LEADERSHIP QUALITY AND ORGANISATIONAL PERFORMANCE IN PUBLIC SECTOR

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ABSTRACT

Department Z is a national department with concurrent mandate with provincial departments and required to provide leadership to the whole sector for efficient implementation of plans and programmes relevant to its constitutional mandate. This department often gets confronted with series of questions from different stakeholders all expressing dissatisfaction by the department’s inability to follow money and fully account for the effective utilisation of resources at implementation phases. The Auditor General reports for a number of years and different parliament oversight bodies normally cite insufficient monitoring and oversight of supported projects as a serious problematic area. Though the paper primary intention is to focus on quality of leadership in Department Z and its relationship with organisation performance, the mediating role of monitoring and evaluation function serve as a glue that enhance decision making because top management rely on reliable and accurate information to be provided by unit coordinating monitoring and evaluation responsibilities, this is also in line with National Treasury Framework for Managing Programme Performance Information (2007) requirements. The study found that there is a positive relationship between leadership quality and organisational performance within Department Z. However, this relationship is not as strong as that between monitoring and evaluation effectiveness and organisational performance. It is therefore recommended that with more focused investment in supporting the function of monitoring and evaluation, improved organisational performance will be realised even if the quality of leadership is not that strong.

KEYWORDS: Leadership quality, monitoring and evaluation, organisational performance, public sector, South Africa

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1. RESEARCH BACKGROUND

Department Z performance particularly on sector customised indicators are normally found by Auditor General to not fully satisfy criteria for usefulness and reliability in performance data and therefore solutions are needed urgently and no wild claims need to be made on this issue. Units dealing with monitoring and evaluation are functional and reports confirm that there are quarterly performance review sessions, management in the Auditor General reports are however usually found not to be adequately addressing weaknesses identified in the control systems.

Most of the repeat findings recur due to not fully implementing recommended corrective measures as performance management is being seen more as centralised responsibility for units dealing with monitoring and evaluation and not necessarily as a decentralised management function that needs to be carried out by every individual in the organisation. Lack of consequences by demanding branches to account for failure to implement corrective measures is exacerbating the situation.

This study intends to explore whether failure to implement recommendations from monitoring results with no consequences can be explained through quality of leadership Department Z has and also if it affects the effectiveness of monitoring and evaluation and overall organizational performance.

1.2. Purpose Statement

To evaluate the influence of leadership quality on organisational performance, the case of Department Z in South Africa. Monitoring and evaluation function is expected to provide reliable and accurate information that can enhance decision making and this, therefore, makes monitoring and evaluation effectiveness the mediating variable as discussed under the conceptual model. Kusak & Rist (2001) emphasise the significance of government departments having a monitoring and evaluation system that will assist to determine whether promises were kept and goals were achieved, this is critical in government institutions to comply with National Treasury Framework for Managing Programme Performance Information (2007). In addition to evaluating the influence of leadership quality on organisational performance, monitoring and evaluation due to its mediating role between leadership quality and organisational performance will make the study to be even more useful and interesting and therefore the purpose is expanded to "evaluate the influence of leadership quality on monitoring and evaluation effectiveness and organisational performance".

1.3. Empirical Objectives

- To investigate the relationship between leadership quality and monitoring and evaluation effectiveness;
- To investigate the relationship between leadership quality and organisational performance;
- To investigate the relationship between monitoring and evaluation effectiveness and organisational performance.
2. LITERATURE REVIEW
2.1. Theoretical Grounding

Trait leadership theory suggests that leaders are born with or display certain key personality characteristics (Zaccaro, 2007). According to Holdford (2003), the most important traits are identified as drive, motivation, integrity, self-confidence, intelligence and knowledge. Identifying the individuals who possess these traits is, therefore, critical to the success of any succession plan. Although the Trait theory itself may not offer explanations to all facets of succession planning and management, it is an important theoretical component in succession planning (Hart, 2011). Contrary to trait theory, behavioural theory focuses on the behaviours that leaders ideally possess and develop to be most effective (Conger & Kanungo, 1987). Behavioural theory specifically identifies two primary types of behaviour that leaders adopt: these are task orientation and follower orientation (Holdford, 2003). For leaders who exhibit a task-oriented style, the focus is on accomplishing the assigned job, while concerns about followers play a secondary role (Holdford 2003). These leaders bring structure and direction to followers by setting goals, providing training, defining expectations and limits on behaviour and establishing rules and procedures (Holdford, 2003). While this behaviour can influence the structure, its influence eventually diminishes as it becomes restrictive to subordinates. Follow-oriented leaders focus less on the job at hand and express a greater concern for the follower as a human being and not a cog in the machine (Holdford, 2003). Leaders with this orientation demonstrate behaviours such as showing respect, gaining trust, demonstrating consideration and being friendly and approachable. The ultimate goal is to develop and promote leaders with a balance of these behaviours. The situational theory attempts to develop an understanding of how leaders may adapt to the changing dynamics of leadership situations. According to this theory, the greatest predictor of leadership effectiveness and success is the situation in which a leader finds him/herself in. The traits and the behaviours are important in this theory but the focus is on specific situations for example when an employee leaves suddenly and a successor is required.

The Chaos theory relates to the unpredictability and uncertainty of events taking place in an organisation (Smith, 2001). Chaos theory can be described as a “period of transition in which change occurs in unpredictable, irregular and uncertain ways” (Duffy, 2000). Reimer (2005) considers it a necessary condition for change in social systems. Chaos itself is not a stable condition or fixed state but rather is responsible for changing the relationship between subjects rather than changing the subjects themselves.

2.2. Empirical Review
2.2.1. Leadership Quality

The concept and practice of leadership have attracted much attention in the business sector, the literature on the subject revealing multiples schools of thought (Middlehurst, 1995). Organisational leadership is considered as crucial to the success of firms (Chathoth & Olsen, 2002).
Leadership has been considered an essential part of business and society, although there has been little progress towards a workable definition (Kellett, 1999). Leadership has been and continues to be considered essential by scholars and practitioners alike (Kellett, 1999). Over the past years, a significant area of research in organisational behaviour focused on the dyadic relationship between supervisors and subordinates (Dunegan, Duchon & Uhl-Bien, 1992; Paparoidamis, 2005). Leaders and members are to engage in a number of exchanges and interactions over time forming behaviours and thus influencing the development of the relationship between the two parties involved (Paparoidamis, 2005). If the leaders portray poor qualities of leadership styles it may negatively impact the quality work culture in the organisation (Ali et al. 2015). Trivellas et al., (2013) posit that leadership role key competencies are twofold: the producer and the direction. Trivellas and Reklitis (2013) further state that producers are responsible for working productively, fostering a productive work environment and managing time and stress. As for directors they are responsible for visioning, planning, setting of targets, designing, organising and delegation of duties within the organisation (Trivellas, Reklitis & Platis, 2013). Culture and leadership approach are key influences on individuals since leaders are the ones are the voice of the organisation defining its values, norms and maintaining of the persona of the organisation.

2.2.2. Monitoring and Evaluation effectiveness

Crawford & Bryce (2003) point out that monitoring and evaluation of a system involve: informed management and decision control, organisational learning, accountability and transparency. Crawford & Bryce (2003) further add that performance of the organisation implies effectiveness and efficiency within that organisation. A monitoring and evaluation information system is a type of information management system designed to mitigate poor project performance, demonstrate accountability and promote organisational learning for the benefit of future projects (Crawford & Bryce, 2003). Evaluating the work values of organisational leaders is based on the assumption that positive outcomes will result when a leader's values are congruent with those of his or her subordinates (Engelbrecht, 2002). The purpose of evaluating is to determine the effectiveness of a program (Kirkpatrick, 1998). After evaluation of training is complete, an organisation hopes that the results are positive and fulfilling, both for those responsible for the program and for upper-level managers who will make decisions based on their evaluation of the program (Kirkpatrick, 1998). In some organisations, quality work culture is essential to ensure that employees served a better service to the customers.

2.2.3. Organisational Performance

The extent of the objectives to be achieved is used as a key indicator of organisational performance (Ruiz-Mercader, MeronO-Cerdan & Sabater-Sánchez, 2006). According to Dess and Robinson (1984), perceived measures of performance can be a feasible alternative for objective performance measures. Furthermore, this kind of organisational performance has already been associated with information technology research as well as with learning in organisations (Bontis, Crossan & Hulland, 2002). Increased competition has motivated many senior managers in manufacturing organisations to evaluate their competitive strategies and management practices with the main objective of enhancing organisational performance (Terziowski, & Samson, 1999). Organisational learning has been defined as the shared understanding within the organisation which is translated into its products, systems, structures, procedures and strategy (Ruiz-Mercader et al., 2006).
According to Maletič, Maletič, Dahlggaard, Dahlggaard-Park & Gomišček, (2014) research on corporate sustainability has enhanced the comprehension of how organisations can integrate sustainability challenges into their strategy (Moore & Manring, 2009), and whether and under which conditions doing so may pay off financially (Salzmann, Ionescu-Somers, & Steger, 2005). Furthermore, business leaders perceive corporate sustainability as an opportunity rather than an obligation, which ultimately redefines the way that businesses interpret and create value (Ludema Laszlo & Lynch, 2012; Maletič et al., 2014). Maletič et al., (2014) further argue that organisational performance comprises of financial and non-financial performance processes such as assessing the improvement of products and services over a specified period of time, increase in customer satisfaction, customer complaints and the cost of poor quality products.

2.3. Conceptual Model and Hypothesis Statement

Below is the proposed conceptual model. In this conceptual model, leadership quality is the predictor variable while monitoring and evaluation effectiveness is the mediating variable. Organisational performance is the sole outcome variable.

2.4. Hypothesis Development

2.4.1. Leadership quality and monitoring and evaluation effectiveness

Leadership is directly and positively associated with effectiveness. The present study sorts to establish whether leadership training is a useful tool for improving the effectiveness of teams in organisations. Ali et al.,(2015) view transformational leadership as leaders who stimulate and inspire employees to both achieve extraordinary results and, in the process, develop their own leadership ability. Therefore, deducing from the literature and the empirical evidence mentioned above, the study hypothesises that:

\[ H1: \text{There is a positive relationship between leadership quality and monitoring and evaluation effectiveness} \]
2.4.2. Leadership quality and organisational performance

Leadership improves the performance of an organisation through enhancing the performance of teams in organisations. Deeboonmee & Ariratana (2013) suggest that strategic leadership of an organisation's administration leads to effectiveness in performance. According to von Thiele Schwarz, Hasson, and Tafvelin (2016) argued that prior research has consistently revealed that leadership is an important antecedent of employee safety perceptions, attitudes behaviors and outcomes including safety participation, compliance and climate (Clarke, 2013). Ali, Jangga, Ismail, Kamal, and Ali (2015) state that transformational leaders may motivate their subordinates to develop their full potential and to transcend their individual ambitions for the benefit of the organisation. Strategic leadership approach ultimately leads to progress of an organisation (Deeboonmee & Ariratana, 2013). Arsezen-Otamis, Arikan-Saltik & Babacan (2015) argue that leadership leads to organisational performance. However, the relationship between leadership and performance is moderated by affective organisational commitment (Arsezen-Otamis et al., 2015). Therefore, inferring from the literature and the empirical evidence mentioned above, the study hypothesises that:

H2: There is a positive relationship between leadership quality and organisational performance

2.4.3. Monitoring and evaluation effectiveness and organisational performance

Work evaluation is widely regarded as the most effective outcome for facilitating organisations in predicting reward member behaviour (Chen, Yuan, Cheng & Seifert, 2016). Chen et al., (2016) add that employees become more accountable for their job performance. Chen et al., (2016) suggest that the effects of employees personal feelings of accountability had mediating effects on both transformational leadership and core self-evaluation on task performance. Rahman & Bullock (2005) suggest that financial performance, a quality program and revenue growth leads to increased organisational performance. Rahman & Bullock (2005) further argue that these studies have indicated that only a few of the soft aspects of total quality management such as human actions like commitment and team work contribute to organisational performance. Organisational research measures an individual's performance in terms of his or her job performance behaviours Carter, Armenakis, Field & Mossholder (2013). Regarding these social influence processes, transformational leaders, for example, assist their followers in enhancing their social identification and self-concept (Chen et al., 2016). Additionally, Chen et al., (2016) established that direct and positive relationships between accountability and task performance suggest that managers can directly shape their workplace environments to benefit their subordinates, thus refining their perceptions of accountability and subsequently accomplishing a higher level of job performance. Therefore, inferring from the literature and the empirical evidence mentioned above, the study hypothesises that:

H3: There is a positive relationship between monitoring and evaluation effectiveness and organisational performance
3. METHODOLOGY

3.1. Population

In the case of this study, there are 3 critical players whom the focus should be on, these are monitoring and evaluation practitioners who play an advisory role to management, these are key to get their views regarding their assessment of management responses to their recommendations. The point of service delivery within Department Z is in branches as it is where the budget for strategic plan targets and personnel for undertaking tasks are situated, it is against this background that managers in branches that have been audited over the years, are target population whom questionnaires will be developed for in order to ascertain the level in which monitoring and evaluation support together with decision making by management impact on their units performance.

Lastly it is important to find out from some top managers who are members of highest decision making structure, to ascertain to what extent their decision making is enhanced by monitoring and evaluation recommendations and what is needed to reach good organisational performance. Managers in units that are dealing with critical functions impacting on organizational performance that will like strategic planning, employee development, internal audit and risk management will also be sent questionnaires.

3.2. Sampling Frame

The target population has been clearly defined and identified; the next step will then be to determine a suitable list of the population, called the sample frame. A sample frame is a list of all elements from which the sample may be drawn (Zikmund, Babin, Carr & Griffin, 2010).

3.3. Sample Size.

In this study, sampling is done basically to achieve the broad objective. It is done to estimate a population parameter or to test a hypothesis. The sample size was set at 100 respondents.

3.4. Sampling Method

Subjects were asked to fill in a questionnaire in points of purchase (PoPs). This study used non-probability convenience sampling method. Non-probability sampling is a process in which participants have an unknown chance of being part of the sample (Goodwin, 2012). Convenience sampling is a method of drawing representative data by selecting people because of the ease of their volunteering or selecting units because of their availability or including the selection of the most easily accessible respondents (Goodwin, 2012). This method allows a researcher to get many questionnaires completed fast and economically.
3.5. Measurement Instruments
Questionnaires were developed to collect data amongst monitoring and evaluation practitioners within Department Z, officials in strategic planning, employee development, internal audit and risk management. Managers in branches that have been audited consistently for the past 3 financial years and some members of top management were also interacted with. This type of data collection means that quantitative research methodology was applied. (Powell and Connaway, 2004:3). The reason for choosing this method is to ensure that a wider and in depth response is obtained as much as possible to enrich the process of analyzing responses. The questionnaire comprised of two different sub-sections. The first section contained data on demographic information or profile data. The second section consisted of accounts or statements concerning the variables to be studied: leadership quality, monitoring and evaluation effectiveness and organizational performance. A set of measurement instruments adapted from previous researcher used to measure each of the research variables. All the instruments were measured using a 5-point Likert scale - anchored from 1 is strongly disagree and 5 is strongly agree.

3.6. Data Collection Method
First of all, the collected data was coded in an Excel spreadsheet prior to any analysis. The proposed study employed primary data collection method. Primary data was gathered by using a self-administered survey questionnaire in which respondents were expected to take responsibility for going through the questionnaire while answering the questions. In order to get a representative sample of respondents, the survey questionnaires were disseminated to staff members of the Department Z in South Africa.

4. DATA ANALYSIS AND INTERPRETATION
To create meaning and interpretation of the information collected, data was analysed by using the structural equation modeling approach. In particular, AMOS 22 Statistical Software was been used in this study. Data analysis was performed using the structural equation modelling (SEM). Proceeding from the discussion of Cronbach’s Alpha in this study five, literature asserts that a higher level of Cronbach's coefficient alpha indicates a higher reliability of the measurement scale (Chinomona, 2011). From the results provided in Table 6.3, the Cronbach's Alpha value for each research construct ranges from 0.781 to 0.899 and as these are above 0.6 as recommended by Nunnally & Bernstein (1994), validity is indicated. Furthermore, the item to total values ranged from 0.541 to 0.793 and was therefore above the cut-off point of 0.5 as advised by Dunn, Seaker & Waller (1994). The Cronbach's Alpha results indicated in Table 4.7, therefore, validate the reliability of measures used in the current study. The Composite Reliability test was also conducted in order to examine the internal reliability of each research construct, as recommended by Chinomona (2011: Mhlophe, 2016). A Composite Reliability index that is greater than 0.7 signifies sufficient internal consistency of the construct. In this regard, the results of Composite Reliability that range from 0.877 to 0.923 confirm the existence of internal reliability for all constructs of the study. According to Chinomona (2011) the average variance extracted estimate reflects the overall amount of variance in the indicators accounted for by the latent construct. Results of AVE that range from 0.531 to 0.767 in Table 1, authenticate good representation of the latent construct by the items.
Table 1: Scale accuracy analysis

<table>
<thead>
<tr>
<th>Research constructs</th>
<th>Scale item</th>
<th>Cronbach’s test</th>
<th>CR</th>
<th>AVE</th>
<th>Factor loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Scale item</td>
<td>Item-total</td>
<td>α</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE1</td>
<td>3.60</td>
<td>1.318</td>
<td>0.620</td>
<td>0.915</td>
<td>0.930</td>
</tr>
<tr>
<td>MEE2</td>
<td>3.56</td>
<td>1.297</td>
<td>0.804</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE3</td>
<td>3.61</td>
<td>1.317</td>
<td>0.838</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE4</td>
<td>3.54</td>
<td>1.337</td>
<td>0.829</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE5</td>
<td>3.27</td>
<td>1.325</td>
<td>0.774</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE6</td>
<td>3.09</td>
<td>1.357</td>
<td>0.734</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE7</td>
<td>2.84</td>
<td>1.354</td>
<td>0.611</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE8</td>
<td>2.51</td>
<td>1.124</td>
<td>0.605</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE9</td>
<td>2.86</td>
<td>1.092</td>
<td>0.615</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEE10</td>
<td>3.00</td>
<td>1.015</td>
<td>0.565</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LQ</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LQ3</td>
<td>2.78</td>
<td>1.040</td>
<td>0.542</td>
<td>0.797</td>
<td>0.861</td>
</tr>
<tr>
<td>LQ4</td>
<td>2.64</td>
<td>0.980</td>
<td>0.585</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LQ5</td>
<td>2.30</td>
<td>1.020</td>
<td>0.775</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LQ6</td>
<td>2.48</td>
<td>0.926</td>
<td>0.564</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LQ10</td>
<td>2.96</td>
<td>1.072</td>
<td>0.534</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP1</td>
<td>3.56</td>
<td>1.297</td>
<td>0.818</td>
<td>0.924</td>
<td>0.943</td>
</tr>
<tr>
<td>OP2</td>
<td>3.61</td>
<td>1.317</td>
<td>0.840</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP3</td>
<td>3.54</td>
<td>1.337</td>
<td>0.869</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP4</td>
<td>3.27</td>
<td>1.325</td>
<td>0.759</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP5</td>
<td>3.09</td>
<td>1.357</td>
<td>0.723</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: LQ = Leadership Quality; MEE = Monitoring Evaluation Effectiveness; Organisational Performance = Organisational Performance
SD= Standard Deviation    CR= Composite Reliability   AVE= Average Variance Extracted

* Scores: 1 – Strongly Disagree; 3 – Moderately Agree; 5 – Strongly Agree

Validity tests were conducted and convergent and discriminant validity were evaluated. Both tests are described below as well as the findings. The final items used in the current study loaded well on their respective constructs with the values ranging from 0.658 - 0.917. As indicated in Table 2, below, the inter-correlation values for all paired latent variables are less than 1.0 hence confirming the existence of discriminant validity.
### Table 2: Correlation between the constructs

<table>
<thead>
<tr>
<th>RESEARCH CONSTRUCTS</th>
<th>LQ</th>
<th>MEE</th>
<th>OP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Quality (LQ)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitoring &amp; Evaluation Effectiveness (MEE)</td>
<td>0.569</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Organisational Performance (OP)</td>
<td>0.558</td>
<td>0.975</td>
<td>1</td>
</tr>
</tbody>
</table>

*Note: LQ = Leadership Quality; MEE = Monitoring Evaluation Effectiveness; Organisational Performance = Organisational Performance*

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**Model**

Based on this final model, the hypotheses were tested. In this model, all the posited hypotheses were accepted. Table 3 indicates the results of structural equation model.

**Figure 2: Structural Model**

![Structural Model Diagram](image)

*Note: LQ = Leadership Quality; MEE = Monitoring Evaluation Effectiveness; Organisational Performance = Organisational Performance*

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### 4.5. Hypothesis Testing
As the hypothesised measurement and structural model has been assessed and finalised, the next step was to examine causal relationships among latent variables by path analysis. SEM asserts that particular latent variables directly or indirectly influence certain other latent variables with the model, resulting in estimation results that portray how these latent variables are related. For this study, estimation results elicited through hypothesis testing are indicated in Table 3. The table indicates the proposed hypotheses, path coefficients, t-statistics and whether a hypothesis is rejected or supported. Literature asserts that $t > 1.96$ are indicators of relationship significance and that higher path coefficients indicate strong relationships among latent variables (Chinomona, Lin, Wang & Cheng, 2010).

<table>
<thead>
<tr>
<th>Proposed hypothesis relationship</th>
<th>Hypothesis</th>
<th>Path Coefficients</th>
<th>T-Statistics</th>
<th>Rejected/Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Quality $\rightarrow$ (LQ) Monitoring &amp; Evaluation Effectiveness (MEE)</td>
<td>H1</td>
<td>0.569</td>
<td>9.683</td>
<td>Supported and significant</td>
</tr>
<tr>
<td>Leadership Quality $\rightarrow$ (LQ) Organisational Performance (OP)</td>
<td>H2</td>
<td>0.006</td>
<td>0.193</td>
<td>Supported and insignificant</td>
</tr>
<tr>
<td>Monitoring &amp; Evaluation Effectiveness (MEE) $\rightarrow$ Organisational Performance (OP)</td>
<td>H3</td>
<td>0.971</td>
<td>59.508</td>
<td>Supported and significant</td>
</tr>
</tbody>
</table>

*Note: LQ = Leadership Quality; MEE = Monitoring Evaluation Effectiveness; Organisational Performance = Organisational Performance*

Drawing the results in Table 4.32, above, H1 ($t=9.683$) and H2 ($t=0.193$). This means that H1 is a significant relationship while H2 is an insignificant relationship since the t statistics are less than 1.96. Finally, H3 (59.508), is more significant than all other relationship.

**4.5.1. Leadership Quality (LQ) and Monitoring & Evaluation Effectiveness (MEE)**

The results obtained following H1 test confirmed that there is an association between leadership quality (LQ) and monitoring and evaluation effectiveness (MEE). A path coefficient of 0.569 was realised after testing H1. This means that leadership quality has a strong influence on monitoring and evaluation effectiveness – the second highest relationship after monitoring & evaluation effectiveness - organisational performance relationship. Furthermore, the results indicate that the relationship of monitoring and evaluation effectiveness and organisational performance are positively related in a significant way ($t=9.683$).
4.5.2. Leadership Quality (LQ) and Organisational Performance (OP)

The results obtained following H2 test confirmed that there is an association between leadership quality (LQ) and organisational performance (OP). A path coefficient of 0.006 was realised after testing H2. This means that leadership quality has a weak relationship with organisational performance – the third after H1 and H3 relationships. Furthermore, the results indicate that the relationship between leadership quality and organisational performance is positive but insignificant (t= 0.193).

4.5.3. Monitoring & Evaluation Effectiveness (MEE) and Organisational Performance (OP)

The results obtained following the H3 test confirmed that there is an association between monitoring and evaluation effectiveness (MEE) and organisational performance (OP). A path coefficient of 0.971 was realised after testing H3. This means that monitoring and evaluation effectiveness, although significantly related to organisational performance - it is the strongest association when compared with other proposed relationships. Moreover, the results indicate that the relationship between monitoring and evaluation effectiveness is positively related to organisational performance in a significant way (t= 59.508).

4.6. Overall analysis of hypotheses testing results

Individual path coefficients of H1, H2 and H3 were 0.569; 0.006 and 0.971 respectively. Generally, these results indicate that leadership quality and monitoring and evaluation effectiveness all have an influence on organisational performance since the relationships are positive as hypothesised. Drawing from the research findings, H1 and H3 have a strong relationship with organisational performance.

4.6. Overall implication of the study

These findings, on the whole, indicate that the study's theoretical proposition is valid and acceptable. It is also evident that leadership quality has a positive effect on both monitoring and evaluation effectiveness and organisational performance. However, monitoring and evaluation effectiveness has a stronger influence on organisational performance than the direct effect of leadership quality. This, therefore, implies that leadership quality has a stronger influence on organisational performance through monitoring and evaluation effectiveness. It was identified that leadership quality and monitoring and evaluation effectiveness are predictors of organisational performance in the Department Z. However, what is evident is that monitoring and evaluation effectiveness results in a much more potent and important effect on organisational performance than the direct effects of leadership quality since its influence is relatively insignificant.

5.0. OVERALL CONCLUSION

Since the leadership quality in South Africa's Department Z has an influence on monitoring and evaluation effectiveness and the Department's performance, it is, therefore, recommended that the management of the Department Z should consider investing in empowering the existing management staff with leadership skills. From a general perspective, leadership quality will strongly influence the effectiveness of monitoring and evaluation of the Department Z run projects which in turn will impact on the overall performance of the Departmental large in South Africa.
6. LIMITATIONS AND FUTURE STUDIES
The current research has some limitations. Initially, the Department Z formed part of the sample frame of the study. However, other Departments in South Africa such as the Department of Public Works were not considered. The study recommends that future research conducts a similar study in different government departments. If such a comparative study is done, practical insights influence leadership quality on Department performance in South Africa. Future studies should consider replicating this study in other government departments of South Africa. Furthermore, the study is based primarily on leadership quality as the sole predictor of monitoring and evaluation effectiveness and organisational performance in the Department Z. Although the current research and its theoretical supposition are supported by empirical evidence, future studies should attempt to investigate the underlying factors influencing particular causal relations and other outcomes otherwise not identified. In doing so, more knowledge with regard to antecedents of monitoring and evaluation effectiveness in South Africa’s government departments, thus making a further contribution to existing literature on the subject.

REFERENCES


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APPENDIX: MEASUREMENT INSTRUMENTS

Leadership Quality (Ethical leadership)

<table>
<thead>
<tr>
<th>Ethical / Quality Leadership Measurement Instruments</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The leadership in the Department Z conducts their personal life in an ethical manner</td>
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<td>2. The leadership in the Department Z defines success not just by results but also the way that they are obtained</td>
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<td>3. The leadership in the Department Z listens to what the project team members/subordinates say</td>
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<td>4. The leadership in the Department Z disciplines project team members/subordinates who violate ethical standards</td>
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<td>5. The leadership in the Department Z makes fair and balanced decisions</td>
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<td>6. The leadership in the Department Z can be trusted</td>
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<td>7. The leadership in the Department Z discuss organisational ethics or values with subordinates/project members</td>
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<td>8. The leadership in the Department Z set an example of how to do things the right way in terms of ethics</td>
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<td>9. The leadership in the Department Z have the best interests of the project team members/subordinates</td>
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<td>10. When making decisions, the leadership in the Department Z ask, “what is the right thing to do”</td>
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Monitoring and Evaluation Effectiveness

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<thead>
<tr>
<th>Monitoring and Evaluation Effectiveness Measurement Instruments</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Slightly Agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Department Z meet the legislative and regulatory requirements of monitoring and evaluation projects</td>
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<td>2. The Department Z enhance staff awareness towards monitoring and evaluation of projects</td>
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<td>3. The Department Z supports change initiatives to improve the monitoring and evaluation of projects</td>
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</table>
4 The Department Z ensures staff commitment to the objectives of monitoring and evaluation of projects.

5 The Department Z achieves the goals of monitoring and evaluation of projects.

6 The Department Z fosters a culture of effective monitoring and evaluation of projects.

7 The Department Z provides an accurate assessment of projects performance.

8 The Department Z manages projects risks.

9 The Department Z implement the projects monitoring and evaluation strategy.

10 The Department Z achieves a good fit between projects monitoring and evaluation strategies.

### Organisational Performance

<table>
<thead>
<tr>
<th>Organisational Performance Measurement Instruments</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The Department Z fulfil specific departmental responsibilities</td>
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<td>2 The Department Z meets performance standards and expectations</td>
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<td>3 The performance level of the Department Z is satisfactory</td>
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<td>4 The Department Z performs better than any other department which performs similar responsibilities</td>
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<td>5 The Department Z delivers high-quality services</td>
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