



GRADUATE SCHOOL OF BUSINESS

AN ANALYSIS OF THE EFFECTIVENESS OF THE PATERSON PERFORMANCE BASED REMUNERATION SYSTEM (PPBRS): A CASE OF HOW MINE.

BY

ADVANCE MARIMIROFA
N01312077P

| | | |
|--|---------------|----------|
| LIBRARY NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY P.O. BOX 346 BULAWAYO ZIMBABWE | | |
| DATE | ACCESSION | ISSUE No |
| 23/01/18 | SC 18/1981 | |

Submitted in partial fulfilment of the requirements of the General Master of Business
Administration Degree

Supervisor: C. Gwatiringa

September 2015



NUST Library

Abstract

Human resource in today's reality world influence important aspects of organisational performance in a number of ways. How Mine introduced the Paterson Performance Based Remuneration System hoping that it would arouse and motivate employees towards accomplishment of organisational objectives and surpassing their performance. However, the system did not result in better rewards for better performers which have resulted in inconsistencies in production levels, high staff absenteeism and staff attrition hence the need to establish the necessity of adopting Paterson Performance Based Remuneration System in the organisation. A Descriptive Survey design was carried out where 56 shop floor worker participants and 16 supervisor participants were recruited into the study using purposive sampling. Questionnaires were administered to both the shop floor workers and supervisors respondents. Descriptive statistics were used to describe the relationship between variables. Correlations were done using cross tabulations. Results revealed that the majority of the shop floor worker participants had no knowledge of the PPBRS as opposed to most of the supervisor participants who had knowledge of the PPBRS. Lack of resources within the organisation, reluctant of supervisors to carry out performance assessments and pressure of work among the workers were found to be the common factors hindering the implementation of PPPBRS in the organisation. All shop floor worker participants interviewed were not educated on how the system works and this was a major gap in implementing the system successfully. Recommendations were to set up an independent committee comprising both workers and management to monitor the fair implementation of performance based remuneration system, fair rewarding in relation to performance which will enhance the fair implementation of the PPBRS, as well as educating the shop floor workers on how the system works.

Key Words: Paterson Performance Based Remuneration System, Motivation, Rewarding, Performance Assessment