AN ASSESSMENT OF THE IMPACT OF RESULTS BASED MANAGEMENT SYSTEM ON ORGANISATIONAL PERFORMANCE 2012 -2014. CASE OF ZIMBABWE UNITED PASSENGER COMPANY.

EMMAH CHAWIRA

R013686R

A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE MASTER OF BUSINESS ADMINISTRATION DEGREE

UNIVERSITY OF ZIMBABWE
FACULTY OF COMMERCE
GRADUATE SCHOOL OF MANAGEMENT

AUGUST 2014
SUPERVISED BY: DR R. RUSIKE
DEDICATION

To all Zimbabwe United Passenger Company employees, board and management. I hope this study will contribute to improved company performance using the RBM system.
ACKNOWLEDGEMENTS

I would like to first acknowledge my supervisor, Dr Rusike for the direction he provided in this dissertation. His comments were extremely enriching. I would also want to thank my entire classmates MBA 2012 intake for the support as I would not hesitate to call and ask anyone anything. Of special mention are Inviolata Mangeya and Tafadzwa Dzingai.

I would also want to thank my family, especially my husband Mr S Bhunu, for their unwavering support of my pursuit of the MBA degree.

Lastly, I would like to thank all ZUPCO employees who responded to the questionnaire.
ABSTRACT

Zimbabwe United Passenger Company (ZUPCO) is a state enterprise that has the mandate to provide safe and reliable passenger transport services to rural and urban dwellers of Zimbabwe. However, the company has not been able to execute its mandate efficiently due to a lot of inefficiencies that has to do with the management of scarce resources within the organisation. In January 2012, the company adopted the Results Based Management (RBM) system as a management strategy to improve performance. This again did not improve the performance of the company. It is then the premise of this study to assess the impact of RBM system on organisational performance. The main objective of this study was therefore to find out if the introduction of RBM has improved performance at ZUPCO. Literature has shown that if RBM is properly implemented, indeed it does improve performance as what happened in the Malaysian case for example. However, literature also highlighted the issues of inapplicability of the system within the Zimbabwean context. Literature has also shown that there are other factors that also affect the performance of any organisation like operating environment, culture of employees and the issue of incentives and motivation of employees. The study used stratified random sampling to select the sample of those who participated in the study. The major research question was to establish whether the introduction of RBM had improved performance at Zupco. The objectives of the study were met and reliability analysis which was done showed that the items measured were consistent. The response of the study rate was at 100%. The study showed that RBM system has not improved performance at ZUPCO and that there is need to train all the employees on the system because knowledge of the system is related to its effectiveness was supported and accepted as a hypothesis. The study then recommended training of all employees on the system as this will also help in changing the culture of employees and have them to be results centred. Rewarding performance is another recommendation that was made as it was seen as the other factor that affects performance regardless of having implemented RBM system or not.
Table of Contents

DEDICATION.......................................................................................................................ii
ACKNOWLEDGEMENTS .....................................................................................................iii
ABSTRACT..............................................................................................................................iv
LIST OF TABLES..................................................................................................................ix
LIST OF FIGURES .................................................................................................................x
CHAPTER 1............................................................................................................................1
  1.1 Introduction ......................................................................................................................1
  1.1.2 Background to Study ..................................................................................................1
  1.1.3 Background to ZUPCO .............................................................................................3
  1.2 Corporate Governance at ZUPCO ...............................................................................3
  1.3 Strengths, Weaknesses, Opportunities and Threats analysis for ZUPCO .................4
  1.4 Business Environmental Scan .....................................................................................6
  1.5 Statement of the Problem .............................................................................................7
  1.6 Research’s Overall Objective .......................................................................................8
  1.7 Objectives ....................................................................................................................9
  1.8 Main Research Question ..............................................................................................9
  1.9 Research Hypotheses ....................................................................................................9
  1.10 Justification of the Study ..........................................................................................10
  1.11 Scope of the Research ................................................................................................10
  1.12 Dissertation Structure ...............................................................................................10
  1.13 Conclusion ................................................................................................................11
CHAPTER 2..........................................................................................................................12
  2.0 Introduction ...............................................................................................................12
  2.1 Definition of the Phenomenon .......................................................................................12
  2.2 Intergrated Results Based Management ....................................................................15
  2.3 Underpinning Theory ................................................................................................17
  2.3.1 Systems Theory ......................................................................................................17
  2.4 Results Based Management Theory ..........................................................................18
  2.5 Importance of the Subject ..........................................................................................19
  2.6 Benefits of RBM to Organisations ..............................................................................20
  2.7 Implementation of RBM System ..................................................................................21
2.8 Effectiveness of RBM on Organisational Performance ........................................... 22
2.9 Employee Perception ................................................................................................. 24
2.10 Performance Agreement ......................................................................................... 24
2.11 RBM in Kenya ......................................................................................................... 25
2.12 RBM in Malaysia ..................................................................................................... 25
2.13 RBM in Zimbabwe .................................................................................................. 26
2.14 Results Based Management System and Organisational Culture......................... 26
2.15 Results Based Management System and Organisational Structures ...................... 26
2.16 Results Based Management System and the Operating Environment .................... 27
2.17 Literature Synthesis ............................................................................................... 27
2.18 The Conceptual Framework for the Study ............................................................. 28
2.19 Conclusion ............................................................................................................... 29

CHAPTER 3 .................................................................................................................. 30
RESEARCH METHODOLOGY ..................................................................................... 30
  3.1 Introduction ............................................................................................................. 30
  3.2 Recap Statement of the Problem and Research Objectives ................................... 30
  3.3 Justification of a Single Case Study ....................................................................... 31
  3.4 Methodological Framework .................................................................................. 31
  3.5 Data Collection ...................................................................................................... 34
  3.6 Population and Sample Size ................................................................................ 35
  3.7 Sampling Techniques ............................................................................................ 35
  3.8 Procedure for Selection of Respondents .............................................................. 36
  3.9 Sample Size .......................................................................................................... 36
  3.10 Data Analysis ..................................................................................................... 36
  3.11 Validity and Reliability ....................................................................................... 37
  3.12 Ethical Considerations ......................................................................................... 37
  3.13 Limitations of the Study ....................................................................................... 37
  3.14 Conclusion .......................................................................................................... 38

CHAPTER 4 .................................................................................................................. 39
FINDINGS AND ANALYSIS ......................................................................................... 39
  4.1 Introduction ........................................................................................................... 39
  4.2 Response Rate ..................................................................................................... 39
  4.3 Reliability Tests .................................................................................................... 40
  4.4 Descriptive Analysis of Data ............................................................................... 42
  4.5 RBM System and Performance .......................................................................... 45
  4.6 Understanding of RBM System by Employees .................................................. 46
4.7 Employee Perception on RBM ................................................................. 52
4.8 Effectiveness of RBM on Organisational Performance ........................... 55
4.9 Management Strategies and Policy Measures to Improve Performance with RBM System ................................................................. 58
4.10 Normality Testing .................................................................................. 62
4.11 Correlations ......................................................................................... 63
4.12 Hypothesis Testing ............................................................................... 66
4.13 Discussion of Findings ......................................................................... 67
4.14 Conclusion ............................................................................................. 72

CHAPTER 5 ..................................................................................................... 73

CONCLUSIONS AND RECOMMENDATIONS ........................................... 73

5.1 Introduction ............................................................................................. 73
5.2 Conclusions ............................................................................................ 73
5.3 Contribution ........................................................................................... 75
5.4 Recommendations .................................................................................. 76
5.5 Area for Further Research ...................................................................... 78

References .................................................................................................... 79

APPENDICES .................................................................................................. 1

APPENDIX 1: ZUPCO ORGANOGRAM ...................................................... 1

APPENDIX 11: PERFORMANCE CONTRACT ............................................ 1

A.2 Expenditure Performance (1st & 2nd Quarter) ........................................... 2
  Operational Expenditure (Recurrent Expenditure)-OE: .................................. 2

Output Achievement .................................................................................... 4
Budget ........................................................................................................... 4
Responsibility ............................................................................................... 4
1st Qter .......................................................................................................... 4
2nd Qter ........................................................................................................ 4
3rd Qter ........................................................................................................ 4
4th Qter ........................................................................................................ 4

Comments .................................................................................................... 4

Output Achievement .................................................................................... 4
Budget ........................................................................................................... 4
Responsibility ............................................................................................... 4
1st Qter .......................................................................................................... 5
2nd Qter ........................................................................................................ 5
3rd Qter ........................................................................................................ 5
<table>
<thead>
<tr>
<th>Section/Quarter</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comments</td>
<td>5</td>
</tr>
<tr>
<td>Output Achievement</td>
<td>6</td>
</tr>
<tr>
<td>Budget</td>
<td>6</td>
</tr>
<tr>
<td>Responsibility</td>
<td>6</td>
</tr>
<tr>
<td>1st Qtr</td>
<td>6</td>
</tr>
<tr>
<td>2nd Qtr</td>
<td>6</td>
</tr>
<tr>
<td>3rd Qtr</td>
<td>6</td>
</tr>
<tr>
<td>Comments</td>
<td>6</td>
</tr>
<tr>
<td>Output Achievement</td>
<td>7</td>
</tr>
<tr>
<td>Budget</td>
<td>7</td>
</tr>
<tr>
<td>Responsibility</td>
<td>7</td>
</tr>
<tr>
<td>1st Qtr</td>
<td>7</td>
</tr>
<tr>
<td>2nd Qtr</td>
<td>7</td>
</tr>
<tr>
<td>3rd Qtr</td>
<td>7</td>
</tr>
<tr>
<td>Comments</td>
<td>7</td>
</tr>
<tr>
<td>Output Achievement</td>
<td>8</td>
</tr>
<tr>
<td>Budget</td>
<td>8</td>
</tr>
<tr>
<td>Responsibility</td>
<td>8</td>
</tr>
<tr>
<td>1st Qtr</td>
<td>8</td>
</tr>
<tr>
<td>2nd Qtr</td>
<td>8</td>
</tr>
<tr>
<td>3rd Qtr</td>
<td>8</td>
</tr>
<tr>
<td>Comments</td>
<td>8</td>
</tr>
<tr>
<td>As per budget</td>
<td>8</td>
</tr>
<tr>
<td>D. ZUPCO IMPACT PERFORMANCE</td>
<td>10</td>
</tr>
<tr>
<td>APPENDIX 111: QUESTIONNAIRE</td>
<td>12</td>
</tr>
<tr>
<td>APPENDIX 1V: BINARY TABLE FOR HYPOTHESIS</td>
<td>19</td>
</tr>
</tbody>
</table>
LIST OF TABLES

Table 1.1 ZUPCO Performances 2012 -2014 ................................................................................................. 2
Table 4.1 Response rate .................................................................................................................................. 39
Table 4.2 Reliability Statistics ......................................................................................................................... 40
Table 4.3 Reliability Statistics .......................................................................................................................... 41
Table 4.4 Gender of Respondents ....................................................................................................................... 42
Table 4.5 Age of respondents ........................................................................................................................... 42
Table 4.6 Departments of Respondents ........................................................................................................... 43
Table 4.7 Level in Company of Respondents .................................................................................................... 44
Table 4.8 Period working for ZUPCO of the Respondents .............................................................................. 44
Table 4.9 ZUPCO Performance Improved by RBM Implementation ................................................................. 45
Table 4.10 Factors Contributing to Poor Performance at ZUPCO ................................................................ 46
Table 4.11 Department * Understand the RBM System Cross tabulation ....................................................... 46
Table 4.12 Trained on the Demands of the RBM System ................................................................................. 47
Table 4.13 Level in Company * Understand the RBM System Cross tabulation ........................................... 48
Table 4.14 Duration of Training on RBM ........................................................................................................ 49
Table 4.15 Level in Company * Trained on the Demands of the RBM System Cross tabulation ............... 50
Table 4.16: Trained on the Demands of the RBM System * Duration of Training on RBM Crosstabulation .......... 51
Table 4.17 Good Features of RBM ................................................................................................................... 52
Table 4.18 Comparison of RBM to Other Systems .......................................................................................... 55
Table 4.19 Company Performance Before and After RBM Implementation .................................................... 56
Table 4.20 ZUPCO Performance Improved by RBM Implementation ............................................................... 57
Table 4.21 Extent to which Training all Employees on RBM will Improve ZUPCO Performance ................... 60
Table 4.22 Extent to which Introducing Incentives will Improve ZUPCO Performance ................................... 60
Table 4.23 Extent to which Flexibility in Decision Making will Improve ZUPCO Performance ................... 61
Table 4.24 Extent to which Effective Communication will Improve ZUPCO Performance ........................... 62
Table 4.25 Tests of Normality .......................................................................................................................... 63
Table 4.26 Culture and Organisational Performance Symmetric Measures ....................................................... 64
Table 4.27 Structure and Organisational Performance Symmetric Measures ................................................... 64
Table 4.28 Operating Environment and Organisational Performance Symmetric Measures .......................... 65
Table 4.29 Incentives and Organisational Performance Symmetric Measures ................................................ 65
Table 4.30 Motivation and Organisational Performance Symmetric Measures ............................................. 66
LIST OF FIGURES

Figure 2.1: IRBM system components ................................................................. 15
Figure 2.2 The RBM Results Chain Diagram ...................................................... 18
Figure 2.3 The Conceptual Framework ............................................................... 28
Figure 4.1 Challenges faced with RBM ............................................................. 53
Figure 4.2 Experiences with RBM ..................................................................... 54
Figure 4.3 Type of support for RBM Implementation ......................................... 58
Figure 4.4 Measures to improve ZUPCO performance ...................................... 59
Figure 4.5 Modified Conceptual Framework ...................................................... 76
CHAPTER 1

INTRODUCTION AND BACKGROUND

1.1 Introduction
This chapter focuses on the background to the study, background to Zimbabwe United Passenger Company (ZUPCO), corporate governance at ZUPCO and statement of the problem. The chapter went further to highlight the objectives of the study, research questions, research justification and scope of the research and structure of the dissertation.

Resource constraints that are being faced by governments, coupled with increasing demands from the public for better quality and more responsive services gave rise to the need of a plan and implementation that is clear and well defined (Koshy 2006). Munyaradzi (2012) stated that the Institutional Reform study then recommended the Results Based Management (RBM) system which the Government of Zimbabwe then adopted and introduced in 2005 which was meant to address service delivery challenges in the wake of scarce resources and increasing economic problems. RBM has been viewed as the best international practice in the management of public affairs in the quest to satisfy good governance demands from citizens (Madhekani, 2012). The Government of Zimbabwe is committed to deliver quality service through the adoption of RBM system that ensures an improved public sector performance and accountability (Greg, 2014). However, as Musingafi (2013) noted, the implementation of the system in Zimbabwe has been an area of controversy with regard to issues of applicability and benefits.

Government departments, parastatals and local authorities in Zimbabwe have all adopted the RBM system as required by government as it is believed to be a panacea to the current challenges being faced. The purpose of this research is therefore to assess the impact of RBM on organisational performance.

1.1.2 Background to Study
ZUPCO Board of Directors adopted the RBM system on the 15th of January 2012 according to the board meeting minutes that was held the same day. This was done in compliance with the Government of Zimbabwe’s instruction that all local authorities, government departments and parastatals move from the balanced score...
card to the RBM system. The Government of Zimbabwe recognises the critical role played by parastatals in the socio-economic development of the country both before and after independence and thus very important to have these institutions perform to be efficient and effective in service delivery, (Ministry of Economic Planning and Investment Promotion, 2011).

Specifically for ZUPCO, the movement of passengers facilitates economic activities and access to local and regional markets and thus the performance of the company is very critical. The board chairman clearly emphasised in the minutes that this was important for ZUPCO as it would improve and enhance performance. Training was then done starting with the board of directors, executives and then the other employees of the organisation. Every employee then signed a performance contract which was to be reviewed on a quarterly basis. Critical to the system for ZUPCO employees was that there is no allowable variance.

The company has however struggled to meet its set targets from the period RBM was adopted. Key organisational performance indicators that are used at ZUPCO are revenue generated, net profit, fleet availability and fleet compliance.

The table below indicates overall performance since the adoption of the system.

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue target</th>
<th>Actual</th>
<th>Fleet availability target</th>
<th>Actual</th>
<th>Compliance target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>30880000</td>
<td>26655730</td>
<td>90%</td>
<td>82%</td>
<td>100%</td>
<td>70%</td>
</tr>
<tr>
<td>2013</td>
<td>54000000</td>
<td>34000000</td>
<td>90%</td>
<td>75%</td>
<td>100%</td>
<td>64%</td>
</tr>
<tr>
<td>2014</td>
<td>61000000</td>
<td>32000000</td>
<td>90%</td>
<td>66%</td>
<td>100%</td>
<td>58%</td>
</tr>
</tbody>
</table>

Source: ZUPCO Annual Reports; 2012, 2013 and Half Year 2014

The above figures clearly show that the company only managed 86% of the revenue target and 62.96% of the same in 2013. The 2014 statistics are the current figures that will be updated continuously as the months pass by until the final submission in August 2014.

The minutes of the board meeting which was held on the 3rd of June 2013 indicated the board’s concern on the performance of the company as projections by then
would clearly indicate that it was impossible to meet the set target. Also, during the Executive Committee Meetings minutes indicate that it became a great concern again amongst executives that regardless of the adoption of the RBM system, the expected desired results was not evident.

Failure to achieve set targets is a concern also at division level and cascading downwards to depot levels. The minutes of the Northern Division performance review meeting noted the poor performance and thus causing huge negative variances from the target. The internal audit reports have also highlighted the failure to meet targets regardless the adoption and implementation of the RBM system.

1.1.3 Background to ZUPCO
ZUPCO is a Private Limited Company wholly owned by government and governed by the Companies Act (Chapter 24:03) under the watchful eye of the Ministry of Local Government, Public Works and National Housing. The company operates long distance, rural and regional routes and it came into existence soon after independence from a former name Harare United Omnibus company to provide state participation in the public transport sector. The company currently has 304 buses that it acquired from Faw China and the company managed to recapitalise exclusively from internal resources. The company plans to increase its fleet size to 1000 buses by 2017. The company’s mandate is to provide safe and reliable passenger transport services to the populace of Zimbabwe. ZUPCO has a current fleet establishment of 304 buses which are operated 150 in Southern Division and 150 in Northern Division.

According to the Company’s Strategic Plan 2011 - 2013, its vision is to be the first choice road passenger transport company. ZUPCO’s mission is to contribute to the economic growth and development of Zimbabwe through the provision of a professional, safe, reliable and competitive passenger transport service. The board, management and staff of ZUPCO are committed to integrity, professionalism, transparency, diligence and teamwork as their key values.

1.2 Corporate Governance at ZUPCO
According to the Ministry of State Enterprise and Parastatals, (2010), every State Enterprise or Parastatal had to adhere to and implement the principles of sound corporate governance policies, procedures and practices, as required by section 50
of the Public Finance Management Act (Chapter 22:19). Also, the same clearly stated that the board shall establish standing committees as it deems necessary which committees shall include the ones responsible for Corporate Strategic Planning, Audit and Internal Controls, Human Resources and Remuneration and Finance and Risk Management.

At the top of ZUPCO is the ZUPCO Board of Directors who are appointed by the Minister of Local Government, Public Works and Urban Development. The Chief Executive officer of Zupco sits on the board of directors as an executive member. The board serves to protect the interests of the shareholder which is the Government of Zimbabwe. The board does this through various sub committees it has set up. These committees include the Finance Committee, Audit and Risk Committee, Human Resources Committee and Technical Committee. Refer to ZUPCO organogram as shown in Appendix 1.

1.3 Strengths, Weaknesses, Opportunities and Threats analysis for ZUPCO
In order to establish a landscape which may have impact on the achievement of targets and influence performance, the following appraisal has been done, that is the company’s strengths, weaknesses, opportunities and threats.

1.3.1 Strengths
According to the ZUPCO’s Strategic Plan, 2014 -2016, these provide an advantage upon which the company can build its success. Shareholder support is one of the strengths of ZUPCO and the main shareholder in this regard is government. Other state agencies like the Vehicle Inspection Department (VID) and Zimbabwe Republic Police (ZRP) have been not been too hard on the company when it comes to enforcing compliance issues. ZUPCO also offers diverse products which improve revenue collection and this include having contracts, private hires and special services. The parastatal has infrastructure which is distributed nationwide to support the big fleet size which enhances operational effectiveness and efficiency. Also, geographically, there is capacity to scale up coverage easily. The company also enjoys economies of scale because of its size. A fleet of three hundred buses enables the parastatal to maintain low unit costs by buying in bulk directly from manufacturers. ZUPCO has a legacy brand with emotional attachment as the market knows ZUPCO as its national carrier. This has helped to improve corporate identity, maintain timetables, service the fleet and comply with regulations to live to the
expectations of the maxim “safe and reliable travel.” ZUPCO is also a cash business and this means it is a liquid company, and as such, it can convert this trait into tangible value for the company especially through procurement.

1.3.2 Weaknesses
High debt overhang is the greatest weakness for the company mainly caused by retrenchment packages as the company retrenched 435 workers in 2011. The company always faces working capital constraints as the revenue generated is not enough to meet all the requirements. This has led to reduction in fleet availability as the company is struggling to buy spare parts and tyres. Unavailability of spares locally as ZUPCO operates Faw buses only and spares are from China is another weakness that the company has. This increases lead time and thus increasing down time of buses. Also, the other weakness that the company has is lack of management information system to integrate Information and Communication Technologies (ICTs) in all management and operation systems of the business. There are also high levels of pilferage due to cash handling by crews and weak internal controls.

1.3.3 Opportunities
The greatest opportunity for ZUPCO is a ready market. There is also an opportunity to do prepayments and pre booking arrangements with customers as this enhances customer loyalty. Disorganisation in the urban transportation is an opportunity for Zupco where citizens want order, safety and reliability, ZUPCO Strategic Plan 2014 - 2016. Zupco is in a liquid business and this gives the company the capacity to negotiate good procurement deals. There is also an increased investor interest from the Eastern bloc and the free movement of people within Zimbabwe and the Southern Africa region increase revenue potential.

1.3.4 Threats
Poor roads condition has always been a threat to ZUPCO business as rural accessibility is key to government priorities. Many times, the company had to service routes with poor roads and this has affected buses and increased costs and thus reducing on fleet availability. Aggressive touting at Mbare Musika which is the biggest source point for ZUPCO long distance buses is another threat for ZUPCO. This has led to buses departing Mbare Musika with passengers less than half and thus having a negative effect on the total revenues generated. Increased competitive
pressure within the transport industry has led to price wars on certain routes. Also, competition is offering quality services compared to ZUPCO. Liquidity challenges are also threatening the viability of the company as there has not been much activity within the economy.

1.4 Business Environmental Scan

1.4.1 Pestel Analysis
The Political, Economic, Social, Technological, Environmental, Legal (PESTEL) framework is used to analyse the organisation’s external macro-economic environment and it provides a comprehensive list of influences on the possible success or failure of particular business strategies (Johnson, Scholes and Whittington, 2008). ZUPCO is operating under very difficult macro-economic conditions influenced by local, regional and international factors, ZUPCO Strategic Plan 2014 -2016. The prevailing conditions however call for a pro-active approach to ensure the company continues to be sustainable as the performance ZUPCO is critical to the socio-economic development of Zimbabwe and her citizens.

1.4.2 Political Factors
Politics highlights the stability of the political environment which has influence on government policy (Johnson, Scholes and Whittington, 2008). The maintenance of sanctions by major western powers has continued to directly impact on disposable income which adversely affects the travel patterns of the Zimbabweans. At regional level however, the existing economic blocs like SADC and COMESA have increased political integration and thus increased competition due to operational liberalisation. At local level, there has been political stability in Zimbabwe which has led to free movement of people and hence increased revenue capacity.

1.4.3 Economic Factors
The ever increasing stiff competition from other bus operators, kombis and private vehicles have led to ZUPCO losing its market share. Competition is also offering better services compared to ZUPCO and this has led to high staff turnover due to uncompetitive salaries and wages, ZUPCO Strategic Plan 2014 – 2016. The current liquidity challenges that the country is facing has not spared ZUPCO in terms of negative impact on revenue generation. The liquidity challenges and low disposable incomes have led to the reduction in the movement of people. Globally, the extension of recession in some major economies have led to limited foreign direct
investment and limited lines of credit. This in turn has led to limited economic activities in Zimbabwe.

1.4.4 Social Factors
Socially, poverty, HIV and AIDS, and unemployment are the major three social problems haunting Zimbabwe today. According to UNAIDS (2013), the prevalence of HIV/AIDS is at 15% in Zimbabwe. HIV/AIDS related stigma and discrimination persist as major obstacles to an effective to HIV response world wide. This therefore means the pandemic is impacting negatively on the population and reversing the social development goals. Also to note is the impact on mobile populations especially in the transport sector, (ZADHR 2009). The increased preference of luxury travel cannot be left unmentioned and Zupco currently has standard and semi luxury buses only. On a positive note, the increase in religious, institutions and tourism conferences is a possible increase in revenue for the company.

1.4.5 Technological Factors
The economic challenges that faced Zimbabwe in the last decade placed it down the technological progress ladder. E-based real time transactions processing, eliminating revenue leakages and reducing employment costs would be the best option for ZUPCO. Also, the increased use of more efficient and effective communication technology devices has reduced travel. Locally, the upsurge in the quality and standard of buses competing in the general market is putting pressure on ZUPCO which operates standard buses only that are not comfortable.

1.4.6 Environmental Factors
Environmental factors represent issues to do with limited natural resources, waste and pollution matters (Johnson, Scholes and Whittington, 2008). Today, there is the green call where Environmental Management Agency (EMA) regulates the amount of carbon gases emission and high disposable costs. Hydro carbon spillage and oil separator management are key as the country through EMA has introduced high penalties to defaulters.

1.5 Statement of the Problem
According to Munyaradzi (2012), Results Based Management System is viewed as the best international practice in the management of public affairs in the quest to satisfy good governance demands from citizens. Madhekani (2012) agrees with the above assertion as he highlighted that RBM promotes systematic performance
analysis and benchmarking to drive programme performance and improvement. It emphasises value for money from usage of limited resources, move agencies away from input driven incremental budgets towards results driven performance. He further notes that Results Based Management system remains an indispensable tool of public management. However, for ZUPCO, after the adoption of RBM, there has not been significant improvement in the performance of the organisation. The key performance indicators for the company are revenue generated, net profit, fleet availability and fleet compliance. After the introduction of RBM, there was a 30% decline in net profit from 2012 to 2014 according to the company’s financials, there was a 7.8% decrease in fleet availability from 2012 to 2014, and fleet compliance has reduced by 6%.

The company has never met its targets since the introduction of the RBM system. Failure to meet the revenue targets has caused delays in payment of salaries to employees, failure to buy spares and fleet availability has been going down. ZUPCO has also been in the press for wrong reasons especially due to the company’s failure to pay its debts. Also, because of low revenues that have been generated, the company is failing to run a compliant fleet and this has caused it to attract heavy traffic fines and this again raising costs for the company and draining on the net profit. The possible causes might be to do with culture at ZUPCO that is, the “business as usual” approach is still the order of the day. Maybe the introduction of RBM was supposed to be done with culture change at the same time. Also, ZUPCO employees might not be understanding the whole system such that it appears as if it is non-existent to them. Bureaucracy might also be affecting the efficiencies and effectiveness that comes with RBM. The levels of efficiencies that are expected in an organisation where RBM has been adopted are not evident at ZUPCO. The system is not having the desired impact to organisational performance and therefore the researcher has seen it proper to undertake a research and establish the impact that RBM has made to ZUPCO’s performance to date in order to make recommendations for the company to achieve performance as expected by its stakeholders.

1.6 Research’s Overall Objective
The research’s overall objective was to assess the impact of RBM system on organisational performance at ZUPCO over the period January 2012 to June 2014.
1.7 Objectives
The specific objectives of the study were:

1) To establish whether the introduction of RBM has improved performance at ZUPCO.
2) To establish if ZUPCO employees understand the RBM system.
3) To establish employee perception on RBM.
4) To establish the effectiveness of RBM on organisational performance.
5) To draw lessons and give recommendations on the way forward to ZUPCO board.

1.8 Main Research Question
The study’s main research question was:

Has the introduction of RBM system improved performance at ZUPCO over the period January 2012 to June 2014?

1.8.1 Specific Research Questions
1) Has the introduction of RBM improved performance at ZUPCO?
2) Do ZUPCO employees understand the RBM system?
3) How do ZUPCO employees perceive RBM?
4) Is RBM effective on organisational performance?
5) What management strategies and policy measures can be put in place to improve performance at ZUPCO?

1.9 Research Hypotheses
The research hypotheses were:

H1: There is a positive relationship between organisational culture and organisational performance;

H2: There is a positive relationship between organisational structure and organisational performance;

H3: Giving incentives is positively related to organisational performance;

H4: Knowledge of RBM is positively related to its effectiveness;
Poor organisational performance is positively related to lack of employee motivation;

1.10 Justification of the Study
This study is important in many ways. Firstly, it seeks to ascertain the impact of Results Based Management System in organisational performance and specifically at ZUPCO. This is important because when ZUPCO adopted the Results Based Management System, desired results were expected but the figures are showing otherwise. The study will also provide basis for understanding why RBM has not been so effective at ZUPCO. The study will also clearly highlight how employees perceive RBM. The research will contribute to the fulfilment of academic gaps in terms of literature on the subject in Zimbabwe. The study should also be able to help ZUPCO board and management on the way forward as it will give recommendations from an informed perspective. Finally, the research is important for the successful completion of the Master of Business Administration degree programme by the researcher.

1.11 Scope of the Research
The study sought to assess the impact of results based management system on organisational performance. The research was confined to ZUPCO and may not be generalised to other passenger transport companies. The research focused on ZUPCO Northern Division and Head office staff only with the depots Belvedere, Hoodroad and Chitungwiza. All employees were considered from the lowest level to the executive level. Employees from all the departments will be considered. This is so because the researcher wanted to get varied views from different employees who work at different levels and in different departments. The study focused on the period January 2012 to date.

1.12 Dissertation Structure
Chapter 1: Introduced and gave background to the study and to ZUPCO. Research objectives and research questions, statement of the problem were spelt out. The chapter also covers the research scope.

Chapter 2: Reviews the literature available on RBM, theories of RBM, its benefits to organisations, how the system is implemented, employee perception on the system and the effectiveness of the system on organisational performance. Literature review helps the researcher to build upon the
work already done on the field of researching and provides a platform for the discussion of study.

Chapter 3: Covers the study methodology. It details justification for the methodology employed including methods and instruments used.

Chapter 4: Provides a presentation and analysis of the findings of the research.

Chapter 5: Focuses on conclusions and recommendations arising from the study. Also, areas of further research are recommended in this chapter.

1.13 Conclusion
This chapter has given background to the study and carried out business environmental analysis and SWOT analysis of the passenger transport industry in an attempt to put the focus of the study into context. The chapter also highlighted the statement of the problem, research objectives, research questions, research hypotheses, justification and scope.
CHAPTER 2

LITERATURE REVIEW

2.0 Introduction
The chapter analyses a number of articles which are related to the study. The focus of the study is an assessment of the impact of Results Based Management on organisational performance. The chapter expounds on the underpinning theory and also highlights the importance of the subject. A discussion of the existing models and key concepts will assist the study to understand the impact that Results Based Management has made especially in our Zimbabwean context. Also a case study will be reviewed were the system was adopted and the performance obtained thereof. The conceptual tools and theoretical framework for this study will be explored and examined to critically analyse the impact of Results Based Management System on organisation performance.

2.1 Definition of the Phenomenon

2.1.1 Results Based Management System
Many authors have so far come up with different definitions of the Results Based Management System. Bester (2012) actually notes that, not surprisingly, there are many definitions of RBM. UN Development Group (2010) defined RBM as a management strategy by which all actors on the ground contributing directly or indirectly to achieving a set development results, ensure that their processes, products and services contribute to the achievement of desired results and these are outputs, outcomes and goals. Fadera (2010) defined RBM as a management approach aimed at ensuring that activities achieved desired results and its main aim being to improve management effectiveness and accountability in achieving results. Madhekani (2012), included another aspect and defined RBM as a management strategy aimed at achieving important changes in the way organisations operate, with improving performance in terms of results as the central orientation. He differed with Fadera (2010) as he highlighted that the primary purpose of RBM is to improve efficiency and effectiveness through organisational learning and secondly to fulfil accountability obligations through performance reporting.

Koshy (2008) propounded that RBM is a management tool that enables a country’s economic performance to fully integrate all areas of operations towards success. He
further explains that RBM focus on achieving relevant objectives through a structured implementation of the available resources, performance monitoring and evaluation of the system operations, structured reporting of the results as well as the use of performance information in improving decision making (ibid). RBM has also been defined as a management strategy aimed at achieving important changes in the way organisations operate, with improving performance in terms of results as the central orientation, (www.managingdevelopmentresults.org, accessed 22/03/14).

Goodson (2008) brought in another dimension and defined RBM as a broad management strategy aimed at changing the way institutions operate, by improving performance, programmatic focus, strengthening management effectiveness, efficiency and accountability. He further clarifies and says that RBM reflects the way an organisation applies processes and resources to undertake interventions to achieve commonly agreed results. This study will adopt the definition that has been given by OECD (2010), CeDRE Malaysia (2004), and Rasappa (2009), who defined RBM as a contemporary management philosophy and approach that focuses on the appropriate and timely achievement of relevant goals and objectives through strategic planning, systematic implementation and resource usage, performance monitoring, measurement and reporting as well as systematic utilisation of performance information to improve policy decision making and program performance at all levels. Pont (2011) just defined RBM as simply acting with an end in mind.

What is then evident from the many definitions is that the purpose of RBM is to achieve improved organisational performance through organisational learning and to meet accountability obligations (Bester 2012).

2.1.2 Organisational Performance
Richard, et al (2012) notes that the definition of organisational performance is surprisingly open question with few studies using consistent definitions and measures. They went on to highlight that organisational performance encompasses three specific outcomes:

1) Financial performance which include profits, return on assets and return on investment
2) Market performance which entails sales and market share
3) Shareholder return which includes total shareholder return and economic value added.

They also note that organisational performance is the most important criterion in evaluating organisations, their actions and environments.

According to Richard, et al (2009), organisational performance comprises the actual output or results of an organisation as measured against its intended outputs (goals and objectives). The business dictionary concurred with the above author and defined organisational performance as an analysis of a company’s performance as compared to goals and objectives. Within corporate organisations, there are three primary outcomes analysed and these are financial performance, market performance and shareholder value performance. Hamann, et al (2013) adds and highlighted that organisational performance is limited to economic outcomes. On this basis, they identified four organisation performance dimensions namely; profitability, liquidity, growth and stock market performance.

2.1.3 Performance Indicators

Performance indicators are what you will use to measure your actual results. A performance indicator has been defined as a quantitative or qualitative unit of measurement that specifies what is to be measured along a scale or dimension, (www.international.gc.ac, accessed 23/04/14). Key performance indicators have also been defined as a set of quantifiable measures that a company or industry uses to gauge or compare performance in terms of meeting their strategic and operational goals. Key performance indicators vary between companies and industries, depending on their priorities or performance criteria, (www.investopedia.com, accessed 9/05/14). The profit and loss account, which is the main component of the annual financial statements, is the main source for determining the performance indicators of a company, (Teodo 2013).

Performance indicators are critical as an ardent requirement to fulfil objectives and goals of the organisation. According to the Government of Zimbabwe (2012), key performance indicators provide evidence that a result has been achieved and measure progress by noting changes at different points in time. Also important to note is that key performance indicators can be quantitative or qualitative. The
information generated through indicators must be meaningful in order to capture insights from past experiences and to enable periodic adjustments (Pont 2011).

2.2 Integrated Results Based Management
Koshy (2006) notes that the marked absence of tight links between budget performance and policy implementation of RBM system became the cornerstone of the development of the Integrated Results Based Management System (IRBM). The author also highlighted that the cornerstone of the IRBM is its use of the program and activities approach within a long term macro planning framework. Refer to performance contract as shown in Appendix 11. He further notes that, the IRBM was first developed in 1999 and introduced in various stages and versions in several countries including India and Zimbabwe. The IRBM system consists of five key components two primary and three complementary components.

Figure 2.1 below indicates the components of IRBM system:
2.2.2 Results Based Budgeting (RBB)
RBB focuses on performance measurement and its linkages with policy making and resource management and also gives appropriate focus and emphasis on input application and activity completion (Koshy, 2006). It is a financial planning tool which provides a statement of mission, goals and objectives and a regular assessment of their performance as a part of the budgeting process which creates linkage between inputs for the production of outputs. Its main importance is that it enhances improved accountability, (Munyaradzi, 2012).

2.2.3 Results Based Personnel Performance System (PPS)
RBPPS provides for better grounding for the planning and implementation of human resources development and human resources management giving clear lines of accountability so that linkages can be established through organisational and personnel performance (Koshy 2006). It is also an integral component of RBM system as it integrates the strategic use of critical human resources with the use of financial and other results to achieve desired results.

2.2.4 Results Based Management Information System (MIS)
This component provides the performance measurement dimension by way of accurate, reliable and timely information targeted for decision making. This is important because the implementation of the program needs to be closely monitored to ensure it is being implemented according to agreed parameters, (Koshy, 2006). A strong MIS will also enable to keep records to be used to review and re-assess progress.

2.2.5 Results Based Monitoring and Evaluation Framework
As Koshy (2006), notes, a good program monitoring system should provide early warnings to enable the management to identify the problem area and its causes so that the necessary and remedial action can be taken. He also notes that this helps to ensure systematic and structured performance planning, management and measurement. Monitoring and Evaluation are key instruments to encourage on-going learning for the improvement of organisational performance.

2.2.6 E – Government
E- Government has been defined as the employment of the internet and the World Wide Web for delivering information and services, (UN 2006; AOEMA, 2005). The use of ICTs is important as it improves the activities of the public sector organisation.
As organisations implement RBM, they cannot afford to ignore the benefits associated with e-government, (Munyaradzi, 2012). Rasappan (2009) highlighted the benefits of e-government as increased operational efficiency, improved services and citizen participation.

2.3 Underpinning Theory
Results based management borrows heavily from the systems theory and reflects the central role of causality while taking into account the temporal dimension, (www.managingdevelopmentresults.org, accessed 12/05/14). Greg (2014) cemented the above as he notes that RBM strongly subscribes to the systems theory that allows not only vertical integration but also horizontal integration at the program level. Results based management is a system and for it to be implemented effectively, all elements of the system must work, (Bester, 2012). Bester (2012) further explains that if one aspect of the system is weak, it lessens the overall effectiveness of results based management. To further cement this assertion, the author also noted that, the relevant resources, workable management and accountability systems and knowledge management must be in place to support results based management system. RBM relies on the adherence of stakeholders to the system, (Jimenez, 2011).

2.3.1 Systems Theory
Laszlo and Krippner (1998) defined a system as a set of two or more interrelated elements with each element having an effect on the functioning of the whole system and also that each element is affected by at least one other element in the system. The system consists of inputs, processes which give then outputs and there is feedback that has to take place and the system operates within an environment, (Easton, 1957). Littlejohn (1999) agreed with the above and highlighted that; a system consists of four main things which are:

1) The objects – these are the parts, elements or variables within the system and may be physical or abstract or both depending on the nature of the system.
2) The attributes – these are the properties of the system and its objects
3) A system has internal relationships among its objectives
4) A system exist in an environment
2.4 Results Based Management Theory

Results based management system is conceptualised as a results chain of inputs, activities, outputs, outcomes and impacts. The assumption is that actions taken at one level will lead to a result at the next level, and in this sense, the results chain stipulates the sequence actions taken to achieve a particular results, (Madhekani, 2012). The results chain is the basic logic model adopted by most organisations, (Meiner, 2003). The AFB/8 meeting of 2009 agreed with the above and noted that the results chain is the centre of RBM and it provides a structured logic model that lays out the sequence and steps necessary to achieve stated objectives. RBM in other words applies a results chain to plan a clear logical process and manage the implementation to achieve the desired results, (Hunt, 2009). The diagram below Figure 2.2 shows the relationship of RBM results chain:

**The RBM Results Chain Diagram**

Figure 2.2 The RBM Results Chain Diagram

**Source**: Munyaradzi, 2012

2.4.1 Inputs

These are the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings. Classification of resources is important as a critical aspect of monitoring the rate at which resources are utilized to produce outputs and achieve outcomes, (Madhekani, 2012). Rasappan (2009) added that inputs are resources (knowledge and skilled staff) both human and other used to produce program outputs.
2.4.2 Activities
According to Meier, (2003), activities refer to actions taken or the work performed through which inputs are mobilised to produce specific outputs. Madhekani (2012) highlighted the importance of completing activities as this will ensure the production of planned results.

2.4.3 Output
The outputs are the products, capital goods and services which result from an intervention and may also include changes resulting from the intervention which are relevant to the achievement of outcomes. (Madhekani, 2012).

2.4.4 Outcome
These are medium-term results for specific beneficiaries that are the consequence of achieving specific outputs and should relate clearly to an institution's strategic goals and objectives set out in its plans. In other words, outcomes are just what we wish to achieve mostly in the short term and the medium term. (Madhekani, 2012). Also to note is that outcomes can be long or short term depending on the type of outputs that are produced and the nature of the problem or need being addressed. (Rasappan, 2009).

2.5.5 Impact
Greg (2014) noted them as positive and negative, primary and secondary long term effects produced by an intervention directly or indirectly. Impact can also be described as the follow through consequence of one or more outcomes and generally takes a longer time to occur. (Rasappan, 2009)

2.5 Importance of the Subject
According to Madhekani (2012), RBM in Zimbabwe was triggered by the problem of resource constraints, the question for better quality and more responsive service delivery by members of the public, calls for politicians to be more people-centred and service oriented for more effective resource allocation by financial controllers. Fadera (2010) concurred with the above and highlighted that RBM is aimed at ensuring that activities achieved desired results to improve management effectiveness and accountability. Madhekani (2012) also argued that the success story of RBM system in developed nations led to growing pressures for developing countries to adopt the new system as a way of improving performance and upholding accountability. Munyaradzi (2012) agreed to the above assertion as he noted that
RBM is viewed as a best international practice in the management of public affairs in the quest to satisfy good governance demands from citizens. Madhekani (2012) also cemented his argument and highlighted that RBM remains an indispensable tool of effective public management.

Zvavahera (2013) also agrees to the above assertions and highlighted that the approach helps the organisation with decision making as it integrates the human resources aspect with financial aspect and link them to the outcomes with the aim of improving lives of communities through the provision of superior service. He also further notes that before the introduction of RBM, the government of Zimbabwe attempted various systems such as the Public Finance Management System, Mission Statements, Client Charters and the Performance Appraisal System. The former performance management systems failed to yield the desired results which are delivery of quality service to the general public, (Zvavahera, 2013).

The Government of Zimbabwe introduced and successfully implemented an integrated RBM programme across government and has been operational since 2005, (Madhekani, 2012). According to the Zimbabwe Agenda for Sustainable Socio-Economic Transformation, (2013-2018), the implementation of Zim Asset will be underpinned and guided by the Results Based Management System and will be used as a basis for the macroeconomic budgetary framework for treasury commencing with the 2014 fiscal year. However, the implementation of RBM in Zimbabwe has been regarded as an area of controversy with regard to issues of applicability, benefits and drawbacks more so in an environment where there are several institutional, organisational and systematic weaknesses negating government efforts, (Madhekani, 2012). The same author however went further and notes that, in spite of these assumptions though, history has it that the RBM system, if properly implemented can improve performance.

2.6 Benefits of RBM to Organisations
According to Madhekani (2012), when fully implemented, RBM is set to improve parastatal’s accountability to the central government and this is important for the viability of parastatals is critical in the turnaround of the economy. Today, Malaysia’s economy functions very well in an extremely competitive East Asian economy as RBM has led organisations to be more accountable and transparent to stakeholders,
RBM helps organisations to achieve their results efficiently and effectively, (Quentin, 2012). After the implementation of RBM system in Australia, the country is now enjoying, strong human, institutional and management capacity in the public sector and it is now known for integrity, honesty and professionalism and a well developed budgetary and accounting systems, (Madhekani, 2012). RBM has also therefore played a major role in improving the quality of service delivery and decision making, (Madhekani, 2012). RBM therefore facilitates provision of quality service to all stakeholders, (Zvavahera, 2013).

Better communication is also another advantage of RBM, (Armstrong, 2014). Zvavahera (2013) also noted this as better communication leads to constant interaction between the employer and the employee. According to Bonn (2009), RBM leads to improved performance resulting from more efficient processes to support project development, monitoring and reporting based on regularly updated monitoring information. Results based management leads to simplicity of the entire results chain and it is also sufficiently flexible to be applied in an iterative manner, (Meier, 2003). The fact that RBM concentrates more on results means this improves the quality of service delivery and decision making, (Madhekani, 2012). He also notes that the introduction of the system has brought about human resource capacity building through a series of training workshops. This is so because, according to Zvavahera (2013), training and staff development are regarded as an integral part of RBM and this will in turn improve employee motivation and retention.

2.7 Implementation of RBM System
Implementing RBM means putting the desired outcomes at the centre, coordinating resources and time accordingly and this includes having the work plan and then lastly measuring progress through objective measurements which are the indicators, (Pont, 2011). He also notes that it accommodates change if things are not going according to plan and it also facilitates the demonstration of results. The UN Development Group, (2011) have however noted that there is no single roadmap to RBM implementation, but it is important that that each organisation adapt its own specificities and mandates in the context of their national priorities.

Ortiz et al (2004) have noted that the implementation of RBM is not a time event but rather a process that needs to be undertaken gradually, though in a coherent
manner. Most importantly that they note is that the implementation of the system requires a fundamental change in management culture which is in its very nature, a daunting process that requires time and perseverance. Also of another greatest importance is the firm’s commitment to implementation, (Ortiz et al 2004). They also noted that some national experiences prove that many years are needed for an effective implementation of RBM. According to Madhekani (2012), history has it that if the RBM is properly implemented, it can improve government performance.

With the United Nations Agencies, the emphasis in the implementation of RBM has been on the developing of the strategic plans and results matrices, (Bester, 2012). Mayne (2007) however notes that few organisations would argue that they have been completely successful with RBM. This is so because implementing RBM is difficulty as key challenges are organisational challenges rather than technical, (Mayne, 2007). Jimenez (2011) notes that in order to implement RBM effectively, managers require autonomy as well as the conviction that this approach can improve their work and not to be implemented merely as a bean-counting exercise.

2.7.1 Implementation Process
The implementation process has to be systematic so that the tasks, activities and outputs are aligned to the strategies so that objectives and goals can be achieved, (Madhekani, 2012). However, as Bester (2012) highlighted, the implementation of RBM can only be done if senior managers are conversant with the RBM terminology and tools so that they fully appreciate the value of the results based management approach. In Zimbabwe after the adoption from Malaysia, it became a policy in 2005 and the office of the president went on to set up management committees. Then there was training of the trainers in RBM, training of trainers and public training institutes and then cascading of training to end users, (www.cafrad.org, accessed 15/05/14).

2.8 Effectiveness of RBM on Organisational Performance
Zvavahera (2013) has noted that the RBM system is fraught with challenges due to its complexity and non – adherence to its tenets by the employer. Musingafi (2013) has also highlighted that the implementation of the system in Zimbabwe has been an area of controversy with regard to issues of applicability and benefits. Madhekani (2012) agreed with the above authors and noted that despite all the praises for RBM, there is actually overwhelming evidence from literature cases and interviews that
adopting, implementing and sustaining an RBM system is not, has never been and will never be an easy task for public sector organisations. He further notes that with the current prevailing, political and socio-economic environment in Zimbabwe, the country is actually incapable of effectively implementing the RBM system and also to reap any meaningful benefits from it. However for countries like Malaysia, as Koshy (2006) notes, the country’s economy now functions very well in an extremely competitive East Asia region after the introduction of integrated results based management system. Australia’s experience has been characterised by a number of intrinsic advantages conducive to building a strong results based system like strong human, institutional and management capacity in the public sector, (Madhekani, 2012).

According to Bester (2012), a study that was carried out for UN agencies came up with six principles for effective results based management which are fostering senior level leadership in RBM, promoting and supporting a results culture, building result frameworks with ownership at all levels, measuring sensibly and developing user-friendly RBM information systems, using results information for learning and managing as well as for reporting and accountability and lastly, building an adaptive RBM regime through regular review and update.

However, Bester (2012) also noted that, this study was not exhaustive given time limitations as interviewees were from headquarters in New York and Geneva only.

Many governmental RBM systems have not produced the expected positive results, (Swiss, 2005). He notes that there are specific incentives that that must be tailored to fit four program characteristics which are timeliness, political environment, clarity of the cause and effect chain and tightness of focus. He further notes that for any management system to be effective, it must have three important elements which are information, capacities and incentives. Managers must have information about where the organisation is going and how well it is doing to getting there, (Swiss, 2005). Managers need also to have capacities to act on the available information. Swiss (2005) also noted that flatter organisational structures have been able to act on the information immediately.

A workforce that is educated combined with program specific training, advances in communication and information technology are also important to enable workers to
coordinate all the efforts, (Swiss, 2005). Literature emphasised the importance of incentives and Swiss (2005) highlighted that without incentives, capacities and information will be useless as incentives change behaviour. He further highlighted that these three are always important for the success of RBM. Madhekeni (2012) notes the need to institute change management initiatives that will help to transform mindsets so that employees begin to understand the system and remove that it is someone else’s business. Hao, Kasper and Muehlbacher (2012) came in with another dimension and noted that the level of centralisation or flatness influences the performance outcomes. They noted that that the structures of living things are related to their performance. However, incentives in RBM are tied to outcomes that are usually slow to develop, difficult to produce and politically charged, (Swiss, 2005). He then recommended that managers should then design their own results incentives to get the desired results. However, Gallaher and Anne (2013) brought another dimension and noted that that the fabric of company culture cannot be ignored for the success of RBM.

2.9 Employee Perception
Chang (2005) notes that the company commitment affects the employees’ perception. He further highlighted that under the human resources management philosophy, employees are likely to perceive the practices as effective because information sharing, participation in the decision making helps employees to understand the expectations of the system and therefore will reduce misinterpretation. Employee’s overall perceptions of human resources management effectiveness will then enhance their organisational commitment, (Chang, 2005).

A research which was done shows that if well implemented, results based management can motivate employees to be more productive. DeNisis and Pritchard (2006) aver that attitudes towards performance management affect the performance of employees in organisations

2.10 Performance Agreement
As Munyaradzi (2012) noted that, the performance agreement clearly sets out the agreed performance targets and results to be achieved for the budget year and it is signed between the Head of Department and the Individual. Koshy (2006) agreed with Munyaradzi (2012) as he also define performance agreement as an agreement
which details the level of performance that can be achieved by an entity for a given budget year and the allocation has to be approved. Under RBM, the performance agreement will be the focal point for all its other components, (Koshy, 2006). Performance Agreement is regarded as a strategic performance plan for a department which is one of the implementing entities in a program, (Rasappan, 2009). Refer to performance agreement shown in Appendix 11.

2.11 RBM in Kenya
The Kenyan government did not adopt all the components of the results based management system but only picked what they deemed key elements. Kenya picked performance target setting, performance planning and performance monitoring and reporting, (Obong’o, 2009). He also notes that, the government of Kenya focused on performance contracts because, as traditionally the shortcomings of the public sector were seen as organisational problems capable of solution by appropriate application of political will, powerful ideas and managerial will. Kenya focused on this because their underlying assumption driving the performance contract concept is that, “once performance can be measured and performance shortfalls identified (including non performers), actions can be taken to address the shortfall”, (Jones and Thompson, 2007). In other words, for them, what gets measured gets done. Obong’o (2009) also highlighted that, of the sixteen state corporations where this was introduced, they recorded an increase of 282% in net pre-tax profits over the previous period (2003/4) and an increase of 14% over set targets. This therefore means that the model chosen by the Kenyan government of performance management system on the whole proved to be good and a necessary step, (Obong’o, 2009).

2.12 RBM in Malaysia
Malaysia introduced an IRBM system in 1999 covering all the stages of programme implementation which utilised a programme and activities approach within a long term macro planning framework supported by the three components, (Koshy, 2006). He also notes that Malaysia did it in a systematic and integrated manner. Top management in Malaysia is heavily involved in strategic performance planning, consultation efforts and consensus building with the lower management level, (Koshy, 2006). He also notes that treasury drives the system and managers are held accountable for the resources provided to them. Also in Malaysia, human capital
plays a pivotal role in organisational and personnel performance giving emphasis on the efficient use and management of inputs and work processes.

2.13 RBM in Zimbabwe
Zimbabwe was facing socio – political economic challenges and there was need for administrative transformation due to poor service delivery, (Munyaradzi, 2012). He notes that the cabinet then introduced RBM in 2005 to address these challenges as RBM is viewed as the best international practice in the management of public affairs in the quest to satisfy good governance demands from citizens. For Zimbabwe, the cabinet adopted all the RBM components including the Integrated Development Planning which is a coordinated top down planning approach that outlines national, sectorial, ministerial and departmental vision, key result areas, goals, objectives, outputs, outcomes, and impact, (www.hssma.org, accessed 8/05/14). According to Madhekani (2012), the implementation of the system started in government departments and now cascading down to parastatals and local authorities. The implementation of integrated development plan in Zimbabwe has seen successes such as capacity building in RBM through training of all levels of management in public service, parastatals and local authorities, enhanced compliance to project schedules and efficient financial management through public financial management system, (www. hssma.org, accessed 8/05/14).

2.14 Results Based Management System and Organisational Culture
Corporate culture has received much attention due to its effects and potential impact on organisational success, (Rashid, Sambabsivan and Johari, 2003). Binnenndijk, (2001) has put emphasis on the importance of culture within an organisation for RBM to be effective. He notes that facilitating changes in the organisation’s culture that is the values, attitudes and behaviours of personnel of any organisation are required for effectively implementing RBM. For example, instilling a commitment to honest and open performance reporting, reorientation and encouraging a learning culture grounded in evaluation, (Binnenndijk, 2001). Gallaher and Anne, (2012), agreed with the above authors and clearly stated out that the fabric of company culture plays an important role in its performance.

2.15 Results Based Management System and Organisational Structures
According to Nandakumar et al (2010), there is a positive relation between organisational structure and organisational performance. They further notes that the
structure of any organisation is helpful in improving the financial performance of that particular organisation. As Vastava (2005) noted, best structure is a determinant of organisational performance. This is so because, the large number of channels of communication and the bundle of rules, the decision making process and its implementation took longer than desired, (Vastava, 2005).

2.16 Results Based Management System and the Operating Environment
Research done by Fredrickson and Mitchell (1984) showed that organisations perform well in stable environments. Ghobadian et al (2008) however noted that the attainment of environmental fit is dependent on the manager’s ability to select, transmit and interpret information and to achieve also a compromise between organisational policy and environmental constraints by pursuing strategies capable of overcoming constraints.

2.17 Literature Synthesis
Literature has clearly highlighted that the main purpose of RBM is to achieve improved performance as it has been viewed as the best international practice in the management of public affairs. The main problem however in Zimbabwe has to do with regards to RBM’s applicability given the current prevailing political and socio-economic environment in the country. It is not clear now that if parastatals like ZUPCO can reap meaningful benefits from RBM, yet the country is actually incapable of effectively implementing RBM and reaps meaningful results. Also it came out clearly from literature that RBM implementation is difficulty as key challenges are organisational rather than technical and also that a fundamental change in management culture is a daunting process which is in its very nature a daunting process that requires time and perseverance. Now that ZUPCO adopted the system, the study is just assessing the impact of RBM on the company’s performance as currently. Maybe there are key variables that have to be in the right place for the parastatal to reap benefits from the system and these will be explored if they are really in the right place. With the current environment, it has to be clear what RBM has achieved so far, is there light at the end of the tunnel or adopting the system is a complete disaster for parastatals.
2.18 The Conceptual Framework for the Study
From the surveyed literature, this study proposes the conceptual framework as shown in the diagram below in figure 2.3 for RBM to improve organisational performance. The approach proposes that the success or failure of RBM system depends on other independent and control variables for an improved organisational performance.

Figure 2.3 The Conceptual Framework
2.19 Conclusion
The chapter has looked at the definition of the main key phenomena which are RBM, organisational performance and key performance indicators. IRBM has also been discussed with its components. The chapter also discussed the underpinning theory and the RBM theory. The results chain was also explained together with the importance of the subject. The benefits and the effectiveness of the system were also highlighted synthesised from different authors. Employee perception, culture and organisational culture were also looked at as they relate to RBM and organisational performance. Cases where RBM has been implemented have also been discussed and then lastly, the analytical framework of the study.
CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction
This chapter discusses how the study was carried out. It starts with a recap of the statement of the problem, study objectives, research objectives, research questions and research hypotheses. The chapter then discusses the research philosophy, research approach, research strategy, research choice and units of analysis. The methodology chapter will go on to give an insight of data collection methods employed on the population under study and the targeted sample size and the sampling techniques used in the research. Lastly, the chapter looks at data analysis techniques and then ethical considerations.

3.2 Recap Statement of the Problem and Research Objectives
The main aim of the study as stated earlier is to establish the impact of results based management system in organisational performance. After the introduction of RBM, there was a 30% decline in net profit from 2012 to 2014, a 7.8% decrease in fleet availability and fleet compliance has also reduced by 6% during the same period. The system is not having the desired impact to organisational performance. In order to achieve the main objective of the study; the research was broken down into the following specific objectives:

1) To establish whether the introduction of RBM has improved performance at ZUPCO.
2) To establish if ZUPCO employees understand the RBM system.
3) To establish employee perception on RBM.
4) To establish the effectiveness of RBM on organisational performance.
5) To give recommendations on the way forward to ZUPCO board and management.

3.2.1 Recap of Research Questions
The study sought to provide answers to the following research questions:

1) Has the introduction of RBM improved performance at ZUPCO?
2) Do ZUPCO employees understand the RBM system?
3) How do ZUPCO employees perceive RBM?
4) Is RBM effective on organisational performance?
5) What management strategies and policy measures can be put in place to improve performance at ZUPCO?

3.2.2 Recap of Research Hypotheses
H1: There is a positive relationship between organisational culture and organisational performance;
H2: There is a positive relationship between organisational structure and organisational performance;
H3: Giving incentives is positively related to organisational performance;
H4: Knowledge of RBM is positively related to its effectiveness;
H5: Poor organisational performance is positively related to lack of employee motivation;

3.3 Justification of a Single Case Study
According to Haralambos and Holborn (2008), a case study involves the detailed examination of a single example of something, could involve the study of a single institution, community or social group. Yin (2003) defined a case study as an empirical inquiry that investigates a contemporary phenomenon within its real life context. Bryman (2001) highlighted that case studies can be seen as intensive analysis where the quality of the theoretical reasoning is more important than the representativeness of the sample. Becker (1970) has described one aim of case studies as the attempt to arrive at a comprehensive understanding of the institution under study. The researcher chose a single case study because it is representative and informative as it captures the circumstances and conditions of an everyday situation, (Yin, 2003). However, as Haralambos and Holborn (2008) mentioned, the major drawback of case study research is that it is not possible to generalise on the basis of its findings.

3.4 Methodological Framework
Research by its very nature requires a systematic approach to finding answers to research problem, Saunders et al, (2003). The study adopted the research onion framework which was developed by Saunders, Lewis and Thornhill, (2009). The research onion is made up of six layers namely; philosophies, approaches, strategies, choices, time horizons and techniques and procedures.
3.4.1 Research Philosophy
According to Saunders, Lewis and Thornhill, (2009), research philosophy is an overarching term relating to the development of knowledge. They further noted that, research philosophies differ on the goals of the research and the way to achieve these goals. There are two main philosophies namely positivism (quantitative) and interpretivism (qualitative). The interpretive approach is based on the assumption that human phenomena are fundamentally distinct from natural phenomena, Babbie and Mouton, (2012). Saunders and Cornet, (1997), postulated that the approach is based on the way people experience social phenomena in the world they live in, focusing on the meanings the research subject attach to social phenomena, an approach by the researcher to understand what is happening and why it is happening.

This study adopted the positivist philosophy. According to Flowers (2009), positivism is based upon principles of reason, truth and validity and the focal point are pure facts, gathered through direct observation and experience and measured empirically using quantitative methods such as surveys, experiments and statistical analysis. Gartel and Gartell (1996), argued that positivism has brought the view that social research can be conducted according to the dictates of science outside any influence the researcher’s own values. They also noted that this makes the research more reliable. The authors also noted that only by applying the methods of natural science according to the positivist school of thought, will social science ever be able to match the achievements of natural science in explanation, prediction and control. The difficulties of capturing social reality in formal propositions, quantifying it and subjecting it to experimental controls makes the positivist approach the only way in which organisational research can become truly scientific, (Lee, 1991).

3.4.2 Research Approach
Saunders, Lewis and Thornhill (2009), identified deductive and inductive approaches as the two main research approaches. The study adopted the deductive research approach as appropriate for this research. This is so because, as Saunders, Lewis and Thornhill (2009), notes, there is the search to explain causal relationships between variables and also that the researcher had formulated a hypothesis formulated from existing literature on results based management system and
organisational performance. According to Quinton and Smallbone (2006), deductive research is the most widely used research approach in the natural sciences. On the other hand is the inductive approach which works in the opposite fashion to the deductive approach and follows the art of hill climbing in that it starts from specific observations to broader generalisations and theories, Burney (2008). According to Saunders, Lewis and Thornhill, (2009), one major criticism of the inductive approach is that it is risky in nature in the sense that no clear patterns might emerge from the collected data.

3.4.3 Research Strategy
The research adopted the case study strategy. Research strategy is the general plan of how the researcher will go about answering research questions, Saunders, Lewis and Thornhill (2009). There are several strategies which include experiment, survey, case study, action research, grounded theory, ethnography and archival research. For the purposes of this study, the researcher adopted a case study. A case study is a research strategy that involves the empirical investigation of a particular contemporary phenomenon within its real context, using multiple sources of evidence, (Saunders, Lewis and Thornhill, 2009).

3.4.4 Research Choice
The research choice for this study was quantitative mono method that is the researcher used a single data collection technique in the form of self administered structured questionnaires. The quantitative mono-method was found to be useful and most appropriate in this research because the research questions raised a number of issues which required ascertaining whether the introduction of RBM has improved performance at ZUPCO and how employees perceive the system. According to Samuel (2012), quantitative research is useful when looking for facts or causes as well as collecting numerical data. The researcher also noted that all the respondents had no problems with self-administered questionnaires.

3.4.5 Unit of Analysis
The unit of analysis is the basic observable entity that is being analysed in a research, (Long, 2004). Brown and Dowling (1998), defined unit of analysis as the object which is to be described in terms of the research variables. It is the thing about which data is collected which might include people or organisations, Quinton and Smallbone, 2006. The principal units of analysis in this research were:
3.5 Data Collection

3.5.1 Data Types
The research used both primary and secondary data. Crowther and Lancaster (2009) defined primary data as data that does not actually exist until and unless it is generated through the research process as part of the dissertation. They further defined secondary data as information which already exists in some form or other but which is not primarily collected, at least initially for the purpose of the project exercise at hand. The research also used internal secondary data mainly databases, monthly reports and board meeting minutes as these relate specifically and indeed stems from the organisation’s own activities and operations.

3.5.2 Data Collection Instrument
The data collection instrument used by the researcher in this study is a self administered questionnaire. Crowther and Lancaster (2009) have noted that a questionnaire is the most widely used and valuable means of data collection. Haralambos and Holborn (2008) noted that a questionnaire is a practical way to collect data. Also, they noted that, once designing and carrying out pilot studies is done, questionnaires can be used to collect large quantities of data from considerable number of people over a relatively short period of time. The questionnaire consists of a list of pre-set questions. The questionnaire mainly focused on whether ZUPCO employees fully understand the RBM system, how they perceive it and if RBM has improved performance at ZUPCO. This was in line with the research objects which sought to find out why RBM had at improved performance at ZUPCO. The questionnaire also focused on what the employees think should be done to improve their organisational performance with RBM. The researcher personally distributed and self administered questionnaires. The researcher hand delivered them to each respondent and collected later. The remaining questionnaires were distributed through two Detail Clerks at Chitungwiza and Hoodroad Depots. The employees were randomly selected from ZUPCO Northern Division.
3.5.3 Structured Questionnaires
The same questions were given to respondents in a stratum in the same order so that the same information could be collected from every member of the sample. The questionnaire had sections on background characteristics of respondents, consisted of closed ended questions comprising of factual questions, “yes/no”, and questions with some form of rating scale (Likert scale) which allowed numerical values to be given to opinions. The questionnaire is shown in Appendix 111. The major advantage of a structured questionnaire is that it is easier and faster to complete and also it is easier to code. In this research, all the respondents completed self administered questionnaires.

3.5.4 Pretesting Questionnaire
According to Klopper (2003), it is important and essential to test questionnaires before they are distributed. The purpose of pretesting was to ensure that the questionnaire possesses face validity that is whether the questionnaire is going to collect the information it is intended to collect (Limpanitgul, 2009). The questionnaire was pretested using 5 employees who were selected randomly one from each of the company’s departments. The 5 questionnaires used for pretesting could not remain part of the final sample of the study because there were some corrections which necessitated further refinement of the questionnaire.

3.6 Population and Sample Size
The population under study comprised of 1500 ZUPCO employees (First Quarter Human Resources Management Report, 2014). This study has chosen to select just a part of the whole population that is a sample of ZUPCO employees to respond to the questionnaire. According to Haralambos and Holborn (2008), the use of samples saves the researcher time and money since it reduces the number of individuals to be studied. However, sampling has its own disadvantages the main one being lack of representatives and insufficient sample size cause errors. A total of 115 structured questionnaires were distributed to ZUPCO employees randomly.

3.7 Sampling Techniques
There are two main sampling techniques which are probability and non-probability sampling techniques, (Saunders, Lewis and Thornhill, 2008). The research used probability sampling where the chance or probability of each case being selected from the population is equal for all cases (Saunders, Lewis and Thornhill, 2008).
Stratified random sampling was used and dividing the population into a series of relevant strata means that the sample is more likely to be representative (Brown and Dowling, 1998). The rationale behind the adoption of stratified random sampling was that since ZUPCO has more than one department, employees from different departments needed the opportunity to be sampled.

3.8 Procedure for Selection of Respondents
The study adopted stratified random sampling where the population was divided into relevant strata and a sample was then drawn from each of the strata. This was important for the research as dividing the population into a series of relevant strata means that the sample is more likely to be representative, as this, the researcher ensured that each of the strata was represented proportionally within the sample. The population was first stratified into their respective departments that is Operations, Engineering, Finance, Human Resources and Risk, and then randomly selected within each stratum to select 115 respondents. The strata were discrete as no employee would belong to more than one department. Stratified random sampling ensures better comparison and hence representation across strata, (Saunders, Lewis and Thornhill, 2008).

3.9 Sample Size
The researcher made sure that the sample was sufficiently large and representative of the population. 115 employees were selected for the study representing 7.6% of ZUPCO’s employees. Hogg and Tanis (2008), noted that a sample size greater than 30 is ideal for large sample inference in business research and thus in this research, sample size of 114 was representative of the total population.

3.10 Data Analysis
Data analysis involves the process of turning data into information, (Crowther and Lancaster, 2009). Responses from all questionnaires were analysed using the Statistical Package for the Social Sciences (SPSS) version 16. Cronbach’s Alpha coefficients were used to measure internal consistency reliabilities of the measuring instrument. Statistical analysis was also done which included relational statistics and in particular the researcher did regression and correlation analysis, relationships between variables and also measured the quality of the relationships. Also, the simple interrelations and the levels of quantitative analysis helped the researcher to move towards linking variables and also establishing causality. Statistical principles
such as bar graphs and frequency tables were also used in descriptive data analysis and presentation. Spearman’s Rank Correlation Coefficients were also used to show the strength and direction of relationships between effectiveness of RBM and organisational culture.

3.11 Validity and Reliability
Validity of a questionnaire relates to the extent to which it describes or measures what it is supposed to describe or measure, Crowther and Lancaster (2009). A pilot study was done to achieve the validity of the questionnaire. Face validity was achieved by pretesting the questionnaire with five employees selected from the five departments. Crowther and Lancaster (2009) defined reliability as the extent to which a particular data collection approach will yield the same results in different occasions. Consistence was tested using the Cronbach Alpha and Yusof and Ismail (2010) noted that a value above 0.60 should be acceptable.

3.12 Ethical Considerations
Ethical issues in research encompass a set of mores and values for conducting and using research and it is the responsibility of the researcher not to violate these, (Crowther and Lancaster, 2009). They further noted that the conduct of research must therefore conform to a set of ethical codes or values. A problem here however is as Wells (1994) pointed out that what is considered ethical and unethical behaviour may vary from situation to situation, from researcher to researcher and from culture to culture. The researcher however took the following into consideration:

1) The researcher considered all information gathered for academic use only
2) The researcher explained the purpose of the research to all respondents hence they was no intimidation of respondents
3) No names of individuals were disclosed in the research
4) Permission was sought from the Chief Executive Officer through written agreement
5) The researcher maintained confidentiality of data provided by respondents
6) Behaviour and objectivity of the researcher was maintained

3.13 Limitations of the Study
Access to some information was not easy as the company has been in the local papers for wrong reasons during the same period. It was not easy to get all the respondents to complete the questionnaire as some respondents viewed the
information required as confidential. However, the fact that the researcher works for the company helped to earn trust with the respondents. Also, the researcher assured the respondents that all the information was purely for academic purposes only to overcome limitation to access on information.

3.14 Conclusion
The chapter recapped the objectives, research questions and hypotheses. The chapter also gave a detailed analysis of the methodological framework and adopted the research framework from Sanders, Lewis and Thornhill. The chapter also discussed reliability and validity of the research instrument. The chapter also gave an overview of data analysis and presentation techniques in which the SPSS was used for that purpose. Spearman’s Rank Correlation was performed to relationships between variables under study. Finally, the chapter discussed the ethical considerations that the study took into account.
CHAPTER 4

FINDINGS AND ANALYSIS

4.1 Introduction
This chapter provides a presentation and analysis of the findings of the research. It begins by analysing the response rate followed by an analysis of the demographic characteristics of the study sample. The researcher then did normality testing of the data, applied correlation and hypothesis testing to establish the relationships between variables being studied.

4.2 Response Rate
Table 4.1 shows that a total of 20 questionnaires were sent to the Risk Department at ZUPCO. All the 20 were successfully completed and returned giving a response rate of 100%. The table also indicates that 58 questionnaires were sent to operations, 22 to engineering, 8 to finance and 7 to human resources and all were successfully completed giving a response rate of 100%. The high response rate of the study could be attributed to the fact that the study was focusing on a case study which the researcher is currently working for therefore it was not difficult to administer the questionnaires and get them back. Also, the respondents may have been supportive as they saw it necessary to support one of their own. 100% response rate for the study warrants validity and reliability of the findings. The response rate is shown in table 4.1 below:

Table 4.1 Response rate

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Number of questionnaire sent</th>
<th>Questionnaires returned</th>
<th>% response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk</td>
<td>20</td>
<td>20</td>
<td>100%</td>
</tr>
<tr>
<td>Operations</td>
<td>58</td>
<td>58</td>
<td>100%</td>
</tr>
<tr>
<td>Engineering</td>
<td>22</td>
<td>22</td>
<td>100%</td>
</tr>
<tr>
<td>Finance</td>
<td>8</td>
<td>8</td>
<td>100%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>7</td>
<td>7</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>115</td>
<td></td>
</tr>
</tbody>
</table>
4.3 Reliability Tests
Reliability tests were done to test the consistency of questions. SPSS tests were performed using version 16 to calculate Cronbach’s Alpha values in order to estimate reliability on each of the researchable variables (table 4.2 and table 4.3). The ‘Scale if item deleted’ feature of SPSS was used to delete the relevant questions under variables whose Cronbach’s Alpha values was below 0.6 in order to increase the Cronbach’s Alpha above 0.6.

Reliability Statistics

Table 4.2 Reliability Statistics

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>No of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.719</td>
<td>4</td>
</tr>
</tbody>
</table>

Table 4.2

<table>
<thead>
<tr>
<th>Item-Total Statistics</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extent to which training all employees on RBM will improve ZUPCO performance</td>
<td>4.5</td>
<td>4.502</td>
<td>0.385</td>
<td>0.74</td>
</tr>
<tr>
<td>Extent to which introducing incentives will improve ZUPCO performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.73</td>
<td>4.911</td>
<td>0.494</td>
<td>0.67</td>
</tr>
<tr>
<td>Extent to which flexibility in decision making will improve ZUPCO performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.42</td>
<td>4.388</td>
<td>0.566</td>
<td>0.625</td>
</tr>
<tr>
<td>Extent to which effective communication will improve ZUPCO performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.43</td>
<td>3.837</td>
<td>0.619</td>
<td>0.61</td>
</tr>
</tbody>
</table>
## Reliability Statistics

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.658</td>
<td>11</td>
</tr>
</tbody>
</table>

### Table 4.3

<table>
<thead>
<tr>
<th>Item-Total Statistics</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational culture key for effective RBM</td>
<td>35.9</td>
<td>30.07</td>
<td>0.26</td>
<td>0.646</td>
</tr>
<tr>
<td>Flatter organisations communicate effectively</td>
<td>35.9</td>
<td>27.475</td>
<td>0.504</td>
<td>0.601</td>
</tr>
<tr>
<td>Structure determines organisational performance</td>
<td>35.55</td>
<td>28.369</td>
<td>0.503</td>
<td>0.605</td>
</tr>
<tr>
<td>RBM leads to good organisational performance</td>
<td>35.86</td>
<td>28.575</td>
<td>0.417</td>
<td>0.617</td>
</tr>
<tr>
<td>Organisations perform well in stable economic environments</td>
<td>35.34</td>
<td>26.98</td>
<td>0.557</td>
<td>0.643</td>
</tr>
<tr>
<td>Manager's ability key in company performance</td>
<td>35.26</td>
<td>29.345</td>
<td>0.445</td>
<td>0.617</td>
</tr>
<tr>
<td>Employees perform only when motivated</td>
<td>35.31</td>
<td>31.524</td>
<td>0.132</td>
<td>0.67</td>
</tr>
<tr>
<td>Current stiff competition affecting company performance</td>
<td>35.88</td>
<td>31.016</td>
<td>0.173</td>
<td>0.662</td>
</tr>
<tr>
<td>Current economic environment not ideal for good company performance</td>
<td>35.76</td>
<td>28.796</td>
<td>0.402</td>
<td>0.62</td>
</tr>
<tr>
<td>RBM makes employees perform</td>
<td>36.1</td>
<td>29.238</td>
<td>0.328</td>
<td>0.633</td>
</tr>
<tr>
<td>RBM not applicable to ZUPCO</td>
<td>36.45</td>
<td>34.468</td>
<td>-0.102</td>
<td>0.72</td>
</tr>
</tbody>
</table>
Tables 4.2 and 4.3 show the Cronbach’s Alpha values. The Cronbach’s Alpha values were between 0.60 and 0.74 which are acceptable according to Oluwatayo (2010) and therefore indicate that the scales used for all the variables and likert scale factors were reliable.

4.4 Descriptive Analysis of Data

4.4.1 Demographic Information

Tables 4.4 – 4.8 present the demographics of the respondents in the study.

Gender of respondents is shown in table 4.4 below:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>41</td>
<td>35.7</td>
<td>35.7</td>
<td>35.7</td>
</tr>
<tr>
<td>Male</td>
<td>74</td>
<td>64.3</td>
<td>64.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 4.4 shows that 64.3% of the respondents were male whilst 35.7% were female. This gives an indication that ZUPCO as a passenger transport company is dominated by males. This might be because of the work involved which is mainly associated with males. However, the number of females might imply that ZUPCO as a state enterprise is moving strides to address the gender disparities.

Age of respondents is shown in table 4.5 below:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 30 years</td>
<td>12</td>
<td>10.4</td>
<td>10.4</td>
<td>10.4</td>
</tr>
<tr>
<td>31-40 years</td>
<td>61</td>
<td>53.0</td>
<td>53.0</td>
<td>63.5</td>
</tr>
<tr>
<td>41-50 years</td>
<td>29</td>
<td>25.2</td>
<td>25.2</td>
<td>88.7</td>
</tr>
<tr>
<td>&gt; 51 years</td>
<td>13</td>
<td>11.3</td>
<td>11.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table 4.5 shows that majority (53%) of the employees at ZUPCO are between 31 – 40 years of age. Twenty – five point two percent of the respondents indicated that they are between 41 -50 years, with only a handful of 11.3% above 51 years of age. Lastly, the table shows that 10.4% of the respondents are less than 30 years of age. The age distribution shows that the company has a varied workforce in terms of age.

Table 4.6 below indicates the different departments of respondents.

<table>
<thead>
<tr>
<th>Department</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>20</td>
<td>17.4</td>
<td>17.4</td>
<td>17.4</td>
</tr>
<tr>
<td>Risk</td>
<td>20</td>
<td>17.4</td>
<td>17.4</td>
<td>17.4</td>
</tr>
<tr>
<td>Operations</td>
<td>58</td>
<td>50.4</td>
<td>50.4</td>
<td>67.8</td>
</tr>
<tr>
<td>Engineering</td>
<td>22</td>
<td>19.1</td>
<td>19.1</td>
<td>87.0</td>
</tr>
<tr>
<td>Finance</td>
<td>8</td>
<td>7.0</td>
<td>7.0</td>
<td>93.9</td>
</tr>
<tr>
<td>Human Resources</td>
<td>7</td>
<td>6.1</td>
<td>6.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.6 indicates that the majority (50.4%) of the respondents were from the operations department. This is so because as a bus company, most of the employees have to be drivers and conductors. Engineering department constituted 19.1% of the respondents, risk 17.4%. Finance and human resources departments had 7% and 6.1% respectively. This can be an indication that the core business of the company is done by operations department and other are just support departments.
Table 4.7 below shows the level in the company of those who participated in the study.

Table 4.7 Level in Company of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Top</td>
<td>2</td>
<td>1.7</td>
<td>1.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Middle</td>
<td>11</td>
<td>9.6</td>
<td>9.6</td>
<td>11.4</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower</td>
<td>19</td>
<td>16.5</td>
<td>16.7</td>
<td>28.1</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervisor</td>
<td>36</td>
<td>31.3</td>
<td>31.6</td>
<td>59.6</td>
</tr>
<tr>
<td>Shop Floor</td>
<td>47</td>
<td>40.9</td>
<td>40.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.7 provides information on the respondent’s level in the company. The majority of the respondents (40.9%) were shop floor employees whilst 31.3% were supervisors. Lower management were 16.5%, 9.6% middle management and only 1.7% top management. This is an indication that the company has more of shop floor employees than any other level.

The period that the respondents have worked for ZUPCO is shown in table 4.8 below.

Table 4.8 Period working for ZUPCO of the Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid 0-5 years</td>
<td>34</td>
<td>29.6</td>
<td>29.6</td>
<td>29.6</td>
</tr>
<tr>
<td>6-10 years</td>
<td>41</td>
<td>35.7</td>
<td>35.7</td>
<td>65.2</td>
</tr>
<tr>
<td>11-15 years</td>
<td>11</td>
<td>9.6</td>
<td>9.6</td>
<td>74.8</td>
</tr>
<tr>
<td>16-20 years</td>
<td>18</td>
<td>15.7</td>
<td>15.7</td>
<td>90.4</td>
</tr>
<tr>
<td>&gt; 20 years</td>
<td>11</td>
<td>9.6</td>
<td>9.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Table 4.8 indicates that 35.7% of the employees have been with the company for between 6 -10 years which is the majority of the sampled, 29.6% have been working for the company for less than 5 years. The table also shows that 15.7% have worked for the company for between 16 – 20 years, whilst 9.6% have been with the company for 11 – 15 years and also the same percentage have been with the company for more than 20 years.

4.5 RBM System and Performance

As table 4.9 indicates below, 71.3% of the respondents said RBM system did not improve performance at ZUPCO whilst 28.7% said the system has improved performance for the company. This could be an indication that management are saying the system has improved performance whilst the lower level employees who are the majority maintain that the system has not improved performance.

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>33</td>
<td>28.7</td>
<td>28.7</td>
<td>28.7</td>
</tr>
<tr>
<td>No</td>
<td>82</td>
<td>71.3</td>
<td>71.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.10 below indicates what the respondents noted as the other factors that are affecting performance regardless having the RBM system. Demotivated staff has been regarded as the main contributing factor to poor performance at 65.5% whilst the economic conditions were mentioned by 1.8% of the respondents. Competition was cited by 14.2%, bus type 8%, no proper flow of information at 7.1% and poor roads 3.5%. This could be an indication that there are other factors that cannot be ignored if a company is to register good performance regardless having implemented the RBM system or not.
### Table 4.10 Factors Contributing to Poor Performance at ZUPCO

<table>
<thead>
<tr>
<th>Factors</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition</td>
<td>16</td>
<td>13.9</td>
<td>14.2</td>
<td>14.2</td>
</tr>
<tr>
<td>Demotivated staff</td>
<td>74</td>
<td>64.3</td>
<td>65.5</td>
<td>79.6</td>
</tr>
<tr>
<td>Poor roads</td>
<td>4</td>
<td>3.5</td>
<td>3.5</td>
<td>83.2</td>
</tr>
<tr>
<td>No proper information flow</td>
<td>8</td>
<td>7.0</td>
<td>7.1</td>
<td>90.3</td>
</tr>
<tr>
<td>Bus types</td>
<td>9</td>
<td>7.8</td>
<td>8.0</td>
<td>98.2</td>
</tr>
<tr>
<td>Economic conditions</td>
<td>2</td>
<td>1.7</td>
<td>1.8</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>113</strong></td>
<td><strong>98.3</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td>2</td>
<td>1.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>100.0</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 4.6 Understanding of RBM System by Employees

Table 4.11 below indicates the relationship between the departments and understanding of RBM system.

#### Table 4.11 Department * Understand the RBM System Cross tabulation

<table>
<thead>
<tr>
<th>Department</th>
<th>Understand the RBM system</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Risk</strong></td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>% within Department</td>
<td>45.00%</td>
<td>55.00%</td>
</tr>
<tr>
<td><strong>Operations</strong></td>
<td>41</td>
<td>17</td>
</tr>
<tr>
<td>% within Department</td>
<td>70.70%</td>
<td>29.30%</td>
</tr>
<tr>
<td><strong>Engineering</strong></td>
<td>16</td>
<td>6</td>
</tr>
<tr>
<td>% within Department</td>
<td>72.70%</td>
<td>27.30%</td>
</tr>
<tr>
<td><strong>Finance</strong></td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>% within Department</td>
<td>87.50%</td>
<td>12.50%</td>
</tr>
<tr>
<td><strong>Human Resources</strong></td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>% within Department</td>
<td>71.40%</td>
<td>28.60%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>78</td>
<td>37</td>
</tr>
<tr>
<td>% within Department</td>
<td>67.80%</td>
<td>32.20%</td>
</tr>
</tbody>
</table>
Table 4.11 above shows that the finance department has the highest percentage of employees who understand the RBM system at 87.5%. Risk department has the least at 45%. Overall, as the table indicates, 67.8% of the respondents understand the RBM system whilst 32.2% do not understand the system. This could be an indication that some employees were trained on RBM whilst others were not.

Table 4.12 below shows the number of employees that were trained.

Table 4.12 Trained on the Demands of the RBM System

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>Yes</td>
<td>36</td>
<td>31.3</td>
<td>31.3</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>79</td>
<td>68.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 4.12 above shows that 68.7% of the employees who participated in the study were not trained on RBM system whilst only 31.3% were trained. This could be an indication why the system is not improving performance for the company as not all employees were trained. Also, another indication that is coming out is that some employees just know RBM system (table 4.11) not because they were trained but maybe from other sources.

Table 4.13 below indicates the level in the company and understanding of the RBM system.
Table 4.13 Level in Company * Understand the RBM System Cross tabulation

<table>
<thead>
<tr>
<th>Level in company</th>
<th>Understand the RBM system</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Top Management</td>
<td>Count 2</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td>100.00%</td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>company</td>
<td>100.00%</td>
</tr>
<tr>
<td>Middle Management</td>
<td>Count 9</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td>81.80%</td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>company</td>
<td>100.00%</td>
</tr>
<tr>
<td>Lower Management</td>
<td>Count 12</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td>63.20%</td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>company</td>
<td>100.00%</td>
</tr>
<tr>
<td>Supervisor</td>
<td>Count 27</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td>75.00%</td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>company</td>
<td>100.00%</td>
</tr>
<tr>
<td>Shop Floor</td>
<td>Count 28</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td>60.90%</td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>company</td>
<td>100.00%</td>
</tr>
<tr>
<td>Total</td>
<td>Count 78</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td>68.40%</td>
</tr>
<tr>
<td></td>
<td>Level in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>company</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Table 4.13 above indicates that the higher the level in the company the more the employee understands the RBM system. As show in the table above, 100% of top management do understand the system whilst 69.9% of the shop floor employees do understand the system. This could be an indication that training was focused more on top management than to lower level employees. It could also mean that the company is still in the process of training employees and only started with the highest level.

Table 4.14 below shows the duration of training on RBM system.
Table 4.14 Duration of Training on RBM

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 week</td>
<td>17</td>
<td>14.8</td>
<td>14.8</td>
<td>14.8</td>
</tr>
<tr>
<td>2 weeks</td>
<td>12</td>
<td>10.4</td>
<td>10.4</td>
<td>25.2</td>
</tr>
<tr>
<td>Continuous</td>
<td>13</td>
<td>11.3</td>
<td>11.3</td>
<td>36.5</td>
</tr>
<tr>
<td>training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Never trained</td>
<td>73</td>
<td>63.5</td>
<td>63.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.14 above indicates that employees who participated in the study, some were trained and some were never trained. Sixty three point five percent indicated that they were never trained. This confirms the earlier observation. The table also indicates that 14.8% were only trained for a week, 11.3% are undergoing continuous training whilst 10.4% were trained for 2 weeks. This gives an indication where effectiveness of the system will be compromised as some employees were trained and others were not trained.

Table 4.15 below indicates those who were trained on RBM system and their level in the company.
Table 4.15: Level in Company * Trained on the Demands of the RBM System Cross tabulation

<table>
<thead>
<tr>
<th>Level in company</th>
<th>Count</th>
<th>Trained on the demands of the RBM system</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Top Management</td>
<td></td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Middle Management</td>
<td>6</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>54.50%</td>
<td>45.50%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Lower Management</td>
<td>5</td>
<td>14</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>26.30%</td>
<td>73.70%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Supervisor</td>
<td>14</td>
<td>22</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>38.90%</td>
<td>61.10%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Shop Floor</td>
<td>9</td>
<td>37</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td>19.60%</td>
<td>80.40%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>78</td>
<td>114</td>
</tr>
<tr>
<td></td>
<td>31.60%</td>
<td>68.40%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Table 4.15 indicates that it is only the top management who were trained all of them at 100%. The other levels, of the employees who participated in the study, not everyone were trained with shop floor employees, only 19.6% have been trained so far. This confirms what was initially observed in table 4.13.

Table 4.16 below shows those who were trained and the duration of training.
Table 4.16: Trained on the Demands of the RBM System * Duration of Training on RBM Crosstabulation

<table>
<thead>
<tr>
<th>Trained on the demands of the RBM system</th>
<th>duration of training on RBM</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 week</td>
<td>2 weeks</td>
</tr>
<tr>
<td>Yes</td>
<td>Count</td>
<td></td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>% within Trained on the demands of the RBM system</td>
<td>36.10%</td>
</tr>
<tr>
<td>No</td>
<td>Count</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>% within Trained on the demands of the RBM system</td>
<td>5.10%</td>
</tr>
<tr>
<td>Total</td>
<td>Count</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>% within Trained on the demands of the RBM system</td>
<td>14.80%</td>
</tr>
</tbody>
</table>

Table 4.16 indicates that the employees that have been trained so far, the training has been done for different durations. According to the study, 36.1% were trained for a week, 33.3% are undergoing continuous training, and 27.8% were trained for two weeks.

Table 4.17 below shows the relationship that RBM makes employees to perform and whether the implementation of RBM system improved performance at ZUPCO.
Table 4.17 above indicates that ZUPCO employees perceive the RBM system differently, with 71.3% of the respondents noting that they disagree that ZUPCO performance improved after the implementation of ZUPCO whilst 28.7% attributes the performance of the company to the implementation of the RBM system. This can be an indication that the implementation of RBM system has not yet yielded positive results to the company.

Figure 4.1 below shows the challenges that are being faced with the RBM system.
Participants were asked what the challenges that they have faced so far especially with the implementation of the system. Figure 4.1 indicates what the respondents said. This could be an indication that indeed there are challenges that are associated with the RBM system and that it has not been easy for the company.

Figure 4.2 below shows the experiences with RBM.
Figure 4.2

Figure 4.2 shows the experiences that the respondents have had with RBM system. The result gives an indication of a negative perception of the system by the respondents. It also confirms what figure 4.1 had already indicated.

Table 4.18 below shows the good features of RBM.
Table 4.18 Good Features of RBM

<table>
<thead>
<tr>
<th>Feature</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific targets</td>
<td>34</td>
<td>29.6</td>
<td>29.6</td>
<td>29.6</td>
</tr>
<tr>
<td>Easy performance measurement</td>
<td>38</td>
<td>33.0</td>
<td>33.0</td>
<td>62.6</td>
</tr>
<tr>
<td>Easy to understand</td>
<td>3</td>
<td>2.6</td>
<td>2.6</td>
<td>65.2</td>
</tr>
<tr>
<td>Managerial input towards performance</td>
<td>13</td>
<td>11.3</td>
<td>11.3</td>
<td>76.5</td>
</tr>
<tr>
<td>Makes communication easier</td>
<td>6</td>
<td>5.2</td>
<td>5.2</td>
<td>81.7</td>
</tr>
<tr>
<td>Other</td>
<td>21</td>
<td>18.3</td>
<td>18.3</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.18 above shows that those who participated in the study acknowledged good features of the RBM system. Thirty three percent of the respondents indicated that it is easy to measure performance using the system, 29.6% indicated that the system gives specific targets, 18.3% other features, 11.3% managerial input towards performance, 5.2% makes communication easier and 2.6% indicated that it is easy to understand.

4.8 Effectiveness of RBM on Organisational Performance

Table 4.19 shows the comparison that was made of RBM and other systems.

Table 4.19 Comparison of RBM to Other Systems

<table>
<thead>
<tr>
<th>Feature</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good</td>
<td>39</td>
<td>33.9</td>
<td>33.9</td>
<td>33.9</td>
</tr>
<tr>
<td>Bad</td>
<td>10</td>
<td>8.7</td>
<td>8.7</td>
<td>42.6</td>
</tr>
<tr>
<td>Cannot tell the difference</td>
<td>66</td>
<td>57.4</td>
<td>57.4</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>
Table 4.19 indicates the responses that were given by the respondents after being asked to compare the RBM system with other performance management systems. Of the respondents who participated in the study, 57.4% indicated that they cannot tell the difference, 33.9% acknowledged that RBM was a good system whilst 8.7% of the respondents indicated that it is a bad system. This could be an indication that the introduction of RBM system at ZUPCO has not yet brought an improvement in performance so far.

Company performance before and after RBM implementation is shown in table 4.20 below:

Table 4.20 Company Performance Before and After RBM Implementation

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid No change</td>
<td>43</td>
<td>37.4</td>
<td>37.4</td>
<td>37.4</td>
</tr>
<tr>
<td>Increasing revenue</td>
<td>20</td>
<td>17.4</td>
<td>17.4</td>
<td>54.8</td>
</tr>
<tr>
<td>Decreasing revenue</td>
<td>24</td>
<td>20.9</td>
<td>20.9</td>
<td>75.7</td>
</tr>
<tr>
<td>Not sure</td>
<td>18</td>
<td>15.7</td>
<td>15.7</td>
<td>91.3</td>
</tr>
<tr>
<td>Making losses</td>
<td>10</td>
<td>8.7</td>
<td>8.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.20 provides information on the participating respondents on company performance before and after RBM system implementation at ZUPCO. The table indicates that 37.4% of the respondents have seen no change in company performance before and after RBM implementation, 20.9% indicates that there is actually a reduction in revenues since the implementation of the system, 17.4% said the revenues are increasing, 15.7% are not sure and 8.7% said the company is making loses. This could be an indication that RBM system has not been effective to the company performance.
Table 4.21 below shows the responses given by respondents on whether RBM implementation improved performance at ZUPCO.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Yes</td>
<td>33</td>
<td>28.7</td>
<td>28.7</td>
<td>28.7</td>
</tr>
<tr>
<td>No</td>
<td>82</td>
<td>71.3</td>
<td>71.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.21 above indicates that 71.35% of the respondents said ZUPCO performance did not improve after the implementation of RBM. However, 28.7% of the respondents indicated that the company’s performance has been improved by RBM implementation. This could be an indication that the RBM system has not improved performance at ZUPCO.

Figure 4.3 below indicates the type of support for RBM implementation at ZUPCO.
The participants were asked how RBM implementation has been supported at ZUPCO. Figure 4.3 indicates 45.5% of the respondents mentioned the human support, 28.7% other, 14.8% financial and 13% technical support. This could be an indication that RBM system is not being fully supported at ZUPCO for it to be effective on organisational performance.

4.9 Management Strategies and Policy Measures to Improve Performance with RBM System
Respondents from all the departments responded to questions on what the company can do to improve performance and on the extent to which training of employees on RBM system, introduction of incentives, flexibility on decision making and effective communication can improve company performance. Figure 4.4 below gives a summary of responses from the participants on what they think can be done to improve performance. The majority (34.8%) of the respondents indicated that
salaries have to be paid on time, 31.3% said give incentives, 19.1% said improve communication and lastly 14.8% said there is need to adopt a holistic management approach. Generally there is an agreement that RBM system has to be backed by other factors to improve performance at ZUPCO.

Figure 4.4 below show the other measures that are necessary to improve performance at ZUPCO

![Measures to improve ZUPCO performance](image)
Extent to which training of all employees on RBM system will improve performance using RBM is shown in the table 4.22 below:

Table 4.22 Extent to which Training all Employees on RBM will Improve ZUPCO Performance

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Large extent</td>
<td>79</td>
<td>68.7</td>
<td>69.3</td>
<td>69.3</td>
</tr>
<tr>
<td>Certain extent</td>
<td>23</td>
<td>20.0</td>
<td>20.2</td>
<td>89.5</td>
</tr>
<tr>
<td>Not sure</td>
<td>4</td>
<td>3.5</td>
<td>3.5</td>
<td>93.0</td>
</tr>
<tr>
<td>Limited extent</td>
<td>3</td>
<td>2.6</td>
<td>2.6</td>
<td>95.6</td>
</tr>
<tr>
<td>Not at all</td>
<td>5</td>
<td>4.3</td>
<td>4.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>114</td>
<td>99.1</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td>1</td>
<td>.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.22 above indicates respondents from all the company departments responded to the question on the extent to which training all employees on RBM will improve performance. Majority of the respondents (69.3%) highlighted that it will improve performance to a greater extent. Of those who participated in the study, 20.2% indicated that training will improve performance to a certain extent, 4.4% said it will not improve performance at all, 3.5% were not sure and 2.6% indicated to a limited extent. This is an indication that there is a general agreement that training all employees on RBM system is necessary and will improve performance.

Extent to which introducing incentives will improve performance at ZUPCO is shown in table 4.23 below.

Table 4.23 Extent to which Introducing Incentives will Improve ZUPCO Performance

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Large extent</td>
<td>92</td>
<td>80.0</td>
<td>81.4</td>
<td>81.4</td>
</tr>
<tr>
<td>Certain extent</td>
<td>16</td>
<td>13.9</td>
<td>14.2</td>
<td>95.6</td>
</tr>
<tr>
<td>Limited extent</td>
<td>3</td>
<td>2.6</td>
<td>2.7</td>
<td>98.2</td>
</tr>
<tr>
<td>Not at all</td>
<td>2</td>
<td>1.7</td>
<td>1.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>98.3</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td>2</td>
<td>1.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 4.23 above shows a general agreement amongst respondents as 81.4% of the participants indicated that introducing incentives will improve performance at ZUPCO. However there are some divergence in views as 14.2% indicates that incentives will improve performance to a certain extent, 2.7% said to a limited extent and 1.8% said incentives will not improve performance at all. This is an indication that indeed incentives are important to improve performance at ZUPCO.

Extent to which flexibility in decision making will improve performance at ZUPCO is shown in table 4.24 below.

Table 4.24 Extent to which Flexibility in Decision Making will Improve ZUPCO Performance

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td>Large extent</td>
<td>64</td>
</tr>
<tr>
<td>Certain extent</td>
<td>36</td>
</tr>
<tr>
<td>Not sure</td>
<td>7</td>
</tr>
<tr>
<td>Limited extent</td>
<td>5</td>
</tr>
<tr>
<td>Not at all</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
</tr>
<tr>
<td>Missing</td>
<td></td>
</tr>
<tr>
<td>System</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
</tr>
</tbody>
</table>

Table 4.24 indicates that 56.6% of the respondents indicated that, to a larger extent flexibility in decision making will improve ZUPCO’s performance, 31.9% said to a certain extent, 6.2% were not sure, 4.4% said to a limited extended and 0.9% said it will not improve performance at all.

Extent to which effective communication will improve ZUPCO performance is shown in table 4.25 below.
Table 4.25 Extent to which Effective Communication will Improve ZUPCO Performance

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>Large extent</td>
<td>74</td>
<td>64.3</td>
</tr>
<tr>
<td></td>
<td>Certain extent</td>
<td>21</td>
<td>18.3</td>
</tr>
<tr>
<td></td>
<td>Not sure</td>
<td>10</td>
<td>8.7</td>
</tr>
<tr>
<td></td>
<td>Limited extent</td>
<td>6</td>
<td>5.2</td>
</tr>
<tr>
<td></td>
<td>Not at all</td>
<td>2</td>
<td>1.7</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>113</td>
<td>98.3</td>
</tr>
<tr>
<td>Missing</td>
<td>System</td>
<td>2</td>
<td>1.7</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>115</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 4.25 indicates that 65.5% agreed that effective communication will improve ZUPCO’s performance to a large extent, 18.6% said to a certain extent, 8.8% were not sure, 5.3% said to a limited extent and 1.8% said it will not improve the company’s performance at all. This is an indication that there might be lacking effective communication within the organisation yet it is a vital component on performance.

4.10 Normality Testing
Kolmogorov-Smirnov and the Shapiro-Wilk normality tests were performed on all the variables of the study. According to Ghasemi and Zahediasi (2012), if p-values for Kolmogorov-Smirnov and the Shapiro-Wilk are less than 0.05, the data is not normally distributed. Results of the two normality tests are shown in table 4.22. Table 4.22 clearly shows that the p-values for both the Kolmogorov-Smirnov and the Shapiro-Wilk are less than 0.05 which indicates that there is a statistically significant difference from a normal distribution. Therefore this means the data is not normally distributed.
Normality tests are shown in the table below:

**Table 4.26 Tests of Normality**

<table>
<thead>
<tr>
<th></th>
<th>Kolmogorov-Smirnov&lt;sup&gt;a&lt;/sup&gt;</th>
<th></th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>df</td>
<td>Sig.</td>
</tr>
<tr>
<td>Understand the RBM system</td>
<td>.432</td>
<td>109</td>
<td>.000</td>
</tr>
<tr>
<td>Organisational culture key for effective RBM</td>
<td>.273</td>
<td>109</td>
<td>.000</td>
</tr>
<tr>
<td>Structure determines organisational performance</td>
<td>.314</td>
<td>109</td>
<td>.000</td>
</tr>
<tr>
<td>Employees perform only when motivated</td>
<td>.252</td>
<td>109</td>
<td>.000</td>
</tr>
<tr>
<td>Extent to which introducing incentives will improve ZUPCO performance</td>
<td>.459</td>
<td>109</td>
<td>.000</td>
</tr>
</tbody>
</table>

<sup>a</sup> Lilliefors Significance Correction

**4.11 Correlations**

When data is not normally distributed, non-parametric statistical tests should be used (Ghasemi and Zahediasi, 2012). The study used the Spearman’s Rank Correlation Coefficient to establish the strength, direction and statistical significance of the relationships between variables. According to Saunders, Lewis and Thornhill (2009), a value of +1 represents a perfect positive correlation. They further noted that a value of -1 represents a perfect negative correlation. Correlation coefficients between -1 and +1 represent weaker positive and negative correlation, a value of 0 meaning the variables are perfectly independent. Saunders, Lewis and Thornhill (2009), also noted that there is a statistically significant relationship between variables when p-value (sig.2-tailed) > 0.05.

Table 4.27 below shows that employee culture has a weak negative relationship with organisational performance which is not statistically significant (rho=-0.335; p-value<0.05)
**Table 4.27 Culture and Organisational Performance Symmetric Measures**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Value</th>
<th>Asymp. Std. Error</th>
<th>Approx. T</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interval by Interval Pearson's R</td>
<td>-.309</td>
<td>.079</td>
<td>-3.450</td>
<td>.001</td>
</tr>
<tr>
<td>Ordinal by Ordinal Spearman Correlation</td>
<td>-.335</td>
<td>.079</td>
<td>-3.777</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>115</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.
c. Based on normal approximation.

Table 4.28 below indicates organisational structure has a weak negative relationship with organisational performance which is not statistically significant (rho=-0.131; p-value<0.05)

**Table 4.28 Structure and Organisational Performance Symmetric Measures**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Value</th>
<th>Asymp. Std. Error</th>
<th>Approx. T</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interval by Interval Pearson's R</td>
<td>-.126</td>
<td>.086</td>
<td>-1.328</td>
<td>.187</td>
</tr>
<tr>
<td>Ordinal by Ordinal Spearman Correlation</td>
<td>-.131</td>
<td>.089</td>
<td>-1.383</td>
<td>.170</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>112</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.
c. Based on normal approximation.

Table 4.29 below indicates the relationship between operating environment and organisational performance.
Table 4.29 Operating Environment and Organisational Performance Symmetric Measures

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Asymp. Std. Error&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Approx. T&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interval by Interval Pearson's R</td>
<td>-.250</td>
<td>.074</td>
<td>-2.665</td>
<td>.009&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Ordinal by Ordinal Spearman Correlation</td>
<td>-.246</td>
<td>.084</td>
<td>-2.622</td>
<td>.010&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>109</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.
c. Based on normal approximation.

Table 4.29 above indicates that the operating environment has a weak negative relationship with organisational performance which is not statistically significant (rho=-0.246; p-value< 0.05)

Table 4.30 below indicates the relationship between incentives and organisational performance.

Table 4.30 Incentives and Organisational Performance Symmetric Measures

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Asymp. Std. Error&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Approx. T&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interval by Pearson's R</td>
<td>.067</td>
<td>.079</td>
<td>.713</td>
<td>.478&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Interval Ordinal by Ordinal Spearman Correlation</td>
<td>.059</td>
<td>.089</td>
<td>.624</td>
<td>.534&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>113</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.
c. Based on normal approximation.

Table 4.30 above indicates that giving incentives have a strong positive relationship with organisational performance which is statistically significant (rho=0.059; p value> 0.05)
Table 4.13 below indicates the relationship between employee motivation and organisational performance.

<table>
<thead>
<tr>
<th>Table 4.31 Motivation and Organisational Performance Symmetric Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intervals by Pearson’s R</td>
</tr>
<tr>
<td>---------------------------------</td>
</tr>
<tr>
<td>Interval</td>
</tr>
<tr>
<td>Ordinal by Ordinal Spearman Correlation</td>
</tr>
<tr>
<td>N of Valid Cases</td>
</tr>
</tbody>
</table>

- a. Not assuming the null hypothesis.
- b. Using the asymptotic standard error assuming the null hypothesis.
- c. Based on normal approximation.

Table 4.31 above indicates that motivating employees has a strong positive relationship with organisational performance which is statistically significant (rho=0.170; p-value > 0.05).

4.12 Hypothesis Testing

**H1:** There is a positive relationship between organisational culture and organisational performance

According to the table 4.32 Appendix 1V, organisational culture overall has no significant effect on improvement of ZUPCO performance due to RBM implementation, (p> 0.05). The four levels of Culture, compared to the reference level 1, also show no significant effect on performance. Therefore H1 is not supported and is rejected.

**H2:** There is a positive relationship between organisational structure and organisational performance

According to the table 4.32 Appendix 1V, organisational structure overall has no significant effect on improvement of ZUPCO performance due to RBM implementation, (p> 0.05). The four levels of Structure, compared to the reference level 1, also show no significant effect on performance. Therefore H2 is not supported and is rejected.

**H3:** Incentives are positively related to organisational performance
According to the table 4.32 Appendix 1V, Incentives overall has no significant effect on improvement of ZUPCO performance due to RBM implementation, \( p > 0.05 \). The four levels of Incentives, compared to the reference level 1, also show no significant effect on performance. Therefore H3 is not supported and is rejected.

**H4: Knowledge of RBM is positively related to its effectiveness**

According to the table 4.32 Appendix 1V, Understanding RBM has significant positive effect \( (B=1.875, p=0.025) \) on improvement of ZUPCO performance due to RBM implementation. Therefore H4 is supported and accepted.

**H5: Poor organisational performance is positively related to lack of employee motivation**

According to the table 4.32 Appendix 1V, Motivation overall has significant effect on improvement of ZUPCO performance due to RBM implementation, \( p < 0.05 \). The four levels of Motivation, compared to the reference level 1, show no significant effect on performance though. Therefore H5 is supported and is accepted.

### 4.13 Discussion of Findings

This section discusses the results presented in the sections above and integrates them with literature review.

#### 4.13.1 RBM and Performance

The first objective of the study was to establish whether the introduction of RBM system has improved performance at ZUPCO. The study came out clearly that the majority of the respondents said the introduction of RBM system has not improved performance at ZUPCO. Only a minority stated that the introduction of RBM system has improved performance at ZUPCO. This is in contradiction with Bonn (2009) who noted that RBM system leads to improved performance resulting from more efficient processes. The study results also do not concur with Madhekani (2012) who clearly stated that,
today, Malaysia's economy functions very well in an extremely competitive East Asian Economy after they introduced the RBM system.

The study unearthed another dimension that although there was divergence on whether the introduction of RBM system has improved performance at ZUPCO or not, all the respondents agreed that there are still other factors that affect the performance of an organisation besides RBM system. Stiff competition, bus type, poor roads, no proper flow of information, economic conditions and demotivated staff are other factors that cannot be ignored as they are affecting the performance of ZUPCO. This concurs with Mayne (2007) who stated that implementing RBM system is difficulty as key challenges are organisational challenges rather than technical.

4.13.2 Understanding of RBM System by Employees

The second objective of the study was to establish if ZUPCO employees fully understand the RBM system. The study revealed that not everyone at ZUPCO understand the RBM system though the majority indicated that they do understand the system. Of those who do not understand the system, risk department has the highest number compared to other departments. However, the study also revealed that majority of employees at ZUPCO were not trained on the system. The study also revealed that the training of the system was done from top to bottom as it was clear that all top managers were trained. However, the number of those trained would decrease as the level in the company reduces. The study also indicates that those who were trained, they were trained for different durations, some one week, others two weeks and others going through continuous training. what the company is currently doing is going against what Zvavahera (2013) noted that training and
development are regarded as an integral part of RBM as this will in turn improve employee motivation and retention.

4.13.3 Employee Perception on RBM

The third objective of the study was to establish employee perception on RBM. As Chang (2005) said, company commitment affects the employee’s perception. The study found out that the majority of the employees have a negative perception of the RBM system as its introduction did not improve performance at ZUPCO. The study also noted that challenges faced with the implementation of the system. This agrees with Zvavahera (2013) who said that the RBM system is fraught with challenges due to its complexity. The employees have negative attitude towards the system, the employees lack training and the implementation process on its own of the system has been a daunting task. Difficulties in implementing the system concurs with Madhekani (2012), who noted that implementing and sustaining an RBM system is not an easy task for public sector organisations like ZUPCO.

The study also unearthed what the experiences have been so far with RBM system at ZUPCO. The system has been said to be complicated that makes it difficult to implement, inapplicability to ZUPCO, scarce resources and the bureaucratic nature of ZUPCO. The bureaucracy issue concurred with Nandakumar et al (2010) who pointed out that there is a positive relation between organisational structure and organisational performance. Swiss (2005), also agreed as he noted that flatter organisational structures are able to act on information immediately.

The study has also found that there are some good features of the system. according to the study, the system gives employees specific targets, it becomes easy to measure performance using RBM, it makes communication easier, managerial input toward
performance and a small percentage of 2.6% noted that the system is easy to understand.

4.13.4 Effectiveness of RBM on Organisational Performance

The fourth objective of the study was to establish the effectiveness of RBM system on organisational performance. The study noted that the majority of the employees cannot really tell the difference between RBM and other systems as they have seen no change in the performance of the company. The study revealed that the majority of the employees said that RBM has not improved performance at ZUPCO. This finding is in contradiction with Koshy (2006) who said that RBM helps an organisation to achieve its results efficiently and effectively. However, this also contradicts Musingafi (2013) who said that RBM system is still an area of controversy with regards to issues of applicability and benefits. This has also been supported by Madhekani (2012) who noted that the current prevailing political and socio-economic environment in Zimbabwe is actually incapable of effectively implementing the RBM system and to reap meaningful benefits from it.

4.13.5 Management Strategies and Policy Measures to Improve Performance Using the RBM System

The fifth objective of the study was to suggest management strategies and policy measures based on the findings of the research for possible improvement in the performance of ZUPCO using the RBM system.

On the issue of giving incentives to performers as a strategy to improving performance at ZUPCO using the RBM system, all levels and employees from different departments seemed to agree. The study revealed that giving incentives is important and should be done to motivate employees. The hypothesis (H5) that poor organisational performance is positively related to
lack of employee motivation was tested and accepted. The outcome is in agreement with Swiss (2005) who noted that for any management system to be effective, it must have three important elements which are information, capacities and incentives. The same author had also clearly indicated that there are specific incentives that must be tailored within the system.

There is also an agreement amongst all the employees from different levels that payment of salaries on time will improve performance at ZUPCO. This was raised as a strategy as the company because of poor performance is trailing behind with salary payments.

The study also showed that the employees from different levels were in agreement on the importance of maintaining effective communication with all employees in regards to the performance of the company. These findings were in agreement with Swiss (2005) who mentioned that information and open communication was critical as it fosters trust which in turn enhances performance.

The study also noted that there is need for ZUPCO to adopt a holistic management approach. This is probably because the performance of ZUPCO is also affected by other external factor that cannot be ignored whether the company has adopted RBM system or not. This becomes important as they these factors can also be managed and monitored closely to improve organisational performance.

The study also established that there is need for reorientation and culture change to all ZUPCO employees. This finding is in agreement with Ortiz et al (2004) who noted that the implementation of the system requires a fundamental change in management culture which in its very nature a
daunting process that requires time and perseverance. Anne (2013) also agreed with the finding after noting that the fabric of company culture cannot be ignored for the success of RBM system.

4.14 Conclusion

The chapter has presented and analysed the findings of the research. The response rate for the study was at 100% and the cronbach’s alpha for the reliability of all variables was above the acceptable 0.6. The study was dominated by male respondents with the majority of respondents being from operations department. The study also unearthed that not all ZUPCO employees were trained on RBM system. The chapter identified competition, demotivated staff, poor roads and the type of bus as other factors that have been affecting performance at ZUPCO regardless having the company adopted the RBM system. The chapter also revealed that the data collected did not follow a normal distribution. The chapter also performed some correlation using Spearman’s Rank Correlation Coefficient and also the study hypotheses were tested. The next chapter presents the conclusions and recommendations of the study based on the findings in this chapter.
CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter presents the conclusion of the entire research study. It also provides recommendations to ZUPCO on the way forward with RBM system and organisational performance.

5.2 Conclusions

5.2.1 Hypotheses Validation
The study found sufficient empirical evidence to validate and support the following two hypotheses:

H4: Knowledge of RBM is positively related to its effectiveness;

H5: Poor organisational performance is positively related to lack of employee motivation;

The study however failed to gather sufficient empirical evidence to support the following two hypotheses which were rejected:

H1: There is a positive relationship between organisational culture and organisational performance;

H2: There is a positive relationship between organisational structure and organisational performance;

H3: Incentives are positively related to organisational performance;

5.2.2 Answers to Research Questions
The research draws the following conclusions:

1. HAS THE INTRODUCTION OF RBM IMPROVED PERFORMANCE AT ZUPCO?

The study concluded that the introduction of RBM system has not yet improved performance at ZUPCO due to other factors that cannot ignored whether there is
RBM or not. The study concluded that these factors that affect performance at ZUPCO are stiff competition, the type of bus, poor roads, no proper of information, economic conditions and demotivated staff.

2. **DO ZUPCO EMPLOYEES FULLY UNDERSTAND THE RBM SYSTEM?**

The study concluded that not all ZUPCO employees were trained on the RBM system. This has led to some employees understanding the system whilst others do not understand the system at all. Also, the study concluded that for those who were trained on the system, the training period was too short for a complex system like RBM. The study also concluded that training has been focused on top managers only compared to shop floor employees.

3. **HOW DO ZUPCO EMPLOYEES PERCEIVE RBM?**

The study concluded that ZUPCO employees have a negative attitude towards the RBM system mainly because its introduction has not improved performance for the company. The study also concluded that the employees have encountered challenges with RBM system that include its complexity, difficult to understand, scarce resources and the bureaucratic nature of the organisation. The study also concluded that there was need for culture change as the company moved from the previous management system to RBM system as most employees especially the lower levels have the mentality that the system does not work at work.

4. **IS RBM EFFECTIVE ON ORGANISATIONAL PERFORMANCE?**

The study concluded that RBM system has not been effective to ZUPCO as it has not been able to improve performance. The study also concluded that the prevailing socio economic environment is contributing to the poor performance of the company. The study also concluded that the system might not be applicable to ZUPCO.

5. **WHAT LESSONS CAN BE LEARNT FROM THE RESULTS OF THE STUDY?**

The study concluded that there is need to train everyone at ZUPCO on the RBM system so that everyone becomes aware of the system. As these trainings will be done, the study also concluded that there is also need to focus on culture change. The study also concluded that ZUPCO requires having a holistic
management approach as there are other external factors that affect the performance of the company and cannot be ignored. The study also concluded that effective communication within the structures of the organisation is important.

5.3 Contribution
The findings of this research have contributed to the existing literature and the body of knowledge on RBM and organisational performance in Zimbabwe. Previously, available literature generalised that RBM system will lead to improved organisational performance without considering other factors that affect performance especially external factors. As a result of this research, there is now some empirical data to build up on further research on RBM system and organisational performance and its applicability in the Zimbabwean context.

Figure 4.5 shows a modified conceptual framework developed after the researcher took the findings of the study into consideration. Evidence in the support of the hypotheses knowledge of RBM and employee motivation was obtained in the study hence their relationship with organisational performance is represented by solid lines. There was no evidence that was found to support hypotheses on organisational culture, structure and giving employees incentives thus their relationships with organisational performance are represented by broken lines.
Modified framework is shown in figure 4.5 below.

5.4 Recommendations
The study made the following policy and managerial recommendations based on the findings of the research for possible improvement of the company’s performance using RBM system.

5.4.1 Policy Recommendations
1. Put in place education and training programmes

The government should put in place a robust education and training of RBM to all state enterprises to ensure quick shift from the previous management system to RBM. This is important because these institutions are lagging behind with training
their employees. Also there is no time to waste adapting to the new system as the state enterprises have to perform at all cost.

2. Focus on not every component of IRBM

The government should consider focusing and adopting not all the components at once but doing it as a process. This will also enable management and employees to learn and understand the system faster as all the components makes the whole system very complicated.

5.4.2 Managerial Recommendations

1. Training of all employees

ZUPCO management should train all employees from the higher level to lower level employees. This is important as every employee is currently measured with RBM system. Training is also important to remove the bad attitude towards the system by employees. If everyone embraces the system, it can help improve performance for the company. Also the training should include the benefits of the system so that the employees begin to have confidence in the system that it works.

2. Engage external stakeholders like Zinara

Zupco management must engage external stakeholders like Zimbabwe National Road Adminstration (Zinara) and DDF for the maintenance of roads especially on routes that Zupco plies. Rural accessibility is important to the Government of Zimbabwe and Zupco is currently plying some roads that are bad. Such roads can be prioritised so that they do not damage buses and increase on the company’s reliability and thus in turn will improve the performance of the company.

3. Begin to reward performance and give incentives

ZUPCO management must reward performance as incentives play an important role in the performance of any individual. Besides, it is the nature of the passenger transport industry that crews who surpass their targets are given target allowances.
Not giving these allowances is definitely affecting the general performance of the company.

4. **Do workshops on culture change**

Culture change is important at a company like ZUPCO where employees have this business as usual mentality which does not work in this era of RBM system. ZUPCO management must consider doing workshops on culture change and mind reorientation as generally the employees are trailing behind in terms of doing the way of doing business. The company can engage external consultants.

5. **Improve the flow of information within the organisation**

ZUPCO management must consider improving the flow of information within the organisation. This will help and ensure that at least everyone knows where the company is coming from and where it is going.

6. **Holistic management approach**

ZUPCO management must not focus on RBM system alone but also focus on other external factors that affect the performance of the company. This is very important because ZUPCO does not operate in a vaccum.

5.5 Area for Further Research

1. Assessing the applicability of RBM system to state enterprises in Zimbabwe.
References


4) Bonn. (2009) Results Based Management Framework: Adaptation Fund Board 8\textsuperscript{th} Meeting, AFB/B 8/8


23) Lee, A. S. (1991) Integrating Positivist and Interpretive Approaches to Organisational Research, Vol 2, No 4, Ohio, USA
28) Mavhiki, S, Nyamwanza, T and Dhoro, L. (2013) An Evaluation of Results Based Management Implementation in the Civil Sector in Zimbabwe, European Journal of Business and Management Vol 5 Number 32


54) Zimbabwe Experience in Implementing RBM : Available from www.hssma.org/.../zimbabwe%20experience%20
GOVERNMENT OF ZIMBABWE
RESULTS BASED MANAGEMENT SYSTEM

ZUPCO

DIVISION: NORTHERN DIVISION

YEAR: ___________________________ MONTH: _______________________

ZUPCO PROFILE DATA

A.1 Departmental Profile
## A.2 Expenditure Performance (1st & 2nd Quarter)

<table>
<thead>
<tr>
<th>BUDGET COMPONENT</th>
<th>ORIGINAL BUDGET</th>
<th>ADJUSTMENTS</th>
<th>REVISED BUDGET</th>
<th>EXPENDITURE 1ST QUARTER</th>
<th>EXPENDITURE 2nd QUARTER</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational Expenditure (Recurrent Expenditure) - OE:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Expenditure (OE) – Retained Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Expenditure (OE) – Other sources of funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditure</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditure – Retained Revenue</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditure – Other sources of funding</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


### A.3 Human Resources Position

<table>
<thead>
<tr>
<th>STAFFING STATUS</th>
<th>FULL TIME</th>
<th>TEMPORARY</th>
<th>PART TIME</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Level</td>
<td>1  2  3  4</td>
<td>1  2  3  4</td>
<td>1  2  3  4</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>Approved Posts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Posts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vacancies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key: 1 = Band E and above; 2 = Band D; 3 = Band C; 4 = Band A&B.

**……………… DIVISION OUTPUT PERFORMANCE**

**Section 1: NON-HOMOGENOUS (NON-ROUTINE/NON-RECURRENT) OUTPUTS**

**SECTION 2: HOMOGENOUS (ROUTINE/RECURRING) OUTPUTS (HM)**

<table>
<thead>
<tr>
<th>KRA</th>
<th>Recapitalisation of the company</th>
<th>KRA Ref</th>
<th>K 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOAL</td>
<td>Enhance shareholder value by growing the company’s balance sheet from $27 million to $54 million by 31 December 2015.</td>
<td>Goal Ref.:</td>
<td>G 1</td>
</tr>
<tr>
<td>OBJECTIVE</td>
<td>Grow net profit from 17% to 25% by 31 December 2013.</td>
<td>Objective Ref.:</td>
<td>OJ 2</td>
</tr>
<tr>
<td>OUTCOME</td>
<td>Improved asset base</td>
<td>Outcome Ref</td>
<td>OC 2</td>
</tr>
</tbody>
</table>
## OUTPUT

<table>
<thead>
<tr>
<th>Revenue generated</th>
<th>Output Ref.: OP 1</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Output Quantity</th>
<th>Output Achievement</th>
<th>Budget</th>
<th>Responsibility (Section/Unit/Individual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned (state quantity)</td>
<td>1st Qter</td>
<td>2nd Qter</td>
<td>3rd Qter</td>
</tr>
<tr>
<td>Actual (state quantity)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quantity Standard</td>
<td>Revenue realised ($) increase/Decrease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality Standard:</td>
<td>% earnings retained as banked</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timeliness Standard:</td>
<td>Quarterly</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## KRA

<table>
<thead>
<tr>
<th>Recapitalisation of the company</th>
<th>KRA Ref: K 1</th>
</tr>
</thead>
</table>

## GOAL

<table>
<thead>
<tr>
<th>Enhance shareholder value by growing the company’s balance sheet from $27 million to $54 million by 31 December 2015.</th>
<th>Goal Ref.: G 1</th>
</tr>
</thead>
</table>

## OBJECTIVE

<table>
<thead>
<tr>
<th>Grow net profit from 17% to 25% by 31 December 2013.</th>
<th>Objective Ref.: OJ 2</th>
</tr>
</thead>
</table>

## OUTCOME

<table>
<thead>
<tr>
<th>Improved asset base</th>
<th>Outcome Ref: OC 2</th>
</tr>
</thead>
</table>

## OUTPUT

<table>
<thead>
<tr>
<th>Net profit</th>
<th>Output Ref.: OP 2</th>
</tr>
</thead>
</table>

<p>| Output Quantity | Output Achievement | Budget | Responsibility |</p>
<table>
<thead>
<tr>
<th>Planyeed (state quantity)</th>
<th>Actual (state quantity)</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quantity Standard</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit realised (%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Quality Standard</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% earnings retained as</td>
<td></td>
<td></td>
</tr>
<tr>
<td>banked</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Timeliness Standard</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quarterly</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost Standard</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**KRA Recapitalisation of the company**

<table>
<thead>
<tr>
<th>KRA</th>
<th>Recapitalisation of the company</th>
<th>KRA Ref</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>K 1</td>
</tr>
</tbody>
</table>

**GOAL Enhance shareholder value by growing the company’s balance sheet from $24 million to $54 million by 31 December 2015.**

<table>
<thead>
<tr>
<th>GOAL</th>
<th>Enhance shareholder value by growing the company’s balance sheet from $24 million to $54 million by 31 December 2015.</th>
<th>Goal Ref.:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>G 1</td>
</tr>
</tbody>
</table>

**OBJECTIVE Increase revenue from $24 million to $54 million by 31 December 2013**

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>Increase revenue from $24 million to $54 million by 31 December 2013</th>
<th>Objective Ref.:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>OJ 3</td>
</tr>
</tbody>
</table>

**OUTCOME Improved asset base**

<table>
<thead>
<tr>
<th>OUTCOME</th>
<th>Improved asset base</th>
<th>Outcome Ref</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>OC 2</td>
</tr>
<tr>
<td>Output Quantity</td>
<td>Output Achievement</td>
<td>Budget</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------------------</td>
<td>--------</td>
</tr>
<tr>
<td></td>
<td>1(^{st}) Qter</td>
<td>2(^{nd}) Qter</td>
</tr>
<tr>
<td>Planned (state quantity)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual (state quantity)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantity Standard</th>
<th>No ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Standard:</td>
<td>% Compliance with recapitalization savings plan</td>
</tr>
<tr>
<td>Timeliness Standard:</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Cost Standard:</td>
<td>$</td>
</tr>
<tr>
<td>KRA</td>
<td>KRA 2: Passenger transport services</td>
</tr>
<tr>
<td>-----</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>GOAL</td>
<td>Goal: 4: Increase ridership from 5.4 million in 2012 to 14.8 million by 2015;</td>
</tr>
<tr>
<td>OBJECTIVE</td>
<td>Objective 4: Increase intra urban passenger operations from 0.5% to 16% by 31 December 2013</td>
</tr>
<tr>
<td>OUTCOME</td>
<td>Improved road passenger service</td>
</tr>
<tr>
<td>OUTPUT</td>
<td>Buses servicing urban routes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Output Quantity</th>
<th>Output Achievement</th>
<th>Budget</th>
<th>Responsibility (Section/Unit /Individual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned (state quantity)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual (state quantity)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variance</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantity Standard</th>
<th>Quality Standard</th>
<th>Timeline Standard</th>
<th>Cost Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>% compliance with time tables</td>
<td>Monthly</td>
<td>$ [Cost of introducing service]</td>
</tr>
<tr>
<td>KRA</td>
<td>Passenger transport services</td>
<td>KRA Ref</td>
<td>K 2</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------</td>
<td>-------</td>
<td>---</td>
</tr>
<tr>
<td>GOAL</td>
<td>Improve road passenger transport customer satisfaction from an average of 30% to 80% by 31 December 2015.</td>
<td>Goal Ref.:</td>
<td>G 2</td>
</tr>
<tr>
<td>OBJECTIVE</td>
<td>Increase rural road passenger customer satisfaction from 30% to 60% by 31 December 2015</td>
<td>Objective Ref.:</td>
<td>OJ 5</td>
</tr>
<tr>
<td>OUTCOME</td>
<td>Improved Customer satisfaction</td>
<td>Outcome Ref</td>
<td>OC 3</td>
</tr>
<tr>
<td>OUTPUT</td>
<td>Private hire contracts secured</td>
<td>Output Ref.:</td>
<td>OP 5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Output Quantity</th>
<th>Output Achievement</th>
<th>Budget</th>
<th>Responsibility (Section/Unit /Individual)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1st Qter</td>
<td>2nd Qter</td>
<td>3rd Qter</td>
</tr>
<tr>
<td>Planned</td>
<td>As per budget</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual</td>
<td>Name/Org</td>
<td>Diff. Times Hired</td>
<td>Local Govt.</td>
</tr>
<tr>
<td></td>
<td>Churches</td>
<td></td>
<td>Churches</td>
</tr>
<tr>
<td></td>
<td>Schools</td>
<td></td>
<td>Schools</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td></td>
<td>Others</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td></td>
<td>TOTAL</td>
</tr>
<tr>
<td>Variance</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantity Standard</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Standard :</td>
<td>% repetitive hire contracts</td>
</tr>
<tr>
<td>Timeline Standard :</td>
<td>Monthly</td>
</tr>
</tbody>
</table>
### C. ZUPCO OUTCOMES PERFORMANCE

<table>
<thead>
<tr>
<th>KRA:</th>
<th>Passenger transport services</th>
<th>KRA Ref</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOAL:</td>
<td>Increase ridership from 5.4 million in 2012 to 14.8 million by 2015.</td>
<td>Goal Ref</td>
<td>4</td>
</tr>
</tbody>
</table>
| OBJECTIVE: | • Differentiate from standard passenger bus to elite passenger services by December 2013.  
  • Increase intra urban passenger operations from 0.5% to 16% by 31 December 2013 | Obj. Ref | 4 & 8 |
| OUTCOME: | Improved road passenger service | Outc. Ref | 1 |

<table>
<thead>
<tr>
<th>Outcome Indicator</th>
<th>Outcome Performance</th>
<th>Allowable Variance</th>
<th>Outcome achievement status</th>
<th>Reasons For Success/Short fall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned</td>
<td>Actual</td>
<td>Planned</td>
<td>Actual</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Standard:</th>
<th>$</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
• Improved compliance with timetables 100%
• Bus utilization levels 90%
• Increase in passengers ferried from 5.4m in 2012 to 14.8 m in 2015 100%
• COF compliance

D. ZUPCO IMPACT PERFORMANCE

<table>
<thead>
<tr>
<th>KRA:</th>
<th>Recapitalisation of the company</th>
<th>KRA Ref</th>
<th>1 &amp; 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Passenger transport services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| GOAL: | Grow market share from 15% to 60% by 31 December 2015. | GOAL Ref | 1, 2, 3 & 4 |
|       | Improve road passenger transport customer satisfaction from an average of 30% to 80% by 31 December 2015. |         |       |
- Enhance shareholder value by achieving revenue growth from $24 million to $54 million by 31 December 2015.
- Increase ridership from 5.4 million in 2012 to 14.8 million by 2015.

### GOAL:

<table>
<thead>
<tr>
<th>Impact Indicator</th>
<th>Impact Performance</th>
<th>Impact achievement status</th>
<th>Reasons For Success/Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service coverage in Districts and Wards</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**GOAL:**

<table>
<thead>
<tr>
<th>IMP. Ref</th>
<th>GOAL Ref</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

**IMPACT:**

- Improved accessibility of transport services

**Impact Indicator**

- Service coverage in Districts and Wards

**Report Date**

<table>
<thead>
<tr>
<th>Prepared By</th>
<th>Name:</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Verified By</th>
<th>Name:</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Report Date**

<table>
<thead>
<tr>
<th>Reported By</th>
<th>Name:</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Report Date**

<table>
<thead>
<tr>
<th>Verified By</th>
<th>Name:</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Report Date**

<table>
<thead>
<tr>
<th>Verified By</th>
<th>Name:</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Dissertation Topic

An Assessment of the Impact of RBM System on Organisational Performance. Case of ZUPCO.

Dear Fellow Employee,

My name is Emmah Chawira, a final year student with the Graduate School of Management. I am kindly requesting you to participate in this study being conducted by the undersigned into assessing the impact of results based management system on organisational performance. The study is being done in partial fulfilment of the requirements for the Master in Business Administration degree with the University of Zimbabwe.

I am therefore appealing for your time to complete this questionnaire. The findings will be treated with confidentiality and will only be used for the purposes of this study. For any clarifications regarding this study, do not hesitate to call the researcher on the following mobile number: 0772 669 236. I would be most grateful to have the completed questionnaire **not later** than 20 June 2014.

Thank you in advance for your cooperation

Emmah Chawira

**MBA Graduate Student (University of Zimbabwe)***
SECTION A: DEMOGRAPHIC INFORMATION

1. Sex (Tick the appropriate)

<table>
<thead>
<tr>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
</table>

2. Age (Tick the appropriate)

<table>
<thead>
<tr>
<th>Below 30 years</th>
<th>31 – 40 years</th>
<th>41 – 50 years</th>
<th>Above 51 years</th>
</tr>
</thead>
</table>

3. Which department do you work for (Please tick the appropriate box)

<table>
<thead>
<tr>
<th>Risk</th>
<th>Operations</th>
<th>Engineering</th>
<th>Finance</th>
<th>Human Resources</th>
</tr>
</thead>
</table>

4. Level in the company (Please tick the appropriate box)

<table>
<thead>
<tr>
<th>Top management (Director)</th>
<th>Middle Management (functional head)</th>
<th>Lower level management</th>
<th>Supervisor</th>
<th>Shop floor employee</th>
</tr>
</thead>
</table>

5. How long have you been working for the company? (Please tick the appropriate box)

<table>
<thead>
<tr>
<th>0 -5 years</th>
<th>6 -10 years</th>
<th>11 -15 years</th>
<th>16 – 20 years</th>
<th>21 years and above</th>
</tr>
</thead>
</table>
SECTION B:

EVALUATION OF RBM AS A PERFORMANCE MANAGEMENT TOOL

6. Do you understand the RBM system? (Please tick appropriate box)

   Yes [ ]
   No [ ]

7. If yes did you get proper training on the demands of RBM system? (Please tick appropriate box)

   Yes [ ]
   No [ ]

8. How long were you trained to understand the RBM system? (Please tick appropriate box)

   1 week [ ]
   2 weeks [ ]
   Continuous training [ ]
   Never trained [ ]

9. How do you compare RBM to other performance management tools like the Balance Score Card (Please tick appropriate box)

   Good [ ]
   Bad [ ]
   Cannot tell the difference [ ]

10. What is good about RBM? (Please tick appropriate boxes)

    Specific targets [ ]
    Easy to measure performance [ ]
    Easy to understand [ ]
    Managerial input towards performance [ ]
    It makes communication easier [ ]
    Other [ ]

11. What are your experiences with RBM? (Please tick appropriate boxes)
12. How do you compare the company performance before and after the introduction of RBM? (Please tick appropriate box)

- No change
- Increasing revenues
- Decreasing revenues
- Not sure
- Making loses

13. Is the implementation of RBM being supported? (Please tick appropriate boxes)

- Financial
- Human
- Technical
- Other

14. Has the introduction of RBM improved performance at Zupco? (Please tick the appropriate box)

- Yes
- No

15. In your opinion what other factor(s) that might be contributing to poor performance at Zupco? (Please tick appropriate boxes)

- Competition
- Demotivated staff
- Poor roads
- No proper flow of information
- Type of bus
- Government policies
- Economic conditions
16. What challenges have you faced with RBM? (Please tick appropriate boxes)

<table>
<thead>
<tr>
<th>Issue</th>
<th>Ticks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too much paper work</td>
<td></td>
</tr>
<tr>
<td>Difficult to understand</td>
<td></td>
</tr>
<tr>
<td>Scarce resources</td>
<td></td>
</tr>
<tr>
<td>Little implementation time</td>
<td></td>
</tr>
<tr>
<td>Employee negative attitude towards the system</td>
<td></td>
</tr>
<tr>
<td>Lack of proper training</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>No challenges</td>
<td></td>
</tr>
</tbody>
</table>

17. Is RBM system good for Zupco? (Please tick appropriate box)

- Yes
- No

18. How can you describe the flow of information in the organisation? (Please tick appropriate box)

- Transparent
- Vertical
- Horizontal
- Not sure
1 – Strongly disagree
2 – Disagree
3 – Neutral
4 – Agree
5 – Strongly agree

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>Organisational culture is key for RBM to be effective</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Flatter organisations communicate effectively</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Best structure is a determinant of organisational performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>RBM system leads to good organisational performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Organisations perform well in stable economic environments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Manager’s ability is key in any company performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Employees perform only when they are motivated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Current stiff competition is affecting company performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>The current economic environment is not ideal for good company performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>RBM system leads to good organisational performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>RBM system makes people to perform</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>RBM system is not applicable to Zupco</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SECTION C: RECOMMENDATIONS TO IMPROVE PERFORMANCE**

31. What can the company do to improve performance? *(You may tick more than one box)*

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Give incentives to performing employees</td>
<td></td>
</tr>
<tr>
<td>Pay salaries on time</td>
<td></td>
</tr>
<tr>
<td>Improve communication</td>
<td></td>
</tr>
<tr>
<td>Avoid operating using directives</td>
<td></td>
</tr>
<tr>
<td>Holistic management approach</td>
<td></td>
</tr>
</tbody>
</table>

32. To what extent will the following improve organisational performance using RBM? *(You may tick more than one box)*

17
<table>
<thead>
<tr>
<th></th>
<th>Large extent</th>
<th>Certain extent</th>
<th>Not sure</th>
<th>Limited extent</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training all employees on RBM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introduce incentives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure flexibility in decision making</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective communication</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**END OF QUESTIONNAIRE**
## APPENDIX 1V: BINARY TABLE FOR HYPOTHESIS

### Table 4.32: Logistic Regression Variables in the equation

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Variable</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.l.for EXP(B)</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>culture</td>
<td>6.234</td>
<td></td>
<td>4</td>
<td>.182</td>
<td></td>
<td>4.011E8</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>culture(1)</td>
<td>19.810</td>
<td>9.218E3</td>
<td>.000</td>
<td>1</td>
<td>.998</td>
<td>4.011E8</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>culture(2)</td>
<td>.570</td>
<td>1.574</td>
<td>.131</td>
<td>1</td>
<td>.717</td>
<td>1.768</td>
<td>.081</td>
<td>38.651</td>
<td></td>
</tr>
<tr>
<td></td>
<td>culture(3)</td>
<td>-1.606</td>
<td>1.373</td>
<td>1.368</td>
<td>1</td>
<td>.242</td>
<td>2.01</td>
<td>.014</td>
<td>2.960</td>
<td></td>
</tr>
<tr>
<td></td>
<td>culture(4)</td>
<td>-1.141</td>
<td>1.432</td>
<td>.635</td>
<td>1</td>
<td>.425</td>
<td>.320</td>
<td>.019</td>
<td>5.285</td>
<td></td>
</tr>
<tr>
<td></td>
<td>structure</td>
<td>3.163</td>
<td></td>
<td>4</td>
<td>.531</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>structure(1)</td>
<td>-21.695</td>
<td>2.050E4</td>
<td>.000</td>
<td>1</td>
<td>.999</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>structure(2)</td>
<td>-20.377</td>
<td>2.050E4</td>
<td>.000</td>
<td>1</td>
<td>.999</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>structure(3)</td>
<td>-22.609</td>
<td>2.050E4</td>
<td>.000</td>
<td>1</td>
<td>.999</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>structure(4)</td>
<td>-22.271</td>
<td>2.050E4</td>
<td>.000</td>
<td>1</td>
<td>.999</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>motivation</td>
<td>9.679</td>
<td></td>
<td>4</td>
<td>.046</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>motivation(1)</td>
<td>1.131</td>
<td>1.980</td>
<td>.326</td>
<td>1</td>
<td>.568</td>
<td>3.099</td>
<td>.064</td>
<td>150.283</td>
<td></td>
</tr>
<tr>
<td></td>
<td>motivation(2)</td>
<td>.468</td>
<td>1.937</td>
<td>.059</td>
<td>1</td>
<td>.809</td>
<td>1.598</td>
<td>.036</td>
<td>71.129</td>
<td></td>
</tr>
<tr>
<td></td>
<td>motivation(3)</td>
<td>1.286</td>
<td>1.720</td>
<td>.560</td>
<td>1</td>
<td>.454</td>
<td>3.619</td>
<td>.124</td>
<td>105.264</td>
<td></td>
</tr>
<tr>
<td></td>
<td>motivation(4)</td>
<td>2.922</td>
<td>1.727</td>
<td>2.863</td>
<td>1</td>
<td>.091</td>
<td>18.584</td>
<td>.630</td>
<td>548.602</td>
<td></td>
</tr>
<tr>
<td></td>
<td>incentives</td>
<td>.521</td>
<td></td>
<td>3</td>
<td>.914</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>incentives(1)</td>
<td>.583</td>
<td>.838</td>
<td>.484</td>
<td>1</td>
<td>.487</td>
<td>1.792</td>
<td>.346</td>
<td>9.265</td>
<td></td>
</tr>
<tr>
<td></td>
<td>incentives(2)</td>
<td>.838</td>
<td>2.450</td>
<td>.117</td>
<td>1</td>
<td>.732</td>
<td>2.312</td>
<td>.019</td>
<td>281.383</td>
<td></td>
</tr>
<tr>
<td></td>
<td>incentives(3)</td>
<td>17.078</td>
<td>2.842E4</td>
<td>.000</td>
<td>1</td>
<td>1.000</td>
<td>2.612E7</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UNDERSTND(1)</td>
<td>1.875</td>
<td>.838</td>
<td>5.006</td>
<td>1</td>
<td>.025</td>
<td>6.522</td>
<td>1.262</td>
<td>33.713</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Constant</td>
<td>13.511</td>
<td>8.407E3</td>
<td>.000</td>
<td>1</td>
<td>.999</td>
<td>7.372E5</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Variable(s) entered on step 1: culture, structure, motivation, incentives, UNDERSTND.