

**PERCEPTIONS OF SENIOR MANAGERS ON THE UPPER LIMITS POLICY IN THE
POLOKWANE MUNICIPALITY, LIMPOPO PROVINCE**

by

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DECLARATION

I, Vheli Mthombeni declare that **PERCEPTIONS OF SENIOR MANAGERS ON THE UPPER LIMITS POLICY IN THE POLOKWANE MUNICIPALITY, LIMPOPO PROVINCE** it's my original work and have not in its entirety on part of it submitted in any other university for a degree. All the sources that I have quoted have been acknowledged.

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23 March 2017
DATE

DEDICATION

I dedicate this study to my late parents, Tsakane Jane Mkansi and Ben N'wadavula Mthombeni. The two of you taught me the value of education in life and that knowledge is power. A special dedication to my immediate family, spouse Khensani Cathrine Mavunda, my girls, Khanyisa, Nsuku and Ntsumi.

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I will like to thank God Almighty for the strength that he has given me to persevere even when it was not easy. The beginning of knowledge is to fear God and those who succeed in life are those who persist even in the prospect of failure.

To my family, when are started this journey you were with me and you were prepared to walk with me. There were times where you wanted to be with but it was not possible because of the studies. You knew that at the end of it God has put a reward for the hard work. Special thanks to my spouse Khensani and my three girls, Khanyisa, Nsuku and Ntsumi.

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ABSTRACT

The purpose of the study was to examine the perceptions of senior managers on the upper limits policy for the remuneration of senior managers at Polokwane Municipality. In 2014 the Minister responsible for Cooperative Governance and Traditional Affairs in South Africa published a notice on the implementation of upper limits for the remuneration of senior managers across all municipalities in South Africa. The notice signified a new paradigm in the local government remuneration practice in the local government sphere. Local government remuneration in South Africa was characterised by lack of uniformity and negative public perceptions on the huge salaries that senior managers in local government earned. There are substantial variations in municipal salary structures and benefits, municipal managers' salaries vary between R155 424 and R1, 3 million per year (National Treasury Local Government Budgets and Expenditure Review, 2001/02 – 2007/08). The South African media published stories articles on senior local government managers who earns more than the president of the republic. The public scrutiny on the remuneration in local government was compared to the standard of service delivery in their areas, and often there was no relationship between the remuneration of the senior managers and the performance of their municipalities.

The implementation of the upper limits policy in 2014 meant that for the first time in the democratic South Africa, the remuneration of senior managers in local government was regulated. This meant a shift from a practice of senior manager's negotiated remuneration to nationally regulated remuneration. The implementation of the Upper Limits policy had the potential of de-stabilising the local government sector in terms of senior manager's recruitment, retention and availability of skills due to the low remuneration that the policy has introduced.

The research was conducted at Polokwane Municipality and the study sampled all senior managers of Polokwane Municipality. The researcher opted for a qualitative research approach and utilised semi-structured interview schedule to gather data. The research findings indicate that all senior managers (7) of Polokwane Municipality perceived the upper limits policy negatively and they were not in support of its implementation. The research indicated that the reasons for the negative perception was that the Upper Limits Policy was not properly introduced at Polokwane Municipality. The researcher recommends that Polokwane Municipality needs to formally introduce the Upper Limits Policy to senior managers. This needs to be done through conducting workshops on the policy.

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CHAPTER ONE: OVERVIEW OF THE STUDY

1.1 INTRODUCTION

According to King III report on good corporate governance, there is an increasing focus on robust governance processes around executive remuneration and the need for executive remuneration transparency (King III, Public Sector 2010:101). Since the municipal constitutional dispensation in South Africa in 2000, there has been a considerate concern on the remuneration of senior managers at municipal levels. Unlike during the pre-democratic local government dispensation of the year 2000, senior managers (town clerks) salaries were regulated by the Remuneration of Town Clerks Act 115 of 1984. In terms of section 2 (1) of this Act, the Minister responsible for local government in South Africa was responsible for determining the remuneration of town clerks (municipal managers) and senior managers reporting to town clerks across all established municipalities in the four provinces, which are Transvaal, Free State, Natal and the Cape Province.

The Remuneration of Town Clerks Act 115 of 1984 was repealed in 1996 and new regulations were introduced by the Department of Provincial and Local Government in Municipalities and known as Guidelines on the Remuneration of Managers in Local Government, published in Government Gazette 22675, dated 14 September 2001. The guidelines made provisions for a framework on remuneration of senior managers in municipalities. According to clause 5 (1) of the framework, municipal councils must develop and adopt a remuneration policy for its senior managers. The remuneration policy should be tabled in council and reviewed on annual basis. Each municipal council should adopt its remuneration policy and determine the remuneration of its senior managers. Key council considerations for determining remuneration of senior managers according to the guidelines were the previous experience, capabilities and skills,

expertise and affordability. The remuneration guidelines for managers in local government were not binding on municipal councils but only serve as guidelines to consider in dealing with issues of remuneration of senior managers.

As a result of non-binding regulations and lack of national policies for determining the remuneration of senior managers in municipalities, senior managers negotiated their remuneration across all municipalities. The remuneration of senior managers differed from municipality to municipality. Remuneration of senior managers in municipalities became a subject of public interest. District and rural municipalities' senior managers earn unreasonable higher salaries (National Treasury Budget Review 2011). The State of Local Government Report of 2009 highlighted the lack of salary standardisation in municipalities, resulting in salary disparities and recommended uniformity of remuneration frameworks of public service and local government (Department of Cooperative Governance and Traditional Affairs, 68:2009).

The lack of binding regulations and uniformity on remuneration of senior managers in municipalities prompted the Minister for Cooperative Governance and Traditional Affairs to promulgate the Upper Limits Policy on total remuneration of senior managers. The policy was gazetted in March 2014 and became effective in June 2014. The policy is aimed at addressing the remuneration disparities across all municipalities, unjustified high remunerations and the setting of uniform remuneration framework across all the municipalities in South Africa. The policy regulates and nullifies the negotiated remuneration practices in municipalities and sets minimum and maximum remuneration for senior managers across all the categories of municipalities. The new remuneration regime brought by the policy has lowered the remuneration of senior managers and has the potential of destabilising the retention and recruitment of senior managers in municipalities. The South African Local Government Association is not in favour of the policy and reported that in Northern Cape, employees in lower management will earn more than senior managers because of the new policy (SALGA 2014).

1.2 PROBLEM STATEMENT

The Upper Limits of Total Remuneration of senior managers Policy became effective in June 2014 and the Policy has changed the remuneration paradigm of senior managers in municipalities. It is clear from the South African Local Government Association submission made on the 13 June 2014 to the Department of Cooperative Governance and Traditional Affairs that the Policy might have far reaching implications on the recruitment and retention of senior managers. This state of affairs prompted the researcher to ask the present research question, intending to investigate the perceptions of senior managers on the implementation of Upper Limits Policy. The problem of lowering remuneration of senior managers is within the local government sphere and resides in middle and lower capacity municipalities, Grade B and Grade C municipalities (South African Local Government Association, 2014). Metropolitan Municipalities are less affected because the new remuneration introduced by the Upper Limits Policy is consistent with their current remuneration. The introduction of the Upper Limits Policy for the remuneration of senior municipal employees has lowered the remuneration of packages of senior managers in municipalities, and apparently has taken away the power of senior municipal employees to negotiate their remunerations. The policy affects senior managers who are currently in the employ of municipalities and future employees. In smaller and financially challenged municipalities such as Mookgophong Municipality in Limpopo, the salaries are extremely low (Department of Cooperative Governance and Traditional Affairs: Government Notice, 225: 2014).

The Upper Limits Policy has a potential to destabilise the local government sector in South Africa. Middle and lower municipalities may struggle to attract and retain qualified staff. The South African Local Government Association has expressed concerns on the implementation of the policy and has requested the Department of Cooperative Governance and Traditional Affairs to withdraw the policy (South African Local Government Association 2014).

1.3 MOTIVATION/RATIONALE FOR THE STUDY

The study is motivated by the need to understand how the Upper Limits Policy for total remuneration of senior managers will affect senior management retention in municipalities. At the time when this study was conducted there was no evidence that there has been such a research in the Polokwane Municipality, and therefore the research will generate new knowledge on the implementation of the Upper Limits Policy for total remuneration of senior managers. The research may serve as base for further research in the similar policy area in other municipalities. . The research may serve as a guideline for municipalities and particularly Polokwane Municipality on the implementation challenges and benefits of the Upper Limits Policy.

1.4 SIGNIFICANCE OF THE STUDY

The research may assist policy makers of Polokwane Municipality on issues that might arise during the implementation the Upper Limits Policy. The research may also assist local government practitioners in understanding the implementation of the policy and may add to the existing literature on the remuneration of senior managers in municipalities. The study may also generate new knowledge that might assist future researchers and academics on the remuneration of senior managers in municipalities. The study may add new insights on aspects of remuneration of senior manager's policy development and implementation in the public administration discipline.

1.5 AIM OF THE STUDY

The aim of the study is to ascertain how senior managers in Polokwane Municipality have perceived the implementation of the Upper Limits Policy for total remuneration of senior managers.

1.5.1 Objectives

- To ascertain the extent of the acceptance of the Upper Limits Policy by senior managers in Polokwane Municipality.
- To determine if senior managers see the implementation of the Upper Limits Policy as a positive development and effective in bringing uniformity in their remuneration.

1.5.2 Research questions

- What is the extent of the acceptance of the Upper Limits Policy by senior managers in Polokwane Municipality?
- Do senior managers see the implementation of the Upper Limits Policy as a positive development?

1.6 DEFINITION OF TERMS

Senior Manager –the Local Government: Municipal Systems Act 32 of 2000 defines municipal manager or acting municipal manager as a manager appointed in terms of Section 54A of the Municipal Systems Act 32 of 2000 and includes managers directly reporting to the municipal manager.

Compensation – Craythorne (1997:310) defines remuneration as a means pay for service rendered. It also includes items such as subsidies on housing, contributions to pension and provident fund, medical aid or group life insurance and bonus allowance.

Total remuneration package – is defined as the total cost of a senior manager's remuneration to a municipality and includes salary, pension contributions, medical aid contributions and other forms of payment or benefit (Government Notice, 225:2014).

Perceptions –perception is defined as the unique interpretation of the information (Burges and Mayer-Smith, 2011:27). For the purpose of this research, perception is defined as the unique interpretation that senior managers of Polokwane Municipality attached to the introduction of the new upper limits policy.

1.7 CHOICE AND RATIONALE OF THE RESEARCH DESIGN

Research paradigm is a worldview, whole frameworks of beliefs, values and methods within which research takes place (Joubish, Khurram, Ahmed, Fatima & Haider 2011:2082). The research will follow a qualitative research paradigm. In addressing the research question, the researcher used the constructivism qualitative research paradigm. Constructivism paradigm knowledge is discovered through the meanings attached to the phenomena being studied and researchers interact with the subject of the research to get data and knowledge is context and time dependent. In addressing the research question, the researcher collected data from the respondents and attach meanings to the respondent's responses.

Mouton (2011:55) defines research design as a plan or blueprint of how the researcher intends conducting the research. The main purpose of research design is to enable the researcher to anticipate what the appropriate research decisions should be to maximize the validity of the eventual results. There are two research design approaches namely,

qualitative and quantitative approaches. Hakim (1997:2) defines qualitative research design as research that is concerned with individuals' own accounts of their attitudes, individual perceptions, beliefs, views and feelings, as well as their behaviour; displaying how these are put together, more or less coherently and consciously, into frameworks which make sense of their experiences. This type of research also illuminates the motivations which connect attitudes and behaviour, or how conflicting attitudes and motivations are resolved and how particular choices are made. The study employed a qualitative approach, allowing the researcher to describe and explore the responses that the respondents will be providing. The study will use semi-structured interviews as a tool to collect data.

1.7.1 Study area

The study area is Polokwane Municipality's main offices which are located at Polokwane City, in Limpopo Province.

1.7.2 Study population

The population of the study include 9 senior managers of Polokwane Municipality

1.7.3 Sampling, sampling methods and sample size

Sampling in research refers to two activities, firstly, defining a population from which a sample will be drawn and of which the sample will be representative and secondly, ensuring that every person or thing from this predefined population has the chance of inclusion that is greater than zero and can be measure (Emmel, 2013:1). The main aim of sampling is to have a representative element that the research seeks to investigate in addressing the research question. The researcher used purposive sampling in

addressing the research question. In purposive sampling, units are chosen because they have particular features or characteristics which will enable detailed exploration and understanding of the central themes, which the researcher wishes to study (Ritchie and Lewis, 2003:78). The research followed a purposive sampling approach. The respondents of the research problem have the same features and characteristics. They are all senior managers and they are all employed on fixed term contracts for five years and are affected by the Upper Limits Policy. There are different approaches to purposive sampling and one of the purposive sampling approaches is the homogeneous samples. According to Ritchie and Lewis (2003:79), homogeneous samples are, for example, individuals who belong to the same subculture or have the same characteristics. Homogeneous samples will be appropriate for this study in that respondents of the research have the same characteristics and belong to the same management level. All 9 senior managers of Polokwane Municipality will form part of the study.

Table 1: Research population

Population	Size	Sample Size	Location
Municipal Senior Managers	9	100%	Polokwane

1.7.4 Data collection

The data was collected through the use of semi-structured interviews. According to Ritchie and Lewis (2003:138), the semi-structured interview has the following advantages that will be helpful for this research problem: firstly, it allows the researcher to fully explore and probe the respondents' responses on the research topics. Secondly, the interview is interactive and the research material is generated by the interaction between the researcher and the respondents, and thirdly, the researcher can use a range of probes and techniques to penetrate, explore and explain. Lastly, the interviews are generative in that new knowledge and thoughts can be created. Semi-structured

interviews allowed the researcher to explore and responses to be fully explored and probed and it also allows the researcher to be responsive to relevant issues (Ritchie and Lewis, 2003:138).

The researcher used semi-structured interviews as this approach allowed the researcher to fully probe, explore and make follow-ups on the responses that the respondents will be providing and the use of electronic voice recorder afforded the researcher to listen to the responses that respondents have given and ensured that the researcher captures all the necessary research data.

1.7.5 Data analysis

According to Mouton (1996:161), data analysis involves two steps: first reducing to manageable proportions the wealth of data that one has collected and second, identifying patterns and themes in the data. There are two basic approaches for analysing data in qualitative research, namely: ethnographic summary and systematic coding through content analysis. Content analysis was used to analyse the data. The content of the responses given by the respondents was classified systematically. Respondent's themes, issues and recurring ideas will be isolated, counted in order to arrive at a scientific conclusion and finding.

1.8 ETHICAL CONSIDERATIONS

Ethics guides behaviour and decisions and they assists in identifying what is wrong and what is right. Different professions across the spectrum have ethical conducts and standards that guide behaviours and decisions of people operating in those professions. Medical practitioners as an example are governed by the medical code of ethics when they execute their duties. In research, ethics guides researchers on concerns and

conflicts that may arise during the course of the conducting the study how researchers needs to behave (Neuman, 2014:69). In conducting this research, the researcher observed the ethical consideration applicable in research.

1.8.1 Confidentiality and anonymity

Research ethics requires researchers to always maintain the confidentiality and anonymity of research participants (Ritchie, Lewis, Nicholls & Ormston, 2014:96). The researcher undertakes to keep the respondents private confidential and not to disclose their information to third parties without their consent. The respondents' information was kept in a secure place and their participation was on a voluntary basis.

1.8.2 Informed consent

According to Ritchie *et al* (2014:92), people should be able to make a decision about participating in the research without being influenced or pressurized. The researcher wrote a formal letter to request consent to all the respondents participating in the study. Research respondents were required to formally consent for being part of the study by signing a consent form.

1.8.3 Permission to conduct study

A formal letter to Polokwane Municipality to request permission to conduct the study was sent on the letter of the university. The letter detailed the purpose of the research and the kind of data that the researcher wanted to gather at the municipality and the availability and publishing requirements to the municipality after the completion of the study.

1.8.4 Objectivity

The researcher commits to avoid biasness in the methodological research design, data analysis, data interpretation, peer review, personnel decisions, and expert testimony.

1.8.5 Responsible publication

Researchers have the responsibility to ensure that they are familiar with the publication standards applicable in their area of jurisdiction and the requirements for publications (Ritchie *et al* 2014:102). The researcher commits to publish the research findings in order to advance research and scholarship and not to advance his own career.

1.8.6 No harm to respondents

Sometimes risk arise both from the research environment or field setting and from the subject matter and researchers have ethical responsibility to ensure that there is no harm to the research respondents (Ritchie *et al* 2014:104). The researcher commits that no harm was done to the respondents, who participated in the research.

1.9 RESEARCH LIMITATIONS

Limitations are influences that the researcher cannot control. They are the shortcomings, conditions or influences that cannot be controlled by the researcher. They place restrictions on the methodology and conclusions. Any limitations that might influence the results should be mentioned. The research was targeted to only those that are affected by the research problem and the size might not be enough.

- The research took what senior managers at Polokwane Municipality say during data the collection phase. Self-reported data can contain several potential sources of bias that the researcher should be alert to and note as limitations.
- Access: the researcher might be limited by not being given access to senior managers at the Polokwane Municipality offices.

1.10 ORGANISATION OF MINI-DISSERTATION

The mini-dissertation was organised into five chapters and presented on the format stated below:

Chapter one provided the overview of the study as per the research proposal, giving background of the study, detailing the problem statement, aim of the study and the objectives that the study intends to achieve.

Chapter two reflected on the literature review, analysing other studies conducted in the field. Literature review was done using scholarly articles and books, official government reports, South African local government legislations, Polokwane Municipality's Annual reports, newspaper reports and internet publications.

Chapter three discussed the research design that the research design and methodology and its importance. A qualitative research design was chosen as the suitable method for studying the research question in that it provided the research respondents to describe their perceptions of the Upper Limits Policy. Semi-structured interviews were used as an instrument for data collection and content analysis methods was used to analyse the collected data.

Chapter four presented the analysis and findings of the collected data through the semi-structured interviews. The semi-structured interview as an instrument for data collection was divided into two main, the biographical profile information of senior managers of

Polokwane Municipality and the perception of senior managers of Polokwane Municipality.

Chapter five summarised the research conducted by providing the research conclusions and recommendations based on the findings of the research study.

1.11 CONCLUSION

The research problem determines the research objectives and the aim of the research. Research objectives and determined the aim of the research and assisted in determining the research methodology to be employed to answer the research question. The chapter clearly defined the research problem and research questions which guided and centred the research to focus on the question that needed to be answered. The study was conducted at Polokwane Municipality and the research population were the nine senior managers. The following chapter deal with the literature review pertaining to the research problem. Literature review assists in understanding whether the research problem has not been answered and the views of other researchers.

CHAPTER TWO: LITERATURE REVIEW

2.1 INTRODUCTION

Literature review provides an overview of current sufficient relevant research appropriate to the research topic that is being undertaken and also provides salient facets of the topic (Creswell, Ebersohn, Eloff, Ferreira, Ivankova, Jansen, Nieuwenhuis, Pietersen, Plano Clark & van Westhuizen, 2007:26). The chapter reviews literature by first providing a definition of remuneration and a discussion on the remuneration practices and the importance thereof. The chapter also discusses the motivation theory in relation to remuneration and the current research findings on the motivation and the applicability of the theory in practice within the context of the public sector. Again, global remuneration practices with specific focus on public sector remuneration particularly on local government globally and the South African perspectives is discussed. Furthermore, the link between the executive remuneration and organisational performance will be explored. The exploration will be based on research findings and the lessons that might be drawn from such research findings. The conclusion will be looking at the link between remuneration and retention of skilled employees. Research findings on the relationship between remuneration and retention will be provided in trying to understand the link.

2.2 REMUNERATION PRACTICES

Nel, Werner, Du Plessis, Ngalo, Poisat & Sono (2011:231) define remuneration as reward mechanisms that emanates from the allocation, conversion and transfer of a portion of the revenue of an organisation to its workers and staff for their monetary and in-kind claims on goods and services. According to Nel *et al* (2011:231) good employee

remuneration system must be valued by the current employees of the organisation and future employees, and must be able to retain existing employees and attract new employees. Remuneration system of an organisation should be structured in such a way that it attracts people to apply for positions in the organisation and ensures the retention of skilled employees because the demands for skilled employees are in high demand in the job market. A remuneration system must be of good benefit to the organisation and to the employees (Nel *et al* 2011:237). (Gerhart, Minkoff & Olsen (1995:95) emphasise the role that remuneration plays in an organisation as it is at the heart of the employment relationship between the employees and their employers. Remuneration provides monetary security to employees and allows employees to sustain and maintain their general welfare. Organisations should link employee remuneration to the cost of doing the organisation's business and to be competitive in the outside market where the organisation competes. Organisational employee remuneration influences an organisations ability to compete for employees in the open labour market. This has to do with the ability to attract and retain employees. Employee remuneration differs across different organisations. When organisations determine remuneration for their employees they tend to use market research. Market research provides valuable information on how other organisations pay their employees' salaries related to specific jobs.

The objective of any remuneration system is to attract, retain and motivate employees. Organisations that give the greatest rewards tend to attract the most applicants and can recruit the best-qualified staff. To encourage valuable staff members to remain, the remuneration system must provide sufficient rewards for these employees to feel satisfied when they compare their rewards with those received by individuals performing similar jobs in other organisations (Swanepoel, Erasmus & Schenk, 2008: 478).

2.3 MOTIVATION THEORIES

Arnolds & Boshof (2000:53) states that any business needs productive employees to bring fourth output of acceptable quality to realise its economic, societal and employee-related goals. The same can be said by public institutions which hire employees to realise the objective of achieving the community well-being through the provision of public services within its budgetary constraints. Organisations need employees who are willing and committed to achieving high levels of effort and who have the intentions to achieve optimal job performance. Employees are the lifeblood of any organisation and they are responsible for the success of the organisation. Arnolds & Boshof (2000:53) emphasises the role of motivation theories and the importance of how theories assists in understanding performance motivation. One of the theories that they have mentioned which is related to this research study is the content theory.

2.3.1 The Content Theory

According to Arnolds & Boshof (2000:54) content theories explain why human needs change with time. Content theory includes the work of David McClelland and Abraham Maslow. The proponents of content theories attempted to explain why human needs change and not how they change. Content theories are also called needs theories, because they are generally associated with a view that concentrates on the importance of determining 'what' motivates us. They try to identify what our 'needs' are and relate motivation to the fulfilling of these needs. Arnolds & Boshof (2000:54) states that the need theory has received more attention in research than any other theory because researchers have seen the theory as more enduring in understanding motivation. The need theory suggests that individuals are motivated to increase their performance by their individual striving to satisfy certain needs.

This study draws its theoretical framework from the motivation theory of David McClelland. McClelland proposed a context for understanding needs in people, which

holds significance in understanding motivations and behaviours. It is subdivided into three categories: The Need for Achievement, The Need for Affiliation, and The Need for Power (Smit, Cronje, Brevis & Vrba, 2011:387).

According to Smit, Cronje, Brevis & Vrba (2011:387) the Need for Affiliation is the desire to be around people and be well received socially. It also includes the desire for being a member in a group and conformity. The Need for Power is the desire for control over others. The need theory is very important in understanding the research question that the researcher is studying. Individuals according to the need theory are driven by the desire to achieve and to get ahead. To get ahead means moving into higher positions in the organisation. Higher positions in organisations are associated with better remuneration or improved remuneration conditions. A senior position which does not offer high remuneration is unlikely to attract or motivate employees.

2.4 The relationship between remuneration and organisational performance

Bussin (2015:233) reflects on the criticism that is being levelled to remuneration committees of companies for their continuous increases in executive remunerations against the disappointing financial performance of organisations. Correlation between executive remuneration and organisational performance is not strong, which implies that organisational executives are remunerated beyond the performance of their organisations regardless of under-performance. In South Africa, the implementation of the Companies Act of 2008 and the King Code and Report on Governance in South Africa (King III: 2010:43) provides an indication for the need to link executive remuneration to organisational performance.

According to Bussin (2015:234), research done on the factors that drive changes in remuneration policies in South Africa indicated that financial results of the organisation, governance and merit pay are the main factors receiving attention, which reflects the shareholders' expectation that remuneration should be linked to performance.

An article titled “The Influence of Motivation on Employees Performance: A Study of Some Selected Firms in Anambra State” (Ijah, 2013:134-151), the article investigated the influences of extrinsic and intrinsic on employees performance. The study used descriptive statistics to answer the research questions. The result of the study indicated that a relationship exist between extrinsic motivation and the performance of employees while no relationship existed between intrinsic motivation and employee’s performance. The study revealed that extrinsic motivation given to employees in an organisation has a significant influence on their motivation. The article concluded that organisations must develop remuneration policies and procedures that will enable them to attract, motivate, retain and satisfy their employees.

A study conducted in the Ministry of Internal Security, Kissii County in Kenya to determine the effect of remuneration on employee’s performance (Wilfred, Elijah & Muturi, 2014:223-231). Questionnaires were used as an instrument for collecting data and 107 respondents participated in the study, furthermore the study analysed secondary remuneration data from past annual records on remuneration at the Ministry of Internal Security. The study find that employees at the Ministry of Internal Security did not support the remuneration system that was in place and employees had no inputs on how their salaries were structured. The study concluded that effective remuneration system attracts, retains and motivate employees to understand their organisation. Furthermore, for the organisation to succeed the goals of the organisation needs to be aligned with those of its employees. The remuneration system at the Ministry of Internal Security had a negative effect on the performance of the employees of the Ministry of Internal Security.

2.4.1 Relationship between remuneration and organisational performance in the South African context

Bussin (2015:239) examined four research studies conducted in different South African in trying to understand the relationship between the remuneration and organisational performance. The research findings of the four studies highlighted the weak relationship between remuneration and organisational performance. Based on the findings of the research studies conducted, the researcher can conclude that there is a need for organisations in South Africa to link remuneration to the performance of the organisation. The King III report (2010:101) on good governance of executive remuneration requires organisations to link the remuneration of executives to the performance of the organisation and views this as measure of organisational performance. The King III Report is not a legal requirement but a self-regulation instrument that private and public organisations must use to achieve good corporate governance.

Bussin (2015:239) also highlighted on the quantitative research that was conducted in South African companies on the relationship between the chief executive officer's remuneration and the company performance. The research found moderate to strong relationship between the CEO remuneration to the company performance, however the study indicated that there has been a decline in the relationship since 2008. The study yielded structural changes in the remuneration mix components.

2.5 Global remuneration issues in local governments

Nel *et al* (2011:254) state that the American public sector has entered into a period of perpetual fiscal crisis. The National League of Cities Report asserted that US cities were less likely to meet their financial needs in 2004. Economists and other critics observed that public sector fiscal crisis has been brought on by the local government's lack of restraint, rooted in excessive increases in employment and compensation of

public service employees. A well designed compensation system includes economic and non-monetary components encompassing criteria of fair pay for work and has important social and symbolic roles in the organisation, such as employee commitment and performance.

2.5.1 Remuneration of Local Government Senior Managers in Developed World

According to Perego (2011:1) a survey conducted by the United of States of America's International City Management Association over 7000 cities and town on challenges associated with executive compensation in local government. The survey focused on the remuneration of senior municipal employees and how the remuneration of senior managers is determined. The findings of the survey on remuneration indicated that compensation of senior local government officials is influenced by size, scope of responsibility, portfolio of services and geographical location of municipalities. The findings on the senior managers found that their remuneration range from a base \$108 722 to a higher range of \$272 500 per annum. The State of California recorded more than 56% of city managers who were remunerated from \$200 000 and above. The findings on the determination of remuneration indicated that 46% of the respondents took a lead in negotiating their remuneration with city managers, while 30% of the respondents utilised council compensation committees. Based on the survey findings it can be argued that there is no evidence of uniformity in USA how local government senior managers are remunerated. The survey recommends that city manager's salaries should be based on the economic market, complexity of the job and expectations of each local government where the manager is employed.

In Britain section 40 of the Localism Act of 2011 deals with the pay of local government employees. The Act applies to county councils, district councils and London borough council. In Britain each local authority is an employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which is considered to deliver value for money to the local taxpayers. As a principle, the

Localism Act states that it is estimated that between 2001 and 2008, median top salaries in local government grow at a faster rate than entry salaries. It further states that around 800 local government employees are in the top 1% of all high earners and seems that the decisions for pay and reward growth has been taken without the accountability and transparency. In addressing this challenge, the government of Britain has committed to strengthen the powers of councillors in local authorities to vote on large salary packages of senior council officers. Government has increased transparency to the taxpayers on the pay of local government authorities by publishing a Code of Practice for local government in September 2011. In terms of this Codes, councillors are expected to play a greater role in determine the remuneration of their local government employees. The remuneration of local government employees, particular senior officer must be voted for by the full council sittings (Department of Communities and Local Government 2012).

2.5.2 Remuneration of Local Government Senior Managers in Developing World

Local Government is the third tier of government in Nigeria and is the closest government to the people and its main responsibility is to provide goods and services and to bring development to the local communities. However, the Nigerian local government is far removed from the lives of people to a point where some chief executives of local councils no longer reside in the domains they were appointed to administer (Adeyem, Akindele, Aluko & Angesin, 2012:88). The Local Government Barometer findings has indicated that the citizens have less confidence on their local government and that senior government employees pay salaries and share other monies that are meant for servicing the communities. The Local Government Barometer also found that the lifestyles of local government officials are not commensurate with official sources of income. Based on the findings of the Nigerian Local Government Barometer, it can be concluded that there is no effective control measures and regulations with regard to the administration of local government affairs in Nigeria. The conduct of local government officials in Nigeria can be attributed to how their appointed

and the remuneration that they receive. Nigerian Ordinance of 1950 gave councils a free hand in the appointment of staff who were paid less than 400 pounds a year; above that figure the authority of the Government was required, but in all cases the local authority could itself determine a reasonable remuneration for the various posts (Wraith, 1972:99).

In Ghana, the Local Government Act of 1961 made provision for councils to appoint and dismiss their own staff subject to a qualification, contained in section 125 of the Act, which allowed the Minister for Local Government, with the approval of the President, to make staff regulations covering employment, qualifications, pay, promotion, discipline and terms and conditions of service (Wraith, 1972:103). Further, Ghana has a condition of service for staff in local government. The conditions of service are approved by the Minister for Local Government. Local government positions are graded and categorised. The senior officials in local government are categorised as A1 and A2 and covers the position of Head of Service, Deputy Head of Service, National Directors, Regional Directors and District Coordinating Directors (Conditions of Service for Local Government: 2007). The appointment of category A1 and A2 according to the Conditions of Service are done by the President of Ghana in consultation with the Local Government Council and the Public Service Commission. Section 69 of the Ghanaian Local Government Conditions of Services states that remuneration within local government is determined by the job analysis and evaluation and salaries are based on negotiated and approved pay and grading structure. There is uniformity in terms of how the category A1 and A2 employees are remunerated and how the remuneration is determined (Conditions of Service for Local Government: 2007).

Habtom (2014: 44-58) in the article on public administration reform in Eritrea, titled past trends and emerging challenges highlighted the perceptions of senior managers on issues of remunerations across all the four levels of government. The article reveals that civil servants are concerned with the delays in the enactment of civil laws that regulates promotion, retirement and pay increment. The article also highlighted the erosion and compression of salary scales as the main causes of bureaucratic corruption. Most of the

civil servants recommended the review of the compensation system. Despite reforms, remunerations in Eritrea remains very low which leads to brain drain and the inability of the public service to retain professional staff.

In Zimbabwe, the government has issued a new salary structure for local government that addresses the challenges of exorbitant salaries that were paid by local government to their senior managers (Corporate Governance and Remuneration Policy Framework for Chief Executive Officers of Parastatals, State Enterprises and Local Authorities, 2014). According to the Corporate Governance and Remuneration Policy Framework for Chief Executive Officers of Parastatals, State Enterprises and Local Authorities in Zimbabwe, town clerks in local authorities and secretaries used to earn around \$30 000 per month and since the intervention of government through the regulations, they are earning between \$1 900 and \$9 000 per month. The salary cut for local authorities is expected to be cascaded down to lower grade employees and it said that the aim is to ensure that local authorities implement service delivery to their communities. The ratio for local authorities should be 60:40. The ratio is explained as 60 for the provision of services and 40 for the remuneration of employees. Since the introduction of the new remuneration policy in Zimbabwe, there is no research evidence on how the new policy has impacted the functioning of local authorities in Zimbabwe. It is the view of the researcher that the salary re-structure of local government salary in Zimbabwe resulted in more local government resources being allocated to the provision of services, 60%, which impacts positively on the well-being of the communities. However, the impact might be negative on the retention of skilled employees who are motivated by remuneration.

2.5.3 South African Employee Remuneration Perspective

There is a constant perceptual conflict between employers and employees regarding a nagging suspicion, on the part of employees, that executives are more concerned about their own compensation packages rather than showing a concern for the welfare of their

employees. There has been a considerable amount of discomfort felt by the public at the excessive packages afforded to executives of companies especially the parastatals. These packages tend not to be linked to the performance of such organisations whilst the incumbent was in charge. It is important for an organisation to be transparent about the pay levels of its employees (Swanepoel, Erasmus & Schenk, 2008: 478).

Scarce skills, corporate governance and heightened public scrutiny have been alluded to as drivers of current practices in executive remuneration. The South African Department of Public Enterprises introduced remuneration guidelines for state-owned enterprises for guiding remuneration committees in determining remuneration levels of chairpersons and non-executive directors (Swanepoel *et al* 2008:517).

2.5.3.1 South African employee remuneration, local government perspective

The Municipal Systems Act 32 of 2000, Sections 56 and 57 sets the general conditions for the appointment of municipal managers and senior managers directly reporting to the municipal manager and their terms and conditions of employment, which include remunerations. There are no legislated guidelines for determining the remuneration of senior managers in municipalities, unlike the national and provincial governments where there is a policy document on remuneration of Senior Management Services (SMS). There are substantial variations in municipal salary structures and benefits. For example, directors-general fall within the same salary band, but municipal managers' salaries vary between R155 424 and R1, 3 million per year (Local Government Budgets and Expenditure Review, 2001/02 – 2007/08).

The right to collective bargaining between employer and employee is entrenched in the constitution. The employer representatives for collective bargaining purposes with trade union are SALGA. The municipal systems act does not deal with collective bargaining, but it does provide that on or before 1 October in each year, a council must publish in the media the salary scales and benefits applicable to the posts of municipal manager

and every senior manager directly accountable to him or her. In other words, because these managers are employed on a fixed contract, their remuneration falls outside of collective bargaining (Crythorne, 2003:187).

The Minister for Provincial and Local Government has issued guidelines on the remuneration of managers in local government. The purpose of these guidelines is to provide a national framework for the determination of remuneration for managers (Crythorne, 2003:187).

2.5.3.2 The need for remuneration policy in South African municipalities

Ehrenberg (1990:3s) states that although theories exist about why organisations choose the compensation policies they do and what the effects of these policies are likely to be, there is little empirical evidence on whether compensation policies have their intended incentive effects either at the individual level or at an organisational level.

In South Africa, the Municipal Systems Act 32 of 2000, Sections 56 and 57 sets the general conditions for the appointment of municipal managers and senior managers directly reporting to the municipal manager and their terms and conditions of employment, which include remunerations. There was no legislation that regulates the remuneration of senior managers in municipalities accept the guidelines issued by the then Department of Provincial and Local Government, unlike the national and provincial governments where there is a policy document on remuneration of Senior Management Services (SMS). There are substantial variations in municipal salary structures and benefits. For example, directors-general fall within the same salary band, but municipal managers' salaries vary between R155 424 and R1, 3 million per year (Local Government Budgets and Expenditure Review, 2001/02 – 2007/08).

Prior the introduction of the upper limits policy on the remuneration of senior managers in local government, the Local Government Guidelines on Remuneration of Managers in

Local Government required municipalities to develop and adopt remuneration policies that will be used to determine the remuneration of their senior managers. The remuneration policy should be applied on the existing senior managers and newly appointed senior managers. The guidelines states that the remuneration policy should be based on the concept of total cost of employment rather than on a salary plus benefits approach (Government Notice, 881:2001).

The Local Government Guidelines on Remuneration of Managers in Local Government (2001) requires municipalities to develop remuneration policies and establishes remuneration committees. The remuneration committee's sole responsibility was to monitoring, implement, advice council and to make recommendations to council on specific packages for particular senior managers. The remuneration committee was expected to regularly report to council on its remuneration activities. It is important to note, the local government guidelines on remuneration of managers in local government were meant for each and every municipality in the Republic of South Africa. Each council of a municipality meant that it should determine the remuneration of its senior managers. Determination of senior local government manager's salary as provided for by the local government remuneration guidelines should be based on previous experience, capabilities and skills, expertise and affordability.

2.5.3.3 The Need for Uniformity Remuneration Approach in South African Municipalities

The Minister of Cooperative Governance published a Government Notice, Notice No 225 of 2014 (2014:225) on the Determination of Upper Limits of total remuneration packages payable to Municipal Managers and Managers directly reporting to the Municipal Manager. The Notice introduces a uniform determination of remuneration of Municipal Managers and Managers directly reporting to the Municipal Manager across all the different categories and levels of municipalities. The Notice amends the current practice of negotiated remuneration as espoused by the Local Government Regulations

on Remuneration of senior managers in local government. The scope of the Notice prescribes criteria that are compulsory across all municipalities to be implemented with immediate effect on new appointments of Municipal Manager and Managers directly reporting to the Municipal Manager. Like any other new policy, there seems to be non-acceptance of the new policy by local government stakeholders, particularly the South African Local Government Association (SALGA). According to SALGA 2014, the new policies will create a situation whereby employees who are covered by the Local Government Bargaining Council that is middle management employees, their salaries will be more than that of their senior managers who are affected by the new policy.

According to the Upper Limits Policy on the Remuneration of Senior Managers in Local Government, in instances where a contract of employment of a senior manager exists are supposed to be renewed, the limitations of the remuneration will be applied which will be in line with the provisions of the new policy. This means that a senior manager who may opt to proceed with his or her employment after the expiry of his or her fixed term contract will see his or her current remuneration being lowered. The likely scenario of this situation may see local government managers who are currently employed in local government opting not to renew their contracts (SALGA, 2014:5).

Based on the upper limits policy on the remuneration of senior managers in local government may discourage middle managers from applying for senior management positions as the senior management positions will be offering less remuneration to what middle managers will be earning.

Gerhart; Milkovich & Murray (1992:314) assert that there is increased recognition that pay decisions take place in the context of implicit and explicit contracts between employees and organisations. The researchers encourage other researchers to pay attention to differences in remuneration by organisations. Since pay is multidimensional, research must not be limited to organisational remuneration differences, differences in benefits structure and means of employee recognition should be given attention by researchers. According to Gerhart *et al* (1992:314) the success of remuneration

practices that does not depend on the decisions about the remuneration but also on the process that is utilised to communicate, implement and administer the remuneration.

2.6 The link between employee remuneration and employee retention

A South African survey conducted by Delotte & Touche Human Capital Corporation together with the Financial Mail conducted a survey in 2001 done among 42 companies, including 1 955 employees, to obtain information on which factors attract, motivate and retain staff. The results indicated that remuneration packages are rated high in motivating employees. The results also highlighted other factors though like job satisfaction and good leadership were rated high by employees. The results also indicated that prospective employees had a good understanding of what was happening or not happening in a particular organisation prior to joining the organisation. The results also indicated that as employees started to act more in the interest of their own careers, organisations came to realise that their best employees would move on (Schreuder &Theron, 2002:109).

Munsamy & Bosch Venter (2009:190) conducted a research study in December 2007 on the retention factors of management staff in the maintenance phase of their careers in South African local government. The research was conducted and aimed at the South African local government sector. The study dealt with the challenge of understanding the importance of public service organisations to determine the factors that contribute to both the attraction and the retention of skilled and professional employees. In providing background to their study Munsamy & Bosch Venter discussed the attraction and retention and amongst of the attractors and retainers include effective management of performance, diversity, learning pathways, management style, high job-involvement and non-monetary rewards.

The research setting was the South African local government. Data was collected in 2007, a period where local government managers were employed on non-permanent

contract basis. Participants were selected on the basis of seniority, length of time in the employ of local government, spread of functions and performance rating. The research findings revealed that the participants remained in their employment because of alignment between the jobs that they were performing and that the job were meaningful to them, secondly, the participants mentioned the salary component and the development opportunities were important reasons to remain employed with the organisation. Lastly, the findings revealed that promotion, recognition and close proximity to work influenced participants to remain with their organisations, though the last finding was not as strong as the first two findings according to the research findings (Munsamy & Bosch Venter, 2009:192).

2.7 CONCLUSION

A good employee remuneration system must be valued by the current employees of the organisation and future employees, and must be able to retain existing employees and attract new employees. Remuneration system of an organisation ensures that an organisation is able to attract people to apply for jobs in the organisations and ensures that the organisation is able to compete for skilled employees in the job market. Remuneration has strong link on employee retention and attraction of new employees. The need theory suggests that individuals are motivated to increase their performance by their individual striving to satisfy certain needs. According to the content theory employee remuneration is one of the main motivators for higher performance in organisations. Organisations that have good remuneration systems that are valued by people have motivated employees and report good organisational performance.

Research done on the relationship between remuneration and organisational indicates that there is a link between organisational performance and employee remuneration. Research done on the factors that drive changes in remuneration policies in South Africa indicated that financial results of the organisation, governance and merit pay are

the main factors receiving attention, which reflects the shareholders' expectation that remuneration should be linked to performance.

Globally, there has been a concern with regard to senior employee remunerations in local government. Countries apply different remuneration practices ranging from uniform remuneration to differential remuneration based on negotiated. Countries are now moving towards uniform remuneration practices in local government and also linking the remuneration of senior managers to organisational performance. The following chapter deals with the research design and research methodology that was employed to answer the research problem.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 INTRODUCTION

The chapter provides the research design and methodology used to gather data on the perceptions of senior managers on the introduction of the Upper Limits Remuneration Policy at Polokwane Municipality. The choice of research and the research methodology is important in ensuring that the research question is answered. Firstly, the chapter will discuss the research methodology and its importance. The chapter will further discuss the research paradigm and the research design. Again, the chapter will discuss the research population and the method of data collection and how data will be analysed. In conclusion the chapter will discuss research ethical considerations and limitations.

3.2 RESEARCH METHODOLOGY

The purpose of research methodology in a research study is to come up with a plan that will allow the researcher to answer the research question. Research methodology requires a well-articulated research question that will define the investigation, sets the boundaries, provides direction and acts as a frame of reference for assessing the research work (O'Leary, 2014:105). Research methodology needs to address the research question and to be within the capacity and interest of the researcher and also to be practical.

O'Leary (2014:120) mentions two research methodological approaches that researchers can employ to answer their research, qualitatively and quantitative research approaches. In qualitative research approach data is represented through words, pictures or icons and analysed using thematic exploration. In quantitative research

approach data is represented through numbers and analysed using statistics. The two research approaches use different rules or paradigms. Quantitative research approach is characterised by the objective positivist search for singular truths that relies on hypothesis, variables and statistics, while qualitative research approach accepts multiple realities through the study of small number of in-depths cases (O'Leary: 2014:120). The qualitative research methodology was employed as the suitable methodology to answer the research question.

3.3 RESEARCH PARADIGM

Henn, Weinstein & Foard (2006:11) and Bryman (1984:4) define of research paradigm as a cluster of beliefs and dictate which for scientists in a particular discipline influence what should be studied, how research should be done, how results should be interpreted. A research paradigm is a set of assumptions about how the issue of concern to the researcher should be studied. There are different styles of research and methods and techniques for collecting information. Methods and techniques are largely determined by the understanding of what constitute acceptable knowledge (Joubish, Khurram, Ahmed, Fatima & Haider, 2011:2082).

Interpretivist researchers are keen to reinforce the distinction between the natural and a social science suggesting that human beings do not passively respond to what is going on around them. Instead they have the capacity to think through different courses of action, and respond on the basis of our interpretations and ideas. Human action can be understood by relating it to the conscious intentions, motives and purposes and the values of the agent who performs it (Tubey, Rotich & Bengat, 2015:225). Interpretative paradigm is associated with unstructured qualitative methods, including participant observation studies and in-depth interviews. The priori approach of positivism suits quantitative methods since their use of predetermined measures can easily reflect the specific hypotheses of the researcher. The desire to understand human action from the perspective of our participants in an interpretivist approach makes such predetermined

measures unsuitable. Emphasis is placed on allowing the participants to provide an account of their own world in their own words (Henn *et al* 2006:15-16).

3.4 RESEARCH DESIGN

A research design is a strategic framework for action that serves as a bridge between research questions and the execution or implementation of the research (Blanche, Durrheim & Painter, 34:2014). Blanche *et al* (2014:34), further states that research designs are plans that guide the researcher in the arrangement of conditions for collection and analysis in a manner that aims to combine relevance to the research purpose with economy in procedure.

The researcher aims to study the perceptions of senior managers at Polokwane Municipality on the introduction of the Upper Limits Policy for the remuneration of senior managers. The research problem required research respondents to describe their individual perceptions on the Upper Limits Policy in responding to the research problem. The qualitative research method was the suitable method for addressing the research problem. Qualitative research methods afforded the research respondents to describe their perception of the Upper Limits Policy and this allowed the researcher to explore the respondent's responses to arrive at a conclusion that answered the research question (Henn, Weinstein & Foard, 2006:49).

3.5 STUDY AREA AND POPULATION

The study area was Polokwane Municipality's main offices which is located at Polokwane City, in Limpopo Province. The population of the study was the nine (9) senior managers of Polokwane Municipality who have been identified as they are

directly affected by the Upper Limits Policy on the remuneration of senior managers in local government.

3.6 SAMPLING, SAMPLING METHOD AND SAMPLING SIZE

The appropriate location and participants are very important for the researcher to achieve the objectives of the research and to be able to answer the research question. Research sampling strategy should be linked and related to the research goals and the paradigm (Waller, Farguharson & Dempsey 2016:62). The researcher discusses sampling, sampling methods and size and concludes with the choice of the sampling methods that is suitable for achieving the research goals.

3.6.1 Sampling

Sampling in research refers to two activities, firstly, defining a population from which a sample will be drawn and of which the sample will be representative and secondly, ensuring that every person from this predefined population has the chance of inclusion (Emmel, 2013:1). The main aim of sampling is to have a representative element that the research seeks to investigate in addressing the research question. Researchers in both qualitative and quantitative research approaches use different sampling methods to gather research data. It is important for researchers to understand and know the different sampling methods and theories that can be applied in conducting research. According to Slavin (1992:95, 96) the determination of the appropriate sample is one of the most important aspects in research design.

3.6.2 Sampling Methods

Engel & Schutt, (2014:97) state that sampling methods are either based on probability or on non-probability methods. Whereas probability sampling allows a researcher to know in advance the likelihood of the research elements of the population that are being studied to be selected for the sample, in non-probability sampling a researcher does not know beforehand the likelihood of the research elements to be selected as part of the research sample. Purposive sampling method was suitable for answering the research question. The aim of the research study is to ascertain how the senior managers of Polokwane Municipality have received the implementation of the Upper Limits Policy for the total remuneration of senior managers. Senior managers are the only officials affected by the Upper Limits Policy and the research should focus on them.

3.6.2.1 Probability sampling

Probability sampling is used when researchers want to generalise the results from the sample to a broader population. Probability sampling is based on probability theory, allowing researchers to estimate the extent to which the research sample is representative of the broader population that are affected by the research study (Teddlie & Yu, 2007:79). Probability sampling relies on random sampling, research elements are selected on the basis of chance. In probability sampling the researcher does not exert any control over the sampling methods. The researcher in random sampling needs to ensure that nothing by chance influences the selection of cases, the researcher follows the sampling methodologically and follow careful control procedures (Engel & Schutt, 2014:97).

3.6.2.2 Non-probability sampling

Non-probability sampling does not use a random selection procedure; elements within the population do not have a known probability of being selected. The selected elements of the population being studied do not provide a representative sample of the whole population as opposed to probability sampling. Non-probability sampling is mostly used in qualitative research where research focuses on one setting, which allows for intensive study of the research elements. The four most popular non-probability sampling methods are: availability sampling, quota sampling, purposive sampling and snowball sampling, (Engel & Schutt, 2014:103).

The availability sampling is also called convenience sampling, the researcher uses the sample because of ease of accessibility of the research elements. Availability sampling is ideal when a researcher is exploring a new setting and trying to get information on prevailing attitude (Engel & Schutt, 2014:104). The second non-probability sampling is the quota sampling. In quota sampling, the researcher selects people non-randomly according to a fixed quota. Researchers can use either of the two quota sampling, proportional and non-proportional. In proportional quota sampling the researcher wants to represent the major characteristics of the population that is being sampled by sampling the proportional amount of each. In non-proportional sampling the researcher specifies the minimum number of sampled units in each category of the population. There is less concern on having numbers that matches the proportions in the population (Teddlie & Yu, 2007:80).

In purposive sampling, the researcher sample with a purpose in mind. The researcher has a predefined group that he is seeking. Purposive sampling is very useful in situations where the researcher need to reach targeted sample quickly and where sampling for proportionality is not the main concern. The last non-probability sampling in this discussion is called snowball. In snowball the researcher starts by identifying someone who meets the criteria for inclusion in the research study. Thereafter the

researcher asks the included people in the research study to recommend others who they may know and who also meet the research study criteria. Snowball is very useful when the researcher is trying to reach research populations that are difficult to access and hard to find (Engel & Schutt, 2014:106).

In this study, the researcher utilised purposive sampling method because all senior managers in Polokwane Municipality who were participants are the only ones directly affected by the Upper Limits Policy.

3.6.3 Sample Size

Sample size forms part of the critical element of research design and is important in that it reduces the possibility of false negative error without increasing the chance of false positive error (Slavin, 1992:98). A research sample needs to be adequate to ensure that statistically significant results is obtained from the sample.

The Polokwane Municipality has 9 (nine) senior managers that are affected by the new Upper Limits Policy on the remuneration of senior managers. The research sample for the study will cover all the 9 (nine) senior managers of Polokwane Municipality. This provides the 100% representatives of the sample that has been chosen.

3.7 METHODS OF DATA COLLECTION

Interviews are a form of data collection methods that assist the researcher to reveal evidence of the nature of the phenomena under investigation, including the contexts and situations in which it emerges (Silverman, 2011:131). Semi-structured, open-ended interviewing questions can elicit authentic accounts of subjective experience. According to Ritchie and Lewis (2003:138), semi-structured interview has the following advantages

that will be helpful for this research problem: firstly, it allows the researcher to fully explore and probe the respondents' responses on the research topics. Secondly, the interview is interactive and the research material is generated by the interaction between the researcher and the respondents, and thirdly, the researcher can use a range of probes and techniques to penetrate, explore and explain. Lastly, the interviews are generative in that new knowledge and thoughts can be created.

The researcher used semi-structured interviews to collect data from the respondents. The semi-structured interviews allowed the researcher to fully explore responses and further probe, more answers from the interviewees, and allowed the researcher to be responsive to relevant issues. The semi-structured interviews had themes that contained questions that assisted the researcher to ensure that all the interviews covered the perspective of the research. The semi-structured interview themes was in accordance with the research objectives as ensured that the research objectives were accomplished (Ritchie and Lewis, 2003:138).

The researcher also utilised electronic voice recorder to listen to the responses that respondents were given when presenting and analysing data at a later stage for the purpose of drawing conclusions and representing recommendations. The utilisation of the voice recorder ensured that the researcher captured all the necessary research data.

3.8 DATA ANALYSIS

According to Mouton (1996:161), data analysis involves two steps: reducing to manageable proportions wealth of data that one has collected and identifying patterns and themes in the data. Qualitative data analysis differs from quantitative data analysis. Qualitative research analyses the text that has been provided by the research respondents and tries to understand the meanings that the respondents have attached

to the study being undertaken (Terre Blanche, Durrheim & Painte, 2014:321). There are two basic approaches for analysing data in qualitative research, namely: ethnographic summary and systematic coding through content analysis.

The data was recorded with the use of an electronic voice recorder and stored electronically to ensure that it is not lost and the originality of the data is preserved. There are different methods of analysing qualitative data and one of the methods is content analysis.

According to Powner, (2015:118), content analysis is a technique used to analyse data and infer a variety of things from what people say and write. In content analysis the researcher examines the words that the research respondents choose to use to discuss the research topic. The researcher counts the number of words that the research respondents associate with the research topic and counts their use to make conclusions. Content analysis was used to analyse the research data gathered during the study. Key words that the research respondents provided were isolated and classified into themes that are aligned to the research objectives. The key words according to their themes were counted and recorded in a text form. The content of the responses given by the respondents were classified systematically. Respondent's themes, issues and recurring ideas were isolated, counted in order to arrive at a scientific conclusion and finding. The text was analysed as a way of understanding what the research respondents understand the research questions and what they perceive as the current situation. In analysing the text, the researcher did not judge the interpretation as true or false.

3.9 ETHICAL CONSIDERATIONS

According to Ritchie, Lewis, Nicholls & Ormston, (2014:78), researcher needs to develop ethical conscience that takes into consideration the interests of research

participants in decision making. Researchers must be in a position to foresee what ethical issues might arise during the research. The researcher undertakes to conduct the research study in an ethical manner. The respondents were fully informed about the purpose of the research study, the methods that the researcher intends to use in conducting the research and the intended use of the research. The researcher undertakes to adhere to the following key ethical principles of research:

3.9.1 Confidentiality of information

Mouton, (2011:243) states that confidential information provided by research participants must be treated confidentially. The right to confidentiality applies to members of research organisation who have access to the research information. The respondents' details were treated confidentially and the anonymity of respondents was respected. The researcher ensured that the research data and its sources remain confidential unless there is a written consent from the respondents.

3.9.2 The independence and impartiality of researcher

According to Mouton, (2011:240) researchers should at all times strive to maintain objectivity and integrity when they conduct scientific research. The researcher undertook to be impartial in conducting the research and undertakes to avoid any conflict of interest that might have arisen during the course of conducting the research. Professional integrity of the research design, data collection and publication of the research results was respected and observed by the researcher.

3.10 LIMITATIONS

The research was limited to the study of the perceptions of senior managers at Polokwane Municipality on the introduction of the Upper Limits Policy for the remuneration of senior managers in local government. The researcher wanted to understand whether there was acceptance of the Upper Limits Policy on the remuneration of senior managers in local government and also whether the policy will positively or negatively affect the recruitment and retention of senior managers in local government.

The researcher should have also looked at the relationship between the remuneration of senior managers in local government and the performance of the local government in delivery services to their community. The researcher should have also looked at how the current remuneration framework for senior managers in local government and how it might impact the recruitment of skilled and competent senior managers in local government. The limitations provide an opportunity for future research to be undertaken to address the limitations that are not covered by this research study.

3.11 CONCLUSION

The choice of research and the research methodology is important in ensuring that the research question is answered. Research methodology serves as a plan that guides the researcher on how to conduct the research study and allows the researcher to answer the research question. There are two research methodological approaches that researchers can employ to do research, qualitatively and quantitative research approaches. The qualitative research methodology is suitable for this research question. Qualitative research methodological addresses research questions that are exploratory and descriptive in nature. The researcher collected data through the use of semi-structured interviews and this allowed the researcher to probe and explore the

respondent's responses to ensure that enough data to be analysed was gathered. Data was analysed through the use of content analysis techniques. The following chapter presents the collected research data and the findings.

CHAPTER FOUR: PRESENTATION OF RESEARCH DATA AND FINDINGS

4.1 INTRODUCTION

The research was on the perceptions of senior managers of Polokwane Municipality on the introduction of the Upper Limits Policy for the remuneration of senior managers in local government. The objectives of the study were to ascertain the acceptance of the Upper Limits Policy for the remuneration of senior managers at Polokwane municipality, and to determine whether senior managers at Polokwane Municipality perceive the implementation of the Upper Limits Policy as a positive and effective measure in bringing remuneration uniformity in local government.

A qualitative research approach was identified as the suitable method for conducting the research in that it is descriptive (Henn, Weinstein and Foard, 2006:49). Research respondents were expected to describe their perceptions of the Upper Limits Policy. Semi-structured interviews were used as the instrument for data collection. Semi-structured interviews allow the researcher to probe and explore the responses of the research respondents. Semi-structured interviews were conducted at Polokwane Municipality's Civic Centre Offices at Polokwane. The targeted interviewees were the only nine (09) senior managers in the Polokwane Municipality, however due two (2) vacant positions only seven (7) senior managers were interviewed.

This chapter presents analysis and findings of the collected data through the interviews. Firstly, the chapter presents the biographical profile of the senior managers of Polokwane Municipality, with focus on their positions, educational level, remuneration scale, age and management experience in local government. The biographical information is important in assisting the researcher to understand and know the senior managers. It also assists the researcher to verify whether the senior managers meet the minimum requirements of their positions and the level of skills and experience.

Secondly, the chapter presents data on detailed perceptions of the senior managers on the introduction of the Upper Limits Policy for the remuneration of senior managers. The focus was on responding the research objectives of testing the acceptability of the Upper Limits Policy and whether the Policy serve as a positive and effective development in local government remuneration uniformity. Lastly, the chapter provides key findings of the research and the conclusion.

4.2 PRESENTATION OF DATA FROM INTERVIEWS

The administrative headquarters of Polokwane Municipality is situated at the Civic Centre in the City of Polokwane. Seven of the nine senior manager's offices have their offices in the Civic Centre. Two senior managers are located outside the Civic Centre building, one at Peter Mokaba Stadium and one at Ladanna offices. The researcher collected data from five senior managers in the civic centre and two senior managers who are located outside the civic centre. The seven senior managers cooperated with the researcher and showed interest on the research topic and they participated in the research voluntarily.

A. Biographical Information Senior Managers at Polokwane Municipality

A1 Senior Position held at Polokwane Municipality

Polokwane Municipality has nine departments and nine senior managers. The Municipal Manager is the head of the administration and the remaining eight senior managers are heading municipal departments. All eight senior managers held the positions of directors based on the findings of the position held at the municipality. The duties and responsibility of senior managers are aligned to Section 152 of the Constitution of South

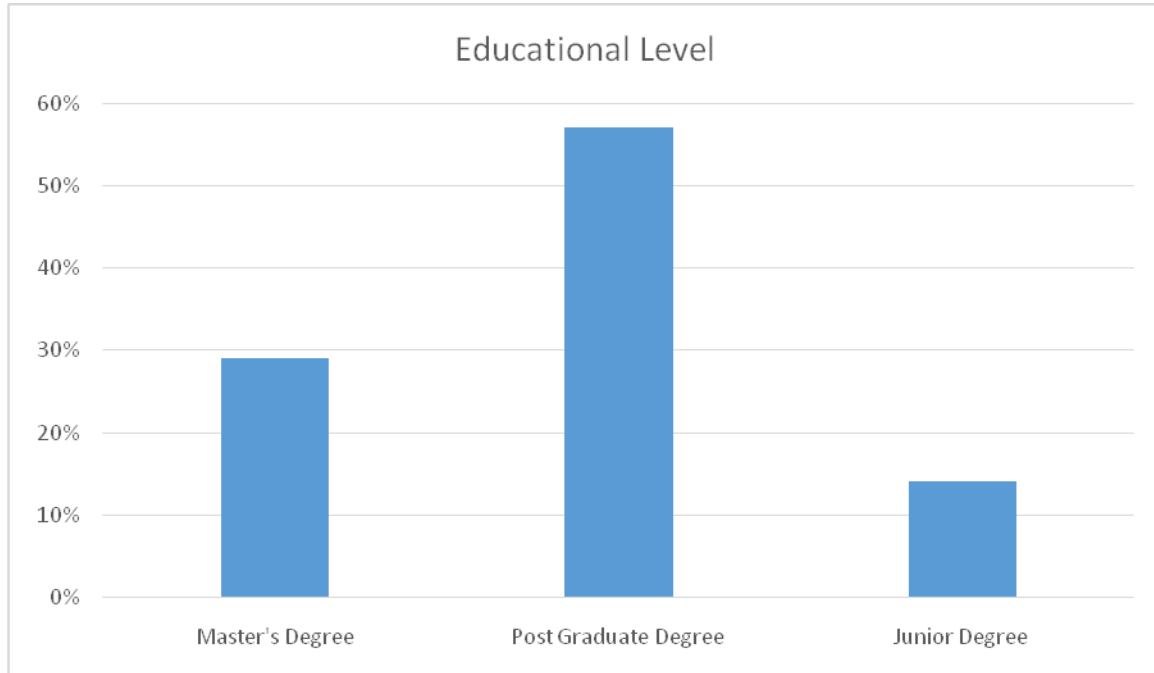
Africa 1996, which include amongst others to ensure that service delivery is provided to the community, promotion of local economic development, financial management, ensure good governance and to encourage the involvement of communities on issues of local governance.

The research sampled nine (9) senior managers at Polokwane Municipality. Only seven (7) senior managers were interviewed and two (2) senior managers' positions were vacant.

A2 Educational Level

Figure 4.1 presents the educational level of senior managers of Polokwane Municipality as provided by the research respondents.

Figure 4.1: Educational Level of Senior Managers

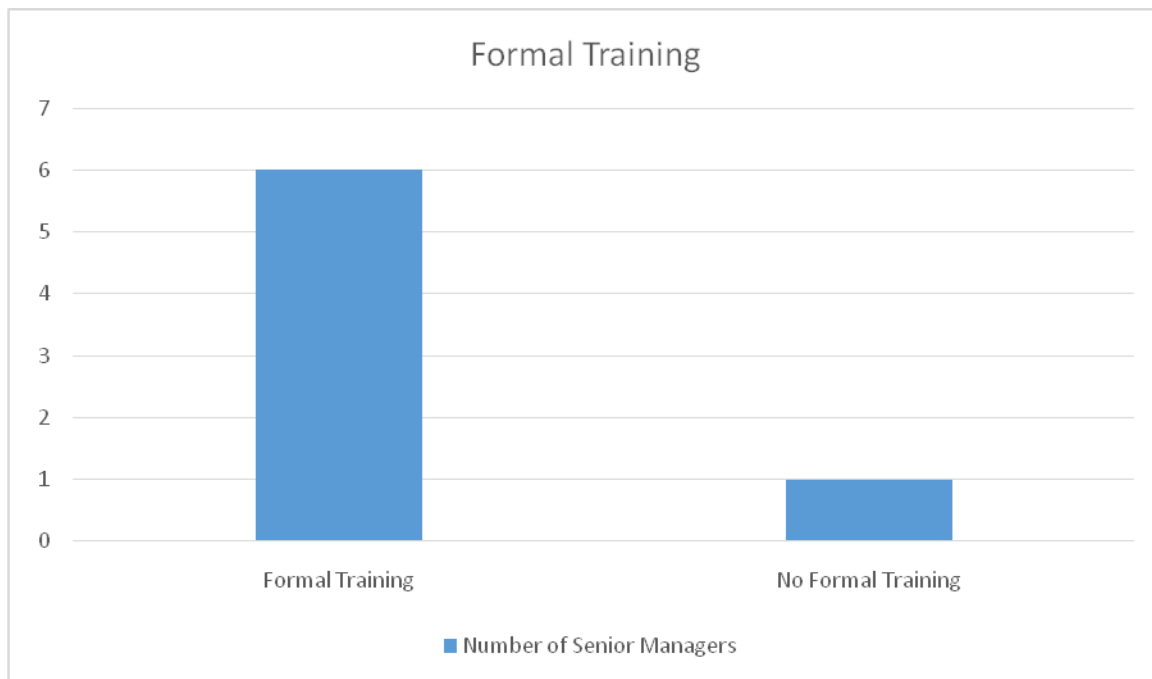


According to Figure 4.1, the majority (04) of Polokwane Municipality's senior, which represents 57% possess post graduate qualifications, two (02), representing 29% have master's degrees and one (1) representing 14% have a junior degree.

A3 Formal Training

Local Government senior managers are required to have minimum degree relevant to the positions that they are occupying. Further to the minimum degree, senior managers are required to comply with the National Treasury's Competency Requirements (2007), According to the National Treasury Competency Requirements senior managers in local government needs to complete training on Municipal Financial Management Programme.

Figure 4.2: Formal Training on Local Government

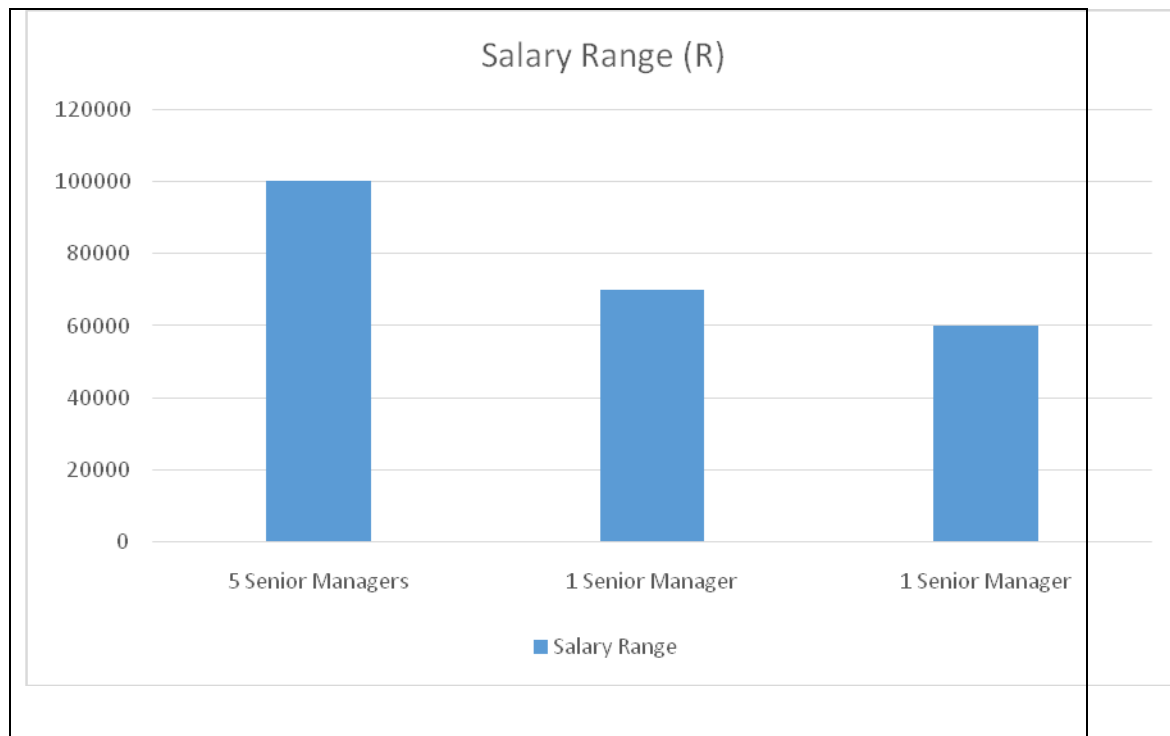


Six (6) senior managers, which represent 86%, have indicated that they have National Treasury formal training requirements for the position they are occupying and one (1) which represents 14% indicated lack formal training on local government.

A4 Gross Income Level per month in Rands

Figure 4.3 depicts the Gross Income Level per month in Rands for senior managers at Polokwane Municipality as provided by the research respondents.

Figure 4.3: Gross Income Level per Month in Rands

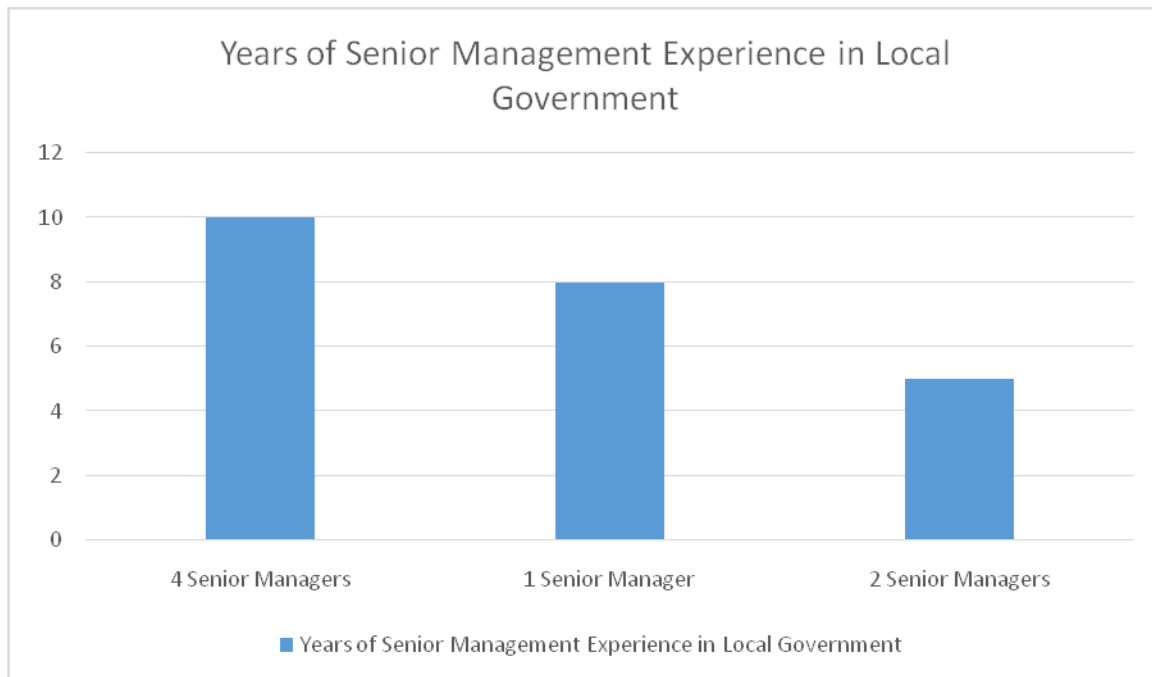


According to Figure 4.3, the highest Gross Income Level per month is at R90 000, 00 to R100 000, 00 and the lowest is at R60 000, 00 to R70 000, 00. The majority of the senior managers (5) which represents 71% are at the highest income range of R90 000, 00 to R100 000, 00. The remaining two (2) senior managers, which represents 29%, one (1) is at R60 000, 00 to R70 000, 00 and one (1) is at R60 000, 00. All senior managers negotiated their remuneration.

A5 Years of Senior Management Experience in Local Government

Figure 4.4 depicts senior management experience for Polokwane Municipality's senior managers as provided by the research respondents:

Figure 4.4: Years of Senior Management Experience in Local Government

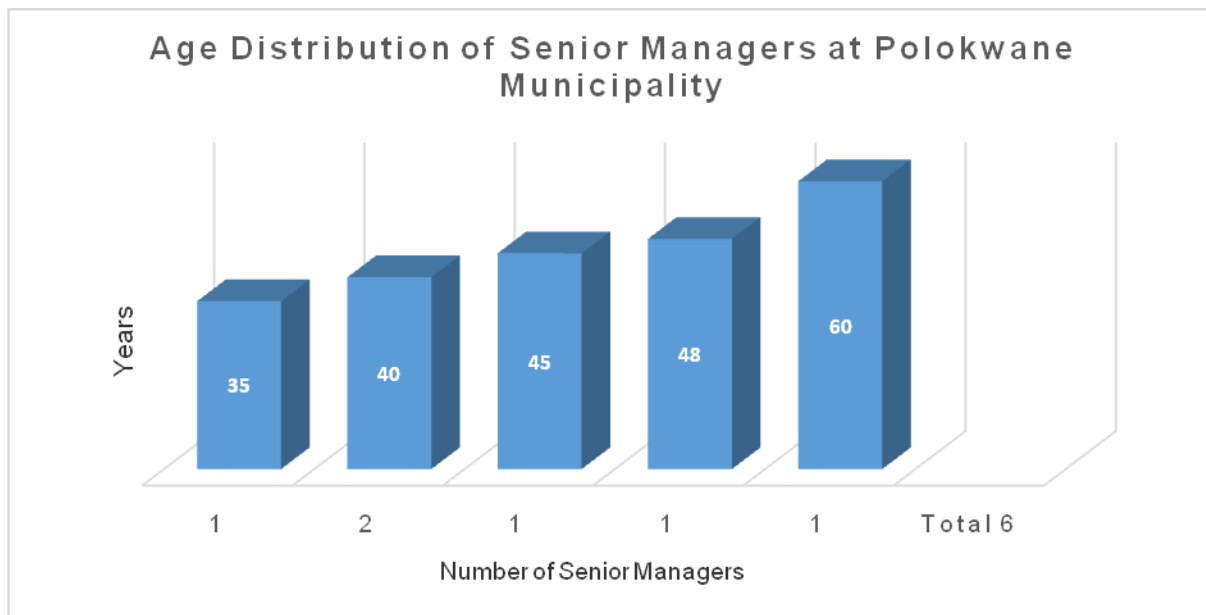


According to Figure 4.4, the majority of senior managers (4), which represents 57% at Polokwane Municipality, have more than 10 years' senior management experience in local government. One (1) senior manager, which represents 14%, has 8 years' local government experience, and the remaining two (2), which represents 29%, have 5 years' experience in local government.

A6 Age

Figure 4.5 presents the age distribution of the senior managers at Polokwane Municipality with the exception of one senior manager who did not furnish his age during the interviews.

Figure 4.5: Age Distribution of Senior Managers at Polokwane Municipality



The majority of senior managers (4) at Polokwane Municipality are between the ages range of 40 – 48 years. One (1) senior manager is 35 years old and one (1) senior manager is 60 years old.

B. Perceptions of senior managers at Polokwane Municipality on the introduction of the upper limits policy for the remuneration of senior managers

B1 Learning about the Upper Limits Policy for the remuneration of senior manager's policy in local government

All the senior managers interviewed on the question of how they learned about the Upper Limits Policy provided different responses. The responses range from learning about the policy from presentations done by the National Department of Cooperative Governance to a report that was presented to the municipal council by the Department of Corporate and Shared Services. The majority of senior managers (5) which represents 71% of the respondents indicated that they have learned about the Upper Limits Policy from outside the municipality. Only 2 senior managers which represents 29% of the respondents indicated that they learned about the Upper Limits Policy in the municipality. Based on the responses provided by the respondents it can be concluded that the majority of senior managers learned about the Upper Limits Policy from outside the Municipality although two (2) respondents indicated that a report about the Upper Limits Policy was presented to the municipal council.

B2 Senior Managers understanding of the Upper Limits Policy for the remuneration of senior managers

The respondents gave different responses on their understanding of the Upper Limits Policy for the remuneration of senior managers. Three (3) respondents, which represent 43%, stated that the policy is aimed at addressing the lack of remuneration uniformity in local government. The other four (4) respondents which represents 57% gave different responses. One (1) respondent indicated that the policy is aimed at attracting, employment and retention of suitable competent senior managers in local government. One (1) respondent indicated that the policy prescribes the remuneration of senior

managers in local government. One (1) respondent stated that the policy is aimed at determining the remuneration of senior managers in local government. The last respondents stated that the policy is aimed at regulating desperate salary levels in local government. A conclusion was made that the majority of the respondents (57%) did not understand the upper limits policy for the remuneration of senior managers, hence the different responses that they provided.

B3 Senior manager's acceptability of the Upper Limits Policy

The majority (6) of respondents, which represents 86% of the total respondents, indicated that according to them, the Upper Limits Policy for the remuneration of senior managers in local government is not acceptable in that it fails to acknowledge the rare skills that senior managers possess. Furthermore, the respondents indicated that the Upper Limits Policy is proposing new salary rates that are lower than the current salaries of senior managers. The respondents indicate that the policy needs to be refined to consider the future recruitment and retention of senior managers in local government. Only one (1) respondent which represents 14% of the total respondents indicated that the policy is acceptable to local government. The key finding is that the majority (86%) of senior managers at Polokwane Municipality do not accept the Upper Limits Policy for the remuneration of senior managers in local government.

B4 Changes on appointments and recruitment of senior managers brought by the Upper Limits Policy

The respondents perceived the Upper Limits Policy positively and negatively with varying degrees. The negative degrees are 86% (5) of the respondents and 14% (2) respondents indicating positive developments on recruitment. The positive change is on the disclosure of remuneration packages when positions are advertised, as opposed to the previous practice stating that remuneration is negotiable. The other positive change

that the respondents has provided is that the Upper Limits Policy prescribes the qualifications for the positions to be filled and the process that needs to be followed in filling senior managers' positions.

Respondents perceived the Upper Limits Policy for the remuneration of senior managers in local government as an instrument that will bring negative changes which will discourage senior managers from applying for positions in lower graded municipality due to low salary levels proposed by the Policy. Municipalities will only attract those who are desperately looking for work and willing to settle for low remuneration. The best person for the position might not be available to be recruited because of low remuneration and lack of interest for low paying positions in local government. Furthermore, this situation will result in local government having a limited pool of experienced candidates available to be recruited as senior managers.

B5 Positive or negative developments in local government remuneration

Five (5) respondents which represent 71% of the respondents indicated that the introduction of the Upper Limits Policy for the remuneration of senior management is a negative development. Respondents indicated that only managers with limited experience in local government will be attracted. Two (2) respondents which represents 29% of the respondents gave positive responses. They indicated that unlike in the past where senior management positions were advertised without the remuneration being stated, with the implementation of the policy, remuneration is now stated on the adverts. Furthermore, they stated that senior management positions are now permanent and there will be job security as opposed to fixed-term contracts.

B6 Senior managers anticipated problems associated with the Upper Limits Policy as compared to negotiated remuneration dispensation

The majority of respondents (5) which represents 71% indicated that the most worrisome problems that is associated with the Upper Limits Policy for the remuneration of senior managers in local government is the low salary scales. While two (2) respondents which represent 29% indicated that the policy will contribute to skills lost in senior management. The policy will make it difficult for municipalities to recruit and retain skilled and experienced senior managers due to low salary scales.

B7 Senior manager's satisfaction with the introduction of the Upper Limits Policy for the remuneration of senior managers in local government

The respondents were requested to answer yes or no and provide motivation for their responses. All the respondents interviewed, which represents 100% responded negatively on introduction of the Upper Limits Policy in Polokwane Municipality. The respondents indicated that the best candidates for senior management positions will not apply for positions and this will result in less skilled and experienced senior managers being recruited. Senior managers are currently earning more than what the Policy is proposing and as such the scale of operational managers is increasing every year. The gap between operational managers and senior managers is getting closer. The remuneration scales that are proposed by the Upper Limits Policy is not linked to job responsibilities of senior managers. Furthermore, the current senior managers are not willing to be remunerated on the policy's proposed remuneration. The respondents also responded that some senior managers in local government might be lost to the private sector.

B8 Effects of the Upper Limits Policy on the recruitment of senior managers at Polokwane Municipality

All respondents (100%) responded negative on how the implementation of the upper limits policy will affect recruitment at Polokwane Municipality. The respondents state that the policy will discourage staff who are already in the employ of Polokwane Municipality to apply for senior management positions due to low remuneration scales. Best and well qualified staff will not apply for senior management positions. The Policy has the potential for limiting the interest of possible candidates for senior management positions. Current senior managers might not be interested in continuing to be in their positions when their fixed-term contracts lapse.

B9 Senior Manager's acceptance of Upper Limits Policy at Polokwane Municipality

All respondents (100%) responded negatively to the acceptance of the Upper Limits Policy at Polokwane Municipality. One (1) respondent indicated that the acceptance has not been tested in the municipality and there is no senior management collective response to the policy. According to the respondents, senior managers must be remunerated in line with their job responsibilities, expertise and qualifications. According to the respondents, the policy is not acceptable because it reduces the remuneration of senior managers.

B10 Perceived positive developments in the implementation of the Upper Limits Policy for senior managers in local government

The respondents were requested to answer the question with a yes or no and to provide a motivation for their answers. The majority of respondents (6) which represents 86% responded negative on whether the introduction of the Upper Limits Policy is a positive

development in the local government sector, while one (1) respondent, which represent 14% responded positively. The respondents indicated the negative impact on recruitment, retention and the loss of experienced senior managers in the local government sector as the main reasons for the negative response. Above that, one respondent indicated that the Upper Limits Policy for the remuneration of senior managers in local government is taking away local government autonomy and powers for determining attractive salaries for senior managers.

B11 The Upper Limits Policy for remuneration of senior managers as a remedy for lack remuneration uniformity in South African local government

All respondents 100% indicated that remuneration uniformity will not be achieved through the introduction of the Upper Limits Policy for the remuneration of senior managers in local government. According to the respondents, senior manager's needs to be remunerated based on skills, knowledge and experience and that each and every senior managers needs to be remunerated accordingly. Furthermore, remuneration uniformity cannot be achieved because remuneration is determined based on affordability of the municipality. Uniformity is best suited for municipalities that have the same functions and are equal in size.

B12 Respondent's additional information on the Upper Limits Policy for the remuneration of senior managers in local government

Only two (2) respondents which represent 29% of all the respondents provided additional information on the Upper Limits Policy. One (1) respondents stated that municipalities in Limpopo Province municipalities are struggling to fill vacant senior positions because of the introduction of the Upper Limits Policy for the remuneration of senior managers in local government. The respondents further stated that the reason municipalities failure to fill vacant senior managers' position is the lack of qualified

candidates due to low salary scales that the Upper Limits Policy for the remuneration of senior managers in local government.

One respondent (1) stated that the Upper Limits Policy for the remuneration of senior managers in local government needs to categorise various skills sets so that proper incentives for senior managers can be achieved.

4.3 KEY FINDINGS OF THE RESEARCH

Research findings ensure that the research questions are answered and that the objectives of the research were achieved. The researcher had to answer two research questions, firstly, the extent of the acceptance of the Upper Limits Policy by senior managers of Polokwane Municipality and secondly, whether senior managers of Polokwane Municipality see the implementation of the Upper Limits Policy as a positive development. The research findings are presented by first focusing on the biographical information of the senior managers of Polokwane Municipality and lastly the findings on the perception of senior managers at Polokwane Municipality on the introduction of the Upper Limits Policy for the remuneration of senior managers.

Polokwane municipality has nine (9) positions for senior managers in their organisational structure. The municipal manager is the head of the municipal administration and the remaining eight (8) senior managers are responsible for managing the municipal departments. The research has found that there were two (2) vacancies in the municipality during the research period. The municipality has appointed two (2) operational managers to act in the vacant positions.

The research indicated that 57% of senior managers at Polokwane Municipality has post graduate qualifications, while 29% have masters degrees and 14% have junior degrees. South African National Treasury Department in 2007 published in the

Government Gazette, Gazette No.29967, and local government minimum competency requirements. Gazette No. 29967 states that, senior managers in municipalities must be in possession of a higher education qualifications. The Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers (Government Notice 167:2013) sets minimum educational requirements for senior managers in local government. According to the Regulation, senior managers in local government must have a minimum of Bachelor Degree qualification and the Municipal Manager should possess an honours degree. It can be concluded from the information provided in Figure 4.1 those senior managers of Polokwane Municipality meet the educational requirements for senior management as set out by the Local Government Regulation and the National Treasury.

The research results indicated that 86% of senior managers at Polokwane Municipality have formal training and 14% indicated no formal training in local government. Polokwane Municipality is classified by National Treasury as a high capacity municipality, (National Treasury 2007, Government Gazette 29967). A high capacity municipality is a municipality that has a budget of over R500 000 000, 00 per annum. It can be concluded that the majority of senior managers (86%) at Polokwane have formal training in local government.

The Gross Income Level per month in Rands results for Polokwane Municipality indicates that the majority (71%) of senior managers are at the salary range of R90 000, 00 to R100 000, 00. The remaining 29% of senior managers are at the salary range of R60 000, 00 to R70 000, 00 and R60 000, 00. The results indicate that any proposed salary scale that is lower than the R90 000, 00 to R100 000, 00 per month will have a negative effect on the remuneration of senior managers at Polokwane Municipality.

Research results on the number of senior managers' experience in local government indicates that 57% of senior managers at Polokwane Municipality have more than 10 years in local government, one (1), which represents 14.5% of senior managers has 8

years and one (1), which also represents 14.5% of senior managers has 5 years' experience. The National Treasury Competency Regulations of 2007 states that the minimum years of required experience senior management in local government is 5 years (Government Gazette 2007:29967). The Department of Cooperative Governance and Traditional Affairs notice on the Remuneration of senior managers in local government also states that the minimum years of experience required for senior managers in local government is 5 years, (Notice 348:2015). It can be concluded that all senior managers meet the minimum requirements of years of experience in local government.

The research indicates that the age distribution for senior managers at Polokwane Municipality ranges from 35 years to 60 years. The majority which represents 57% are with the age range of 40 years to 48 years. It can be concluded that the age range of senior management is consistent with their experience in the local government. The retirement age according to the municipal employees pension fund is 65 years (www.mepf.co.za), therefore it can be concluded that 86% of all senior managers based on their age still has more than 20 years to work until their retirement age. Only one (1) senior manager is left with no less than 5 years to retirement age.

Perceptions of senior managers at Polokwane Municipality on the introduction of the Upper Limits Policy for the remuneration of senior managers

The majority of the respondents (5) which represents 71% indicated that they have learned about the introduction of the Upper Limits Policy for the remuneration of senior managers in local government from outside the municipality. The respondents mentioned presentations on the Upper Limits Policy by the South African Local Government Association (SALGA), presentations by the National Department of Cooperative Governance and Traditional Affairs and reading about the Upper Limits Policy on the internet. Only two (2) respondents which represent 29% of the total

respondents stated that a report was presented in council by the municipal department of Corporate and Shared Services. It can be concluded from the 71% of the respondents that the policy was not properly introduced to the senior managers at Polokwane Municipality. A report was presented to council where senior managers are part of but only two (2) respondents became aware of the policy.

Three (3) respondents which represent 47% gave similarly responses on their understanding of the Upper Limits Policy. The remaining four (4) respondents which represent 57% each gave a differing understanding of the Upper Limits Policy. It can be concluded that the responses provided by respondents indicates that Upper Limits Policy which affects them was not well communicated at Polokwane Municipality. Notice No. 348 of 2015 issued by the Cooperative Governance and Traditional Affairs, which determines the Upper Limits for the remuneration of senior managers in local government states that the aim is to attract, retain and motivates performing and skilled workforce by offering a remuneration package that satisfies, fairness, equity, consistency, transparency, reasonableness, affordability and practicality including service delivery imperatives.

The majority of the respondents (6) which represents 86% of the total respondents indicated that the policy is not acceptable. According to the respondents the policy fails to recognise the rare skills that senior managers possess and it has lowered the remuneration of senior managers from what they are currently earning. Based on the results of the views expressed by the respondents it can be concluded that the Upper Limits Policy is not acceptable because there is no link between the skills and remuneration. Furthermore, because the policy is perceived to have lowered the remuneration of senior managers from what they are currently earning. A good employee remuneration system needs to be valued by employees, be able to retain employees and to attract new employees (Nel *et al* 2011:231). The Upper Limits Policy is not valued by senior managers of Polokwane Municipality and is not a good remuneration system.

The Upper Limits Policy will bring positive changes to the recruitment process in that the remuneration of senior managers will be stated in the job advertisement. On the contrary, the policy will negatively affect the recruitment and retention of senior managers at Polokwane municipality if the remuneration as proposed by the policy is lower than what senior managers are currently earning. According to Nel *et al* (2011:231) a remuneration system needs to be beneficial to the employees of the organisations. Any changes to the remuneration must bring positive outcomes to the employees of the organisation. The changes brought about the Upper Limits Policy are viewed negatively by all the senior managers of Polokwane Municipality.

Five (5) respondents which represent 71% stated that the introduction of the upper limits policy is a negative development. While two (2) respondents which represents 29% sees the introduction of the upper limits policy as a positive development because of the job security and the disclosure of remuneration packages when senior positions are advertised. It can be concluded based on the responses that 71% of the current Polokwane Municipality's senior managers will not apply for senior managers' positions if the Upper Limits Policy sets their remuneration lower than what they are currently earning. Any remuneration that will be lower than what they are earning will discourage them from applying for senior management positions.

The research respondents 71% states that the most anticipated worrisome challenge associated with the Upper Limits Policy is the low salary scales, while 29% indicates that there will be challenges with skills, experience and retention. According to Swanepoel, Erasmus & Schenk, (2008:478), the objective of remuneration system should attract, retain and motivate employees. It can be concluded based on the research responses that the skills level of senior managers will be affected by the implementation of the Upper Limits Policy. The Upper Limits Policy will not attract, retain and motivate senior managers of Polokwane Municipality.

All the senior managers 100% of all respondents are not satisfied with the introduction of the Upper Limits Policy at Polokwane Municipality. The respondents indicate that

best candidates for senior position will be discouraged to apply for positions due to low salaries. This will result in the municipality losing experienced senior managers. Operational managers will earn more than senior managers. The Upper Limits Policy for the remuneration of senior management in local government is applicable to all municipalities including Polokwane Municipality. The municipality is required to implement the policy, however a conclusion can be drawn that the policy will have a negative effect on the recruitment of senior managers and their retention based on the research responses.

All respondents in the study responded negatively on how the policy might effect that the policy might have on the recruitment of senior managers at Polokwane Municipality. According to Gerthart *et al*: (1994:95-04) organisational employee remuneration influences an organisations ability to compete for employees in the open labour market. The conclusion from the responses is that remuneration plays a key role in attracting potential employees who are qualified and experienced. Senior managers equate remuneration to qualifications, skills and experience. Remuneration remains one of the key employee motivators; employees will always consider organisations that are remunerating their employees well.

All respondents 100% indicated that they don't accept the Upper Limits Policy at Polokwane Municipality. One (1) of the respondents stated that the Policy has not be tested in the municipality to determine its acceptability. The conclusion that can be drawn is that all senior managers at Polokwane Municipality rejects the Policy, however the policy is applicable to the municipality. The policy is likely to be resisted by senior managers when it gets implemented.

The majority of the research respondents 90% provided a negative response on the positive implementation of the Upper Limits Policy for senior managers in local government, while 10% of the respondents indicated that it will have positive developments. Boshof (2000:54) states that individuals are always striving to satisfy their certain needs. In this case senior managers at Polokwane Municipality are striving

to have a remuneration policy that satisfy their needs and remuneration that is has been introduced does not satisfy their needs because it has proposed low salary scales. The same conclusion can be drawn that the introduction of the Upper Limits Policy is a negative development and the policy is not welcomed in the municipality.

All the research respondents (100%) indicated that the introduction of the Upper Limits Policy for the remuneration of senior managers will not achieve remuneration uniformity. The respondents stated that the main factor in determining remuneration in local government should be linked to skills, qualifications and experience. Perego, (2011:1) in the survey conducted in US municipal council found that remuneration in US is influenced by municipal size, scope of responsibility, portfolio of services and geographical location of municipalities. The Upper Limits Policy determines the remuneration of senior managers using size, revenue and total population. The observation is almost similarly to the US case. The senior managers of Polokwane Municipality are not in favour of the criteria used to determine remuneration. According to them, skills, experience and qualifications should be mainly criteria. The criteria that is stated by the senior managers of Polokwane Municipality might not be affordable to smaller municipalities given their low revenue base. In Zimbabwe the ratio used for determining municipal employee remuneration is 60:40 (Corporate Governance and Remuneration Policy Framework for Chief Executive Officers of Parastatals, State Enterprises and Local Authorities (2014). The states that 60% of the budget should be dedicated to service delivery and 40% should be dedicated to employee remunerations.

Only two (2) respondents which represents 29% provided additional information on the Upper Limits Policy for the remuneration. One (1) stated that municipalities in Limpopo Province are struggling to fill vacant senior manager's positions because of the low remuneration introduced by the policy. The respondent did not provide any scientific proof to support the assertion made on the challenges of filling vacant positions in Limpopo Province. One (1) stated that the Upper Limits Policy needs to categorise skills and determine incentives in line with the skills acquired. The two (2) respondent's additional information is consistent with the responses provided on the other interview

questions. A conclusion can be drawn that the Upper Limits Policy is associated with the negative developments in local government recruitment challenges.

4.4 CONCLUSION

The chapter provided the information on the perception of senior managers of Polokwane Municipality on the introduction of the Upper Limits Policy for the remuneration of senior managers in local government. It is evident from the senior managers' responses during the research conducted that the Upper Limits Policy for the remuneration of senior managers in local government was formally introduced by a council decision through report that was presented to council by the Corporate and Shared Services Directorate of the municipality. However, 79% senior managers have learned about the Policy through different interactions that they had ranging from presentations from South African Local Government Association (SALGA) to presentations done by officials from the Cooperative Governance and Traditional Affairs Department.

The research data indicated the Upper Limits Policy for the remuneration of senior managers in local government is perceived negatively and it is not accepted by all the senior managers of Polokwane. The Policy is perceived to be proposing low salaries for senior managers than what senior managers are currently earning and have a negative effect on retention of senior managers and recruitment senior managers.

The interpretation and analysis of the research data presented indicates that senior managers of Polokwane Municipality are not positive about the introduction of the Upper Limits Policy for the remuneration of senior managers. The policy is viewed as a negative development in the local government sector and it will have negative effect on senior manager's retention, recruitment and experience. The conclusion that can be drawn from the research data is that the policy is not welcomed at Polokwane

Municipality. The following chapter discussed the summary of findings, provides the research recommendations and the closing remarks. Furthermore, the summary of all the research chapters were provided.

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

The aim of the research was to examine the perception of senior managers at Polokwane Municipality on the introduction of Upper Limits Policy for the remuneration of senior managers in local government. The study objective was to ascertain whether senior managers at Polokwane Municipality accept the introduction of the Upper Limits Policy for the remuneration of senior managers in local government. Furthermore, to establish whether implementation of the Upper Limits Policy was seen as a positive development and effective instrument for bringing uniformity in the remuneration of senior managers. Firstly, the chapter provides a brief summary of the four chapters of the research. Secondly, the chapter discusses the summary of the research findings based on the data presented and analysed in chapter four. Furthermore, the chapter provides research conclusions and recommendations that the research has drawn from conducting the research.

5.2 BRIEF DISCUSSIONS OF THE CHAPTERS

The purpose of this section is to summarise the research that was conducted. The summary includes the purpose of the study as outlined in chapter one. Secondly, the literature reviews, as outlined in chapter two of the study. Thirdly, the research methodology that was used and lastly the data presentation and research findings as outlined in chapter three and four.

Chapter one introduced the research study by first providing the background of the study and the research problem. Secondly, the chapter discussed the need for the study

to be undertaken. The study might assist policy makers particularly those from Polokwane Municipality on the challenges that might be encountered on the implementation of the Upper Limits Policy for the remuneration of senior managers. Thirdly, the chapter identified the two objectives of the study which is the determination of the acceptance of the Upper Limits Policy by senior managers of Polokwane Municipality and the second objective was to ascertain whether senior managers of Polokwane Municipality see the implementation of the Upper Limits Policy as a positive and effective development on addressing lack of remuneration in local government. The study was undertaken at Polokwane Municipality's Civic Centre Offices in Polokwane and all nine (9) senior managers were targeted.

Chapter two discussed the literature review. The main aim of literature review in research is to determine whether the research question that is being asked has not been answered by other researchers. Furthermore, literature review provides a theoretical basis that the study needs to be located within and provides scholarly writings by other researchers on the subject that is being researched and the gap that might exist. The chapter analysed remuneration practices globally, the African continent and in the South African context. The link between remuneration and organisational performance was also analysed as well as the role of remuneration in employee retention and recruitment. The chapter found that remuneration is one of the most important motivational factors for employees and that it affects organisational recruitment of skilled, experienced employees and employee retention.

Chapter three discussed the research design for the study. Firstly, the chapter discussed research methodology and its importance as a plan that allows the researcher to answer the research question. A qualitative research design was chosen as the suitable method for studying the research question in that it allowed the research respondents to describe their perceptions of the Upper Limits Policy. It also allowed the researcher to explore and probe the responses that the respondents gave during the research. Secondly, the chapter discussed the qualitative research instrument that was used to collect data and semi-structured interviews were used to collect data. Lastly the

chapter discussed the data sampling and how data was analysed. Content analysis was used to analyse the data.

Chapter four presented and analysed the collected data. The collected data was divided into two sections, biographical information and research data on senior manager's perceptions of the Upper Limits Policy for the remuneration of senior managers at Polokwane Municipality. Secondly the chapter provided an analysis of the collected data and research findings.

5.3 SUMMARY OF THE FINDINGS

The research investigated the perceptions of senior managers of Polokwane Municipality on the introduction of the Upper Limits Policy. The aim of the study was to ascertain how senior managers in Polokwane Municipality have received the implementation of the Upper Limits Policy. The research posed two questions that had to be answered, firstly to understand the acceptability of the Upper Limits Policy by senior managers of Polokwane Municipality. Secondly, to establish whether senior managers of Polokwane Municipality sees the implementation of the Upper Limits Policy as a positive development in local government remuneration uniformity. The research findings are aimed at answering the two research question.

The research revealed that all senior managers of Polokwane Municipality have the necessary qualifications to be at their current positions. The senior managers met the minimum qualifications for their positions. The majority of senior managers interviewed were at salary range R90 000. 00 to R100 000.00 with only two (2) senior managers at salary rate of R60 000. 00 to R70 000.00. The average age of senior managers at Polokwane Municipality is above 40, with the majority being between the ages of 40 to 48 years. The senior managers of Polokwane Municipality can still work for the coming

20 years based on their age versus the retirement age of 65 years in local government sector.

The Upper Limits Policy has been formally introduced in the municipality through a report that was presented to council; however the majority (57%) of senior managers became aware of the Policy outside the municipality. This has an effect on the buy-in of the Policy by senior managers. Any new Policy that affects employees needs to be properly introduced particularly to the people who are going to be affected by the changes that the policy introduces. This can be done through presentations of the policy, open discussions and workshops.

The Upper Limits Policy was not properly introduced at Polokwane Municipality and as such the Policy is perceived negatively by all the senior managers and the policy is not welcomed by (100%) all senior managers.

The review of the Upper Limits Policy and the provisions that it makes on the remuneration of senior managers for Polokwane Municipality indicates that the remuneration of senior managers will be higher than the current remuneration. However, senior managers of Polokwane Municipality perceived that the Policy has lowered their remuneration and as such, the municipality will struggle to recruit senior managers and to fill vacant senior manager's positions.

Senior managers' feels that the policy will have a negative effect on the recruitment of senior managers and that Polokwane Municipality will struggle to attract skilled, qualified and experienced senior managers because of the low remuneration that the Upper Limits Policy has introduced.

Senior managers of Polokwane Municipality are not satisfied with the introduction of the Upper Limits Policy. They perceive that the policy will discourage senior managers for applying vacant senior manager's positions. The Upper Limits Policy is compulsory to all municipalities in the country and Polokwane Municipality is no exception, however

the policy will have a perceived negative effect on the future recruitment of senior managers.

5.4 CONCLUSIONS

The Department of Cooperative Governance and Traditional Affairs in South Africa introduced the Upper Limits Policy for the remuneration of senior managers in local government in 2014. The Policy is applicable to all the municipalities in South Africa and new appointments of senior managers in local government from 2014 henceforth will be remunerated according to the policy. According to the Department, the aim of the Upper Limits Policy aims to attract, retain and motivates performing and skilled workforce by offering a remuneration package that satisfies, fairness, equity, consistency, transparency, reasonableness, affordability and practicality including service delivery imperatives.

The Upper Limits Policy was formally introduced to Polokwane Municipality by the Department of Corporate and Shared Services through a council report. Senior managers at Polokwane Municipality are part of council and it is compulsory for them to attend council meeting. Reports that are submitted and presented to council are processed by senior managers and the reports are discussed in the executive management meeting where all senior managers form part. The senior managers of Polokwane Municipality, 57% became aware of the Upper Limits Policy outside the municipality, which is not a normal situation.

The introduction of the Upper Limits Policy was not regarded as a major development in the remuneration of the senior managers by senior managers of Polokwane Municipality and the implications of the policy was not properly considered. Any introduction of a new policy will bring about changes on the status quo of how things are done. It is

important for any new policy to be formally introduced and its purpose and aim to be clearly communicated especially to the people who are going to be affected by it.

The introduction of the Upper Limits Policy was not treated as an important development by the senior managers of Polokwane Municipality. Based on the research findings, the purpose of the Upper Limits Policy was not clearly communicated to senior managers of Polokwane Municipality. As a result, the policy was perceived negatively and it was not welcomed. The policy was associated with low remuneration of senior managers and the anticipated problems of senior management recruitment, retention, loss of skills and experience by Polokwane Municipality. The Policy deals with remuneration affordability and the balance of ensuring that budgets of municipalities are biased towards their core business which service delivery as opposed to employee remuneration.

5.5 RECOMMENDATIONS

The research investigated the perceptions of senior managers of Polokwane Municipality on the introduction of the upper limits Policy for the remuneration of senior managers. The research findings have indicated that senior managers of Polokwane Municipality perceive the Upper Limits Policy negatively and the Policy is not acceptable. The following recommendations are made to change the perception of senior managers of Polokwane Municipality on the introduction of the Upper Limits Policy:

5.5.1 Introduction of the Upper Limits Policy

The introduction of the Upper Limits Policy for the remuneration of senior managers in Polokwane Municipality was perceived as a negative development and the policy was

not accepted by the senior managers. However, the Policy is compulsory to all municipalities in South Africa including Polokwane Municipality. To the change the negative perception of the Upper Limits Policy, the researcher recommends that, Polokwane Municipality needs to consider having a workshop of senior managers about the Upper Limits Policy. The Department of Cooperative Governance and Traditional Affairs and South African Local Government Association (SALGA) should be invited to facilitate and make presentation on the purpose of the policy. Further to address the concerns raised to recruitment, retention and loss of skills.

5.5.2 The acceptance of the Upper Limits Policy by senior managers of Polokwane Municipality

The Department of Cooperative Governance and Traditional Affairs and the Limpopo Provincial Department of Cooperative, Human Settlements and Traditional Affairs needs to be invited to Polokwane Municipality to explain the Upper Limits Policy. The formula that is used to determine the remuneration of senior managers according to the Policy needs to be also explained.

5.5.3 Senior managers recruitment after implementation of the Policy

The main purpose of the policy as stated by the Department of Cooperative Governance and Traditional Affairs is to retain and motivates performing and skilled workforce by offering a remuneration package that satisfies, fairness, equity, consistency, transparency, reasonableness, affordability and practicality including service delivery imperatives. The Upper Limits Policy has provision for remuneration to be granted outside the stipulated remuneration. Polokwane Municipality needs to inform the senior managers that in situations where the policy has stipulated or proposed lower remuneration, a waiver process that must be approved by the Member of the Executive Committee in Limpopo and the Minister responsible for Local Government can be

utilised to make sure that the remuneration of a senior manager is in line with the skills, qualifications and experience.

5.5.4 Research the impact of the Upper Limits Policy on the recruitment of senior managers at Polokwane Municipality

Currently there is no available information on how the Upper Limits Policy will impact the recruitment and retention of senior managers at Polokwane Municipality. The municipality needs to consider a research study that will focus on the impact of the implementation of the Upper Limits Policy after five (5) years of the Policy being implemented. The study will assist the municipality in understanding whether the Policy is positively or negatively affecting the recruitment and retention of senior managers. This information will be helpful to the Polokwane Municipality's policy makers and to the Department of Cooperative Governance and Traditional Affairs on whether to review the policy or not. The research studied the perception of senior managers at Polokwane Municipality on the introduction of the Upper Limits Policy for the remuneration of senior managers. The research had two objectives to answer, which was the determination of the acceptance of the Policy and to ascertain whether the introduction of the policy was seen as a positive and effective development in addressing remuneration uniformity in local government. The research findings revealed the negative perceptions and non-acceptability of the policy by the senior managers of Polokwane Municipality. The respondents perceived that the policy will have negative effects on senior management recruitment, retention of senior managers, loss of skills, loss of experience and that it introduces low remuneration for senior managers. Future research needs to be undertaken particularly on the "Impact of the Implementation of Upper Limits Policy for remuneration of senior managers in local government". The research findings might be helpful to policy makers in reviewing the policy to mitigate against possible negative effects of the policy and to reinforce implementation on the case of positive outcomes.

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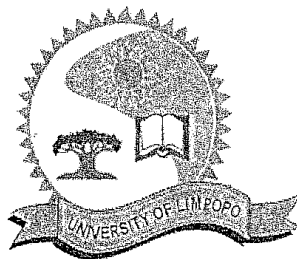
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Tel: (015) 268 4179, Email: sebanki.moeketsi@ul.ac.za

To : To Whom It May Concern
From : Pauline Moeketsi
MPA: Programme Assistant
Date : 08/03/2016
Subject: Permission Letter to Collect Data

Dear Sir/Madam

This is to confirm that Mr. Mthombeni V (201429550) is a registered Public Administration Masters student with the Turfloop Graduate School of Leadership needs to collect data as part of the requirement to complete his mini-dissertation. The topic of his research is "The Perceptions of Senior Managers on the Upper Limits Policy for the Remuneration of Senior Managers at Polokwane Municipality, Limpopo Province". We therefore request permission from your institution for him to collect data.

Hope you will find this well.

Best Regards
Pauline Moeketsi
Pauline Moeketsi

SUBJECT: Report to Conduct Research For Mr. Mthombeni V
 # _____

SECTION A: SUBMISSION BY SBU MANAGER
 SBU: HR Training NAME (AUTHOR): P. Mello
 SIGNATURE / SBU MANAGER: [Signature] DATE: 16/03/2016

SECTION B: AUTHORISATION / SUBMISSION BY
 DIRECTORATE: _____
 SIGNATURE / DIRECTOR: [Signature] DATE: 21/03/18

SECTION C: COMMENTS REQUIRED FROM: [TICK IN APPLICABLE BLOCK]

DIRECTOR: ENGINEERING SERVICES	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____
DIRECTOR: DEVELOPMENT & ECON. PLAN	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____
DIRECTOR: COMMUNITY SERVICES	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____
DIRECTOR: CORP AND SHARED SERV.	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____
CHIEF FINANCIAL OFFICER	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____
DIRECTOR: COMMUNITY DEVELOPMENT	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____
DIRECTOR: STRAT PLAN. MONITOR & EVAL.	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____
MAN: COMMUNICATION & PUBLIC PART.	<input type="checkbox"/>	SIGNATURE: _____	DATE: _____

SECTION D: SECRETARIAT & ADMINISTRATION
 REG. NO: _____ REG. DATE: _____ COMMITTEE CLERK: _____

SECTION E: MUNICIPAL MANAGER
 APPROVED FOR SUBMISSION: [Signature] DATE: 21/03/18
 REMARKS: Approved

ALLOCATION TO SPECIFIC COMMITTEES

FINANCE & LED.	ENERGY	HOUSING	CULTURE, SPORTS, REC. & SPEC. FOCUS	ADMIN & GOV.
WATER & SANITATION	COMMUNITY SAFETY	ROADS, SWATER & TRANSPORT	WASTE & ENVIRON.	SPATIAL PLAN & DEV
LAND USE MAN.	LOCAL LABOUR FORUM	COUNCIL	MAYORAL COMMITTEE	

APPROVED ITO DELEGATED POWERS: _____ DATE: _____
 MM/ NUMBER ALLOCATED BY CAO – SECRETARIAT _____ MM/ _____

APPROVAL OF EXECUTIVE MAYOR IN TERMS OF DELIGATED POWERS

APPROVED ITO DELEGATED POWERS: _____ DATE: _____
 EM/ NUMBER ALLOCATED BY CAO – SECRETARIAT _____ EM/ _____

515557
MS. P Mello (16/03/2016)

DIRECTORATE: CORPORATE AND SHARED SERVICES

ITEM:

FILE REF:

REQUEST TO GRANT MR. V. MTHOMBENI PERMISSION TO CONDUCT HIS RESEARCH WITHIN POLOKWANE MUNICIPALITY

Report of the Acting Director: Corporate Services and Shared Services

Purpose of the Report

To request approval from the Acting Municipal Manager to give permission to Mr. Mthombeni V to conduct research within Polokwane Municipality.

Background and Discussion

Mr. Mthombeni V is a student at University of Limpopo studying Public Administration Masters request a permission to conduct his research within the Municipality and his topic of research is: "The Perceptions of Senior Managers on the Upper Limits Policy for the Remuneration of Senior Managers at Polokwane Municipality, Limpopo Province".

The study will assist Polokwane Municipality in:

In view of the potential contribution of this research to the advancement of ethical leadership practices in municipalities in general, and the theoretical contribution to the field of Public Administration.

Financial Implication

There is no financial implication

Recommend

1. That approval be granted for Mr. Mthombeni V to conduct his research within Polokwane Municipality.
2. That the findings emanating from the research study be shared with the Municipality before they are published.

ANNEXURE: C

SEMI-STRUCTURED INTERVIEW PLAN

THE PERCEPTIONS OF SENIOR MANAGERS ON THE UPPER LIMITS POLICY FOR THE REMUNERATION OF SENIOR MANAGERS AT POLOKWANE MUNICIPALITY, LIMPOPO PROVINCE.

The aim of the study is to understand how senior managers in Polokwane Municipality have received the implementation of the Upper Limits Policy.

Dear Sir/Madam

You are requested to respond to all questions honestly and objectively. Your objective responses are vital for answering the research question and for ensuring the reliability for the research conclusion. Respondent's personal information will be treated confidentially and no personal information will be disclosed. The researcher undertakes to make the research findings of the research study public.

A. Biographical Information: Put an "X" where appropriate.

1. What senior position do you hold at Polokwane Municipality?

SBU Manager	SBU Assistant Manager	Head of Department (Director)	Other (Specify: please write)
01	02	03	04

2. Educational level

Matriculation	National Diploma	Junior Degree	Postgraduate Degree	Masters Degree	Other (Specify: please write)
01	02	03	04	05	06

3. Do you have any formal training for the position you are holding?

Yes	No
01	02

4. Current Gross income level p/m in Rands

R10 000 – R20 000	R30 00 – R40 000	R50 000 – R60 000	R70 000- R80 000	R90 000- R100 000
01	02	03	04	05

5. Years of Senior Management Experience in Local Government

1-3 Years	3 – 5 years	5 – 8 Years	8 – 10 Years	10 Years and more
01	02	03	04	05

Age

B. Perceptions of senior managers at Polokwane Municipality on the introduction of the Upper Limits Policy for remuneration of senior managers

6. How did you learn about the Upper Limits Policy for the remuneration of senior manager's policy in local government?

7. What is your understanding of the Upper Limits policy for the remuneration of senior managers?

8. How acceptable is the Upper Limits Policy for the remuneration of senior managers in local government according to your knowledge?

9. What changes do you think the Upper Limits Policy on Remuneration of senior managers will have on the appointment and recruitment of new senior managers?

10. In your opinion, is the introduction of the Upper Limits Policy for the remuneration of senior managers in local government a positive or negative development in the local government remuneration developments?

11. In your opinion, what are the most worrisome problems do you anticipate the Upper Limits Policy for the remuneration of senior managers in local government might have compared to the previous remuneration approaches of senior managers in local government?

12. Generally speaking, are senior managers at Polokwane Municipality satisfied with the introduction of the Upper Limits for the remuneration of senior managers?

Yes	No
01	02

If the answer to the above question is NO, what are the anticipated problems that you have heard about the Upper Limits Policy for the remuneration of senior managers at Polokwane Municipality?

13. How do you think the introduction of the Upper Limits policy for the remuneration of senior managers at Polokwane Municipality will affect the recruitment?

14. What is the extent of the acceptance of the Upper Limits Policy by senior managers in Polokwane Municipality according to your knowledge?

15. Do you see the implementation of the Upper Limits Policy for the remuneration of senior managers in local government as a positive development in the local government sector remuneration practices?

Yes	No
01	02

Explain

16. The introduction of the Upper Limits Policy addresses the problem of lack of uniformity on the remuneration of senior managers in local government, what is your view on remuneration uniformity across all municipalities in South Africa?

17. Any other information with regard to Upper Limits Policy for the remuneration of senior managers at Polokwane Municipality that we have not discussed and that you find worrisome or want to discuss?

Telefax: 0152683174
Cell: 0822198060
Rammalaj@ul.ac.za

Dr J R Rammala
440B Mankweng
Box 4019
Sovenga
0727

To whom it may concern

30 August 2016

Confirmation letter: Mthombeni V

This memo serves to confirm that I edited a dissertation by the above-mentioned candidate entitled: Perceptions of senior managers on the upper limits policy in the Polokwane Municipality, Limpopo Province.

In the process I looked at editing on language and technical issues as stated by our Research Development Manual for postgraduate Research. The first document send is marked with track changes indicating what I changed and what I suggested should be changed. I then accepted the track changes on the second document which I send as well.

I confirm that the document is now readable and clean with regard to language issues and recommend that it can be submitted for assessment.

Thanks

DR J R Rammala

