

Implications of Performance Management System on Service Delivery in the South African Post Office: A Case of the North East Region

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Abstract: This article argues that mail volumes and drop-in profit margins is becoming a challenge in the world and the South African Post Office in particular. In South Africa, statistics conclusively shows that the postal service is continuously operating at a loss and in 2014 it operated on an overdraft of R250 Million and has recorded a net loss of more than R361 Million. For the South African Post Office to survive this state of paralysis, it must develop strategies which will ameliorate this downward trend and one strategy to be employed is effective implementation of Performance Management System. This paper is therefore based on the study that was conducted in the South African Post office, North East Region. The primary objective of the study was to determine the implications of Performance Management System on the service delivery in the South African Post Office, North East region. The study was to culminate in recommending measures which can be adopted to improve service delivery and deal with declining profit margins trajectory from the public administration point of view. The research method employed in the study was of both qualitative and quantitative approach. In this article, the majority of the respondents strongly disagreed that employees were rewarded for good performance. The study recommends that SAPO should create stakeholder engagement forums wherein the relevant critical performance issues can be discussed. This paper concludes by providing specific suggestions towards improving Performance Management System in the South African Post Office, in the North East Region.

Keywords: Mail volumes, Net loss, Performance Management Systems and Service delivery, Profit margins

1. Introduction

Public Administration as a scientific discipline is concerned with the major goals of the society and with the development of resources for achieving those goals within the context of a rapidly changing political environment (Fox & Meyer, 1996:105; Hughes; 2003:7; Henry, 2010:3; Stillman II, 2010:1). As a practice, public administration can be regarded as an activity done by officials within the spectrum of government institutions to enable different government institutions to achieve their objectives (Heady, 2001:1; Du Toit & Van Der Waldt, 2008:9-10; Henry, 2010:3). In this context, public administration is regarded as the executive branch of the government; civil service as well as bureaucracy charged with the formulation, implementation, evaluation and modification of government policy (Fox & Meyer, 1996:105; Fox, Bayat & Ferreira, 2006:104; May, 2012:279). It is on this basis that citizens, as members of the society press governments to make services available as needed and some of these services required are on a twenty-four-hour basis daily. In response to this, the government is forced to respond with speed and agility to those

demands and challenges (Wessels & Pauw, 1999:27; Rosenbloom, Kravchuk & Clerkin, 2009:36). It can therefore be inferred that for service delivery to be realized, there should to be a rigorous adherence to reliable performance management in all public and private institutions including the South African Post Office.

South Africa made a historic transition from apartheid rule government to a new democratic dispensation (Schutte, Schwella & FitzGerald, 1995:4; Maila, 2006:2; Mamabolo, 2013:12). Post-1994, coupled with democratic elections, the era brought an enormous challenge on transformation which includes a change in the public administration system. In terms of section 195(1) of the *Constitution of the Republic of South Africa* 1996, public administration must be governed by the democratic values and principles enshrined in the Constitution. Section 195(2) of the Constitution provides that such principles are to apply to administration in every sphere of government, organ of state and public enterprise. Through such Constitutional provisions, all government institutions and State-Owned Enterprises (SOEs) are mandated to put service delivery first

and to respond positively to the needs of the public. Similarly, the White Paper on Transforming Public Service Delivery of 1997, seeks to commit public servants to adopt more efficient and customer-focused working practices in responding to public needs (Department of Public Service and Administration (DPSA), 1997:25-26). According to Maila (2006:26), the White Paper on Transforming Public Service Delivery of 1997 lays down the norms to ensure that the eight principles of Batho Pele are put into practice as an attempt to improve service delivery by the democratic government. The vigorous adoption of these principles is intended to hold public officials to account and respond to the needs of the people. These principles lay the ground for the implementation of performance management in government institutions including SOEs. It is therefore on that basis that the Post Office as a SOE is also required to adhere to good service delivery practices as provided for through the above mentioned policy intentions. Although Performance Management System is in place in the South African Post Office, the Post Office management saw it necessary to develop a Performance Management Manual which was issued in 2014 to capacitate employees to deal with performance management issues effectively in the company. In terms of section 2(a) of the South African Post Office SOC Ltd Act 22 of 2011, the Post Office should ensure the provision of a wide range of postal services in the interest of the economic growth and the development of the Republic; encourage the development of human resources and capacity-building within the postal industry and to ensure the provision of universal, accessible, reliable, and affordable postal services.

For the Post Office to respond well to service delivery needs, it had to introduce Performance Management System to achieve its service delivery goals. Section 6(1) of the South African Post Office State SOC Ltd Act 22 of 2011 points out that the Post Office must annually by a date determined by the Minister responsible conclude a performance agreement with such Minister in terms of which performance of the functions of the Post Office will be measured for the following year. To ensure that such is operationalised, section 6(2)(b) of the same Act directs that the Post Office must provide copies of such performance agreement to the Minister. The legislation as mentioned further emphasises the significance of performance management within the postal industry and provides the basis of the

application thereof. In this regard, the South Africa Post Office put in place a performance management policy in 2006 that was eventually revised in 2008. Such performance management policy is meant to ensure that among others; individual and business unit performance are monitored, measured and evaluated (SAPO, 2008:3).

The South African Post Office (SAPO) as a business entity and a component of the South African public administration systems is presently experiencing challenges in ushering a competent strategy on service delivery to its customers. The declining mail volumes and profit margins have become an anathema to the industry. It has experienced the decline of 4.3% in mail volumes during 2013, with revenue below budget by 0.3% compared to 2013 (SAPO, 2014b: 56). Furthermore, the entity had incurred a total fruitless and wasteful expenditure for the year 2014 amounting to R41,197 million (2013: R39,132 Million) and the total irregular expenditure for the year 2014 amounting to R71,012 million (2013: R45,653 Million) (SAPO, 2014c:100).

Despite efforts made by the South African Post Office to improve service delivery, the institution continuously experiences a huge decline of physical and online mail, as well as a drop in profit margins (SAPO, 2014c:8). Speckman (2013:1) affirms that mail volumes are very low and profit margins continue to drop. This could eventually lead to the paralysis of the Post Office. It is in this context that questions are raised as to whether SAPO has been able to manage its performance over the time to can achieve its service delivery objectives. It is therefore the intention of this article to determine the implications of performance management in SAPO in order to establish the extent to which such have a bearing within the organisation towards achieving its service delivery goals. The problem is premised on the ideal that Performance Management System enhances organisational efficiency, effectiveness and accountability in the use of resources in accelerating access to quality services and a better life for all.

2. Goal-Setting Theory: Conceptual Framework for Performance Management

This study was motivated by the Goal-Setting Theory which was in existence for some time and various authors have written a lot about it. Among those are authors like Earley, Northcraft, Lee &

Lituchy (1990); Brown & Latham (2000); Denhardt & Denhardt (2009); Locke & Latham (2009); Ikefuma & Chidi, (2012). Goal-Setting Theory is premised on the understanding that goals direct the behaviour of individuals. According to Newstrom & Davis (1993:139), goals help focus employee's attention on items of greater importance to the organisation, encourage better planning for the allocation of critical resources (time, money, and energy), and stimulate the preparation of action plans for goal attainment (see also Sorrentino (2007); Miles & Clenney (2012). In the same vein, Landers, Bauer & Callan (2015:509) affirm that goals provide the individual a measure for "excellent" performance against his or her own performance. Latham in Chong & Wing (2007:3) claim that goals have a motivating effect on an individual's performance because they raises his or her aspiration levels to perform better (see also Latham (2016); Locke & Latham (2006); Latham, Borgoni & Petita (2008); Latham (2004). By implications, this means that individuals can regulate and alter their behaviour to suit strategies in place to achieve a goal. Undesirable and inhibiting factors that disturb attainment of goals should be removed and be replaced by strategies that encourage goal achievement. It further means that goals influence performance and commit the employee to endeavour to reach specific goals.

The words "goal-setting" are self-explanatory which means one outline the goals he/she intends to achieve. In an organisational context, goal-setting are targets and objectives for future performance and help focus employees' attention on items of greater importance to the organisation, encourages better planning for the allocation of critical resources (time, money, and energy), and stimulate the preparation of action plans for goal attainment (Newstrom & Davis, 2002:115-116). This theory had been widely used by institutions around the globe and has a proven record of success in improving employee performance in a variety of settings (Cascio & Aguinis, 2005:403). Goal-setting is founded on the premise that an individual's conscious goal or intentions regulate his or her behaviour (Locke, as cited by Cascio & Aguinis, 2005:403).

3. Elements of Goal-Setting

It is notable that goals stimulate performance and serve as a motivation tool for many employees in the workplace. According to Kreitner & Kinicki (1995:189), goals should be specific and difficult,

yet attainable through persistent effort. Basically, goals tell an employee what needs to be done and how much effort is needed to achieve a goal. For organisations to achieve the desired goals, employees must be made aware of what it is expected from them. Enos (2007:58) points out that goals must be clear and specific, measurable, achievable, realistic, timed and detailed to be accepted by the employees (see also Armstrong, 1994; Luthans, 2008; Robbins, Judge & Roodt, 2009; Femi, 2013). In keeping with the same idea, Johns (1996:210) affirms that goals are motivational when they are specific, challenging and accepted by organisational members. These elements are important in the sense that they define the results which should be delivered by the employees, how they should be delivered, by whom and when? Basically, goals should be achieved within the framework agreed upon by the employer and the employee. Newstrom & Davis (1993:139-140) affirm that goal-setting is most effective when elements such as acceptance, specificity, challenge, monitoring, feedback, and commitment are present.

4. Research Aim

The aim of the study was to investigate the implications of performance management on service delivery in the South African Post Office (SAPO), with particular reference to the North East Region.

5. Literature Review: Fundamental Elements of Performance Management System

Performance Management System is a good tool in managing performance of the employees in the workplace. For it to be effective, performance activities should be aligned with the organisational business strategy and goals in order for employees to perform above acceptable level. Mathis & Jackson (2012:125) explain that performance management process starts by identifying the strategic goals an organisation needs to accomplish to remain competitive and profitable. To remain competitive, managers should align and customise employees' goals to fit into the overall organisational plans. Keeping the same idea, Ivancevich & Konopaske (2013:255) regard performance management as a process by which executives, managers, and supervisors work to align employee performance with organisational goals (see also Martin, 2009:187). To achieve organisational strategic objectives and

goals, employees should be competent and be accountable to activities assigned to them and discharge their responsibilities in an honest and ethical manner. In Public administration, performance management will be effective when the following elements are present:

5.1 Competence

Hoevermeyer, as cited in Grobler *et al.* (2011:560), regard competency as a behaviour, knowledge, skill or capability that describes the expected performance in a particular work context. Competence is knowledge, skills and behavioural attributes required to perform a job to an acceptable standard (Saunders, 2002:37). Noe, as cited by Cascio & Aguinis (2005:54), refers to competence as a cluster of interrelated knowledge, abilities, skills, attitude, or personal characteristics that are presumed to be important for successful performance on a job (see also Armstrong & Baron, 1995; Cascio, 1995; Whiddett & Holyforde, 2003; Garber, 2004; Saunders, Lewis & Thornhill, 2003). The aforesaid definitions focus on skills and knowledge which one needs to possess to perform a particular task. It is important for managers and organisations to impart knowledge and skills to their employees through training and other interventions with the intention of creating a pool of competent employees. Competent employees perform better and become an asset to the company or organisation they are employed in. A good institution is characterised by the quality of employees it possesses. Performance management as a system is therefore a very good tool which employers can use to foster performance in the workplace. It is notable that performance management is a good approach which employers can use to increase performance of their employees in a workplace. It assists in identifying competencies which can be used to the benefit of individuals and the organisation itself.

Panda (2011:276) affirms that performance management approach includes issues such as identification of competencies, gathering information regarding critical issues, new and future performance needs, prioritising improvement measures, setting performance expectations, and aligning employee performance with the organisational goals (see also Armstrong, 2012:90). Competence allows employees to produce a high quality work and execute their functions with distinction. It is notable that employees who are armed with skills, knowledge

and ability tend to be more efficient than employees who lack the necessary skills and competencies of performing a particular function. One could safely say that competence enhances one's integrity, trust as well as ability and therefore; competencies are the sets of skills, knowledge, abilities, behavioral characteristics, and other attributes that predict superior performances (Nel *et al.*, 2004:276). Employees with competence do not wait for managers to come and instruct them to do certain things, they voluntarily and on free will manipulate their environment to have things their way. The element of creativity kicks in when one is skilled and knowledgeable on a particular task.

5.2 Standards

Standards are descriptions of what needs to be achieved in a work activity (Holyfield & Moloney, 1996:11). According to Maddux (2000:26), standards refer to ongoing performance criteria that must be followed continuously. A level of acceptable quality must be prescribed by institutions to bring quality into the work performed. It is notable that resources provided to employees' play an important role for them to meet a certain standard. One has to have the right tools which will assist in achieving a certain standard. Standards should meet certain criteria and requirements which can be measured. Maddux (2009) argues that standards are usually expressed quantitatively, and refer to such things as attendance, breakage, manufacturing tolerances, production rates, and safety standards. In public administration, standards mean criteria used to determine the degree of success in goal accomplishment, organisational measures or requirements to which affected staff must conform (Fox & Meyer, 1996:122). It is important to set the standard which is within the maximum competency, ability and capability of the workforce. If the standard is set too high and beyond the knowledge, competency and the capacity of the employees, the quality of performance will be compromised and service provision will adversely be affected. Employees should be made aware of the level and standard of performance required in order to be effective. A performer must be made aware of the level of what the standard is and understand that it will be used to evaluate performance (Desimone & Werner, 2012:367). Continuous assessment of the set standards by managers is critical in the workplace. Performance management becomes a suitable tool to monitor the required standard and if deviations are identified,

necessary interventions should be made. Makamu & Mello (2014:105) affirm that performance can only be managed when there are set standards which must be guided by or compared to when it comes to the way in which it is performed.

5.3 Public Accountability and Control

In every work situation, employees and managers must be held accountable for their actions and job-related decisions. Accountability is not limited to employers and employees only, legislatures should be held accountable for their decisions as well. One of the foundations of representative democracy is that the legislature, as custodians of public funds, be held accountable by the electorate, and the legislature should ensure that mechanisms and procedures are in place to facilitate public accountability (Visser & Erasmus, 2002:11). Similarly, Klijn & Koppenjan (2016:5) assert that government should set service delivery goals and the delivery of services should best be left for organisations or public agencies that can be held accountable and clear performance indicators should be used. This clearly demonstrates that public accountability is a core element of ensuring that public resources are used effectively and efficiently; and failure to account to your actions can be regarded as poor performance. It should be noted that accountability runs across the entire spectrum and does not take the status and rank of a person into account. Employees should be given the privilege of exercising authority in their functions to accept responsibility and accountability of the end-product. Newstrom & Davis (2002:185) affirm that employees must be empowered by allowing them more control (giving them discretion over job performance) and holding them accountable for outcomes. Accountability cannot be applied in isolation, it should be coupled with an element of control whereby employees are controlling functions assigned to them. Managers should put control mechanisms in place to ensure that subordinates who have been given instructions act within those instructions or powers (Prinsloo & Roos, 2006:95). Accountability and control as components and elements within Performance Management System should not solely be left to managers but to subordinates as well. Everyone must be accountable for the job and decision he/she takes in the workplace. Since performance management entails agreement between the employer and employee, it tacitly endorses the element of accountability of the agreed functions.

Section 2 of the Public Finance Management Act (1999) emphasises the importance of transparency, accountability and sound management of government revenue by public officials. The Act compels every public official to be accountable for his/her actions during public service. Accountability does not come with choice; it is embedded within the responsibilities of the office one holds. In addition, Holzer & Schwester (2016:21) affirm that accountability in the public sector often boils down to dual aspects: accountability for what and accountability to whom? In a narrow sense, public officials report to their superiors and in a broader sense, they are accountable to the citizens of South Africa. Performance Management System can therefore be utilised as a tool that compels public officials to account for their deeds.

6. Implications of Performance Management on Employees, Employers and Organisations

Today in the business fraternity, organisations are facing growing pressure on cost containment, better service provision, and the retention of competent staff members with the sole purpose of advancing organisational goals. Therefore, a well-designed Performance Management System lays the foundation for effective service delivery and motivates employees to perform better. Mello (2015:696) correctly argues that Performance Management System should be aimed at harnessing the potential of public servants and not at demoralising them (see also Tyson, 2006; Swanepoel, Erasmus & Schenk, 2008; Armstrong, 2012). It is in this context that Performance Management system has some implications on employees, employers and organisations.

6.1 Feedback to Employees

Feedback is the extent to which performing a job provides a worker with clear information about his or her effectiveness (George & Jones, 2002:220). Part VIII (D) of chapter 1, of the Public Service Regulation (PSR) of 2001 of the Republic of South Africa states that the employee's supervisor shall inform the employee in writing of the outcome of the assessment and if the employee's performance is unsatisfactory, and of the reasons for the assessment. Performance Management System gives employees feedback on their performance and lets them see their progress in achieving mutually

agreed goals and objectives (Glendinning, 2002:172). Feedback by employers explains the organisation's system and gives opportunities for staff to discuss and question (Tyson, 2006:203). By implications this means that managers should give feedback to employees about performance. Feedback tells an employee what he/she did not achieve and comes with strategies on how to meet organisational objectives. It further provides employees with a formal platform to raise issues of concern to employers. It is through Performance Management System that feedback to employees is made possible. Feedback to employees is given during performance assessment phases within the performance management cycle. Performance review can be used to serve as an important feedback session and it takes place at regular intervals during the performance cycle (see also Denhardt & Denhardt, 2009:292; Swanepoel *et al.*, 2011:285). Ahmad & Bujang (2013:1) affirm that performance management involves the process of giving feedback on employee's performance. Feedback tells management that they have a direct effect on the employee's success or failure (Ford, 2016:172). Maluleke (2012:53) affirms that in performance management process, employers communicate individual roles, responsibilities, expected behaviors, results and standards to ensure effective delivery of required results. This provides regular feedback with regard to employee performance and how it relates to organisational performance. It is in this context that SAPO Performance Management Manual (2014b:40), defines feedback as information about past behavior, delivered in the present, which may influence future behavior.

6.2 Setting and Clarifying Objectives

According to Armstrong cited by Manyaka & Sebola (2012:306) clear goals involves the clarification of what individuals and team members ought to do to support the achievement of organisational goals and objectives. Curristine (2005:146) affirms that performance management clarifies performance expectations for an organisation for a given time period. By implications this means that it is through performance management system that line management gets an opportunity to clarify certain objectives with staff so that they can mutually set right priorities; and align efforts towards achieving departmental and organisational goals. This function of setting and clarifying certain decisions, objectives and goals squarely falls on the shoulders of the employers.

6.3 Retaining Performing Employees

One issue for the Human Resource Management is to develop new approaches and strategies for recruitment and retention of staff (Wilton, 2013:325). Werner, Schuler and Jackson (2012:152) refer to retention as an employer's activities to encourage qualified and productive employees to continue working for the organisation. Retention of staff is necessary because a high level of staff turnover is costly as it involves loss of skills and experience. New staff members need to be trained and this is usually time consuming. Performance management should identify high performing staff members and data be given to management to develop plans and strategies of retaining them. Werner *et al.* (2012:184) affirm that retaining employees is a good way to reduce the need for extensive recruiting and its associated costs. Fischer (1996:16) postulates that performance management benefits line management by forming a productive relationship between staff and management based on mutual trust and understanding. This gives an opportunity to line management to re-prioritise targets, links team and individual objectives with departmental and organisational objectives, clarifies expectations of the contribution the manager expects from teams and individuals and increases job satisfaction and a sense of personal value. When employees feel that the institution values their services, they are unlikely to look for other job opportunities somewhere. It could be argued that the objective of retention activities is to reduce the unwanted voluntary turnover by people the organisation would like to keep in its workforce.

6.4 Protecting the Company Against Lawsuits

When an organisation decides to become an international enterprise, it will be confronted with new and potentially unique standards of legal and ethical conduct (Ivancevich & Konopaske, 2013:111). It is in this context that the law seeks to ensure that employers do not discriminate against particular employees, but ensure that management decisions and actions are applied fairly and consistently across all employees (Martin, 2009:100). Likewise, the South African Post Office inclusive of other postal administrators around the globe should operate within the law as prescribed by various Acts. It is in this context that companies need to have a performance system that satisfies the courts, as well as performance management needs (Mathis & Jackson

(2012:133). Cascio (2003:334) correctly argues that performance management provide legal and formal organisational justification for employment decisions to promote outstanding performers, to weed out marginal or low performers, to train, to transfer, or discipline other, and to justify merit increases (or no increases). By implications this means that issues such as denial of a promotion and transfer to another department can be subject to legal scrutiny and if these factors are legally challenged, the institution must be able to demonstrate that the decision taken was fair and justified.

Performance Management System can assist a firm in the defence of a legal action taken against the company by an employee or former employee for demotions, transfers and terminations (Glenening, 2002:166). If an employee receives what she believes is an unfair performance evaluation, she may be able to challenge the employer-based negligence on the part of the organisation (Aguinis, 2013:282). By implications this means that managers should be adequately trained on performance related matters to avoid potential litigations against the company. Performance issues in the workplace should be performed within the framework and performance records should be secured to protect the company against such litigations.

6.5 Customer Satisfaction

One of the most important assessments a firm can make is identifying the needs of its customers (Blythe, 2008:312; Bohlander & Snell, 2013:48). Identifying customer needs is due to the fact that organisations compete for customers and training workers to be responsive to customer needs is important to all organisations (George & Jones, 2002:21). Palmer (2004:376) posits that the services provided would automatically be adopted by a predetermined group of customers. Keeping the same idea, Mathis & Jackson (2012:5) assert that having managers and employees focus on customers contributes significantly to achieving organisational goals and maintaining competitive advantage. By implications this means that companies and Public Service institutions should be sensitive to customer's needs and their needs should not be taken for granted. It can be argued that attending to customer's needs is not sufficient; organisations should strive to render quality service to customers. The only way that organisations could identify customer needs is through information received

during customer appraisals. Kannan and Aulbur, cited in McGuire (2014:147), stress the importance of relationship with customers and refer to the relationship as customer capital. Customers are key pillars of the organisation and they can build or break the company. Companies should take cognisance that although customers are engaging in business with them, they will always be limited in terms of affordability. Products and services offered should be within the customer's affordability range.

Armstrong & Kotler (1999:133) argue that good products and marketing programs start with a complete understanding of consumer needs in order to produce superior value and satisfaction for customers, The company should require information on competitors, resellers and other actors and forces in the marketplace. Nel & Haycock (2005:253) point out that high customer satisfaction or delight creates an emotional affinity with the brand and this results in customer loyalty (see also Smith, 2003; Brink & Berndt, 2008). Armstrong & Kotler (1999:8) correctly explain that customer delight creates an emotional affinity for a product or service and this creates high customer loyalty.

7. Research Population

Research population is described as the group of interest to the researcher, the group whom the researcher would like to generalise the results of the study on (Fraenkel & Wallen, 2000:104; Sekaran & Bougie, 2009:262; Babbie & Mouton, 2011:100). In this article, the population was the employees of the South African Post Office in the North East Region with the South African Post Office serving as the unit of analysis. By the end of 2017, the North East Region had a staff complement of six hundred and eighteen (618). For this article, the complete set of units of analysis will be the Post Office employees which are managers, tellers and supervisors as well as trade union representatives from different trade unions operating within the South African Post Office.

8. Sampling Size

For this article, purposive sampling and random sampling technique were used in the administration of questionnaires to South African Post Office employees. Sekaran & Bougie (2009: 276) strongly argues that in purposive sampling, sampling should be confined to specific types of people who can

provide the desired information, either because they are the only one who have it or conform to some criteria set by the researcher. Regarding Post Office customers, systematic sampling was used. Systematic sampling design involves drawing every *n*th element in the population starting with a randomly chosen element between 1 and *n* (Sekaran & Bougie, 2009:271).

9. Data Collection

According to Sapsford & Jupp (2006:138) data may be gathered with a variety of data collection methods, and it is imperative that the data collection process be accurately documented as the main source for the researcher's information and as supplement information from other secondary sources. This article used the questionnaire, interview and documents as preferred methods for data collection and the extent of the operationalisation of each method is outlined below:

9.1 Questionnaire

To extract some parts of primary data, the questionnaire method was used. Lancaster (2005:139) defines a questionnaire as a series of questions designed to provide accurate information from members of the sample (see also Hague & Jackson, 1996; Tustin, Lighthelm, Martins & Van Wyk, 2005; Sekaran & Bougie, 2009). The questionnaire was designed within a five-point Likert rating scale to probe the level of agreement or disagreement with a number of statements representing targeted subject areas. In this article, a closed-ended questionnaire was employed by the researcher to solicit information from the respondents. The questionnaire was distributed in physical form rather than being e-mailed. The physical distribution was done to guard against the low response rate from the potential participants.

9.2 Interviews

To probe some aspects in relation to the stated objectives and research questions posed, interviews were conducted with a purposively selected part of the sample. According to Bless & Higson-Smith (2000:104), an interview involves direct personal contact with the participant who is asked to answer questions relating to the research problem. In this article, the researcher carried out a structured interview with the participants. The researcher ensured

that the interview took place in a suitable environment with no or very less distractive interferences. The reason for not interfering was to stimulate the participant to participate fully.

10. Data Analysis

In analysing data for the study, both qualitative and quantitative approaches were applied in line with the design and methodology adopted. According to Lancaster (2005:157) data analysis refers to the process of turning data into information that in turn can serve to develop concepts, theories, explanations or understanding. Regarding the quantitative data generated from the questionnaires, descriptive statistical analysis procedures were used. According to Brink (2006:171), the most powerful tool available to any researcher in analysing quantitative data is statistics. Statistical data methods enable the researcher to summarise, organise, manipulate, evaluate, interpret, and communicate data.

11. Discussion and Analysis of Results

Almost 33.8 percent of the respondents strongly disagreed that Performance Management System is satisfactorily implemented in the South African Post Office. 1.88 percent strongly agreed that Performance Management System is satisfactorily implemented in the South African Post Office, while 18.78 was undecided. It can therefore be inferred from the outcome of the study that employees are not satisfied in the manner and way in which Performance Management System is implemented in the South African Post Office. This poses a challenge to the Post Office management to re-visit their performance management strategies and revive satisfaction level of employees. It should be noted that satisfied employees are more willing to fully participate and contribute positively towards the goals of the organisation and tend to commit to such goals. Lunenburg (2011:3) affirms that participation in the goal-setting process tends to enhance goal commitment. These suggest that Human Capital Management as the custodian of performance management in the Post Office should conduct performance management road shows enlightening employees about performance issues and encourage active participation in the process. Armstrong (2012:57) affirms that human resource contributes to enhancing organisational performance by providing insights on the performance issues affecting the organisation and its employees.

Out of two hundred and twenty-four respondents, the majority of the respondents (34.74 percent) strongly disagreed that Performance Management System is implemented across all SAPO employees. 31.46 percent disagreed. The minority of the respondents (3.76 percent) strongly agreed that Performance Management System is implemented across all SAPO employees, while 20.66 were undecided. It can be inferred from the outcome of the study that more than half of the employees affirmed that not all employees were part of the performance management process in SAPO. This suggest to Human Capital Department (HCD) to ensure that Performance Management System is applicable to all employees in the South African Post Office irrespective of rank or position one holds.

11.1 Rewards

Most of the respondents (40.38 percent) strongly disagreed that employees are rewarded for good performance, while only 37.56 percent disagreed. The minority of the respondents (1.41 percent) strongly agreed that employees are rewarded for good performance, while 11.27 percent was undecided. Almost 77.94 affirmed that good performance is not rewarded. This data paints a very bad picture on part of Post Office management in that management does not recognise good performance and this attitude is detriment to the success of the Post Office. This finding is supported by the non-payment of performance bonuses in the past few financial years. According to Wilton (2013:175), the extent to which an individual is motivated to achieve a objective is related to the extent to which they believe that its achievement will result in desired outcomes or reward. Hellriegel *et al.* (2012:428) correctly argue that by linking performance to rewards that employee's value and paying attention to employee's perceptions of equity, managers can increase employee's performance level.

11.2 Recognition

The respondents (39.44 percent) strongly disagreed that employees are satisfied with the recognition they receive for doing a good job. The minority of the respondents (1.41 percent) strongly agreed that employees are satisfied with recognition they receive for doing a good job. 8.9 percent agree while 13.62 are undecided. Failure to reward good performance informs employees that management

does not recognise good performance. MaCkay (2007:45) affirms that factors such as recognition, responsibility and achievement seem to be related to job satisfaction, therefore it is in this context that the Post Office should recognise good performance so as to motivate, encourage and satisfy their employees.

11.3 Opportunity

Most of the respondents (41.31 percent) disagreed that managers provide opportunity to improve skills in the organisation while 15.96 strongly disagreed. It can therefore be inferred from the outcome of the study that the managers care less in providing employees with opportunity to develop their skills. Managers should prioritise improvement of skills of their employees by offering training and developmental opportunities. The main purpose of training is to develop employee's knowledge and skills that have been defined as necessary for effective performance work (Tyson, 2006:215). It should be noted that skilled employees improve organizational performance and knowledge instill confidence in what a person is performing. Managers should utilise Performance Management System to identify employees who needs development and provide them with opportunity to improve their skills. According to Wilton (2002:220), effective Performance Management System identifies and meets employees development needs (see also Mathis & Jackson, 2012:126). This "care-less" attitude is characterised by a huge decline in profit margins and mail volumes.

11.4 Creation of Forums

Most of the respondents (40.85 percent) disagreed that there are adequate forums to discuss performance issues in the Post Office with stakeholders, while 18.31 percent strongly disagreed. Minority of the respondents' 1.41 percent strongly agreed. One can observe from the collected data that there are no stakeholder engagement forums and structures where performance issues are discussed. McGreor (2015:5) affirms that one of the factors adversely affecting performance in many SOEs is inadequate structures. This suggests that Human Resource Division in conjunction with marketing department establish forums in which stakeholders can use to elicit performance information to the betterment of the South African Post Office.

12. Recommendations

It is against the background above that the following recommendations were made:

12.1 Implementation of an Effective Reward System

One of the reasons for the introduction of Performance Management System is to reward good performance. Emanating from the study, it has been found that employees were not rewarded for good performance. It is recommended that the South African Post Office should revive the trust of its employees by rewarding good performance. Rewarding good performance would resuscitate performance culture of the Post Office employees and instill a positive attitude towards their performance system. One way of rewarding performance is through payment of performance bonuses. Furthermore, SAPO should ensure that performance evaluation is conducted in a fair manner and without biasness. It was reported by the majority of the respondents that performance appraisal score is not a fair reflection of employee performance and this demotivates employees and kills morale.

12.2 Recognition

Emanating from the study, it has been found that most of the respondents (39.44 percent) strongly disagree that employees are satisfied with the recognition they receive for doing a good job, 36.62 disagree. The minority of the respondents (1.41 percent) strongly agree that employees are satisfied with recognition they receive for doing a good job, 8.92 percent agree while 13.62 respondents are undecided. Looking at the data above one will agree that those respondents who disagree/strongly disagree (76.06 percent) outweigh by far those who agree/strongly agree (10.33 percent) and this affirms that employees are dissatisfied with the recognition they receive for doing a good job.

12.3 Stakeholder's Engagement Forums

The article tested that there were no customers' engagement forums in the North East Region of the South African Post Office. It is therefore recommended that customers' engagement forums be created so that the Post Office can utilise this engagement platform to determine customer satisfaction level and also to determine service gaps

which could be improved through customer recovery plans. Similarly, these platforms afford customers opportunity to have a direct input in terms of strategies on improving performance management and service delivery. Basically, the South African Post Office should be closer to their customers in order to determine what customers want. It is further recommended that the Post Office should continuously conduct customer satisfaction survey to keep them abreast with the customer needs and wants. Once an institution is aware of what customers' needs, it will be able to respond positively to those needs.

13. Concluding Remarks

This article has proven that Performance Management System as implemented in the South African Post Office has not improved service delivery as expected. It is argued that mail volumes and declining and profit margins have continued to drop even though Performance Management System has been in place. Based on the preceding discussion and the responses from the employees, it was noted that the introduction of performance system provides a fair basis on which good performance can be rewarded. However, employees were not rewarded for good performance. It was expressed through the views of the respondents that customers were dissatisfied with the level of service they received from the Post Office.

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