had never been set. Keith, (2017). Lack of communication is one of the major factors that play a role in poor performance management. Anne, (2019), urged that Lack of communication causes unmet expectations. People in the organization may get confused on what their roles are in the organization and, when employees have trouble figuring out what their priorities should be, they often choose the wrong thing to, by then, lowering their performance and end up disappointing their superiors and the organization at large.

When employees don't know what to work on or prioritize each day, inefficiency and a lack of productivity are likely to be more unproductive. Neil, (2019). Some of the superiors have a problem with giving feedback to their employees, and this creates a tough environment for employees, where employees are not mistaken free in the organization and employees feel like they are not trusted and not part of the organization. Poor communication limits the closeness of relationships and employee engagement, leading to the poor performance of employees. (Neil, 2019)

Low morale and low turnover occur when employees are dealing with forceful emotions, they spend more time than normal on emotional management. Productivity goes down, and morale is replaced by a sense of break of making it through the day. Workplace survival mode can be a real problem, especially when business relationships among the workplace is damaged.

Understanding the nature of performance management is key. Patrick, (2013) has specified that for performance management to be a great success, first one must have a full understanding of the nature of it, what is and how it is carried for it to affect the organization in a positive way. Drawbacks must be identified and managers must know how to deal with these challenges. Performance planning is a key performance management system that helps to recognize gaps in staff performance, and can, therefore, be used as a tool to ensure staff development, career planning and succession planning/work-place planning. (Macanda, 2007).

Performance monitoring, reviews, and annual assessments are what make a performance management system more effective and powerful to every organization. Proper communication is the real deal here, managers and assistant managers should also ensure that regular meetings are held where staff members report and voice their opinions about job-related issues. Malefetsane, (2012). This meeting will help employees have good job satisfaction, leading to better performance. A proper communication channel will be key here, as internal communications teams must opt for the channel of communication that will transparency serve their given determination and audience. (Jackie, 2017)

Performance monitoring, reviews, and annual assessments. Performance is assessed in order to recompense employees that have an outstanding performance that meets the required standards, and in addition, develop employees who fail to attain the required expectations. Patrick, (2013). In addition, Corrective measures for poor performance, helps employees avoid poor performance next time, as they go through training to get better and doing their required jobs.

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

CAMPS & Luna-Arocas, Roberto, (2012), argued that the PMS was introduced to improve the capacity of the public servants in terms of skills, competency, and adequacy, with the PMS as a tool to improve employees and organization performance. A performance management system helps to boost the performance of employees and it's a tool for motivation and implementation of an effective reward mechanism to well-deserved employees. Judika, (2017). If the Performance management system is used in the right way, employee's performance will be boosted up, because, employees know that their performance will be measured and the compensation will be rewarded to the merit.

Judika, (2017), added that performance management is very important because it promotes personal growth in the career of employees. When an organization carries out career development, they train and develop an employee for internal benefits of the organization, and person growth refers to new skills that he can use to earn more income, gain promotions and change careers Kokemuller, Neil. (n.d.).

2.3 PERFORMANCE MANAGEMENT

It is a continuous process of identifying, measuring and developing the performance of individuals and aligning performance with the strategic goals of the organization Aguinis, (2009). Employee Performance Management is about aligning the organizational objectives with the employees' agreed measures, skills, competency requirements, development plans and the delivery of results.

According to Shane (2010:6), performance management is a systematic effort to advance performance through an ongoing process of establishing anticipated outcomes, setting goals, performance standards, then collecting, analyzing and reporting on streams of data to improve individual and collective performance.

2.4 PERFORMANCE MANAGEMENT SYSTEM

A performance management system is a mechanism for tracking the performance of employees consistently and measurably. Shivasankari, (2019). Performance Management System is a process to plan, manage, appraise and monitor the employee's performance and their performance can be rewarded or challenged in order to motivate them. The purpose of a well-designed performance management system should be to channel and motivate employees to concentrate their energies on value-added performance. (Alan, 2013).

This study defines performance management system, as, the ability of an organization to e identify, evaluate, encourage, measure performances, improve employee's performances, and reward employee on employee's performance, toward their objectives, in order to help employees, perform at their level best.

2.5 EMPLOYEES PERFORMANCE

Performance Appraisal Performance appraisal is a systematic approach to evaluate the employee's performance. It is an instrument that reviews and assess the employee's performance, according to the annual targets. Swati, (2015). Management by Objectives is a performance management approach in which a balance is sought between the objectives of employees and the objectives of an organization. (Mulder, 2010).

2.6 EFFECTIVENESS OF PERFORMANCE MANAGEMENT ON EMPLOYEES PERFORMANCE

Effective performance management consists of meeting both tasks and employees' needs. Employees need to play a role in employee's development and motivation towards achieving their organizational goals. Anne, (2017). Effective performance management system involves reviewing and assessing performance and ensuring the training and development of knowledge, skills, and abilities (Kozlowski, 2012)

The first step toward effective performance management is to define the organizational goals of the employees and what is expected from them. Employees cannot meet the organization's performance expectations or company goals if they are not clearly outlined on their target. Deirdre, (2012). Utilizing the Performance Management System in place, in a correct and effective way is very important if the employees complain about it, or it has low employee engagement, it may be obsolete and in need of an upgrade or find a new Performance management strategy and will give accurate and validity data, that can be used to analyses employees performance. (Sara, 2018)

Clearview, (2015), added that holding employees accountable, empowering them and letting them engage in organization activities is very important when employees are held accountable for their actions, they pull up and avoid being in the situation again. If certain employees constantly underperform, this should indicate you need to take action. Empowering underperforming employees helps to boost up employee's performance. Sara, (2018). Constantly monitor and evaluate

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

performance as per the previous step, you can hold your team accountable. Effective managers understand the importance of using the rewards system. Rewarding means recognizing employees, individually and as members of groups, for their performance and acknowledging their contributions to achieving their goals. Frank, (2018). If an employee has performed as expected, they must be rewarded.

2.7 TYPES OF PERFORMANCE MANAGEMENT SYSTEMS

General Appraisal

This is the type of performance management were, communication between the manager and the employee happens throughout the year, and at the end of the year, the manager and employee will determine if the pre-set goals and objectives were met, provide feedback and set new goals. (Uma, 2013). The general appraisal performance management system allows the manager, set goals for employees, measure, evaluate and draws feedback on to employees on how they performed.

360 DEGREE

A 360-degree appraisal is a type of employee performance review in which subordinates, co-workers, and managers all anonymously rate the employee. (Uma, 2013)

360-degree appraisal has four integral components. Self-appraisal, was an individual will be given the rights to measure their performances, according to what they think, they performed. Secondly, one of the superiors/supervisors will rate individual performance. Thirdly, subordinates, measures and evaluate the employee performance. Finally, employee peers' rate individual employees' performances. (Arunima, S.V.D & Nageswara, 2014)

The 360 degree, helps employees feel free as an individual and as an organization from being held hostage by the views of your boss. This appraisal helps managers identify, employees, behaviors, and overall contribution to the organization, by, looking at the ratings from, the supervisor and peers. (Steven, 2011).

Employee Self-Assessment

The employee is given a chance to assess himself/herself on how they think they performed, after completion of the individual assessment, the manager, then compares the assessment of the individual employee and his/ hers. In case of any huge differences, a meeting will be set for the manager to speak to the employee. The self-evaluation process helps employees to explore their own talents and also allows employees to flourish and produce their talents in front of management. HR help board, (2017). Self-assessment helps employees seriously consider their level of performance and contribution towards the organization. (Susan, 2019)

Manager Performance Appraisal

Managers go through the appraisal process. Most often the manager appraisal process includes feedback from the respective team members and sometimes from the client as well. Uma, (2013). Employees evaluate, their manager, or supervisor.

Therefore, there are a variety of performance management systems in the world. The 360 degree is more convenient than others, because of the four stages it has.

2.8 THE PURPOSE AND OBJECTIVES OF A PERFORMANCE MANAGEMENT SYSTEM

Dissatisfaction with employee's performance is one of the sad realities every manager doesn't want to face in their managerial career. A performance management system is a new tool that can be used to overturn underperforming employees. The fundamental purpose of performance management is to help organizations maximize productivity by enabling employees to perform to their potential, (Elaine &Rose, 2015).

Setting and defining goals to fulfill organizational objectives. The aim of a performance management system is to set and define individuals' goals, to fulfill the organizational objectives. employees cannot meet your performance expectations or company goals if they are not clearly outlined. Sara, (2018). Goals are critical to organizational effectiveness as they serve as an objective for the employees and they work hard to achieve it. Setting organizational objectives is not as easy as it sounds. Managers, take into consideration internal factors and external factors that may affect performances. Wendy, (2013). When employees know what is expected from them, it makes it easier to perform their duties as, they know what

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

is expected from them organizations, that clearly define, employees' goals, are said to have a better performance than the others who don't. (Philip, 2012).

A performance management system creates an effective communication line between individuals and teams. Effective communication is very important in every organization. When communication is well managed in the organization, managers are able, to communicate, employees' feedback on previous performance. Moreover, when employees are struggling, performing at the expected level, they can always ask for support from their managers. Prachi, (2015), have argued that a two-way system of communication between the supervisors and the employees for clarifying expectations about the roles and accountabilities, communicating the functional and organizational goals, providing regular and transparent feedback for improving employee performance and continuous coaching must be there. And it is only possible if communication between the employee and supervisor is well structured and effective.

Determining individual training and performance plans is one of the objectives of performance management. Identifying the training and development of employees is a need on its own and makes it the aim of the performance management system. Moreover, setting the right expectations for managers and employees helps to set performance standards for employees.

Last but not least, Stuart, (2019), urged that one of the aims of performance management is to make sure employees are engaged and happy. Performance management systems are as much about the employee as they are the employer because they focus more on employees' results. Companies are now well aware of the many business advantages of engaged employees. To constantly check up on employee happiness, the organization has to conduct employee engagement surveys and to ensure all is being done to keep employees engaged, motivated and happy. (Stuart, 2019)

2.9 CHALLENGES FACED BY MANAGEMENT ON PERFORMANCE MANAGEMENT

Measuring performance in public organizations has been a growing trend for several decades. Designing, adapting, and implementing this style of management system have been the topic of many practitioners and academic deliberation. Bauwens, Audenaert, Huisman, Decramer, (2019). Challenges are everywhere in life, even in the performance management system. Implementing a framework is never easy since it's no piece of cake, challenges are encountered throughout the process. Implementing new performance solutions stemmed from a lack of senior management commitment and support, ingrained working practices and an absence of appropriate training interventions. (Cheng, Dainty, and Moore, 2007).

Lack of Alignment In an organization, one of the biggest viruses. When the Vision, Mission & Values of the organization are not well aligned to employees, employees will experience poor performance, since they don't know what's expected from them as individuals. Gérard, (2017). Moreover, the lack of Leadership is one of the challenges that the performance management system is likely to face. Leaders must drive the process and make performance management an integral part of the management of the company because Leaders contribute not only in setting the strategic direction and performance measures but also in monitoring and reviewing performance across the organization. Krishnan, (2018). Leaders must also reinforce the performance cycle by recognizing and rewarding performance. Another reason poor performance is not managed on time is the lack of valid measurements and the collection of required evidence and measurement data. (Mwendandu, 2013)

2.10 RELATIONSHIP BETWEEN EMPLOYEES PERFORMANCE AND PERFORMANCE MANAGEMENT SYSTEM

The performance management system creates consistency and helps with the selection of employees for promotion, transfer. Moreover, employees are the key to a company's success. When managers and employees communicate regularly and honestly, employees gain clarity on management's goals and expectations. Pedro, (2013). Performance management systems are designed to enhance employee performance.

A strong bond between employees and managers is created because a performance management system can enable managers to better understand their employees' skill sets and proficiency levels and employee's strengths and weaknesses. Andrew, (2017). Andrew, (2017), also added, A good performance management system leads to more employees within the organization which leads to employees getting employees are more motivated and less likely to leave the organization. With insight into your workforce's skills and abilities, the manager can ensure all employees are getting the direction, feedback, and development they need to succeed. (Jenna, 2019).

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

3. METHODOLOGY

Qualitative research was found to be more appropriate than a quantitative and was thus selected the pragmatism philosophical foundation was decided to be appropriate and was selected for this study. Bruce, (2018) The pragmatist proposes to reorient the assessment of theories around a third criterion: the theory's capacity to solve human problems. (Parvaiz & Mufti & Wahab, 2016).

Subsequently an overview discussion on the various issues on the available research approaches and a justification for the selection of the survey as a research approach was provided. The study therefore involved the use of the action ground theory.

3.1 Sampling

Simple random sampling as used, because every element has an equal chance of getting selected to be the part sample. Random sampling is also consistent with qualitative studies (Kendra, 2019).

3.2 Research instrument

The research instrument was questionnaire. The questionnaire included a cover letter that briefly introduced the researcher, the study, the purpose of the research and provided an assurance of respondents' confidentiality, and participants were given a right to withdraw at any time, and only those that were willing to complete the questionnaire. Bianca, (2017). The questionnaire consisted of four parts, namely, effectiveness of performance management, how performance management is carried out, challenges faced by employees directly related to their performance and possible solutions to poor performance management. The questions were measured on a five-point Likert scales. The three basic properties of Likert scales are reliability, validity, and sensitivity and the extent to which research has benefited all three is astonishing (Leung, 2011).

3.2.1 Validity

Validity is about the accuracy of a measure. Fiona, (2019). The researcher used simple English, to avoid any language barrier. The questions were easy and simple and the respondents were allowed to ask for clarity if they didn't understand the question. Research instruments were given to senior academics to make adjustments on the questions in the questionnaires to make adjustments and ensure validity

3.2.2 Reliability

Reliability is about the consistency of a measure (Kendra, 2019). The researcher asked the right question to the respondent in the questionnaire. To further ensure reliability of the research instrument, a pilot study of the research instrument was tested on a sample of 10 random respondents from population of the study. The purpose of the pilot study was to determine the willingness of the respondents to participate and background knowledge in the study. The results came out positive.

3.3 Data analysis

This study used qualitative methods. Data derived from the questionnaire was analyzed using Microsoft excel. About 30 questionnaires were distributed to the sampled population respondents. Each questionnaire was analyzed individual and the data was written down or verbal format whilst and later were elaborated more using charts and graphs.

4. FINDINGS

4.1 The effectiveness of performance management on performance

Participants in this study were provided with the option to offer their views and experiences on the effectiveness of the performance management system using questionnaires. In this section, an analysis of the responses is presented. The organization has an operating formal performance management system, in which most of the employees don't disagree that the performance management system defines individuals' goals.

4.2 Purpose of the performance management

Every organization sets up a performance management system for a reason. The performance management system was supposed to identify the strengths and weaknesses of employees, but most of the employees strongly disagree and further discussed that the system doesn't help employees set meaningful goals. Moreover, employees strongly agree that the

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

performance management system doesn't improve employee's performance. One of the most vital fundamentals of effective performance evaluation and employees need to admit and react positively to feedback, especially when the feedback contains productive criticism (Murphy & Cleveland, 1995).

Table 1. Effectiveness of the performance management system

Rating scale	Strongly disagree	Disagree	Average	Agree	Strongly agree
Number of respondents	19	6	3	1	1

Source: (Field survey, 2019).

4.3 How is performance management carried out?

4.3.1 Implementation of performance management systems.

This stage of a performance management system is a decisive one in that whatever system is used, no matter how perfect it may seem, if it is not implemented in the right way it will not bring about the desired outcomes such as staff development and improved performance.

All the employees have stated that the organization carries out a performance management system 3 times or more in a year. All workers are allowed to fill in or to be part of the performance management system. Moreover, the line manager is responsible to set performance goals for individuals. The line manager uses a balanced scorecard to assess the employee's performance.

In trying to understand the implementation of the performance system and how is carried out in relation to the recommended practices, the following statements were used in the questionnaire:

Q .What are the techniques that are used in your organization for assessing performance?

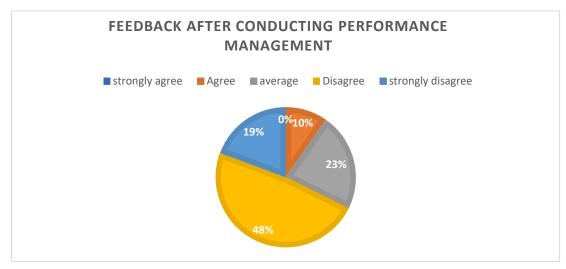
Table 2. Shows the techniques used in assessing performance management

SUBJECTS	TOTAL NUMBER	IN %
Observation	0	0
Assessment and Development	30	100
Checklist	0	0
Others	0	0

Source: (field survey, 2019)

Training about the system by the managers and employees on the use of performance management and feedback giving to the employees.

Bar chart 1. Indicates the feedback after PMS is conducted



Source: (field survey, 2019)

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

The performance management system is user-friendly.

Table 3. The performance management system is user-friendly.

Strongly Disagree	Disagree	Average	Agree	Strongly Agree
17	6	6	1	

Source: (field survey, 2019)

4.4 Objective 3 Challenges faced by employees that are directly related to employee's performance.

4.4.1. No clear career path within the organization.

Employees find it difficult to achieve their goals because there is no clear career path. The organization doesn't provide individual targets at the beginning of the trimester, and this became a huge challenge as individuals don't know their targets.

Lack of clarity is detected in the organization. When employees clearly understand their targets and the expected end products, it is easier for the employees to achieve their goals and for managers to measure performance along the way. Rebecca, (2017). Organizations without clear goals or objectives are more likely to devote time to responsibilities that do not influence organizational goals or objectives. The communication gap with the manager on the performance management system is also a rising concern.

4.4.2 Performance management ratings are not fairly given on merits

Performance management score is not fairly given on merits, it is one of the challenges that employees are facing. Employees, don't feel that managers, fairly grade them, and grading depends on how close you are with the manager. Without performance data to back up the appraisal, there's no way to determine if the manager fabricated the data and this could deliver information about the employees' performance that's either false or misleading. This could lead to employees getting demotivated. Workfront, (2019). An employee who thinks they are not evaluated unfairly will prospectively lose self-esteem and are likely to quit.

4.4.3 Lack of motivation within the workplace.

Lack of motivation has been identified, as one of the factors, or challenges affecting employees. Human resources are one of the main organizational features for businesses to accomplish their goals. In order to achieve the goals of the organization, employees must be highly motivated. When employees are highly motivated, change in attitude occurs, and they get committed to their jobs and focuses on building the organization. (Tanuja (2014).

4.4.4 Poor leadership.

Lack of leadership is one of the biggest diseases in many organizations. When no one appears to be in charge, or worse, everyone thinks they're in charge, it can be hard to perform at peak levels in any organization in the world, Peter, (2017). When you have a poor leadership structure employee turn to be demotivated because no one to define their objectives and they became unclear, and therefore, difficult to work toward the objectives. Effective leadership is an essential factor in motivating employees. When organizations have strong leadership, they carry positive energy and feel more part of the organization.

4.4.5. Workplace conflict.

Conflict in the workplace is hugely harmful. Healthy discussions or agreements are often productive, but the manager just to keep track of any bullying or rising conflict within the workplace. Some employees may feel worried to come forward about issues relating to a fellow colleague to the manager, and in this case, the manager must establish an employee survey in which, where an anonymous employee may help to reveal any problem areas.

Many employees may feel their efforts are not being recognized or appreciated, within the organization and this may arise conflict within the workplace. They'll soon start to lack energy and commitment in their role and later get frustrated. It's very important for the manager to celebrate successes and give credit to all employees that really worked hard. Jack, (2011) lack of challenging workplace can also cause conflict as employees are in the environment where they don't feel challenged, they turn out to be more demotivated, depressed and later suffer from burnout.

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

4.5 Objective four: Possible solutions to performance management.

4.5.1 The counseling department must be introduced.

Employees strongly believe that performance counseling should be introduced in the organization and the organization must start giving training to employees on how to manage work balance stress. The organization must start giving out feedback on employees' evaluations. The performance management system should come with rewarding objectives, such as promotion, salary increment, as this will motivate the employees from day one, to give their best for the organization. Managers must start to engage with employees, so they create a free flow communication channel with the employees.

4.5.2 A free effective flow communication channel must be established.

Communication is a source of information to the organizational members for the decision-making process as it helps to identify and to assess the alternative courses of action, as, in terms of the performance management system, free flow communication plays a major role. Free effective flow communication channels must be established, because it will help employees seek help when they are struggling or need an explanation on a certain objective that is part of the performance objectives, and the employee doesn't understand. An effective free flow of communication promotes.

Communication promotes motivation within employees by informing and clarifying the employees about the task to be done, the manner they should perform the task, and how to improve their performance if it is not up to the mark. All this can only be carried out if there is a proper communication channel. John, (2017), urged that Communication is very vital in building relationships within the workplace, through socializing. This helps employees build or create a process called team-building, which is the backbone of every organization.

4.5.3 Types of free flow communication channels

Formal communications are the one which flows through the official channels designed in the organizational chart. It may take place between a superior and a subordinate, a subordinate and a superior or among the same employees or managers. These communications can be oral or in writing and are generally recorded and filed in the office. Park. (2011) further explained that there are two types of formal communication in a most formal organization.

Horizontal communication

In Horizontal communication or horizontal flow of information, communication takes place between one division and another. For example, an HR manager may contact the finance manager to discuss the lack of financial support on certain areas in the HR department, for example, in activities prepared for team building.

Vertical communication

In vertical communications, information or communication flows vertically upwards or downwards through formal channels. Upward communication refers to the flow of communication or information from a subordinate to a superior whereas downward communication flows from a superior to a subordinate. (Park, 2014)

Diagonal Communication

Communication that takes place between a manager and employees of other workgroups. It generally does not appear on the organizational chart. For instance - To design a training module a training manager interacts with an Operations personnel to enquire about the way they perform their task. Jorden, (2016). Further explained, that diagonal communication helps in decision making between two departments.

4.5.4 Feedback on performance or after evaluation.

As discussed in the conceptual framework, feedback on performance management is very important to the organization and employees as individuals. Managers must start giving employees feedback on their performance so that employees get training that underperformed and those that performed well get recognized for their effort, as this increases employee's morale, and will make them feel that they are part of the organization.

Feedback is often mistaken for criticism by many. In fact, what is viewed as negative criticism is actually constructive criticism if an individual takes it a positive way and is the best way of feedback that can help to express better decisions to improve and increase performance? Continued feedback is important across the entire organization in order to remain

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

aligned to goals, create new strategies on how to achieve goals, improve relationships, and promote a healthy environment.

4.5.5 Performance Appraisal and Motivation.

Information about performance is believed to influence work motivation in different ways. First, in expectancy theory, performance information is thought to provide the basis for the employee to form beliefs about the causal connection between performance and pay. Managers must focus on motivating employees more often to attain exceptional results.

Motivation theories that have been well tested empirically predict that employee motivation is enhanced, and the likelihood of desired performance increased, underpay for performance plans when employees understand performance goals and view them as realistic goals given their own abilities and skills. There is a clear link between performance and pay increases, consistently communicated and followed; and pay increase is viewed as meaningful and motivates employees and it must be used as a tool for motivation

5. CONCLUSION AND RECOMMENDATION

The researcher made conclusions based on the findings of the study that the PMS is not effective, because of the common misunderstanding of why PMS is important. The lack of consistency in the implementation process of PMS has been pinpointed. Feedback seems to be a major problem since employees don't get their results on time or never and leaving them with no clue if they have obtained their goals.

5.1 Employees Understanding of PMS Objectives.

It is evident from the findings that employees don't understand the objectives of PMS, however, managers seemed not to pay so much attention to it. employees must be made aware of their segmental objective and must be helped during that process.

5.2. Challenges of implementing PMS.

In fact, the main findings according to challenges faced in the implementation of PMS are that there is no clear path career goal for employees to grow and build their careers and the issue must be addressed as soon as possible. Moreover, lack of clear or realistic goals has been detected, as has put many employees in a dilemma as they are left without no clue on what to do. Objectives must be well defined, as this gives a clear sight of what employees. Work balance is also one of the main findings and must be maintained, as this boosts up employees' morale to work and feel more wanted in the workplace and help them focus better.

5.3 effective performance Management on employee performance employees.

This study's main finding is that PMS is not effective because it is not taken seriously and the implementation of PMS is ineffective. It is evident that even though employees are aware of the PMS through their supervisors, it is found that operational rules and compliance procedures of an aligning strategy plan, annual plan and performance agreements during the implementation are not going as planned.

5.4. Suggestions for future research.

Considering the limitations of this study, the researcher suggests that further research on the impact of the relationship between employees and managers, and its effect on the operation of the PMS and employee performance to be directed by collecting empirical evidence on whether the successful implementation of the PMS improves employee's performance in the public sector.

In addition, future researchers should carry on investigating the Budget of institutions and implementation of PMS, as this might be one of the loopholes. This study should be aimed to identify the relationship between the public institutions' budget and its influence on the implementation of PMS and its effect on employee's performance.

ACKNOWLEDGMENT

The paper wants to acknowledge the contributions from Mr. Tuukondjelanee Haufiku, Dr. Bernardus Franco Maseke who assisted to formulate this paper to the best of their ability.

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

REFERENCES

- [1] Aguinis, Herman. (2009). 2nd Edition. Performance Management. Dorling Kindersley India Pvt.Ltd.
- [2] Alan Clardy (2013). A General Framework for Performance Management Systems: Structure, Design, and Analysis
- [3] Alan Clardy. (2013). Improve the Process for Managing Change.
- [4] Alexander Mohr and Georgios Batsakis, (2014) Intangible assets, international experience and the internationalisation speed of retailers, International Marketing Review.
- [5] Andrew Lessard, (2017) The top five advantage of an effective performance management program.
- [6] Anne Kinsey, (2019) Importance of communication within the workplace. Neil Kokemuller (2019). How Does Poor Communication Affect an Organization?
- [7] Arunima Haldar, S.V.D. Nageswara Rao (2014), "An Empirical Examination of Relationship between Financial Performance and Corporate Governance
- [8] Audenaert, M. & Decramer, Adelien & George, Bert & Verschuere, Bram & Van Waeyenberg, Thomas. (2016). When employee performance management affects individual innovation in public organizations: The role of consistency and LMX. The International Journal of Human Resource Management. 10.1080/09585192.2016.1239220.
- [9] Bauwens. R, Audenaert, Huisman. J, Decramer, A. (2019), Performance management fairness and burnout: implications for organizational citizenship behaviors.
- [10] Camps, Joaquín & Luna-Arocas, Roberto. (2012). A Matter of Learning: How Human Resources affect Organizational Performance. British Journal of Management.
- [11] Cheng, M., Dainty, A. and Moore, D. (2007), "Implementing a new performance management stem within a project-based organization", international Journal of Productivity and performance Management, Vol. 56 No. 1, pp. 60-75.
- [12] Darwyn L, (2018). How Does Performance Management Impact Employee Motivation?
- [13] Deirdre K, (2012). Effectiveness of Performance Management in the retail Industry in Ireland.
- [14] Elaine D. Pulakos, (2004). Performance Management A roadmap for developing, implementing and evaluating performance management systems.
- [15] Gérard B. (2017), Key Success Factors & Challenges of Implementing Performance Management Systems in Organizations
- [16] Grint, Keith. (2007). What's Wrong with Performance Appraisals? A Critique and A Suggestion. Human Resource Management Journal. 3. 61 77.
- [17] https://www.clearreview.com/resources/guides/how-to-measure-performance-management/
- [18] Jenifa Mbise, (2014). The Impact of performance management system on employees performance a case study of University of Arusha.
- [19] Jenna Puckett, (2019). The Importance of Performance Management
- [20] Judika Tjivikua.. (2017) A perception of the implementation of the performance management system in Namibia: A case study of the ministry of home affairs and immigration
- [21] Kokemuller, Neil. (n.d.). Distinction Between Employee Development & Career Development.
- [22] Macanda. A. (2007) The performance management system in South Africa's local government: A study of policy implementation.
- [23] Mbanga, Owen Kachana, (2018). Analyzing perceptions of employees on the implementation of the performance management system: A case study of the Directorate of Sport in the Ministry of Sport, Youth and National Service
- [24] Michael Armstrong, (2017). Armstrong's Handbook of Performance Management

Vol. 9, Issue 2, pp: (440-452), Month: October 2021 - March 2022, Available at: www.researchpublish.com

- [25] Mulder, M. (2010). Competence development in higher agricultural education
- [26] Mwendandu Daniel Ngumbau, (2013) Challenges of implementing performance management system at the Kenya electricity company.
- [27] Parvaiz, G & Mufti, O & Wahab, M. (2016). Pragmatism for Mixed Method Research at Higher education Level.Business & Economic Review. 8. 67 78. 10.22547/BER/8.2.5.
- [28] Patrick Qena Radebe (2013). The impact of Performance management system on service delivery in the city of Johannesburg Metropolitan municipality
- [29] Performance magazine. (2018) employee engagement job satisfaction
- [30] Miguel P, e Cunha, Daniel V. V A. R. & Stewart C. (2018) Why does performance management not perform?
- [31] Philip, B. (2013). Constraints to Senior Management's Capacity to Implement the Performance Management System in senior secondary schools in Botswana.
- [32] Prachi J, (2015). Performance Management system in state owned enterprises
- [33] Telecom (2016/2017). Annual report.
- [34] Uma Rajavelliah, (2013) Different types of general performance management appraisal in organizations.
- [35] Yali E. W. (2015). The effectiveness of performance management system at Central University of technology, Free State.