

Emerging from performance poverty in Africa – towards a performance literacy (performeracy) model

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It is now an annual occurrence to report the dismal performance of African economies relative to the rest of the world, the wretchedness of most lives on the continent and the dimness of the hopes of Africans for a better future. This may be unduly pessimistic as it obscures the existence of practices in some countries that may be a basis for turning around Africa's organisations and nations and with them her people. This paper seeks to develop a model of performance literacy at organisational and national levels termed performeracy as an antecedent for organisational and national performance basing lessons from theory and practices in South Africa and Uganda.

INTRODUCTION

Most African economies have continued to perform dismally as evidenced by the gloomy outlook for the continent portrayed under the World Development Indicators synopsis for 2008 (The World Bank Group, 2008). This synopsis indicates that while the world output grew 4.8 percent in 2006 to reach nearly \$59 trillion, an increase of almost 50 percent since 1995, measured in purchasing power parity and in 2005 prices, East Asia and Pacific more than doubled their output and increased their share of global output from 9 percent to 14 percent and South Asia increased their share from 4 percent to 6 percent, sub-saharan Africa as well as north Africa and the middle east saw their shares stay the same at 2 percent and 3 percent respectively. This poor performance has been blamed on the quality of macro-economic management, resource constraints and poor policies (The World Bank Group 2008, pp. 193 – 194). The effort to extricate the continent from this position has to begin with a definition of areas for the necessary action including building models to guide such action at the national, institutional and organisational levels. It has been suggested that individual literacy, numeracy and information/computer literacy are critical for socio-economic advancement and economic take-off (Cippolla, 2002 and Forsth, 2005). Research in places as diverse as Australia, China, India, Nigeria and Uganda appears to confirm this thesis (Okiy, 2003; Forsth, 2005; Mackerras, 2005; Dent, 2007 and Mitra and Singh, 2008). It has been argued that in many parts of the developing world, education and access to information through public libraries is a key factor in community development and economic take off. Specifically, the spread of literacy through community and rural libraries has been linked to economic uplift in Uganda and Nigeria. Studied trends in literacy rates among the scheduled tribes' women in India and found differences in investment in education between the poor and low in status investing less entrenching their position at the bottom of the social ladder. They conclude that literacy was an important tool for improving social improvement. In China, found a link between literacy and education and the emergence of middle classes among ethnic minorities specifically the Uyghurs and Koreans of China.

NEW FORMS OF LITERACY – ROOTS FOR GERMINATING PERFORMERACY AS A NEWER FORM OF LITERACY

Over the years, scholars have extended the concept of literacy to other forms and developed new terms to describe them. One such new form of literacy is mathematical literacy termed numeracy which is the understanding of basic concepts, being able to do on the spot approximations and spot likely errors and deliberate distortions (Lockett, 1974; Crawford, 1995 and Parsons and Bynner, 1997). Hence, numeracy matters in all spheres of life (Crawford, 1995). Lockett (1974) found that good managers were likely to be both literate and numerate while Parsons and Bynner (1997) found that people who were both literate and numerate were more likely to secure gainful employment, progress in their jobs as well as in income

compared to those who were only literate. Another extension of the literacy concept was the concept of computer literacy later extended to that of information literacy (Lloyd, 2006) which is considered to enable and enrich those who gain it because as a meta-competency, information literacy enables people to adeptly deal with the multiple sources of information such as speech, TV, CD ROMs, tapes, discs and the internet which are ubiquitous in today's world Rader, 1996). Clearly, basic skills such as literacy, numeracy and information literacy are critical for competitiveness and economic performance because they are connected to personal development, occupational skills and information technology skills (Addis, 2003). This has been demonstrated by the economic importance of Switzerland and Singapore which though small have managed to capture niches in banking, food products, watches, pharmaceuticals for the former and micro-electronics, telecommunications, information technology, biotechnology, pharmaceuticals and optics for the later both backed by advanced skills, not cheap labour.

At a group level, organisational literacy exemplified by the concept of organisational learning (Senge, 1990; Pedler *et al.*, 1991; Poppert and Lipshitz, 1998; Guest, 1999 and Torrington *et al.*, 2005) has been postulated to be at the centre of excellence. Extending this concept and based on the theory of performance management which posits that effective PM is critical to effective performance, it is theorised that a movement beyond performance management to performance leadership literacy – termed performeracy – is needed. This study puts the definition of this newer concept and the development of a model or models for attaining organisational and national performeracy at the centre of the search for answers to the questions about how Africa can escape the performance poverty depicted by the World Bank analysis summarised above. Two dimensions – institutional environment and scarcity vs munificence of resources – are considered central to effective responses to strategic challenges (Lachman *et al.*, 1995; Harvey, 2002). This paper considers these dimensions key factors in the development of organisational and national performeracy.

Institutional environment: basic foundation

Regarding the primacy of institutional environment, Gatley *et al.* (1996) for example drew on Maurice *et al.* (1986), Whitley (1992a) and Whitley (1992b) to posit that institutional differences are at the root of national differences in organisational characteristics and functioning. It is in institutions that social relations are shaped. It has been proposed that institutional systems – education, organisation, industrial relations – combine to create specific conditions which mediate each country's firms' operations. This locates attempts at organisational and national performeracy in a specific social environment under which workplace processes may be constructive or destructive. There have been some arguments against using the labour relations environment in organisations to infer people management environments in organisations but no rationale “exists for a rigid separation of the two areas since “labour relations (are) human relations in the work place” (Nel *et al.*, 1997: 260).

Availability of economic resources: financial support

Basing on various studies on the contextual dimension of scarcity vs munificence of resources (Leff, 1978; Robbins, 1984; Staw and Sz wajkowski, 1975 and Zussman, 1983), Lachman *et al.* (1995) initiation of systems, processes and practices in organisations varies with munificence or scarcity of resources. An argument is advanced that in developing countries, organisational forms are crafted as specific responses to either scarcity of resources or difficulties in resource mobilisation wrought by market imperfections. In these circumstances, the concern is on organisational maintenance and survival. In relatively munificent economies, however, organisations have slack funds for expansion and growth, including adaptation of novel practices and systems.

METHOD

The study used a qualitative design by which qualitative data for the constructs of the study were gleaned

from documentary material and in-depth interviews with top and middle managers in four organisations – South African Breweries and Rand Water Board from South Africa and National Water and Sewerage Corporation and Uganda Revenue Authority in Uganda. The interviews were designed to gather information on the existence and nature of structures for member participation in decision making, individual and organisational learning mechanisms, avenues for developing and diffusing performance management knowledge, financing arrangements for effecting performance management consequences and the impact of legal and institutional arrangements governing people management. Each interview was tape-recorded using a voice-activated recorder on micro tapes which were transcribed verbatim. Archival and other documentary material were used to enrich the interview material as well as generate additional information regarding contextual factors such as national socio-economic background, relative scarcity of economic resources, legal regimes and institutional frameworks. Extending Price's (1997) thesis that organisational "size is generally measured by data from organisational records" (p. 490) this study measures relative scarcity of economic resources or 'size of the national economy' from the national economic development indicators of the World Bank and data from national statistics agencies. Atkinson and Coffrey (1997) highlight the importance of documentary reality and the need to locate and study documents. Prior (1997) argues that documents are better than interviews because they lie "beyond the world of atomistic individuals" and taking them as secondary is "inappropriate and unhelpful ... documentary materials should be regarded as data in their own right (as) they enshrine (the) documentary version of social reality" (p.47). Following these two theses, documentary material was used as data in their own right. Reliability and validity of interview transcripts, field observation notes and documentary data were dealt with by ensuring high quality of field notes, tapes and transcripts and guaranteeing public access to them through tape recording and verbatim transcription as suggested by Alasuutari (1995), Peräkylä (1997), Silverman (1993) and Hammersley and Atkinson (1983). This approach is summarised in figure 1.

Figure 1: Continuum of recording exactness



Source: Developed by the author

Generally, Miles and Huberman's (1994) "classic set of analytic moves" and their twenty six "tactics for generating meaning (and) testing or confirming meaning (and) suggestions for avoiding bias and ensuring quality of conclusions" (pp. 245 – 280) were used to analyse the data. This was complemented by van Dijk's (1980) five reduction rules for handling the qualitative data.

Governance, enabling arrangements – some pointers from the practice in South Africa and Uganda

The researcher applies and extends the definition of governance in the water sector (GWP, 2002) and used the concept in context of this paper to mean the range of political, legislative, social, economic and administrative arrangements for the development of performance literacy or performeracy. South Africa's discriminatory and oppressive past has shaped the legislative and institutional agenda of today. The focus on negating past ills has enabled the creation of a healthy partnership between the state, business and people management professions resulting for the enactment of the National Economic, Development and Labour Act No. 35 of 1994 whose section 2 established the tripartite National Economic Development and Labour Council (NEDLAC). This statutory body is composed of major stakeholders in HRM as well

as labour unions aimed at building a social partnership amongst organisations in business, labour and the state to arrive at joint consensus on pertinent issues. Emanating from the bill of rights of the national constitution (Act No. 108 of 1996) are a number of supportive laws such as the Labour Relations Act (LRA) No. 66 of 1995; the Basic Conditions of Employment Act (BAEA) No. 75 of 1997; the Employment Equity Act (EEA) no. 55 of 1998; the Skills Development Act (SDA) no. 97 of 1998 and the Skills Development Levies Act (SDLA) No. 5 of 1999 which legislate for work place democracy, employment equity, skills development and black economic empowerment (Araujo *et al.*, 2001; Bird, 2002; Horwitz *et al.*, 2002; Nel *et al.*, 1997; Official South African Trade Union Directory, 2001 and Pirikisi, 2001). Under the LRA work place forums that are active in decision making were set up. An elaborate process of dispute resolution under the Commission of Consultation Mediation and Arbitration (CCMA) and a labour courts system from the provincial to the Supreme Court level (Labour Appeals Court) is also active. The EEA designates Africans, Coloured, Indians (ACI) generically named “black people”, women and people with disabilities for affirmative action in education and development including prohibition of discrimination using workplace practices. Under the SDA, national and sector level institutions for organisational learning (the National Skills Authority and Sector Education and Training Authorities – SETAs) have been created to develop policy and strategy for work place learning as well as monitor their implementation and compliance with legal provisions. Financial capacity for these institutions to perform is enabled under the Skills Development Levies Act. The SDA provides for partnership among government, employers and workers in determining and developing the skills needed for enhanced performance (Bird, 2001). The law also creates various modes of financing for skills development including the skills development levies, appropriations to the NSA by parliament, interest on investments by the NSA and SETAs, donations and at least 1 percent of the pay roll in the public sector. Compliance to the above legal provisions is ensured by a number of mechanisms aimed at assuring compliance are included in each of the above laws. The code of good practice under schedule 8 of the LRA enjoins employers to conduct a mandatory analysis of employment policies, practices, procedures and the working environment and submit an annual report to the government. Contracts with government are conditioned on compliance with the EEA and contravening companies may be blacklisted or suffer a fine ranging from R500,000 (US\$ 72,000) to R900,000 (US\$ 129,000). For the SDA, ‘learnership’ agreements between the learner and the employer, a group of employers and a training provider spelling out the obligations of each party are a requirement. Employer obligations include continued employment of the learner for a specified period, provision of specified practical experience to the learner and releasing the learner to attend the specified education and/or training. The learner is obliged to work for the employer, attend the specified education and training and training providers are obliged to provide the specified education, training and learner support. Overall, the above legislative and institutional framework has been a basis for relatively robust financing and implementation of learning in organisations. It has also enabled relative democratization of organisations and a vibrant partnership between the public and private sectors of the economy in providing education and training in and for the workplace.

In Uganda reform of employment law predominantly colonial until 2006 is nascent. Whereas some workers’ rights were entrenched in the constitution of Uganda under articles 40 (providing for safe and health working conditions as well as freedom to join a union and bargain) and 42 (providing for fairness in administrative decision making) it was not until another eleven years in 2006, that the first enabling acts were enacted by parliament. These included the Employment Act (2006); the Labour Union Act (2006) and the Labour Disputes (arbitration and settlement) Act (2006). In 2008, another law, the PSLDA or the Public Service (negotiating, consultative and disputes settlement) Act was enacted. Of all these laws, only the PSLDA provides for the creation of consultative committees in each public service unit capped by a national negotiating and consultative council. The other employment laws do not create mechanisms for employee participation in decision making save distributive negotiations. It appears this is the case owing to the Uganda government philosophy of attracting FDI through cheap labour rather than skilled labour enhanced by protection of worker rights beyond the right to unionise. Another

problematic area of employment legislation and regulation is enforcement failure with overall lack of transparency and government agencies often not following legal requirements and court decisions (The Government of the USA, 2005) and recently, paramilitary state agencies have physically stormed courts using the army to curb execution of decisions by those courts which try to be independent and just.

Relative availability of economic resources

Ranked number 88 in the world with US\$5,760 GNI per capita (Atlas methodology) and US\$ 9, 560 GNI per capita (PPP methodology), South Africa has a total population of 47.59 million, 40 percent of whom are rural and 60 percent are urban (World Bank Group, 2008). The country's selected development indicators reported in table 1 show relatively better economic prospects compared to Uganda's. Ranked 193rd (per capita income of US\$340 using the Atlas method), and 192nd (per capita income of US \$ 920 using the PPP method), Uganda is 105 places below South Africa. The country has a small, largely peasant agrarian economy most of whose population lives on and ekes its sustenance off the land in rural areas, hence, over 87 percent of the population is in subsistence agriculture in the rural areas (World Development Indicators, 2008). From the statistics in table 1, it is noted that Uganda has a poor rating for domestic credit provided by the banking sector, domestic credit to the private sector and is not rated on creditor rights index. Though her current economic growth trend is upward, the country's flexibility to initiate home grown legal and institutional solutions is limited by its dependence on the IMF, the World Bank and other bilateral 'donors' to finance the bulk of her national budget.

Table 1: Some indicators relative availability of economic resources for South Africa and Uganda (2007)^{1, 2}

Economic munificence indicators	South Africa	Uganda
Rural population (% of total population)	40	87
Urban population (% of total)	60	13
Population in the largest city (% of urban population)	12 ²	36 ²
GDP per capita (US\$)	3718	282
GDP per capita (PPP, current, international \$)	9736	939
Industry value added (% of GDP)	31	18
Manufacturing value added (% of GDP)	18	9
Agriculture value added (% of GDP)	3	29
Gross capital formation (% of GDP)	20	24
Aid (% of central government expenditures)	1 ¹	95 ¹
Aid (% of GNI)	0 ¹	17 ¹
Aid (% of gross capital formation)	1 ¹	70 ¹
Aid (per capita, US \$)	15 ¹	52 ¹
Business disclosure index (0 = less disclosure; 10 = more disclosure)	8	2
Procedures to enforce a contract (number)	30	38
Legal right of borrowers and lenders index (0 = less credit access to 10 = more credit access)	5	3
Credit information availability index (0 = less info to 6 = more info)	6 ¹	0 ¹

Economic munificence indicators	South Africa	Uganda
Deposit interest rate (%)	7 ¹	9 ¹
Lending interest rate (%)	11 ¹	19 ^{1, 3}
Interest rate spread (lending rate minus deposit rate)	4 ¹	10 ¹
Market capitalization of listed companies (% of GDP)	280 ¹	1 ¹
Domestic credit provided by banking sector (% of GDP)	197 ¹	9 ¹
Domestic credit to private sector (% of GDP)	161 ¹	9 ¹
Risk premium on lending (%)	4	10
Expenditure per student, tertiary (% of GDP)	30 ¹	17 ¹
Military expenditure (% of central government expenditure)	5 ¹	12 ¹
ICT expenditure (% of GDP)	10	No figures
Rigidity of employment index (0 = less rigid to 100 = more rigid)	42	3
Compensation of employees (100% of expense)	14 ¹	12 ¹
Internet users per 100 people	8	6

¹ 2006 figures; ² 2005 figures; Source; the World Bank Group (2007): World Development Indicators; ³By the date of this paper, deposit interest rate has dropped in some cases to 6% and lending interest rate has risen to 24% in Uganda increasing the interest rate spread to 18.

Regulations, institutions, financing and performance management practice

The portraits of the findings from the four organisations regarding the existence of structures for member participation, member and organisational learning, member acquisition of performance management knowledge in light of the legislative and institutional framework are painted in the following sections.

Participative and performance management systems (PMSs) maintenance: Leadership and procedural justice literature cites member participation in decision making through open communication structures as central to effective implementation of new systems and processes (Magoola, 1996; Barrett, 1998; Hughes *et al.*, 1999; Senge, 1999; Cropanzano and Folger, 1996 and Beugre, 2002). This is because such participation is important for gaining member understanding and commitment. Following this theory and the provisions in South Africa's LRA for work place democracy, this study sought to generate information regarding the mode of initiating existing systems and current participation structures. The information gleaned from organisational documents and interviews is summarised in box 1.

Box 1: Summarised information on existing structures for member participation

South African Breweries uses IMP training sessions, articles in the *Mark* magazine, one-on-one review meetings, team discussions, team-on-team review sessions, the bi-annual performance review meetings, the organisational effectiveness survey, posters, the intranet and notice boards as avenues for member participation.

The Rand Water Board has an annual employee satisfaction survey, the knowledge, attitudes and potential survey, bi-annual performance reviews, posters, memos, and the intranet as participation forums. The Rand Water Board, however, in addition has participation, cooperation and partnership (PCP) forums, site forums, workplace/green area meetings and road shows as participation avenues. The regulatory and institutional context in South Africa discussed above has meant that introduction of PM systems has to be participatory if the system is to be effectively implemented.

National Water and Sewerage Corporation suffered decades of mismanagement and government misguided policy such as populist declarations in the 1970s of water as a free commodity leading to a culture of non-payment of water bills among citizens. Non-payment of bills by government departments was also rife and there was political interference in human resource and other management decisions in addition to various malfeasant behaviours by organisational members. In 2000, a reformist government was compelled to initiate a rigorous performance contracting system between the NWSC and the government of Uganda. Under the performance contract with government, NWSC undertook to implement a performance improvement plan to enhance effective utilization of resources. NWSC specifically undertook to institute bottom-up ways of improving staff productivity; a continuous performance appraisal system for staff and management among others. As a result, NWSC uses highly participative three day workshops named ‘work-outs’ outside the work place to raise pertinent issues that negatively impact performance, set stretch targets and arrive at memoranda of understanding between headquarters and the field operating divisions called areas.

Uganda Revenue Authority has a staff consultative committee which is inactive with its chairman transferred to a far flung field station with no real possibility to effectively coordinate the intended consultations. The intranet to which members had turned to raise pertinent issues is censored with all mail filtered through a central office which blocks “unacceptable mail” from being uploaded.

Member enlightenment: diffusion of performance management knowledge and skill: In line with the literature on the central role of participation cited above, the researcher investigated whether organisational members participate in the initiation and maintenance of PMSs. Information on the manner of initiating existing systems and current structures for building member knowledge and skill in performance management was gleaned from responses to questions on this specific issue and documentary material and is summarised in box 2.

Box 2: Summary of existing performance enlightening avenues

At **South African breweries**, regional champions were trained as trainers who in turn trained all staff in the new system at the initiation of the IMP in operation there. From the launch onwards, the champions provided an on going training for new staff as well as refreshers for those who needed them. Importantly, there is a modular training programme in IMP with a training manual called the tool box that is handed to all who go through the course. This has diffused knowledge and skills in with respect to the workings of the IMP including good management processes.

At **Rand Water Board**, there were workshops for the initial participants who were all direct reports of the CEO. The system was cascaded to the middle management levels without cascading the workshops as well causing lack of understanding and apprehension with middle managers perceiving the system as complex. This situation was aggravated by the replacement of some managers who had been initially involved with people promoted from lower levels or new recruits both of whom had not been inducted in the system. The formal position of Staffing Specialist is used for the role of champion to popularise the system while the position of Training and Development Specialist is used for training of members in the BPFM and the different sites. These officers were, however, not involved in the launch and initial training as this was for only the CEO’s direct reports. As a result, buy-in is poor with unionized workers rejecting the system through the participation forums. At the management level the quality of performance contracts is poor as managers at lower levels have no idea of setting goals and drawing good contracts.

At **National Water and Sewerage Corporation**, only top management was involved in arriving at the initial performance contract with government before subsequently cascading the contracting approach. There is no training in performance management. There were, however, workshops in business planning at the inception of the performance contracting approach. There is no continuation of training or refresher programmes for those who participated in the initial workshops. Workshops termed “stretch-out workshops” involving all members are used to agree targets and memoranda of understanding (termed internally delegated area management contracts – IDAMCs) between top management and regional operations divisions called ‘Areas’. Creating autonomous units is a requirement of the agreement between government and NWSC and has played a big role in enhancing performance management awareness leading to quire good buy-in and understanding.

At **Uganda Revenue Authority**, there was minimal employee participation at the introduction of the current system through one day workshops on performance management for a few selected officers. There were disagreements over restructuring and reassigning of officers leading to the resignation of the officer responsible for performance management within months of its inception. This officer had closely participated in the design of the system and was well trained. This officer’s resignation created a gap in on-going training in the PMS. In the end, the training the champions received was insufficient for them to carry on independently. Appeal findings in the Customs departmental appraisal committee appeal hearings of October 2004 indicate many champions did not understand how to use the system’s processes. Attempts have been made to close this gap by providing

notes on performance management as the preamble to all performance review booklets and there is a guide to performance management which is not widely disseminated. These documents can not substitute for effective PM training. This has led to complaints about the system as complex and academic as well as frequent appeals against supervisory ratings and changes in documentation. Management is blaming the current system for its failure and is moving to introduce a balanced score card rather than addressing the process used in introducing and maintaining the system.

Organisational and individual learning: Information was sought regarding whether the studied organisations have mechanisms for organisational learning including diffusing and embedding individual learning into the structures and processes of the organisations concerned (box 3).

Box 3: Summary of mechanisms for individual and organisational learning

South African Breweries: Encourages life long learning and development of people. Learning takes place in social systems in a matrix structure where different specializations for all the breweries in South Africa meet bi-annually to benchmark and agree on learning points from a national rather than a brewery point of view. There are training programmes bringing similar employee categories together to share knowledge across regions. Specific annual training targets for example up to fifteen hours occurs must be met. The SAB technical training institute (TI) provides both “Corporate University” programmes to enhance core competences and short term technical (operational) expertise enhancing one. Courses have National Skills Development alignment and combine internal courses with externally accredited qualifications from accredited academic institutions. The TI also plays a major role in the transfer of technical knowledge since the facilitators do research and incorporate new technologies into their training modules. Additionally, older experienced members impart knowledge and skills to newer and younger staff as facilitators on these courses. SAB implements individual development as a consequence of excellent or poor performance. If an individual fails the performance test due to technical skills gaps for example, the individual may be taken to the SAB technical training institute to bridge the gaps. Training spend is 6.1% of the pay roll, above international averages. This expenditure has increased at an annual rate of 15% from 2001-2005. In line with Employment Equity, 60% of this spend went to black employees. Excellent talent and performance leads to development and growth opportunities such as stretched targets, mentorship for future challenges and career growth and involvement in critical strategic decisions. SAB also rotates staff between different roles to develop new skills and benchmarks with other companies and internally with a monthly benchmarking report which details the performance of various areas in SAB Plc. The auditing process also provides for the assessment of ‘soft’ management issues and learning points can be gleaned from them. The annual organisational effectiveness survey points out strong and weak points and those units with performance gaps may learn from those that excel in a specific period. This is strengthened by the intranet that reports various developments enabling organisational members to share experiences.

Rand Water Board avails personal development avenues as part of personal development planning which is part of the performance review process. The organisation therefore, offers sponsorships to educational institutions of higher learning if for example during the review, certain academic qualifications were required as part of the individual’s career aspirations. There is management and leadership development training in the form of intermediate management development programme and the advanced management programme respectively to which members who are identified as requiring managerial or leadership skills or indeed who may be excellent performers at a lower level and need managerial and leadership development, are recommended. There are also apprenticeships, “learnerships”, short courses, workshops, seminars, conferences, mentorship programmes and executive coaching programmes to bridge identified gaps. Academic scholarships and bursaries are also offered. Training spend is relatively high at R40.8 million or 8.4% of the total labour cost for 2005. Following equity legislation, these programmes are dominated by the “previously” disadvantaged African, Coloured and Indian (ACI) population groups. Hence, for the 2005 period, there were 19 people on the advance management programme but 8 (42%) were women and 18 (95%) were ACI (most women were also ACI). On the intermediate management development programme, there were 27 delegates, 18 of whom were male, 9 female, 92.5% ACI and 7.5% white males. On the executive leadership programme 100% were female. For the open bursaries to universities and Teknikons, all the 38 openings went to ACI on a 50-50 basis between men and women. There were 14 apprentices training in the fields of fitter/turner and mechanical engineering and 12 of these were African and 2 whites, 12 of the 14 apprentices were women and only 2 males. A total of There is a structured, formal mentorship process which has two legs, one involves the individual identifying and nominating a mentor where he/she needs development while the other leg involves the organisation identifying mentors to create a talent pool of resources to draw from for planned management and leadership development programmes during which participants identified as having the potential to rise to the top are allocated mentors for accelerated development. Organisational learning is nascent but developing well. The knowledge management section has as a major role the use of information technology (IT) to capture and facilitate exchange of knowledge and information. One avenue for this exchange is the information sessions for specialised functions where information is generated and recorded in what is called ‘green areas’ for uptake by others. The organisation has a lot of older and experienced people but with no organisation wide mechanisms for knowledge and skills transfer. A transfer of knowledge programme is, however, at the introductory stages in the scientific services division where older employees were being trained to impart knowledge to younger ones who were in turn undergoing training to extract knowledge. This system is not rolled out to the whole organisation. It is a requirement that

mentors and protégés are drawn from different divisions to facilitate intra-organisational knowledge diffusion. Rotation/transfer of people between sites is also used as knowledge transfer mechanism. Traditional training and development, though, is still the most used approach. Hence, Rand Water Board runs a number of supervisory programmes, nine month intermediate management development programmes, eleven months advance management programmes and an executive leadership for achieving outstanding performance programme.

National Water and Sewerage Corporation had various performance improvement programmes in which considerable time was given to performance management related exercises called stretch-out programmes to set area visions, missions, targets, memoranda of understanding and identify issues adversely affecting performance. There is no detailed personal development planning though performance review instruments solicit for courses/training the incumbent wishes to attend. There is a training institute but the training and development unit which used to run it was phased out and the training officers made redundant. The training school structures are now used for workshops of a general nature, meetings and trainings by outside providers of people other than NWSC staff. Training is now budgeted for based on questionnaire surveys and not an assessment of training and development needs of individual officers as part of the performance review process. Training at tertiary institutions is encouraged at own cost though the organisation gives assistance in terms of time-off for examinations and research administration if the student's research is NWSC based. Training spend is combined with allowances and at US\$135.43 million constitutes 2.4% of total administrative expenses. There is also no formal, explicit mentorship programme. Learning, however, takes place through benchmarking between areas with the results posted in a scorecard format on all notice boards. Experience from the different areas is also published on a monthly basis in the Water Herald. Kampala Water, the largest area, also publishes the Water Waves in which zonal experience is shared. Rotation of staff between the areas also enables knowledge diffusion. Additionally, joint meetings between the areas and circulation of minutes to all chief managers who are responsible for the different departments help move knowledge between the different areas. Planning workshops and quarterly reviews attended by top management and areas managers also plays a complimentary role. Lastly, findings of academic (Masters and PhD) research based on NWSC are presented at management workshops and the reports deposited in the corporation library for reference.

Uganda Revenue Authority has fewer avenues for learning which are even not exploited to the full. The training school concentrates on technical training in tax administration. Post Graduate Diploma in Tax and Revenue Administration (PODITRA). The intranet which would be a useful method is censored with all communication going through a filtering centre. This has greatly discouraged its use by members. The rest of the methods are indirect since they are not formally and explicitly meant to facilitate organisational learning – tax payer education workshops, transfers and the planning process. At URA, there is a section on the performance review document that clearly calls for identification of development needs. There is however, no mechanism for inputting this information into the training targets of the training unit that runs the URA training school. This information is not followed up and nominations technical and other courses follow criteria other than performance. There is no mentorship and coaching programme.

From performance management to performeracy

Because of the legislative and institutional mechanisms in South Africa, performance management has to be handled in a manner that does not fall into the pitfall of unfair employment practices. For example, the Labour Relations Act, No. 66 of 1995 by obliging the employer to share financial, employment situation, general organisational performance and future plans and prospects information with the work place forums created an environment conducive to open organisational communication which is essential for efficacious performance management. By legislating for participation and information sharing, the legislative environment is 'forcing' an organisational context for specific types of performance management in South Africa. In spite of weaknesses in initiating the BPMF at Rand Water Board leading to resistance by lower level employees, working under a more rigorous legislative framework and exposed to a relatively better economic base the organisation has been able to maintain a relatively effective hybrid system. It has additionally implemented various training and development programmes beyond what National Water and Sewerage Corporation in Uganda, also a government owned water provider has implemented through the stretch-out programmes. This supports the thesis of this paper that a positive institutional framework plus a better economic clout create a propensity for effective performance management. This is also in line with the theory positing that institutional differences are at the root of differences in organisational characteristics and functioning in different countries (and within countries) as it is in institutions that social relations are shaped (Gatley *et al.*, 1996, Maurice *et al.*, 1986 and Whitley, 1992a/1992b). This postulation is strengthened by the experience in Uganda where the overall legislative and institutional framework is weaker but a performance contracting arrangement compelling a particular environment was entered between the government and NWSC. From this arrangement emanated the participatory approaches at NWSC reported above. Yet in the same country

where such an arrangement is absent between the government and the Uganda Revenue Authority (URA), another government agency, the organisation has latched from crisis to crisis, from restructuring to restructuring, downsizing to ‘oversizing’ to re-downsizing and from one performance management system to another in quick succession. The absence of a legislative institutional framework that compels movement towards best practice appears to be linked to failures at URA including use of untrained champions, member aversion to the PMS in place, lack of ongoing training in performance management frequent restructurings without due regard to member involvement among others. The failure of champions to internalize the system and use it correctly is problematic because in change programmes, champions need to be exemplary and highly respected to be believable. Secondly, champions who are caught on the wrong side by the system are unlikely to have the zeal to push it through. These problems at URA highlight the critical role played by not only sound legislative and institutional frameworks but also performance management enlightenment in the entrenchment and success of performance management systems. Hence the URA management by blaming the current system for its failure and moving to introduce a balanced score card based system rather than addressing the process used in introducing systems appears to be making the same error on low employee involvement in introducing the intended new system. It can be predicted that without supportive legislative and institutional arrangements, the new system will fail too. In the words of a senior manager at SAB Newlands:

“(performance management” is like a wheel barrow. If you stop pushing it, it stops moving. To some extent, you can create a momentum where it becomes self-sustaining. (But) the discipline, the energy, the honesty required to have monthly engagement is significant. It takes effort. It is something one can never assume to be perfect. And one must always be asking how it is?”

The above view highlights the requirement for a legislative and institutional framework to keep pushing the “wheelbarrow”. Following from the above discussion of the differences in national economic, legislative and institutional contexts and performance management practice in the organisations given these contexts, it is noted that drawing from South Africa’s SETA framework, it is possible to mainstream various aspects of work place practices at the national level and influence the direction of their development in organisations. The literature is, however, devoid of suggestions or models for mainstreaming performance management literacy at both national and organisational levels. All these cost money which a government owned organisation in a different context would be hard-pressed to provide. There is a high levels of training spend mainly required by the law. Specifically section 2 of the Skills Development Act, 1998 provides for increased investment in education and training and for workplaces to be used as active learning environments. The work that approximates this area argues for adopting a learning approach to strategy formulation, implementation and evaluation as well as creating a learning climate (Pedler *et al.*, 1991). This work lacks specifics on learning in particular management areas such as performance management. The other existing work, Senge (1990), Guest (1999), Parsloe and Wray (2003) and Torrington *et al.*, (2005) are on creating a learning organisation in general. Synthesising the postulations of this literature with the integrated management process employed at South African Breweries and the NSA/SETA approach of South Africa, a process model for implementing a lasting performance management system and creating a performerate organisation can be constructed. From the above discussion, this paper proposes two models of avenues to organisational and national performeracy (figures 2 and 3).

Figure 2: The organisational performeracy model

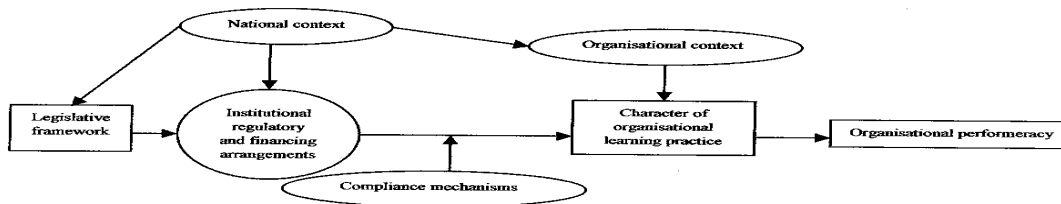
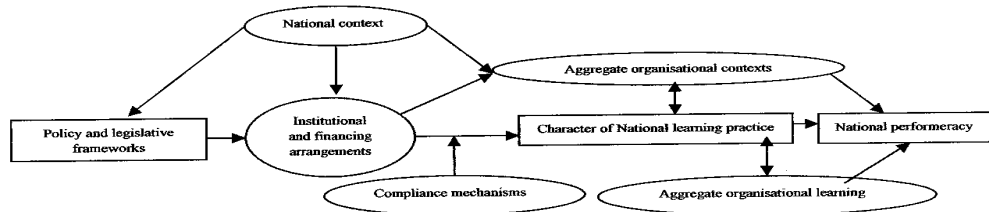


Figure 3: The national performeracy model



In both models, organisational context may include the organisational system, the organisational system in place, management competence, organisational climate, employee participation, corporate culture, organisational justice and work place size. National context means political transparency and stability, munificence or scarcity of financial resources, mechanisms for social justice, an enabling policy and legislative environment and sound institutional arrangements. An enabling policy and legislative environment may include financing mechanisms, progressive economic and social policies and a supportive legislative framework. Good institutional arrangements may include frameworks for organisational compliance, financing coordination mechanisms, learning coordination mechanisms, regulatory arrangements and capacity building avenues. Following the above models, the avenues to performeracy at the organisational and national levels can be mathematically. One possible way of constructing such an expression is to us the general structure developed used in stating Wherry's theory of rating (Wherry, 1952/1957 and Wherry and Bartlett, 1982) and reduce the above diagrammatic models thus;

- (1) organisational performeracy $[z.org.per] = [z.nat.cont][z.legframe] + [z.snaif] [z.comp.mech][z.enfor.leg] + [avfin][z.org.cont] + [morglearn][z.corglearn]$
- (2) national performeracy $[z.nat.per] = [z.nat.cont] + [z.legframe] + [z.snaif][z.regmech][z.finar] [z.compmech][z.enfor.leg] + [\sum z.orgcont][\sum z.corglearn] + [mnatlearn] + [z.cnatlearn]$

Where all terms are in standard score form if quantitative research methods are used, otherwise the standard score form does not apply and $[z.org.per]$ = organisational performeracy; $[z.natcont]$ = national context; $[z.legframe]$ = legislative framework for workplace management and learning; $[z.snaif]$ = supportive national institutional framework; $[z.compmech]$ = compliance mechanisms; $[z.enforleg]$ = enforcement of legislative provisions; $[z.avfin]$ = organisational level availability of finances; $[z.orgcont]$ = organisational context; $[z.morglearn]$ = mechanisms for organisational learning; $[z.corglearn]$ = character of organisational learning; $[z.nat.per]$ = national performeracy; $[z.finar]$ = national level financing arrangements; $[z.mnatlearn]$ = mechanisms for national learning and $[z.cnatlearn]$ = character of national learning.

It has to be noted that whereas the two models are expressed separately, in practice there is a tight link between them. While supportive national interventions enable the building of organisational

performeracy, performerate organisations create a critical mass for the necessary national learning environment and better national performance. This explains the appearance of some terms in both models. As an important step in the transformation of Africa's organisations into robust centres of excellence at the fore front of the continent's development agenda, it is necessary to put the above linkages into practice. A starting point in this process may be the empirical testing of the above models by researchers to inform the intended practical implementation. To this end, this study makes the following propositions in line with the literature reviewed and the findings from practice discussed above:

P 1: A country's legislative framework for work place management is tightly linked to its politico-economic history

P 2: The creation of an enabling institutional framework for the transformation of work places into learning centres is associated with the existence of a conducive policy and legislative framework

P 3: Conducive legislative and institutional frameworks jointly with munificence of resources positively mediate resource mobilisation capability for the transformation of organisations into learning centres.

IMPLICATIONS FOR RESEARCH AND CONCLUSION

Due to the relative recency of performance management and organisational learning theories, there is no comprehensive model of how people, organisations and as a result nations can become performance management literate or performerate. Hence, studies of socio-economic development that centre on enlightenment have concentrated on studying the central role of literacy, numeracy and more recently computer and information literacy. This is so despite organisations constituting major units in any national development effort. This paper has developed a latent structure of performeracy that postulates that creating enabling national and organisational contexts leading to supportive legislative and institutional frameworks and resource munificence for organisational and national learning will lead to performeracy at these levels. The paper has also modeled this association both diagrammatically and mathematically. By modeling the avenues to performerate organisations and nations, a pointer has been made for both qualitative and quantitative research in this area at both levels. Five lines of research are apparent from the performeracy model. First, an empirical verification and refinement of the model may be done. Second, researchers may design studies to ascertain the comprehensiveness of the model regarding component representation. Third, the constructs for measuring each of the components need to be developed and their validity established. Fourth, researchers may design a mixed methods research to gauge the convergence or otherwise of the findings using different methods. Fifth, the organisational performeracy model may be tested in several organisations and the national performeracy one in several countries to assess whether the findings can be replicated across different samples.

On the policy and management axis, the models can be used by policy makers and management practitioners in creating enabling environments for building performerate organisations and nations. As demonstrated by South Africa's SETA framework, one of the solutions to facilitating the growth of good learning and performance management systems both at organisational and national levels is the mainstreaming of organisational learning and performance management enlightenment (performeracy) as a strategic issue. Only then can leadership support and commitment, active member participation and support, competent design and efficient and rational resource allocation for adequate facilities and appropriate technology be assured.

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