

**INTRODUCTION OF A
PERFORMANCE MANAGEMENT AND
DEVELOPMENT SYSTEM
IN BUS ÉIREANN - A SUCCESS?**

Author: Suzanne McGilloway

Supervisor: Anne Regan

A thesis submitted in partial fulfilment of the requirements for an
Honours Degree in Human Resource Management.

National College of Ireland.

July 2005.

I hereby certify that this material, which I now submit for assessment on the programme of study leading to the award of an Honours Degree in Human Resource Management is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work.

Signed:

Suzanne Mc Gilloway

Date:

29th July, 2005.

Student Number:

00022484

ABSTRACT.

Performance Management can be defined as *"a strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work in them and developing the capabilities of teams and individual contributors."* (Armstrong and Barron: 1998).

This thesis evaluates the success of a Performance Management and Development System (PMDS) which was introduced in Bus Éireann under the terms of a Change Programme for Executive and Clerical Staff.

The research statement is that the implementation of the PMDS in Bus Éireann has not been effective and in particular the propositions that;

1. PMDS has not contributed to aligning individual and team performance with the goals of the organization.
2. PMDS has not provided a context in which the training and development needs of job holders can be addressed.
3. PMDS has not established a shared system of communication about what is to be achieved, how it is to be achieved.
4. The implementation and development of the PMDS has not been monitored and evaluated as it has evolved.

Both quantitative and qualitative methodology was used in the study. A stratified sample of structured questionnaires from one hundred and sixty six (166) employees at different grades of the organisation and from different departments was used to capture an appreciation of the issues under investigation. This was augmented with structured interviews with the three grades involved in the PMDS, namely management, executive and clerical staff.

While the PMDS process in Bus Éireann is straightforward and clear, the study revealed that PMDS is not being implemented according to specified deadlines. It revealed that PMDS contributes to aligning individual and team performance with the goals of the organisation and has helped staff and managers to identify competencies which in turn assists in identifying the training and development needs, but fails to act upon them. The study also revealed that communication between management and staff has not improved as expected through the use of PMDS.

It is recommended that the PMDS in Bus Éireann be re-evaluated and supported by Senior Management in order for it to become a success.

TABLE OF CONTENTS

Chapter 1: Introduction.....	1
1.1 Background to research	1
1.2 Research statement	2
1.3 Research objectives	3
1.4 Justification for research	4
1.5 Research methodology	5
1.6 Outline of the thesis	6
1.7 Conclusion	7
Chapter 2: Literature Review	8
2.1 Introduction	8
2.2 The evolution of performance management systems	8
2.3 Definition of performance management	11
2.4 Objectives, principles and concerns of performance management	13
2.5 The benefits of introducing a performance management system	16
2.6 The performance management model	19
2.6.1 Success factors	21
2.6.2 Barriers to an effective system	22
2.7 Summary.....	23

Chapter 3: Company Profile	24
3.1 Introduction	24
3.2 A profile of Bus Éireann.....	24
3.3 The performance management and development system in Bus Éireann	26
3.4 Introducing PMDS to staff.....	27
3.5 Summary	30
Chapter 4: Methodology	31
4.1 Introduction	31
4.2 Core features of qualitative and quantitative research	31
4.3 Research methods	32
Chapter 5: Data findings	36
5.1 Introduction	36
5.2 Data findings	38
5.2.1 PMDS has not contributed to aligning individual and team performance with the goals of the organisation	38
5.2.1.1 Summary.....	42
5.2.2 PMDS has not provided a context in which the training and development needs of job holders can be addressed	43
5.2.2.1 Summary	45

5.2.3	PMDS has not established a shared system of communication about what is to be achieved, how it is to be achieved.....	45
5.2.3.1	Summary	48
5.2.4	The implementation and development of the PMDS has not been monitored and evaluated as it has evolved.....	49
5.2.4.1	Summary	53
Chapter 6:	Conclusion and Recommendations	54
6.1	Introduction	54
6.2	Goal Alignment: Key Recommendations.....	54
6.3	Communication: Key Recommendations.....	56
6.4	Training and Development: Key Recommendations.....	57
6.5	System Process: Key Recommendations.....	58
Appendix 1:	Staff Questionnaire	60
Appendix 2:	Interview with Manager, Bus Éireann	67
Appendix 3:	Interview with HR Executive, Bus Éireann,	70
Appendix 4:	Interview with Clerical Staff Member, Bus Éireann.....	73
Bibliography.....		75

LIST OF TABLES AND FIGURES

Figure 1:	Performance Management Model	13
Figure 2:	Benefits of Introducing a Performance Management System	18
Figure 3:	Performance Management Cycle	19
Figure 4:	The PMDS Process	28
Figure 5:	SHL – integration of PMDS into Organisation	40
Figure 6:	Chart showing stages of PMDS most recently completed	50
Table 1:	Survey response on goal alignment – executive and clerical	38
Table 2:	Survey response on goal alignment – management.....	40
Table 3:	Survey response on training and development – executive and clerical	43
Table 4:	Survey response on communication – executive and clerical	45
Table 5:	Survey response on communication – management	47
Table 6:	Survey response on system process – executive and clerical	49
Table 7:	Survey response on system process – management	51
Table 8:	Research propositions: Results.....	54
Table 9:	Goal Alignment: Key Recommendations.....	55
Table 10:	Communication: Key Recommendations	56
Table 11:	Training and Development: Key Recommendations.....	57
Table 12:	System process: Key Recommendations.....	58

CHAPTER 1 – INTRODUCTION

1.1 BACKGROUND TO RESEARCH

As a result of an independent evaluation of the work systems, departmental structures and reporting relationships of Executive and Clerical staff, conducted by IPC¹, who published their findings directly to management and trade unions in October 2001, the introduction of a Performance Management and Development System (PMDS) in Bus Éireann was recommended for the following reasons: to ensure that individual and departmental performance goals and objectives were aligned with the company's goals and objectives and to ensure that they would be achieved successfully, to improve training and development of staff, and finally to improve communication between management and staff.

In 2004 a PMDS was implemented in Bus Éireann as part of a Change Programme for Executive and Clerical Staff.

The introduction of the PMDS was also translated into the Bus Éireann Strategic Business Plan 2002 – 2005.

¹ IPC – Irish Productivity Centre.

1.2 RESEARCH STATEMENT

General Council Report Number 1368 (Agreement on the Introduction of the Performance Management and Development System in the Irish Civil Service) states that performance management is a broad term to describe the way a jobholder's work performance; career and development needs are managed.

Performance Management can be seen as a process for establishing a shared understanding about what is to be achieved, how it is to be achieved, and an approach to managing and developing people that increases the probability of achieving success. The goal of performance management is to contribute to continuous improvement in performance across the organisation by aligning individual and team performance with the goals of the organisation, through greater clarity in setting objectives and related performance targets for individuals and teams, and monitoring progress in their achievement. It also provides a context in which the development needs of jobholders can be addressed.

Effectiveness is defined by Wehrich and Koontz (1994: 12) as the achievement of objectives.

Anecdotal evidence from many staff within Bus Éireann suggests that PMDS has not been effective. Suggestions have been that there is no relationship between individual objectives and that of the Department, Function and/or Company, training and development needs have not been adequately addressed, there is little or no cognizance taken of concerns that staff may have about PMDS and there is little or no improvement in communication between management and staff.

Consequently, the research statement is that the implementation of the PMDS in Bus Éireann has not been effective and in particular the propositions that;

1. PMDS has not contributed to aligning individual and team performance with the goals of the organisation.
2. PMDS has not provided a context in which the training and development needs of jobholders can be addressed.
3. PMDS has not established a shared system of communication about what is to be achieved, how it is to be achieved.
4. The implementation and development of the PMDS has not been monitored and evaluated as it has evolved.

1.3 RESEARCH OBJECTIVES

The literature review undertaken indicates that the objective of performance management is to provide information about work behaviours that can be used for feedback, training and development and succession planning.

This research primarily sets out to establish how effective the implementation of the PMDS in Bus Éireann has been, in other words, (and based on the previously stated definition of “effectiveness”), to what extent have the objectives of the PMDS been achieved?

In establishing whether or not the objectives of the PMDS have been met, this research will assess four core areas, namely;

- System and Process.
- Goal Alignment.
- Training and Development.
- Communication.

It will assess the extent to which PMDS has been monitored and evaluated as it has evolved and thereafter define the extent to which individual and team performance goals are aligned with the goals of Bus Éireann. It will examine the context in which the training and development needs of jobholders can be addressed and finally assess whether a shared understanding exists about what is to be achieved and how it is to be achieved.

1.4 JUSTIFICATION FOR RESEARCH

This research is justified on the basis that the four primary concerns (expressed by staff members across various grades), are unsubstantiated and uninvestigated, but are concerns that go right to the core of PMDS.

Further justification is based on the fact that considerable expenditure has been made on PMDS. Costs associated with it include, but are not necessarily limited to, project investment, training and development, implementation, staff and programme management costs.

1.5 RESEARCH METHODOLOGY

In examining the effectiveness of the PMDS in Bus Éireann a three-pronged approach was taken.

Firstly, a literature review was carried out in order to identify the concept of PMDS. This literature review also explored a broader range of issues including such areas as the evolution and development of performance management, the key benefits arising from the introduction of PMDS, the performance management and development model and how organisational goals can be broken down, the central “drivers” of a successful PMDS and finally the barriers which may exist to successful implementation and maintenance of PMDS.

Secondly a quantitative survey was undertaken to gather data on the relevant issues. In particular the quantitative survey was designed to illicit views of staff of different grades in the organisation and from different departments. It examined staff views under four key areas, namely, system and process, goal alignment, training and development and finally communication.

The third and final stage was the selection of three staff members (of each grade involved in the PMDS) who responded to the quantitative survey to undertake a structured interview. The aim here was to explore the respondents’ views on the effectiveness of PMDS within Bus Éireann.

Appropriate research methodologies are discussed in Chapter 4, as are practical considerations, which impacted upon the design of the survey instrument and structured interviews.

1.6 OUTLINE OF THE THESIS

This thesis is presented in five chapters. The Table of Contents provides section headings for the material covered in the thesis. This section provides a brief description of the contents of each chapter.

This chapter, titled “Introduction” sets the background for the research and outlines the reasoning for the introduction of PMDS in Bus Éireann. The research statement and the research objectives are outlined. The justification for the research, methodology employed and outline of the thesis are then presented.

Chapter 2 covers the literature review and provides the theoretical foundation for the research.

Chapter 3 presents a profile of Bus Éireann and the rationale and objectives of introducing a PMDS for the management, executive and clerical staff.

In Chapter 4, the research methodology and the justification for its selection are provided.

Chapter 5 presents the data collected from the research so that conclusions can be made which are relevant to the research propositions. This chapter is augmented with discussion as it relates to the research statement.

Chapter 6 contains the conclusion and recommendations based on the data outlined in the previous chapter.

1.7 CONCLUSION

In this introductory chapter, the background to the research has been established. The research statement, and the associated propositions that the implementation of the PMDS in Bus Éireann has not been effective were identified. The justification for the research was explained and a brief outline of the research methodology was provided together with an outline of the thesis.

CHAPTER 2 - LITERATURE REVIEW

2.1 INTRODUCTION

This Chapter presents a literature review of the concept of performance management systems. It follows the evolution and development of performance management systems and the definition and purpose of performance management. The key benefits arising from the introduction of such performance management systems are identified. It examines the performance management model and identifies how organisational goals can be broken down into functional/area objectives that in turn are formulated as annual targets for individual staff members under performance management. It also identifies the central “drivers” of a successful performance management system and the barriers that may exist which prevent the successful implementation and maintenance of the system.

2.2 THE EVOLUTION OF PERFORMANCE MANAGEMENT SYSTEMS

Since the Industrial Revolution in the 18th Century, there has never been a shortage in interest from both researchers and practitioners in trying to improve the productivity of workers in organisations (Robbins and Coulter, 2002: 30).

The ultimate goal has been to enhance the performance of individuals, thereby resulting in a boost in the overall performance of the organisation. It is now recognised that there are both intrinsic and extrinsic factors affecting the performance of individuals within organisations and there has been a marked shift

of reform from the traditional focus on input² to a concentration on output³ measures of performance (OECD⁴: 1993).

The main thrust has been from performance appraisal, which aims to gauge achievements of the employee with a judgmental flavour, to performance management and more recently to a competency-based performance management system which aims at optimizing the performance of an employee in line with the strategic directions of the organisation through motivation and development measures.

The true antecedent of formal performance appraisal cannot be exactly traced (Armstrong and Baron 1998: 29). It is safe to speculate, however, that annual performance appraisals of workers began with the advent of the Industrial Revolution in the 18th century when the idea of the division of labour was recognised. It subsequently gained prominence from the perspective of "scientific management".

According to the most prominent advocate of such a perspective (Taylor 1920), each piece of work could be scientifically devised in the production line and the productivity of each worker could be accurately measured (Robbins and Coulter, 2002: 32). Human labour was viewed as only one of the many factors in the production process and could be scientifically manipulated to enhance productivity. The sole purpose of performance appraisal was basically to assess the productivity of a worker retrospectively with a view to finding ways of improving individual performance. The appraisal process was primarily

² Inputs are the measures which a government or its agent have available to achieve an output or outcome.

³ Outputs are the goods and services (usually the latter), which government organisations provide for citizens, business and /or other government bodies.

⁴ Organisation for Economic Co-operation and Development.

judgmental and practical in nature, with little or no regard to the human side of the subject worker.

The rating of performance was introduced in the 1920's as a means of monitoring the productivity of workers within an organisation (Armstrong and Baron, 1998: 29). Management was considered by some to be an exact discipline of study akin to natural science. There was little or no recognition of the fact that human beings are free-willed entities who can act on their own volition in defiance of scientific laws.

Soon more and more researchers and practitioners were puzzled by the fact that the productivity of the work force could not be scientifically manipulated as expected. The Hawthorne Studies in the 1930's enlightened researchers that the relationships between fellow workers played a significant role at work and the only way to increase their productivity was to motivate them at work (Robbins and Coulter, 2002: 38 - 40). The focus of performance appraisal, which was still judgmental in nature, was then switched to the other extreme of predominantly assessing the personality traits of workers and examining how workers could be motivated to do better. As a result, in the 1950's merit rating became the dominant way of assessing the performance of individuals in organisations. The merit-rating approach soon came under severe criticism from McGregor (1957) who stated that the focus should be on the future rather than the past in order to establish realistic targets and to seek the most effective ways of reaching them. Research by Rowe (1964) also indicated that managers did not like "playing at being god" in rating the personalities of their subordinates (cited in Armstrong and Baron, 1998: 31-32).

In the 1960's and 1970's Management by Objectives (MBO⁵), advocated by Drucker, was a popular system which used rating scales. Over time, the concept of performance management gradually evolved and gained popularity, with both performance appraisal and consequent training and development measures being addressed.

2.3 DEFINITION OF PERFORMANCE MANAGEMENT

The term "performance management" was first used by Beer and Ruh (1976) to distinguish it from the traditional performance appraisal process in that it focused on both evaluation and development. It encouraged active participation of the appraisee and emphasised two-way communication during the process, thereby alleviating many of the problems inherent in the traditional performance appraisal arrangements. Armstrong and Baron (1998: 7) describe performance management as "a strategic and integrated approach to deliver sustained success to organisations by improving the performance of the people who work in them and by developing the capability of teams and individual contributors".

Fletcher (1993: 35) pointed out that the real concept of performance management was associated with an approach to creating a shared vision of the purpose and aims of the organisation, helping employees to understand and recognise their part in contributing to them and, in so doing, enhancing the performance of both individuals and the organisation. He emphasized that appraisal is only one element in performance management, though it plays a pivotal role in that it

⁵ Management by Objectives is a collaborative goal setting process during which organizational goals cascade down throughout the organization.

provides a vehicle through which strategic goals can be transformed into performance at the individual level.

In 2000, Armstrong identified two senses in which performance management is integrated; vertical integration which links objectives with core competencies and horizontal integration which links different aspects of human resource management to achieve a consistent approach to the management and development of people. He later renamed horizontal integration as HR Integration and identified two other senses in which it can be integrated; functional integration which links functional strategies in different parts of the business and lastly, the integration of individual needs with those of the organisation (2001).

Armstrong (2001: 469) states that when managing the performance of teams and individual both inputs (behaviour) and outputs (results) need to be considered.

Based on the review of literature and specifically the definitions of performance management, this author has taken performance management to be an ongoing, continuous process of communicating and clarifying job responsibilities, priorities and performance expectations in order to ensure mutual understanding between supervisor and employee. It is a philosophy which values and encourages employee development through a style of management, which provides frequent feedback and fosters teamwork. It emphasises communication and focuses on adding value to the organisation by promoting improved job performance and encouraging skill development. Performance Management involves clarifying the job duties, defining performance standards, documenting, evaluating and discussing performance with each employee.

2.4 OBJECTIVES, PRINCIPLES AND CONCERNS OF PERFORMANCE MANAGEMENT

Performance management is a shared process, based on communication between managers (appraisers) and those being managed (appraisees). The most basic objective of performance management (Moorehead and Griffin 1995: 183) is to provide information about work behaviours that can be used for feedback, reward allocation, training and development and succession planning.

Armstrong (2000: pg 4) states that performance management is based on the agreement of objectives and the joint and continuing review of an individual's performance against these objectives together with agreement on further development plans. Performance Management is a system and process that link the organisation's goals and strategies to individual and team performance so as to increase organisational effectiveness. The link between the organisations overall mission and the individual is illustrated in Figure 1.



Figure 1:

Source: <http://www.state.gov/s/d/rm/rls/perfrpt/2004hlts/html/39848.htm>

It is a joint process that involves both line managers and their direct reports who jointly identify common goals/objectives, which correlate to the higher goals of the organisation. This process results in the establishment of written performance expectations, which are used as measures for feedback and performance appraisals/reviews.

It is the opinion of this author that Performance Management is a process which identifies what should be happening at all levels in an organisation, and then measuring whether it is indeed happening in the manner intended; where this is not materialising, to identify the cause(s) and implement corrective action(s).

IRS⁶ (1996) list the core principles of performance management as:

- translating corporate goals into concrete objectives for all employees and functions.
- focussing on the inputs and outputs of individual performance.
- an ongoing process providing the basis for the continuous improvement of performance levels.
- a process which relies on consensus and cooperation, and a shared understanding of what is required.
- Performance management is not a top-down process, because lower-level employees can – through a feedback loop – influence corporate aims and values.
- a process which encourages the self-management of performance and development.

⁶ IRS: Industrial Relations Services Management Review.

- Ultimate ownership of the performance system rests with line managers, but ownership by the individual is important too, while success depends on effective two-way communication between the manager and his or her staff.
- It is forward looking and does not dwell on past performance – it concentrates on positive attributes rather than negative features.
- working best when it applies to all staff, not just managerial or white-collar grades.

Armstrong (2000: 470) condenses these to four primary concerns

- **Performance improvement**, which is fundamentally concerned with achieving greater organisational, team and individual efficiency.
- **Employee development:** Performance improvement is not achievable unless there are effective processes of continuous development. This addresses the core competencies of an organisation and the capabilities of both teams and individuals. It is this particular concern stated by Armstrong that gives merit to the argument that the term Performance Management should be changed to Performance Management and Development.
- **Satisfying the needs and expectations of the stakeholders involved:** Owners, managers, employees, suppliers and the general public are all an integral part of the organisation. Performance management is concerned with treating employees as partners in the enterprise, whose interests are respected and who have a voice on matters that concern them, whose opinions are sought and listened to. Performance management should respect the needs of

both individuals and teams as well as those of the organisation and recognise and understand that they may not always coincide.

- **Communication and involvement:** Performance management should create a climate of open continuous dialogue between management and staff, the purpose of which should be to define expectations and share information on the organisations goals, values and objectives.

2.5 THE BENEFITS OF INTRODUCING A PERFORMANCE MANAGEMENT SYSTEM

IRS (1996) list the following benefits of introduction a PMDS:

- Helps staff adjust to the limited upward career opportunities in flatter organisations by focusing on employee development that is of interest and value to the individual.
- Encourages people to take responsibility for their own development.
- Organisations and their people develop together.
- Identification of training needs inherent in performance management enables an organisation to match individuals to jobs and to plan for future requirements.
- Increased communication.
- Empowers staff via the ownership of their performance within a clear framework agreed between the manager and the individual.
- Helps improve organisation performance, customer service and morale among staff and has led to higher levels of commitment and motivation.

Anderson (1994: 19) identifies three main parties in a system as the appraisee, the appraiser and the organisation and lists the benefits applying to each party separately.

Appraisees benefit in terms of improved communication with the manager regarding what is expected of them, feedback, knowledge of their strengths and weaknesses, development plans, career prospects and learning about the manager's objectives and priorities for the company. Appraisers benefit from a better understanding of their staff, the opportunity to measure and identify trends in performance, enhanced motivation of staff and developing staff performance together with the opportunity to agree joint objectives. The organisation benefits from improved communication, motivation, harmonisation of objectives and above all, improved corporate performance.

These benefits are indicated in Figure 2 and graphically illustrate the results that may be achieved as a result of an effective performance management system. Such a system contributes to reducing costs, releasing cash and allows for reinvestment, new capabilities, the improvement to existing processes, products or services, increased customer satisfaction (both internal and external), a greater market share and ultimately increased profits.⁷

⁷ Source: Bus Eireann Management Development Programme 2002

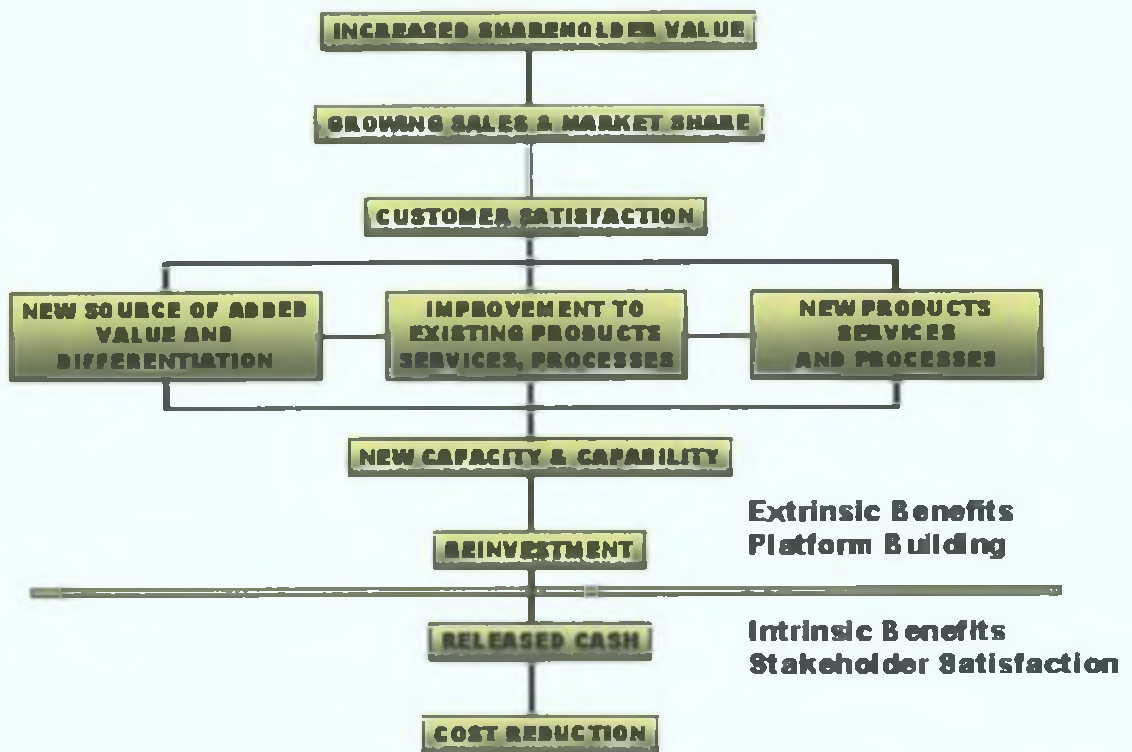


Figure 2

Along with the benefits outlined already, Wehrish and Koontz (1994: 162) state that performance management forces managers to clarify the structure of their organisations, encourages people to commit themselves to their goals and helps develop effective controls.

2.6 THE PERFORMANCE MANAGEMENT MODEL

Armstrong (2001: 476) outlines the Performance Management Cycle and the key activities within the cycle.



Figure 3 – Armstrong: The Performance Management Cycle.

Role Definition (also known) as the Role Profile, according to Armstrong (2000: 477) provides the framework for performance management. The role profile sets out the purpose of the role, which summarises its overall aim. The role profile also states the key result areas or principal accountabilities. This defines the main outputs of the role and provides the headings against which objectives and performance standards are agreed. The third key element of the role profile are the key competencies, which indicate what the role holder has to be able to do and the behaviour required to perform the role effectively.

According to Armstrong (2000: 477) performance agreements define the results to be achieved and the competencies required to attain these results. The integration of objectives (Armstrong 2000: 478) is important in order to achieve a shared understanding of performance requirements. Objectives are intended to bring

about change and to do so must be SMART (an acronym which is explained below).

Specific:	Articulate in concrete terms what is to be achieved.
Measurable	Clear yardsticks for assessing success; include quantitative and qualitative terms that are easily identifiable, in terms of quality, quantity, cost and time.
Achievable	Realistic and attainable goals that are within grasp, with some opportunity to grow.
Relevant	To the goals of the Organisation.
Time-bound	Specifically stated timeframes and deadlines.

Performance management, Anderson (2001: 483) should be regarded as an integral part of the continuing process of management. This is based on a philosophy that emphasizes:

- The achievement of sustained improvements in performance;
- Continuous development of skills and overall competence;
- The importance of organisational learning.

According to Armstrong, issues that may arise throughout the year are, updating objectives and work plans, continuous learning and dealing with performance problems.

Anderson (1994: 57) highlights the fact that a performance management system should form a central element of the human resources systems to ensure an integrated approach to human resources management; linking with recruitment and selection, organisation design, compensation, career development, training

and development and succession planning. He also states that job analysis is a useful first step in clarifying areas in which objectives can be set.

2.6.1 Success Factors

IRS (1996) list success factors such as an open and honest managerial style with effective two-way communication and a high degree of trust between staff and management. It is recommended that the Human Resources function should not control the system, but rather act as a support mechanism. There must also be a business plan in place and total commitment and support from Senior Management in order for a performance management system to succeed.

Anderson (1994: 154) suggests the use of a “champion” of the performance system. This person must be committed to the concept and to the organisation’s plans for implementation. The champion must fully understand the system, devote sufficient time to the task to ensure its success and be at a level senior enough to have influence of other managers.

Boyle (1989: 106) states that introducing a new system can be difficult as resistance to change is common. He lists the following necessary factors for creating the right conditions for introducing a new system:

- High level commitment;
- Consultation/participation procedures which will allow staff to have a voice in the development and operation of the system;
- Delegation, which shows that the system is not a control mechanism but rather an aid for assessing performance;

- The system must be kept as simple as possible to reduce the time demands on management and staff.

2.6.2 Barriers to an Effective System

Anderson (1994: 20) states it is unlikely that the many useful objectives of performance appraisal systems will be achieved if the following problems arise:

- Poor communication resulting in possible conflict and low commitment from the parties involved;
- Appraisees feeling apprehensive and behaving defensively;
- Appraisers devoting little time to the performance appraisal, resulting in it becoming a ritualistic exercise;
- Top management failing to show enthusiasm for the system.

The recurrent barriers identified by IRS (1996) included the reluctance of managers to engage in the process due to time pressures or conflicts with their own beliefs. Bureaucracy and pay related performance (PRP) are also listed as significant obstacles to the successful operation of performance management. It is also stated by IRS (1996) that performance-related pay is not a necessary element of performance management and fails to acknowledge that motivational influences change over time. This is further supported by Hartle (1995: 27) who states:

“ the pay link (with performance management) should be the supporting process; it should not be the driver for the performance management process,”

2.7 SUMMARY

From this literature review it can be seen that for a PMDS to succeed it must be driven from the top. It is vital that Senior Management are totally committed to the success of the system. It is agreed both by Armstrong and the IRS that performance management is owned and driven by line management with support from Human Resources. Communication is also a crucial element to ensure buy-in for all staff involved and this in turn will eliminate any apprehension, uncertainties or suspicions, which may exist when the introduction of a performance management system is proposed. This communication must be two way, from the bottom up and top down. As with the introduction of any change it is important to set the culture to absorb the new system as part of the organisation.

CHAPTER 3 – COMPANY PROFILE

3.1 INTRODUCTION

This Chapter presents a profile of Bus Éireann and the rationale and objectives of introducing a PMDS for our management, executive and clerical staff.

3.2 A PROFILE OF BUS ÉIREANN

Established in 1987 under the Transport (Re-Organisation of Coras Iompair Éireann) Act, 1986, Bus Éireann is a transport management company, whose principal activities are the management and planning of an integrated network of services, using our own and sub-contracted resources. This integrated network covers long distance coach services, local, rural, commuter, provincial city and town bus services. The company is also responsible for the management and provision of the nationwide School Transport Scheme on behalf of the Department of Education and Science. Over 2,700 staff are employed in a variety of grades such as clerical, driver, maintenance, management and supervisory roles.

Bus Éireann operates in a changing business and regulatory environment and faces many challenges. Increased efficiency and effectiveness have become key strategic objectives of the modern organisation. To succeed in this environment, staff must be prepared to embrace change and be innovative and responsive in meeting the many challenges ahead.

The mission statement is “ *to succeed by providing excellent service to our customers through a committed team*”.

A number of change programmes have been negotiated with the trade unions in the past number of years, aimed at improving working arrangements and job satisfaction for staff.

The *Change Programme for Clerical and Executive Staff* was introduced in October 2002 following extensive negotiations with trade unions and the use of an independent evaluation of the work systems, departmental structures and reporting relationships. IPC⁸, the agreed independent consultant agency who carried out this evaluation, published its findings directly to management and trade unions in October 2001. The introduction of a PMDS was recommended to ensure that performance goals and objectives were aligned with the company's goals and objectives and to ensure that they would be achieved successfully. Other benefits identified were the identification of individual training and development needs for staff in order to meet the performance goals and objectives, a process which could also support succession planning. Communication was also identified as an area which needed to be improved in general across the whole company. It highlighted the need for a continuous and effective two-way multi-directional communication and information system within Bus Éireann. Performance management was recommended as a method of providing feedback to staff with regard to their performance, recognition for good work output and clarity as to what is expected of them, which in turn would prevent resentment and low motivation for those who feel they get no recognition for their hard work and the fact that they make a positive contribution to the company.

⁸ IPC – Irish Productivity Centre.

The PMDS was introduced under the terms of the *Change Programme for Clerical and Executive Staff*. Training for all staff involved (approximately 350) which included management, executive and clerical staff, was completed in 2003 and the system was implemented in January of 2004.

3.3 THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM IN BUS ÉIREANN

Saville and Holdsworth (SHL), a world leader in facilitating maximisation of organisational performance through more effective use of their people, state in their proposal document⁹ for Bus Éireann's performance management system that;

“Performance management will provide a mechanism of creating a focus on and responsibility around the achievement of results as well as enabling the development of a culture of openness and continuous improvements.”

The purpose of the introduction of a PMDS in Bus Éireann, as outlined in the *Change Programme* booklet, was to improve work practices by introducing a communication process between clerical staff and the immediate supervisor/manager on each individual's work performance. This was to be achieved by establishing performance expectations, monitoring progress and later giving feedback on results against performance. The process should also identify training and development needs that the individual and the supervisor/manager consider necessary to improve competence and to plan accordingly for their provision.

⁹ for the design, implementation of the training programme and support of the implementation of a PMDS in Bus Éireann.

It is important for a performance management system to be linked to an organisations goals, this fact is further supported by SHL (2003) who state:

“The fundamental principle of any successful performance management system is that it translates corporate objectives into divisional, departmental, team and individual goals i.e. that it results in a system which is “vertically integrated”.

“The system should follow a “top down” approach in that it results in a translation of organisation goals into team and individual goals. However it should also enable “bottom up” feed in to the business planning process and there should be scope for individuals to input into setting their objectives.”

Anderson (1994: 57) highlights the fact that a performance system should form a central element of the human resources systems to ensure an integrated approach to human resources management; linking with recruitment and selection, organisation design, compensation, career development, training and development and succession planning. He also states that job analysis is a useful first step in clarifying areas in which objectives can be set.

3.4 INTRODUCING PMDS TO STAFF

Management, executive and clerical staff were introduced to the PMDS in 2003 through the use of a training programme facilitated by SHL. *A Guide to the Performance Management and Development System* was circulated to all staff involved, prior to attending this training programme. The guide outlined the reason for the introduction of this system which was to ensure that each and every manager and staff member is clear about their goals and objectives and has an opportunity to get involved in planning their personal training and development in a more structured way which will help us to deliver on our **business plan** and

ensure our continued success. It outlined how the system would provide support at work by providing greater clarity around roles and objectives and improving communication throughout the company. The guide also outlined the process involved which is best illustrated by figure 4 below.

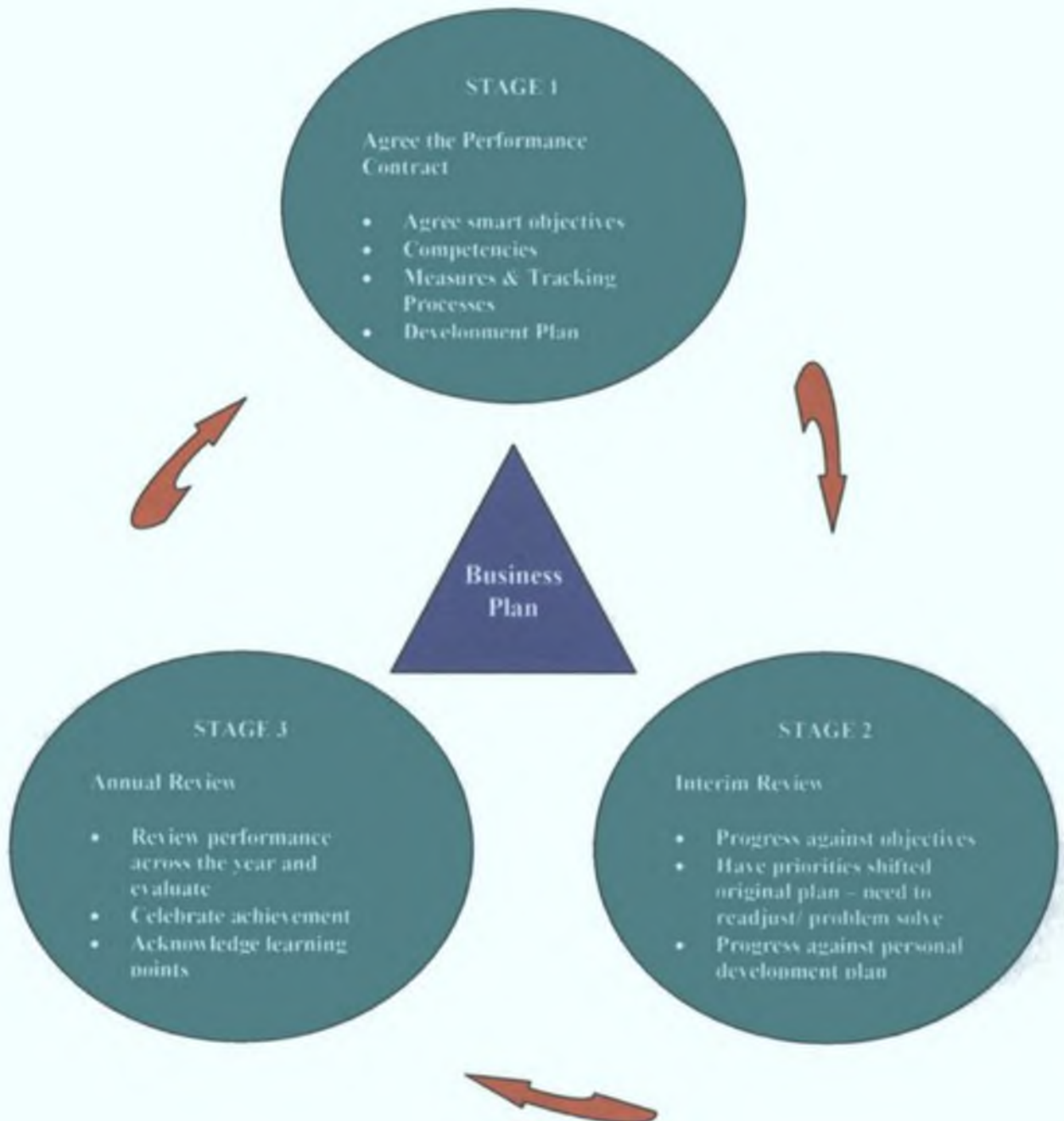


Figure 4

A second booklet *How to Prepare for and Engage in PMDS* was used on the training programme which took each staff member through the three stages in the process;

- Agreeing the Performance Contract.
- The Interim Review Meeting.
- The Final Review Meeting.

It also covered “frequently asked questions” and identified the line manager as the person to be contacted with any concerns or for further clarification on any aspect of the system.

A second training programme for assessors was attended by approximately 100 staff who would be conducting the meetings throughout the year with the assesses. This programme reviewed the PMDS and outlined the benefits of developing others. It provided practical advice on conducting these meetings, causes of underperformance, motivation and coaching.

SHL (1993: 8) regard the level, consistency and openness of communication as a key factor which can determine the success of a performance management system. By facilitating a two-way communication and showing openness, this results in individuals feeling less threatened, more involved and more committed to the process.

Anderson (1994: 154) suggests the use of a “champion” of the performance appraisal system. This person must be committed to the concept and to the organisation’s plans for implementation. The champion must fully understand

the system, devote sufficient time to the task to ensure its success and be at a level senior enough to have influence of other managers.

3.5 SUMMARY

According to SHL “the biggest challenge for Bus Éireann is to embed performance management so firmly into your culture that it seems like part of the way people work and not an additional task that must be completed.”

CHAPTER 4 – METHODOLOGY

4.1 INTRODUCTION

This Chapter begins with an overview of the core features of both qualitative and quantitative research. The rationale for choosing the combined qualitative and quantitative concept that has been used in this research is then explained. A detailed description of the research work undertaken including interviewing, compiling of questionnaire, data analysis and some of the difficulties and problems encountered by the researcher will also be highlighted.

4.2 CORE FEATURES OF QUALITATIVE AND QUANTITATIVE RESEARCH

Research methods can be broadly categorised as quantitative and qualitative analysis.

Fred Kerlinger (cited in Miles and Huberman 1994: 40) states, "There's no such thing as qualitative data. Everything is either 1 or 0". To this, another researcher, D. T. Campbell, states "all research ultimately has a qualitative grounding". This back and forth style of argument among qualitative and quantitative researchers is "essentially unproductive" according to Miles and Huberman. They and many other researchers agree that these two research methods need each other more often than not. However, because qualitative data involves words and quantitative data involves numbers, there are some researchers who feel that one is better (or more scientific) than the other. Another major difference between the two is that qualitative research is inductive and quantitative research is deductive. In qualitative research, a hypothesis is not needed to begin research. However, all quantitative research requires a hypothesis before research can begin.

Although there are clear differences between qualitative and quantitative approaches, with each having its own merits, there has been a recent move in social science towards combined approaches, which tend to reject the narrow analytical concepts in favour of the breadth of information which the use of more than one method may provide. According to Quinn Patten (1987: 11) while the purposes and function of qualitative and quantitative data are different they are also complementary.

The crucial aspect in justifying a combined methodology research design is that both single methodology approaches (qualitative only and quantitative only) have strengths and weaknesses. The combination of methodologies, on the other hand, can focus on their relevant strengths. Quantitative and qualitative research designs are appropriate for answering different kinds of questions.

It is not suggested that a combined research methodology is the only suitable research design for this topic; rather that it is this author's opinion that it is the most appropriate design to achieve the objectives of this research.

4.3 RESEARCH METHODS

Primary Data was derived from the use of both quantitative and qualitative research.

Quantitative Research:

It was originally proposed to derive primary data from the use of one hundred (100) structured questionnaires, issued to staff of different grades of the organisation and from different departments, the purpose of which was to quantify the qualitative research. However, following discussion with the Manager,

Communication who raised the issue regarding the fact that historically there has been a low rate of questionnaire return within the Company¹⁰ (which may have had an impact on the compilation and analysis of data), it was decided to increase the sample size to 50% of the three grades of staff involved in the PMDS as outlined below:

Grade	Sample Size
Management	26
Executive	19
Clerical	121

Staff were picked at random.

In order to establish an effective questionnaire and to assist in compiling it, an extensive review and consultation process was undertaken. This review and consultative process took account of the views of the following stakeholders:

- Manager, Human Resources, Bus Éireann.
- Manager, Employee Relations, Bus Éireann.
- Equality and Diversity Officer, Bus Éireann.

The survey was then piloted on two clerical staff in the HR department.

The questions contained in the questionnaire were focused on four areas of research;

- The PMDS Process,
- Goals and objectives,
- Training and Development,
- Communication.

¹⁰ Opinion of Manager, Communication who coordinates the annual staff survey.

The questionnaire is attached as Appendix 1.

Qualitative Research:

Further primary data was obtained by conducting three (3) structured open-ended interviews, which were undertaken with staff from each of the grades involved in the PMDS and from different departments and functions in the organisation. The sample sizes were as follows;

Grade	Sample Size
Management	1
Executive	1
Clerical	1

It was originally intended to interview six (6) staff but due to the large response received from the quantitative research this author decided that the sample size should be reduced to three as above.

The qualitative research is designed to establish a holistic enquiry process into the PMDS System in Bus Éireann. It is based on building a complex, holistic picture, formed with words, reporting detailed views of staff, and conducted in a natural setting. The use of a structured open-ended interviews together with an interview guide was used as outlined by Quinn Patton (1987: 111). An interview guide ensures that the same information is obtained from a number of people by covering the same materials and serves as a basic checklist to ensure that all relevant topics are covered. The advantage, according to Quinn Patton is that it ensures that the interviewer has decided how to use the limited time to the best advantage. The questions asked at the interviews were based on the information

received from the quantitative research and again focused on the four areas of research.

Protocol:

The same procedure was followed for each interview. The venue and time was agreed with each interviewee. Confidentiality was guaranteed and a transcript was provided to each individual to verify, and authorise before being included in the findings.

The transcripts of the three interviews are attached as Appendix 2, 3 and 4.

CHAPTER 5 – DATA FINDINGS

5.1 INTRODUCTION

During the course of this research, a tragic and unfortunate accident occurred in Navan, Co. Meath involving a Bus Éireann vehicle. This resulted in the deaths of five teenagers. The impact of this accident has been significant. While the day-to-day operational activity of the Company has not been adversely affected, the primary focus of the Company in the aftermath of this accident has been to support the bereaved and injured parties and contribute to the investigation into the circumstances surrounding the accident. Although it is difficult to ascertain or establish, it is being assumed that this unfortunate accident and subsequent emotions within the Company may have impacted on the quality of data received from questionnaire respondents.

This chapter will present the data from the quantitative and qualitative research.

The quantitative data was distributed to a random sample of 166 staff members across the three grades involved in the PMDS. A 43% response rate was achieved. The survey comprised three sections:

- Section I: General Background Information.
- Section II: Feedback on PMDS (from all staff).
- Section III: Feedback from the Managers Perspective.

Section I included eight questions on the respondents background and grade category. Section II included a set of thirty one questions on the four evaluation

criteria to gain the experiences and views of staff. Finally, Section III included a set of twelve questions to gain managements perspective on PMDS.

The main themes of the interviews and questionnaire data will be presented focusing on the four propositions outlined in Chapter 1.

1. PMDS has not contributed to aligning individual and team performance with the goals of the organisation.
2. PMDS has not provided a context in which the training and development needs of jobholders can be addressed.
3. PMDS has not established a shared system of communication about what is to be achieved, how it is to be achieved.
4. the implementation and development of the PMDS has not been monitored and evaluated as it has evolved.

Recommendations will be made in relation to each of the four propositions.

5.2 DATA FINDINGS

5.2.1 PMDS has not contributed to aligning individual and team performance with the goals of the organisation.

Table 1 shows the survey response under the examination criteria of goal alignment.

No.	Question	Disagree	Neutral	Agree
2	I have discussed and agreed my objectives with my manager	15%	5%	80%
3	Through PMDS I have a clear understanding of the goals of my work unit	24%	22%	54%
9	PMDS has helped me clarify my role	40%	21%	39%
15	PMDS helps to motivate me to improve my performance or to maintain a good performance level	40%	28%	32%
16	As a result of PMDS my manager and I talk about my motivation and development	57%	18%	24%
19	When I perform well, I receive recognition from my manager	42%	25%	33%
20	When I am not performing well, my manager lets me know in a useful and timely manner	47%	31%	22%
29	I feel that under performance is appropriately addressed by my manager	52%	29%	19%
31	The time and effort involved in PMDS is worthwhile	33%	27%	40%
Average		39%	23%	38%

Table 1

From the quantitative research undertaken by this author it is clear that staff agree that they have discussed and agreed objectives with their managers (80% favourable response) and also have a clear understanding of the goals of the work unit (54% favourable response).

In terms of performance motivation there is a less positive view, with 40% of respondents disagreeing with the statement that PMDS helps to motivate them to improve their performance or to maintain a good performance level. This is augmented with an apparent lack of communication substantiated by the fact that 57% of respondents feel that as a result of PMDS management and staff do not talk about staff motivation and development.

Anderson (1994: 57) highlights the fact that a performance management system should form a central element of the human resources systems to ensure an integrated approach to human resources management; linking with recruitment and selection, organisation design, compensation, career development, training and development and succession planning. He also states that job analysis is a useful first step in clarifying areas in which objectives can be set.

This is further supported by SHL (2003) in figure 5 which shows how the performance management process should be firmly integrated into the organisations business strategy, culture and HR processes:



Figure 5

From a management perspective (Table 2) there is agreement that PMDS has assisted in delivering on the business plan with 39% of management responding positively to this statement.

No. Question	Disagree	Neutral	Agree
1 PMDS helps my staff to contribute more effectively to the work of my unit	32%	26%	42%
8 PMDS assists me in delivering on my business plans	23%	38%	39%
Average	28%	32%	41%

Table 2

From qualitative research the following is a summary of the views of those interviewed in relation to this topic.

Question: Part of the PMDS is agreeing goals and objectives with your manager and writing them down. These objectives should link in with your departmental and ultimately the company's goals and objectives. Do you know what your individual objectives are for the coming year and are they tied in with the objectives of your department?

There was a mixed response from the interviewees with regard to this question. One was a definite yes, one a definite no and the third was definite that they had set their objectives for the year but not as a result of the PMDS. Communication in that particular case is very good between the manager and staff mainly due to the fact that they are based in offices with adjoining doors so they get to see them every day unlike other larger offices where the communication is not as effective as it should be.

Saville and Holdsworth Ltd. (SHL), a world leader in facilitating maximisation of organisational performance through more effective use of their people, state in their proposal document¹¹ for Bus Éireann's Performance Management System that;

“Performance management will provide a mechanism of creating a focus on and responsibility around the achievement of results as well as enabling the development of a culture of openness and continuous improvements.”

¹¹ for the design, implementation of the training programme and support of the implementation of a PMDS in Bus Éireann, 2003.

It is important for a performance management system to be linked to an organisations goals, this fact is further supported by SHL (2003) who state:

“The fundamental principle of any successful performance management system is that it translates corporate objectives into divisional, departmental, team and individual goals i.e. that it results in a system which is “vertically integrated”.

“The system should follow a “top down” approach in that it results in a translation of organisation goals into team and individual goals. However it should also enable “bottom up” feed in to the business planning process and there should be scope for individuals to input into setting their objectives.”

The fundamental principle, as enthused by SHL, that any successful performance management system should translate corporate objectives into divisional, departmental, team and individual goals appears to hold true. While some areas require development and progression the crucial fact is that staff have clearly identified their own goals and objectives and have an understanding of the goals of the work unit. Managers find that the PMDS assists them in achieving their business plan.

5.2.1.1 Summary.

From the research undertaken in relation to the statement “PMDS has not contributed to aligning individual and team performance with the goals of the organisation” it appears that this is not true.

5.2.2 PMDS has not provided a context in which the training and development needs of job holders can be addressed.

Table 3 shows the survey response under the examination criteria of training and development.

No.	Question	Disagree	Neutral	Agree
4	Have you identified the competencies required for your job	14%	15%	71%
5	Have these competencies helped to identify your training needs	26%	17%	57%
11	Training and Development needs identified through PMDS are acted upon	54%	19%	27%
17	The training element of my Personal Development Plan has been completed for last year	64%	13%	23%
23	My performance review helps my manager and me to agree on my Training and Development needs	30%	28%	42%
24	PMDS is used to inform decisions about future career development	42%	29%	29%
27	I take the opportunity to avail of the Training and Development opportunities that will enhance my longer-term career prospect	20%	23%	57%
30	I am satisfied with the quality of training I receive to do my job	41%	13%	46%
Average		36%	20%	44%

Table 3

Research shows that the competencies required for each job have been identified (71% favourable response) together with the training needs of staff (57% favourable response).

However, while these training and development needs have clearly been identified, they have not been acted upon. Over 50% of staff disagree with the statement that their training and development needs as outlined in the PMDS have been acted upon.

Another significant finding is that over 60% of staff have not completed their Personal Development Plan (PDP) for the first year of the PMDS.

The following is a summary from qualitative research carried out, of the views of those interviewed in relation to this topic.

Question: Have your training needs as outlined in your Personal Development Plan (PDP) been achieved for last year?

The response from all three who were interviewed was that they had completed a PDP for 2004 and submitted it to the HR Department. However, no response or feedback was received. It was accepted that they had the option of pursuing this and ensuring that the training course or development areas requested were achieved. However, it was felt that, due to the fact that the PMDS was not being driven by senior management staff did not feel that it was important enough to follow up on the training and development needs as outlined by them.

5.2.2.1 Summary.

From the research carried out it is clear that PMDS has helped staff and managers to identify competencies for each role which in turn assists in identifying the training and development needs for each staff member. However, PMDS is failing staff in that the PDP of each staff member is not being acted upon and the training and development needs as identified by them are not being realised.

5.2.3 PMDS has not established a shared system of communication about what is to be achieved, how it is to be achieved.

Table 4 shows the survey response under the examination criteria of communication.

No.	Question	Disagree	Neutral	Agree
10	The feedback I receive from my manager is helpful in improving my performance	30%	30%	40%
25	PMDS has improved communication with my manager	43%	27%	30%
26	Upward feedback has been implemented in my unit as part of PMDS	54%	32%	14%
Average		42%	30%	28%

Table 4

SHL (1993: 8) regard the level, consistency and openness of communication as a key factor which can determine the success of a performance management system. By facilitating a two-way communication and showing openness, this results in

individuals feeling less threatened, more involved and more committed to the process.

Research shows that this key factor is not being realised in our PMDS from staff perspective. From a staff perspective, on average, 42% of survey respondents gave negative responses pertaining to communication within PMDS. On average only 28% of staff within this grade responded positively. This is mainly due to the fact that only 40% of non-management staff feel that the feedback they receive from management is helpful in improving their performance. They feel that communication has not improved as a result of the introduction of PMDS in Bus Éireann with only 30% of respondents agreeing with the relevant statement. They also feel that upward feedback has not been implemented through PMDS with only 14% providing a favourable response. More significant and contributory to this negative response is the fact that 54% of executive and clerical staff feel that upward feedback has NOT been implemented in their unit as part of PMDS.

The management perspective on communication is significantly different (Table 5). On average, 40% of survey respondents gave positive responses, 29% of responses received were negative while 32% remained neutral. This is primarily due to the fact that 48% of management respondents feel that the interim and final review formats enable them to provide useful performance feedback to staff.

No. Question	Disagree	Neutral	Agree
2 I use PMDS to obtain useful feedback from my staff on my performance as a manager	34%	32%	34%
4 The Interim and final review formats enable me to provide useful performance feedback to staff	25%	27%	48%
6 PMDS has improved communication with my staff	27%	36%	37%
Average	29%	32%	40%

Table 5

There is a distinct and concerning disparity between management and other grades perception that the communications element of PMDS is effective.

The views of those interviewed for the quantitative research on this topic are summarised below:

Question: Do you think the PMDS has improved communication between management and staff?

There was a varied opinion with regard to how PMDS has improved communication between management and staff. It was felt by one interviewee that PMDS gives both management and staff an opportunity to set common goals for their department together with an opportunity for management to receive feedback from their staff in terms of where their department or function is going. It was also stated that the frequency of feedback is important in order to discuss

objectives, review goals and improve communication overall. Other interviewees felt that they have a very good relationship with their manager and that this was not just a result of the fact that they are located in offices near their manager so they get to see them every day, it also is due to the fact that they also have good communication with their managers. It was the opinion of one interviewee that the PMDS formalised the communication between managers and staff and this may not be a positive thing if good communication already exists and suddenly you have to sit down with a piece of paper and discuss things formally. However, in an office where there is a large number of staff that may not have the opportunity to communicate with their manager on a frequent basis, it was felt that the PMDS should assist in improving communication levels.

5.2.3.1 Summary.

From the research undertaken it is clear that the views of staff differ from those of management in relation to the success of PMDS in relation to improving communication between these two grades of staff. Good communication may exist already in many offices and locations and the introduction of PMDS may have put a formal twist on this. However, the introduction of PMDS is seen as an opportunity to improve communication in offices where this is needed badly but unless the system is being driven from the top with senior management support, it will not be a success. Given the responses to the survey and more importantly the disparity in views between management it is the opinion of this author that this research proposition is true.

5.2.4 The implementation and development of the PMDS has not been monitored and evaluated as it has evolved.

Table 6 shows the survey response under the examination criteria of system process.

No.	Question	Disagree	Neutral	Agree
1	PMDS is being implemented in my dept according to specified deadlines	54%	8%	38%
6	If I need support on PMDS I know where to get it	25%	15%	60%
7	Support is available when I need to know more about PMDS	40%	28%	32%
8	Business Plan is used to define my job role and tasks	42%	32%	26%
12	My manager makes objective decisions about my performance based on factual information	30%	28%	42%
13	I am satisfied that my manager is sufficiently prepared for my PMDS meetings	32%	20%	48%
14	The competencies which I require to be effective in my job were identified	18%	18%	64%
18	Adequate time and resources were provided within my dept to conduct the PMDS process	39%	15%	48%
21	PMDS is sufficiently linked with decisions on training	49%	36%	15%
22	My performance review helps my manager and me to assess my strengths and weaknesses	30%	25%	45%
28	PMDS process is straightforward and clear	27%	24%	49%
Average		35%	23%	42%

Table 6

The results of the quantitative research show that less than 40% of staff surveyed, moved on to the Annual Review Meeting for Year 1 (2004).

Question: What stage of PMDS have you most recently completed?

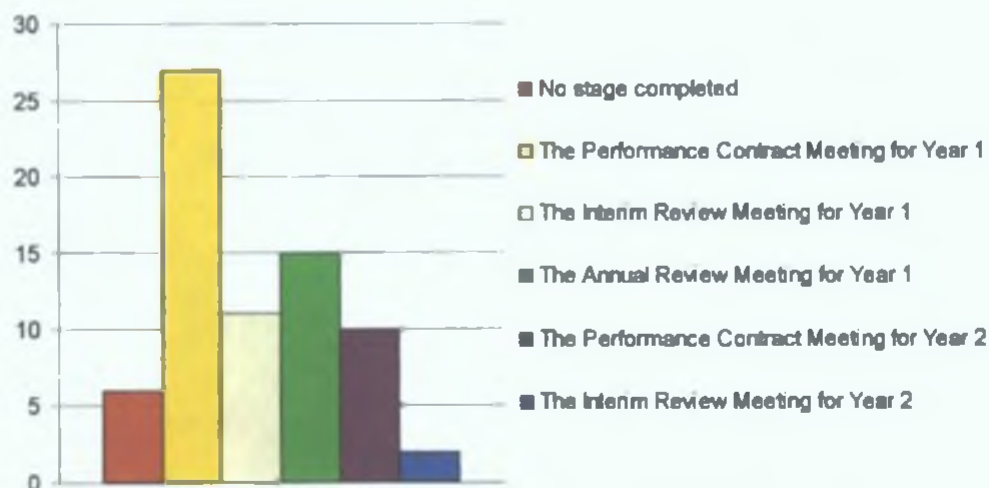


Figure 6

As part of the qualitative research, this result was advised to those interviewed and their opinion was sought as to why they thought this figure was so low.

It was the opinion of all three interviewees that there was a lack of drive from the senior management and a lack of commitment from all parties involved in the process. It was suggested that there should be a "champion" or owner of the system. The fact that we have had a change in leadership was also commented on and it was felt that this may have had an influence on the success of the system. While a lot of the blame appears to be directed at management, whether through lack of time or interest in the system, it was also suggested that staff should be willing to approach management with a view to re-implementing the process or starting the process all over again. The culture of the organisation was also suggested as a reason for the non-success of the system. In the past, our company

has been slow to embrace change and again this is linked to the fact that we need to have commitment from the top and effective communication for any change to be implemented successfully.

SHL state in the proposal document already referred to that “the biggest challenge for Bus Eireann is to embed performance management so firmly into your culture that it seems like part of the way people work and not an additional task that must be completed.” From the research undertaken it is clear that PMDS is not being carried out according to specified deadlines.

No.	Question	Disagree	Neutral	Agree
3	My staff show a positive level of commitment towards PMDS	32%	36%	32%
5	PMDS enables me to accurately evaluate the job performance of my staff	32%	36%	32%
7	I have the management skills required to carry out the PMDS	5%	14%	81%
9	PMDS helps me to manage underperformance	39%	27%	34%
10	Senior Management give support, leadership and commitment to the PMDS	37%	26%	37%
11	I have the time and resources to properly conduct the PMDS process	32%	20%	48%
12	The time and effort involved in the PMDS process is worthwhile in terms of managing staff in my unit	32%	36%	32%
Average		30%	28%	42%

Table 7

However, 48% of management survey respondents feel they have the time and the resources to properly carry out the PMDS process (Table 7). 81% of management also feel they have the necessary skills to carry out the PMDS, yet it is not being carried out on an ongoing basis. Evidence as a result of the qualitative research undertaken would suggest that the reason for this is a lack of “drive” from senior management.

Management’s view of support, leadership and commitment given by themselves to PMDS is inconclusive as 37% of respondents are in both agreement and disagreement with the relevant statement, while 26% remain neutral. It cannot be concluded if management feel that the time and effort involved in the PMDS process is worthwhile in terms of managing staff in their respective units as 32% of respondents are in both agreement and disagreement with the relevant statement.

Qualitative research was used to establish the views on whether the introduction of PMDS in Bus Éireann was a worthwhile exercise.

Question: Do you feel it was worth the time the effort and the money that was invested in this PMDS?

The overall opinion of those interviewed was that, no, PMDS was not worth all the time, money and effort invested in it. However, that is due to the fact that it is obviously not a success in its current format. The popular opinion is that we must keep trying and we must re-evaluate the system in its current state with a view to

recommending how it be put back on track. This can only be done with commitment from senior management and all staff involved in the PMDS.

Question: Do you think the PMDS should continue in Bus Éireann?

Those interviewed felt that the PMDS should certainly continue in Bus Éireann but not in its current form. It would be a total waste of money if it were discontinued. However, it needs to be “championed”, someone must drive it and it must be seen to have the full backing from senior management with commitment from all staff involved in the system. There is no point in investing any more money into a system that is not achieving anything or contributing to the bottom line.

5.2.4.1 Summary.

Although the PMDS process is straightforward and clear, evidence clearly suggests that PMDS is not being implemented according to specified deadlines. As a result this author has deduced that the proposition is true.

CHAPTER 6 – CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

The following table summarises the research propositions based on the data presented.

Proposition	True/ False
PMDS has not contributed to aligning individual and team performance with the goals of the organisation.	False
PMDS has not provided a context in which the training and development needs of jobholders can be addressed.	True
PMDS has not established a shared system of communication about what is to be achieved, how it is to be achieved.	True
The implementation and development of the PMDS has not been monitored and evaluated as it has evolved.	True

Table 8

6.2 GOAL ALIGNMENT – KEY RECOMMENDATIONS

As indicated, the proposition that PMDS has not contributed to aligning individual and team performance with the goals of the organisation has shown to be FALSE. There are however some areas that need to be addressed and in particular the whole area of motivation and development.

As a means of addressing the findings in this regard it is recommended that PMDS be complemented by encouraging managers to be sensitive to staff views, to seek

feedback informally or formally and to provide opportunities and forums for employees to provide constructive feedback.

There may also be a requirement to make managers more aware of the motivational and developmental needs of staff and for them (managers) to engage in behaviours (coaching and mentoring) that motivate and develop staff during the PMDS process.

The key recommendations for the area of goal alignment are presented below.

Area	Recommendation
Coaching	Assume responsibility for providing coaching for managers to acquire and adopt management styles and practices that are suitable for ongoing PMDS implementation and progress.
Business Plan	Make the business plan the focal point of the PMDS process.
Motivation	Make participation and completion of stages of PMDS one of the criteria for promotion.

Table 9

6.3 COMMUNICATION – KEY RECOMMENDATIONS

The ability to communicate effectively is an essential element of the PMDS and is incorporated into all stages across the process. A managers ability to effectively communicate with staff, to recognise staff for a job well done, to identify superior performance and to address poor performance constructively is critical to embedding and progressing the PMDS.

At every stage of the process, there is a need for two way communication and feedback. Feedback from managers must be timely and specific. Likewise, upward feedback from staff is critical to the success of the PMDS.

The key recommendations in the area of communications are presented below.

Area	Recommendation
Training	Provide performance related communications training for management and staff so that there is more awareness of staffs developmental needs.
Staff Recognition	Emphasise the importance of encouraging management to recognise staff in a timely manner for contributions to the improvement in performance within a function/department.
Business Plan	Establish and share function/department business plan with staff.

Table 10

6.4 TRAINING AND DEVELOPMENT – KEY RECOMMENDATIONS

The proposition that PMDS has not provided a context in which the training and development needs of job-holders can be addressed has been shown to be true. One of the primary shortcomings in this area is that PMDS is failing staff in that the PDP of each staff member is not being acted upon and the training and development needs as identified by them are not being realised.

It is recommended that the training identified in individual PDP's be acted upon and supported.

The key recommendations for the area of training and development are presented below.

Area	Recommendation
Personal Development Plans	Clarify and deliver on training expectations and align training plans with strategic objectives. Establish coaching and mentoring Programmes so as to help staff assess interests, opportunities and career plans.
	Develop standard or core role profile and competencies for each similar role.

Table 11

6.5 SYSTEM PROCESS – KEY RECOMMENDATIONS

Senior Management must remain a visible role model for the PMDS. For example, senior management must be seen to support the PMDS and be committed to its long and short-term success. This will involve ensuring that the PMDS remains a priority in the midst of change, has the resources needed to be sustained and that a partnership approach continues to be applied in progressing the PMDS.

In particular, restructuring and other changes such as decentralisation are occurring simultaneously with PMDS. It is important that decisions regarding these and other change initiatives take account of and ensure the continual and timely execution of the PMDS process. Senior management must ensure that the PMDS is maintained as organisational changes are implemented and it is important that this is communicated to all.

The ongoing monitoring of the PMDS will involve both monitoring the process to ensure that it is timely and has the necessary resources, and monitoring the people and people practices.

The key recommendations for the area of system process are presented below

Area	Recommendation
Evaluation	A comprehensive evaluation focused on determining the “as is” state of the PMDS be carried out. The resulting observations and feedback be used as the framework for realigning the PMDS.

Active Support and Commitment	A Programme Manager is appointed by the Chief Executive to maintain consistent visibility and active support for PMDS.
Ongoing Monitoring	Include PMDS as a KPI for all function and departmental heads.
Resourcing	Provide a web-based resource/facility, which would include PMDS updates, information, documentation and assistance.

Table 12

As a result of the research undertaken, it confirms that PMDS must be line driven, it is often perceived as owned by the Human Resources Department. It is agreed both by Armstrong and the IRS that performance management is owned and driven by line management with support from Human Resources. It is vital to have Senior Management commitment to the success of the system. Communication is also a crucial element to ensure buy-in for all staff involved. This communication must be two-way, from the bottom up and top down. As with the introduction of any change it is important to set the culture to absorb the new system as part of the organisation.

PMDS Evaluation Questionnaire

✓ Purpose

I am in my final year of a BA(Hons) Degree in Human Resource Management. In part fulfillment of my degree I am required to submit a thesis on a subject of my choice. I have chosen to examine the implementation of the **Performance Management Development System in Bus Éireann**. As part of my evaluation I am seeking input from a wide range of stakeholders throughout Bus Éireann, including individual staff members, and management. Your name was randomly selected. The data I collect as a result of this survey is crucial to my thesis and I would very much appreciate your co-operation in completing it.

✓ Confidentiality

All responses are entirely **CONFIDENTIAL** and will not be traced to any individual completing the questionnaire. Furthermore, all data from this questionnaire will be reported as aggregate rather than individual data.

✓ Contact details for Answers to Queries

If you have queries about the questionnaire, please do not hesitate to contact me in the Human Resources Department, Broadstone 01-7033308 or email me at suzanne.mciloway@buseireann.ie

✓ Instructions for Completing the Questionnaire

This questionnaire consists of three sections:

Section I: **General Background Information** - to be answered by all respondents

Section II: **Feedback on PMDS** - to be answered by all respondents

Section III: **Feedback from the Manager's Perspective** - to be answered if you have any staff reporting to you

Please respond to each statement by marking your chosen response on the questionnaire provided. For example, select the answer that best describes your current experience or opinion. If you change your response, please erase the incorrect response.

The list of choices for each question ranges from 'Strongly Disagree' to 'Not Applicable' in accordance with the following.

- 1: **Strongly Disagree with Statement**
- 2: **Disagree with Statement**
- 3: **Neither Agree nor Disagree**
- 4: **Agree with Statement**
- 5: **Strongly Agree with Statement**
- N/A: **Not applicable**

See the example below.

#	Question	Criteria being Examined	1	2	3	4	5	N/A
1	PMDS is being implemented in my unit according to specified deadlines.	Implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- **Tick** the "Strongly Agree" (5), "Agree" (4), "Strongly Disagree" (1), or "Disagree" (2) responses to indicate your relative agreement or disagreement with each statement.
- **Tick** (3) if you neither agree nor disagree.
- **Tick** 'Not Applicable' if the statement is not relevant or does not at all apply to your experience with PMDS.

✓ **Instructions for Returning the Questionnaire**

Please return your completed questionnaire to:
Suzanne McGilloway, Human Resources, Bus Éireann, Broadstone.

✓ **Deadline**

The deadline for return of the completed questionnaire is **Monday, 4th July, 2005.**

Section 1: General Background Information

Please tick only one response for each question in this section of the questionnaire

3 What is your Function/Department/Office?

- | | |
|---|-------------------------------------|
| <input type="checkbox"/> Human Resources | <input type="checkbox"/> Area |
| <input type="checkbox"/> CME | <input type="checkbox"/> Operations |
| <input type="checkbox"/> Business Development | <input type="checkbox"/> Schools |
| <input type="checkbox"/> Finance | |

4 What stage of PMDS have you most recently completed?

- | | |
|--|--|
| <input type="checkbox"/> No stage completed | <input type="checkbox"/> The Performance Contract Meeting for year two (first meeting) |
| <input type="checkbox"/> The Performance Contract Meeting for year one (first meeting) | <input type="checkbox"/> The Interim Review for year two |
| <input type="checkbox"/> The Interim Review Meeting for year one | <input type="checkbox"/> Other (specify) _____ |
| <input type="checkbox"/> The Annual Review Meeting for year one | |

5 What is your Grade?

- | | |
|--|------------------------------------|
| <input type="checkbox"/> Manager | <input type="checkbox"/> Executive |
| <input type="checkbox"/> Staff Officer | <input type="checkbox"/> Clerical |

6 What are your working arrangements?

- | | |
|---|--|
| <input type="checkbox"/> Full-time | <input type="checkbox"/> Contract/probationary |
| <input type="checkbox"/> Job sharing or Part-time | <input type="checkbox"/> Other |

How many years have you worked in Bus Eireann? Years (round up)

How many years are you in your present role Years (round up)

Do you supervise staff involved in the PMDS and if so how many?

7 What stage of PMDS have you most recently completed with these staff?

- | | |
|--|--|
| <input type="checkbox"/> No stage completed | <input type="checkbox"/> The Performance Contract Meeting for year two (first meeting) |
| <input type="checkbox"/> The Performance Contract Meeting for year one (first meeting) | <input type="checkbox"/> The Interim Review for year two |
| <input type="checkbox"/> The Interim Review Meeting for year one | <input type="checkbox"/> Other (specify) _____ |
| <input type="checkbox"/> The Annual Review Meeting for year one | |

What is your gender? **Age :**

- | | |
|-------------------------------|---------------------------------|
| <input type="checkbox"/> Male | <input type="checkbox"/> Female |
|-------------------------------|---------------------------------|

Section II: Feedback on PMDS

Please tick only one response for each statement based on your experience with the PMDS.

1: Strongly Disagree with Statement

2: Disagree with Statement

3: Neither Agree nor Disagree

4: Agree with Statement

5: Strongly Agree with Statement

N/A: Not applicable

#	Question	1	2	3	4	5	N/A
1	PMDS is being implemented in my department -according to specified deadlines.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	I discussed and agreed my objectives with my manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Through PMDS, I have a clear understanding of the goals of my work unit.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Have you identified the competencies required for your job?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Have these competencies helped to identify your training needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	If I need support on PMDS (including information and training) I know where to get it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Support (including information and training) is available when I need to know more about the PMDS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	The business plan for my Department/Office is used to define my job role and tasks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	The PMDS has helped me clarify my role.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	The feedback I receive from my manager is helpful in improving my performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	The training and development needs identified through PMDS are acted upon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	My manager makes objective decisions about my performance based on factual information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	I am satisfied that my manager is sufficiently prepared for my PMDS meetings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	The competencies, which I require to be effective in my job, were identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	The PMDS helps to motivate me to improve my performance or to maintain a good performance level.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please tick only one response for each statement based on your experience with the PMDS.

1: Strongly Disagree with Statement

4: Agree with Statement

2: Disagree with Statement

5: Strongly Agree with Statement

3: Neither Agree nor Disagree

N/A: Not applicable

#	Question	1	2	3	4	5	N/A
16	As a result of PMDS, my manager and I talk about my motivation and development.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	The training element of my Personal Development Plan has been completed for last year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	Adequate time and resources were provided within my Department/Office to conduct the PMDS process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	When I perform well, I receive recognition from my manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	When I am not performing well, my manager lets me know in a useful and timely manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21	PMDS is sufficiently linked with decisions on training.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22	My performance review helps my manager and me to assess my strengths and weaknesses.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23	My performance review helps my manager and me to agree on my training and my development needs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24	PMDS is used to inform decisions about future career development.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25	The PMDS has improved communication with my manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26	Upward feedback has been implemented in my unit as part of PMDS.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27	I take the opportunity to avail of the training and development opportunities that will enhance my longer-term career prospects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28	The PMDS process is straightforward and clear.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29	I feel that under-performance is appropriately addressed by my manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30	I am satisfied with the quality of training I receive to do my job.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31	The time and effort involved in the PMDS process is worthwhile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section III: Feedback from the Manager's Perspective (Managers Only)

Please tick only one response for each statement based on your experience with the PMDS.

1: Strongly Disagree with Statement

4: Agree with Statement

2: Disagree with Statement

5: Strongly Agree with Statement

3: Neither Agree nor Disagree

N/A: Not applicable

#	Question	1	2	3	4	5	N/A
1	The PMDS helps my staff to contribute more effectively to the work of my unit.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	I use the PMDS to obtain useful feedback from my staff on my performance as a manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	My staff show a positive level of commitment towards the PMDS.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	The interim and final review formats enable me to provide useful performance feedback to the staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	The PMDS enables me to accurately evaluate the job performance of my staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	The PMDS has improved my communication with my staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	I have the management skills required to carry out the PMDS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	The PMDS assists me in delivering on my business plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	The PMDS helps me to manage underperformance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	The senior management within my Department/Office are giving support, leadership and commitment to the PMDS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	I have the time and resources to properly conduct the PMDS process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	The time and effort involved in the PMDS process is worthwhile in terms of managing staff in my unit.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Thank you for completing my PMDS Evaluation Questionnaire.

Please return to me by post before Monday, 4th July, 2005:

Suzanne McGilloway, Human Resources, Bus Éireann, Broadstone.

All information provided is CONFIDENTIAL and will only be reported as aggregate data.

This means that no data or items of information will be attributed to any individual.

Interview with Manager, Bus Éireann.

The interview took place in Head Office, Broadstone
from 16:00 hours to 17:00 hours on Wednesday, 6th July, 2005.

SMcG: Results from my quantitative research indicates less than half of the staff involved in the PMDS completed the interim review meeting for year one. What do you think the reason for this low figure is?

MG: I would put that down to a number of issues, firstly I would be of the opinion that PMDS has lost its focus and lost its direction. I think that might be attributed to the fact that we have changed Chief Executive. I think there is probably a lack of a champion or an owner of the programme there now at the moment. I think that is an important point em... I think a lack of commitment from a lot of the parties involved in the PMDS process em... I don't think it has sufficient management buy in anymore and those that are being appraised probably don't have the willingness to approach management, their line managers or whoever that may be with a view to re-implementing the process or starting the process all over again.

SMcG: Part of the PMDS is agreeing goals and objectives with your manager and writing them down. These objectives should link in with your departmental and ultimately the company's goals and objectives. Do you know what your individual objectives are for the coming year?

MG: Yes I do.

SMcG: Is this a result of the PMDS?

MG: Yes, it is a result of my scheduled meeting with my manager and both of us discussing and agreeing the objectives for the year coming.

SMcG: Are they tied in with the objectives of your department?

MG: Yes, I have tried to cascade those objectives back down to executive and clerical level in my department.

SMcG: Then going back up the system, do you know what the Mission Statement of Bus Éireann is?

MG: Yes I do.

SMcG: Can you tell me?

MG: It is to succeed by providing an excellent service to our customers through a committed team.

SMcG: Have your training needs as outlined in your Personal Development Plan been achieved for last year?

MG: I don't think so.

SMcG: Why?

MG: Em... what I put down on my PMDS last year on my personal development plan last year was that I would have liked to expose myself or experience working in other functions particularly in the area of operations in the company but that to date has not to date been realised.

SMcG: Do you think the PMDS has improved communication between management and staff?

MG: Yes, I do. Em.. I think it gives both management and staff or it should give both management and staff an opportunity to set common goals for their department or the area in which they work in. Em.. additionally it is an opportunity for management to receive feedback from their staff in terms of where their department or function is going number one and number two to probably or I would like to think assist them in their management style and their management ethic. Em... the frequency of feedback is important em.. it is not enough on an infrequent basis to discuss their objectives there needs to be constant review, there needs to be constant communication, constant feedback em.. between management and staff em... and I suppose to be honest I don't think that is happening with the frequency that it should be happening. People sit down for their initial meeting, their planning meeting they have their interim meeting and they have their end of year meeting but the process that is evolving is an ongoing process that needs to be updated reviewed discussed and communicated continually but I don't think that is happening.

SMcG: Do you feel it was worth the time the effort and the money that was invested in this PMDS?

MG: No.

SMcG: Is that because it didn't work or are you a believer in the system?

MG: I am a believer in the concept of performance management and development without a doubt however I think that the initial enthusiasm emm... was as a result of the benefit that was given to those who would be involved in the PMDS in terms of the financial reward if memory serves me right it was something in the region of €5,000 plus a 15% pay rise which was excessive to improve productivity. I said previously that I though PMDS has lost its focus, I still think it has and I don't think it has realised the value for money that it should have realised when all the costs and expenditure are taken into account particularly in terms of investment, project management, training and development costs, implementation costs, staff costs em.. it certainly hasn't in my opinion been value for money in that it has not increased the efficiency or the effectiveness of the company while the bottom line has improved in the last 12 to 18 months I don't

see that in any way attributable to the implementation of performance management.

SMcG: Which only involves a small group of staff.

MG: Absolutely, that is quite correct, in percentage terms it would be a small number of staff.

SMcG: Finally, do you think the PMDS should continue in Bus Éireann?

MG: I do. I don't feel there is any value in it being put in the bin or left out to roost I think a reinvigorated effort should be made to put the system back on track I think that requires sole ownership of the programme (*by?*) by senior management, senior management need to appoint a project manager an internal or an in-house manager to own drive and realise the project or the programme.

SMcG: Do you think that is the key to making it a success?

MG: I do, and I think that what will probably have to be done is a re-evaluation of the system in its current state with a view to recommending how it be put back on track em.. I think the principles and the concepts of communication common objectives shared objectives linking our corporate strategy with our individual goals needs to be reinforced to those who are involved in the PMDS.

END

Interview with HR Executive, Bus Éireann.

The interview took place in Head Office, Broadstone
from 08:15 am to 09:00 am on Tuesday, 5th July, 2005.

SMcG: Results from my quantitative research indicates less than half of the staff involved in the PMDS completed the interim review meeting for year one. What do you think the reason for this low figure is?

HRE: I think the problem is probably with the culture in the organisation I don't think that it is just PMDS I think that after the initial the beginning of the change programme the big rush to bring everything in and everybody had, it was in everybody's mind about PMDS em.. it was the biggest thing on the agenda for HR at the time and they were very good at getting the message out because they had back up from SHL. At the time everybody was going on the course at the time and the initial how will I put it, the initial blast of it coming in suddenly just waned away overnight and that was due to management now that's where the blame went, it went straight to management that it wasn't being.... and people know that it wasn't being taken from the top. But there is that side of it where our staff or people who are under the PMDS didn't go chasing the managers either I think it is very easy to blame I think if you are into your own development and you want to be developed as a staff member that people should be knocking on the managers door and saying do my PMDS with me. And I think that at the time that we went on the course with SHL that's what they encouraged but people forgot, there were very negative things that came from the course from people you know em.., the course that I was with SHL em.. people saw it as a time to have a go at a manager and I don't think at the time we managed that well enough where we said there is a problem here. I think SHL just came in did what they had to do, did not identify the other problems that are not just PMDS in the organisation and I think that is when it died. I don't think ok it died after the initial, I mean, I have not had my second interview yet, ok I don't think I ever will to be brutally honest if I had to put my house on it, I don't think I ever will, I think top management have less of an interest in PMDS given that we have had a change upstairs. We know that our CEO did not attend, so what does that tell you? At the time he was not the CEO but now he is and everyone knows he did not attend the training course so it puts another pin in the balloon I have to be honest and say I think it is already totally dead and I am in HR so you can imagine what other people think about that.

SMcG: Part of the PMDS is agreeing goals and objectives with your manager and writing them down. These objectives should link in with your departmental and ultimately the company's goals and objectives. Do you know what your individual objectives are for the coming year?

HRE: Yes, I think that is an unfair question to ask me, it may be relevant to other people in relation to PMDS and where I am with my boss we both know what our goals are for the coming year, we have not written them down anywhere it is probably the same goals that we have always had – go through the processes we have in the

office... we go the Labour Court or forum, I'm very close to my boss as I get to see him every day we have interaction. Sitting in an office with 60 people who may never see their boss – I don't know how that can work, I am very lucky that I am in that small office but we put nothing down on paper and he does not check back at the end of year, that seems like too much red tape and I can't see how that would be helpful to me and all that time it would take to complete.

SMcG: Are they tied in with the objectives of your department?

HRE: Yes, but not due to PMDS.

SMcG: Then going back up the system, do you know what the Mission Statement of Bus Éireann is?

HRE: I do.

SMcG: Can you tell me?

HRE: No (laughs).

SMcG: Have your training needs as outlined in your Personal Development Plan been achieved for last year?

HRE: Em...yes and no. I think that certain aspects have not been address but I am in college and feel that I am doing everything relevant to my job through that. We may have just put stuff down on paper just for the sake of having it written on paper.

SMcG: Do you think the PMDS has improved communication between management and staff?

HRE: Em... no I think, because I have interaction with him every day it was kind of funny to sit down with him and try and be structured and talk to him about this because it was something that communicating with him is easy and then to sit in a structured area with two pieces of paper in front of two people and writing down those things that we know about each other was very very strange so it might have taken something away from our communication again it is back to what I said earlier, I am very lucky, if I try to put myself in a situation where I find myself - and I am thinking of finance (department) here - I think sitting in an office with 60 people or 50 people or whatever it is up there and see my manager walk in and out and close his door once a day or once a week or talk to him maybe once a month – people may want to be developed sitting with their PMDS saying I would love to see him but if you haven't communicated in the past with them ... and you find it hard to approach them yet you want to be developed there is a big gap there ... the key to this I mean PMDS should be a positive intervention where the manager intervenes in somebody's career at the right time and says to them what do you want to do and the manager decides if it is applicable. We need to improve our communication.

SMcG: Do you feel it was worth the time the effort and the money that was invested in this PMDS?

HRE: Well, no, not at all. We could have done more with the money, I don't know how many thousands it cost, but we all know it exists, we must keep trying and it must come from the top if it is to succeed.

SMcG: Do you think that is the key to making it a success?

HRE: Yes, management must drive it but staff must too. You cannot just blame management that is not fair. Management should have driven it so far and we can see what has happened.

SMcG: Finally, do you think the PMDS should continue in Bus Éireann?

HRE: Not in its current form, again back to the need to have some one drive it from the top. As I said before, we all know it exists, it is in our minds that the system is there but it needs to be kick started again.

END

Interview with Clerical Staff Member, Bus Éireann.

The interview took place in Head Office, Broadstone
from 07:30 am to 08:15 am on Thursday, 14th July, 2005.

SMcG: Results from my quantitative research indicates less than half of the staff involved in the PMDS completed the interim review meeting for year one. What do you think the reason for this low figure is?

CS: I personally think a lot of managers just weren't interested em.. they didn't see it beneficial and then I suppose a lot of others just didn't have the time or didn't make the time. I felt the MD at that time was driving it most of the people who were on the course with me were of the opinion you know what I mean, we are going to do this course and do the interview and that's it.

SMcG: Part of the PMDS is agreeing goals and objectives with your manager and writing them down. These objectives should link in with your departmental and ultimately the company's goals and objectives. Do you know what your individual objectives are for the coming year?

CS: No.

SMcG: Then going back up the system, do you know what the Mission Statement of Bus Éireann is?

CS: No.

SMcG: Have your training needs as outlined in your Personal Development Plan been achieved for last year?

CS: No.

SMcG: Why?

CS: Well, I sent down (Personal Development Plan) and that was the last I heard of it but I suppose if I really wanted to do them I could have, I could have pursued it further.

SMcG: Do you think the PMDS has improved communication between management and staff?

CS: Well I feel in this office we have a very good manager and if we have a problem he always has time for us we would be in and out to him a good bit.....we all get all very well and if there is a problem he will listen to us and do his best to sort it out so em... on that scale I never felt that the PMDS was very good for me because I felt I had a good relationship with my manager, I think it would be beneficial for those that wouldn't see their managers that often like Gerry

(manager) is just across the corridor others their managers would not be in the same location as them and it would be helpful for them.

SMcG: Do you feel it was worth the time the effort and the money that was invested in this PMDS?

CS: Not if they are not continuing with it, you know, I believe a lot of people haven't after the first stage interview did not continue with it and if that is the case it is a waste of time and money.

SMcG: Finally, do you think the PMDS should continue in Bus Éireann?

CS: Well we are going to have to look at who is pushing it you know, I suppose, why you want the interviews and all that done and if you don't think it will be done in the next year realistically there is no point in spending any more money on it but it would be very beneficial to a lot of people throughout the company so if it could be done and done right then yes we should continue with it.

END

Bibliography

Anderson G.C., (1994), *Managing Performance Appraisal Systems*, UK, Blackwell Publishers.

Armstrong M., (2000), *Performance Management, Key Strategies and Practical Guidelines*, Second Edition, UK, Kogan Page Limited.

Armstrong M., (2001), *A Handbook of Human Resource Management Practice*, 8th Edition, UK, Kogan Page Limited.

Armstrong M and Baron A., (1998), *Performance Management, The new realities*, London, Institute of Personnel and Development.

Boyle R., (1989), *Managing Public Sector Performance; A Comparative Study of Performance Monitoring Systems in the Public and Private Sectors*, Dublin, IPA.

Boyle R.,(1996), *Measuring Civil Service Performance*, Dublin, IPA.

Fletcher C., (1993), *Appraisal, Routes to improved performance*, London, Institute of Personnel Management.

Hartle F., (1995), *How to re-engineer your performance management process*, London, Kogan Page.

IRS, (1996), Using human resources to achieve strategic objectives, *IRS Management Review*, 1 (2) July.

Miles M.B and Huberman M., (1994), *Qualitative Data Analysis*, 2nd Edition, U.S.A., SAGE Publications, Inc.

Moorehead G. and Griffin R.W., (1995), *Organizational Behaviour, Managing People and Organizations*, 4th Edition, U.S.A., Houghton Mifflin Company.

Quinn Patten M. (1987), *How to Use Qualitative Methods in Evaluation*, 2nd Edition, U.S.A., SAGE Publications, Inc.

Robbins S. and Coulter M., (2002), *Management*, 7th Edition, U.S.A., Pearson Education, Inc.

Silverman D., (1993), *Interpreting Qualitative Data*, London, SAGE Publications, Ltd.

Tiernan S.D., Morley M.J. and Foley E., (1996), *Modern Management, Theory and Practice for Irish Students*, Dublin, Gill & Macmillan Ltd.

Wehrich H. and Koontz H., (1994), *Management, A Global Perspective*, 10th Edition, Singapore, McGraw-Hill Book Co.

<http://www.state.gov/s/d/rm/rls/perfrpt/2004hlts/html/39848.htm>

<http://www.ibec.ie>

Reports and Documents

Bus Éireann Change Programme for Clerical and Executive Staff (2002).

General Council Report Number 1368 (Agreement on the Introduction of the Performance Management and Development System in the Irish Civil Service).

Organisation for Economic Cooperation & Development (OECD), (1993), Employment Outlook, Paris, OECD.

SHL, Performance Management, A Survey of Views in Current Practice, (2003).

SHL, Proposal Document, Response to Tender by Bus Éireann, (2002).