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A DESCRIPTIVE CASE STUDY OF HUMAN RESOURCE MANAGEMENT IN A SOUTH AFRICAN CONSTRUCTION COMPANY

by

LERATO MILLICENT NGWENYA

A DISSERTATION
submitted in fulfilment of the requirements for the degree

MAGISTER TECHNOLOGIAE

in

CONSTRUCTION MANAGEMENT

in the

FACULTY OF ENGINEERING AND THE BUILT ENVIRONMENT

at the

UNIVERSITY OF JOHANNESBURG

SUPERVISOR: PROF. C.O. AIGBAVBOA
CO SUPERVISOR: PROF. W.D THWALA

UNIVERSITY OF JOHANNESBURG

2017
A DESCRIPTIVE CASE STUDY ON HUMAN RESOURCE MANAGEMENT IN A SOUTH AFRICAN CONSTRUCTION COMPANY

LERATO MILLICENT NGWENYA

SUPERVISOR: PROF C.O. AIGBAVBOA
CO SUPERVISOR: PROF. W.D THWALA

A SHORT DISSERTATION submitted in partial fulfilment for the degree, Magister Technologiae in Quantity Surveying in the Faculty of Engineering and the Built Environment, Department of Construction Management and Quantity Surveying at the University of Johannesburg

JOHANNESBURG, OCTOBER 2017
DECLARATION

I, Lerato Millicent Ngwenya, declare that this dissertation entitled, “A Descriptive Case Study of Human Resource Management in a South African Construction Company”, is my own work and that all the sources I have used or quoted have been indicated or acknowledged using references.

_________________________  ______________________
Signature                  Date

University of Johannesburg,
Doornfontein Campus
DEDICATION

I dedicate this research to my mother Nonhlanhla Ngwenya, little sister Kutlwano Ngwenya and grandparents Vuyisile and Berry Mbundu
ACKNOWLEDGMENTS
The writing of this thesis has been one of the most momentous academic challenges I have ever had to face. Without the grace and mercy of Jesus Christ who strengthened me throughout this endeavour; and the support, patience, faith, and guidance of the following individuals, this dissertation would not have been completed. I extend my deepest gratitude to:

My Lord and Saviour, Jesus Christ in whom I find all knowledge and wisdom.

- Prof. Clinton Ohis Aigbavboa, who undertook the role of being my supervisor despite his other academic and professional commitments. His wisdom, knowledge, and commitment to high standards inspired and motivated me.
- Prof. Didibhuku Wellington Thwala for his continuous support, and encouragement.
- The National Research Fund (NRF) for granting me a scholarship to pursue my studies.
- My Family: Nonhlanhla Ngwenya (Mother), Kutlwano Ngwenya (Sister) Vuysile and Berry Mbundu (Grandparents), and Daddy Clinton and Mama Sweetah Aigbavboa (Spiritual Parents).
- My friends, Mbalenhle Zwane, Ifije Donald Ohiomah, Zenzi Naboth, Sindiswa Mkhwanaazi, Michael Abegunde, Emmanuel Ayorinde, Kelvin Afrane, Laud and Agnes Allotey, Nkhetsho Molapo, Darryn Fielies, Siyabonga Mabaso, and Masibulele Kama.
- Finally, I would like to express my deepest gratitude to Mr Nazeem Ansary and the Department of Construction Management and Quantity Surveying, University of Johannesburg, South Africa for affording me the opportunity to study with them.
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ABSTRACT

Purpose
The objective of any company is to attain higher throughput. The role of individuals within a company is essential in the management and continued existence of the business. Employee performance is influenced by a set of human resource management (HRM) practices. Equally, the practice of attracting, developing, and maintaining talented and energetic workers to support the organisational objectives is the aim of HRM. The purpose of this case study is to examine HRM in a South African construction company. In addition, this study identifies common HRM practices and comprehensively explores how well these practices have been implemented, as well as their impact on employee performance. Furthermore, employee performance and factors affecting employee performance have been evaluated. Finally, the study highlights factors that motivate employees.

Methodology
The data used in this study have been derived from both primary and secondary sources. Fifteen questionnaires were circulated to Human Resource Management Personnel, Senior Management, Departmental Managers, and Union Representatives in the construction company were selected for the study. Since the respondents were purposively selected, a return rate of 87% was attained. The data was analysed using the Statistical Package for the Social Science (SPSS).

Findings
The results of the analysis reveal that some HRM practices, such as training and development (T&D), performance management and performance appraisals and compensation and benefits, have been adopted. However, performance management and performance appraisals were not fully implemented throughout the firm. Hence, it is suggested that HRM practices should be efficiently employed to enhance employee performance. This would gain a sustainable competitive advantage for the company. Additionally, the study observes that motivated employees perform at a higher level making it easy for management to motivate them, thus achieving individual and firm objectives.

Originality
The study adds to existing literature on human resource management in South African construction companies.

Key Words: HRM, HRM practices, employee performance
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<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>C&amp;B</td>
<td>Compensation and Benefits</td>
</tr>
<tr>
<td>T&amp;D</td>
<td>Training and Development</td>
</tr>
<tr>
<td>HRD</td>
<td>Human Resource Development</td>
</tr>
<tr>
<td>HR</td>
<td>Human Resource</td>
</tr>
<tr>
<td>HRM</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>HRP</td>
<td>Human Resource Planning</td>
</tr>
<tr>
<td>OHS</td>
<td>Occupational Health and Safety</td>
</tr>
<tr>
<td>SA</td>
<td>South Africa</td>
</tr>
<tr>
<td>SETA</td>
<td>Sector Training and Education Authority</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Sciences</td>
</tr>
<tr>
<td>TQM</td>
<td>Total Quality Management</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
</tbody>
</table>
CHAPTER ONE
INTRODUCTION

1.0 BACKGROUND OF THE STUDY

The construction sector is the biggest contributor to many economies worldwide. The prominence of the industry in the economy can be scaled by its contribution to the gross domestic product (GDP); its input to investment and the volume of the workforce employed (Pamulu, 2010). Furthermore, the nature of the construction sector is project-based work for a determined period, hence, economic and contractual factors have a major impact on workforce strategies (Druker et al., 1996). Moreover, the industry is labour intensive and relies on labour outsourcing (ILO, 2001). This has made relationships between companies and their employees momentary and fluid, unlike in other industrial sectors. Equally, Dainty et al. (2007) observe that the types of construction work required on a project may differ significantly. This means that necessary skills and knowledge needed may change from one project to another. Joint ventures, subcontracting, alliances, and the creation of new organisations to deliver particular projects, all make the sector distinctive, (Rubery et al., 2004). However, because the construction industry is labour intensive, little attention is given to human resource management (HRM) issues (Loosemore et al., 2003). In addition, the HRM focus has been centralised as a head-office function, yet most problems and operational issues arise on construction sites. According to Johanson (2009), HRM is an organisational function designed to maximise employee performance in relation to the company’s objectives. Primarily, human resource (HR) is concerned with the management of individuals within the organisation, concentrating on the policies and systems (Collings & Wood, 2009). HRM departments are responsible for activities, such as employee recruitment, training, and development, performance appraisal, and rewarding employees (Paauwe & Boon, 2009). Further, HRM focuses on industrial relations, which is the integration of organisational practices with procedures stemming from governmental laws and collective bargaining (Klerck, 2009). Hence, HRM plays a significant role in the development of any firm. Moreover, it is imperative for the HRM department to adopt and implement HRM practices. However, HRM practices vary from one organisation to another and from country to country. Chandler and McEvoy (2000) observe that there is no single set of HRM practices that represent a ‘universal approach’ to managing individuals even though certain HRM practices are universally in practice in different organisations.
1.1 AIM OF STUDY
Dainty et al. (2000) state that the construction sector is popular for its low investment in people initiatives and poor commitment to HRM. Loosemore et al. (2003) attest that the investment in employees originates from the notion that “HRM issues are time consuming and expensive”. Therefore, this study seeks to extend prior research by conducting a case study on HRM in a South African Construction Company. The study aims to achieve this by evaluating the effects of HRM on employee performance in a South African Construction Company with a view to improving construction firms performance.

1.2 PROBLEM STATEMENT
Human beings naturally take precedence over other resources, for they direct and utilise other resources. The effectiveness HRM has become fundamental to the realisation of individual, organisational, community, national and international objectives. It has been noted that the construction industry is labour intensive, however, little attention is given to human resource management (HRM) issues (Loosemore et al., 2003). Also, HRM focus has been centralised as a head-office function - yet most problems and operational issues arise on the construction sites. A school of thought has observed that HRM practices are linked to improvement in employee performance, and ultimately an increase in the overall organisational performance (Huselid, 1995; Becker & Gerhart, 1996; Guest, 1997). As a result, it is essential that a firm effectively implements HRM practices that make the best use of its employees. Similarly, a proficient HRM department is the catalyst for the enhancement of good workmanship and higher performance levels in an organisation. It is in this regard that this dissertation seeks an in-depth understanding of the HRM in a South African construction company.

1.3 RESEARCH QUESTIONS
Based on the above research problem statement, the below research questions have been formulated:

1. What are the common HRM practices in the South African construction industry?
2. What are the indicators of employee performance?
3. What are the factors that affect employee performance?
4. What are the employee motivation factors implemented in the company?
1.4 RESEARCH OBJECTIVES
1. To identify common and proven HRM practices in the South African construction company.
2. To determine the indicators of employee performance.
3. To highlight the factors that affect employee performance.
4. To ascertain employee motivation factors implemented in the company.

1.6 MOTIVATION FOR THE STUDY
This research desires to enhance the existing body of knowledge by considering areas of the literature that have not yet been examined and incorporating these factors into the current study. The study observes that organisations cannot overlook the relevance of HRM in the enhancement of employee performance. Hence, the drive of this case study is to explore HRM in a South African Construction Company.

1.7. RESEARCH METHODOLOGY
This study uses primary and secondary data. Through secondary data, pertinent literature in the area of the impact of HRM on employee performance has been identified. The primary data has been collected using a structured questionnaire administered to HRM personnel, senior management and Union Representatives. The research questionnaire consists of a set of questions separated into two subdivisions. The first subdivision consists of the demographics describing the profile of the respondent regarding the position at work, educational background, gender, age, and race. The second section of the questionnaire examines the effects of HRM on employee performance in a South African Construction Company. The main constructs of this study are the adopted HRM practices in the construction company, the indicators of employee performance, factors that affect manager and employee performance and employee motivation factors, measured through Likert-type scales. The basic Likert scales consist of five points with labels ranging from ‘very poor’ to ‘excellent’ and from ‘not a barrier’ to ‘extremely strong barrier’. The data set is analysed using descriptive statistics.

1.8. RESEARCH APPROACH AND DESIGN
The research is a descriptive case study, and the quantitative research approach has been adopted. The aim of quantitative research is to gather an in-depth understanding of HRM in a South African construction firm. The paper investigates different HRM practices and their level of implementation. Factors affecting employee performance are highlighted and factors
affecting employee motivation are explored. Further, a descriptive survey design is also adopted in the study; a questionnaire has been designed and will be distributed to respondents for the statistical representation of the findings in the study.

1.9. RESEARCH AREA AND TARGETED RESPONDENTS
The respondents in this research were limited to Human Resource Officers, Managers, Site Agents, Contract Managers, and Directors from a grade 9 (CIDB grading) South African construction companies in Johannesburg, Gauteng Province.

1.10. SAMPLE AND DATA COLLECTION
Purposive sampling is used to obtain scientific results that can be used to represent the entirety of the construction company. The data are collected using a structured questionnaire.

1.11. DELIMITATIONS
The scope of the research is limited to a grade 9 (CIDB grading) South African construction company in Johannesburg, Gauteng Province.

1.13. OVERVIEW OF CHAPTERS

CHAPTER 1    Introduction
This chapter defines the problem and shows how the investigation of the problem will be conducted. The introduction gives an overview of the aim and objectives of the study. Furthermore, this chapter gives the limitations of the study and a brief outline of the research methodology to be used.

CHAPTER 2    Human Resource Management
The chapter gives a review of literature on the general Construction Industry and highlights the South African Construction Industry.

CHAPTER 3    Employee Motivation
This chapter explores HRM in its entirety. Firstly, HRM is defined. Secondly, the evolution of HRM is outlined and, lastly, common HRM practices are identified.
CHAPTER 4 Construction Industry
This chapter reviews the literature on employee motivation. The chapter defines motivation, highlights the nature of motivation, and explores theories of motivation.

CHAPTER 5 Research Methodology
This chapter outlines details of the research methodology, the research area and targeted respondents, the research approach and design, sampling and data collection techniques and data analysis techniques.

CHAPTER 6 Research Analysis
This section analyses and interprets the primary data gathered by the researcher.

CHAPTER 7 Discussion of findings, Conclusion and Recommendations
This chapter discusses the findings from the primary and secondary data. The conclusions, based on the research findings, and recommendations are presented in this section.

12. CONCLUSION
Chapter one outlines the framework of the entire research study. It introduces the study, provides preliminary literature on the background of HRM, clearly outlines the problem statement, research questions, research objectives, the purpose of the study, motivation for the study, delimitations, research methodology, ethical considerations and the overview of chapters.

The next chapter is the literature review, a vigorous investigation of previous literature is conducted.
CHAPTER TWO
LITERATURE REVIEW: HUMAN RESOURCE MANAGEMENT

2.0 INTRODUCTION
The purpose of the literature review is to establish a theoretical framework for the relationship of HRM and employee performance in a South African Construction Company. It outlines key terms, definitions, and terminology. Firstly, HRM is defined, secondly, the evolution of HRM is outlined and, lastly, common HRM practices are identified.

2.1 HISTORICAL DEVELOPMENT OF HUMAN RESOURCE MANAGEMENT
Historically, there existed reliable procedures for the appointment of tribal leaders (Jones & Bartlett, 2014). From 2000BC to 1500BC, the Chinese used employee screening methods and the Greeks used the apprentice system (History of Human Resource Management, 2010). These activities acknowledged the need to select and train people for occupations. Initially, employee experts were known as personnel administrators or personnel managers. ‘Personnel Management’ denotes a set of practices such as recruitment, selection, training, compensation, and industrial relations, often executed efficiently, however, with little relationship amongst the different functions in the company or with the general company objectives.

In the United Kingdom (UK) and the United States (US), personnel management developed earlier than in Australia and the Asia Pacific countries (Kelly, 2003). This was in response to the extensive implementation of mass-production work processes. Improved production systems and power-driven equipment enabled goods to be manufactured more cheaply than before. These procedures also generated jobs that were tedious, unhealthy or even hazardous and this led to divisions between employees and management. The concentration of employees in workshops attracted public attention to employment conditions and encouraged employees to collaborate to achieve better working environments. In the early 1900s, humanitarian, cooperative and Marxist theories outlined the potential conflicts between employers and employees in the modern industry. In addition, these situations laid the foundations for the development of trade unions and industrial relations policies that are essentials of modern HRM, (Nankervis et al., 2011).
The UK and the US governments became involved in these problems and passed a series of laws to standardise working hours for children and women, minimum wages for male labour and to protect workers from unhealthy and harmful working environments. Additionally, in the early 1900s the Australian governments, both state and national, progressively began to follow suit. However, Australia and New Zealand implemented a different system, based on arbitration and conciliation, rather than mandatory working conditions. Subsequently, management academics in the UK and the US began to study the nature of employment and employment systems and to formulate models based on the developing sociological and psychological research. These models have advanced, and have been applied by general management and HRM experts to echo the change in attitudes to jobs, work procedures, and company structures. Frederick Taylor founded ‘Scientific Management’, which is best illustrated by Henry Ford in his vehicle manufacturing workshops. He emphasises the job itself and the effective adaptation of employees to work procedures. The Behavioural models, for instance, Elton Mayo’s Hawthorne study, centre on the satisfaction of employees’ needs to increase organisational throughput. Succeeding management theories, for instance systems theory and contingency approaches, endeavour to add on to previous notions to benefit both individuals and their organisations. Contingency approaches, Total Quality Management (TQM) and excellence researchers have applied these concepts to specific sectors, companies, and different economic and social situations. The significance of these theories to HRM is, firstly, personnel management has historically industrialised into HRM by integrating management theories (notably strategic management); and, secondly, a comprehensive knowledge of these theories can assist in implementing HRM practices in organisational objectives (Nankervis et al., 2011).

2.2 HUMAN RESOURCE MANAGEMENT
HRM is one of the oldest management theories. It affords an organisation a competitive advantage over its competitors. The notion of HRM is defined by Bakke (1966) who noted that the overall type of activity in any function of management is to utilise resources efficiently to achieve organisational objectives. However, HRM developed in its entirety when the Michigan matching model (Fombrun et al., 1984) and the Harvard framework (Boxall 1992) were developed. Beer et al. (1984) reported on the HRM notion, emphasising the necessity to advance HRM beyond selection and compensation to wider issues that entail a more strategic and widespread outlook on a firm’s workforce. One school of thought noticed that overseeing individuals is more troublesome than handling plant and capital (Barney, 1991; Lado & Wilson,
Organisations that have studied how to deal with their HR would have a significant advantage over others because the efficient management of HR requires sound HRM systems (Wright et al., 1994). Armstrong (2006) termed HRM as a strategic methodology to the management of a firm’s most valued asset, its employees. Likewise, Johanson (2009) noted that HRM is an element within a company intended to maximise employee performance in the light of the organisation’s objectives. According to Collings and Wood (2009), the mandate of HRM is to control the way employees are managed in companies, focusing on policies and systems. HRM operates through HR systems that come together coherently through the following:

<table>
<thead>
<tr>
<th>HRM Philosophies:</th>
<th>Describe the values and principles implemented in the management of human beings.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRM Strategies:</td>
<td>Define the direction HRM intends to take.</td>
</tr>
<tr>
<td>HRM Policies:</td>
<td>Procedures that define how values and strategies should be applied in specific areas of HRM.</td>
</tr>
<tr>
<td>HRM Processes:</td>
<td>Consist of the formal procedures used to put HRM strategic plans and policies into effect.</td>
</tr>
<tr>
<td>HRM Practices:</td>
<td>Consist of the informal methods used in managing people.</td>
</tr>
<tr>
<td>HRM Programmes:</td>
<td>Aid HRM strategies, policies, and practices to be employed according to plan.</td>
</tr>
</tbody>
</table>

2.2.1 Human Resource Management Models

There are many models that have been suggested by various scholars to describe the HRM concept. The models have tried to illustrate the manner in which firms can align HRM practices with the firm's objectives. Just as it is difficult to define a generally accepted definition of HRM and its role within organisations, there is no universally established model of the way the HRM function should operate.

Harvard Model

As indicated by Beer et al. (1984), the Harvard Model is a system to direct all supervisors in their association with workers. It focuses on the human element of HRM. The model focuses...
on employee commitment, not control. Further, it operates from the basis that employees should be competent, and cost-effective.

**Michigan Model**
The Michigan model emphasises hard HRM. It suggests that human beings should be managed like other resources and attained cheaply, utilised, developed and exploited fully. Also, it emphasises the interconnection of HRM activities. The model suggests that selection, appraisal, development and rewards are all geared towards organisational performance, (Devanna et al., 1984)

**Guest Model**
David Guest’s model (Guest, 1997) operates on the principle that a set of combined HRM practices will yield improved employee and firm performance. It advocates a substantial difference in HRM from the traditional Personnel Management (PM). It proposes that HRM strategies like innovation, differentiation, attention to quality and cost reduction will prompt practices like better employee appraisal, selection, remuneration, job designs, employee involvement, and job security, which lead to better quality outcomes, flexibility and commitment. It will then influence performance so that productivity will increase and innovation will be accomplished. Moreover, absenteeism, workforce turnover, conflict and client complaints will be limited.

**Warwick Model**
Hendry and Pettigrew (1990) developed this model at the Centre for Strategy and Change, Warwick University in the early 1990s. The model accentuates a systematic approach to HRM. It also highlights the impact of the employee function within the HR strategy content. The researchers based their research on mapping the context and identifying the inner (organisational) and external (environmental) framework.

**Hard and Soft Human Resource Management**
Storey (1989) has differentiated between ‘Hard’ and ‘Soft’ forms of HRM. Hard HRM focuses on the costs incurred by the human resources of the firm, while soft HRM emphasises the human aspect of HRM.
## Table 2.1: Soft and Hard HRM

<table>
<thead>
<tr>
<th>characteristics</th>
<th>Soft HRM / High Commitment</th>
<th>Hard HRM / Low Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Attitude</td>
<td>Employee orientated considers employees as biggest assets.</td>
<td>Task orientated. Employees are employed to do work as directed.</td>
</tr>
<tr>
<td>Recruitment</td>
<td>Based on attitude and integration with the team.</td>
<td>Based on the capability to the job or to be trained to do the job with limited time.</td>
</tr>
<tr>
<td>Job Description</td>
<td>A great degree of multi-skilled permitting the workforce to work in a variety of areas.</td>
<td>Highly defined, with a restricted scope.</td>
</tr>
<tr>
<td>Work Design</td>
<td>Continuous review, work design to be proficient and enjoyable for staff.</td>
<td>Doing the work the same way it has always been done.</td>
</tr>
<tr>
<td>Visibility of Corporate Goals</td>
<td>Employees understand the bigger picture.</td>
<td>Employees are told what they need to know for their roles.</td>
</tr>
<tr>
<td>Workplace Culture</td>
<td>Shared culture is common to all.</td>
<td>Customarily hierarchical.</td>
</tr>
<tr>
<td>Career Progression</td>
<td>Assists employees to plan career opportunities for them to develop within the organisation.</td>
<td>No progression offered within the organisation.</td>
</tr>
</tbody>
</table>

**Source: Storey (1989)**

**Best Practice Model**

Johnson (2000) denotes the best practice or high-performance work practices as HR systems and methods that have a universal and positive effect on organisational performance. The hypothesis is that a set of HRM practices directed towards high commitment or high performance will profit all organisations regardless of context.
2.3 **HUMAN RESOURCE MANAGEMENT PRACTICES**

De Kok et al. (2003) note that various researchers denote HRM practices by various names such as *best practice*, or *high-performance* (Huselid, 1995), *formal* (Aldrich & Langton, 1997; De Kok & Uhlmaner, 2001; Heneman & Berkley, 1999), *sophisticated* (Golhar & Deshpande, 1997; Hornsby & Kuratko, 1990; Goss et al., 1994; Wagner, 1998) or *professional* (Gnan & Songini, 2003; Matlay, 1999). However, Pfeffer (1994) claims the most suitable term is “best HRM practices”. Chandler and McEvoy (2000) raise the question of whether there is a single set of HRM practices that represents a ‘universally superior approach’ to managing individuals.

According to Johnson (2000), scholars of best practices or high-performance, advocate that universally, certain HRM practices, either jointly or separately are interrelated to improved organisational performance. Moreover, HRM practices are said to initiate positive changes in relationships, particularly when supervisors can provide evidence of consideration of the needs of the workforce (Gould-Williams, 2007). Minbaeva (2005) defines HRM practices as a set of practices adopted by an organisation to manage employees, by enabling the development of skills that are firm-specific, produce complex social relations and produce organisational knowledge to sustain a competitive advantage. Though there are various definitions, one may conclude that HRM practices relate to particular practices and organisational policies that are designed to attract, develop, motivate, and retain workers who warrant the efficient operation and survival of the company. Initially, Pfeffer (1994) identified 16 practices that signify best practice. They were later developed to the following seven practices:

1. Selective hiring
2. Employment security
3. High compensation depending on organisational performance
4. Extensive training
5. Sharing information
6. Self-managed teams/team working
7. Reduction in status differences.

The study by Mondy and Noe (1996) identifies six HRM practices that are associated with effective human resources management:

1. Human resource planning, recruitment and selection
2. Training and development
3. Compensation and benefits
4. Health and safety
5. Employee and labour relations
6. Human resource information systems

Moreover, the study by Redman and Matthews (1998) recognises an ‘HRM bundle’ of essential practices which support quality organisational strategies:

1. Recruitment and selection
2. Remuneration systems
3. Job design
4. Training and learning
5. Employee involvement
6. Performance appraisals.

After reviewing literature in depth, it is noted that some HRM practices are central in the different proposed lists of HRM practices. Five practices have been selected for this research, based on their significance in the reviewed literature, their impact, and measurability:

1. Recruitment and selection
2. Training and development
3. Compensation and benefits
4. Health and safety
5. Employee and labour relations

2.3.1 Recruitment and Selection
According to Schuler (2000), many companies recognise the importance of the effective management of their HR. The quality of HR depends heavily on the efficiency of the recruitment and selection process (Gamage, 2014). Recruitment and selection of the wrong candidates come with huge cost implications which firms cannot afford. Thus, the purpose of recruitment and selection within an organisation is to obtain the quantity and quality of workers that are required to accomplish the strategic objectives of the company, at minimal cost (Ofori & Aryeetey, 2011). According to Sangeetha (2010), recruitment and selection are the heart of the way the firm recognises the HR needed to sustain a competitive advantage over their competitors. Costello (2006) describes recruitment and selection as a set of functions and processes used to acquire a sufficient number of qualified individuals at the right time and place. The recruitment process entails the sourcing, advertising and interviewing of the future workforce. On the other hand, the selection process involves the staffing and training of new recruits in their new job roles (Sangeetha, 2010). Similarly, according to Ofori and Aryeetey
selection is the process by which specific selection methods are used to choose from the pool of candidates most suitable for the job vacancy. (Equally, a job analysis of the entire organisation should be undertaken. A job analysis is the first step in the recruitment stage. It aligns job seekers with the particular job opening (Delaney and Huselid, 2006). According to Mondy, (1996) and Noe, (1996) and Swanepoel et al. (2000), job analysis is the method of determining the abilities, duties, and knowledge essential for performing jobs in an organisation. Furthermore, Nel et al. (2001) highlight that job analysis is a systematic process of compiling a description of the work post, the skills needed, the work experience required for various vacancies and a forecast of the future direction of the organisation. Similarly, a job analysis gives information about an existing or a newly created job post and should be included in the job post advertisement so that it is clear to applicants what the company is looking for.

2.3.2 Training and Development
Training and development (T&D) programmes are of paramount importance because they give organisations an advantage over their competitors and aid employees to better perform their jobs. Also, T&D allows organisations to operate effectively in the new economy and to meet the ever-changing challenges of the workplace (Warnich et al., 2014). Aguinis and Kraiger (2009) define training as a systematic approach to enhance individuals’ knowledge, abilities, and attitudes in order to increase individual, team, and organisational efficacy. They continue to describe development as “the systematic efforts to enhance individuals’ knowledge and proficiency for purposes of personal growth or future jobs and/or roles”. Likewise, the study by Devi and Shaik (2012) conveys T&D as being modern-day oriented, with a focus on people’s current jobs, enhancing specific skills, and capabilities to better perform their jobs. Furthermore, employee development has a holistic view, focused on improving behaviours, improving performance and future jobs in the organisation. T&D may be viewed as one of the most prevalent methods of increasing firm productivity, the performance of employees and communicating organisational objectives to new personnel (Edens & Bell, 2003). It becomes evident that T&D has an impact on productivity and both employers and employees can reap the benefits from it (Conti, 2005; Dearden et al., 2006; Ballot, Gerard, Fakhfakh & Taymaz, 2006). However, the study by Lynch & Black (1995), which focuses on the general aspects of T&D with regard to organisational performance, discovered that only off-the-job (general) training increases performance, whereas on the job training does not. Furthermore, Barrett and O’Connell (2001) concur that general training has a positive effect on organisational performance whereas firm-specific training does not. Therefore, a comprehensive T&D
programme is of paramount importance as it gives a competitive advantage to organisations over other companies and aids employees to perform better at their jobs. In addition, viable T&D can be cost effective, enhance individual, team and firm efficiency in relation to quality, output, speed and general productivity. It can improve work flexibility by extending the variety of skills possessed by the employees (multi-skilling), attract a high quality workforce by affording them T&D opportunities, increasing their proficiency and developing their abilities. Furthermore, it facilitates worker satisfaction, allows them to gain greater rewards and to grow within the organisation. T&D helps manage change by enhancing the employees’ understanding of the reasons for change and providing them with the information and expertise needed to adjust to new work conditions and it cultivates a positive organisational culture which is focused on improved performance and increased levels of customer service (Armstrong, 2006).

2.3.3 Compensation and Benefits
Compensation and benefits (C&B) systems are intended to attract, retain, and motivate workers while adhering to all legal rules and regulations. C&B not only refers to extrinsic rewards like salaries but also to intrinsic rewards like achieving personal objectives and thought-provoking job opportunities (Carrell et al., 1995). Furthermore, the performance-based reward is the foremost HRM practice that organisations use to assess and compensate employees’ efforts (Collins & Clark, 2003). From evidence, the performance-based reward has a positive effect on the employee and organisational performance (Brown et al., 2003; Cardon & Stevens, 2004). Previous literature note the positive link between performance-based pay and organisation performance, However, it is not only the pay grade that matters but also the pay structure, (Wimbush, 2005; Singh, 2005). In addition, Noe et al. (2003) note that wages, salaries, bonuses, and other types of incentives have an impact on an individual’s standard of living. Therefore, this has two implications: firstly, pay can be a great motivational tool. An effective pay system can stimulate an organisation’s success; equally, a poor pay system may have adverse effect. Secondly, employees care greatly about the fairness of the salary process. Hence, pay structures must be explained to employees in such a way that they comprehend the underlying basis and trust that it is fair.
In relation to the above, Hale and Bailey (1998) claim that successful companies recognise seven principles of the reward strategy that lead to superior business results:

- Pay for performance;
- Achievement of business goals;
- Relating rewards to other areas of organisational change, such as providing recognition when warranted, offering career development and providing challenging work opportunities;
- Reward measurable competencies;
- Link incentives to the company culture;
- Keep group incentives clear and straightforward;
- Over-communicate the reward strategy for best results and
- Recognise employees for the work they do and the contribution they make.

Likewise, Byars and Rue, (1994) highlight that the organisation’s reward system has an effect on an employee’s job satisfaction. Job satisfaction is an employee’s overall attitude regarding his or her job. The primary factors that impact on job satisfaction are: attitude concerning the work team, overall working environment, attitude towards the firm, monetary incentives and attitude towards management. Additional factors include health, age, level of ambition, social status, political and social activities (Byars & Rue, 1994).

2.3.4 Health and Safety

The Occupational Health and Safety (OHS) Act 85 of 1993 aims to provide for the health and safety of personnel in the workplace. As well as the health and safety (H&S) of people, it is about the use of plant and machinery and the protection of individuals at work against hazards arising from or relating to the tasks they perform. The Act aims to create an advisory council for H&S and to provide for matters arising from health and safety issues. Similarly, it is the responsibility of the employer to guarantee the safety, health, and welfare of the employees and to manage and conduct work tasks in a way that does not hinder their health, safety, and wellbeing. Therefore, it is important for the company to be pre-emptive in managing safety, health, and welfare responsibilities in a systematic way. Table 2.2 is a depiction of the health, safety, and environmental responsibilities related to HRM. (The Canadian Centre for Occupational Health and Safety (CCOHS), 2013).
Table 2.2: Health, Safety, and Environmental Responsibilities-related HRM

<table>
<thead>
<tr>
<th>Examples of HRM activities</th>
<th>Relevance to workplace H&amp;S</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with regulations regarding employee and management practices</td>
<td>H&amp;S of employees with special needs.</td>
</tr>
<tr>
<td>Coordinating H&amp;S activities</td>
<td>Supervision of H&amp;S personnel, management of H&amp;S committee activities</td>
</tr>
<tr>
<td>Managing employee benefits and compensation</td>
<td>Modified work assignment, “Early Return to Work policy.”</td>
</tr>
<tr>
<td>Maintaining employee records</td>
<td>Special needs of:</td>
</tr>
<tr>
<td></td>
<td>• Pregnant and nursing employees</td>
</tr>
<tr>
<td></td>
<td>• Employees with injury or illness</td>
</tr>
<tr>
<td></td>
<td>• Employees with disabilities</td>
</tr>
<tr>
<td>Ensure that workers are aware of new and existing HRM policies</td>
<td>Orientation, training and ongoing communication with:</td>
</tr>
<tr>
<td></td>
<td>• New staff members</td>
</tr>
<tr>
<td></td>
<td>• Transferred personnel</td>
</tr>
<tr>
<td></td>
<td>• Promoted employees</td>
</tr>
<tr>
<td></td>
<td>• Entire employees</td>
</tr>
<tr>
<td></td>
<td>• Students and Volunteers</td>
</tr>
<tr>
<td>Career development, training, and organisational development</td>
<td>T&amp;D needs rising from changing work practices, equipment, and relocation</td>
</tr>
<tr>
<td>Promoting leadership in management and supervision</td>
<td>Health, safety &amp; environmental responsibility of workers at all levels</td>
</tr>
<tr>
<td>Promoting a safety culture</td>
<td>Identifying safe behaviour</td>
</tr>
</tbody>
</table>

Source: Canadian Centre for Occupational Health and Safety (2013)

Nel et al. (2001) observe that there is growing recognition of systems, that are an important part of life in general and organisations, which provide more than a safe working environment, but have a positive impact on the physical and psychological well-being of employees as well. Furthermore, Swanepoel et al. (2000) add that, apart from attracting and retaining the right employees who are appropriately remunerated, it is important to promote and maintain the overall state of well-being of employees. Moreover, Swanepoel et al. (2000), define employee wellness as the workers' state of optimised social, physical, and mental health and well-being.
It entails a holistic approach to looking at the physical, psychological, and social state of well-being of the employees of an organisation. All things being equal, employees who are well (from a health point of view) will usually perform better than those who are not well. Therefore, organisations that fail to adopt employee wellness into their culture will inevitably find an increase of sickness, which will result in the decrease of organisational performance (Matlala, 1999). Hence, organisations should not just focus on H&S but also on employee wellness.

2.3.5 Employee and Labour Relations

According to Akpala (1982), Labour Relations is concerned with the internal arrangement between employers and trade unions in a mutual relationship, within an industry or across industries or within an enterprise, to regulate the relations affecting employment and its compensation. South Africa's Constitution is the supreme law of the country. Hence, the provisions of all South African statutes conform to the principles set out in the Constitution. This means that parliament, public, and private sectors are all subordinate to the Constitution, (The Republic of South Africa, 1995). For this study, the Acts are not discussed in detail. They serve only to highlight the fact that organisations are expected to comply with the requirements of all Acts. This compliance includes certain obligations of employers and employees. However, it is imperative to note that the Acts place most of the obligations for fair labour practice on the employer. According to Nel (2001), employment regulations are governed by the Constitution and governmental policies. The most relevant statutes, other than the Constitution, governing human resources management employment relations in South Africa are:

**The Labour Relations Act 66 of 1995**

The Labour Relations Act (LRA) sets out the laws that administrate labour in South Africa. It is guided by Section 23 of the Constitution. It institutes the rights of employees and employers to form unions for collective bargaining. Jointly with the Basic Conditions of Employment Act, it warrants social justice by instituting the rights and duties of employers and employees. Also, it standardises the organisational rights of trade unions regarding strikes and lockouts, workplace committees and other ways of solving disputes. Furthermore, it affords an outline for labour dispute resolution through the Commission for Conciliation, Mediation and Arbitration (CCMA), Labour Court and Labour Appeal Court.
The Basic Conditions of Employment Act 75 of 1997

The Basic Conditions of Employment Act (BCEA) was passed to improve economic development and social justice and to give effect to the right to nondiscriminatory labour practice for everyone by establishing and implementing basic conditions of employment. The BCEA furnishes procedures for employment relations to protect against prejudicial labour conditions. The BCEA regulates the following aspects of employment: working time, leave, particulars of employment and compensation, termination of employment, the embargo of employment of minors and forced labour, a variation of basic conditions of employment, sectoral determinations, employment conditions commission, monitoring and enforcement, and legal proceedings.

Employment Equity Act, No 55 of 1998

South Africa has a remarkable history of discrimination based on race, gender, and disability, which historically denied certain categories of people access to equal opportunities for employment and fair labour practice. The Employment Equity Act (EEA) was designed and enacted by the democratic South African government. It was in response to discriminatory laws enacted by its apartheid predecessor, who intentionally shaped inequalities in employment opportunities, professions, and income in the South African labour market. The EEA aims to redress this legacy of discrimination through two mechanisms. The first is to promote equal employment opportunity and fair treatment by the eradication of unfair discriminatory practices against employees and applicants. Its second purpose is to implement and enforce affirmative action measures to redress past discrimination according to race, gender, and disability for designated groups to ensure demographic employee representation in the labour market.

The Skills Development Act 97 of 1998

The Skills Development Act (SDA) was promulgated by the government in 1998 as a result of heightened levels of unemployment, low levels of investment in the South African labour market, unequal differences in income and inequality of opportunity as a result of apartheid and poverty. (Brendan & Down, 2000). Through this Act, the government aims to firstly, improve skills and increase productivity to compete successfully in the global economy. Secondly, to reverse the imbalances caused by apartheid and to create a more inclusive and cohesive society, (Department of Labour, 2015).
The Skills Development Levies Act 9 of 1999
According to SETA, the Skills Development Levies Act (SDLA) regulates a compulsory levy scheme to fund training and education in businesses within numerous sectors in South Africa. The SDLA aims to increase the knowledge and skills of the labour force and to upsurge the supply of skilled labour in South Africa.

Employment Services Act, No 4 of 2014
In recognition of levels of unemployment and challenges faced by work seekers, in particular vulnerable work seekers, the Employment Services Act (ESA) facilitates the employment of foreign nationals in a way that is consistent with the purpose of the Act and all other relevant Acts in South Africa. According to ESA, all foreign nationals in the South African labour market will be protected in terms of section 23 of the Constitution.

The Occupational Health and Safety (OHS) Act 85 of 1993
The Occupational Health and Safety Act (OHS) provides for the H&S of individuals in the workplace and the H&S of personnel using machinery and equipment, protection of individuals other than the individuals at work against hazards to H&S stemming from the activities of persons at work, to establish an advisory council for OHS and to cater for matters connected therewith (Department of Labour, 2015).

Unemployment Insurance Amendment Act, No 32 of 2003
The aim of the Unemployment Insurance Amendment Act (UIAA) is to provide compensation from the fund of unemployment benefits to certain employees and the payment for illness, adoption, maternity and dependents’ benefits related to the unemployment of such an employee (Department of Labour, 2015).

Compensation for Occupational Injuries and Diseases Amendment Act 61 of 1997
The Compensation for Occupational Injuries and Diseases Amendment Act (COIDA) was previously known as the Workmen’s Compensation Act. The Act addresses the compensation of employees who are disabled because of injuries or diseases contracted or sustained at work. Likewise, it provides compensation laws in case a worker dies because of a work-related injury or disease (Department of Labour, 2015).
2.3.6 Performance Management and Appraisals

Performance Management

Dessler (2008) noted that performance management is a procedure that merges goal setting, performance appraisal and development into a common system which ensures that employees’ performance supports the company’s strategic aims. Furthermore, Armstrong & Stephens (2006) define performance management as a strategic and integral process that brings continuous success to organisations by enhancing employee performance and the abilities of individual contributors and teams. A study by Elnaga and Imran (2013) categorises performance management into five elements, namely planning, monitoring, developing, rating, and rewarding. (1) Planning refers to setting goals, developing strategies, and outlining work activities and schedules to achieve the goals. (2) Monitoring is the constant monitoring of employees’ progress to evaluate how they are doing to meet the set goals and to provide them with feedback to assist their progress towards accomplishing their goals. Also, monitoring assists in altering unrealistic tasks. (3) Developing assists workers to improve on poor performance during the period of employment. (4) Rating indicates the employees’ performance; this is vital when the organisation compares the overall company performance over a period of time or amongst its workforce. (5) Rewarding - it is important for employers to know who their best-performing employees are and to reward them accordingly. In addition, the study by Armstrong and Baron (2004) indicates that performance management is a tool that ensures that managers are effective in managing the workforce. Therefore, performance management systems should ensure that managers know what is expected of them and have the expertise to deliver on these expectations. They should be supported by the firm to advance their aptitude to meet this expectation and be given feedback on their performance. They should also be given the chance to discuss individual and team aims and objectives (Armstrong & Baron, 2004). Moreover, performance management systems ensure that managers, too, are aware of the level of impact their behaviour has on their subordinates and that they should exhibit and uphold positive behaviours at all times (Armstrong & Baron, 2004).

Performance Appraisal

Performance appraisal is the assessment of an employee’s current and past performance relative to his or her performance standards (Dessler, 2008). The study by Boswelljohn and Boudreau (2001) examines two functions of the performance appraisal system, namely: evaluative and developmental. Firstly, evaluation entails the use of performance appraisal for salary management, promotion decisions, retention or dismissal decisions, recognition of good
individual performance and poor employee performance. Secondly, the developmental function is comprised of identifying employee training needs, providing performance appraisal feedback, regulating transfers and work tasks and identifying individual strengths and weaknesses. According to Dessler (2008), there are three steps to the performance appraisal process: define the work, appraise performance, and give feedback. Defining the work entails making sure that the manager and the employee come to an understanding of the employee's responsibilities and job standards. Appraising performance means comparing the employee’s performance to the set standards. Thirdly, performance appraisal necessitates one or more feedback sessions. The manager and employee discuss the individual’s performance and progress and make plans for any T&D required.

2.4 EMPLOYEE PERFORMANCE
According to Hellriegel and Slocum (1999), performance is a culmination of the efforts made by the employees in an organisation at different levels. These efforts lead to the achievement of goals and improved organisational performance (Armstrong & Baron, 1998). Organisational performance is based on employee performance, for example, improved employee performance is tantamount to improved corporate performance. Moreover, one school of thought reports a strong correlation between employees’ performance and corporate performance (Collis & Montgomery, 1995; Mwita, 2000; Abbas & Yaqoob, 2009). Similarly, the study by Armstrong and Baron (1998) echoes a positive correlation between employee performance and organisations’ productivity and growth.

The study by Hutchinson and Purcell (2003) finds that managers are the most significant factor explaining discrepancies in employee performance. Furthermore, the study reveals that managers are also one of the most important elements in increasing firm commitment from employees. Moreover, the study indicates that managers can make a difference in employee attitude (Purcell et al., 2003). Likewise, line managers play an important role in executing HR policies (Renwick, 2003). Furthermore, Drucker (1974) describes the job of a manager as consisting of five basic operations: (1) Setting objectives, (2) Organising, (3) Motivating and communicating, (4) Measurement and (5) People development.

In addition, (Padilla-Velez, 1993) contends that strengthening the relationship between managers and their employees yields positive results in terms of employee performance, motivation, and lower absenteeism. Therefore, the relationship between employers and employees needs to be cordial for an effective communication and proficient performance. Employee relations have a great impact on the success of the entire company.
Hence, the creation and reconciliation of internal employee relations among different departments are of utmost importance for the efficient operation of a company and improved employee performance (Ahmed & Rafiq, 2003). Moreover, Ahmed and Rafiq (2003) claim that in an organisation, understanding, and confidentiality, trust and loyalty help in achieving good relations. AlDamoe (2015) suggests that a well-maintained employee relationship serves three purposes: Firstly, it helps in tackling and administering conflict in the work place, hence minimising disruptive behaviour. Secondly, it assists employers to recognise and avoid conflicts prior to their occurrence, which helps employees concentrate on their professional development and support organisational goals. Lastly, it creates a work culture that considers the interests and well-being of the employees.

On another note, the study by Wollack et al. (1971), on work values classifies employee performance factors into two categories: intrinsic and extrinsic. Intrinsic factors include:

- **Pride in work** – The gratification an employee feels when doing their job well.
- **Job involvement** – The level at which the employee takes an active interest in fellow colleagues and the firm's purpose and contributes to job-related decisions.
- **Activity Preference** – The preference of an employee to keep himself or herself active and busy at work.
- **Upward Striving** – The aspiration to seek a higher work position, thus improving the standard of living.

Meanwhile, the extrinsic factors include:

- **Attitude towards earning** – The value that an employee places on earning money on the job.
- **Social Status of Job** – The impact the job has on an employee from the point of view of other people.
- **Responsibility at work** – The level of responsibility that an employee is entrusted with.

### 2.5 HUMAN RESOURCE PRACTICES WITH REGARD TO EMPLOYEE PERFORMANCE

Guest (2002) suggests that the effect of HRM on performance is dependent on the response of the workforce to HRM practices. Therefore, HRM effectiveness moves in the direction of the perceptions of the employees.
Recruitment and Selection and Employee Performance
Recruitment and selection are the primary processes to evaluate staff (Cunningham, 1999; Lynch & Smith, 2010). Recruitment and selection is the identification, attraction, and selection of suitable individuals to meet the job requirements of the company. Qureshi and Ramay (2006) note that HRM practices are positively correlated with employee performance. However, recruitment and selection and T&D affect employee performance more than the other practices. Likewise, Huselid, (1995) found, through observing HRM practices, that recruiting and selecting the right individuals increases employee performance, enhances organisational performance and contributes to decreasing employee turnover. Moreover, it has been specified that a good recruitment and selection programme provides a positive influence in increasing employee commitment, efficiency, work quality and performance (Patimah, 2015).

Training and Development on Employee Performance
Tzafrir (2005) points out that T&D is an essential tool for producing and enhancing human capital. The investment in T&D programmes makes employees feel indebted to the firm. Moreover, T&D is necessary for employees to execute particular tasks, especially when the task requires specific abilities and knowledge. Qureshi et al. (2007) conclude that there is a significant positive link between T&D and employee performance.

Compensation & Benefits and Employee Performance
According to Collins and Clark (2003), Compensation and Benefits (C&B) is the primary HRM practice used by companies to appraise and reward their employees’ efforts. Likewise, Caruth and Handlogten (2001) note that workers are motivated when there are monetary rewards proportionally linked to their performance. Therefore, the effective implementation of a C&B system creates employees’ willingness to perform better (Wright et al., 2003). Leonard (1990) distinguishes between companies following long-term incentive plans who acquire a greater increase in return on equity, and those companies that ignore such plans. In addition, the study by Teseema and Soeters (2006) reports a positive relationship between C&B practices and employee performance.

Labour Relations and Employee Performance
According to Ernawati and Ambarini (2010), labour relations have a significant influence on employee performance. Amjad (2013) reaffirms that relations between employees affect employee performance and that problems usually arise from differences in work experience,
age and demographics. The differences give rise to differences of opinion and lead to conflict that could affect the workers’ performance. This is apparent from the research by Jacqueline et al. (2013) which concludes that the relationship created by the team or group has a positive impact on employee performance.

Health & Safety and Employee Performance
Muchemedzi and Charamba (2006) define occupational health and safety (OHS) as a science concerned with health issues relating to the working environment. Oxenburgh et al. (2004) maintain that the health and safety (H&S) of all personnel is closely linked to the company’s productivity. Furthermore, the Health and Safety Executive (2006) argues that a healthy and happy labour force is more productive. This leads to increased investment in H&S to decrease or eliminate accidents, in turn resulting in increased productivity gains. Furthermore, the Health and Safety Executive (2006) confirms describes that genuine performance gains can be realised by those firms that invest in high-level H&S practices.

Performance Appraisal of Employees’ Performance
Research has shown that employee evaluations, also known as performance appraisals, are vital for the operation of the organisation and the enhancement of employee performance (Francis & Kleiner, 1994; Boice & Kleiner, 1997). Rating the employees is essential as it helps to identify the individuals for leading positions in the company. A suitable work review of the individuals must be conducted in order to reward them appropriately. The implementation of the performance appraisal system is a complicated and challenging task because it needs an accurate and fair appraisal of employee performance.

2.6 FACTORS THAT INFLUENCE EMPLOYEES’ PERFORMANCE
Aguinis (2009) notes that the description of performance does not encompass the results of an employee’s behaviour, but the behaviours themselves. On the other hand, Spector et al. (2004), report that human beings behaviour results from what motivates employees, their performance is evident in both their level of ability and the level of motivation. Khankar (2007) defines motivation as one's willingness to exert effort towards the accomplishment of goals. Moreover, motivation may be either intrinsic or extrinsic. Extrinsic motivation depends on tangible rewards such as salary and fringe benefits, security, promotion, service contract and the work environment. Intrinsic motivation, on the other hand, depends on psychological rewards like the opportunity to use one's skills, a sense of challenge and accomplishment, receiving
appreciation and recognition and being treated in a considerate manner (Spector et al., 2004). Furthermore, the study by (Ganta, 2014), notes that employees who are unmotivated are likely to devote little or no effort to their jobs, avoid the workplace as much as possible, leave the organisation if afforded the opportunity and produce low quality work. McCloy et al. (1994) observe that employee performance can be seen in terms of three perspectives: “declarative knowledge”, “procedural knowledge,” and “motivation”. In addition, there are certain factors which affect employee performance individually or collectively and positively or negatively. Herzberg’s Two-Factor theory states that there are “motivator factors”. These motivators consist of recognition, achievement, the work itself, responsibility and personal growth and advancement. On the other hand, there are “hygiene factors”: company policy and administration, supervision, relationship with the manager, work environment, salary, interpersonal relations, and relationships with subordinates, status, and security (Herzberg, 1959).

### Table 2.3: Herzberg’s Two-Factor Theory

<table>
<thead>
<tr>
<th>Hygiene Factors</th>
<th>Motivators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>Nature of Work</td>
</tr>
<tr>
<td>Job Security</td>
<td>Sense of Achievement</td>
</tr>
<tr>
<td>Working Conditions</td>
<td>Recognition</td>
</tr>
<tr>
<td>Level and Quality of Supervision</td>
<td>Responsibility</td>
</tr>
<tr>
<td>Company Policy and Administration</td>
<td>Personal Growth and Advancement</td>
</tr>
<tr>
<td>Interpersonal Relations</td>
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</tbody>
</table>

Source: Herzberg (1959)

### Motivation Factors

Motivation Factors play a role in encouraging employees to work efficiently for an organisation. They include:

1. **Sense of achievement**: their ability to prevent problems, solve problems, and to be content when tasks are completed.

2. **Recognition**: being accepted whether by a supervisor or other colleagues at work and being appreciated, complimented, congratulated, and supported or shown any other gesture displaying recognition of their ability.

3. **Nature of Work**: a job that entails creativity or special abilities.
4. Responsibility: satisfaction from being given the power to be fully responsible for an assigned task without being micro-managed.

5. Personal Growth and Advancement: personal development and job promotion that follows achievement.

**Hygiene factors**

Hygiene factors neither motivate the employee to work efficiently nor enthusiastically. However, they serve as a tool to prevent job dissatisfaction. These factors include:

1. Company policy: management and administration of the company which should maintain clear, fair, non-overlapping job delegation.
2. Level and quality of supervision: the ability of supervisors to perform their duty fairly at work, their problem-solving skills and ability to guide employees.
3. Interpersonal relationships; positive communication between staff members that shows good relationships and working together with understanding.
4. Working conditions: the physical condition of the workspace, such as lighting, noise, air circulation, working hours and the arrangement of the workspace and the equipment or tools used at work.
5. Salary: compensation, fringe benefits or other benefits gained appropriately for the work performed.
6. Job security: feeling secure in the job within the organisation.

**2.6 CONCLUSION**

This chapter concentrates on the historical development of HRM, HRM systems and Models of HRM. Common HRM practices are described employee performance is defined and factors affecting employee performance are explored. Subsequently, the chapter explores motivation and motivational theories and ways that HRM motivates employees.
CHAPTER THREE
EMPLOYEE MOTIVATION

3.0 INTRODUCTION
Chapter three defines motivation, highlights the nature of motivation, and explores the theories of motivation.

3.1 MOTIVATION
3.1.1 Defining Motivation
Coetsee (2002) defines motivation as the relations between employees and environmental factors that create and stimulate positive behaviour. Coetsee (2002) and Robbins et al. (2009) agree that the concept of motivation in the workplace refers to employees’ willingness to exercise high levels of determination, to accomplish organisational objectives in combination with the gratification of the needs of the workforce. According to Mitchell (1982), motivation signifies a psychological process that causes individual continuous actions that are goal-orientated. Likewise, Armstrong, (2001) observes that motivation is the “factors that impel individuals to behave in a certain way”. Furthermore, Armstrong, (2001) notes that motivation is dependent on three factors: firstly, the environment which includes the workplace conditions, secondly, job-related factors like accessability of resources and working equipment and thirdly, personal factors like T&D and work promotion oppotunities. Kreitner and Kinieki (2008) confirm that motivation is the psychological practice that enhances and directs goal-oriented behaviour.

3.1.2 The Nature of Motivation: Intrinsic and Extrinsic Motivation
Motivation is identified in two forms, specifically, intrinsic motivation and extrinsic motivation. Coetsee (2002) states that intrinsic motivation is not driven by an increase in compensation and rewards but by feelings of gratification, significance, interest and achievement. Furthermore, he maintains that intrinsic rewards cannot be given to individuals by their employers because the rewards are internal to each individual. In other words, each worker grants it to himself or herself because of good performance. Although the company cannot provide the employees’ intrinsic rewards, it can create a work environment that facilitates individuals’ experiencing these types of rewards. Roberts-Lombard (2008) reiterates that a supportive internal environment must be created for
employees. He suggests that the internal environmental development needs of employees should be supported by the company with internal T&D policies for planning and supervision techniques. The internal environment can be improved by the company, by accurately defining what a specific job requires, how the task relates to the larger scheme of things and how it links with the tasks of co-workers, with the clear indication that it is up to the individual to determine how the job will be executed. Allied to this, is feedback to individuals about their work performance and the outcome of all the tasks. Extrinsic motivation may be seen as the external dynamics that influence a person to do something. According to Coetzee (2002), the following external factors may possibly have an effect on extrinsic motivation: salary, work environment, policy, security and safety, company benefits and relationships. In support of this, Howlett’s Hierarchy of Work Motivators shows that extrinsic motivational factors such as salary, work environment, policy, security and safety, company benefits and relationships impact on externally motivationed needs. These external factors form part of the first three levels of Howlett’s Hierarchy. When the external needs are attained, level four and five of the Howlett’s Hierarchy may be realised. Failure to achieve the first three levels will result in job dissatisfaction. Job dissatisfaction makes employees less productive and this results in job losses through employees resigning or being laid-off. The subsequent two levels of Howlett’s Hierarchy are the internal factors or intrinsic factors, specifically factors like achievement, recognition, development, responsibility and the nature of the job. These intrinsic factors emerge when individuals are self-motivated after the external needs have been satisfied. The organisation that achieves all five levels will have motivated employees and increased productivity.

Frey and Osterloh, (2002) add that although there is a difference between intrinsic and extrinsic motivation, they are not “independent of one another”. Naturally, people have intrinsic and extrinsic needs. Moreover, in some situations, there will be a trade-off between intrinsic and extrinsic needs. This indicates that intrinsic and extrinsic motivations may merge as workers are made a part of the company and benefit from its accomplishments. For example, an employee may be motivated intrinsically when the job is made more interesting and may be motivated extrinsically when assured a high bonus or promotion. Therefore, to satisfy employees in an organisation, supervisors have to make the working environment more thought-provoking to motivate employees intrinsically and provide fair salaries and bonuses to motivate them extrinsically, (Frey & Osterloh, 2002).
The understanding of motivation, what it entails and its application is a challenge for companies and managers. However, it is imperative for firms to understand the dynamics of employee motivation.

3.2. MOTIVATIONAL THEORIES

Need and Process motivational theories are highlighted. The need theories include Maslow’s Hierarchy of Needs, McClelland’s Need Theory, and the Hygiene Theory of Job Satisfaction. Process theories include the Expectancy Theory, Equity Theory and the Goal-Setting Theory.

3.2.1 Need Theories of Motivation

The need theories focus on the recognition of the internal factors that affect employees’ behaviour, employers, and the workforce. Previous research has shown the importance of needs for individuals. Need theories, such as Maslow’s Hierarchy of Needs, McClelland’s Need Theory and the Hygiene Theory of Job Satisfaction, prove that if needs are not gratified, most individuals will not be able to survive.

**Maslow’s Hierarchy of Needs**

Benson (2008) explains Maslow’s Hierarchy of Needs theory. He says that individuals are motivated by five ‘basic needs’ that are structured in a pyramidal hierarchy. From bottom to top, physiological needs, safety needs, social needs, self-esteem needs and self-actualisation. The physiological needs are all the basic needs for survival such as food, clothing, shelter. Safety needs take account of fortification from emotional and physical harm. Social encompass the longing for love, friendship and the feeling of belonging. The self-esteem needs are categorised as responsibility, promotion, job status, and respect from co-workers. The last need is self-actualisation: this is the point where all the needs come together. When all the earlier needs are met, at the self-actualisation stage one will find a wholly satisfied individual. Maslow claims that all individuals want to become self-actualising and that most people’s potential is immensely undervalued and underused (Stephens, 2000). Maslow (1943) indicates that human beings are motivated by the yearning to accomplish factors on which their gratification rests, by making use of certain intellectual desires. Champagne and McAfee (1989) in Table 3.1 mention some of the activities that can be carried out to fulfil employee needs.
Table 3.1: Employee Needs

<table>
<thead>
<tr>
<th>NEED</th>
<th>EXAMPLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physiological</td>
<td>Cafeterias, water fountains</td>
</tr>
<tr>
<td>Security</td>
<td>Economic needs like wages and salaries, benefits</td>
</tr>
<tr>
<td></td>
<td>Psychological needs such as accurate job specification</td>
</tr>
<tr>
<td></td>
<td>Physical needs such as smoking and lunch breaks, and good working conditions</td>
</tr>
<tr>
<td>Social</td>
<td>Work teams, Social Relations, Participation</td>
</tr>
<tr>
<td>Esteem, Self-esteem</td>
<td>Provision of training, Delegation of work, Participation</td>
</tr>
<tr>
<td>Self-actualisation</td>
<td>Enhance creativity, Provide proper training</td>
</tr>
</tbody>
</table>

Source: Champagne & McAfee (1989)

Maslow (1943) continues, stating that the average individuals in society is partially content and partially discontent through their wants. This theory adds value to companies when management recognises the needs and wants of the workforce. The knowledge gained by organisations from Maslow’s Hierarchy of Needs Theory helps them find avenues for motivating their employees, by planning HRM practices that are aimed at the satisfaction of their employees’ needs. Similarly, it provides a platform for managers to address unfulfilled needs that cause employee dissatisfaction. Ramlall (2004) observed in agreement, that the need hierarchy notion, when adopted in companies, makes the tasks that need to be carried out by managers clear. Although needs differ from one individual to another, there are, however, commonalities amongst individuals. Additionally, based on the aforementioned, some needs are easily satisfied at no expense, while others will be costly and time-consuming.

**McClelland’s Need Theory**

According to Ramlall (2004), McClelland’s Need Theory is the second most widely-used needs theory. McClelland identified three needs, namely: the need for achievement, a need for power and, lastly, a need for affiliation.
The need for achievement (n Ach) denotes the drive to excel, to achieve a set of goals. The need for power (n Pow) is the desire to be influential and to control others. Need for affiliation (n Aff) is the need for friendly and close interpersonal relations.

Benson (2008) suggests that each need differs, thus complicating the matter of addressing employees’ individual needs. The need for achievement can be described as an individual’s drive to succeed. According to Kreitner and Kinicki (2008), achievement philosophies suggest that motivation and performance vary according to the strength of the need for attainment of the individual. In accordance, McClelland (1961) defines the desire for achievement and suggests that motivation and performance differ according to the strength of the need for achievement and may be viewed as a desire by the individual to perfect and excel at something difficult. The need for power may be described as getting individuals to act according to stipulated rules and not according to the way they would have behaved on their own. The need for power might be seen a desire to be an effective manager, (Kreitner & Kinicki, 2008). In addition, the need for power may denote a desire to teach, influence, and inspire others to achieve. The need for affiliation is the need for interpersonal relationships. Further, the need for affiliation is a demonstrated by individuals who enjoy spending time obtaining social associations and activities, joining groups and yearning for the feeling love around them.

**Hygiene Theory of Job Satisfaction**

The third need theory was established by Frederick Herzberg and is often known as the Hygiene Theory of Job Satisfaction, (Kreitner & Kinicki, 2008). The Hygiene theory advocates that all companies have aspects that can be categorised as satisfiers or dissatisfiers and that it is up to the supervisors to eliminate factors that cause employee dissatisfaction, and improve the factors that increase employee satisfaction (Coetsee, 2002). According to Benson (2008), as indicated in Table 3.2, some of the dissatisfiers and satisfiers are:
### Table 3.2: Motivational Dissatisfiers and Satisfiers

<table>
<thead>
<tr>
<th>DISSATISFIERS (HYGIENE)</th>
<th>SATISFIERS (MOTIVATORS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>Promotional opportunities</td>
</tr>
<tr>
<td>Work Environment</td>
<td>Work Challenges</td>
</tr>
<tr>
<td>Rules and Regulations</td>
<td>Job Recognition</td>
</tr>
<tr>
<td>Policies and Procedures</td>
<td>Learning Opportunities</td>
</tr>
</tbody>
</table>

Source: Benson (2008)

Satisfiers and dissatisfiers are equally significant when looking at employee motivation in a company. Therefore, managers must not only concentrate on the elimination of the dissatisfiers but must also make time and take effort to enhance the satisfiers. Though a brief outline of the well-known need theories has been highlighted, there is still a disadvantage to all of these theories. Coetsee (2002) notes that the theories make an assumption based on an “average human being” that individuals are more or less the same regarding their needs, urges, inspiration, attitudes, and behaviour. This is incorrect, seeing that people differ in the manner they reason, think, and act. Individual needs vary, and perceptions of different facets of their working conditions vary. For instance, better salaries would cause some employees to feel more satisfied over a certain period in the same company while other employees in the same company would rather have a better work environment to satisfy their motivational levels. The type of need that one person views as important will determine his motivational levels but not necessarily others’. Hence, a common motivational factor brought into a firm will not have the same effect on all the employees (Coetsee, 2002).

#### 3.2.2 Process Theories of Motivation


**Equity Theory**

According to Coetsee (2002), the equity theory relates to the way in which people cultivate their perspective of fairness regarding compensation and benefits in exchange for their input or effort. The experience of fairness (equity) may be viewed as the employees’ view of how fair the compensation and benefits system is (Adams, 1963; Carrell & Dittrich, 1978). Management should continually ask the questions, “What is being perceived as fair by
employees?” and “What is being experienced by employees as meaningful?” The aforementioned questions are useful to better understand the equity perception and impact on the outcomes of employee performance. Ramlall (2004) states that people are not only concerned about the reward for their efforts but they are also covered about their reward compared with their co-workers’. According to Adam’s Equity Theory, the major mechanisms are inputs and outcomes. Carrell and Dittrich (1978) note that inputs may be work experience, education, effort on the job, training, and capability, while outcomes are the elements that result from the interchange of the inputs, such as salary, benefits, job tasks, and status. Furthermore, Carrell and Dittrich (1978) indicate that the equity theory rests upon three assumptions:

- People have beliefs about what is a fair return for their inputs.
- People tend to liken their perceived worth in relation to their inputs and the company outputs.
- When employees believe that their treatment is not equal, compared with the perceived outcomes of their co-workers, they are forced to take action pertaining to what they see fit in the situations.

**Expectancy Theory**

The expectancy theory was developed by Victor Vroom in 1966, (Ugah, 2008). Vroom (1964) advocated that one outcome (performance level) is linked to supplementary outcomes. Robbins et al. (2009) note that the expectancy theory is based on the premise that the way one acts is dependent on the expectation that the act will be followed by a specific outcome that will be pleasing to the individual. Ugah (2008) maintains that if workers’ belief that their actions will be compensated, they will give motivated efforts. In other words, they will decide to work harder for the attainment of the compensation. Vroom (1964) highlights performance as one of the outcomes. Performance is the degree to which the employee will believe that performing at a certain level will lead to the attainment of the desired outcome, (Vroom 1964). Figure 3.1 portrays a simplified expectancy model (Robbins et al., 2009).
The second expectancy theory is an extension of Vroom’s work developed by Porter and Lawler. According to Kreitner and Kinicki (1998), Porter and Lawler’s expectancy model of motivation highlights two elements, specifically the identification of the source of the individual's expectations and the relationship between effort, performance and job satisfaction. Porter and Lawler (1968) indicate that workers show more worthwhile effort when the belief is created that they will receive compensation for the successful execution of tasks. Further, Porter and Lawler (1968) indicate that there is a correlation between effort and performance, where performance is weighed by the employee’s capabilities, characteristics, role, and perceptions. It can be deduced that job performance and the effort put into actions by employees is directly related to their previous experience of performance and reward.

**Goal-setting Theory**

Goal setting theory is defined as a motivational tool that affords workers a sense of ownership in their work, thus creating a work environment where the workforce is committed to the objectives set out by the company (Benson, 2008). As suggested by Drucker (2000), manager employee relationships are fluid because of the variance in power between the manager and his or her subordinates. The solution advocated by Drucker (2000) is the process of Management-By-Objective (MBO), whereby employees have some control over their work goals. The MBO technique suggests that different levels of compensation in the firm should be formed to give workers a sense of being in control of their work performance. Kinickir and Williams (2003) note that Locke and Latham have
formalised the goal setting theory using the SMART goals acronym. The acronym SMART stands for Smart, Measurable, Achievable, Relevant, and Time-bound. SMART highlights what is required to achieve specific individual goals. Moreover, it enables the employee to plan how to achieve the set goals on time, thus allowing an appropriate reward. Likewise, Coetsee (2002) notes that the setting of goals creates a work environment where personnel are dedicated and share responsibility for attaining the set goals. In addition, there is security and trust among fellow employees. Also, the feeling of being part of the team results in co-employees taking accountability for the outcomes both as a team and individually which may possibly lead to improved performance by the whole team.

3.3 CONCLUSION

This chapter defines motivation, explores the nature of motivation and highlights the theories of motivation.

The next chapter focuses on HRM in the construction industry and its related literature.
CHAPTER FOUR
LITERATURE REVIEW: CONSTRUCTION INDUSTRY

4.1 INTRODUCTION
The purpose of this chapter is to provide an overview of HRM in the Construction Industry.

4.2 CONSTRUCTION INDUSTRY
Construction is one of the main tenets of an economy, as it supports the physiological needs of man providing shelter, mobility and food. The construction industry is a major economic mainstay and a major contributor to the gross domestic product (GDP) in both developing and industrialised countries (Hillbrandt, 1985; DTI, 2004). This indicates the importance of construction which has a robust relationship with many economic activities (Bon, 1988; Bon & Pietroforte, 1993; Bon et al., 1999; Lean, 2001; Rameezdeen, 2006). Consequently, whatever happens to the construction industry has significant effect on other sectors, both directly and indirectly, and eventually, on the wealth of a country. Hence, the construction sector is seen as an indispensable contributor to growth (Field & Ofori, 1988). Globally, the construction industry is an intricate sector of the economy. It includes a wide range of stakeholders and has extensive relations with other resources such as manufacturing, and the use of materials, energy, capital, labour, and plant (Hillebrandt, 1985). The industry is project-based where projects are commonly custom-built to client conditions (Bresnen, 1990; Loosemore et al. 2003). Moreover, the project-based work is of a determined duration. Hence economic, and contractual factors have a substantial influence on HRM strategies (Druker et al., 1996). In addition, the industry is labour intensive and relies on labour outsourcing (ILO, 2001). This has made employer/employee relationships momentary and fluid compared with other sectors. Equally, Dainty et al. (2007) observe that the types of tasks required differ significantly from project to project, with the result that the skills and expertise needed differ from project to project. Subcontracting, joint ventures, alliances, and even the creation of new businesses to deliver certain projects, make the sector distinctive, (Rubery et al., 2004). The increased use of subcontracting permits the main contractors to avoid risk and to realise greater flexibility. However, it has also made project coordination more complicated, requiring more highly skilled and experienced management (Druker & White, 1995; Fellows et al., 2002; Loosemore et al., 2003).
4.3 HUMAN RESOURCE MANAGEMENT IN CONSTRUCTION INDUSTRY

The study by Loosemore et al. (2003) observes that, though the construction industry is labour intensive, little attention is given to human resource management (HRM) issues. Also, the HRM focus is mostly centralised as a head-office function, yet most problems and operational issues arise on the construction sites. According to Johanson (2009), HRM is an organisational function designed to maximise employee performance in relation to the company's objectives. Primarily, HR is concerned with the management of people within the organisation, concentrating on the policies and systems (Collings & Wood, 2009). HRM divisions in companies are accountable for activities such as employee recruitment, T&D, performance appraisal, and rewarding (Paauwe & Boon, 2009). Moreover, HRM is concerned with industrial relations, which is the assimilation of organisational practices with regulations arising from collective bargaining and governmental laws (Klerck, 2009). According to Loosemore et al. (2003), compared with other sectors whose performances have been improved by emerging technologies, in construction, the construction methods used are still labour-intensive and, as a result, it is a low-tech sector. Huemann et al. (2007) note that construction projects have the ensuing features that make policies and practices of HRM different from the other industries: (1) managing by projects as the company policy; (2) nature of projects is temporary; (3) constant changes; (4) project portfolio resource and multi-role demands and (5) the management paradigm is specific. Also, Loosemore et al. (2004) point out that the industry is a male-dominated culture. The aforementioned are some of the main factors that affect the use of HRM in the construction sector. Figure 2.1 illustrates the following two factors: (1) managing by projects and (2) the temporary nature of projects. These factors bring about fundamental differences in HRM models in classically managed corporations and project-oriented firms like construction companies (Huemann et al., 2007).
One school of thought observes that, despite the challenges faced by the construction industry, literature on HRM matters in the industry is limited and much of the observed proof depends on data collected some time ago (Loosemore et al., 1995; Hancock et al., 1996; Drucker et al., 1996). This body of knowledge, although somewhat dated, indicates that HRM issues have not been prioritised in construction companies. Similarly, existing literature tends to portray a depressing picture of employment practices and industrial relations within the industry. The industry is time and again portrayed as using a casual, and even inconsiderate, leadership style in the management of employees, with long working hours (Townsend et al., 2011; Lingard et al., 2008) and high levels of H&S incidents (Loudoun, 2010). Management styles differ from one firm to another and across nations, therefore making it challenging to generalise. However, the construction industry has been painted with a poor image with regard to HRM relations (ILO, 2001). In contrast, the model of HRM established by Storey (1995) emphasises developing and utilising employees as a method of employee management to achieve organisational objectives.
4.4 HUMAN RESOURCE MANAGEMENT PRACTICES IN THE GLOBAL CONSTRUCTION INDUSTRY

4.4.1 Sudan

In East Africa, Sudan is the country with the largest land area on the African continent, 2.5 million square kilometres, and the ninth largest in the world in terms of area. It shares extensive borders with nine countries. The construction industry is the largest sector with a direct effect on the Sudanese economy. About 50% of the national income is absorbed by this sector and 20% of the workforce in the country works in construction. This is in keeping with the observation that the industry employs a large proportion of the civilian labour force in countries at all levels of economics and social development (Ministry of Finance and National Economy, 1997). The overall objective of the global economy should be to provide opportunities for all human beings for freedom, equity, security, and human dignity (ILO 1989). This requires the attainment of strategic objectives crucial to social development: job creation, improved and efficient investment in HR development, provision of learning and T&D opportunities, competitiveness, growth, and social inclusion of all, promotion of human rights at work, improving social protection and encouraging social dialogue.

There are various problems and challenges facing organisations today in the area of HRM. These include selection, promotion, appraisal, compensation, training and development, labour relation, job design, productivity and others. Ford et al. (1982) note that human resource planning is relatively underdeveloped in the construction industry, yet employment planning is vital for the successful performance of any organisation. Four major issues characterise the approach of the industry to employment matters: casual labour, high labour turnover, inadequate selection processes and T&D, and the absence of specialist personnel managers and developed personnel systems. Seemingly, the key factors which attract workers to the construction industry are the salary scale levels and the long-term prospects of the industry (Agapiou et al., 1995). Furthermore, Agapiou et al. (1995) observe that several T&D strategies have been recognised as necessary for the industry if it is to attain an adequate skilled labour force in the future. These include:

1. Enhancing the skills of the existing workforce through retraining of craft and operative workers.
2. Creating a more positive public image of the industry to attract graduates, employ women and ethnic minorities.
3. Attracting adult workers who have left the industry back for retraining in modern skills.
4. Recruiting the long-term unemployed and training them in contemporary skills.

In the same vein, Hall (1959) recognises two basic ways in which knowledge and culture are transmitted: formal methods of learning and knowledge transfer and informal methods of learning and knowledge transfer. Formal training is broadly seen as off-the-job training and informal as on-the-job training. Shaddad (1993) echoes that applying such programmes can reduce dissatisfaction, complaints, absenteeism, and staff turnover can be reduced. Furthermore, employees are motivated to work hard.

4.4.2 Thailand

According to Hofstede (2007), if western management principles fail to work, it is not the fault of the principles but of the people. There are numerous scholars conducting studies on HR practices in Thailand (Thai). They classify the organisations to be researched according to size (Gullaprawit, 2002; Lawler et al., 1989; Tan & Torrington, 2004). Tuntimas (2007) conducted a study on the factors affecting the effectiveness of HRM practices in Thai construction firms, with the focus on small and medium size enterprises (SMEs). The study ascertained that compensation was most significant in creating employee and organisational job satisfaction. The study reveals that external restrictions such as educational, sociological, political and legal and economic factors have an effect on the HRM activities in Thai construction firms. Furthermore, the research by Ruthankoon and Ogulana (2003) tested Herzberg’s two-factor motivation theory on engineers and foremen in the Thai construction industry. The study discovered that achievement contributed to satisfaction for engineers but not for foremen, who favour financial rewards to achievement. Nevertheless, neither of the two research studies identified the link between employee satisfaction and performance. Moreover, the study by Kokkaew and Koompai (2012) hypothesises that (1) leadership, (2) HRM leadership, (3) team management; (4) motivation, (5) communication and (6) ethical treatment of workers are vital factors affecting performance in Thailand. Kamoche (2000) categorised HRM practices in Thailand into three models: traditional, progressive, and transitional. The traditional model focuses on administrative concerns, managerial control, and cost. The second model, progressive, encompasses practices generally linked with strategic human resource management (SHRM), like sustaining specific HR policies which clearly support organisational objectives and strategies and crafting an organisational climate in which the claim that “people are our most valuable asset” is more than just a cliché. The third model, the transition model, lies between the first and second models. Companies using this model appear
to preserve many aspects of the traditional model, in particular, cost–consciousness and high emphasis on managerial control. However, there is a recognition that the traditional model does not achieve the strategic objectives or address crucial HR questions fully. This has given rise to a considered effort to make changes that include culture change, standardising processes, and introducing a changing element in T&D and career growth.

### 4.4.3 China

In the thirty years of economic reform in China, construction has been one of the supporting sectors and Chinese construction firms have improved their performance and competence regarding technology, financial ability, procurement management, and project management. There are fifty Chinese construction companies listed in the top 225 international contractors (Engineering News Record, 2009). However, the study by Zhou et al. (2009) reveals that a significant gap between Chinese construction companies and their international counterparts still exists. Zhao & Shen (2008) recognise the dearth of well-trained human resources as one of the shortfalls when Chinese contractors compete in the global market.

Ahlstrom et al. (2005) state that before the 1990s, HRM in China was no more than personnel management and administration. Graduates were employed by firms, which provided secure lifelong jobs. The mandate of each company was to help solve social issues, such as housing, child education, and retirement. Following the economic transformation and subsequent outlay by foreign organisations in China, particularly after entry to the World Trade Organization (WTO) in 2001, Chinese companies recognised the necessity to modernise their HRM policies and practices to enhance the development of organisational strategy in a more competitive and constant changing environment. Existing HRM practices in China contribute to strategic decisions and include the selection of employees, training of staff, job mobility, job security, appraisal of employee performance, rewards, clear and current job descriptions, and employees’ contributions to decision making (Sun et al. 2007; Warner, 2008). Chinese firms now embrace the idea of HRM practices that enhance the workers’ capabilities to produce a vast company knowledge, (Soliman & Spooner, 2000).

### 4.4 LESSONS LEARNT

There are extensive strategies and practices available in the development of HRM in the construction industry. Moreover, there is a need for a planned employee management strategy in construction that can be used to effectively manage workers, regardless of their skill level.
Therefore, management should understand team dynamics and seek ways to bring individual personalities together to encourage teamwork. Organisations should be committed to HRM practices to improve the individual knowledge, skills, and ability and to encourage knowledge sharing within the company, learning from the external environment in order to capture and retain organisational knowledge and learning. Moreover, the improvement of performance is not only a result of well a functioning system, it is also dependant on the effectiveness of HRM policies and practices that succeed in recruiting and maintaining committed and motivated employees.

4.5 CONCLUSION

This chapter reviews the nature of the construction industry and HRM in the industry. In addition, the chapter considers HRM practices in construction in a global context. The following chapter discusses the methodology employed for the research study.
CHAPTER FIVE:
RESEARCH METHODOLOGY

5.0 INTRODUCTION
This chapter depicts the methodology adopted in the study. It describes the research design and approach, research area and targeted respondents, sample and data collected, as well as the data analysis.

5.1 RESEARCH DESIGN AND APPROACH
This section of the research is related to the research approach and design of thesis. Various research approaches and designs in the context of social sciences are discussed and explored and the appropriate research approach and design for this hypothesis will be outlined.

5.1.1 Research Design
The research design is the framework for conducting a research study with control over elements that may interfere with the validity of the findings. According to Parahoo (1997), a research design is “a plan that describes how, when and where data are to be collected and analysed”. Additionally, Polit et al. (2001) note that a research design is “the researcher’s method for answering the research question”.

The present study uses a descriptive single case study as the research methodology. This is to investigate HRM in a South African construction company. A case study method allows the researcher to meticulously examine data within a particular context (Hays, 2004). Stake (1995) highlights that the “first obligation” in a case study research is to recognise and understand the case at hand. Case studies are selected because the investigation requires a “close examination of individuals, subjects, programmes or issues” (Hays, 2004). Zainal (2007) reiterates that mostly a case study method selects a small geographic area or a very limited number of people as the subjects of study. Furthermore, Zainal (2007) notes that in cases where there are no other cases available for repetition, the scholar could assume a single-case design. Yin (2003) describes three kinds of case studies based on the purpose: exploratory case studies, explanatory case studies, and descriptive case studies. Exploratory case studies are adopted to describe the outline for a future study. In this kind of case study, fieldwork and data collection are undertaken before the final definition of the research questions and hypotheses (Yin, 2003).
Explanatory case studies, describe how, and or why an experience took place. Their resolution is to propose “clues to probable cause-and-effect relationships” (Yin, 2003). At times, explanatory studies depict causality; they risk the chance of being tested on the basis that one case does not make for an accurate experiment. Lastly, a descriptive case study is adopted to develop a paper that fully shows the intricacies of an experience (Stake, 1995). These often present answers to a sequence of questions based on theoretical assumptions (Yin, 2003).

5.1.2 Research Approach
There are different research approaches when conducting research; a study may adopt a qualitative, quantitative, or mixed method, which consists of both qualitative and quantitative elements, approach. The procedure for data collection, the sampling method, data analysis, etc. followed in the research is what differentiates the two methods (Ghauri & Grönhaug, 2005).

A quantitative research approach has been adopted for this research project. Quantitative research is a formal, objective, and methodical process in which numerical data are used to find data about a population. The quantitative research approach is used to describe variables, to observe relationships between variables, and to ascertain their cause-and-effect connections (Burns & Grove, 2005). For example, in the quantitative approach, the data collected would be counted or quantified by asking a group of respondents for their annual income, their height, or weight would be quantitative data. (Creswell, 2013). The study employs quantitative methods in the case study of the HRM in a South African construction company. This approach has enabled the researcher to examine relationships among variables, using descriptive and inferential statistics that yielded results that can be easily generalised, something that cannot happen by applying qualitative methods.

5.2 RESEARCH AREA AND TARGETED RESPONDENTS
This section states where the research will be conducted and describes the selected respondents.

5.2.1 Research Area
The research area refers to the place where the data was collected. The data for this study was collected from a South African construction company in Gauteng Province, Johannesburg. In terms of the CIDB grading system, the construction company is a grade 9 (9ME, 9GB and 9CE) contractor. The respondents were selected based on factors that included their work
experience, functional knowledge of the construction industry and their educational background.

5.2.2 Targeted Respondents
Cox (2008) defines targeted respondents as a whole set of elements for which survey data is used to make inferences. Hence, the targeted respondents are those units from which the findings of the survey are meant to generalise.
The respondents for this study are Human Resource Management Personnel, Senior Managers, Departmental Managers, and Union Representatives of a South African construction company in Gauteng, Johannesburg.

5.3 SAMPLE AND DATA COLLECTION
This section highlights the sampling method used and how the data for this study was collected.

5.3.1 Sample
It may be impossible to collect data for the entire population in a particular study, due to practical and cost implications. Therefore, a subset or sample representation of the population is usually selected for the study (Breweton & Milward, 2001). Lapan et al. (2009) define a sample as the selection of research participants, drawn from the parent population that is intended to reflect the population’s characteristics significantly. Breweton and Milward (2001) highlight the following criteria of sample selection:

- Ensuring that the sample affords a true representation of the total population from which it is selected;
- Knowing as exactly as possible the probability that a sample is reliable in this way.

Sampling designs are divided into two broad categories: Probability sampling, where the elements are selected by a random method, and non-probability, where the elements are non-randomly selected, (Willemse, 2009).

Probability (Random) sampling
Probability sampling (random sampling) is a technique whereby members in the population have the same chance (or probability) of being selected into the sample (Willemse, 2009). The four basic probability sampling techniques are: simple random sampling (SRS), systematic sampling, stratified sampling, and cluster sampling.
Non-probability (Non-random) sampling

Non-probability sampling is a method where the samples are collected in a way that does not give all the individuals in the population an equal chance (equal probability) of being selected (Willemse, 2009). Non-random data collection techniques include: purposive / judgemental sampling, quota sampling, convenience sampling, snowball sampling, and voluntary sampling.

Given the research design and approach of this paper, purposive sampling, which is a non-probability sampling method, was adopted. The technique reduced bias by warranting that the respondents were selected based on the research study and not based on accessibility, locality or other considerations.

5.3.2 Data Collection

The study uses a two-step research approach for the data collection: primary and secondary data. Kothari (1985) explains that primary data is original information collected for the first time, while secondary data is evidence that has been previously collected and has been through the statistical process. In this study, the primary data is gathered using a questionnaire which provide a general view and in-depth knowledge of the study questions. Furthermore, secondary data was collected through the literature review, from journals, published and unpublished articles, and textbooks.

Questionnaire: Instrument of Data Collection

A structured questionnaire was used as the data-collection instrument from fifteen respondents (N=15). Pawar (2004), highlights that a questionnaire may consist of open-ended and closed-ended questions with a definite purpose that is correlated with the objectives of the research. Open-ended questions require respondents to document their thoughts and feelings, while closed-ended questions are limited to and guided by the options given by the researcher. The questionnaire comprises closed-ended questions using a five-point Likert scale, which is used to measure attitudes which require respondents to choose a factor from a number of factors ranging from ‘strongly disagree’ to ‘strongly agree’ (Zikmund, 2003; Saunders et al., 2007).

For the investigation of the HRM in a construction company, a structured questionnaire was developed as a method of collecting data from the identified target population, namely the HRM department of the South African construction company. The questionnaire is divided into five sections, sections A, B, C, D and E. Section A focuses on the demographics of the respondents. This includes their gender, age group, profession, etc. Section B focuses on the
adoption and implementation of HRM practices. Section C is based on employee performance. Section D investigates the factors that affect employee performance. Section E targets employee motivation. The stipulated sections and questions offer a brief explanation of the way to answer the questions. The questionnaire was adopted because it allows the researcher to be consistent in asking questions and the data yielded is easy to analyse statistically using Statistical Package for Social Sciences (SPSS).

<table>
<thead>
<tr>
<th>Table 5.1: Questionnaire Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Survey Responses</td>
</tr>
<tr>
<td>Questionnaires sent out</td>
</tr>
<tr>
<td>Questionnaires received back</td>
</tr>
<tr>
<td>Usable questionnaires</td>
</tr>
<tr>
<td>Usable response rate (%)</td>
</tr>
</tbody>
</table>

**Period of Collection**
The researcher collected the data during November 2016, the collection took a day because the fifteen questionnaires were distributed manually at a single location, and respondents completed questionnaires upon delivery.

**Validity and reliability**
According to Fairchild (n.d), the concepts of validity and reliability are often misunderstood and under emphasised in social science literature. Furthermore, Fairchild (n.d) emphasises that these concepts are the core of a competent and effective study by posing the following questions:
Of what use is one’s research if the instrument adopted does not measure what it purposes to measure?
How genuine, or justifiable, is research that is based on inconsistent instrumentation?
What constitutes an inconsistent instrument?
What constitutes a valid instrument?
What are the effects of both proper and improper testing?
Validity
Validity is the degree to which an instrument measures what it is supposed to measure and accomplishes what it is designed to accomplish (Gregory, 1992). Validity is relevant, not to scores or items, but to the inferences made from the instrument (Fairchild, n.d). However, it is rare, or almost impossible, that any instrument is 100% valid. The process of validation entails collecting and analysing data to assess the accuracy of an instrument. The validity of quantitative instruments may be assessed using different statistical tests and measures, including pilot testing.

The validity of the research questionnaire was ascertained through a pilot study. According to Cohen et al. (2002), a pilot study is an experimental run of the research study. Its mandate is to check the time taken to complete the research questionnaire, whether it is too long or short, too easy or difficult and to check the clarity of the questionnaire items and to reduce ambiguities in the wording. For this study, five respondents with similar characteristics to the research respondents were involved the pilot testing of the questionnaire, however, they were not part of the main study. Following the pilot study, some unclear questions were rearticulated to provide more clarity, and some questions were discarded as they were found to be irrelevant. The time taken to complete the questionnaire was approximated.

Reliability
According to Devellis (1991), reliability may be seen as consistency. It shows whether the instrument consistently measures what it is intended to measure. It is not possible to calculate reliability, nonetheless, there are four general estimators:

- **Inter-Rater/Observer Reliability**: The degree to which different raters or observers give consistent answers or estimates.
- **Test-Retest Reliability**: The consistency of administering the same test twice over a period of time to a group of individuals.
- **Parallel-Forms Reliability**: The reliability of two tests built in the same manner from the same content.
- **Internal Consistency Reliability**: The consistency of results across items. Measured with Cronbach’s Alpha.
Cronbach’s Alpha was utilised to measure the reliability of the questionnaire. Alpha was formulated by Lee Cronbach in 1951 to offer a measure of the internal consistency of a test; it is expressed as a number between 0 and 1 (Cronbach, 1951). Cronbach’s Alpha is utilised as a measure of the reliability of a set of questions in a survey instrument. The data obtained from the questionnaire was imputed on SPSS to measure the reliability of the study.

Table 5.2: Consistency Test using Cronbach's Alpha

<table>
<thead>
<tr>
<th>Category</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers Performance</td>
<td>.872</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>.933</td>
</tr>
<tr>
<td>Barriers to Improved Employee Performance</td>
<td>.957</td>
</tr>
<tr>
<td>Motivational Factors</td>
<td>.900</td>
</tr>
</tbody>
</table>

There are diverse reports from researchers about the tolerable values of alpha, which range from 0.70 to 0.95. A low value of alpha may be the result of a low number of questions, poor interrelatedness amongst items or heterogeneous constructs (Nunnally & Bernstein, 1994; Bland & Altman, 1997; DeVellis, 2003). However, the study by George and Mallery (2003) indicates that any value of Cronbach's Alpha above 0.7 is acceptable. Therefore, this study was able proceed because all the items in the study measured the same concept and the items were inter-related. Similarly, the Cronbach's Alpha reflected acceptable values.

5.4 DATA ANALYSIS

This section presents the data analysis of the research. These findings are discussed regarding the research objectives. Analysis of data is the process of converting raw data into usable information, often presented in the form of a published article, to add value to the statistical output. Raw data can be analysed using data mining, text analytics, business intelligence, and data visualisation data analysis methods (Price, 2009). However, the following two methods are most commonly used:

Excel

According to MacDonald and Headlam (n.d), Microsoft Excel provides a set of data analysis tools called Analysis ToolPak which is suitable for data summary, presentation, and other basic statistical analysis.
SPSS (Statistical Package for Social Scientists)
This programme is designed for statistical analysis of quantitative research. It is useful for the analysis of survey data as it covers a broad range of statistical procedures (MacDonald & Headlam, n.d). The data obtained from the survey questionnaire was analysed using SPSS. The raw data was imput into SPSS for frequency analysis. The presentation of data and the analysis makes use of the frequency distributions, percentages, and significance tests of all the respondents. Further, frequency and correlation tables were drawn, and the data is presented in pie chart diagrams, bar graphs, and tables. The use of SPSS proved to be beneficial by allowing for scoring and the prompt analysis of the quantitative data, thus reducing time.

5.4.1 Mean Item Score (MIS)
A five-point Likert scale was used to determine the HRM practices and the performance and employee motivation in a South African construction company in Gauteng, Johannesburg with respect to the identified factors from the reviewed literature. The adopted scales were:

1. = Very Poor
2. = Poor
3. = Average
4. = Good
5. = Excellent

The other scale used was:

1. = Not a barrier
2. = Somewhat a barrier
3. = Moderate barrier
4. = Strong barrier
5. = Extremely strong barrier

The relative mean item score (MIS) was calculated from all the weighted responses in relation to the total responses on a specific aspect. This was founded on the notion that the respondents’ scores on all the selected criteria, considered together, are the empirically determined indices of comparative importance. The index of MIS of a specific factor is the sum of the respondents’ actual scores as a proportion of the sum of all maximum possible scores on the point scale. A
weighting was assigned to each response ranging from one to five. The MIS was calculated for each item as follows;

\[
\text{MIS} = \frac{n_1 + 2n_2 + 3n_3 + 4n_4 + 5n_5}{N}
\]

where

- \( n_1 \) = Number of respondents for factor number 1;
- \( n_2 \) = Number of respondents for factor number 2;
- \( n_3 \) = Number of respondents for factor number 3;
- \( n_4 \) = Number of respondents for factor number 4;
- \( n_5 \) = Number of respondents for factor number 5;
- \( N \) = Total number of respondents

After mathematical computations, the criteria are then ranked in descending order of their mean item score (from the highest to the lowest).

5.4.2 Normality Tests

Sample size affects the findings of a study, where the outcome of smaller samples has too little statistical power for the test to realistically identify significant results (Hair et al., 1998). They can also be easily over-fitting to the data in that they fit the sample very well yet have no generalisability. Large sample sizes, of more than two hundred to four hundred respondents, on the other hand, have disadvantages due to making the statistical tests overly sensitive as a result of the increased statistical power from the sample size (Hair et al., 1998). Since the sample size for the current study is small, \( N=13 \), the data obtained were analysed for normality using standard bivariate analysis to ensure their suitability. To determine whether the data set is normal, the Shapiro-Wilk test was conducted. The Shapiro and Wilk test (1965) was initially limited to a sample size of less than fifty. The test was the first test able to detect departures from normality due to either skewness or kurtosis, or both (Althouse et al., 1998). According to Mendes and Pala (2003), the test has been favoured because of its good power properties.

5.4.3 Parametric Test

Correlation is an analysis that measures the strength of the relationships between two variables and the direction of the correlation. In relation to the strength of the relationship, the value of the correlation coefficient differs between +1 and -1. When the value of the correlation coefficient lies around 1, it is considered a perfect degree of relationship amongst the two
variables. As the correlation coefficient value moves towards 0, the relationship among the two variables becomes weaker. The direction of the relationship is simply the + (indicating a positive relationship among the variables) or - (showing a negative link between the variables) sign of the correlation. There are four types of correlation: Pearson correlation, Kendall rank correlation, Spearman correlation, and the Point-Biserial correlation (Pallant, 2007).

The Pearson Product Moment Correlation Coefficient was used to assess the relationship between the variables. The Pearson correlation is the most widely used correlation statistic to measure the degree of the relationship between linearly correlated variables (Pallant, 2007).

### 5.5 RESEARCH LIMITATIONS

Simon and Goes (2013) describe limitation as “matters and incidences that arise in a study that is out of the scholar's control”. They limit the degree to which research can proceed and at times affect the result and conclusions that may be deduced. Every research study, no matter how well conducted and constructed, has limitations. This is one of the reasons why we do not use the words "prove" and "disprove" with respect to research findings, (Simon & Goes, 2013). A study might have access to only certain people in an organisation, certain documents, and certain data. However, these are limitations subsequent studies may overcome.

Although the current research achieved its aims, there were some unavoidable limitations. Time was the first limiting factor. In addition. The research was conducted on a small size population in a grade 9 construction company. The respondents were limited to HRM personnel, senior management, and Union Representatives. Therefore, to generalise the results to a larger group, the study should have included more participants at different levels. The study employed a survey over a short period. As a result, the study does not fully explore the dynamics of the framework, which are about the firm’s past, present and future patterns in relation to HRM. It would be important to conduct longitudinal studies to measure the framework in varying conditions of the internal and external environment within the company. An additional limitation was that the research participants and the area had to be within the researcher’s vicinity.

### 5.6 ETHICAL CONSIDERATIONS

It is appropriate to take note the proper conduct of this research. This research has the duty to protect the interests of the construction company and the respondents. The respondents were not coerced to respond to this survey. They were informed about the aim of the research and how or why they were selected. This meant that they were free from any deception or stress
that might arise from their participation in the research. The respondents are also assured protection through anonymity. Any information that they may reveal and their identity is held in strict confidence. From the above, it may be seen that the purpose of this study was clearly explained to the chosen respondents. Furthermore, they were informed that they would be notified of the findings if the study at a later date if they requested them.

5.7 CHAPTER CONCLUSION

This chapter has presented the methodology adopted for the study. Also, it explains the rationale for the study, the research approach and design, the research area, the targeted population, sample, data collection, the instrument of data collection, reliability and validity, MIS, the period of collection, data analysis, the limitations of the study and the ethical considerations of the study.

The next chapter presents and discusses the data analysis.
CHAPTER SIX
DATA ANALYSIS

6.0 INTRODUCTION
This chapter presents an analysis of the research results from the questionnaire surveys which were distributed to the respondents of a South African construction company in Gauteng, Johannesburg. A quantitative data collection, with reference to descriptive and inferential statistics, was used for the data analysis and interpretation of the results was obtained from the questionnaire which comprised 12 questions. The analysis was based on thirteen completed questionnaires out of fifteen that were sent out, reflecting an 86% response rate.

Section A focused on the demographics of the respondents. This included their gender, age group, profession, etc. Section B focused on the HRM practices. Section C was based employee performance. Section D focused on the factors that affect employee performance. Section E was aimed at employee motivation. The stipulated sections and questions offered a brief explanation of how to answer the questions.

6.1 BACKGROUND INFORMATION
Figure 6.1 reveals that out of the 13 respondents 30.80% were female and 69.20% were male.

Findings relating to the respondents’ age groups shown in Figure 6.2 below reveal that 15.4% of the respondents were over 56 years old, 15.4% between 51 and 55 years old, 15.4% were in
the age group of 46 to 50, 15.4% were in the age group of 41 to 45, 15.4% between 31 and 35, 15.4% were between 26 and 30 years old and 7.7% were in the age group of 36 to 40.

Figure 6.2: Respondents’ Age Groups

Figure 6.3 shows the respondents’ ethnicity; it reveals that 23.1% of the respondents were African, and 76.9% were White.

Figure 6.3: Respondents’ Ethnicity

Figure 6.4 shows the work experience of the respondents sampled. It shows that 38.5% have had more than 20 years’ experience, 30.8% have had experience that ranges from 6 to 10 years, 15.4% have had experience that ranges from 1 to 5 years, 7.7% have had 11 to 15 years’ experience and 7.7% have had experience that ranges between 16 and 20 years in the construction industry.
Figure 6.4 Respondents’ Years of Experience in the Construction Industry

Figure 6.5 represents the educational qualifications of the respondents and it shows that 69.2% of the respondents have bachelor’s degrees, 15.4% have diplomas, and 15.4% of the respondents have master’s degrees.

Figure 6.5: Respondents’ Educational Qualification

6.2 HUMAN RESOURCE MANAGEMENT PRACTICES

This section presents the results of section B of the questionnaire which explores the adoption of human resource management practices in this company and how well each practice has been implemented.

Figure 6.6 illustrates whether the company has adopted various HRM practices. The results show that 100% of the respondents said yes, that Recruitment and Selection, Training and Development, Compensation and Benefits, Health and Safety and Labour Relations had been implemented.
adopted. 76.9% said yes to Performance Management and Appraisal and 23.1% said no, Performance Management and Appraisal had not been adopted by the company.

![Figure 6.6: Respondents’ view of the adoption of HRM practices](image)

Based on the results from the data, Table 6.1 depicts how well HRM practices have been implemented in the selected company. The most implemented HRM practices were Training & Development (mean item score (MIS) = 4.231; standard deviation (SD) = 0.599), Compensation & Benefits (MIS=4.231; SD = 0.832), and Health & Safety Benefits which ranked first (MIS= 4.231; SD = 0.832). Health and Safety Benefits are followed by Labour Relations which ranked second (MIS=4.077; SD = 0.862); Recruitment & Selection ranked third (MIS=4.077; SD = 0.862); and Performance Management & Appraisal ranked fourth (MIS=2.231; SD = 1.423).

Furthermore, the results reveal that the variables were significant at 5%. Therefore, we reject the null hypothesis (Ho), which implies that the data set is significantly different from normal.
Table 6.1: Adoption of HRM Practices

<table>
<thead>
<tr>
<th>Variable Name</th>
<th>MIS</th>
<th>SD</th>
<th>SE</th>
<th>R</th>
<th>SW Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training &amp; Development</td>
<td>4.231</td>
<td>0.599</td>
<td>0.166</td>
<td>1</td>
<td>0.003*</td>
</tr>
<tr>
<td>Compensation &amp; Benefits</td>
<td>4.231</td>
<td>0.832</td>
<td>0.231</td>
<td>1</td>
<td>0.001*</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>4.231</td>
<td>0.832</td>
<td>0.231</td>
<td>1</td>
<td>0.001*</td>
</tr>
<tr>
<td>Labour Relations</td>
<td>4.077</td>
<td>0.862</td>
<td>0.239</td>
<td>2</td>
<td>0.001*</td>
</tr>
<tr>
<td>Recruitment &amp; Selection</td>
<td>3.846</td>
<td>0.555</td>
<td>0.154</td>
<td>3</td>
<td>0.001*</td>
</tr>
<tr>
<td>Performance Management &amp; Appraisal</td>
<td>2.231</td>
<td>1.423</td>
<td>0.395</td>
<td>4</td>
<td>0.024*</td>
</tr>
</tbody>
</table>

MIS=Mean Item Score; SD=Standard Deviation; SE=Standard Error; R=Rank; SW=Shapiro Wilk; * = Sig at 5%

6.3 EMPLOYEE PERFORMANCE

This section of the work explores the level of employee performance. Table 6.2 depicts various employee performance factors. Part A of the table shows a list of indicators to measure management performance and part B shows a list of indicators measuring employee performance.

For management performance, the results show that ‘adequate work experience’ (MIS=4.31; SD=0.480), ‘be knowledgeable’ (MIS=4.31; SD=0.480) and ‘commitment to company goals’ (MIS=4.31; SD=0.630) rank first. ‘Encourages teamwork’ (MIS=4.230; SD=0.832) ranked second and ‘shows initiative’ (MIS=4.08; SD=0.862) ranks third; ‘has the required skills’ (MIS=4.00; SD=0.707) and ‘shows a sense of responsibility’ (MIS=4.00; SD=0.725) rank fourth. Furthermore, ‘has the ability to train new employees’ (MIS=3.85; SD=0.555) and ‘motivates employees’ (MIS=3.85; SD=0.689) rank fifth. Lastly, ‘communication skills’ (MIS=3.77; SD=0.725) ranks sixth.

For employee performance, the results reveal that ‘cooperates with management’ (MIS=4.00; SD=0.577) ranks first, ‘is willing to work overtime’ (MIS=3.92; SD=0.954) ranks second, ‘shows interest in work’ (MIS=3.85; SD=0.899) and ‘general work practice’ (MIS=3.85; SD=0.376) rank third. Furthermore, ‘shows a sense of responsibility’ (MIS=3.77; SD=0.832) and ‘shows a willingness to improve work attitudes’ (MIS=3.77; SD=0.725) rank fourth. Moreover, ‘shows pride in work’ (MIS=3.69; SD=0.947), ‘being motivated’ (MIS=3.69; SD=0.855) and ‘general work habits’ (MIS=3.69; SD=0.480) rank fifth. Lastly, ‘shows initiative at work’ (MIS=3.46; SD=0.776) ranks sixth.

The Shapiro Wilk test of normality reveals the p-value 0.586 for management performance indicating the test is not significant at either the 5% or the 1% significance level. The same is
applicable for employee performance with a p-value of 0.389.

Table 6.2: Employee Performance

<table>
<thead>
<tr>
<th>Management Performance</th>
<th>MIS</th>
<th>SD</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adequate work experience</td>
<td>4.31</td>
<td>0.480</td>
<td>1</td>
</tr>
<tr>
<td>Be knowledgeable</td>
<td>4.31</td>
<td>0.480</td>
<td>1</td>
</tr>
<tr>
<td>Commitment to company goals</td>
<td>4.31</td>
<td>0.630</td>
<td>1</td>
</tr>
<tr>
<td>Encourages teamwork</td>
<td>4.23</td>
<td>0.832</td>
<td>2</td>
</tr>
<tr>
<td>Shows initiative</td>
<td>4.08</td>
<td>0.862</td>
<td>3</td>
</tr>
<tr>
<td>Has the required skills</td>
<td>4.00</td>
<td>0.707</td>
<td>4</td>
</tr>
<tr>
<td>Shows a sense of responsibility</td>
<td>4.00</td>
<td>0.725</td>
<td>4</td>
</tr>
<tr>
<td>Has the ability to train new employees</td>
<td>3.85</td>
<td>0.555</td>
<td>5</td>
</tr>
<tr>
<td>Motivates employees</td>
<td>3.85</td>
<td>0.689</td>
<td>5</td>
</tr>
<tr>
<td>Communication skills</td>
<td>3.77</td>
<td>0.725</td>
<td>6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee Performance</th>
<th>MIS</th>
<th>SD</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-operates with management</td>
<td>4.00</td>
<td>0.577</td>
<td>1</td>
</tr>
<tr>
<td>Is willing to work overtime</td>
<td>3.92</td>
<td>0.954</td>
<td>2</td>
</tr>
<tr>
<td>Shows interest in work</td>
<td>3.85</td>
<td>0.899</td>
<td>3</td>
</tr>
<tr>
<td>General work practice</td>
<td>3.85</td>
<td>0.376</td>
<td>3</td>
</tr>
<tr>
<td>Shows a sense of responsibility</td>
<td>3.77</td>
<td>0.832</td>
<td>4</td>
</tr>
<tr>
<td>Shows willingness to improve work attitudes</td>
<td>3.77</td>
<td>0.725</td>
<td>4</td>
</tr>
<tr>
<td>Shows pride in work</td>
<td>3.69</td>
<td>0.947</td>
<td>5</td>
</tr>
<tr>
<td>Being motivated</td>
<td>3.69</td>
<td>0.855</td>
<td>5</td>
</tr>
<tr>
<td>General work habits</td>
<td>3.69</td>
<td>0.480</td>
<td>5</td>
</tr>
<tr>
<td>Shows initiative at work</td>
<td>3.46</td>
<td>0.776</td>
<td>6</td>
</tr>
</tbody>
</table>

MIS = Mean Item Score; SD = Standard Deviation; SE = Standard Error; R = Rank;

Using Pearson’s correlation, the relationship between management performance and employee performance in the company is expressed in Table 7.3. Based on the p-value of 0.001 and the correlation value of 0.802, it can be deduced that there is a significant relationship between management performance and employee performance at the 5% level of significance.
Table 6.3: Correlation between Management and Employee Performance

<table>
<thead>
<tr>
<th></th>
<th>Management Performance</th>
<th>Employee Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td>1</td>
<td>.802**</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>0.001</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>13</td>
<td>13</td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.05 level (2-tailed).
**Correlation is significant at the 0.01 level (2-tailed).

Table 6.4 shows the relationship between HRM Practices and management and employee Performance. The results of the analysis indicate that there is a significant relationship between management performance and two of the HRM practices, labour relations and recruitment and selection, with p-values of 0.046 and 0.018 respectively. Furthermore, the results indicate that employee performance is significantly affected by recruitment and selection with a p-value of 0.028.

Table 6.4: Correlation between HRM Practices and Management and Employee Performance

<table>
<thead>
<tr>
<th></th>
<th>Management Performance</th>
<th>Employee Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recruitment &amp; Selection</strong></td>
<td>Pearson Correlation</td>
<td>.642*</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.018</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>13</td>
</tr>
<tr>
<td><strong>Performance Management &amp; Appraisal</strong></td>
<td>Pearson Correlation</td>
<td>0.304</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.313</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>13</td>
</tr>
<tr>
<td><strong>Training &amp; Development</strong></td>
<td>Pearson Correlation</td>
<td>0.071</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.818</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>13</td>
</tr>
<tr>
<td><strong>Compensation &amp; Benefits</strong></td>
<td>Pearson Correlation</td>
<td>0.499</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.082</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>13</td>
</tr>
<tr>
<td><strong>Health &amp; Safety</strong></td>
<td>Pearson Correlation</td>
<td>0.397</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.179</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>13</td>
</tr>
<tr>
<td><strong>Labour Relations</strong></td>
<td>Pearson Correlation</td>
<td>.560*</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.046</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>13</td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.05 level (2-tailed).
**Correlation is significant at the 0.01 level (2-tailed).
6.4 FACTORS THAT AFFECT EMPLOYEE PERFORMANCE

Table 6.5 indicates possible barriers to the improvement of employee performance. The results from the data show that the biggest barrier is a ‘lack of career development’ (MIS=2.77; SD=1.301) which ranks 1, ‘lack of challenging employment opportunities’ (MIS=2.62; SD=1.193) ranked 2, and ‘poor communication’ (MIS=2.54; SD=1.050) ranks 3. Furthermore, ‘inequality of compensation and benefits’ (MIS=2.46; SD=0.967) and ‘lack of effective training’ (MIS=2.46; SD=0.877) rank 4, ‘unfair and inequitable performance management’ (MIS=2.31; SD=1.437) ranks 5, and ‘lack of transparency from management’ (MIS=2.23; SD=1.092), ‘lack of employee recognition’ (MIS=2.23; SD=1.301), and ‘high level of absenteeism’ (MIS=2.23; SD=1.301) have a ranking of 6. In addition, ‘unequal employment opportunities’ (MIS=2.15; SD=1.068) ranks 7, while ‘the lack of employee assistance programs’ (MIS=2.08; SD=0.54) and ‘lack of job security’ (MIS=2.08; SD=1.188) rank 8. Moreover, ‘unfair treatment from management’ (MIS=2.00; SD=1.155), ‘lack of interpersonal relations’ (MIS=2.00; SD=1.354), ‘lack of effective dispute resolution’ (MIS=2.00; SD=0.816) and ‘poor working environment’ (MIS=2.00; SD=1.000) rank 9. Lastly, ‘poor reward system’ (MIS=1.85; SD=1.144) ranks 10 and ‘unfair leadership style’ (MIS=1.77; SD=1.016) ranks 11.

The Shapiro Wilk test of normality was also conducted to examine the significance level of the factors. A p-value of 0.389 for the barriers to improved employee performance was noted. This implies that the test is not significant at either the 5% or the 1% level.
Table 6.5: Barriers to Improved Employee Performance

<table>
<thead>
<tr>
<th>Barrier to improved employee performance</th>
<th>MIS</th>
<th>SD</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of career development</td>
<td>2.77</td>
<td>1.301</td>
<td>1</td>
</tr>
<tr>
<td>Lack of challenging employment opportunities</td>
<td>2.62</td>
<td>1.193</td>
<td>2</td>
</tr>
<tr>
<td>Poor communication</td>
<td>2.54</td>
<td>1.050</td>
<td>3</td>
</tr>
<tr>
<td>Inequality of compensation and benefits</td>
<td>2.46</td>
<td>0.967</td>
<td>4</td>
</tr>
<tr>
<td>Lack of effective training</td>
<td>2.46</td>
<td>0.877</td>
<td>4</td>
</tr>
<tr>
<td>Unfair and inequitable performance management</td>
<td>2.31</td>
<td>1.437</td>
<td>5</td>
</tr>
<tr>
<td>Lack of transparency from management</td>
<td>2.23</td>
<td>1.092</td>
<td>6</td>
</tr>
<tr>
<td>Lack of employee recognition</td>
<td>2.23</td>
<td>1.301</td>
<td>6</td>
</tr>
<tr>
<td>High level of absenteeism</td>
<td>2.23</td>
<td>1.301</td>
<td>6</td>
</tr>
<tr>
<td>Unequal employment opportunities</td>
<td>2.15</td>
<td>1.068</td>
<td>7</td>
</tr>
<tr>
<td>Lack of employee assistance programmes</td>
<td>2.08</td>
<td>0.954</td>
<td>8</td>
</tr>
<tr>
<td>Lack of job security</td>
<td>2.08</td>
<td>1.188</td>
<td>8</td>
</tr>
<tr>
<td>Unfair treatment from management</td>
<td>2.00</td>
<td>1.155</td>
<td>9</td>
</tr>
<tr>
<td>Lack of interpersonal relations</td>
<td>2.00</td>
<td>1.354</td>
<td>9</td>
</tr>
<tr>
<td>Lack of effective dispute resolution</td>
<td>2.00</td>
<td>0.816</td>
<td>9</td>
</tr>
<tr>
<td>Poor working environment</td>
<td>2.00</td>
<td>1.000</td>
<td>9</td>
</tr>
<tr>
<td>Poor reward system</td>
<td>1.85</td>
<td>1.144</td>
<td>10</td>
</tr>
<tr>
<td>Unfair leadership style</td>
<td>1.77</td>
<td>1.016</td>
<td>11</td>
</tr>
</tbody>
</table>

6.5 EMPLOYEE MOTIVATION

Figure 6.7 illustrates employee motivational policies, practices or incentives a construction company might adopt. Results from the data reveal that Training and Development Programmes, Yearly Bonus Schemes, Mentorship Programmes, and Good Workplace Conditions are the most commonly adopted, at 100%. These are followed by Fair Salary Structure, Performance Based Incentives, Promotion Opportunities, Fringe Benefits, and Monetary Incentives at 92.3%; Then Career Development Opportunities at 91.7%; then Appreciation from Manager, Good Communication System at 84.6%; . Fair Performance Appraisal System, and Job Security at 76.9%, followed by Overtime Salary and Administrative Practices at 69.2% and, lastly, Job Rotation and Motivational Talks at 61.5%.
Figure 6.7: Respondents’ view of the adoption of Motivational Factors

Table 6.6 indicates how well motivational factors have been implemented in the construction company. The results from the questionnaire indicate that the most adopted motivational factors are ‘yearly bonus scheme’ (MIS=4.31; SD=0.48) which ranks 1, ‘training and development programmes’ (MIS=3.85; SD=0.68) rank 2, ‘monetary incentives’ (MIS=3.77; SD=1.23) rank 3. Furthermore, ‘fringe benefits’ (MIS=3.69; SD=1.25) ranks 4, ‘good workplace conditions’ (MIS=3.62; SD=0.65) ranks 5, ‘performance-based incentives’ (MIS=3.54; SD=1.19) ranks 6, ‘career development opportunities’ (MIS=3.46; SD=1.26) and ‘fair salary structure’ (MIS=3.46; SD=1.26) are ranked 7. Moreover, ‘promotion opportunities’ (MIS=3.38; SD=1.32) ranks 8, ‘mentorship programmes’ (MIS=3.25; SD=1.13) ranks 9, ‘appreciation from manager’ (MIS=3.08; SD=1.60) ranks 10, ‘job security’ (MIS=2.92; SD=1.80) and ‘good communication system’ (MIS=1.55; SD=1.80) rank 11, ‘administrative practices’ (MIS=2.31; SD=1.65) ranks 12, ‘fair performance appraisal system’ (MIS=2.23; SD=1.42) ranks 13, ‘motivational talks’ (MIS=2.15; SD=1.81) ranks 14. Lastly, ‘effective
performance appraisal system’ (MIS=2.08; SD=1.55) ranks 15, ‘job rotation’ (MIS=1.92; SD=1.65) ranks 16 and ‘over-time salary’ (MIS=0.92; SD=1.49) ranks 17.

Table 6.6: Employee Motivation

<table>
<thead>
<tr>
<th>Employee motivation policies, practices, or incentive have been implemented.</th>
<th>MIS</th>
<th>SD</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yearly bonus scheme.</td>
<td>4.31</td>
<td>0.48</td>
<td>1</td>
</tr>
<tr>
<td>Training and development programmes</td>
<td>3.85</td>
<td>0.68</td>
<td>2</td>
</tr>
<tr>
<td>Monetary incentives</td>
<td>3.77</td>
<td>1.23</td>
<td>3</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>3.69</td>
<td>1.25</td>
<td>4</td>
</tr>
<tr>
<td>Good workplace conditions</td>
<td>3.62</td>
<td>0.65</td>
<td>5</td>
</tr>
<tr>
<td>Performance-based incentives</td>
<td>3.54</td>
<td>1.19</td>
<td>6</td>
</tr>
<tr>
<td>Career development opportunities</td>
<td>3.46</td>
<td>1.26</td>
<td>7</td>
</tr>
<tr>
<td>Fair salary structure</td>
<td>3.46</td>
<td>1.26</td>
<td>7</td>
</tr>
<tr>
<td>Promotion opportunities</td>
<td>3.38</td>
<td>1.32</td>
<td>8</td>
</tr>
<tr>
<td>Mentorship programmes</td>
<td>3.25</td>
<td>1.13</td>
<td>9</td>
</tr>
<tr>
<td>Appreciation from manager</td>
<td>3.08</td>
<td>1.60</td>
<td>10</td>
</tr>
<tr>
<td>Job security.</td>
<td>2.92</td>
<td>1.80</td>
<td>11</td>
</tr>
<tr>
<td>Good communication system</td>
<td>2.92</td>
<td>1.55</td>
<td>12</td>
</tr>
<tr>
<td>Administrative practices (flexible working hours, dress code, vacation schedules)</td>
<td>2.31</td>
<td>1.65</td>
<td>13</td>
</tr>
<tr>
<td>Fair performance appraisal system</td>
<td>2.23</td>
<td>1.42</td>
<td>14</td>
</tr>
<tr>
<td>Motivational talks</td>
<td>2.15</td>
<td>1.81</td>
<td>15</td>
</tr>
<tr>
<td>Effective performance appraisal system</td>
<td>2.08</td>
<td>1.55</td>
<td>16</td>
</tr>
<tr>
<td>Job rotation</td>
<td>1.92</td>
<td>1.65</td>
<td>17</td>
</tr>
<tr>
<td>Overtime salary</td>
<td>0.92</td>
<td>1.49</td>
<td>18</td>
</tr>
</tbody>
</table>

6.7 CONCLUSION

The primary data obtained from the distributed questionnaire, which is aimed at the HRM department in a South African construction company in Gauteng, Johannesburg, have been presented and analysed in this chapter.
The next chapter focuses on the discussion of the findings of the research analysis in relation to the research questions and the research objectives.
CHAPTER SEVEN
DISCUSSION OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

7.0 INTRODUCTION
This chapter discusses the findings, conclusion, and recommendations that result from the research. The purpose of this chapter is to find out whether the research questions have been answered by the analysis in chapter six in relation to the literature reviewed. The aim of the research was to explore the implementation and effects of human resource management in a South Africa construction company. The specific questions and objectives of the study were:

Research Questions:
1. What are the common HRM practices in the South African construction industry?
2. What are the indicators of employee performance?
3. What are the factors that affect employee performance?
4. What are the employee motivation factors implemented by the company?

Research Objectives:
1. To identify the common and proven HRM practices in the South African construction company.
2. To determine the indicators of employee performance.
3. To highlight the factors that affect employee performance.
4. To ascertain employee motivation factors implemented in the company.

Below the researcher indicates how the current study objectives have been answered:

7.1 BACKGROUND INFORMATION
Out of the thirteen (13) respondents, 30.8 percent were female, and 69.2 percent were male. The majority of the respondents were white, 76.9 percent, and 23.1 percent were African. The age groups of the respondents ranged between 56 years and above, 51 and 55, 46 and 50, 41 and 45, 31 and 35, and 26 and 30. Each age group represented 15.4 percent of the total, except for the group between 36 and 40, which represented 7.7 percent.
A total of 38.5 percent had more than 20 years’ experience, 30.8 percent ranged from 6 to 10 years, and 15.4 percent had experience that ranged from 1 to 5 years. Those who ranged between 11 and 15, and 16 and 20 years each represented 7.7 percent of the respondents. The majority of the respondents had bachelors’ degrees (69.2%). They were followed by respondents with diplomas (15.4%), and, lastly, respondents with masters’ degrees (15.4%)

7.2 RESEARCH QUESTION 1

What are the common HRM practices in the South African construction industry?

7.2.1 Findings

Results from the research questionnaire reveal that 100 percent of the respondents answered in the affirmative that Recruitment and Selection, Training and Development, Compensation and Benefits, Health and Safety and Labour Relations had been adopted. 76.9 percent agreed that Performance Management and Appraisal had been adopted and 23.1 percent disagreed, saying that Performance Management and Appraisal had not been adopted by the company.

Furthermore, the respondents indicated how effectively the HRM practices have been implemented. The most effectively implemented HRM practices were Training & Development (mean item score (MIS) = 4.231; standard deviation (SD) = 0.599), Compensation & Benefits (MIS=4.231; SD = 0.832), and Health & Safety Benefits which ranked first (MIS= 4.231; SD = 0.832). These were followed by Labour Relations which ranked second (MIS=4.077; SD = 0.862); Recruitment & Selection ranked third (MIS=4.077; SD = 0.862); and Performance Management & Appraisal ranked fourth (MIS=2.231; SD = 1.423).

Furthermore, the Shapiro Wilk test of normality reveals that the variables were significant at 5%. Therefore, we reject the null hypothesis (Ho), which implies that the data set is significantly different from normal.

7.2.2 Discussion

7.2.3 Implications of findings
Findings from the study reveal that Recruitment and Selection, Training and Development, Compensation and Benefits, Health and Safety and Labour Relations have been fully adopted by the organisation. However, Performance Management and Appraisal is not fully integrated in the organisation. This implies that the past and current performance of some employees in the company has not been timeously evaluated. Therefore, employee training needs have not been identified, employee development has been delayed, and this will ultimately demoralise some employees.

7.2.4 Conclusion
The Grade 9 South African Construction Company selected for the study in Johannesburg, Gauteng, demonstrates that it has fully adopted and implemented the following HRM practices: Recruitment and Selection, Training and Development, Compensation and Benefits, Health and Safety and Labour Relations. Though Performance Management and Appraisal has been adopted, it has not been fully implemented by the firm to the detriment of some employees. Therefore, the company should find a way to implement all the HRM practices uniformly.

7.3 RESEARCH QUESTION 2
What are the indicators of employee performance?

7.3.1 Findings
According to the rankings (R) using the calculated mean item score (MIS) and standard deviation (SD), the most important indicators of employee performance follow.
In this section, management performance and employee performance have been studied separately. The findings are indicated below.

For management performance the results show the following rankings:
Adequate work experience (MIS=4.31; SD=0.480), be knowledgeable (MIS=4.31; SD=0.480; R1); commitment to company goals (MIS=4.31; SD=0.630; R1); encourages teamwork (MIS=4.230; SD=0.832; R2); shows initiative (MIS=4.08; SD=0.862; R3); has the required skills (MIS=4.00; SD=0.707; R4) and Shows sense of responsibility (MIS=4.00; SD=0.725; R4); has the ability to train new employees (MIS=3.85; SD=0.555); motivates employees (MIS=3.85; SD=0.689; R6); communication skills (MIS=3.77; SD=0.725; R6).
For employee performance the results reveal the following: Cooperates with management (MIS=4.00; SD=0.577) ranked first, is willing to work overtime (MIS=3.92; SD=0.954) ranked second, Shows interest in work (MIS=3.85; SD=0.899) and general work practice (MIS=3.85; SD=0.376) ranked third. Furthermore, shows a sense of responsibility (MIS=3.77; SD=0.832) and shows a willingness to improve work attitudes (MIS=3.77; SD=0.725) ranked fourth. Moreover, shows pride in work (MIS=3.69; SD=0.947), being motivated (MIS=3.69; SD=0.855) and general work habits (MIS=3.69; SD=0.480) ranked fifth. Lastly, shows initiative at work (MIS=3.46; SD=0.776) ranked sixth.

Results from Shapiro Wilk Test
Moreover, the Shapiro Wilk test of normality reveals the p-value 0.586 for management performance indicating the test is not significant at either the 5% or the 1% significance level. The same is also applicable for employee performance with a p-value of 0.389.

Results Correlation Test
Pearson’s Correlation Test reveals that the relationship between management performance and employee performance, based on the p-value of 0.001 and the correlation value of 0.802, is significant at 1% level of significance.

Furthermore, Pearson’s Correlation shows the relationship between HRM Practices and Management and Employee Performance. The results of the analysis indicate that there is a significant relationship between management performance and two of the HRM practices, that is, Labour Relations and Recruitment, and Selection with p-values of 0.046 and 0.018 respectively. In addition, the results indicates that employee performance is significantly affected by the Recruitment and Selection practices of the company, with a p-value of 0.028.

7.3.2 Discussion
The results from the data for managers’ performance are in agreement with the study of Drucker (1974) who describes the job of a manager as consisting of five basic operations: (1) Setting objectives; (2) Organising; (3) Motivating and communicating; (4) Measurement; and (5) People development. The findings for employee performance concurred with the study by Wollack et al. (1971) on work values. They classified employee performance factors into two categories: intrinsic and extrinsic. The intrinsic factors include pride in work, job involvement, activity preference, and upward striving, while the extrinsic factors are: attitude towards
earning, the social status of the job and responsibility at work.

**Shapiro Wilk Test**
The results of the Shapiro Wilk test of normality indicate that neither management performance nor employee performance are not significant at either the 5% or the 1% significance level. The null hypothesis (H0) is accepted, and the alternative hypothesis (H1) is rejected. Therefore, this shows that the data are normally distributed.

**Correlation Test**
The results of the correlation analysis of the measured data on the relationship between management performance and employee performance reveal that there is a significant relationship between management performance and employee performance. This is in accord with the study by Purcell et al. (2003) who note that line managers could make real differences in employee attitudes and behaviour. Likewise, Hutchinson & Purcell (2003) find that managers are the most important factor explaining variations in employee job satisfaction and job performance.

Findings from the Pearson’s Correlation show that there is a relationship between Employee Performance and Labour Relations and Recruitment and Selection. This is supported by the study of Qureshi and Ramay (2006) who note that HRM practices are positively correlated with employee performance and that Recruitment and Selection and T&D affect employee performance more than the other practices. Furthermore, Ernawati and Ambarini (2010) confirm that Labour Relations have a significant influence on employee performance.

**7.3.3 Implications**
Managers must consider employees’ values when determining ways to motivate their workforce in order to attract and retain employees. It is evident that the behavioural aspects of management have a direct effect on the employees. Hence, it is important that the relationship between management and employees should remain cordial. Moreover, it is imperative that the company maintains fair Recruitment and Selection and Labour Relations practices because of their direct correlation with employee performance.
7.3.4 Conclusion

It can be deduced that employee performance increases when the workforce is well managed and motivated. The study reveals the importance of the managers being the driving force in ensuring that employees are motivated and well trained. Likewise, communication between both parties should be clear with no ambiguity. Additionally, compensation and benefits, promotional opportunities and performance and appraisal systems should be fair. Moreover, when employees are motivated, they identify with the firm. When they are highly motivated, they perform their functions with a sense of responsibility, humility, and efficiency.

7.4 RESEARCH QUESTION 3

What are the factors that affect employee performance?

7.4.1 Findings

The results from the data show that the first ranking barrier to employee performance is a lack of career development (MIS=2.77; SD=1.301), lack of challenging employment opportunities (MIS=2.62; SD=1.193) ranks second, poor communication (MIS=2.54; SD=1.050) ranks third, inequality of compensation and benefits (MIS=2.46; SD=0.967) and lack of effective training (MIS=2.46; SD=0.877) rank fourth, unfair and inequitable performance management (MIS=2.31; SD=1.437) ranks fifth, lack of transparency from management (MIS=2.23; SD=1.092), lack of employee recognition (MIS=2.23; SD=1.301) and high level of absenteeism (MIS=2.23; SD=1.301) rank sixth, unequal employment opportunities (MIS=2.15; SD=1.068) ranks seventh, lack of employee assistance programmes (MIS=2.08; SD=0.54) and lack of job security (MIS=2.08; SD=1.188) rank eighth, unfair treatment from management (MIS=2.00; SD=1.155), lack of interpersonal relations (MIS=2.00; SD=1.354), lack of effective dispute resolution (MIS=2.00; SD=0.816) and poor working environment (MIS=2.00; SD=1.000) rank ninth, poor reward system (MIS=1.85; SD=1.144) ranks tenth and, lastly, unfair leadership style (MIS=1.77; SD=1.016) ranks eleventh.

7.4.1 Discussions

Spector et al. (2004) report that people’s behaviour results from what motivates them; their performance is seen in both their level of ability and the level of motivation. Hence, the findings from the data are in conjunction with the study by Herzberg (1959) who formulated the Herzberg’s Two-Factor theory. According to Herzberg’s Two-Factor theory there are “motivator factors” which include achievement, recognition, work itself, responsibility,
advancement, and growth. On the other hand, the “hygiene factors” are factors that comprise the company policy and administration, supervision, relationship with supervisor, work conditions, salary, relationships with peers, personal life, and relationships with subordinates, status, and security. In addition, the results are in agreement with the study by Spector et al. (2004) which highlights that motivation is either intrinsic or extrinsic. Extrinsic motivation depends on tangible rewards such as salary and fringe benefits, security, promotion, contract of service, the work environment, and conditions of work. Intrinsic motivation comes from psychological rewards such as the opportunity to use one's skills, a sense of challenge and achievement, receiving appreciation, positive recognition, and being treated in a caring and considerate manner.

7.2.3 Implications of findings
It is evident that there are certain factors that affect individual or collective employee performance positively or negatively. Therefore, it is imperative that management sustain rewarding processes and procedures to keep employees motivated in the work place. Likewise, management should encourage human capital development, particularly by creating employment opportunities and facilitating training opportunities for employees. Moreover, it is vital for the organisation to uphold good corporate governance principles and enable relationships of confidence and mutual trust between the company and employees.

7.2.4 Conclusion
The balance of both intrinsic and extrinsic rewards and the perceived equity by individuals is crucial. The match between employee needs and expectations and factors, such as work conditions, relationships, salary, and the way in which the factors are balanced, can lead to high levels of motivation amongst individuals. Finally, motivation is vitally important for both employees and employers within an organisation because of the simple but powerful truth that poorly motivated people are likely to perform poorly at work and gain little satisfaction from their jobs.
7.5 RESEARCH QUESTION 4

What are the employee motivation factors implemented in the company?

7.5.1 Findings

Results from the data reveal that Training and Development Programmes, Yearly Bonus Schemes, Mentorship Programmes, and Good Workplace Conditions are the most fully adopted HRM practices, at 100%. They are followed by Fair Salary Structure, Performance Based Incentives, Promotion Opportunities, Fringe Benefits, and Monterey Incentives at 92.3%. Career Development Opportunities follows at 91.7.

Following Career Development Opportunities is Appreciation from Manager, Good Communication System at 84.6%; Fair Performance Appraisal System, and Job Security at 76.9%; Overtime Salary and Administrative Practices at 69.2% and, lastly, Job Rotation and Motivational Talks at 61.5%.

The data further indicate that the most implemented motivational factors are as follows:

- Yearly bonus scheme (MIS=4.31; SD=0.48) ranks first, training and development programmes (MIS=3.85; SD=0.68) ranks second, monetary incentives (MIS=3.77; SD=1.23) ranks third, fringe benefits (MIS=3.69; SD=1.25) ranks fourth, good workplace conditions (MIS=3.62; SD=0.65) ranks fifth, performance based incentives (MIS=3.54; SD=1.19) ranks sixth, career development opportunities (MIS=3.46; SD=1.26) and fair salary structure (MIS=3.46; SD=1.26) rank seventh, promotion opportunities (MIS=3.38; SD=1.32) ranks eighth, mentorship programmes (MIS=3.25; SD=1.13) ranks ninth, appreciation from manager (MIS=3.08; SD=1.60) ranks tenth, job security (MIS=2.92; SD=1.80) and good communication system (MIS=1.55; SD=1.80) rank eleventh, administrative practices (MIS=2.31; SD=1.65) ranks twelfth, fair performance appraisal system (MIS=2.23; SD=1.42) ranks thirteenth, motivational talks (MIS=2.15; SD=1.81) ranks fourteenth, effective performance appraisal system (MIS=2.08; SD=1.55) ranks fifteenth, job rotation (MIS=1.92; SD=1.65) ranks sixteenth and over time salary (MIS=0.92; SD=1.49) ranks seventeenth.

7.5.2 Discussion

The data analysis is congruent with Howlett’s Hierarchy of Work Motivators, (Hill & Howlett, 2013). The hierarchy indicates that the first three levels are extrinsic (external) motivational factors like salary, working conditions, and work policies, safety and security, benefits and
work relationships, while the last two levels are intrinsic, (internal) factors, namely, achievement, recognition, growth, advancement, responsibility, and job nature.

In addition, the study by Armstrong (2001:106) indicates that motivation is underpinned by three factors: firstly, the environment including working condition; Secondly, job-related factors such as availability of resources and working tools; thirdly, personal factors like opportunities for training and promotions. Moreover, there is consensus with the study by Maslow (1946) that promoting a healthy workforce, providing financial security, opportunities to socialise and recognising employees’ accomplishments all help to satisfy the employees’ physiological needs which will ultimately improve their performance. Furthermore, the equity theory confirms that the way in which workers perceive fairness regarding the distribution of rewards and recognition in exchange for their input or effort is equivalent to their experience of motivation (Coetsee, 2002).

7.5.3 Implications
In the light of the findings, managers and employees should appreciate the influence of the intrinsic factors on employee motivation levels. The organisation should effectively exploit the intrinsic factors influencing employee motivation as a strategy for establishing positive employee motivation. Likewise, management should include extrinsic factors to encourage employee involvement in the decision making, and increase the opportunities for employee personal growth.

7.4.3 Conclusion
The findings of the research study indicate that employees should be given tasks that they have been well trained for and which are best suited for them so that they can enjoy doing what they know best. Subordinates are also motivated when granted responsibility and some form of authority. Moreover, hardworking, talented, and ambitious workers should be given room to develop their potential. A motivated employee performs better, provided that the supervisors understands their role and provide clear mentoring. Moreover, a safe and conducive work environment is necessary to maintain a high level of employee motivation. Flexible human resource policies and flexible time are also role players in keeping workers motivated. Furthermore, employee needs should be identified, and the employees should be exposed to seminars and workshops, as that would enhance their performance.
7.6 CONCLUSION
This study provides a general overview and discussion of HRM. It chiefly focuses on the identification of the common HRM practices in a South African construction company, indicators of employee performance, the factors that affect employee performance and employee motivation factors implemented in the company. The purpose has been to critically evaluate the adoption and implementation of HRM practices and employee motivation and to establish the impact of properly managed HRM on employee performance. Common HRM practices have been identified and comprehensively evaluated as to how well these practices are implemented in the company. Employee performance is discussed as are the factors affecting employee performance. Moreover, the study notes factors that motivate employees. This process produced results that show that the company needs to pay more attention to the proper implementation of HRM practices, and employee motivation factors in order to realise its full potential and to create and sustain a competitive advantage. The results of the study, have reveal that all the research questions have been answered and the objectives of the study have been met.

7.7 RECOMMENDATIONS
Based on the results of the data the following recommendations can be made:

- HRM practices should be fully implemented throughout the company.
- Since labour management relations has an effect on workers’ performance, management should see to it that cordial relations are maintained.
- The available workforce can be kept efficient and motivated through bonuses, overtime opportunities, loyalty rewards, promotions and increased wage levels as incentives to encourage their a friendly environment should be maintained in which managers, staff and workers can discuss and learn from each other and to motivate employee innovative and personal commitment.
- The success of a positive working relationship depends on good and smooth communication between labour and management.
- It is important that the communication gap between the management and workers be narrowed.
- Employees should be given the opportunity to take part in training programmes to help them improve their skills and knowledge about the jobs.
- A fair and uniform performance management and performance appraisal system should be set in place.
7.8 RECOMMENDATION FOR FURTHER RESEARCH

- Further research may be improved by employing a larger sample size and including more participants at different levels.
- A more robust methodology should be employed in order to measure the framework in varying conditions of the internal and external environment within the company.
- The study could also be extended to other construction companies in South Africa.
REFERENCES


*Basic Conditions of Employment Act, (1997).*


Skills Development Levies Act (1999)


87


The Occupational Health and Safety (OHS) Act 85 of 1993


APPENDIX 1: Cover Letter

University of Johannesburg
Department of Construction Management and Quantity Surveying
Doornfontein, 2028

TO WHOM IT MAY CONCERN

Dear Sir/Madam

LETTER OF INVITATION FOR RESEARCH SURVEY

I am writing to request your participation in a research project conducted by the Department of Construction Management and Quantity Surveying at the University of Johannesburg; The research is a Masters student, Ms Lerato Ngwenya. The research is titled “The implementation and effects of human resource management in a South Africa construction company”. You are invited to complete the attached short questionnaire. It should take no longer than 20 minutes of your time. Your knowledge and experience of HRM will make an important contribution to furthering our understanding of its role in the firm.

To protect your anonymity, please do not enter your name or contact details on the questionnaire.

Should you have any queries or comments regarding this survey, you are welcome to contact the primary researcher, Ms Lerato Ngwenya, telephonically at 072 427 7619 or email the primary researcher at leengwenya@gmail.com. If you would like a summary of the research findings, please contact the principal researcher as above after May 2017.

Thanking you in advance.

NGWENYA LM.
QUESTIONNAIRE ON THE ROLE OF HUMAN RESOURCE MANAGEMENT IN THIS CONSTRUCTION COMPANY

Your participation to complete this questionnaire is voluntary. Your response is anonymous (you are not required to provide your name or any other contact details). By completing the questionnaire, you are consenting to the researcher analysing the information you provide as part of a larger dataset of responses. Please read the instructions below for how to answer the questions. INSTRUCTIONS:

PLEASE ANSWER THE FOLLOWING QUESTIONS BY CROSSING (X) ON THE RELEVANT BLOCK OR WRITING DOWN YOUR ANSWER IN THE SPACE PROVIDED.

EXAMPLE of how to complete this questionnaire:

Your gender? If you are female:

| Gender | 
|--------|---|
| Male   | 1 |
| Female | 2 |

SECTION A - BACKGROUND INFORMATION

This section of the questionnaire refers to the background or biographical information. Although we are aware of the sensitivity of the questions in this section, the information will allow us to compare groups of respondents. Once again, we assure you that your response will remain anonymous. Your cooperation is appreciated.

1. What is your gender?

| Gender | 
|--------|---|
| Male   | 1 |
| Female | 2 |

2. What is your current age?

<table>
<thead>
<tr>
<th>Age Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>21 years – 25 years</td>
</tr>
<tr>
<td>26 years – 30 years</td>
</tr>
<tr>
<td>31 years – 35 years</td>
</tr>
<tr>
<td>36 years – 40 years</td>
</tr>
<tr>
<td>41 years – 45 years</td>
</tr>
<tr>
<td>46 years – 50 years</td>
</tr>
<tr>
<td>51 years – 55 years</td>
</tr>
<tr>
<td>55 years &amp; older</td>
</tr>
</tbody>
</table>

3. What is your population group?

<table>
<thead>
<tr>
<th>Population Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>African</td>
</tr>
<tr>
<td>White</td>
</tr>
<tr>
<td>Coloured</td>
</tr>
<tr>
<td>Indian or Asian</td>
</tr>
</tbody>
</table>

4. How many years have you worked in the construction industry?
5. How many years and months have you worked for this company?

<table>
<thead>
<tr>
<th>Years</th>
<th>Months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. What is your highest educational qualification?

<table>
<thead>
<tr>
<th>Qualification</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No qualification</td>
<td>1</td>
</tr>
<tr>
<td>Grade 9 certificate</td>
<td>2</td>
</tr>
<tr>
<td>Matric Certificate (grade 12)</td>
<td>3</td>
</tr>
<tr>
<td>Certificate in Human Resource</td>
<td>4</td>
</tr>
<tr>
<td>Diploma</td>
<td>5</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>6</td>
</tr>
<tr>
<td>Master’s Degree</td>
<td>7</td>
</tr>
<tr>
<td>Doctorate</td>
<td>8</td>
</tr>
</tbody>
</table>

7. From the above question if you chose responses 5, 6, 7 or 8 (diploma or degree) what field or discipline is the qualification for?

8. Which of the following best describes your position in this company?

<table>
<thead>
<tr>
<th>Position</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing Director</td>
<td>1</td>
</tr>
<tr>
<td>Director</td>
<td>2</td>
</tr>
<tr>
<td>Alternate Director</td>
<td>3</td>
</tr>
<tr>
<td>Contracts Manager</td>
<td>4</td>
</tr>
<tr>
<td>Senior Site Agent</td>
<td>5</td>
</tr>
<tr>
<td>Site Agent</td>
<td>6</td>
</tr>
<tr>
<td>Departmental Manager</td>
<td>7</td>
</tr>
<tr>
<td>HR Officer</td>
<td>8</td>
</tr>
<tr>
<td>Worker Representative</td>
<td>9</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>10</td>
</tr>
</tbody>
</table>

SECTION B: HUMAN RESOURCE MANAGEMENT PRACTICES

This section of the questionnaire explores human resource management practices in this company.
Below is a list of common HRM practices a construction company might adopt. In column A indicates whether this company has adopted this practice and in Column B indicate, using the scale provided, how well this company is implementing this practice.

9. Has this company adopted the following HRM practices and, if yes, how well has each been implemented?

<table>
<thead>
<tr>
<th>HRM Practices: Adoption of…</th>
<th>A: Adopted?</th>
<th>B: If the practice is adopted how would you rate the quality of implementation?</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRMP 1 Recruitment and Selection.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>HRMP 2 Performance Management and Appraisal.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>HRMP 3 Training and Development.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>HRMP 4 Compensation and Benefits</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>HRMP 5 Health and Safety.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>HRMP 6 Labour Relations.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

SECTION C: EMPLOYEE PERFORMANCE

This section of the questionnaire explores the level of employee performance.

Below is a list of indicators that can be used to measure employee performance. In Part A of the table, please rate how well managers in this firm achieve for each indicator. In Part B, please rate how well the employees achieve for each indicator.

10. How well do the employees in this company achieve for each of the following indicators?

<table>
<thead>
<tr>
<th>MANAGER AND EMPLOYEE PERFORMANCE:</th>
<th>Very poor</th>
<th>Poor</th>
<th>Average</th>
<th>Good</th>
<th>Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td>PART A: How well does MANAGEMENT perform for each of the following indicators:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 1 Encourages teamwork.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 2 Communication skills.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 3 Shows initiative.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 4 Motivates employees.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 5 Commitment to company goals.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 6 Adequate work experience.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 7 Be knowledgeable.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 8 Has the required skills.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 9 Shows sense of responsibility.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 10 Has the ability to play the bridging role between management and workers.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 11 Has the ability to train new employees.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PART A: How well do EMPLOYEES perform for each of the following indicators:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 12 General work habits.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 13 General work practice.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 14 Shows sense of responsibility.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP 15 Shows interest in work.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### SECTION D: FACTORS THAT AFFECT EMPLOYEE PERFORMANCE

This section of the questionnaire explores the factors that affect performance.

Below are possible barriers that could influence the improvement of employee performance. Based on your experience in this company, please indicate the extent to which each factor is a barrier to improved employee productivity.

11. To what extent is each factor a barrier to the improvement of employee performance?

<table>
<thead>
<tr>
<th>IEP</th>
<th>Extent to which … is a barrier to improved employee performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Not a barrier</td>
</tr>
<tr>
<td>IEP 1</td>
<td>Inequality of compensation and benefits.</td>
</tr>
<tr>
<td>IEP 2</td>
<td>Unequal Employment Opportunities.</td>
</tr>
<tr>
<td>IEP 3</td>
<td>Lack of effective training.</td>
</tr>
<tr>
<td>IEP 4</td>
<td>Lack of career development.</td>
</tr>
<tr>
<td>IEP 5</td>
<td>Unfair treatment from management.</td>
</tr>
<tr>
<td>IEP 6</td>
<td>Lack of transparency from management.</td>
</tr>
<tr>
<td>IEP 7</td>
<td>Lack of interpersonal relations.</td>
</tr>
<tr>
<td>IEP 8</td>
<td>Lack of Challenging Employment Opportunities.</td>
</tr>
<tr>
<td>IEP 9</td>
<td>Unfair and inequitable Performance management.</td>
</tr>
<tr>
<td>IEP 10</td>
<td>Lack of Employee Assistance Programs.</td>
</tr>
<tr>
<td>IEP 11</td>
<td>Lack of job security.</td>
</tr>
<tr>
<td>IEP 12</td>
<td>Lack of employee recognition.</td>
</tr>
<tr>
<td>IEP 13</td>
<td>Poor communication.</td>
</tr>
<tr>
<td>IEP 14</td>
<td>Lack of Effective dispute resolution.</td>
</tr>
<tr>
<td>IEP 15</td>
<td>Poor Reward System.</td>
</tr>
<tr>
<td>IEP 16</td>
<td>High level of absenteeism</td>
</tr>
<tr>
<td>IEP 17</td>
<td>Poor working environment.</td>
</tr>
<tr>
<td>IEP 18</td>
<td>Unfair leadership style.</td>
</tr>
</tbody>
</table>
SECTION E: EMPLOYEE MOTIVATION

Below is a list of policies, practices or incentives a construction company might adopt to motivate employees. In column A indicates whether this company has adopted these and in Column B indicate, using the scale provided, how well this company is implementing these policies, practices, and incentives.

12. What are the employee motivational factors implemented in the company?

<table>
<thead>
<tr>
<th>EMF</th>
<th>Has the company implemented … and if ‘yes’ how well has the policy, practise, or incentive been implemented.</th>
<th>A: Adopted?</th>
<th>B: If adopted, how would you rate the quality of implementation?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Monetary Incentives.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2</td>
<td>Fringe Benefits.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3</td>
<td>Administrative practices (flexible working hours, dress code, vacation schedules).</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>4</td>
<td>Career development opportunities.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>5</td>
<td>Effective Communication.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>6</td>
<td>Job security.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>7</td>
<td>Appreciation from the manager.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>8</td>
<td>Recognition from the manager.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>9</td>
<td>Good relationship with co-workers.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>10</td>
<td>Giving employees more responsibilities.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>11</td>
<td>Good workplace conditions.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>12</td>
<td>Mentorship programmes.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>13</td>
<td>Motivational talks.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>14</td>
<td>Effective performance appraisal system.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>15</td>
<td>Job Security.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>16</td>
<td>Promotion opportunities.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>17</td>
<td>Job Rotation.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>18</td>
<td>Training and Development programs.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>19</td>
<td>Rewards and Recognition.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>20</td>
<td>Good communication system.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>21</td>
<td>Performance-Based Incentives.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>22</td>
<td>Fair performance appraisal system.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>23</td>
<td>Yearly bonus scheme.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>24</td>
<td>Over time salary.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>25</td>
<td>Fair salary structure.</td>
<td>Yes</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>