

**CHALLENGES OF PERFORMANCE MANAGEMENT SYSTEM AND ITS IMPACT ON
THE IMPROVEMENT OF PRODUCTIVITY IN THE THULAMELA MUNICIPALITY,
VHEMBE DISTRICT**

BY

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ABSTRACT

This study investigated the challenges of performance management system and its impact on the improvement of productivity in the Thulamela Municipality, Vhembe District. The Performance Management System (PMS) has been introduced in the South African public service with the intentions of monitoring, reviewing, assessing performance, developing underperformers, and recognising and rewarding good performance. This study was undertaken as an attempt to investigate whether the PMS of Thulamela Municipality in the Limpopo Province contributes to the improvement in departmental productivity. The literature review undertaken in this study, shows that there is a general poor understanding of PMS in the public service and in the Thulamela Municipality in particular. It (the literature review) further establishes that there are several challenges that hinder the effective implementation of a PMS in the public service.

The study uses both quantitative and qualitative techniques for data collection and analysis. Qualitative techniques were mostly used in that they provide the researcher with an understanding of experiences and challenges of performance management system and its impact on the improvement of productivity in the Thulamela Municipality, Vhembe District.. Purposive sampling was used for the selection of sample for the study. Both primary and secondary data was used for analysis in this study. Secondary data were obtained from government publications, research publications, and reports. Primary data was obtained through interview and questionnaires.

Findings of the study led to the following conclusions:

- Majority employees who completed the questionnaire indicated that they would describe their understanding of the PMS as adequate.
- Respondents confuse the submission of performance instruments with an understanding of the PMS. One such respondent alluded to the fact that most

employees understand the PMS well since they submit performance instruments regularly on time.

- Majority respondent also concurred that it motivates for better performance if you know that you will be rewarded for good work done; one would want to reach one's goals and work harder thus increasing productivity.

The following recommendations based on the findings of the study are made:

- There should be regular and thorough training of municipal officials about the PMS in the public service and how it impacts on productivity. Such training could improve the understanding of the PMS by municipal officials.
- After concluding that the PMS has not contributed to improvement of productivity, the Thulamela Local Municipality should ensure that employees understand how their individual performance impacts on the overall productivity of the municipality. Officials should understand that low individual performance may lead to a low departmental performance and productivity
- The PMS division, Training division and Employee Awareness Programme division should work together to address the lack of skills and other problems associated with underperformance. Performance targets of both the individual employees and the Department should be clearly defined.