EVALUATION OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEMS WITH BALANCED SCORECARD AS A PERFORMANCE APPRAISAL TOOL AT MTHATHA GENERAL HOSPITAL - EASTERN CAPE PROVINCE

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ABSTRACT

Background
The South African National Department of Health currently uses the Performance Management and Development System (PMDS) as an appraisal tool to evaluate the performance of healthcare workers. PMDS has been found to have a number of shortcomings that include: complicated methodology, lower level of total quality management and being inordinately time consuming. However, the Balanced Scorecard (BSC) is a valuable appraisal tool for assessment of job performance of healthcare workers in other parts of the world. It is not altogether clear whether the integration of PMDS and BSC will address the perceived shortcomings of PMDS. This study aims to evaluate the integration of the PMDS together with the BSC as a performance appraisal tool at Mthatha General Hospital, Mthatha, Eastern Cape, South Africa.

Methods
A cross-sectional survey of healthcare staffs of Mthatha General Hospital was conducted in June, 2013. Data was obtained with a well structured and validated self-administered questionnaire that covered the objectives of the study. Data was analysed using simple descriptive statistics.

Results
80% of the study participants returned their questionnaire for analysis. The ages of the healthcare staffs were fairly distributed between 30 - 59 years. 70% of the respondents agreed to the need for performance appraisal of healthcare staffs. 60% of respondents were aware of balanced scorecard as a tool. 52% of the respondents thought that the current appraisal tool did not provide opportunities for going for training. Half of the healthcare staffs did not agree that PMDS is helpful for improving personal skills. 85% of the respondents felt that staffs cannot disagree with the management decisions. 92% of the healthcare staffs believed that there is no reward for working hard with the current appraisal tool. 57.5% of the staffs thought that PMDS do not support the improvement of performance. 60% of the respondents suggested that a new appraisal tool should be formulated to measure the job performance of healthcare staffs.
Conclusions
The current performance appraisal tool does not reward excellent work performance. Therefore, a new appraisal tool that embraces skill development, accurately measure job performance and reward hard working staffs is needed in the healthcare institution. The integration of some of the elements in PMDS and Balanced Scorecard will provide answers to the shortcomings of the current appraisal tool.

INTRODUCTION
The assessment of an individual employee is based on a proposed framework in which rating outcomes are influenced by interactions between individuals and the context in which the assessment occurs. Improvement of performance generally benefits from frequent feedback on specific performance dimensions (Govaerts, Van Der Vleuten, Schuwirth and Muijtjens 2007:246). According to the Eastern Cape Provincial PMDS manual, the PMDS review task team mandated some non-negotiables that included the following;

- Each staff member must receive feedback on their performance outside of the formal review completed on an annual basis
- Feedback should be based on the 360 degree principle, except in cases where this is practically impossible to achieve
- In the event of disagreements arising with regard either to measures that have been set or to the final evaluation, each staff member is entitled to voice his or her disagreement and to have such agreement dealt with procedurally

One flaw of summative assessment is that performance ratings could be inflated (Govaerts et al., 2007:247). Raters may bias their decisions towards what is acceptable to others. They may feel accountable to their supervisors (or to management) and also to the ratees. It is, of course, in the interest of an organisation to maximise the effectiveness of performance appraisal by reducing rater errors (Zewotir, 2012:44). In a performance appraisal setting, a rater’s reactions to accountability include efforts to protect his or her self-image and to attempt to maximise rewards or minimise punishment (Palmer and Feldman, 2005). Performance appraisal systems are improved by rectifying common shortcomings, for example; by reducing bias, by training those involved and by using a format with research substantiation (Kondrasuk, 2011).

Organisations adopt performance measurement systems, particularly the Balanced Scorecard (BSC), for various reasons. Recently, much research has been conducted into the and it has been introduced in the healthcare sector in such developed countries as the USA, United Kingdom and other European countries. According to Kaplan and Norton (1996), a typical BSC may employ 20-25 determinations when developing a BSC. People who are tasked with the responsibility of developing a Balanced Scorecard face the challenge of limiting the list of measures to be included. The most crucial step in the development of a BSC is the identification of those measures that must be employed in the development of the BSC (Valiris, Chytas, and Glykas, 2005:159).
LITERATURE REVIEW

Purpose of the Study
The purpose of the study is to provide useful information on the integration of PMDS and BSC in a South African healthcare facility. The findings will elaborate on the shortcomings of the PMDS as it is implemented in the South African healthcare sector. The study will shed light on the possible utilisation of BSC as an appraisal tool for healthcare workers. Furthermore, the findings of the study may provide a framework for a new performance appraisal tool for the South African Department of Health. This study will also help to combine an effective measurement system that augments the healthcare strategic objectives with a management system that can influence organisations, enabling them to clarify their vision and strategy and so translate them into action by using the BSC and PMDS.

Problem statement
Healthcare managers use PMDS to appraise the performance of the staffs within the health sector. This appraisal tool has limitations concerning the alignment of individual staff performance with the overall goal and vision of the healthcare sector. PMDS evaluation uses a summative assessment format that focuses on weighted self-assessment scores as opposed to self-development and self-awareness of weaknesses. The Balanced Scorecard is an appraisal tool that can be based on results obtained by the employee in his/her job as opposed to the employees’ personal characteristics. Therefore, it reduces bias. The Balanced Scorecard provides complex information to managers, understandable at a glance, and facilitates strategic management decision making. However, it is not clear if the integration of PMDS and Balanced Scorecard would be a better performance appraisal tool for healthcare staffs in the South African hospitals.

Aim of the study
The aim of the study is to evaluate the integration of performance management and development systems and Balanced Scorecard in the appraisal of job performance of healthcare staff at Mthatha General Hospital, Mthatha, Eastern Cape, South Africa.

Performance Management in an Organisation
Performance management measures the performance of an organisation by ensuring that an employee’s activities are congruent with the organisational goals (Noe, Hollenbeck, Gerhart and Wright, 2010:343). This entails reviewing and discussing the performance of the employees in their various assigned duties. Hospitals have their means of ensuring the performance of staff. These involve appraisal of performance by completing a form known as the PMDS. This form covers the various aspects of the employer’s expectation of individual staff members in terms of their skills, knowledge, behaviours and attitudes as required to assess their performance based on the PMDS policy of the Health Department in the Province. Once the individual staff member is employed, he/she would complete a Performance Work Plan Agreement, which would be used as the basis for determining the functioning ability of the employee and to determine if the employee has met the performance expectations of the job. In the event that the employee has significantly exceeded the performance expectations, the employee may qualify for appropriate rewards.

Balanced Scorecard (BSC) approach
BSC as a measure of performance, is effective in that “it articulates the links between leading inputs (human and physical), processes, and lagging outcomes and focuses on the importance of managing these components to achieve the organisation’s strategic priorities” (Hough, Thompson, Strickland and Gamble, 2008:194). BSC is a performance appraisal tool developed in 1992 by Kaplan and Nolan (Kampanje, 2012). It is a tool for performance management and performance evaluation (Chen, Hou, and Chang, 2012:530). Kaplan and Nolan (2006) cited in (Yuen and Ng, 2012:422) reported that BSC framework combines both financial and non-financial indicators as important management tool to address stakeholder’s expectations and alignment of goals. According to Kampanje, (2012), BSC can be seen as a strategic management system, or as a model that facilitates the translation of an organisation’s vision and strategy into objectives, measures and targets of four different areas: the financial perspectives, the customers’ perspectives, the internal business perspectives and the innovation/learning and growth perspectives.

**BSC in Healthcare/Hospitals**

BSC was originally determined for use in profit making organisations but was later modified for public and for non-profit making organisations. The public or non-profit organisation is centred on client satisfaction, according to the mission and is not oriented on profit making. This is in contrast to the original BSC, which has been modified to suite the conditions of public and non-profit organisation where the financial perspective is represented by the Budget (Pravdić, 2012:111). In the past few years, a growing number of healthcare provider organisations have adopted the BSC framework in order to develop a more comprehensive set of performance indicators (Weir, d’Entremont, Stalker, Kurji and Robinson, 2009). Many researchers now use BSC to evaluate hospital performance. Randor and Lovell’s research, cited in Yuen and Ng (2012:422), found that successful BSC implementation in the UK healthcare organisations contributed significantly to meeting national targets and to improving transparency and accountability. It was also noted that BSC allows long-term qualitative measurements. The BSC involves different perspectives and the choice of perspective by an organisation which perspective to adopt remains one of the most important decisions in BSC designs. The focus of the BSC particularly in healthcare should be on patient health; on the change in the lives of the people who the healthcare is trying to help (Gurd and Gao, 2007:7) This can best be achieved by appraising the performance of staff in the health sector.

The successful implementation of BSC in some Healthcare organisations as compiled by the investigator from various articles can be summarised as below:
<table>
<thead>
<tr>
<th>AUTHORS</th>
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<th>APPLICATION AREA</th>
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<tr>
<td>Wier et al., (2009)</td>
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<td>Fields and Cohen, (2011)</td>
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<td>Chen et al., (2012)</td>
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<td>Taiwan</td>
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<td>Edward, Kumar, Kakar, Salehi and Burnham, (2011)</td>
<td>Health Services in 28 provinces in Afghanistan</td>
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<td>Chang et al., (2008)</td>
<td>Mackay memorial Hospital (MMH) medical center</td>
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<td>Taiwan</td>
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<tr>
<td>Rabanni, Lalji, Abbas, Jafri, Razzak, Nabi, Jahan, Ajimal, Petzold,</td>
<td>Four Clinical units of an Hospital</td>
<td>Public Healthcare</td>
<td>Performance management</td>
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PMDS and BSC are both performance appraisal tools that can be integrated to enhance measurement of the job performance of healthcare staffs. PMDS measures the performance of individual staff who, in return, is rewarded with incentives that include: Increases in salaries, job promotions and other extrinsic rewards. BSC ensures that the vision and goals of the organisation are met by facilitating strategic decision-making at the top management level.

**The effect of BSC on performance in healthcare organisation are as below**

1. **SWOT analysis through BSC**
   An organisation can develop its vision or strategic intent in order to achieve its mission and implement its strategies. The organisation’s ability to be successful depends on the performance of its staff and the BSC that helps in aligning their performance and the strategies that would be useful if SWOT analysis is to be considered in a healthcare environment. SWOT could be effective in strategy development, and hence, will enhance performance. SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats (Antony, 2012:691). Strategic management also enhances the performance measurement system where coherence of strategies is used, for example the SWOT analysis (Möller and Schaltegger, 2005:73). It deals with both the internal and external environment of an organisation where the strengths and weaknesses address the internal aspects and the opportunities and threats address the external aspects. The performance of workers in an organisation is thus not based solely on the internal measures but also on those of the external stakeholders. This could imply, for instance, that BSC should consider customers’ (community) satisfaction, service quality, process quality, development or organisation learning.

   The strengths in a healthcare system include:
   - The availability of facilities; and
   - A commitment to healthcare workers recruitment.

   Weaknesses in the healthcare system can arise through:
   - Workforce availability (or the lack thereof);
   - Physician and spouse recruitment; and
   - Language barriers.

   Opportunities may include:
   - High quality of life;
Training and development;
Regular promotion;
Good working environment; and
Involvement of staffs in managerial decision making and others

External threats affecting performance include the following:
High turnover of staff;
Lack of staff satisfaction;
Lack of staff’s career development;
Inhumane working environment;
Lack of team work among staffs;
Poor morale among staffs; and

A SWOT analysis would create awareness by health managers to determine the expectations of shareholders concerning the performance of the organisation (Van Wijngaarden, Scholten, and Van Wijk 2012:46). Helms and Nixon (2010:233) suggested that conjoining a SWOT matrix with BSC makes a systematic and holistic strategic management system and agrees that the SWOT analysis is a more structural approach to setting up the foundation of the BSC; instead of simply identifying key performance indicators via intuition or by brainstorming. Therefore, to establish a BSC system for performance measurement in an organisation, a SWOT analysis is also required (Cebeci, 2009:8902).

2. Motivation through BSC
Management by Objectives (MBO) and BSC are based on theory X and theory Y as proposed by McGregor (1960), where theory Y assumes humans like working, and is more generally acceptable than theory X which assumes that humans dislike working. Thus, productivity can best be increased by clarifying strategically aligned goals for the workforce (Johanson, Skoog, Backlund, and Almqvist 2006:846). Theory Y, if considered, implies that staff who likes to work, knows what the healthcare unit expects from them and will definitely contribute to quality service delivery, hence, to performance enhancement.

Work motivation can be presented as a formula such as Maier’s (1955) Performance= Ability X Motivation (Frontt, 2010:13). The proponents of the BSC assumes that the BSC aligns with strategy, thus leading to better communication and motivation that, in turn, causes better performance (Pandey, 2005:65) However, the implementation is somewhat more complicated, as the BSC is supposed to leverage productivity through improved learning (Johanson and Mouritsen, 2005). It could help direct the workers concerning how the work is to be done. It has a positive impact on organisational outcomes by creating positive motivation for staff that needs to achieve organisational goals or objectives (Decoene and Bruggeman, 2006:435). Motivation, however, could be either intrinsic (self fulfillment) or extrinsic (tangible rewards). The BSC allows strategic alignment process based on intrinsic motivation by making staff aware of the meaningfulness of their tasks, their responsibilities for task outcomes and enables the provision of strategic feedback (Decoene and Bruggeman, 2006). In BSC setting, superiors induce extrinsic motivation by means of a BSC-based compensation (Decoene and Bruggeman, 2006:436). A BSC-based compensation plan has a positive effect on organisational performance
because it combines strategically-aligned and controllable operations-based performance measures for extrinsic rewards.

According to the expectancy theory formulated by Victor H. Vroom in the 1960’s, motivation is high when workers believe that high levels of effort lead to high performance and high performance leads to the attainment of desired outcomes (Jones and George, 2008:523). For BSC setting, a BSC-based compensation plan is expected to enhance organisational performance when compensation is tightly linked to performance (the instrumentality condition), if meaningful rewards are offered (the valence condition) and if manager’s effort is reflected in the BSC performance measures (the expectancy condition). This last condition is facilitated in a BSC setting, as a BSC’s cascading process creates more controllable, non-financial and operations-based performance measures (Decoene and Bruggeman, 2006:437).

3. Teamwork through BSC
Teamwork is an integral component of performance management in healthcare organisations. Team dynamics could enhance organisational performance through a wide array of tools and objective measures of performance such as (Ritchie, Fornaciari, Drew and Marlin, 2012:2). In order for the effort of individual staff members to be directed towards team performance, the team goals must be adopted as their own goals. The team that has high efficacy will persist in their efforts to improve their task strategies (Heslin, Carson, and Vandewalle, 2008:105).

However, participation in team goal setting may not always be an option for managers as teams are given the responsibility for all decisions and they are rewarded as a team sharing bonuses based on team performance. These high levels of shared responsibility for team processes and outcomes produce high levels of cooperation within teams (Heslin et al., 2008). It is relevant that healthcare administration focus on teamwork because they work as a team to ensure quality decisions, which are essential to their performance (Propp, Apker, Ford, Wallace, Serbenski and Hofmeister, 2010:19).

4. Leadership performance through BSC
An organisation needs to focus on continuous improvement and strategic performance measurement by adopting a leadership style that will affect the implementation of the performance measurement system (Ukko, Tenhunen, and Rantanen, 2007:41). Leadership style generally refers to how executives spend their time and to what they pay attention (Kaplan, 2005:45). The Balanced Scorecard keeps the attention of executives focused on a balance between short-term operational improvements and on drivers of long-term value creation. BSC provides an agenda for leadership meetings and keeps executives focused on the most important tasks for strategy implementation (Kaplan, 2005:44). It helps improve performance by building an executive leadership team to mobilise change. (De Geuser et al., 2009:100).

5. Strategic implementation through BSC
BSC offers a tremendous advantage in respect of strategy implementation (Urrutia and Eriksen, 2005:25). By using the as the primary organisation system, decentralised unit scorecards reflect both specific competencies and strategies of the unit for success and also how each unit links with other units and to the organisation as a whole for the organisation strategy to be achieved (Kaplan, 2005:44). It is also asserted that the meets all fundamental criteria by providing a truly strategic control system that puts strategy and vision at the centre (Atkinson, 2006:1451). The
vision and the assessment data are combined to generate a BSC that links structures, processes, outcomes, value, quality and costs (Castaneda-Méndez, Mangan, and Larvery, 1998:10). The Balanced Scorecard also provides:

- Opportunities to identify priorities and reconcile different stakeholders demand;
- Enhance strategic feedback and learning;
- Effective diagnostic control;
- Enables communication at different management level; and
- A range of additional attributes that may also support successful strategy implementation (Atkinson, 2006:1452).

6. Organisation culture through Balanced Scorecard
The correct use of performance measurement systems can encourage an achievement culture to emerge. Performance measurement systems can shape organisational culture and also can affect the success of the performance measurement system initiative (Bititci, Mendibil, Nudurupati, Garengo and Turner 2006: 35) learning and growth perspective of the emphasises the training of employees and of building organisation culture that facilitates individual self improvement, organisation development and growth (Pandey, 2005:56). BSC directs strategic organisation capital by directing the measurement of capital called “the degree of dissemination of the organisation culture” (Wu, 2005:273).

7. Quality improvement through BSC
The BSC offers balanced perspectives on the organisation for senior management to use in designing, developing, deploying and directing the strategic plan consistent with total quality management principles (Castaneda Méndez et al., 1998:10). Quality improvement involves a substantial shift in the idea of the work of healthcare, a challenging task that can benefit from the use of wide variety of tools and methods. This is illustrated below in figure 1:
Figure 1: Quality improvement tool  
Source: Batalden and Davidoff (2007:2)

Combined and unceasing efforts by everyone (healthcare professionals, patients, researchers, payers, planners, educators) are necessary to make changes that will lead to better patient outcomes (health), better system performance (care), and better professional development (learning) (Batalden and Davidoff, 2007:2) Performance measurement is a management tool and also a quality management system. It also forms a part of the learning organisation in the process, with performance measurement focused on future viewpoints including a drive towards good governance, transparency and accountability as success factors (Phusavat, Annussornnitisarn, Helo, and Dwright, 2009:660). It allows for the empowerment of staff, better budgeting practices, external knowledge and linkage with software usages (Phusavat et al., 2009:659).

Past and present points of view indicate that performance has gradually moved from being merely a management tool to being an integral part of a quality management system. This is represented in Figure 2. below
To connect practices, outcomes, quality value and costs, healthcare organisations must start using BSC. Senior management develops a strategic plan that creates a vision of future behaviour, performance, and perception of the organisation by others. An organisational assessment yields a baseline for current behaviour, performance, and perception of the organisation by others while the vision and the assessment data are combined to generate a BSC that links structures, processes, outcomes, value, quality and costs that, in turn, leads to an action plan (Castaneda Méndez et al., 1998:10).

The implementation of the balanced scorecard using these strategies would involve fitting the strategies into the organisation culture in order to achieve the organisational objectives. It would help with individual autonomy, with sensitivity to the needs of customers and employees, support and assistance provided by managers, interest in having employees initiate new ideas, openness of available communication channels and the encouragement of staff to be more aggressive and risk-seeking (Brown, 2011:423).

**Conclusion**

PMDS gives a summative assessment of the performance of healthcare staffs while it tends to align with the strategic goal of the organisation. But the assessment with PMDS could be biased because of the intention to improve weighted self assessment scores. BSC gives overall result of the performance of the healthcare from different perspectives by taking the customers/ patients, financial, internal processes, learning and growth perspectives into consideration. However, the
The researcher does not intend to reprehend PMDS as an appraisal tool, but to rather integrate it with BSC. When all the Scorecard perspectives are met, then the reward could be allocated as the PMDS policy states that good performance must be recognised and rewarded. If there are any loopholes, these tools can help identify them in order to improve in the respective areas of performance.

RESEARCH METHODOLOGY
The study seeks to evaluate the integration of performance management and development systems and in the appraisal of healthcare staff at Mthatha General Hospital, Mthatha, Eastern Cape, South Africa. A well-structured self-administered questionnaire was designed to establish the effectiveness of PMDS, to determine the impact of utilising in the appraisal of healthcare staffs and evaluate the integration of both. This chapter covers the target population, study design, data collection, and ethical considerations.

Research methodology is the way to solve research problems systematically. It answers the following questions: why the research study is undertaken, what data should be collected and what methods are useful for collection of the data? (Rao, 2005:6).

The study was conducted in Mthatha General Hospital (MGH), a district hospital, located in the centre of Mthatha, the former capital of Transkei region, Eastern Cape Province, South Africa. This hospital serves a population of about 1.5 million people (Eastern Cape Department of Health, 2012); predominantly isiXhosa speaking indigenes of South Africa. This health facility is the place of work of the participants in the study and is accessible to the investigator. The hospital has different categories of healthcare staff: doctors, nurses, therapists, pharmacists, paramedics and support services. Nurses form the majority of the staff in MGH (about 60, including student nurses) while doctors are a minority (only 25) with over 50 administrative and supporting staff.

A cross-sectional study design is one form of quantitative study that allows the investigator to make measurements on a single occasion or within a short period of time. (Hully, Cummings, Browner, Grady, and Newman, 2007; Christensen et al., 2011) The study sample is drawn from the accessible population and a measurement of variables of interest is taken. (Hully et al., 2007) Cross-sectional study makes allowance for examining associations between predictor and outcome variables. The single time period is just long enough to collect data from the participants (Christensen et al., 2011:53).

Cross-sectional study has its strengths; it is fast, inexpensive, allows no loss to follow-up and provides cross-sectional associations of interest. However, cross-sectional studies may not provide causal relationships from observational data. There are limitations in establishing prognosis, natural history and disease causation from cross-sectional study (Hully et al., 2007). The data obtained from cross-sectional study can be utilised to describe the phenomenon of interest or to describe the size and direction of relationships among variables (Christensen et al., 2011). Cross-sectional study, as a quantitative study permits hypothesis testing, and therefore, it is the most suitable study design to test the hypothesis in the proposed study.

Based on the aim and the specific objectives of the study, a cross-sectional survey of the healthcare staff at the setting of the study is the most appropriate design and so was chosen for the study.
FINDINGS AND RECOMMENDATIONS

This study was evaluating Performance Management and Development Systems with Balanced Score Card as a performance appraisal tool at Mthatha General Hospital- Eastern Cape Province, It desired to find out the significance of these mechanisms on the day to day activities of workers it was designed for and there was 80% return rate.

To evaluate the effectiveness of PMDS as the current performance appraisal tool.
60% of respondents thought that the training was effective when eventually provided. Some went to the extent of saying that people successfully completed the training provided to them and it was very effective. “Very effective because you gain skills relevant to the work you do”. One participant alluded.

52% of respondents agree that the desired targets of the organization are achieved through the existing performance appraisal. 47% disagree and 5.0% did not respond.

60% of respondents think that customers do not directly benefit from the current performance appraisal. Some of them thought the reason for that was because of equipment. They did not specify what it was, about equipment that prevented the customers from benefiting.

40% of respondents thought customers did directly benefit from this performance appraisal system. Some of those who said yes, were of the opinion that customers needed their best performance while others thought the customers’ benefit from this appraisal system is that they get proper care and love.

About 57.5% of respondents said the existing performance appraisal did not add value because workers are de-motivated because of it. They said it created a lot of problems because others are rewarded while others are not. About 5% thought it did not add any value because it is not being implemented properly while 2.5% said they did not know if it added any value.

86% of respondents agreed that the existing appraisal system helped identify employees’ strengths and weaknesses and 12% of respondents disagreed. 55% of respondents agreed that the existing performance appraisal increased employees’ motivation while 45% of them disagreed.

50% of respondents said the existing performance appraisal system supported the quality of patient care, while on the other hand 37.5% did not think so.

To determine the impact of using BSC on healthcare staff.

When asked if the existing performance appraisal allowed workers in decision making only 57.5% of respondents agreed, 40% disagreed and 2.5% did not comment.

Whether the existing appraisal system encouraged workers to improve competencies by furthering their studies 66% of respondents agreed, 32% of respondents disagreed.

52% of respondents said no when asked if workers were equipped to their job. 35% of this had a variety of reasons to support why they said that. For an example one of them said there were very few workshops and trainings, but health workers seldom attend them due to lack of funds. On the other hand 48% of respondents said yes to this question. Included in this, was the 10% who said training was provided those who qualified.

When asked how often they went to training about 20% of respondents said it depended on a variety of reasons including a system that is apparently used for dental personnel particularly to score points for workers every time they go for training, with some say it took about once a year. Others said it even took about two years while some other does not get an opportunity to go for training at all.

When asked if existing performance appraisal tool is helpful for improving personal skills 48.7% agreed while and 51% disagreed.
When asked if they were rewarded as a result of the existing appraisal system, 92% of respondents said there were no rewards at all. Some went to the extent of saying they had never been rewarded ever since they started working for the hospital. One respondent said, “There is no consistency. Some are still fighting for their PMDS to be paid for the past 10 years.”

To analyse how the PMDS and BSC can be integrated in healthcare.
70% of respondents agreed that they needed a performance appraisal while 30% of respondents disagreed.

When asked if they were aware of the balanced scorecard, 60% of respondents agreed while about 35% of respondents disagreed.

When asked if their personal objectives were aligned with organizational objectives, 70% of respondents agreed. 26% of respondents disagreed.

30% of respondents said they had no idea where there was a facility to run reports. “If it exists, it is non-operational”. Another respondent said. 45% of respondents said there was no facility to run reports.

To make recommendations to Mthatha General Hospital on the integration of PMDS and BSC.

The above table explains that 60% of respondents thought that the current appraisal system should be integrated with a new one. Some of those who said yes, some said the current appraisal system was outdated and did not allow for skills development. There were also those who said no one understood the current appraisal tool.

Respondents were asked what they thought should be done to create positive excellent work environment. These were the answers they provided. “Performance appraisal should be done timeously and rewards thereof, opportunities for development should be more available and visible, constant recognition at good work should be employed to improve employees’ motivation”. “Recognize excellence and reward it”. “Remunerate for excellent work/service, Punitive measures for those who desirably not pulling their weight at work”.

Overall Recommendations
In light of the findings from the research, the following recommendations are suggested to the relevant health authorities in order to improve the appraisal of the performance of healthcare workers.

1. A task team comprising of health managers, hospital managers and representatives of the various categories of healthcare workers should be formulated to integrate the balanced score.
2. Plans should be made to implement the BSC by including budget, expected milestones and how the BSC information will be communicated and integrated throughout the organisation.
3. The new appraisal tool should encompass a well-defined health sector vision, and mission which must be aligned to the individual goals of the healthcare workers.
4. Awareness of the appraisal tool must be created amongst healthcare workers through periodic workshops and seminars in order that every healthcare worker should be comfortable with the completion of the form.
5. The implementation of the appraisal tool should be coordinated by a monitoring team in each health facility and centrally monitored by the provincial department of health officials.
6. The appraisal tool must form the major criteria for promotion/notch increase for health care workers.
7. Healthcare workers should be rewarded with various incentives.
8. The researcher would like to make a recommendation that it is important organisation strategies be current and relevant and must be reviewed to where they fit within the four BSC perspectives.

CONCLUSION
According to the respondents, 60% thought that the current appraisal system should be integrated with a new one. In Eastern Cape Department of Health, the trainings on the implementation of PMDS policy are still continuing. The compliance is still poor as the managers and the employees are not yet familiar with the policy. Some of the respondents are of the opinion that the PMDS form of assessment is too long and time consuming. Balanced Scorecard would therefore if integrated with the PMDS will channel the expectations of workers and what they are expected of into the various perspectives that the BSC comprised of. The integration of PMDS and BSC would align the individual goals with the organisations goal; thereby promote the growth of individual and organisational capabilities which tends towards continuous quality improvement and high performance in Mthatha General Hospital- Eastern Cape Province.

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